MEETINGS OF THE

Boards of Directors

Joint Meeting of Valley Metro RPTA and Valley Metro Rail	Valley Metro RPTA	Valley Metro Rail

Date:
March 21, 2019

Starting Time
12:15 p.m.

Meetings to occur sequentially

Location:
Valley Metro
Lake Powell Conference Room (10A)
101 N. 1st Avenue, 10th Floor
Phoenix

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

Agenda

March 14, 2019

Joint Meeting Agenda
Valley Metro RPTA
And
Valley Metro Rail
Thursday, March 21, 2019
Lake Powell Conference Room
101 N. 1st Avenue, 10th Floor
12:15 p.m.

	Action Recommended
1. Public Comment (yellow card)	1. For Information

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

2. Chief Executive Officer's Report	2. For information

Scott Smith, CEO, will brief the Joint Boards on current issues.

3. Minutes	3. For action

Minutes from the February 21, 2019 Joint Boards meeting are presented for approval.

4. Fiscal Year 2018 (FY18) Transit Performance Report (TPR)	4. For information

Scott Smith, CEO, will introduce Martin Ziech, Planner II, will provide a presentation for the FY18 Transit Performance Report.

5.	Travel, Expenditures and Solicitations	5.	For information

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

6.	Future Agenda Items Request and Update on Current Events	6.	For information

Chairs Tolmachoff and Williams will request future agenda items from members, and members may provide a report on current events.

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

Information Summary

DATE
March 14, 2019

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.** Up to three minutes will be provided per speaker unless the Chair allows more at his/her discretion. A total of 15 minutes for all speakers will be provided.

BACKGROUND | DISCUSSION | CONSIDERATION
None

COST AND BUDGET
None

COMMITTEE PROCESS
None

RECOMMENDATION
This item is presented for information only.

CONTACT
Scott Smith
Chief Executive Officer
602-262-7433
ssmith@valleymetro.org

ATTACHMENT
None

Information Summary

DATE
March 14, 2019

AGENDA ITEM 2

SUBJECT
Chief Executive Officer's Report

PURPOSE
Scott Smith, Chief Executive Officer, will brief the TMC/RMC on current issues.

BACKGROUND | DISCUSSION | CONSIDERATION
None

COST AND BUDGET
None

COMMITTEE PROCESS
None

RECOMMENDATION
This item is presented for information only.

CONTACT
Scott Smith
Chief Executive Officer
602-262-7433
ssmith@valleymetro.org

ATTACHMENT
None

Minutes

February 14, 2019 **AGENDA ITEM 3**

Joint Boards of Directors
Thursday, February 21, 2019
Lake Powell Conference Room
101 N. 1st Avenue, 10th Floor
11:15 a.m.

RPTA Meeting Participants

Councilmember Lauren Tolmachoff, City of Glendale **(Chair)**
Councilmember Sam Huang for Mayor Kevin Hartke, City of Chandler **(Vice Chair)**
Mayor Thelda Williams, City of Phoenix, **(Treasurer)**
Vice Mayor Pat Dennis, City of Avondale (phone)
Mayor Alexis Hermosillo, City of El Mirage (phone)
Councilmember Mark Scharnow, Town of Fountain Hills
Councilmember Brigette Peterson, Town of Gilbert (phone)
Councilmember Bill Stipp, City of Goodyear
Councilmember Francisco Heredia, City of Mesa
Councilmember Jon Edwards, City of Peoria
Councilmember Roland F. Winters Jr., City of Surprise
Councilmember Robin Arredondo-Savage, City of Tempe
Mayor Michael LeVault, Town of Youngtown

Members Not Present

Vice Mayor Eric Orsborn, City of Buckeye
Supervisor Steve Gallardo, Maricopa County
Councilmember Susanne Klapp, City of Scottsdale
Councilmember Linda Laborin, City of Tolleson
Mayor Evertt Sickles, Town of Wickenburg

Valley Metro Rail Participants

Mayor Thelda Williams, City of Phoenix **(Chair)**
Councilmember Robin Arredondo-Savage, City of Tempe **(Vice Chair)**
Councilmember Lauren Tolmachoff, City of Glendale
Councilmember Sam Huang for Mayor Kevin Hartke, City of Chandler
Councilmember Francisco Heredia, City of Mesa

Chair Tolmachoff called the meeting to order at 11:44 a.m. The Pledge was recited. Good afternoon. Welcome to the Valley Metro joint board meeting of February 21. I'm going to call the meeting to order.

1. Public Comment

Chair Tolmachoff said there are public comment cards, but I don't believe the person who left these is here.

2. Chief Executive Officer's Report

Chair Tolmachoff said the next item on the agenda is the chief executive's report. Mr. Smith.

Mr. Smith said thank you, madam chair. First of all, I want to thank you for our first study session. I appreciate the comments coming back. I believe it went well. We've already been talking as a staff how we can improve it, how I can improve it, less is more, so we're talking about that.

And what I did explain is that the beauty of a study session is also the weak thing. Study sessions are meant to be able to go in many different directions and to explore other areas. Well that has a tendency sometimes to get you outing.

So work with us together and we'll learn a way to make those even more, I think, valuable to you, but I appreciate our staff for working hard, as you could tell. They really tried to go into areas that we don't normally get to talk about when we're just giving an overview. And from comments from a few of you, I think our staff did a great job of doing that, so thank you to them.

We're excited about some of the things that have been going on. The first thing I want to talk about is just this past week we started testing on our latest extension Gilbert Road. You see here a train actually going through a roundabout, which has gotten everyone interested as to how that's going to work, and you can see that we're going to make it work. We have more of these planned in the future.

But that is testing now for an opening hopefully by about the third week of May for revenue service.

We also like to announce that the Federal Transit Administration has allowed us to modify our letter of no prejudice. If you remember, that is the approval to do certain construction items on the route before we receive a full funding grant agreement. We're in the process of negotiating the final terms of that full funding grant agreement.

And we had in a good news type of thing, our contractors Stacy Witbeck actually were doing work ahead of schedule and under budget, which meant that we were going run out of authority before we got a full funding grant agreement. Luckily, we were able to amend that letter of no prejudice and allow Stacy Witbeck to stay on site and keep building ahead of schedule and under budget, so we're very, very thankful to the FTA for doing that.

I would also like to talk about one of the processes that we have because as a part of a lot of the big discussion, a broader discussion, we're having especially here in Phoenix about what happens during construction and what the involvement of the community as the impact.

We have with every construction project what we call a Citizens Advisory Board. And these are our stakeholders, what I mean, they're property owners, business owners, residents, and others that live along the route, and we bring them together during the entire project and they meet at least monthly, if not more often, formally with the contractors, city staff and Valley Metro staff.

We're just wrapping up. We had the last CAB, Citizen Advisory Board for Gilbert Road since we're basically finishing construction. And I just want to let you know -- turn to the next slide -- we're so proud of our staff, as you can see they rate us.

Every month we ask them to formally rate the efforts of the contractors, city staff and Valley Metro staff. And you can see over the course of this project it's not often you get those kind of ratings. So just a great thank you to Lisa Saldin, Pat Fuller, who's our project manager out there. Who else should I say thank you to? A lot of others. And Stacy Witbeck and the City of Mesa staff.

As you can tell, these are local community members, these aren't handpicked. Some of them were opponents, some of them were proponents, and some of them were neutral when we first this. But you can see across the board they appreciated the engagement that our combined team had. And I would just like to thank them and congratulate them for the good work that we had.

One of the things I'd like to make you aware of, we've talked about this just briefly in the past, which is our workforce development program which is part of the South Central -- a special program part of the South Central Extension program.

This is an area where we engage and we mentor both seventh and eighth grade students in south Phoenix schools for STEM focus. The idea is to catch them early so we can get them interested before they enter into high school so they can then focus and target on developing STEM related programs.

As you can see, we do this because minorities and women are grossly underrepresented in STEM areas. This is, you know, this is your jobs of the future. This is a great way to go. And we're trying to change that. And obviously in the community that we're building in, which is a majority minority, we think it's a right field to be able to work.

Working with our contractor partners and engineering partners, we're developing this. We have participating schools Cesar Chavez Community School, Lowell Elementary, South Point Junior High, C O Greenfield Elementary, Maxine O. Bush, Valley View, St. Catherine Elementary School. We have over 75 students that have voiced an interest and are participating.

Part of what they do we even took them on a field trip over at ASU, over 55 students on Friday, February 1, went to ASU to basically experience what engineering is like at the university level, getting them exposed to that.

On May 10, we're going to have our first South Phoenix Science and Engineering Fair. We'll be hosting that and part of this workforce development. So we just want to let you know that we're more than about just building tracks and starting things. We recognize that what we do in the community impacts the community.

And whether it is on the bus side or the rail side, we do really take this connecting communities and enhancing lives seriously. And this is one thing where we've partnered with contractors such as Kiewit, AECOM, PGH Wong and others to really reach out into the community and do something which we think makes it better.

The next thing is Valley Metro took part in the second annual "Touch a Truck" event benefiting Camp Patrick, a camp for kids with Spina Bifida. We interacted with kids of all ages demonstrating how wheelchair tie-down works on our buses and on our train, what it feels like to sit in the operator's seat.

We gave them a hands-on experience, so they're a little less intimidated getting on our buses and our trains. They know that there is a space especially for them and how to operate it so they can be safe.

And it's one way that we are promoting our value which is our internal theme for this year is promoting our value what we do.

The last we do, Mayor Hermosillo, we want to put a shout-out a nice picture of you sitting on a bus -- standing in front of a bus. I know you can't see it. But we took part of El Mirage's Public Safety Day and SCI TECH Festival on February 2, interacted with more than two hundred people and families getting them familiar with Valley Metro and our services.

And, once again, this is one of more than 400 events that our staff works with your staff, your city staff in putting on around the community throughout the year to promoting our value.

Our board study session schedule we'll try again on March 21, as we said. The primary emphasis will be on paratransit. We have some things to talk about as it relates to both the status and the future of how we provide these services throughout the valley.

On April 18, we'll have an update with Waymo and our project there with some other schedules. So, madam chair, that's my report. Thank you.

Chair Tolmachoff said thank you, Mr. Smith. I do have a question. Does the board feel like that will be thirty minutes for the paratransit discussion? Is that what -- I saw 10:30. Well, that's until we actually convene the next meeting, know.

Mr. Smith said we're going to start that meeting -- I think there's another conflict that day. We're moving everything back because I think there's a GPEC meeting that many on here had to go, so we're moving the meeting start. So we're starting our actual meetings at 12:00 p.m.

Chair Tolmachoff said okay. Perfect. All right.

3. Minutes

Chair Tolmachoff said the next item on the agenda is the minutes of the January 17, 2019 joint board meeting. Are there any comments or corrections on the minutes?

IT WAS MOVED BY MAYOR WILLIAMS, SECONDED BY COUNCILMEMBER ARREDONDO-SAVAGE AND UNANIMOUSLY CARRIED TO APPROVE THE JANUARY 17, 2019 JOINT BOARD MEETING MINUTES.

4. 2019 Valley Metro Federal Public Transportation Agenda

Chair Tolmachoff said the next item on the agenda is the Valley Metro Federal Public Transportation Agenda.

Mr. Smith said thank you. I'll introduce John Farry, who's our head of our government relations, and he'll give you an update.

Mr. Farry said Madam chair, members of the boards, each year we do a federal agenda to give to you to take back to our delegation when you're back in Washington D.C. and we time it so that it's right before National League of Cities conference and you're going back there in hopes that you can bring up the public transportation message with them.

We were hoping to have our federal lobbyist here today. They got grounded in Washington D.C. yesterday due to weather, so it would have been a much better presentation, but you're stuck with me, so I'll try to get through it and be entertaining at the same time.

So we develop this federal agenda every year in coordination with your intergovernmental staff. We bring it to you. We brought it to the management committee for your adoption.

The current status back in Washington, you probably know a lot of this, but last Friday the Congress finally passed the full appropriations bill -- or beer -- for the remainder of fiscal year '19 which ends this September. So that will keep the government operating. It will fund our programs as well as many other programs that you benefit from.

From a public transportation perspective, the formula moneys and the discretionary bus programs are a little higher than they were the year before. The Capital Investment Grant program and the build program are a little bit less than they were the year before.

So our federal agenda is pretty consistent with what we've talked about in the past. We try to give it to you at a high level and just to serve as a guide to what to talk to our elected officials about in Congress.

The main goals are to fully fund the FAST Act. So when they passed this appropriations bill last year -- or last week, I'm sorry -- they pretty much fully funded what was authorized in the FAST Act that's a five year authorization bill that basically sets funding targets and then the appropriations process every year actually fulfills that authorization. And they've been doing that pretty regularly.

One of the other issues that we like to deal with or that we have to deal with is our Capital Investment Grant program. The current administration is not too friendly towards the Capital Investment Grant program, which is the program that funds our light rail system pretty much for the capital side.

Congress has a difference opinion. Congress continues to fund it at the authorized level, approximately two billion dollars every year, so Congress wants to move this program forward, we run into some hurdles with the administration. We seem to be getting through that and it's moving forward, but it's still something we want to keep our eye on.

Other big issues are the reauthorization of the FAST Act. So that as I mentioned, is a five-year bill. It actually expires in 2020. We're expecting Congress to take up the reauthorization of that bill. In the not too distant future, maybe they'll start holding hearings this year. And they may also take up just an infrastructure bill. You may have heard President Trump talk about that in the state of union address as a possibility to move other infrastructure projects forward.

The biggest issue related to fast as we've talked about this in previous years is the highway trust fund is basically going broke, gas taxes are way down due to, you've probably heard this at MAG, some of you, gas taxes, the revenues collected. Even though the rate has remained the same, the revenues are down because of better gas mileage, switching from gas to electric vehicles, other issues, just less travel.

So the gas tax at the federal level also has not been increased since, I think, 1991, was the last time it was increased, so there are conversations about how to fund that going forward. It may be through a gas tax, other issues that have been addressed include mileage tax basically, charging drivers, how much they use the system, and tracking that and that's the way that they would collect revenues. That's something that's probably in our future, but maybe not this time around.

So, those are the challenges. We hope you're able to take this agenda back with you, as I said, to talk to our delegation about it. It will probably come up, maybe as part of the National League of Cities, in your transportation subcommittees, so keep in mind what our goals are and we just hope you'll adopt this.

And that's the end of my presentation. I'll take any questions.

Chair Tolmachoff said anybody have any questions? Okay. This is an action item. Do I have a motion and a second?

IT WAS MOVED BY COUNCILMEMBER ARREDONDO-SAVAGE, SECONDED BY MAYOR WILLIAMS AND UNANIMOUSLY CARRIED TO APPROVE THE 2019 VALLEY METRO FEDERAL PUBLIC TRANSPORTATION AGENDA.

5. Quarterly Reports

Chair Tolmachoff said the next item on the agenda is the quarterly reports. Are there any questions or any discussion on the quarterly reports? Okay. That's just presented for information only.

6. Travel, Expenditures, and Solicitations

Chair Tolmachoff said we'll move on to the next item travels expenditures and solicitations. Are there any questions or any discussion on the travel expenditures and solicitations? Nobody. Councilmember Stipp.

Councilmember Stipp said Madam Chair, just for public's clarification and for the mayor who's on the phone, we did ask during the work session about getting the various items identified which are mandatory which are and how they're classified as we progress further. And I do that more for the benefit of those that weren't here earlier, but just as a reminder. Thank you.

Chair Tolmachoff said thank you. All right. That information is for information only.

7. Future Agenda Items and Report on Current Events

Chair Tolmachoff said we will move on to future agenda items and any reports on current events from any of the members? Nobody has any requests.

Okay. That concludes the Joint Board meeting.

With no further discussion the meeting adjourned at 12:00 p.m.

Information Summary

DATE **AGENDA ITEM 4**
March 14, 2019

SUBJECT
Fiscal Year 2018 (FY18) Transit Performance Report (TPR)

PURPOSE
To provide information regarding system ridership, operating costs, fare revenue, and performance indicators contained in the FY18 Transit Performance Report.

BACKGROUND | DISCUSSION | CONSIDERATION
The Transit Performance Report (TPR) is updated annually using data provided by our member agencies and the Valley Metro Regional Ridership Report. The report includes information by each mode within the region:

- Fixed Route Bus
- Light Rail
- Paratransit
- Vanpool

COST AND BUDGET
None

STRATEGIC PLAN ALIGNMENT
This item relates to the following goals and strategies in the Five-Year Strategic Plan, FY 2018 – 2022:
- Goal 2: Advance performance based operation

COMMITTEE ACTION
RTAG: February 19, 2019 for information
TMC/RMC: March 5, 2019 for information
AFS: March 14, 2019 for information
Boards of Directors: March 21, 2019 for information

RECOMMENDATION
This item is presented for information only.

CONTACT
Wulf Grote
Director, Capital and Service Development
602-322-4420 wgrote@valleymetro.org

ATTACHMENT
Draft Transit Performance Report

Transit Performance Report (TPR) FY2018

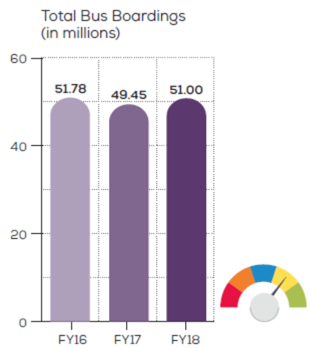
March 2019

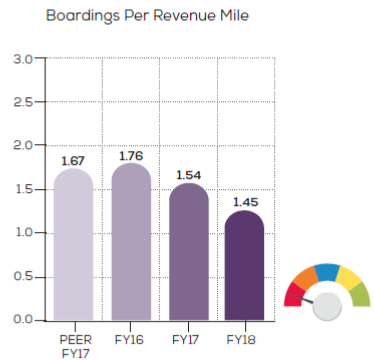
System Wide Summary

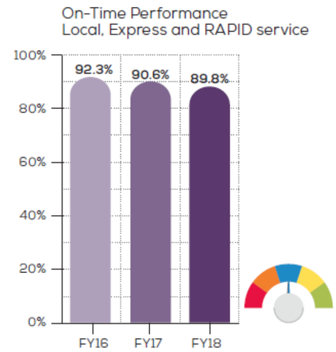
- **0.9% increase** in total boardings from FY17
- **74% of all boardings** on bus
- **4.79 boardings/mile** on Valley Metro Rail
- **10.5 million vehicle revenue miles** traveled on paratransit
- **$2.96 average fare** for vanpool, **$0.22 operational profit** per boarding

2

Bus System – Historical Trends

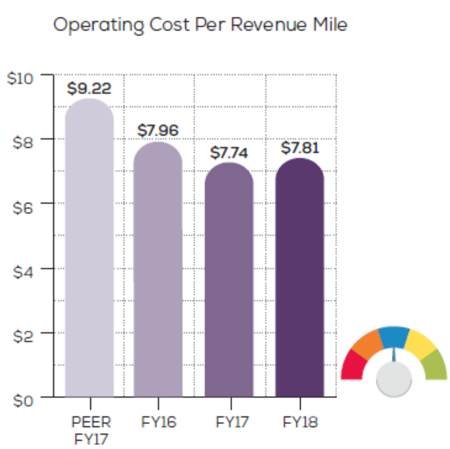


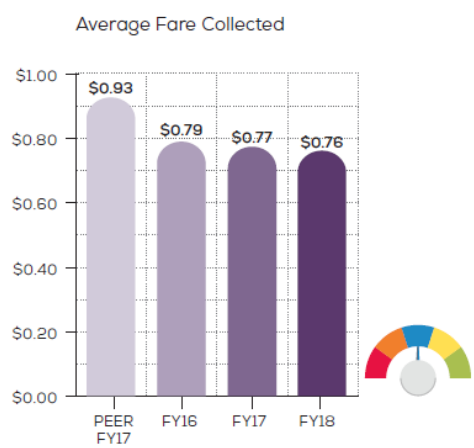




3

Bus System – Peer Comparison





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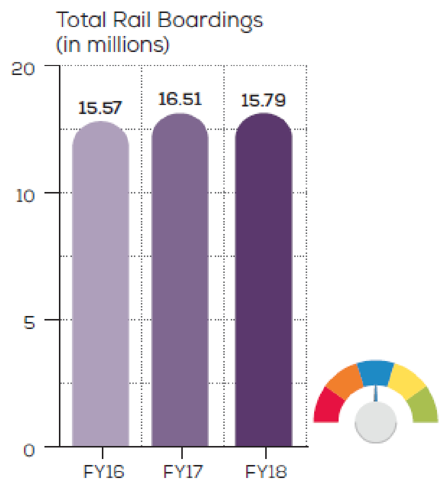
Rail System – Historical Trends



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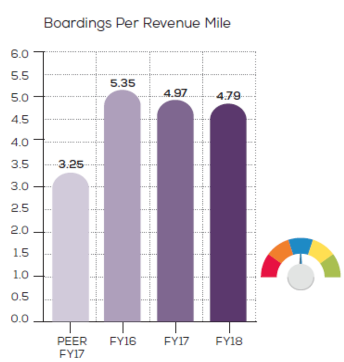
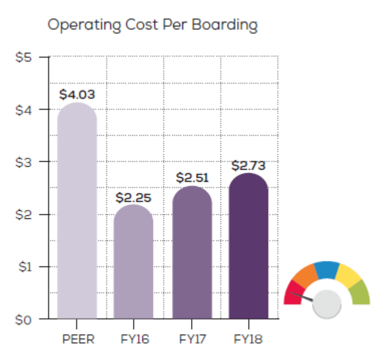
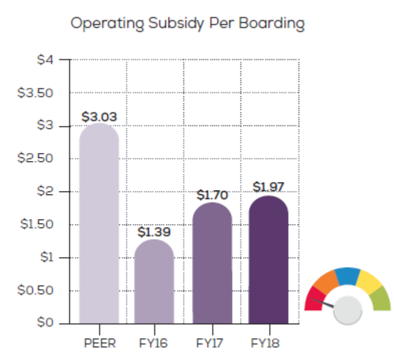
Rail System – Peer Comparison

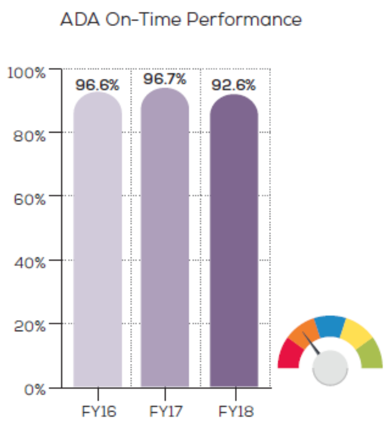


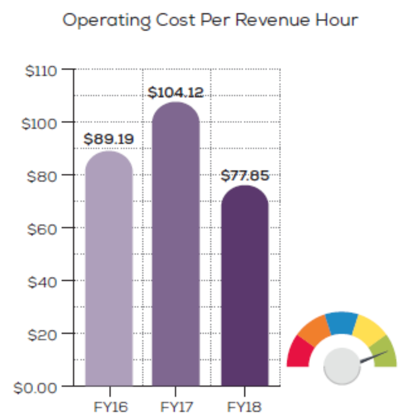




6

Paratransit System – Historical Trends





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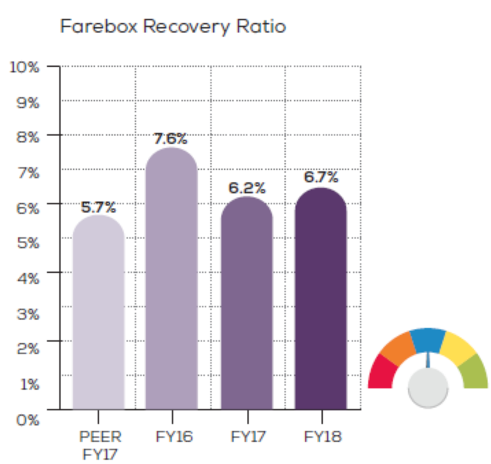
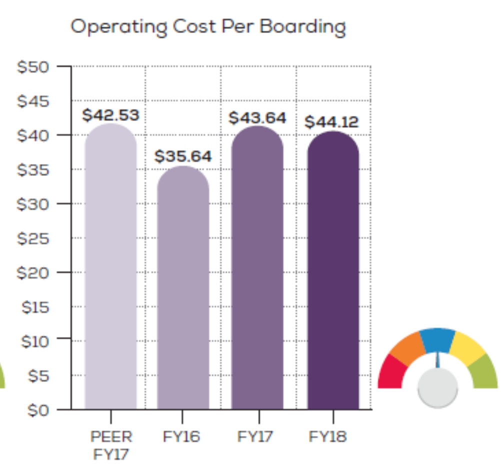
Paratransit System – Peer Comparison





8

FY18 TPR Integration into TSPM*

		Quartile On Time Performance	Quartile Boardings per Revenue Hour	Quartile Boardings per Revenue Mile	Quartile Farebox Recovery	Boardings per Trip
Bottom	Local Routes	90.4%	10.3	0.8	8.3%	NA
	Key Local Routes	86.5%	18.5	1.5	14.5%	NA
	Commuter Express	87.0%	15.1	NA	12.2%	13.21
Top	Local Routes	94.2%	17.3	1.6	15.9%	NA
	Key Local Routes	90.9%	25.4	2.1	21.3%	NA
	Commuter Express	92.2%	29.2	NA	22.7%	23.61

*Transit Standards and Performance Measures

Valley Metro

Transit Performance Report

FY 2018

DRAFT

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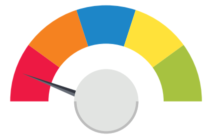
Valley Metro

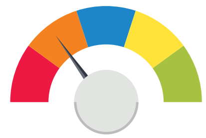
Valley Metro is the regional public transportation agency providing coordinated transit services to residents of metro Phoenix. From regional bus, light rail and paratransit service to alternative commuter solutions, Valley Metro's core mission is to connect communities and enhance lives.

Dashboard Gauges

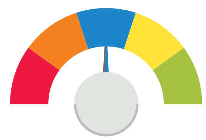
The annual Transit Performance Report (TPR) provides information to the Boards of Directors and member cities concerning ridership, operating costs, fare revenue and performance indicators for region-wide transit services, including the following transportation modes: Bus, Light rail, Paratransit and Vanpool.



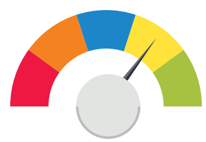
Indicates the trend is negative
(Greater than 5% decline from prior year)



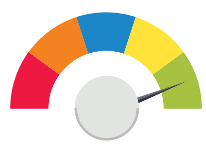
Indicates the trend is negative
(Between 3-5% decline from prior year)



Indicates the trend is neutral
(Within ±2.99% of prior year)



Indicates the trend is positive
(Between 3-5% improvement from prior year)



Indicates the trend is positive
(Greater than 5% improvement from prior year)

System Summary FY18

Performance Indicator	Fixed-Route Bus	Light Rail	Paratransit	Vanpool	System Total	% Change from FY17
Total Boardings	50,998,002	15,786,911	1,089,542	1,034,502	68,908,957	0.9%
Percent of Total Boardings	74.0%	22.9%	1.6%	1.5%	---	---
Vehicle Revenue Miles	35,249,562	3,297,498	10,492,881	6,387906	55,427,848	6.8%
Operating Cost Per Revenue Mile	$7.81	$13.05	$4.60	$0.46	$6.67	1.0%
Boardings Per Revenue Mile	1.45	4.79	0.10	0.16	1.24	-5.5%
Average Fare	$0.76	$0.75	$2.96	$3.07	$0.83	-2.4%
Farebox Recovery	14.1%	27.7%	6.7%	107.8%	15.5%	-1.5%
Operating Cost Per Boarding	$5.40	$2.73	$44.12	$2.84	$5.36	6.9%
Subsidy Per Boarding	$4.64	$1.97	$41.17	($0.22)	$4.53	8.8%

Bus (Fixed Route System-Wide)

Local | Express | Neighborhood Circulators | RAPID | Rural Route

SERVICE INCREASES

Local bus: 3, 19, 29, 32, 50, 51, 60, 67, 72, 77, 83, 104, 112 and 136

Rural route: 685

Neighborhood Circulator: GUS 2

SERVICE REDUCTIONS

Local bus: 1, 30, 70, 184

ROUTE ADDITIONS

Local bus: 140

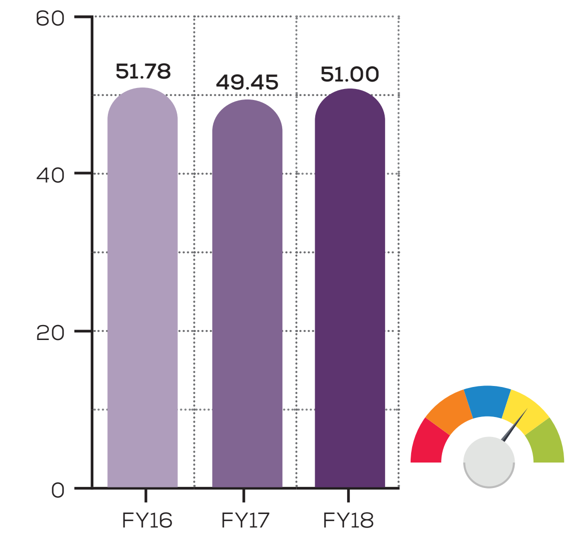
Neighborhood Circulator: Orbit SATURN and ZOOM North

ROUTE ELIMINATION

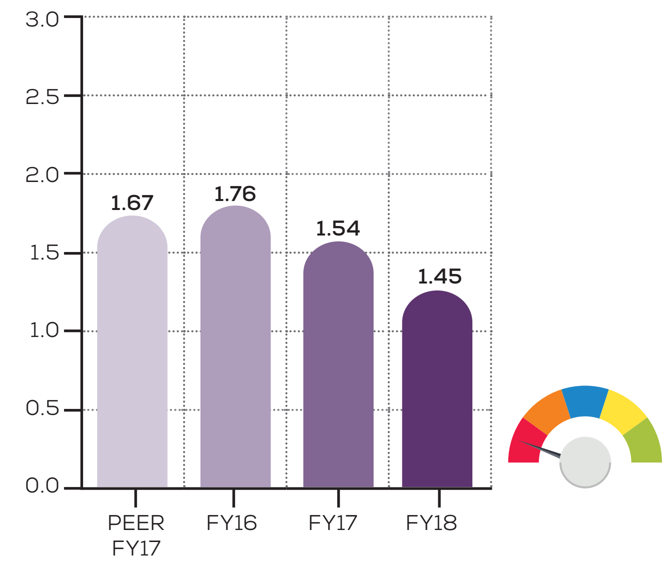
Local bus: 251

Bus Trends

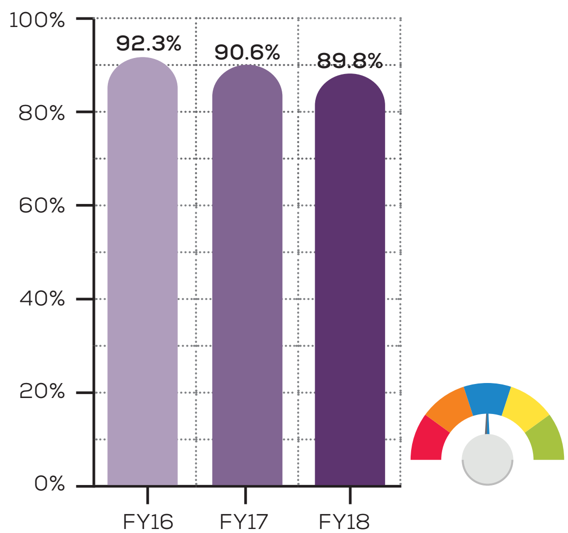
Total Bus Boardings
(in millions)



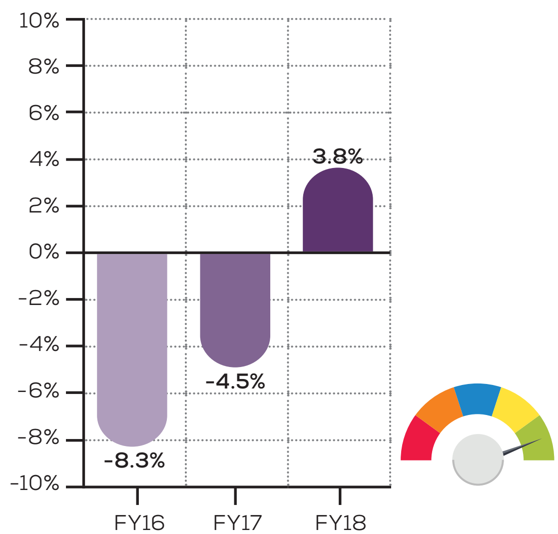
Boardings Per Revenue Mile



On-Time Performance
Local, Express and RAPID service

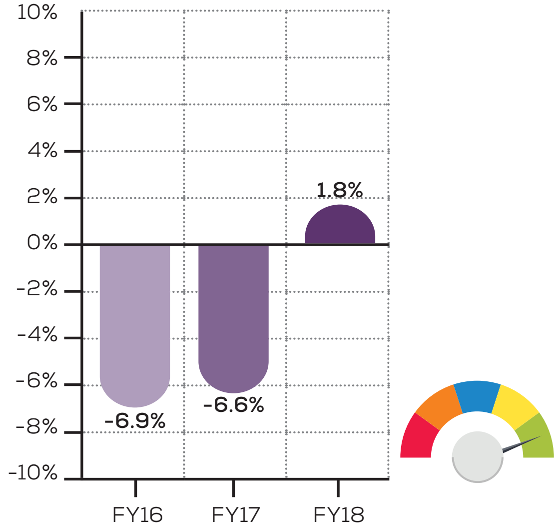


Annual Increase/Decrease in
Total Boardings

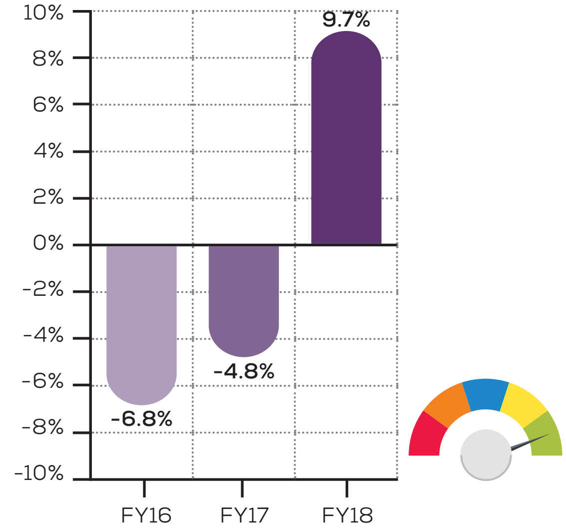


Bus Trends

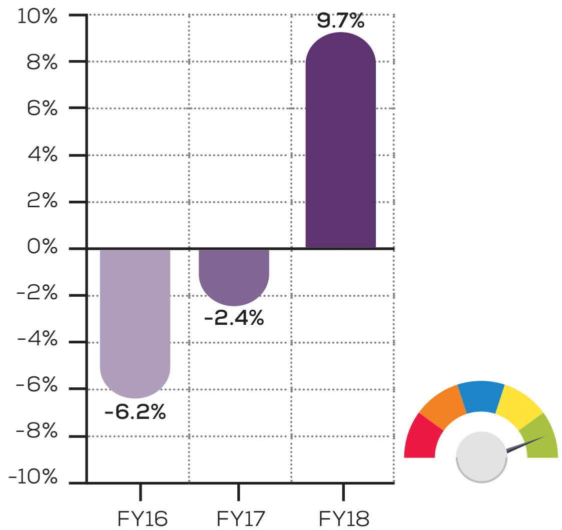
Annual Increase/Decrease in Weekday Average Boardings



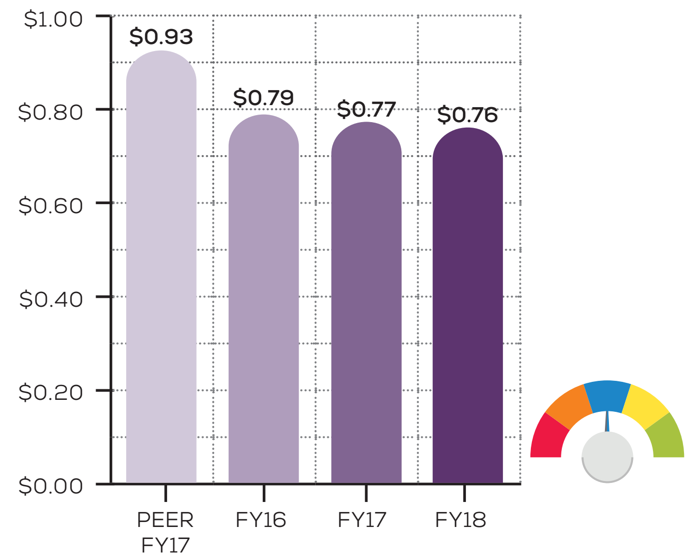
Annual Increase/Decrease in Saturday Average Boardings



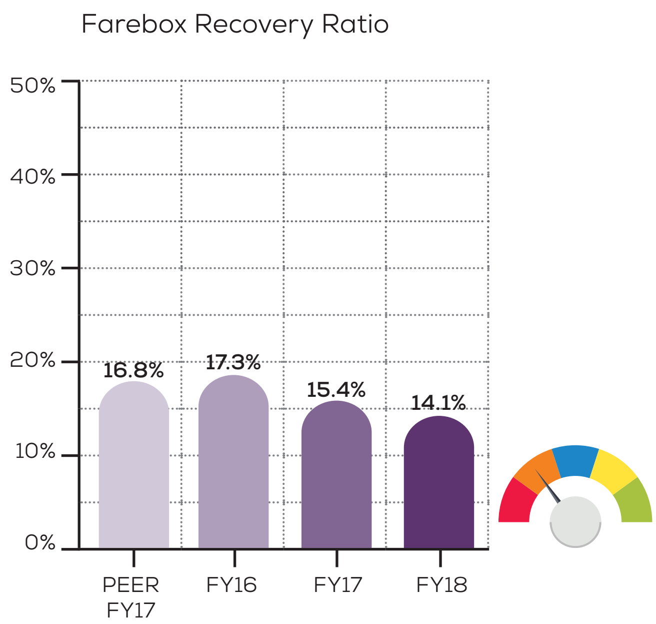
Annual Increase/Decrease in Sunday Average Boardings

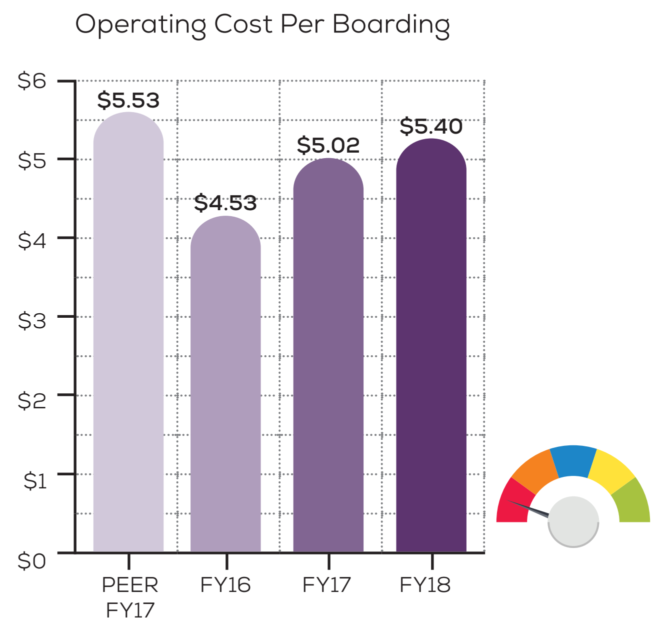


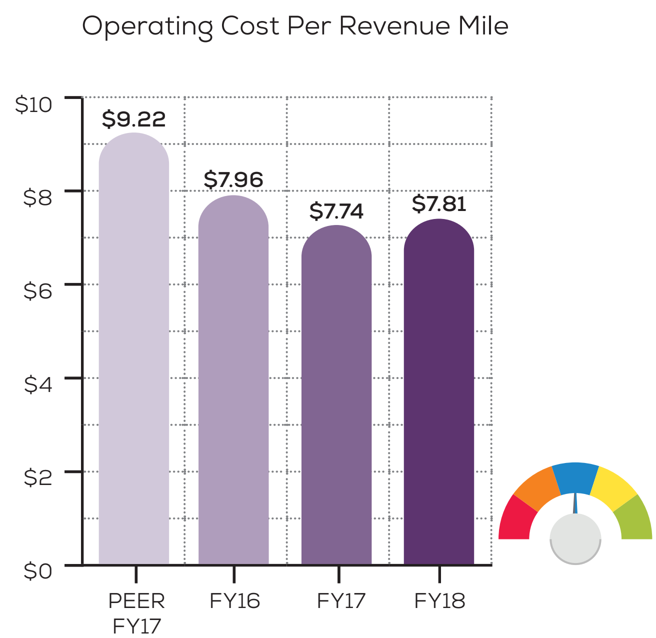
Average Fare Collected

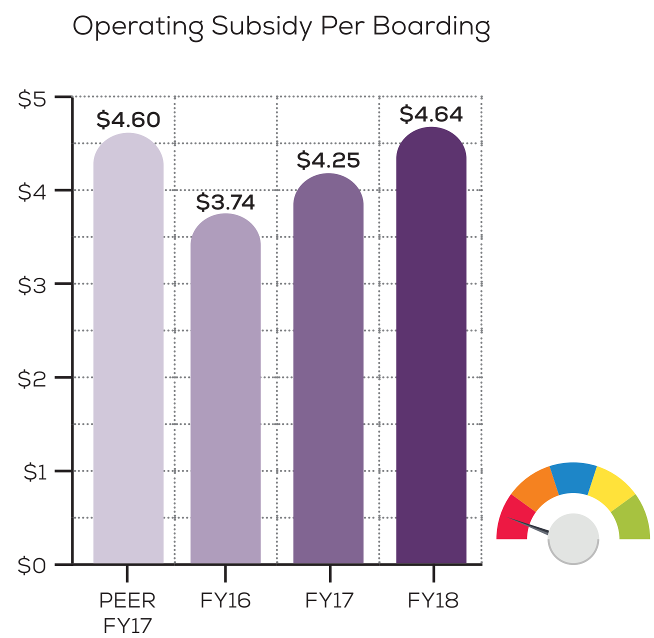


Bus Trends


Farebox Recovery Ratio
50%
40%
30%
20%
10%
0%
16.8%
17.3%
15.4%
14.1%
PEER FY17
FY16
FY17
FY18

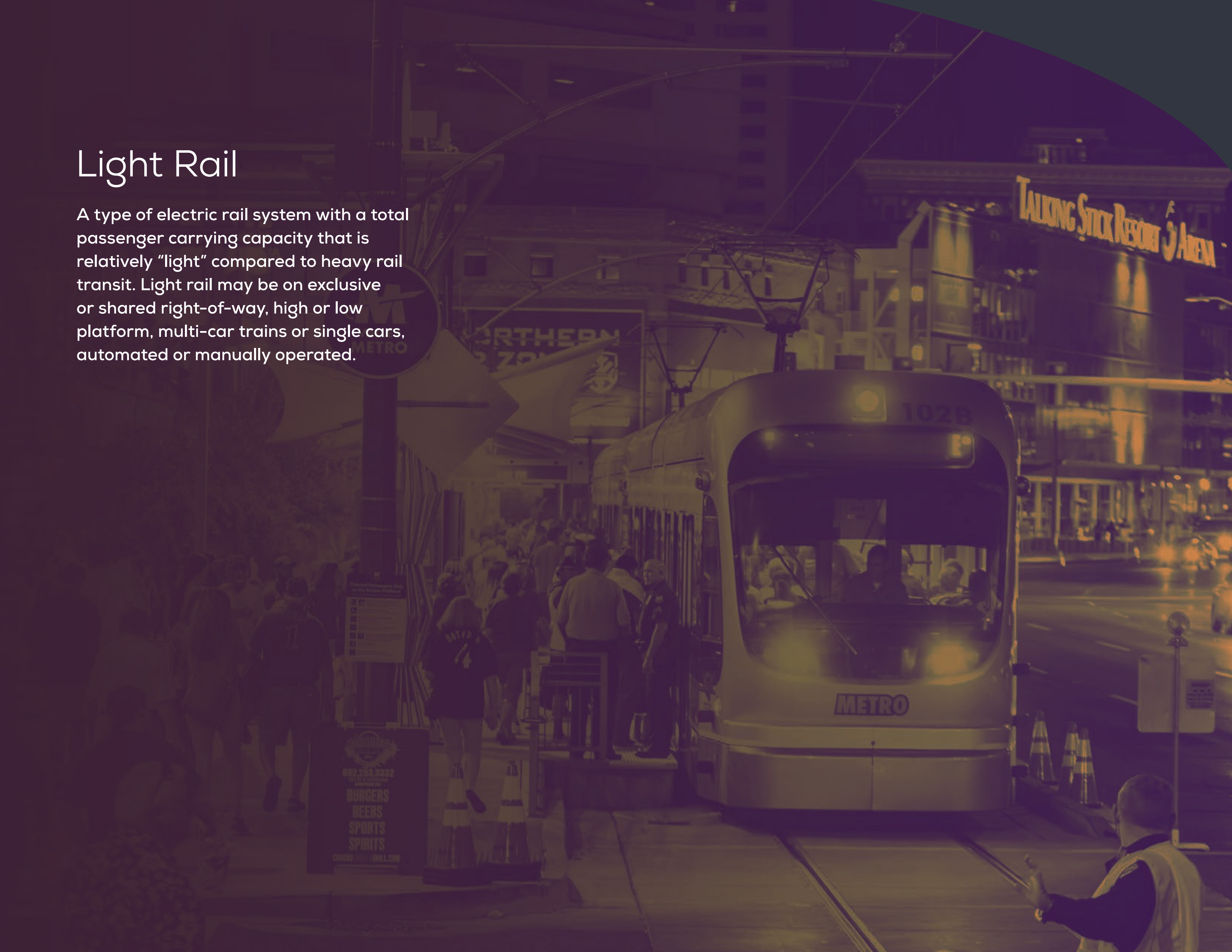

Operating Cost Per Boarding
$6
$5
$4
$3
$2
$1
$0
$5.53
$4.53
$5.02
$5.40
PEER FY17
FY16
FY17
FY18


Operating Cost Per Revenue Mile
$10
$8
$6
$4
$2
$0
$9.22
$7.96
$7.74
$7.81
PEER FY17
FY16
FY17
FY18

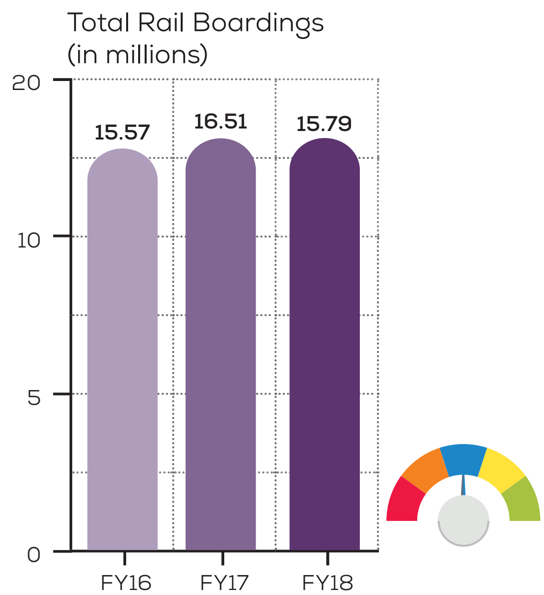

Operating Subsidy Per Boarding
$5
$4
$3
$2
$1
$0
$4.60
$3.74
$4.25
$4.64
PEER FY17
FY16
FY17
FY18

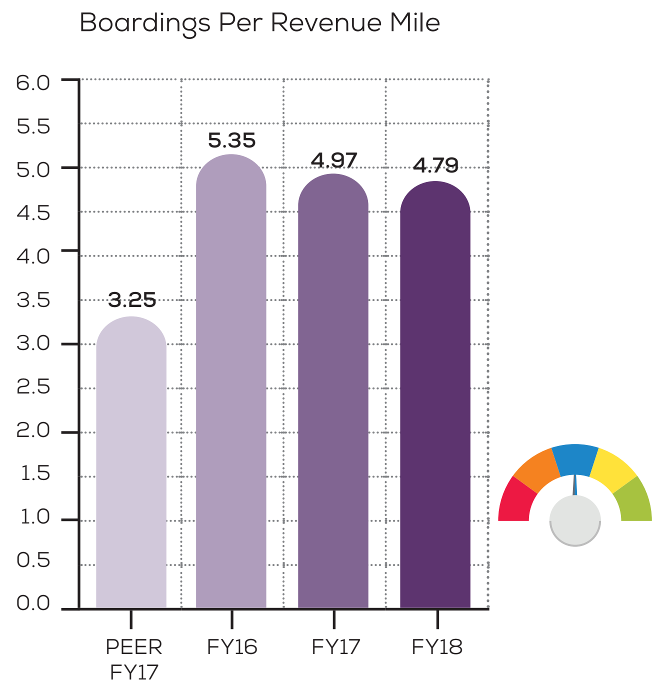
Light Rail

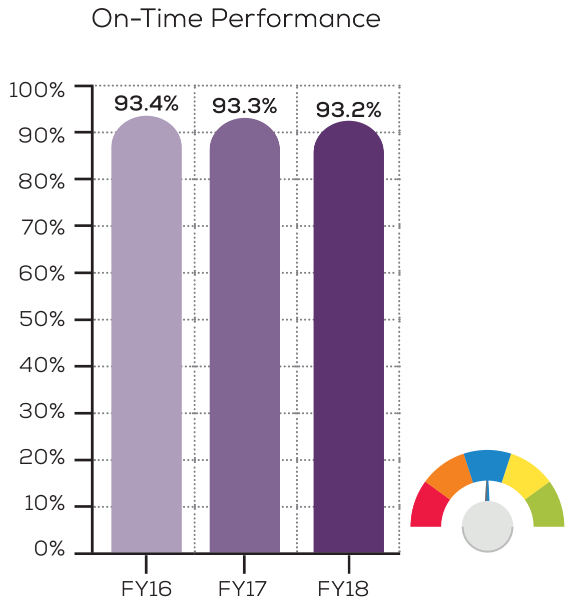
A type of electric rail system with a total passenger carrying capacity that is relatively "light" compared to heavy rail transit. Light rail may be on exclusive or shared right-of-way, high or low platform, multi-car trains or single cars, automated or manually operated.



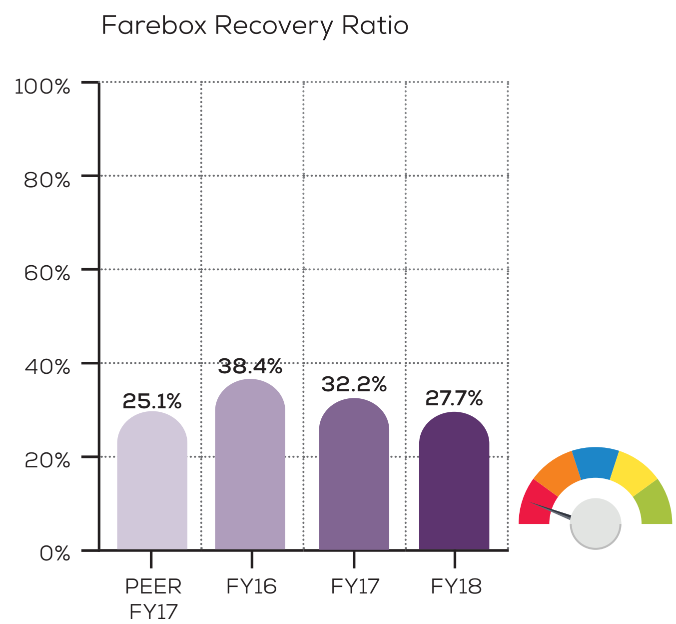
Light Rail Trends

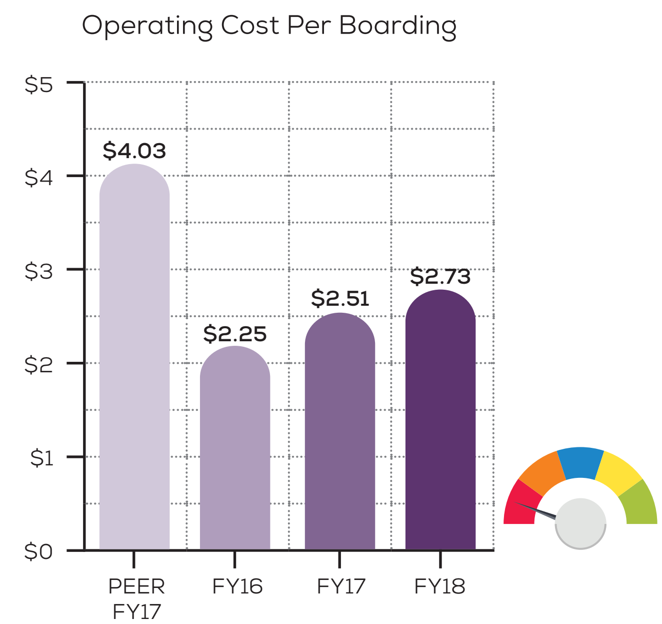


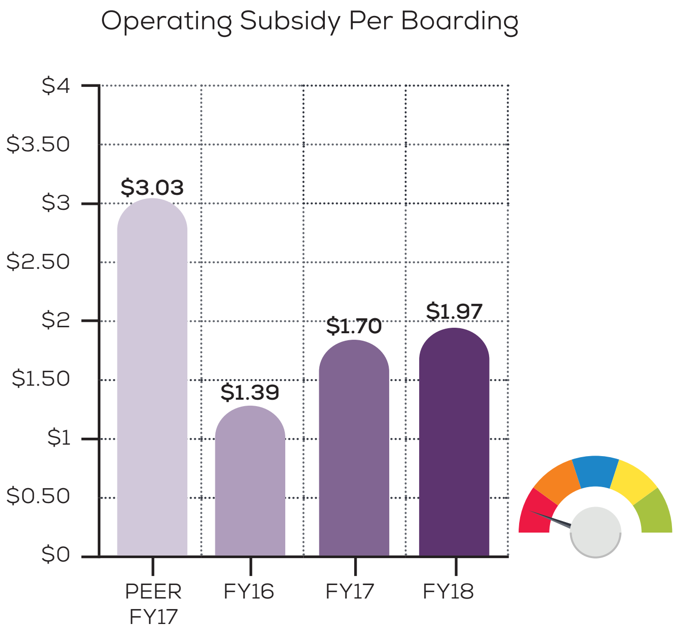


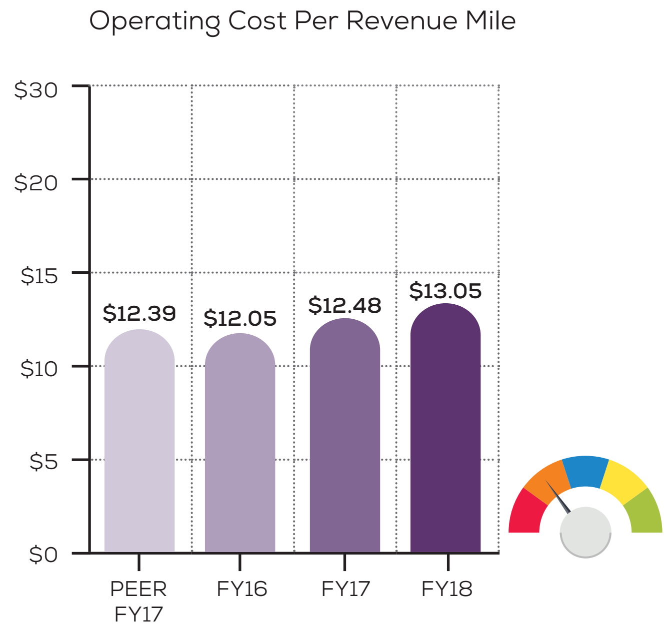


Light Rail Trends









Paratransit

The Americans with Disabilities Act (ADA) of 1990 is federal law which prohibits discrimination against persons with disabilities in public accommodations, including public transportation.

In accordance with ADA, Valley Metro provides Paratransit. Paratransit is on-demand, shared-ride "origin-to-destination" service which may be provided as either curb-to-curb or door-to-door service. In most communities, service is provided for people with disabilities who are ADA certified. Several communities also serve seniors age 65 and above, and a few provide limited service to members of the general public.

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Paratransit Trends - Proposition 400

This data represents Proposition 400 funding used to fund service for ADA-certified passengers only. Each operating system may include more than one jurisdiction. The values in the "Proposition 400" column represents the amount reimbursed or credited to each jurisdiction in FY18 and may not correlate to the amount of Proposition 400 funding a jurisdiction spent that year. System Operating Cost is the total operating cost for each operating system.

Phoenix Paratransit includes the cities of Phoenix, Avondale, Goodyear, Tolleson and Paradise Valley.

East Valley Paratransit includes the cities of Chandler, Gilbert, Mesa, Scottsdale and Tempe.

Northwest Valley Paratransit serves the communities of El Mirage, Surprise and Youngtown as well as unincorporated areas of Maricopa County including Sun City and Sun City West.

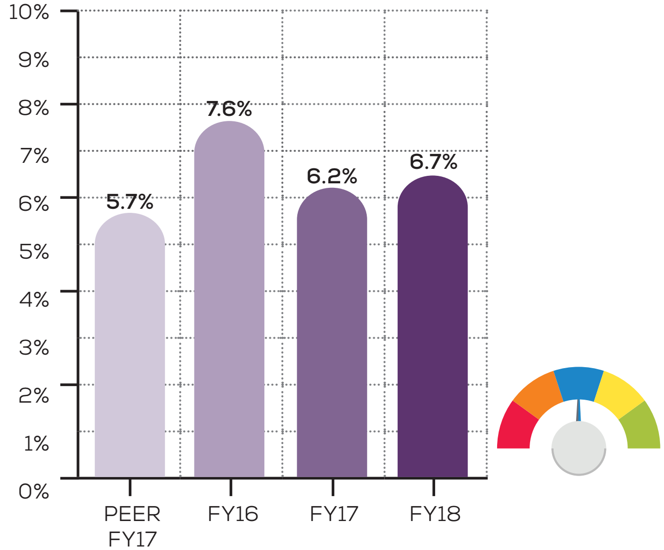
Regional Paratransit includes all cities and communities served by Phoenix Dial-a-Ride, East Valley Dial-aRide, and Northwest Dial-a-Ride.

Glendale Paratransit, Peoria Paratransit and Scottsdale Taxi serves the citizens of their respective cities within their city.

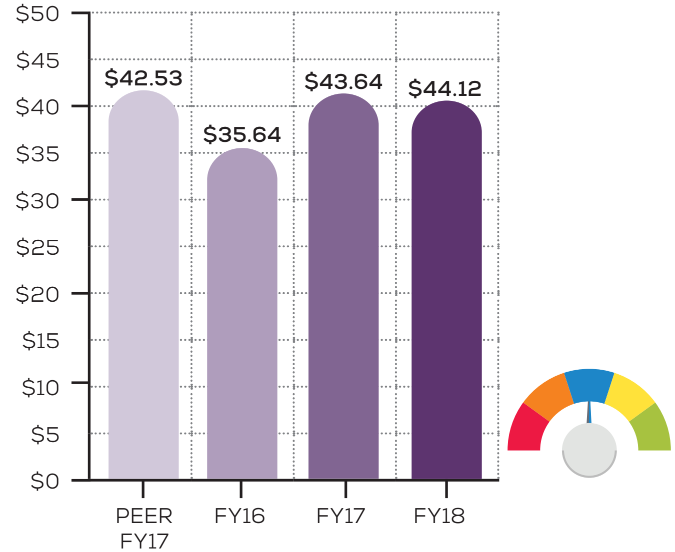
	Prop 400	System Operating Cost	Prop 400 as % of Total Ops Cost
Glendale Paratransit	$373,800	$2,782,853	13.4%
Peoria Paratransit	$171,866	$1,019,864	16.9%
Phoenix Paratransit	$16,776,026	$19,524,465	85.9%
Phoenix Taxi	$-	$610,173	0.0%
Scottsdale Taxi	$201,817	$319,655	63.1%
Valley Metro East Valley Paratransit	$6,955,817	$11,199,040	62.1%
Valley Metro Northwest Valley Paratransit	$-	$3,411,138	0.0%
Valley Metro Regional Paratransit	$5,246,648	$7,933,029	66.1%
Valley Metro Ride Choice	$13,475	$1,463,422	0.9%
Grand Total	$29,739,449	$48,263,639	61.6%

Paratransit Trends

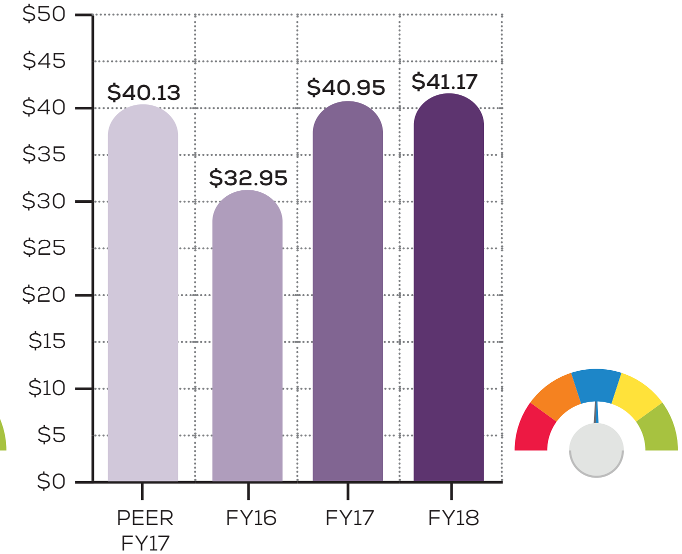
Farebox Recovery Ratio



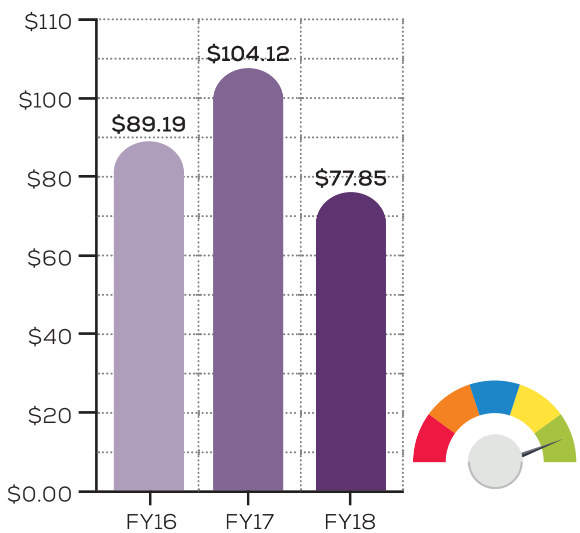
Operating Cost Per Boarding



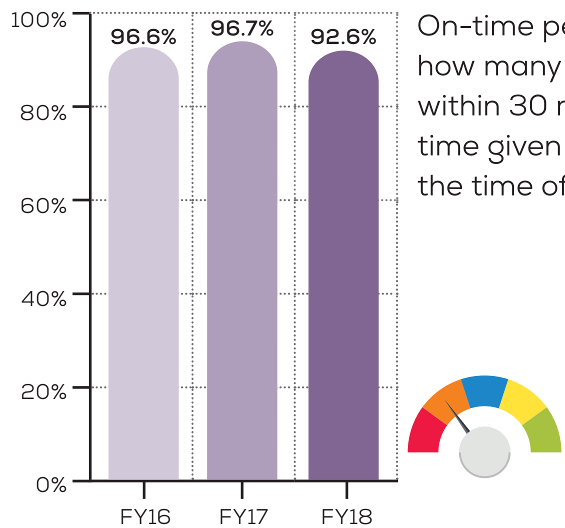
Operating Subsidy Per Boarding



Operating Cost Per Revenue Hour



ADA On-Time Performance*



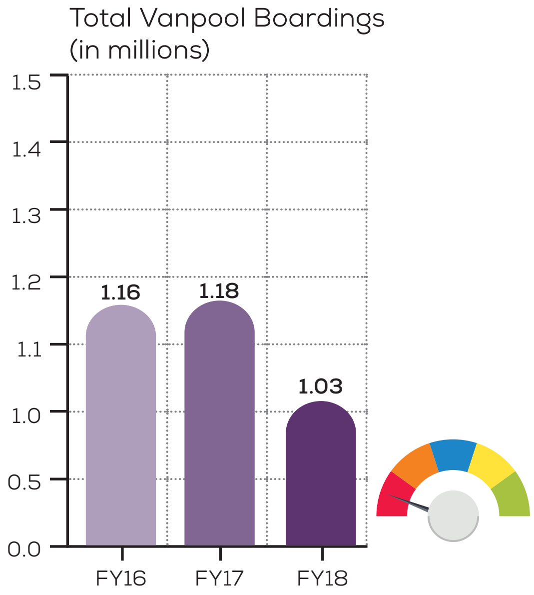
On-time performance measures how many ADA boardings occurred within 30 minutes of the pick-up time given to the passenger at the time of their reservation.

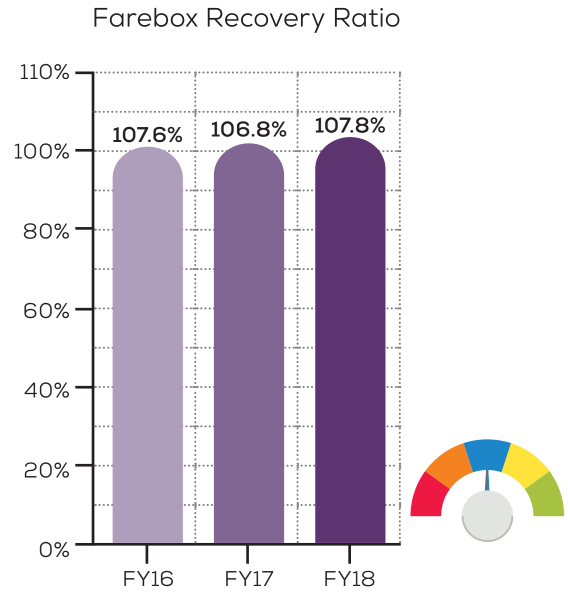
* Does not include subsidized taxi/ RideChoice services, but does include non-ADA trips on DAR.

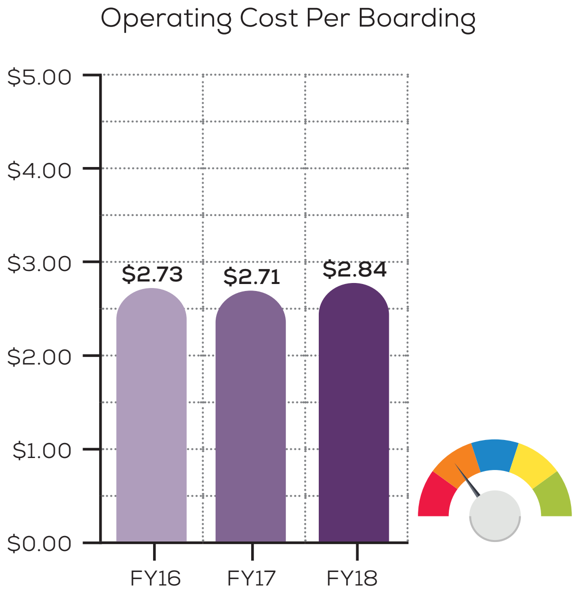
Vanpool

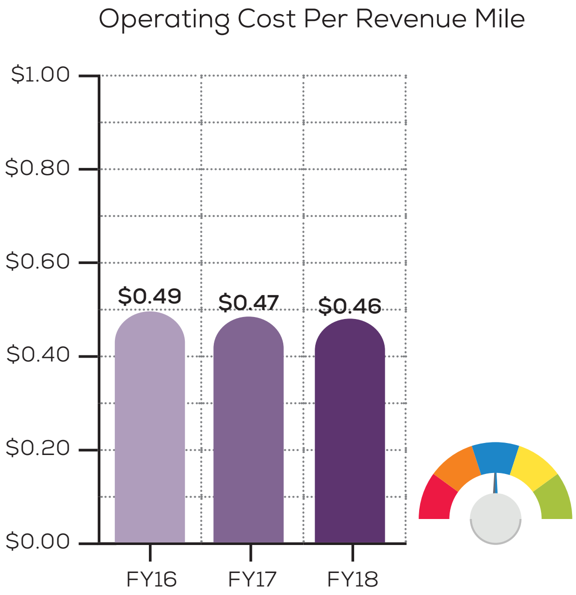
A vanpool is a group of 6-15 commuters sharing the ride to work in a Valley Metro owned van. One person volunteers to be the driver. Passengers pay a monthly fare for fuel, maintenance and insurance.

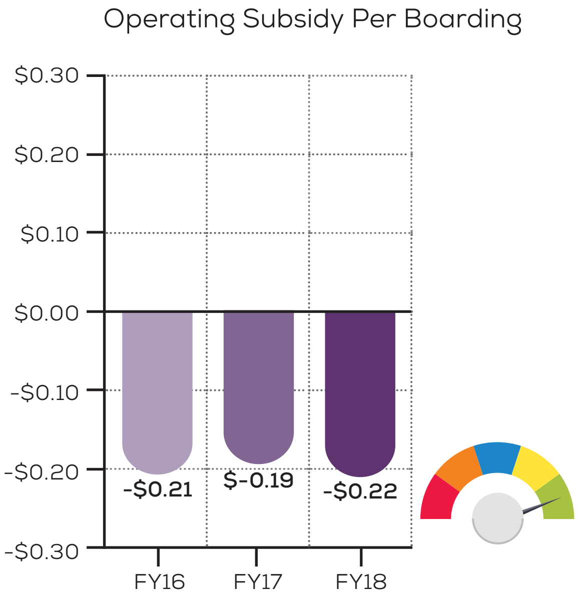
Vanpool Trends











Transit Standards and Performance Measures (TSPM)

Valley Metro's Transit Standards and Performance Measures (TSPM) help in developing a performance-based public transportation system consistent with federal and state (including Transit Life Cycle Program) requirements. The TSPM identified five transit service performance measures with accompanying thresholds. The thresholds, which are updated annually, help establish quartile breakpoints for each transit service type to identify the top 25% and bottom 25% performers.

	Service Type	Quartile On-Time Performance	Quartile Boardings per Revenue Hour	Quartile Boardings per Revenue Mile	Quartile Farebox Recovery	Boardings per Trip
Bottom	Local Routes	90.4%	10.3	0.8	8.3%	NA
	Key Local Routes	86.5%	18.5	1.5	14.5%	NA
	Commuter Express	87.0%	15.1	NA	12.2%	13.21
Top	Local Routes	94.2%	17.3	1.6	15.9%	NA
	Key Local Routes	90.9%	25.4	2.1	21.3%	NA
	Commuter Express	92.2%	29.2	NA	22.7%	23.61

Routes or services that are operated by Valley Metro and/or funded, in part, by regional transit funds that are within the top or bottom 25% (by service type) of any two performance measures are further evaluated. Potential performance improvement actions are identified cooperatively with affected jurisdictions/agencies, and discussed and coordinated with the Valley Metro Service Planning Working Group (SPWG) and Short Range Transit Program (SRTP). Locally operated and funded transit services will be included in the performance measurement process, but the development of local performance improvement actions and implementation of any actions will be at the sole discretion of the affected local jurisdiction. For information regarding the TSPM and SRTP visit *valleymetro.org*.

Glossary

Average Fare
Average fare is the average amount paid for a transit trip. It is equal to total fare revenue collected divided by total boardings.

Boarding
A boarding, known as an unlinked passenger trip is counted every time a person boards a vehicle it is counted as a boarding. For example, if a person makes a trip involving one transfer, this trip is counted as two boardings.

Circulator
Circulator routes typically serve small specific areas with short routes that are designed to provide connections between transportation systems and other area attractions, like employment centers or schools. Many circulator routes charge no fare.

Express/RAPID
Express/RAPID routes provide higher speed service by operating with limited stops and other enhancements. Many Express/RAPID routes operate on regional freeways.

Farebox Recovery Ratio
This is the percentage of total operating cost that is covered by fares collected. It is equal to total fare revenue collected divided by total operating costs.

Fixed Route
Fixed route bus service typically operates along a designated or “fixed” route with no deviations. Characteristics of this service type include controlled vehicle frequencies and scheduled passenger stops. In this report, fixed route service comprises Local, Express, RAPID, Circulator and Rural Connector routes.

Light Rail
A type of electric rail system with a total passenger carrying capacity that is relatively “light” compared to heavy rail transit. Light rail may be on exclusive or shared right-of-way, high or low platform, multi-car trains or single cars, automated or manually operated.

Local Bus Route
Local bus routes may operate on either arterial or local collector streets. These are designed to serve localized trip patterns with one or more cities.

National Transit Database (NTD)
National Transit Database was established by Congress as a primary source for information and statistics on the transit system in the United States. Any recipients of Federal Transit Administration funding are required to submit data to the NTD.

On-Time Performance
ADA - Percent of all ADA trips that are picked up within the 30 minute ready window.

Bus - Percent of all trips that operate no more than 0 minutes early and 5 minutes late, compared to scheduled arrival/departure times at published time points.

Rail - Percent of all trips that arrive at the opposite terminal within 0 minutes early and 5 minutes late of scheduled arrival times.

Operating Cost
Total costs associated with the operation of revenue vehicles which includes maintenance and administrative costs. These are gross costs (fare revenue has not been subtracted).

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Glossary

Paratransit Service
Paratransit is on-demand, shared-ride "origin-to-destination" service which may be provided as either curb-to-curb or door-to-door service. In most communities, service is provided for people with disabilities who are ADA certified. Several communities also serve seniors age 65 and above, and a few provide limited service to members of the general public.

Peer
Represents an average from six (6) comparable transit agencies' service and financial data. Source data is from the National Transit Database (NTD). Valley Metro peer agencies for TPR: Dallas (DART), Denver (RTD), Houston (METRO), Sacramento (Sac RT), Salt Lake City, (UTA) and San Diego (MTS).

Revenue Hour
A revenue hour is an hour that one vehicle in revenue service is available to pick up fare-paying passengers. If ten vehicles are in revenue service for two hours each, they collectively perform twenty revenue hours of service.

Revenue Mile
A revenue mile is a mile traveled by one vehicle in revenue service that is available to pick up revenue passengers. If ten vehicles are in service for two miles each, they collectively perform twenty revenue miles of service.

Revenue Service
Revenue service occurs when a vehicle is available to the general public and there is an expectation of carrying passengers who pay the required fare. Vehicles operated in fare-free service are also considered in revenue service.

Rural Connector
Rural routes typically provide connections between rural and urban communities.

Subsidy per Boarding
Also known as net operating cost per boarding, this is the operating cost per boarding minus the fare revenue per boarding. This number indicates the amount of public funding that is used to make up the difference between the cost of providing transportation service and the revenue generated by this service on a per boarding basis.

Trip
The movement of a transit vehicle in revenue service starting at the beginning point of a route and ending at the ending point of the route.

Vanpool
A vanpool is a group of 6-15 commuters sharing the ride to work in a Valley Metro owned van. One person volunteers to be the driver. Passengers pay a monthly fare for fuel, maintenance and insurance.

Weekday/Saturday/Sunday Average Daily Boardings
This measures boardings on a typical weekday, Saturday or Sunday service day. This is calculated by dividing total boardings on weekday, Saturday services or Sunday by the number of weekday, Saturday or Sunday service days in the fiscal year.

RPT5680/3-8-19

FY2018 Transit Performance Report (TPR)

BOARDS OF DIRECTORS SUPPLEMENTAL HANDOUT

MARCH 21, 2019

1) System Wide Summary

Performance Indicator	Fixed-Route	Light Rail	Paratransit	Vanpool	System Total	% Change from FY17
Total Boardings	50,998,002	15,786,911	1,096,336	1,034,502	68,908,957	0.9%
Percent of Total Boardings	74.0%	22.9%	1.6%	1.5%	---	---
Vehicle Revenue Miles	35,249,562	3,297,498	10,492,881	6,387,906	55,427,848	6.8%
Operating Cost Per Revenue Mile	$7.81	$13.05	$4.60	$0.46	$6.67	1.0%
Boardings Per Revenue Mile	1.45	4.79	0.10	0.16	1.24	-5.5%
Average Fare	$0.76	$0.75	$2.96	$3.07	$0.83	-2.4%
Farebox Recovery	14.1%	27.7%	6.7%	107.8%	15.5%	-1.5%
Operating Cost Per Boarding	$5.40	$2.73	$44.12	$2.84	$5.36	6.9%
Subsidy Per Boarding	$4.64	$1.97	$41.17	-$0.22	$4.53	8.8%

2) Bus System – Historical Trends

Valley Metro Region	FY15	FY16	FY17	FY18
Passenger Trips (millions)	56.5	51.8	49.4	**51.0**
Fare Revenue (millions)	$47.0	$40.7	$38.1	**$38.8**
Total Ops Cost (millions)	$229.8	$234.6	$248.1	**$275.4**
Vehicle Revenue Miles (millions)	29.1	29.5	32.1	**35.2**
Operating Cost per Boarding	$4.07	$4.53	$5.02	**$5.40**
Average Fare	$0.83	$0.79	$0.77	**$0.76**
Average Subsidy per Boarding	$3.24	$3.74	$4.25	**$4.64**
Fare Recovery	20%	18%	15%	**14%**
Boardings per VRM	1.94	1.76	1.54	**1.45**

3) Bus System – Peer Comparison

2017 NTD	Dallas	Denver	Houston	Sacramento	Salt Lake City	San Diego	Peer Average		Valley Metro FY17	Valley Metro FY18
Passenger Trips (millions)	32.0	65.3	58.1	10.2	19.2	49.6	**39.1**		**49.4**	**51.0**
Fare Revenue (millions)	$27.6	$77.2	$25.2	$15.7	$21.2	$50.2	**$36.2**		**$38.1**	**$38.8**
Total Ops Cost (millions)	$260.3	$327.5	$332.7	$81.4	$129.5	$164.1	**$215.9**		**$248.1**	**$275.4**
Vehicle Revenue Miles (millions)	27.6	35.8	34.6	6.2	16.4	19.6	**23.4**		**32.1**	**35.2**
Operating Cost per Boarding	$8.15	$5.02	$5.73	$7.96	$6.75	$3.31	**$5.53**		**$5.02**	**$5.40**
Average Fare	$0.87	$1.18	$0.43	$1.53	$1.10	$1.01	**$0.93**		**$0.77**	**$0.76**
Average Subsidy per Boarding	$7.28	$3.84	$5.30	$6.43	$5.65	$2.29	**$4.60**		**$4.25**	**$4.64**
Fare Recovery	11%	24%	8%	19%	16%	31%	**16.8%**		**15%**	**14%**
Boardings per VRM	1.16	1.82	1.68	1.64	1.17	2.53	**1.67**		**1.54**	**1.45**

4) Rail System – Historical Trends

Valley Metro Region	FY15	FY16	FY17	FY18
Passenger Trips (millions)	14.3	15.6	16.5	**15.8**
Fare Revenue (millions)	$12.8	$13.5	$13.4	**$11.9**
Total Ops Cost (millions)	$31.3	$35.1	$41.5	**$43.0**
Vehicle Revenue Miles (millions)	2.5	2.9	3.3	**3.3**
Total Ops Cost/Rev Mile	$12.60	$12.05	$12.48	**$13.05**
Operating Cost per Boarding	2.19	2.25	2.51	**2.73**
Average Fare	$0.90	$0.86	$0.81	**$0.75**
Average Subsidy per Boarding	$1.29	$1.39	$1.70	**$1.97**
Fare Recovery	41%	38%	32%	**28%**

5) Rail System – Peer Comparison

2017 NTD	Dallas	Denver	Houston	Sacramento	Salt Lake City	San Diego	Peer Average		Valley Metro FY17	Valley Metro FY18
Passenger Trips (millions)	30.0	24.6	18.3	11.4	18.8	37.6	**23.5**		**16.5**	**15.8**
Fare Revenue (millions)	$27.7	$38.2	$6.0	$14.8	$18.0	$39.0	**$23.9**		**$13.4**	**$11.9**
Total Ops Cost (millions)	$175.2	$115.2	$65.2	$67.8	$64.7	$82.5	**$95.1**		**$41.5**	**$43.0**
Vehicle Revenue Miles (millions)	10.2	12.6	3.3	4.4	6.7	8.7	**7.7**		**3.3**	**3.3**
Total Ops Cost/Rev Mile	$17.10	$9.14	$19.57	$15.34	$9.61	$9.45	**$12.39**		**$12.48**	**$13.05**
Operating Cost per Boarding	5.84	4.67	3.56	5.93	3.44	2.19	**4.05**		**2.51**	**2.73**
Average Fare	$0.92	$1.55	$0.33	$1.29	$0.95	$1.04	**$1.02**		**$0.81**	**$0.75**
Average Subsidy per Boarding	$4.92	$3.13	$3.23	$4.64	$2.48	$1.16	**$3.03**		**$1.70**	**$1.97**
Fare Recovery	16%	33%	9%	22%	28%	47%	**25%**		**32%**	**28%**
Boardings per Rev Mile	2.93	1.96	5.50	2.59	2.80	4.31	**3.06**		**4.97**	**4.79**

6) Paratransit System – Historical Trends

Valley Metro Region	FY15		FY16		FY17		FY18	
Passenger Trips (millions)	1.1	DAR: 0.9	1.1	DAR: 0.9	1.1	DAR: 1.0	**1.1**	**DAR: 0.9**
		Alternative: 0.2		Alternative: 0.2		Alternative: 0.1		**Alternative: 0.2**
Fare Revenue (millions)	$2.8		$2.9		$3.1		**$3.2**	
Total Ops Cost (millions)	$35.8		$38.3		$49.9		**$48.3**	
Vehicle Revenue Miles (millions)	7.8		8.1		9.6		**10.5**	
Average trip length # miles	7.38		7.58		8.42		**9.63**	
Total Ops Cost/VRMile	$4.58		$4.70		$5.18		**$4.60**	
Operating Cost per boarding	$33.78		$35.64		$43.64		**$44.12**	
Average Fare	$2.62		$2.69		$2.69		**$2.96**	
Average Subsidy per boarding	$31.17		$32.95		$40.95		**$41.17**	
Trips per VRM	0.14		0.13		0.12		**0.10**	

7) Paratransit System – Peer Comparison

2017 NTD	Dallas	Denver	Houston	Sacramento	Salt Lake City	San Diego	Peer Average		Valley Metro FY17	Valley Metro FY18
Passenger Trips (millions)	0.3	1.2	1.7	0.9	0.4	0.6	**0.9**		**1.1**	**1.1**
Fare Revenue (millions)	$0.9	$5.1	$2.0	$0.9	$0.6	$2.9	**$2.0**		**$3.1**	**$3.2**
Total Ops Cost (millions)	$13.0	$52.8	$49.7	$63.9	$17.9	$19.8	**$36.2**		**$49.9**	**$48.3**
Vehicle Revenue Miles (millions)	2.2	11.3	16.4	7.8	2.7	4.8	**7.5**		**9.6**	**10.5**
Average trip length # miles	6.44	9.34	9.80	9.13	7.05	7.55	**8.87**		**8.42**	**9.63**
Total Ops Cost/Rev Mile	$5.94	$4.66	$3.03	$8.19	$6.55	$4.12	**$4.80**		**$5.18**	**$4.60**
Operating Cost per trip	$38.23	$43.47	$29.75	$74.79	$46.13	$31.09	**$42.53**		**$43.64**	**$44.12**
Average Fare	$2.58	$4.17	$1.17	$1.01	$1.53	$4.52	**$2.40**		**$2.69**	**$2.96**
Average Subsidy per trip	$35.65	$39.30	$28.58	$73.78	$44.60	$26.56	**$40.13**		**$40.95**	**$41.17**
Trips per Rev Mile	0.16	0.11	0.10	0.11	0.14	0.13	**0.11**		**0.12**	**0.10**

8) FY18 TPR Integration into Transit Standards and Performance Measures (TSPM)

		Quartile On Time Performance	Quartile Boardings per Revenue Hour	Quartile Boardings per Revenue Mile	Quartile Farebox Recovery	Boardings per Trip
Bottom	Local Routes	90.4%	10.3	0.8	8.3%	NA
	Key Local Routes	86.5%	18.5	1.5	14.5%	NA
	Commuter Express	87.0%	15.1	NA	12.2%	13.21
Top	Local Routes	94.2%	17.3	1.6	15.9%	NA
	Key Local Routes	90.9%	25.4	2.1	21.3%	NA
	Commuter Express	92.2%	29.2	NA	22.7%	23.61

Information Summary

DATE **AGENDA ITEM 5**
March 14, 2019

SUBJECT
Travel, Expenditures and Solicitations

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

BACKGROUND | DISCUSSION | CONSIDERATION
None

COST AND BUDGET
None

COMMITTEE PROCESS
None

RECOMMENDATION
This item is presented for information only.

CONTACT
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Chief Financial Officer
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phodgins@valleymetro.org

ATTACHMENTS
Valley Metro Travel Reimbursement Report
Valley Metro RPTA and Valley Metro Rail Monthly Accounts Payable over $25,000
Active Requests for Proposals, Qualifications and Invitations for Bids

Valley Metro
Travel Reimbursement Report
For Travel Completion Dates
1/16/18 through 2/15/19

Job Title	Purpose of Travel	Location	Dates Traveled	Total Travel Cost	Airfare	Other Transport	Lodging	Meals	Misc.
LRV Maintenance Technician II	UTC Visit	Morton, PA	12/11/18-12/13/18	$1,365.75	$718.40	$243.69	$244.16	$152.50	$7.00 [1]
Document Control Specialist	Aconex Connect Awards	San Francisco, CA	11/6/18-11/8/18	$1,029.80	$360.40	$0.00	$479.40	$190.00	$0.00
Project Controls Specialist	Aconex Connect Awards	San Francisco, CA	11/6/18-11/8/18	$1,090.99	$360.40	$61.19	$479.40	$190.00	$0.00
Superintendent, LRV Maintenance	Siemens Plant Visit	Sacramento, CA	12/3/18-12/6/18	$1,133.35	$273.39	$155.23	$462.48	$231.00	$11.25 [1]
Systems Engineer	Siemens Plant Visit	Sacramento, CA	12/3/18-12/6/18	$966.87	$273.39	$0.00	$462.48	$231.00	$0.00
Chief Operating Officer	TRB Annual Meeting	Washington, DC	1/12/19-1/16/19	$1,763.32	$416.41	$167.67	$832.24	$342.00	$5.00

Report reflects Out of State (AZ) Travel
[1] *Fuel for Rental Car*

Valley Metro Regional Public Transportation Authority
Monthly AP Payments over $25,000
January 21, 2019 to February 20, 2019

Document Number	Name	Transaction Description	Effective Date	Transaction Amount
20190124W002	First Transit, Inc.	Dec. 2018 Fixed Route Bus Service-Unification	1/24/2019	5,426,546.66
20190201W	ADP	PPE 1/27/19 Wages Payable - Reverse Wire	1/31/2019	573,103.90
20190215W	ADP	PPE 2-10-19 Wages Payable - Reverse Wire	2/15/2019	560,264.79
20190131W003	United Healthcare	Feb. 2019 EE Medical & Vision Coverage	1/31/2019	381,968.07
39630	City of Peoria	Peoria ATAN Improvements at Various Bus Stops	1/30/2019	380,268.00
20190124W004	Transdev Services, Inc	RPTA Wires Week of 1-21-19	1/24/2019	342,998.83
20190124W004	Transdev Services, Inc	Nov. 2018 Regional Paratransit Services	1/24/2019	311,758.87
39739	SDB Contracting Services	Sept-Nov. 2018 Construction Services	2/15/2019	306,822.02
20190201W	ADP	PPE 1-27-19 Federal, State, SS/Med EE/ER Tax - ACH	1/31/2019	223,701.03
20190215W	ADP	PPE 2-10-19 Federal, State, SS/Med EE/ER Tax-ACH	2/15/2019	220,258.78
39702	SDB Contracting Services	Sept-Nov. 2018 Construction Services	2/14/2019	197,341.01
20190207W004	Total Transit Enterprises, LLC	Dec. 2018 Zoom (Avondale) Bus Run-South	2/7/2019	135,821.17
39636	ETC Institute	12/13/18 to 1/11/19 - 2019 Origin and Destination Study	1/30/2019	129,909.63
20190201W001	ASRS	PPE 1-27-19 ASRS Contributions Employee	1/31/2019	103,380.39
20190201W001	ASRS	PPE 1-27-19 ASRS Contributions Employer	1/31/2019	103,380.39
20190215W001	ASRS	PPE 2-10-19 ASRS Contributions Employee	2/15/2019	101,795.05
20190215W001	ASRS	PPE 2-10-19 ASRS Contributions Employer	2/15/2019	101,795.05
02152019	Wells Fargo	Jan. 2019 Wells Fargo Credit Card Purchases	2/15/2019	75,374.26
20190207W004	Total Transit Enterprises, LLC	Dec. 2018 Zoom (Avondale) Bus Run-North	2/7/2019	60,626.30
20190207W004	Total Transit Enterprises, LLC	Dec. 2018 Glendale Express Bus Run and PM	2/7/2019	58,981.58
R20190131W003	City of Mesa	January 2019 Utilities	1/31/2019	55,862.93
20190131W002	Second Generation, Inc. dba Ajo Transportation	Dec. 2018 Rural Connector Route	1/31/2019	55,303.25
20190124W002	First Transit, Inc.	8081 - Transmission Mid Life Overhaul	1/24/2019	51,178.79
20190124W001	CopperPoint Mutual Insurance Company c/o Knight Management	Feb. 2019 Mobility and Call Center Rent	1/24/2019	51,086.49
39635	Enterprise Rideshare	December 2018 VanPool Services	1/30/2019	45,332.56
39721	CyrusOne LLC	10/22/18-1/7/19 Colocation Data Center Service Early Termination of Data Center Contract Fee	2/15/2019	37,987.06
39737	Mosaic451, LLC	Jan. 2019 Managed Security Services	2/15/2019	34,600.00
20190207W003	Senergy Petroleum LLC	Mesa Diesel Fuel	2/7/2019	31,649.01
39606	Eno Transportation Foundation	2019 Membership Renewal	1/23/2019	29,500.00
39660	Guidesoft Inc.	It Services Consultants Week Ending Weeks Ending 1/6 and 1/13	2/6/2019	29,069.25
20190207W004	Total Transit Enterprises, LLC	1599 Engine Rehab	2/7/2019	28,071.89
39725	DLT Solutions, LLC	5/24/18-5/23/19 Human Resources Information System	2/15/2019	26,929.82
20190124W002	First Transit, Inc.	8077 - Mid Life Overhaul	1/24/2019	26,170.93
			Total	10,298,837.76

Valley Metro Rail, Inc.
Monthly AP Payments over $25,000
January 21, 2019 to February 20, 2019

Document Number	Name	Transaction Description	Effective Date	Transaction Amount
20190207W004	Stacy and Witbeck-Sundt JV GRE	December 2018 Gilbert Rd LR Extension	2/7/2019	6,918,467.79
20190213W003	Stacy and Witbeck, Inc.	Dec 2018 Tempe Streetcar Project	2/13/2019	1,702,640.27
20190207W	AECOM Technical Services, Inc.	Dec 2018 S Central Extension	2/7/2019	929,772.47
20190124W	Alternate Concepts Inc.	Dec 2018 Transportation Services	1/24/2019	827,236.05
20190213W002	Hill International, Inc.	Dec 2018 Hill International Program Management	2/13/2019	612,244.68
20190213W	Allied Universal Security Services	Jan 2019 Fare Inspection and Security Services	2/13/2019	549,908.89
20190207W001	Allied Universal Security Services	Dec 2018 Fare Inspection and Security Services	2/7/2019	537,083.26
20190207W003	Jacobs Engineering	Dec 2018 NW Extension 2	2/7/2019	491,208.43
20190207W002	HDR Engineering, Inc.	Sept 2018 Planning and Community Relations	2/7/2019	441,195.94
032598	PGH Wong Engineering, Inc.	Oct 2018 S Central Systems Design	1/24/2019	303,972.68
V20190131W	APS	January 2019 Utilities	1/31/2019	173,151.03
20190124W003	PB-Wong Joint Venture	Dec 2018 Task 19 Project Management Construction Management	1/24/2019	165,309.23
20190124W004	USBC Real Estate LLC	Feb 2019 101 Bldg Rent	1/24/2019	159,139.34
032618	Brookville Equipment Corp	Milestone B Partial	1/30/2019	121,255.76
20190213W001	ARCADIS	Dec 2018 Consulting Support Services	2/13/2019	115,605.34
032643	Arizona Public Service Company	S Central Extension Non Prior Right Utilities	2/6/2019	105,853.66
20190131W	City of Mesa	Dec 2018 Gilbert Road Extension Costs	1/31/2019	97,861.84
20190131W001	Jacobs Engineering	Nov 2018 GRE Design Services	1/31/2019	70,345.17
V20190131W019	SRP	January 2019 Utilities	1/31/2019	69,615.69
032721	Hutchinson Aerospace & Industry, Inc.	Rubber Bolster Anchor and Axle Link	2/13/2019	61,664.37
20190124W002	DMS - Facility Services, Inc.	Dec 2018 Facilities Maintenance Services	1/24/2019	56,822.48
032632	Stantec Consulting Services, Inc.	9/29/18-11/30/18 Tempe Streetcar Design Service	1/30/2019	54,125.00
032620	Colab Studio, LLC	Fabrication - 7	1/30/2019	50,000.00
032738	Stantec Consulting Services, Inc.	Dec 2018 Tempe Streetcar Design Services	2/13/2019	49,753.50
032674	Pario Solutions	1/1/19-12/31/19 Juniper Care and Support Services	2/6/2019	44,730.00
032643	Arizona Public Service Company	50th ST Station Utilities	2/6/2019	42,912.00
032721	Hutchinson Aerospace & Industry, Inc.	Lateral Rubber Stops	2/13/2019	38,937.60
032561	Affinity Resources Company, Inc.	Motor Truck Speed Sensors	1/24/2019	37,399.50
032652	City of Phoenix	Jan 2019 Fare Handling Fee	2/6/2019	37,286.00
032734	PGH Wong Engineering, Inc.	Nov 2018 NW Extension Phase 2	2/13/2019	36,687.78
20190213W	Allied Universal Security Services	Jan 2019 Fare Inspection and Security Services	2/13/2019	36,617.10
20190131W002	Scheidt & Bachmann USA, Inc.	Dec 2018 TVM Cleanup & Relocation	1/31/2019	35,228.78
032611	URW, LLC	Dec 2018 Facilities Landskeeping Services	1/24/2019	33,008.69
20190207W003	Jacobs Engineering	Dec 2018 Gilbert Road Extension Design Services	2/7/2019	32,346.86
032675	Peoria Ford	2019 Ford Explorer VIN 1FM5K7B83KGA52336	2/6/2019	30,900.49
20190207W001	Allied Universal Security Services	Dec 2018 Fare Inspection and Security Service	2/7/2019	30,325.60
032726	Magnetry LLC	Respect the Ride Right & Rong Campaign	2/13/2019	27,285.00
032741	Tempe Police Department	Dec 2018 PM Platform Security Enforcement	2/13/2019	26,374.00
032741	Tempe Police Department	Sept 218 PM Platform Security Enforcement	2/13/2019	25,399.13
032711	City of Phoenix	Oct - Dec 2018 Regional Wireless Billing	2/13/2019	25,127.33
032621	Entercom Communications Corp	Dec 2018 Marketing Media Buys	1/30/2019	25,000.00
			Total	15,229,798.73

ACTIVE SOLICITATIONS as of 03/06/19						
Agency	**Solicitation Type**	**Solicitation Title**	**Release Date**	**Proposal Due Date**	**Targeted Board Award Date**	**Term of Contract**
VMR	S/S	LRV Accident & Body Repair	12/13/2018	12/21/2018	12/13/2018	5 years
VMR	RFP	Vehicle Communication & Video System Upgrade	8/27/2018	11/19/2018	3/21/2019	5 years
VMR	IFB	Re-Issue IFB for Aerial Device Vehicle/ Bucket Truck	12/11/2018	1/8/2019	3/21/2019	1 year
VMR	S/S	LRV Window Glass	1/8/2019	1/24/2019	4/18/2019	5 years
Joint	RFP	Risk Management Consulting Services	11/29/2018	1/24/2019	5/16/2019	5 years
Joint	RFP	Financial Audit Services	2/7/2019	3/7/2019	5/16/2019	5 years
Joint	RFP	Employee Benefits Consulting Svc	12/20/2018	2/5/2019	5/16/2019	5 years
VMR	IFB	Line Filter Choke Overhaul	2/14/2019	3/14/2019	n/a	18 months

UPCOMING SOLICITATIONS						
Agency	**Solicitation Type**	**Solicitation Title**	**Release Date**	**Proposal Due Date**	**Targeted Board Award Date**	**Term of Contract**
VMR	RFP	LRV Painting	2nd Qtr 2019	TBD	6/20/2019	5 Years
Joint	RFP	Wayfinding Map Design Services	1st Qtr 2019	2nd Qtr 2019	6/20/2019	5 years
VMR	RFP	Corrosion Control Services	2/14/2019	3/28/2019	6/20/2019	5 years
Joint	RFP	Transit Asset Management	3/28/2019	4/25/2019	6/20/2019	5 years
Joint	RFP	Market Research Services	1st Qtr 2019	2nd Qtr 2019	8/22/2019	5 years
Joint	RFP	Retail Network for Fare Collection	TBD	TBD	3rd Qtr 2019	5 years
Joint	RFP	Printing Services	TBD	TBD	TBD	5 years
Joint	RFP	Construction Services - JOC Supplemental	3rd Qtr 2019	3rd Qtr 2019	TBD	3 years
RPTA	TBD	Shop Floor Refurbishment	TBD	TBD	TBD	1 time purchase
RPTA	RFP	Commuter Express Buses*Pending COP Review and Approval	TBD	TBD	TBD	5 years

Information Summary

DATE **AGENDA ITEM 6**
March 14, 2019

SUBJECT
Future Agenda Items Request and Report on Current Events

PURPOSE
Chairs Phelps and Zuercher will request future agenda items from members, and members may provide a report on current events.

BACKGROUND/DISCUSSION/CONSIDERATION
None

COST AND BUDGET
None

COMMITTEE PROCESS
None

RECOMMENDATION
This item is presented for information only.

CONTACT
Scott Smith
Chief Executive Officer
602-262-7433
ssmith@valleymetro.org

ATTACHMENT
None.

Pending Items Request

Item Requested	Date Requested	Planned Follow-up Date

Agenda

March 14, 2019

Board of Directors
Thursday, March 21, 2019
Lake Powell Conference Room
101 N. 1st Avenue, 10th Floor
12:15 p.m.

			Action Recommended
1.	Public Comment (blue card)	1.	For Information

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

2.	Minutes	2.	For action

Minutes from the February 21, 2019 Board meeting are presented for approval.

CONSENT AGENDA

3A.	Authorization to Issue a Competitive Solicitation for Printing Services	3A.	For action

Staff recommends that the Board of Directors authorize the CEO to issue a competitive solicitation for marketing printing services.

3B.	Authorization to Issue a Competitive Solicitation for Transit Asset Management (TAM) Consultant Services	3B.	For action

Staff recommends that the Board of Directors authorize the CEO to issue a competitive solicitation for TAM Consultant Services.

3C.	Mobility Center Office Space Reconfiguration	3C.	For action

Staff recommends that the Board of Directors authorize the CEO to execute a contract for a general contractor and vendors to buildout and furnish our current leased space at a project cost not to exceed $110,910.

3D.	Refunding Bond Issuance Authorization – Fourth Supplemental Resolution	3D.	For action

Staff recommends that the Board of Directors adopt the Fourth Supplemental Resolution authorizing the issuance of tax-exempt, senior lien bonds in FY 2019 in an amount sufficient to refund certain maturities of the Series 2009B bonds and to pay costs of issuing the bonds.

REGULAR AGENDA

4.	Valley Metro RPTA Fiscal Year 2020 (FY20) Proposed Operating and Capital Budget and Five-Year Operating Forecast and Capital Program (FY20 thru FY24)	4.	For information

Scott Smith, CEO, will introduce Paul Hodgins, Chief Financial Officer, who will provide an overview of the FY20 Preliminary Operating and Capital Budget.

5.	Future Agenda Items Request and Report on Current Events	5.	For information

Chair Tolmachoff will request future agenda items from members, and members may provide a report on current events.

6.	Next Meeting	6.	For information

The next Board meeting is scheduled for **Thursday, April 18, 2019 at 11:15 a.m.**

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

Information Summary

DATE
March 14, 2019

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.** Up to three minutes will be provided per speaker unless the Chair allows more at his/her discretion. A total of 15 minutes for all speakers will be provided.

BACKGROUND | DISCUSSION | CONSIDERATION
None

COST AND BUDGET
None

COMMITTEE PROCESS
None

RECOMMENDATION
This item is presented for information.

CONTACT
Scott Smith
Chief Executive Officer
602-262-7433
ssmith@valleymetro.org

ATTACHMENT
None

Minutes

March 14, 2019 **AGENDA ITEM 2**

Board of Directors
Thursday, February 21, 2019
Lake Powell Conference Room
101 N. 1st Avenue, 10th Floor
11:15 a.m.

RPTA Meeting Participants
Councilmember Lauren Tolmachoff, City of Glendale **(Chair)**
Councilmember Sam Huang for Mayor Kevin Hartke, City of Chandler **(Vice Chair)**
Mayor Thelda Williams, City of Phoenix, **(Treasurer)**
Vice Mayor Pat Dennis, City of Avondale (phone)
Mayor Alexis Hermosillo, City of El Mirage (phone)
Councilmember Mark Scharnow, Town of Fountain Hills
Councilmember Brigette Peterson, Town of Gilbert (phone)
Councilmember Bill Stipp, City of Goodyear
Councilmember Francisco Heredia, City of Mesa
Councilmember Jon Edwards, City of Peoria
Councilmember Roland F. Winters Jr., City of Surprise
Councilmember Robin Arredondo-Savage, City of Tempe
Mayor Michael LeVault, Town of Youngtown

Members Not Present
Vice Mayor Eric Orsborn, City of Buckeye
Supervisor Steve Gallardo, Maricopa County
Councilmember Susanne Klapp, City of Scottsdale
Councilmember Linda Laborin, City of Tolleson
Mayor Evertt Sickles, Town of Wickenburg

Chair Tolmachoff called the RPTA meeting to order at 12:00 p.m.

1. Public Comment

There are no public comment cards.

2. Minutes

Chair Tolmachoff said the next item on the agenda is the minutes from the January 17 board meeting. Are there any comments or corrections on the minutes?

IT WAS MOVED BY COUNCILMEMBER ARREDONDO-SAVAGE, SECONDED BY MAYOR WILLIAMS AND UNANIMOUSLY CARRIED TO APPROVE THE JANUARY 17, 2019 BOARD MEETING MINUTES.

3. Fiscal Year 2018 (FY18) Regional Public Transportation Authority Comprehensive Annual Financial Report (CAFR) and Single Audit Reporting Package (SARP)

Chair Tolmachoff said the next item on the agenda is the fiscal 2018 Region Public Transportation Authority Comprehensive Annual Financial Report and single Audit Reporting Package. Mr. Smith, will you introduce this item.

Mr. Smith said I'd like to introduce Paul Hodgins.

Mr. Hodgins said we don't have a formal presentation. This is the CAFR for the fiscal year ending 2018. There were no issues.

The independent auditor's report was attached to the memo, if you had a chance to read it. The full report is available on our Website. On modified opinion it was a clean report. I do note that last year they found a weakness. They do note that that's been corrected this year, so, again, a clean report.

Chair Tolmachoff said does anybody have any questions or comments on this item? If none, this is for action, do I have a motion?

IT WAS MOVED BY COUNCILMEMBER ARREDONDO-SAVAGE, SECONDED BY MAYOR WILLIAMS AND UNANIMOUSLY CARRIED TO ACCEPT THE FY18 COMPREHENSIVE ANNUAL FINANCIAL REPORT AND SINGLE AUDIT REPORTING PACKAGE.

4. Change to ADA Paratransit Service Area in Mesa

Chair Tolmachoff said the next item on the agenda is the change to the ADA paratransit service area in Mesa.

Mr. Smith said thank you, madam chair. And I will apologize ahead that you get to listen to me a little bit more, but Ron Brooks, who would normally give this had a death in the family and therefore is not here. And Rob Antoniak also had family out of town business, so I am giving this to you today.

This is part of our wide-ranging discussion on paratransit services that we touched on in the study session, and we'll get into more detail in March. And I even chased the mayor away.

And if we could, we'd like to use this as sort of a set up to a broader discussion because what Mesa has done is something that I think every city in one form or another will need to look at and will look at on an overall basis.

Basically, what happened is that Mesa we have for ADA we have what we call mandated service areas and non-mandated service areas, basically anything that's not mandated is non-mandated. And in the City of Mesa, we have a large number, a large area, a large portion of the city which is in a non-mandated area.

A mandated service for ADA is within three-quarters of a mile of an established fixed route. And basically what we say is if you have local service, three-quarters of a mile in all directions we are required by law to provide ADA paratransit service. That means paratransit to ADA qualified people.

Many of our cities choose to provide services that go beyond that. They'll provide services to seniors which are not part of ADA. They'll provide services outside the three-quarters mile. Mesa chose to do that several years ago and have recently reevaluated that. And so they are changing their defined service area.

The only reason it's in front of you today is because since by board action this board establishes the ADA service area regionwide. We have to amend that and change it back to what Mesa is doing.

So what they're doing is that they're moving out to where Mesa will not provide ADA services paratransit services in non-mandated areas, although they will provide others. And this is the map of Mesa. You can see that this is the area which they are currently providing ADA paratransit, the white areas are county islands within Mesa, so basically the entire city, 145 square miles, we provide all services.

These are the areas that are outside the mandated areas. There primarily is very little bus service in east Mesa and north Mesa, so Mesa has been providing a full gamut of ADA services even in areas where there's not.

The proposal is to reduce the ADA service paratransit service to the area that's in light blue and to supplement or replace ADA mandated services -- ADA paratransit services in the turquoise area with RideChoice.

So what we're asking today is to change the service boundaries, our region service boundaries, back to the light blue lines. Now the reason why this impacts all of you is, because I've said, we're going to have a discussion as to what is the future of ADA services or paratransit in the valley. And we have a lot of different cities that do different things as their local policies, and that's one thing we're going to talk about.

What this does in Mesa is 85 percent of the current customers will experience no change. And everybody will be taken care of. Nobody's left hanging without a ride. The city is working with those.

And, Councilmember Heredia, I think this morning in your study session actually the council approved these changes?

Councilmember Heredia said yes. It was a lengthy discussion, but it was approved to move forward.

Mr. Smith said and not to put you on the spot, but as you can see, whenever it's supposed or you're perceived to be reducing services, there are some challenges. I mean, some of the things that you dealt with.

Councilmember Heredia said yeah, for sure. So, sorry, I was late because we have a two-hour long study session of our own.

Mr. Smith said and I wasn't even there for it. So, see. Not my fault. That one wasn't.

Councilmember Heredia said we're asking you to come to our study session at one point. But it was definitely issues that came up around reducing the service area with respect to safety and just I think awareness of the RideChoice program in general for folks.

So there's some action items for us internally that we have to do as far as outreach and have more information out to -- especially the blind community. I think the map and the information wasn't available for many of them or they just weren't able to communicate or get that communication for them, so along with other items that I think we will be talking about moving forward.

Mr. Smith said and there was a very aggressive outreach effort. It's a combination of City of Mesa staff and Valley Metro staff. And, you know, try as hard as you can, you can see there's gaps in that.

Obviously, when we're affecting this community, the impact is felt. A lot of is the understanding or the misunderstanding about what exactly is provided. Many of your staff from your city have approached us with questions regarding about the future of this and this is one of the main issues.

As you can see, these are some of the concerns as the council member brought up. And you can see that even though it's not a majority, it's not a large number, obviously, if it affects one person, that's of concern to us and how do you deal with it because the impact on that one person could be significant.

So we don't take these changes lightly. We want to make sure that everyone is taken care of. And one of the things that we will do is using Mesa, sort of as the example now, since they basically took the bull by the horn, so to speak, and took an action before that we could catch up as a region. We're going to talk more and more together. We're having a workshop with your staff -- you're invited in -- basically to talk about the complexities of our ADA and RideChoice services in the region and the differences. That's coming up March 12. We'll have that workshop at ten o'clock. Your staff will be involved. We will follow it up with, as you saw, with a focus in the March study session on these ADA services.

So we'll really do a deep-dive into this and how it affects and the particulars about RideChoice and about the impact on the communities. Mesa's moving ahead with the July 1 service change. I'm assuming that's still the case.

Mesa's moving ahead. And so all we're asking this board to do is to basically approve the change that City of Mesa has requested to the service areas. And, once again, take the information that I've laid out to you, have your staff come fully prepared to that workshop to delve into some of the intricacies of ADA, the challenges we're having, the shortcomings, the things we're doing right so we can move ahead with our study session and make that as worthwhile as possible. So that's our recommendation.

Chair Tolmachoff said thank you. Does anybody have any questions? Mayor Williams.

Mayor Williams said who's going to break the news to them? We found when we made some changes the current clientele using the system totally misunderstood what was happening and it was really messy. And so I would suggest that I think it's appropriate to do this, I believe in doing it, and I will make the motion to approve it. But I would advise you to start early to get the word out alternatives and phone numbers and specific directions on how to access it.

Mr. Smith said thank you. And I know the city staff, for example, you see some in the summary, they actually had telephone calls with individual customers, they followed up. Even at that, it's a challenge. So this is one of the things we'll talk about in our workshop. And the next thing is what can we do to really enhance and get the right information out there.

This kind of change is really scary. And so we need to make sure we come up with a regionwide program and learn from what Mesa just went through. They've just gone through it. We were deeply involved in that.

And part of the thing is thank heavens we have somebody -- thank you for being a guinea pig -- and they've sort of learned the hard way on some of these things that we can share this in the workshop and study session some of the things they found worked, some of the things they found that didn't work.

Councilmember Winters said since you're going to have Transdev not pick up some people and use RideChoice instead, so does RideChoice become the regional ride to take if you're not going to have Transdev? You're saying RideChoice is going to take over for what Transdev is not doing; correct?

Mr. Smith said we're in these areas that are non-mandated, the RideChoice will be option that those who live in that area would have. You're correct.

Councilmember Winters said so if they're going to go on a regional ride they've to take RideChoice which will necessitate a larger bill for them to ride somewhere.

Mr. Smith said that's one of the challenges because we will not once this is changed, we provide region -- we provide ADA services within the established regional boundaries.

Councilmember Winters said at three-quarters of a mile, though.

Mr. Smith said right. So if you live in Mesa in the non, we will not take you on a region ride unless Mesa asks us to.

Councilmember Winters said if I'm correct, Mesa still has bus service; right? They'll have their regular buses running.

Mr. Smith said Mesa has regular bus.

Mr. Winters said the problem Surprise has, we don't have any buses. And that's all we got. So I'm just concerned that might spread to my city. I hope it doesn't.

Mr. Smith said well, and that's one reason why we're having this deep-dive and getting everyone together because you're not the only one that's in that situation, and so we want to throw it out there and say let's talk about everything. Because there are challenges. You know, we have this large population and it's not getting smaller that needs service and how can we best do that in a way that is financially responsible while also being service responsible.

Mr. Smith said and you brought up a great example, which is why we're having both the workshop and following it up with a study session. We want to address these issues.

Councilmember Winters said those residents in Surprise if they can't use Transdev they take RideChoice instead, they're going to pay a considerable amount for that ride both ways.

Mr. Smith said and just so you know, and I agree with you, just so you know, we do not determine the policy. You individual cities decide what policy you want to pursue.

As I said, we did not -- this emanated from the City of Mesa. We certainly worked with them to implement and accommodate this. So one of the things we'll talk about is both the opportunities that having each city which is unique decide what they want to do, but also the complexities. Because the more complexities you have in the system, you can imagine the harder it is to control cost and to provide high-quality service. So those are the things we really want to get in detail through the workshop and through the study session.

Vice Mayor Dennis said can you explain the difference of service level of your ADA which is within that three-quarters of a mile compared to the RideChoice?

Mr. Smith said very briefly, ADA paratransit is provided to anyone in the ADA area and it is a reservation service, usually a day before. You have to reserve a ride the day before. They give you a window. And it is charged no more than twice the bus ticket. So, two dollars, we charge $4 for paratransit.

You can then go anywhere within the service area. Anywhere and for us regional meaning anywhere in the valley. So that's the basics of ADA paratransit. And you are either qualified ADA or the city has included you. Some cities provide it to seniors. Some cities just say no, you have to be ADA qualified.

RideChoice is a non-mandated service. It's basically a taxi voucher and our basic providers are taxi cabs and Lyft. Believe it or not provides a large number of our RideChoice. And what it is is, it's an on-demand service, so same-day service. I pick up the phone, I can call, and they'll however soon a taxi or a Lyft can get there take me. They will take me anywhere, but we will only cover the cost for the first eight miles. It's three dollars, so it's less than the paratransit, it's three miles, but we will cover the cost for the first eight miles. Anything after that, the rider pays two dollars a mile.

So the change is that it's more convenient and it's more on-demand and it's less expensive if you're riding less than eight miles. After that it costs more because the cost will go up as opposed to an ADA paratransit. It's a fixed price.

Vice Mayor Dennis said and if someone was within your ADA area but chose to do RideChoice instead because it was less expensive.

Mr. Smith said they could do that.

Vice Mayor Dennis said do they still have that choice?

Mr. Smith said yes.

Councilmember Peterson said Madam chair, thank you. I just wanted to let everybody know that Gilbert will be discussing this issue. We have a financial retreat next Thursday, so I should have more information to bring back from that retreat to this group after that hopefully for the study session that we have here.

IT WAS MOVED BY MAYOR WILLIAMS, SECONDED BY COUNCILMEMBER HEREDIA AND UNANIMOUSLY CARRIED TO REDEFINE THE ADA PARATRANSIT SERVICE AREA WITHIN THE CITY OF MESA TO INCLUDE ONLY THOSE AREAS MANDATED BY FEDERAL LAW, EFFECTIVE JULY 1, 2019.

5. Future Agenda Items Request and Report on Current Events

Chair Tolmachoff The next item on the agenda is future agenda rights request or report on current events. Would anybody like to request anything for a future agenda or study session?

Seeing none, the next meeting is Thursday, March 21. This says 11:15, but I believe that will be changed.

With no further discussion the meeting adjourned at 12:16 p.m.

Information Summary

DATE **AGENDA ITEM 3A**
March 14, 2019

SUBJECT
Authorization to Issue a Competitive Solicitation for Printing Services

PURPOSE
To request authorization for the Chief Executive Officer (CEO) to issue a competitive solicitation for printing services to meet the needs of all departments at Valley Metro and member agencies.

BACKGROUND | DISCUSSION | CONSIDERATION
Historically, Valley Metro has met high printing demands by obtaining quotes from three different vendors and issuing a purchase order for each project. This process, while fair and competitive, limits the agency's buying power and is labor intensive. In order to create greater efficiency, remove redundancy, and leverage our buying power, Valley Metro recommends pursuing a competitive solicitation and entering into multiple contracts to meet our printing needs.

Printing services are necessary to provide marketing materials to Valley Metro's departments and members while implementing strategic marketing campaigns. Marketing materials and collateral allow Valley Metro and members to communicate to existing riders, target discretionary riders and develop custom tactics to increase overall system ridership and community support for transit. A summary of historical printing spending is listed below for reference:

FY17		FY18		FY19*	
RPTA	VMR	RPTA	VMR	RPTA	VMR
$561,978	$100,890	$440,239	$228,337	$263,766	$164,371
FY17 Total:	**$662,868**	**FY18 Total:**	**$668,576**	**FY19* Total:**	**$428,138**
				*Partial Year	

Staff is seeking Board authorization to issue a competitive solicitation for printing services for a five-year contract term. In order to provide the flexibility required to meet various printing needs and foster greater competition, staff will divide the scope of work into various printing categories (*e.g.* small format, large format, etc.). Offerors will have the opportunity to propose offers based on category instead of the scope as a whole. This will foster greater competition per category because offerors will not be limited by their ability to perform the entire scope of work. Successful offerors may be awarded one or multiple categories based on the evaluation team's recommendation.

Proposals will be evaluated based on value, experience, quality, and cost. All contract awards will return to the Board this spring for approval.

COST AND BUDGET

The overall five-year value of the contract should not exceed $4,000,000. The estimated $750,000 for first-year contract costs are included in the FY20 Valley Metro RPTA and Valley Metro Rail budgets with funding supported by a combination of regional and local funding sources. All future year costs will be reflected in the annual Valley Metro RPTA and Valley Metro Rail budgets.

STRATEGIC PLAN ALIGNMENT

FY 2016 – 2020:

- Goal 1: Increase customer focus
- Goal 3: Grow transit ridership.
- Goal 5: Advance the value of transit

COMMITTEE PROCESS

RTAG: February 19, 2019 for information
TMC: March 6, 2019 approved
Board of Directors: March 21, 2019 for action

RECOMMENDATION

Staff recommends that the Board of Directors authorize the CEO to issue a competitive solicitation for marketing printing services.

CONTACT

Rob Antoniak
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ATTACHMENT

None

Information Summary

DATE **AGENDA ITEM 3B**

March 14, 2019

SUBJECT

Authorization to Issue a Competitive Solicitation for Transit Asset Management (TAM) Consultant Services

PURPOSE

To request authorization for the Chief Executive Officer (CEO) to issue a competitive solicitation for TAM Consultant Services.

BACKGROUND | DISCUSSION | CONSIDERATION

Valley Metro has developed a TAM plan. The plan contains various tasks and procedures that Valley Metro would like to implement to enhance our TAM program. Valley Metro staff has begun to evaluate the operations business processes and strategies in place for TAM, however asset management knowledge and expertise is needed to fully develop and advance our program.

Valley Metro desires to issue a Competitive Solicitation for TAM Consultant Services to assist in the comprehensive evaluation of our program and assist with new processes and procedures where needed. The tasks below are a portion of what is requested of a consultant:

- Review existing asset management practices, implementation plan and procedures specific to its transit (bus and light rail transit (LRT)) operations;
- Review lifecycle plans unique to each physical asset category and assist with condition assessments;
- Assistance with a needs assessment for a decision support tool and prioritization for financial forecast and budget allocation.

COST AND BUDGET

The RPTA's cost for the TAM Consultant Services over a 3-year contract period is estimated at $80,000 and VMR's cost is estimated at $320,000. It is estimated that the contract costs would be $130,000 per year. The RPTA costs for the consulting services are included in the RPTA Proposed FY20 Operating and Capital Budgets. Contract obligations beyond FY20 are incorporated into the RPTA Five-Year Operating Forecast and Capital Programs (FY2020 thru FY 2024).

COMMITTEE ACTION
RTAG: February 19, 2019 for information
TMC: March 6, 2019 approved
Board of Directors: March 21, 2019 for action

RECOMMENDATION
Staff recommends that the Board of Directors authorize the CEO to issue a competitive solicitation for TAM Consultant Services.

CONTACT
Ray Abraham
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ATTACHMENT
None

Information Summary

DATE **AGENDA ITEM 3C**
March 14, 2019

SUBJECT
Mobility Center Office Space Reconfiguration

PURPOSE
To request authorization for the Chief Executive Officer (CEO) to execute a contract for a general contractor and vendors to buildout and furnish our current leased space at a project cost not to exceed $110,910.

BACKGROUND | DISCUSSION | CONSIDERATION
The Mobility Center is located at 4600 E. Washington and houses Customer Service and Paratransit Services staff. The lease for this office expires in January 2026. In July of 2018, Valley Metro implemented a new contract for eligibility certification and travel training services. In addition to requiring our new contractor to provide assessments for the increasing number of individuals applying for ADA paratransit, we included a contractual requirement for expanded travel training services for individuals who may be able to use accessible bus and light rail rather than more costly paratransit.

Further, we included a requirement for the contractor to take on more of the customer service and clerical aspects of the eligibility certification program, thereby freeing Valley Metro staff to focus on the day-to-day management of our growing paratransit and RideChoice programs. These new contractual requirements necessitated a larger workforce for the new contract.

The Mobility Center reconfiguration will create additional work spaces for the larger workforce at the Mobility Center, and it will provide a new small conference room where Mobility Center staff can meet with customers, a capability we do not currently have. In order to meet the need for additional space, staff worked with an architect to maximize the use of the existing space.

Knight Management, the building management company, reserves the right to approve any contractors who work in their Building. Valley Metro sent the plans to three building-management approved contractors and one bid was received from SDB who is also on the Mojave Cooperative Contract. In addition to general contractor work, some expenses for permitting fees, cabling, camera relocation and equipment may be required.

COST AND BUDGET
The cost for these improvements are summarized in the following table:

Firm	Services	Cost
SDB	Construction	$69,733
Goodman's Furniture	Furniture and installation	$15,896
Other expenses	Permit fees, cabling, security camera moves, audio/visual, etc.	$20,000
Contingency (5%)		$5,281
Project Total		$110,910

The project is an RPTA project and the overall total is funded within the Adopted FY19 Annual Operating and Capital Budgets.

STRATEGIC PLAN ALIGNMENT
This item relates to the following goal and strategy in the Five-Year Strategic Plan, FY 2016 – 2020.

- Goal 1: Increase Customer Focus

COMMITTEE PROCESS
RTAG: February 19, 2019 for information
TMC: March 6, 2019 approved
Board: March 21, 2019 for action

RECOMMENDATION
Staff recommends that the Board of Directors authorize the CEO to execute a contract for a general contractor and vendors to buildout and furnish our current leased space at a project cost not to exceed $110,910.

CONTACT
Rob Antoniak
Chief Operating Officer
602.495.8209
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ATTACHMENT
None

Information Summary

DATE **AGENDA ITEM 3D**
March 14, 2019

SUBJECT
Refunding Bond Issuance Authorization – Fourth Supplemental Resolution

PURPOSE
To request authorization for the issuance of tax-exempt, senior lien refunding bonds in Fiscal Year 2019. This authorization action is the Fourth Supplemental Resolution in accordance with Master Resolution adopted by the Board in 2009.

BACKGROUND | DISCUSSION | CONSIDERATION
RPTA has the statutory authority to issue revenue bonds to support the capital projects in the Transit Life Cycle Program (TLCP). RPTA has previously issued bonds in 2009, 2014 and 2016.

The 2009 series bonds were issued in two series: 2009A tax-exempt and 2009B taxable Build America Bonds (BAB). Both series are callable on July 1, 2019. The Series 2009A bonds were advance refunded in 2016 The Series 2009B were not refunded at that time due to concern about how the IRS might treat the BAB tax credit.

This Fourth Supplemental Resolution authorizes the refunding of the Series 2009B BABs. The bonds authorized through this Fourth Supplemental Resolution are in accordance with the Board adopted Master Resolution. This Fourth Supplemental Resolution was developed by the agency's Bond Counsel, Squire Patton Boggs (US) LLP, in association with the agency's Financial Advisor, RBC Capital Markets.

The Fourth Supplemental Resolution authorizes the issuance of Senior Lien Bonds in an amount necessary to refund the Series 2009B taxable Build America Bonds, currently estimated to be $24,215,000 par value. The par value of the issuance may change based on market conditions at the time of sale and will be in an amount sufficient to refund the Series 2009B bonds identified.

The bond issuance is currently envisioned to have coupon rates of 5 percent, depending on the maturity; and sold at a premium, with the True Interest Cost (TIC) currently estimated to be around 2.36%. The estimated savings based on the current market conditions is $2.0 million. The agency is rated by Standard & Poor at AA+ and by Fitch at AA.

Following are the highlights of the Fourth Supplemental Resolution:

- Authorizes the issuance of the 2019 Refunding Bonds and delegates to the CEO and CFO of RPTA the authority to negotiate the sale of the 2019 Refunding Bonds, for not less than 99 percent of par value, to a group of underwriters to be selected by the RPTA's CEO and CFO from among the pool of underwriters which has previously been qualified by the State of Arizona for its financings.

- Specifies limits or parameters on the financial terms of the 2019 Refunding Bonds, including; aggregate principal in an amount necessary to refund the Series 2009B Bonds; yields not to exceed six percent as computed for arbitrage purposes; and final maturity date not to exceed July 1, 2025

- Refunding Series 2009B bonds will be conducted through an escrow agent.

- RPTA's CEO and CFO are also authorized to:
    - Prepare a Preliminary Official Statement and a Final Official Statement describing the 2019 Refunding Bonds and their security for distribution by the Underwriters to prospective purchasers of the 2019 Refunding Bonds;
    - Negotiate the form of a Bond Purchase Agreement with the Underwriters;
    - Designate a Bond Registrar and Paying Agent for the 2019 Refunding Bonds; and
    - Enter into other customary financing documents

- Contains covenants of RPTA to take all actions necessary to maintain the tax-exempt status of the 2019 Refunding Bonds including entering into a Tax Certificate and Agreement prepared by Bond Counsel

- Authorizes RPTA to spend proceeds of 2019 Refunding Bonds for the sole purpose of refunding the 2009B series maturities listed

- Authorizes RPTA to take all actions necessary to comply with Bond Resolutions and other bond documents

The underwriters will be selected from the pool of underwriters on the state contract. The Financial Advisor (RBC Capital) may conduct a bid process for all qualified underwriters and invite them to describe why they should manage the sale of the agency's bonds, what their marketing strategies will be and to identify their key contacts. RPTA, along with the Financial Advisor, will select the underwriters that best fit the agency's needs. The underwriters are compensated based on the price per $1,000 bond, and the compensation will be paid by the Trustee from bond proceeds.

Given potential uncertainties in the bond markets due to quickly-changing fixed income and equity investment pricing, selecting a collection of qualified underwriters and working closely with them to determine the preferred timing and structure for the issue to maximize investor interest is our preferred approach. Accordingly, RPTA is proposing to sell the bonds through a negotiated sale primarily for market timing flexibility in seeking the best possible price. This strategy is preferred over a competitive sale arrangement which would be less flexible concerning timing and structuring issues.

COST AND BUDGET
The strong market conditions that continue allow the opportunity to refund the Series 2009B bonds, which was not anticipated in the FY19 Operating and Capital Budget. The resulting debt service will reduce the debt service amounts listed in the FY19 budget and FY19-23 Five Year Forecast and will be incorporated into the FY20 budget and FY20-24 Five Year Forecast.

Included in the cost of issuing the bonds will be the fees paid from the bond proceeds at closing to:

- agency's financial advisor
- bond counsel
- trustee
- ratings agencies
- underwriters

It is estimated that these costs will not exceed $400,000 Many of these costs are calculated per $1,000 par value, so the final costs will be calculated when the final par value of the issuance is determined before pricing and closing.

STRATEGIC PLAN ALIGNMENT
This item relates to the following goals and strategies in the Five-Year Strategic Plan, FY 2016 – 2020:

- Goal 2: Advance performance based operation

COMMITTEE PROCESS
RTAG: February 19, 2019 for information
TMC: March 6, 2019 approved
AFS: March 14, 2019 approved
Board of Directors: March 21, 2019 for action

RECOMMENDATION
Staff recommends that the Board of Directors adopt the Fourth Supplemental Resolution authorizing the issuance of tax-exempt, senior lien bonds in FY 2019 in an amount sufficient to refund certain maturities of the Series 2009B bonds and to pay costs of issuing the bonds.

CONTACT
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Chief Financial Officer
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ATTACHMENT
None

Fourth Supplemental Resolution is available upon request.

Information Summary

DATE **AGENDA ITEM 4**

March 14, 2019

SUBJECT

Valley Metro RPTA Fiscal Year 2020 (FY20) Preliminary Operating and Capital Budget

PURPOSE

To provide and overview of the FY20 Preliminary Operating and Capital Budget.

BACKGROUND/DISCUSSION/CONSIDERATION

The Valley Metro Regional Public Transportation Authority (RPTA) FY20 combined operating and capital budget (the budget) is $332.4 million (M) and includes $114.5M of expenses for light rail/high capacity transit capital.

The preliminary FY20 budget has been prepared with the goal of delivering a fiscally prudent, balanced budget using carry forwards and reserves when needed. The budget was developed in compliance with Board of Directors' adopted budget, financial and Transit Life Cycle Program (TLCP) policies.

The annual budget is prepared on an accrual basis and adopted by the Board of Directors each fiscal year. The legal level of budgetary control is the total annual appropriated budget. With respect to Capital Budgets, project contingency accounting is used to control expenditures within available project funding limits. With respect to Operating Budgets, encumbrance accounting is not used and all appropriations lapse at the end of the year. Prior to final adoption, a proposed budget is presented to the Board of Directors for review and public comment is received. Final adoption of the budget must be on or before June 30 of each year.

The RPTA budget includes a significant level of expenditures on behalf of Valley Metro Rail (VMR). RPTA is the official employer for all Valley Metro employees therefore all employee related expenses for VMR are include in the RPTA budget. VMR reimburses RPTA for its share of employee expenses. RPTA is also the recipient of all public transportation funds received from Proposition 400. Revenues to support the rail program are passed through to VMR on a reimbursement basis.

The total operating budget of $202.6M represents a $11.6M (6%) increase from the previous year's operating budget of $191.0M. The total capital budget of $129.8M represents a $2.7M (2%) increase from the previous year's capital budget of $127.1M.

The RPTA and Valley Metro Rail (VMR) budgets are developed with a unified staff plan, with department managers planning the level of effort required to meet the bus and rail activities. Salary and overhead charges to bus and rail projects are based on actual time worked on each project. For FY20 there are 430 employees budgeted in the integrated agency, with 155 FTE's budgeted to RPTA activities and 275 budgeted to VMR activities. Compensation budget based on 3.0% increase. For staff salary changes, merit increases are evaluated based on employee performance; division level control to manage total costs within budget.

STRATEGIC PLAN ALIGNMENT

This item relates to the following goals and strategies in the Five-Year Strategic Plan, FY 2016 – 2020:

- Goal 2: Advance performance based operation

COMMITTEE PROCESS

Preliminary Budget Review:
Financial Working Group: February 19, 2019 for information
RTAG: February 19, 2019 for information
TMC: March 6, 2019 for information
AFS: March 14, 2019 for information
Board of Directors: March 21, 2019 for information

Proposed Budget Adoption:
TMC: May 1, 2019 for approval
AFS: May 8, 2019 for action
Board of Directors: May 16, 2019 for action

RECOMMENDATION

This item is presented for information.

CONTACT

Paul Hodgins
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ATTACHMENT

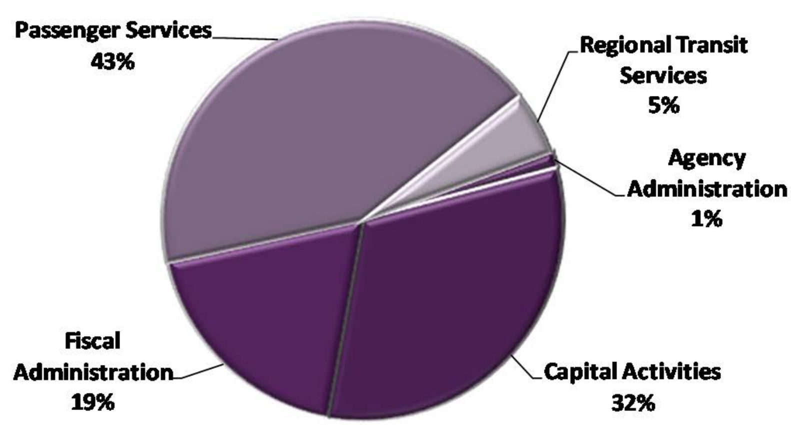
FY20 Budget Executive Summary

RPTA

FY20 Preliminary Budget Overview

March 2019

Uses of Funds: Operating & Capital

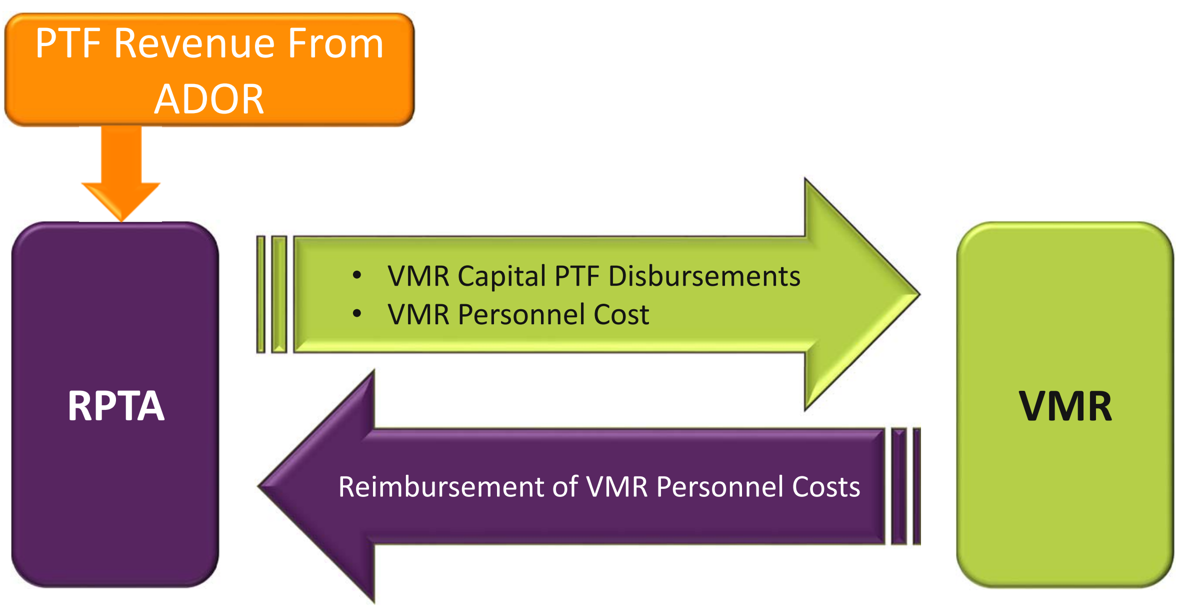


Proposition 400
Transportation Excise Tax

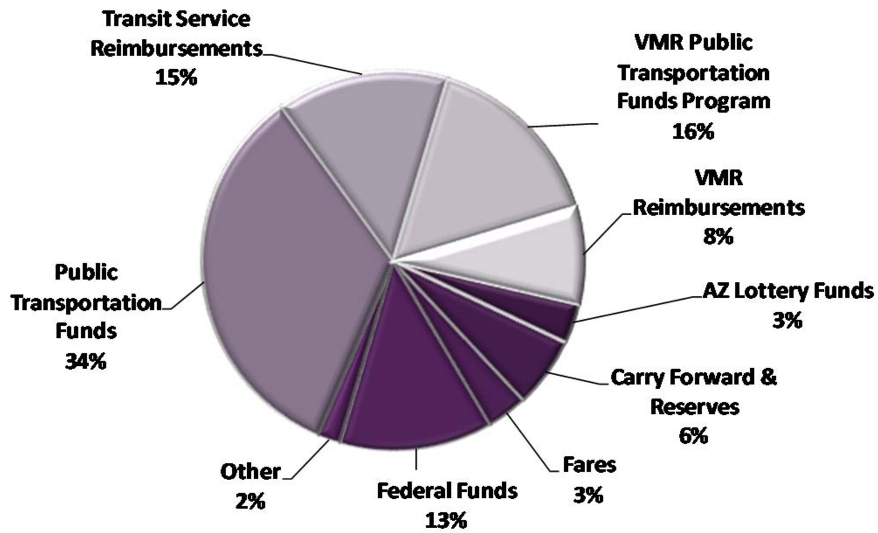
½ cent sales tax, 20 year life, Jan 2005 – Dec 2025

- Public Transportation Funds (PTF) – 33%
- Regional Area Road Fund (RARF) – 67%

Pass-Through Funds to VMR



Sources of Funds: Operating & Capital



Sources of Funds: Operating ($,000,000)

Source of Funds	FY19	FY20	Change $	Change %
Public Transportation Funds	$81.2	$87.0	$5.8	7%
Regional Area Road Funds	5.0	5.1	0.1	3%
Transit Service Agreements	42.0	48.5	6.5	15%
MAG Funds	0.5	0.5	0.0	0%
AZ Lottery Funds	0.0	0.2	0.2	0%
Federal Grants	9.9	8.8	(1.0)	-10%
Fare Revenues	13.0	11.6	(1.4)	-11%
Other Revenues	0.3	0.6	0.3	88%
Carry forward and Reserves	4.8	1.6	(3.2)	-66%
Sub-Total RPTA Operating	**$156.7**	**$163.9**	**$7.3**	**5%**
VMR Reimbursements	$23.1	$27.5	$4.3	19%
AZ Lottery Funds	$11.2	$11.2	0.0	0%
Sub-Total Pass-Through Funds	**$34.3**	**$38.7**	**$4.3**	**13%**
Total Operating Revenues	**$191.0**	**$202.6**	**$11.6**	**6%**

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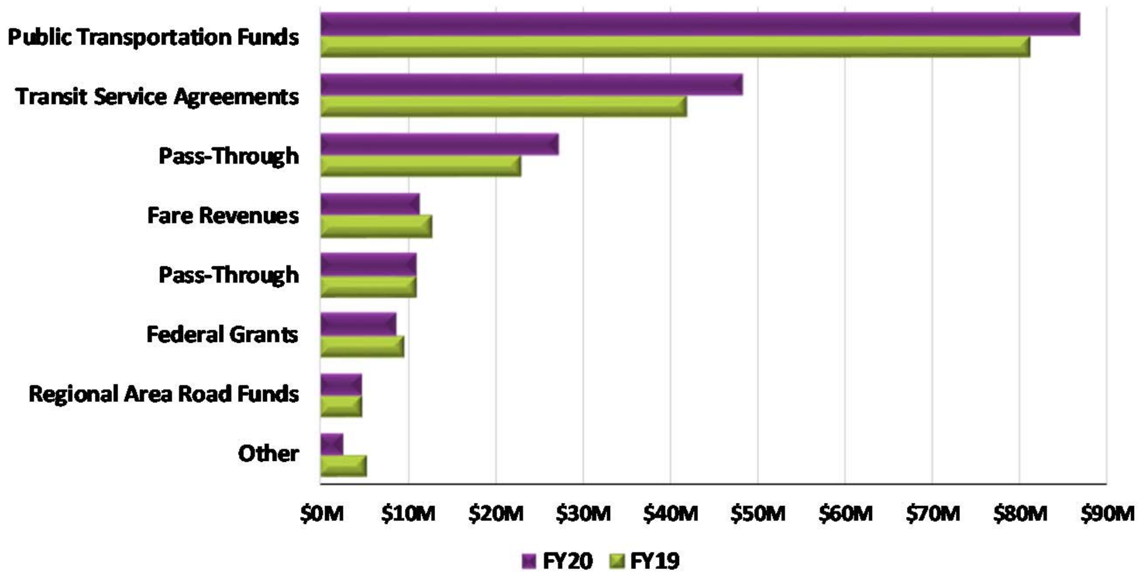
Sources of Funds: Operating



Uses of Funds: Operating ($,000,000)

Uses of Funds	FY19	FY20	Change $	Change %
Fixed Route Operations	$94.9	$99.3	$4.4	5%
Demand Service Operations	39.1	41.0	1.9	5%
Vanpool Operations	1.0	0.9	(0.1)	-6%
Planning	3.9	2.4	(1.5)	-39%
Commute Solutions	1.3	1.3	0.1	6%
Administration and Finance	4.2	4.8	0.6	15%
Regional Services	12.1	13.9	1.9	15%
Sub-Total RPTA Operating	**$156.3**	**$163.6**	**$7.3**	**5%**
VMR Personnel Costs	$23.0	$27.3	$4.3	19%
VMR RARF Disbursements	0.5	0.5	0.0	0%
AZ Lottery Funds Disbursements	11.2	11.2	0.0	0%
Sub-Total Pass-Through Funds	**$34.7**	**$39.0**	**$4.3**	**12%**
Total Operating Uses	**$191.0**	**$202.6**	**$11.6**	**6%**

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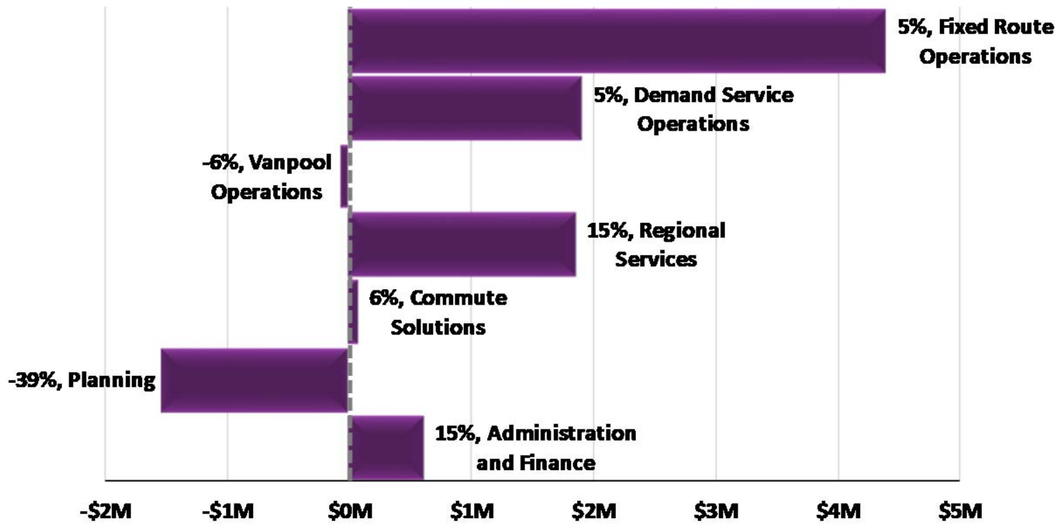
Uses of Funds: Operating

Change from Prior year



Baseline: RPTA Operations

Fixed Route Bus	Passengers	Revenue miles	Operating Costs	Fare Revenues
FY19 (Forecast)	14,136,000	12,878,000	$84,763,000	$9,999,000
FY20	**14,163,000**	**13,085,000**	**$88,722,000**	**$9,258,000**
Change	0%	2%	5%	-7%

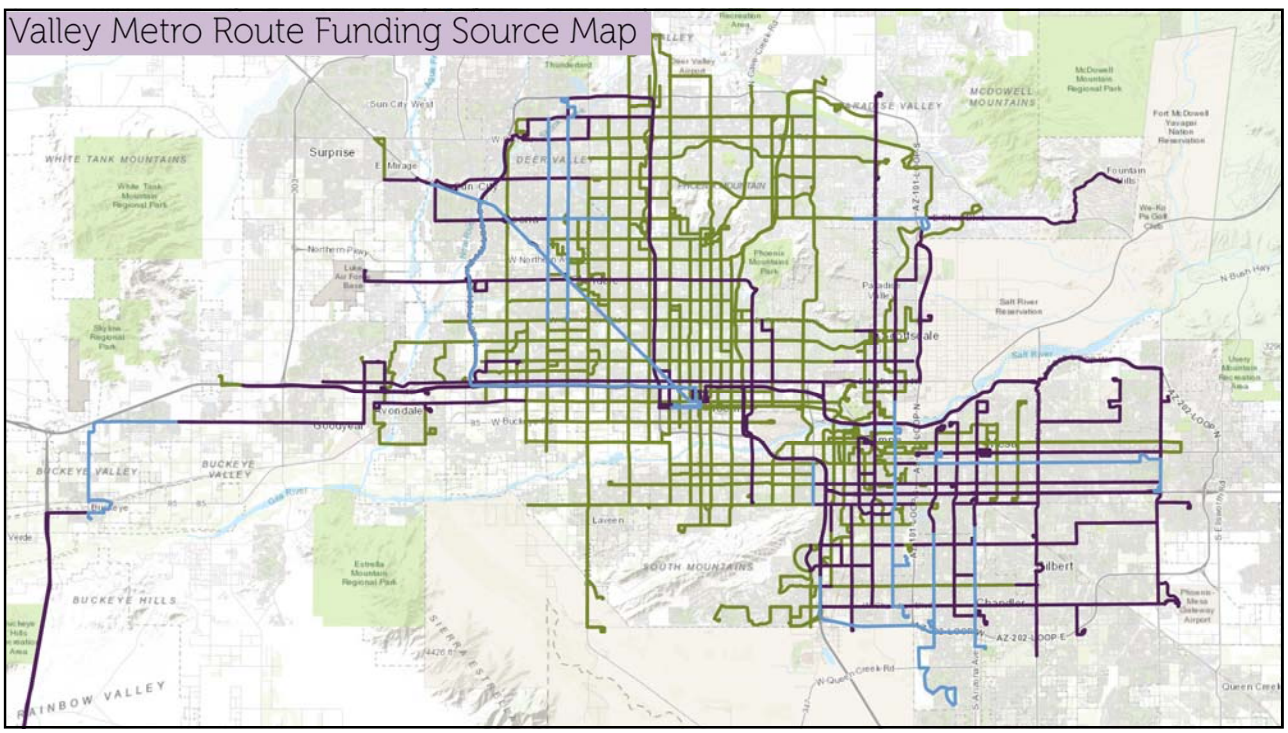
Demand Services	Trips	*Cost per Trip	Operating Costs	Fare Revenues
FY19 (Forecast)	538,000	$44.13	$23,742,000	$2,081,000
FY20	**545,000**	**$46.90**	**$25,563,000**	**$2,051,000**
Change	1%	6%	8%	-1%

VanPool	Passengers	Revenue miles	Operating Costs	Fare Revenues
FY19 Budget	1,252,000	6,735,000	$952,000	$1,122,000
FY20	**1,252,000**	**6,735,000**	**$894,000**	**$1,122,000**
Change	0%	0%	-6%	0%

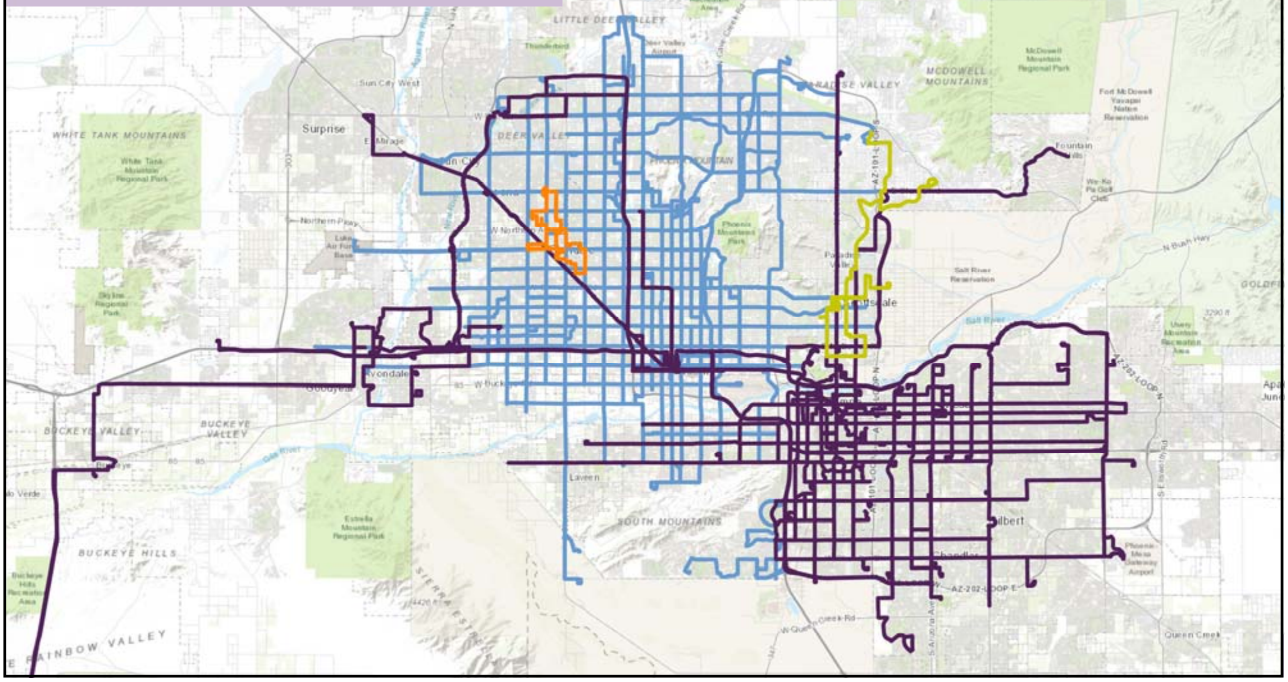
* Paratransit cost per trip combines paratransit and RideChoice and is net of fare revenues.

Valley Metro Fixed Route System

- Funding by Route
- Operators by Agency



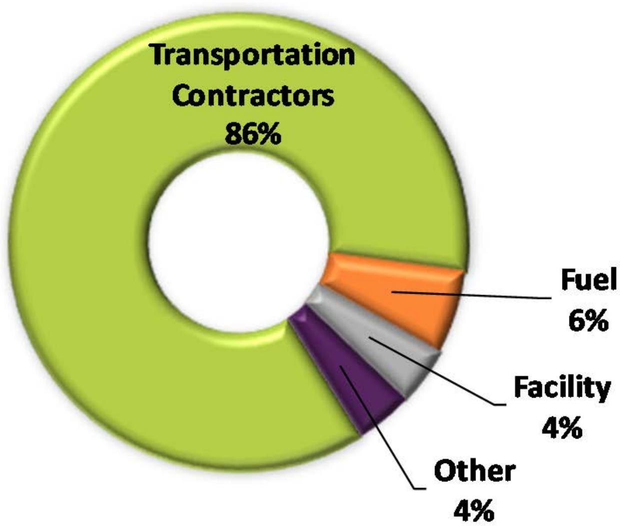
Valley Metro Route Operator Map



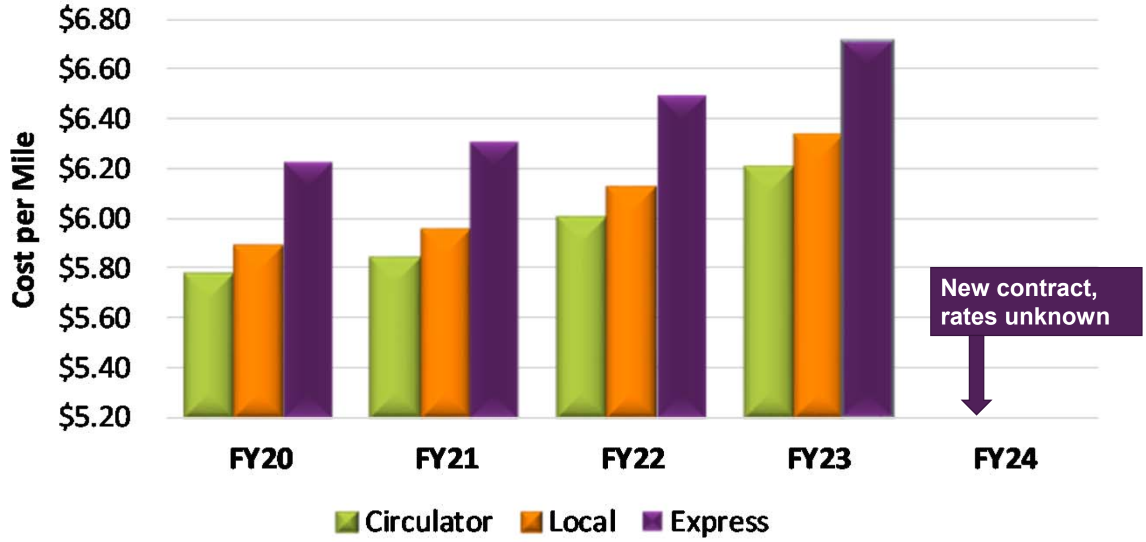
Fixed Route Bus

50%

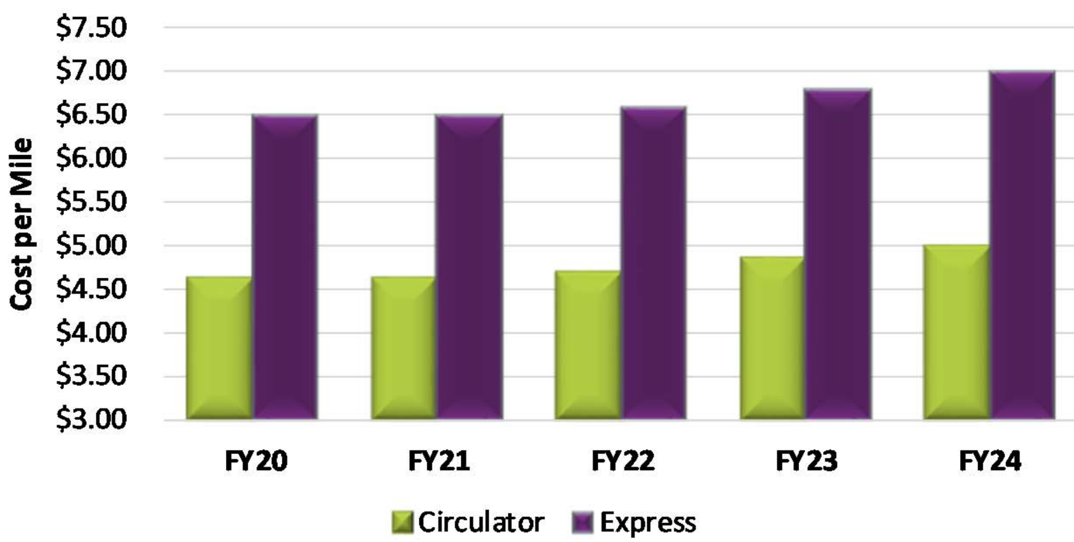
of operating budget supports fixed route bus service



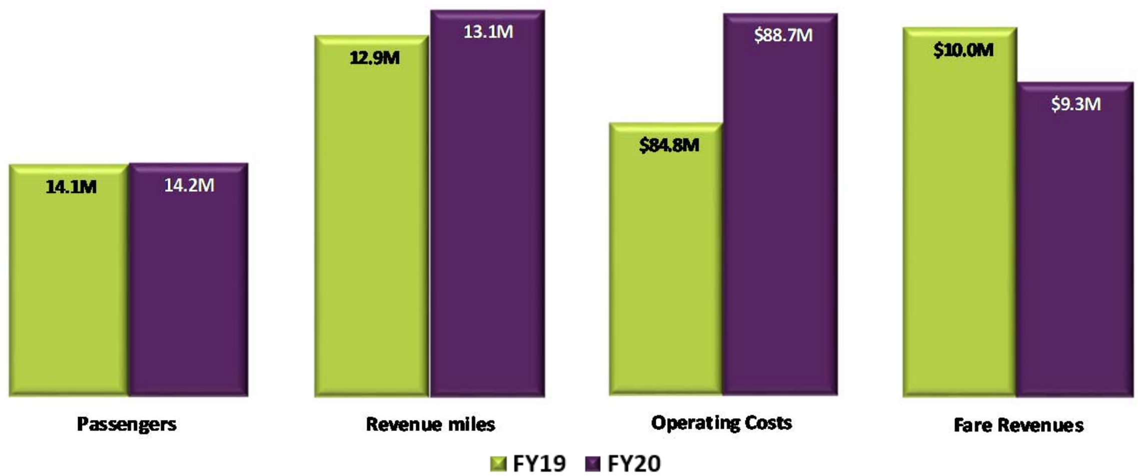
Contract Rates – East Valley Bus



Contract Rates – West Valley Bus



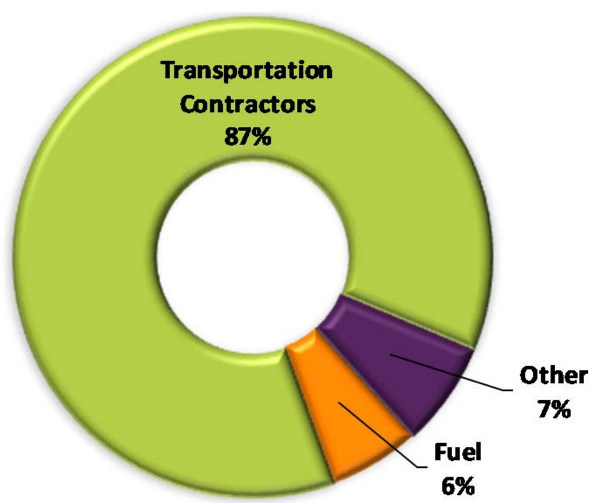
Baseline: Fixed Route Bus



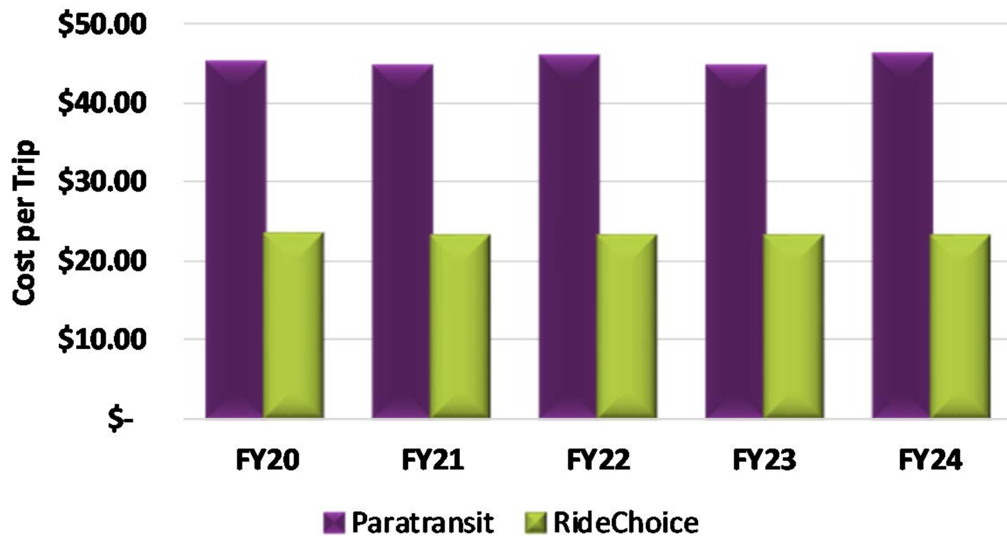
Demand Services

20%

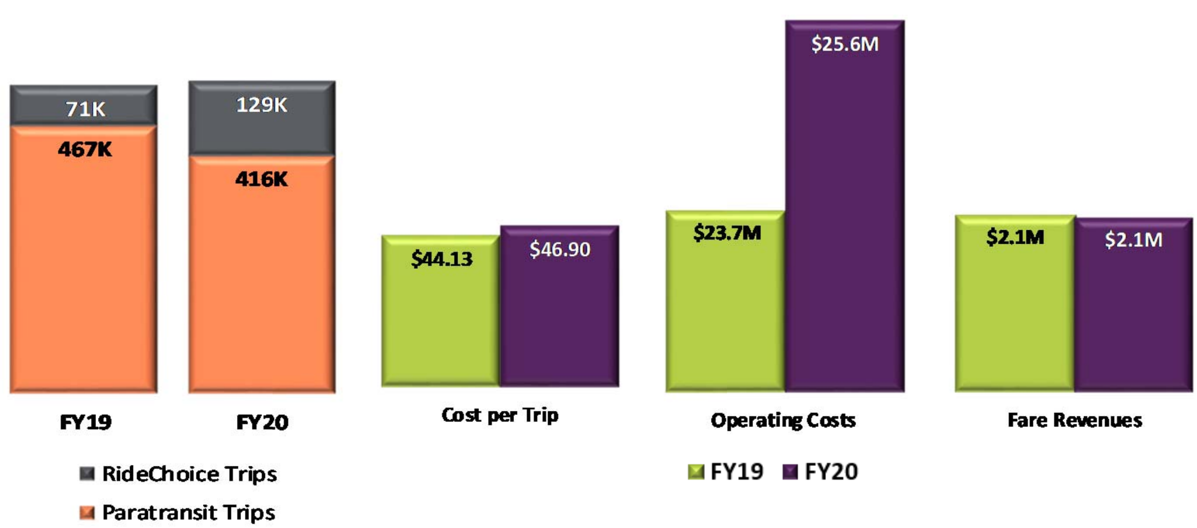
of operating budget supports paratransit service in the valley



Contract rates – Demand Services



Baseline: Demand Service



Sources of Funds: Capital ($,000,000)

Sources of Funds	FY19	FY20	Change $	Change %
Public Transportation Funds	$23.8	$24.6	$0.9	4%
Federal Grants	37.3	34.4	($2.9)	-8%
Other Revenues	0.2	0.3	$0.1	54%
Carry forward and Reserves	18.8	18.3	($0.5)	-2%
Sub-Total RPTA Capital	**$80.0**	**$77.6**	**($2.4)**	**-3%**
PTF Rail Program	$47.1	$52.2	$5.1	11%
PTF Bond Proceeds	0.0	0.0	0.0	0%
Carry forward and Reserves	0.0	0.0	0.0	0%
Sub-Total VMR Capital	**$47.1**	**$52.2**	**$5.1**	**11%**
Total Capital Sources	**$127.1**	**$129.8**	**$2.7**	**2%**

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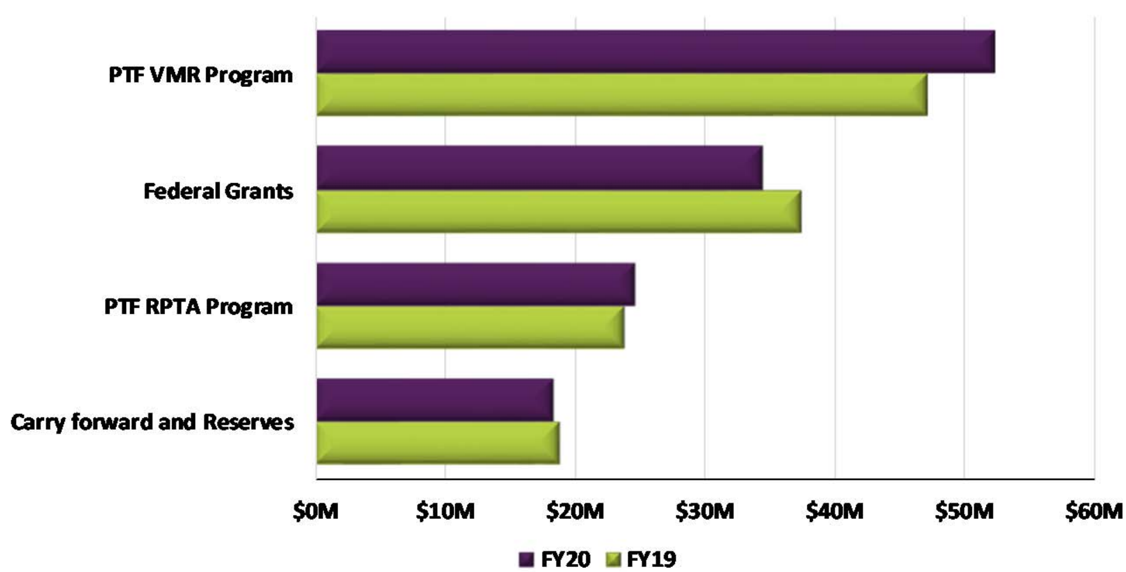
Sources of Funds: Capital



Uses of Funds: Capital ($,000,000)

Uses of Funds	FY19	FY20	Change $	Change %
Regional Fleet	$40.8	$39.3	($1.5)	-4%
Regional Facilities	7.3	8.6	1.3	18%
Other Regional Projects	1.5	1.0	(0.5)	-35%
Member Agency Disbursements	7.1	5.4	(1.6)	-23%
Debt Service	23.4	23.3	(0.0)	0%
Sub-Total RPTA Capital	**$80.0**	**$77.6**	**($2.4)**	**-3%**
Rail Program Disbursements	$29.9	$88.2	$58.3	195%
Reserved for Future Use	17.2	(35.9)	(53.1)	-309%
Sub-Total VMR Capital	**$47.1**	**$52.2**	**$5.1**	**11%**
Total Capital Uses	**$127.1**	**$129.8**	**$2.7**	**2%**

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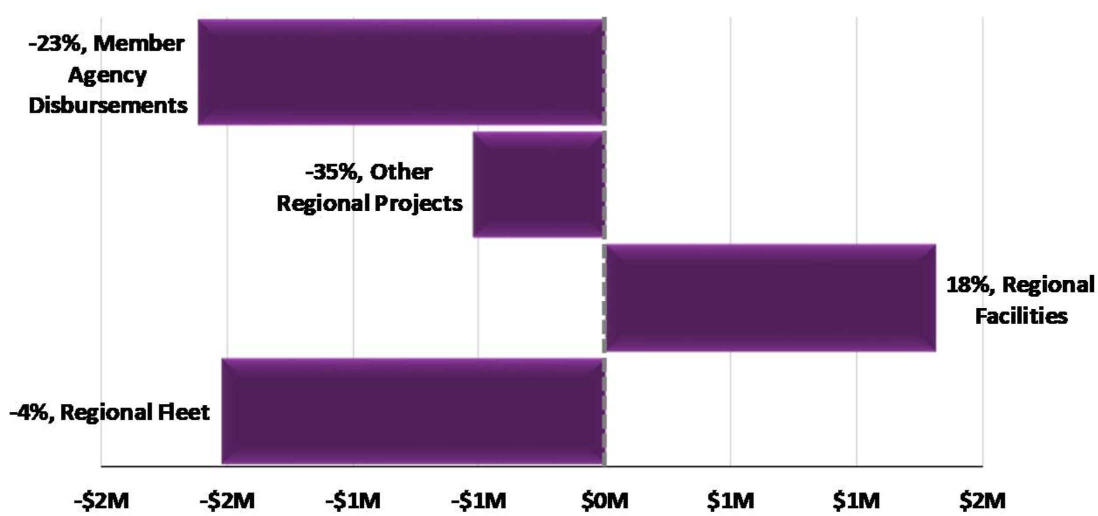
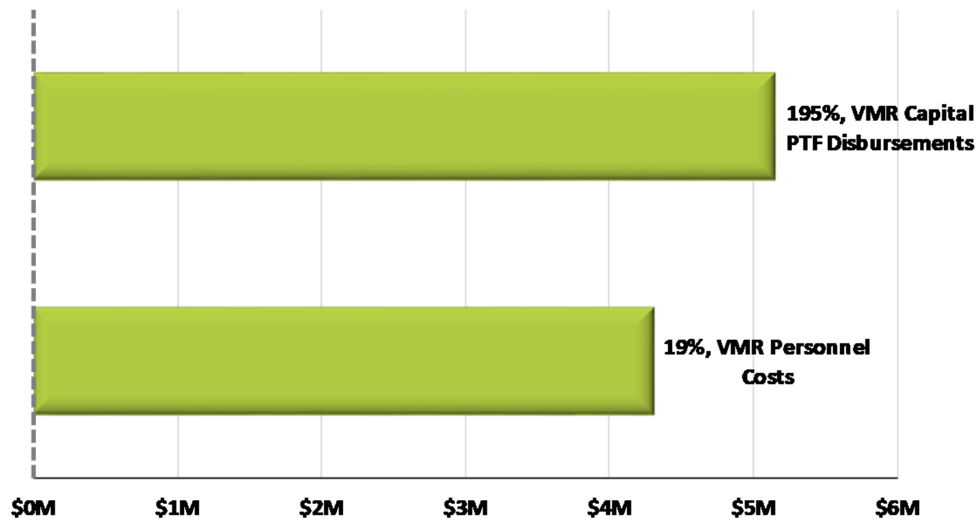
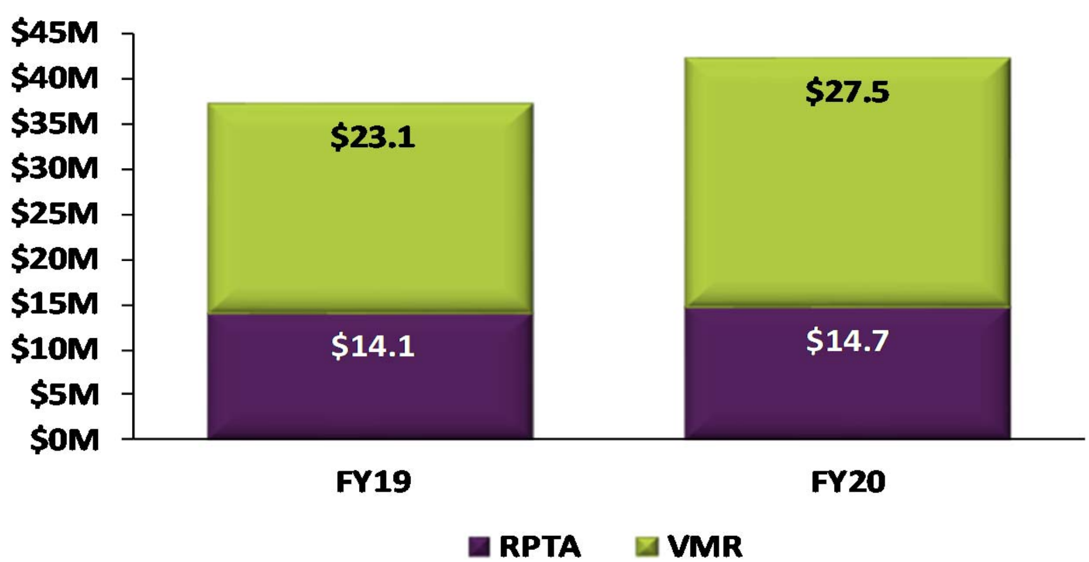
Uses of Funds: Capital
Change from Prior year



Uses of Funds: Pass-Throughs to VMR
Change from Prior year



Staff Changes from FY19 to FY20



Staff Changes from FY19 to FY20

Positions by Division	FY19 Budget	Mid-Year Additions	FY20 Additions	FY20 Budget
Agency Business, Technology and Services	49		2	51
Capital and Service Development	56	1	1	58
Communication and Strategic Initiatives	10	6		16
Executive Office	5			5
Finance and Procurement	34	1	2	37
Human Resources	10		2	12
Internal Audit Services	2	1		3
Legal	2			2
Operations and Maintenance - RPTA	66			66
Operations and Maintenance - VMR	132		38	170
Safety, Security and Quality Assurance	10			10
Total Positions by Division	**376**	**9**	**45**	**430**
RPTA	*151*	*2*	*2*	*155*
VMR	*225*	*7*	*43*	*275*

Travel and Conferences

Required Travel
- FTA Quarterly meetings for rail capital projects
- Site visits to manufacturers for inspections
- Required training, such as mandated Safety courses, National Transit Database

Essential Travel
- Meetings with Congressional Delegation
- APTA Annual Meetings for CEO, Board Members

Professional Development
- Conferences
- Seminars

Totals by Year

Category		FY18 Actual		FY19 Budget		FY20 Budget
Conferences & Seminars	$	195,000	$	459,000	$	608,000
Travel		239,000		514,000		442,000
Employee Development		123,000		210,000		283,000
Local Travel / Meetings		82,000		66,000		118,000
Totals	**$**	**639,000**	**$**	**1,249,000**	**$**	**1,451,000**

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Upcoming Budget Schedule FY20

March 21	**Budget presented to Board of Directors for information**
April 15	**Member City Comments due**
May	**Committee Cycle for Budget Adoption**

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EXECUTIVE SUMMARY

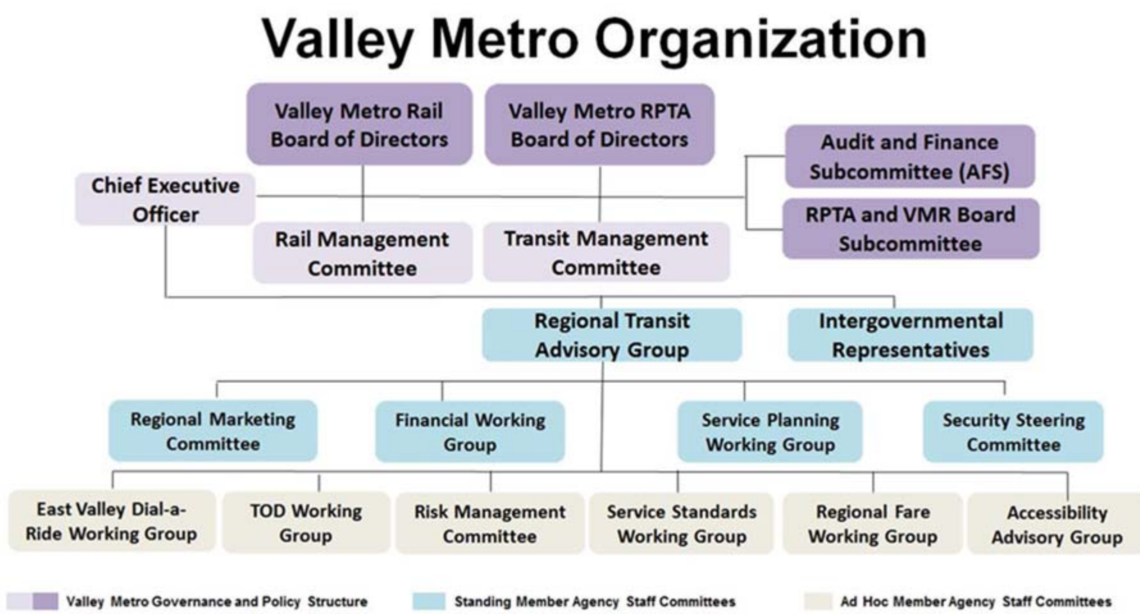
AGENCY OVERVIEW

Valley Metro is comprised of two separate legal entities, the Regional Public Transportation Authority (RPTA) and Valley Metro Rail, Inc. (VMR). The two agencies operate jointly with one Chief Executive Officer and one organizational structure. Intergovernmental agreements between the agencies define the responsibilities of each agency in meeting the overall strategic mission, vision and goals for Valley Metro. Valley Metro is governed by two boards of directors. The RPTA Board consists of 18 public agencies that set the policy direction for all modes of transit except light rail. The VMR Board consists of five cities that set the policy direction for light rail high capacity transit. The boards and the agency work to improve and regionalize the public transit system.

RPTA is the regional transit agency for Maricopa County. Created in 1985 with the passage of Proposition 300, RPTA is a political subdivision of Arizona overseen by an 18-member board of elected officials. Membership is open to all municipalities in Maricopa County and to the County government. The current Valley Metro RPTA Board comprises Avondale, Buckeye, Chandler, El Mirage, Fountain Hills, Gilbert, Glendale, Goodyear, Maricopa County, Mesa, Peoria, Phoenix, Scottsdale, Surprise, Tempe, Tolleson, Wickenburg, and Youngtown. With the passage of Proposition 400 in November 2004, RPTA is the recipient of the transit portion of the twenty-year countywide 0.5% sales tax fund commencing in 2006 and running through 2025.

VMR was formed in 2002 to design, construct and operate a 66-mile high-capacity transit system. The current VMR Board comprises Chandler, Glendale, Mesa, Phoenix and Tempe. VMR is responsible for administration and oversight of the design, construction and operation of light rail, and for receipt and disbursement of funds from federal, state, local and other funding sources. The VMR Board is empowered to enter into contracts for design and construction, hire or contract for staff and undertake extensions to the system. The member cities of VMR retain power of eminent domain and ownership of real estate with agreements established for property use by VMR. The cities are responsible for providing annual funding for the light rail project through their annual or biannual budgets, in addition to recommending light rail corridors within their city boundaries.

The following chart depicts the policy organization for Valley Metro and the relationships to key stakeholders:



SERVICE CHARACTERISTICS

RPTA operates Fixed route bus (local, express, neighborhood circulators, and rural), paratransit, and vanpool services within the Phoenix Metropolitan area, excluding the rural route.

Fixed route bus operates with an average weekday ridership of almost 50,000 boardings. Weekday service begins approximately 3:30am and ends approximately 2:45am the following day. RPTA operates a fleet of 348 buses traveling over 40,000 miles each weekday, 17 communities in the Phoenix Metropolitan area. RPTA's fixed route service area encompasses 496.8 square miles within the Phoenix Metropolitan area.

Paratransit operates an average of 9,000 trips per week. Paratransit service is provided, at a minimum, in all areas that are within three-quarters of a mile of local fixed-route bus routes or light rail stations. Contractors operate a fleet of approximately 150 vehicles traveling over 20,000 miles each weekday. RPTA's paratransit service area encompasses 501.5 square miles within the Phoenix Metropolitan area.

Vanpool operates with an average weekday ridership of 2,500 commuters. RPTA operates a fleet of approximately 400 vans traveling over 24,000 miles each weekday. RPTA's vanpool service area encompasses the area that the vanpool commuters live or work in Maricopa County.

FARE POLICY

Effective March 2013, the current Regional Fare Policy is as follows:

LOCAL BUS / LIGHT RAIL			
Full Fare		Reduced Fare*	
1-Ride	$2.00	1-Ride	$1.00
All-Day	$4.00	All-Day	$2.00
7-Day	$20.00	7-Day	$10.00
15-Day	$33.00	15-Day	$16.50
31-Day	$64.00	31-Day	$32.00

EXPRESS / RAPID BUS	
Full Fare	
1-Ride	$3.25
All-Day	$6.50
31-Day	$104.00

*Available for youth ages 6 through 18, seniors 65 and older, persons with disabilities and Medicare card holders. Qualified persons may obtain a Valley Metro Reduced Fare Identification Card as proof of eligibility. Seniors and youth may show any valid photo ID indicating a birth date issued by a governmental agency.

Children ages 5 and younger ride free when accompanied by a fare-paying caretaker or guardian.

Visit Valley Metro's website at https://www.valleymetro.org for details regarding the fare structure for Rural, Paratransit services as well as Vanpool program.

STRATEGIC PLAN, VISION, AND GOALS

In January 2015, the Valley Metro RPTA and Valley Metro Rail Boards adopted the Valley Metro Strategic Plan for FY16 through FY20. The Strategic Plan provides clear definition of the purpose of the organization and establishes realistic goals and objectives for a five-year period. This plan ensures the most effective use of the organization's resources by focusing those resources on key priorities. Below are the five, overarching goals identified in the Strategic Plan:

- Increase customer focus
- Advance performance based operation
- Grow transit ridership
- Focus on economic development, regional competitiveness and financial resources
- Advance the value of transit

We are currently evaluating and updating the Valley Metro Strategic Plan for FY20 through FY24.

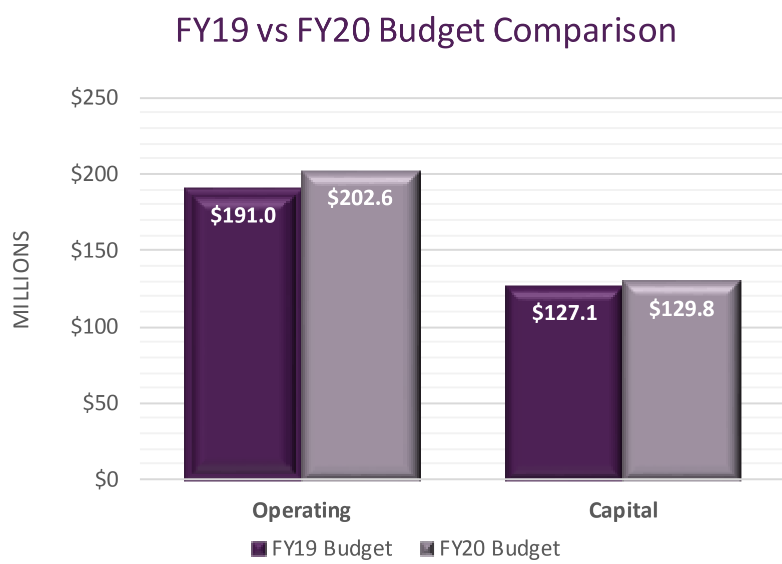
PRIORITIES AND ISSUES

We will continue to work on existing initiatives in FY20 in the areas of:

- Respect the Ride Campaign
- Transit Asset Management Plan (State of Good Repair)
- Staff Development (Shifting Gears)
- On-going evaluation of staffing needs

BUDGET OVERVIEW

The total operating and capital budget for FY20 is $332.4 million (M), an increase of $14.3M or 5% from the FY19 budget.



SOURCES OF FUNDS

Operating sources of funds are $202.6M, an increase of $11.6M or 6% from the FY19 budget. The primary sources are detailed below:

- Public Transportation Funds (PTF) are forecasted at $87.0M, up $5.8M over FY19.
- Transit Service Reimbursements from Member Cities are $48.5M, up $6.5M over FY19 for increased costs of Fixed Route Bus and Paratransit services.
- Valley Metro Rail (VMR) reimbursements are $27.5M, up 19% over FY19, mostly for maintenance staff additions to support the State of Good Repair component overhaul requirements and the 11 new LRV's and 5 streetcars expected to be on site in mid FY20. To support the Respect the Ride initiative, 10 positions are programmed to increase the safety presence on the rail station platforms and vehicles.

Capital sources of funds are $129.8M, an increase of $2.7M or 2% from the FY19 budget. The primary sources are detailed below:

- VMR PTF program funds of $52.2M show an increase of $5.1M or 11% over FY19. These are pass through PTF funds for VMR's capital construction program requirements.
- Federal funding of $34.4M is decreasing $2.9M or 8% from FY19. The change is due to decreased bus fleet purchase/replacement requirements in FY20.
- Programmed PTF funds of $24.6M are up $0.9M or 4%, due to IT infrastructure needs.

	FY18 Actual	FY19 Budget	FY20 Budget	
Sources of Funds				
Operating				***Note**
Public Transportation Funds	$ 76,833,000	$ 81,225,000	$ 87,017,000	1
Regional Area Road Funds	9,918,000	4,960,000	5,089,000	
Transit Service Reimbursements	36,265,000	42,039,000	48,515,000	2
AZ Lottery Funds	2,320,000	-	182,000	
Federal Funds	10,675,000	9,872,000	8,849,000	3
Fares	13,089,000	12,989,000	11,579,000	4
MAG Funds	225,000	500,000	500,000	
Other	576,000	304,000	573,000	
Carry Forward & Reserves	-	4,763,000	1,608,000	5
Sub-Total Operating	**149,902,000**	**156,652,000**	**163,912,000**	
Pass-Through				
VMR Reimbursements	18,893,000	23,146,000	27,456,000	6
AZ Lottery Funds	11,529,000	11,200,000	11,200,000	
Sub-Total Pass-Through	**30,422,000**	**34,346,000**	**38,656,000**	
Total Operating	**180,324,000**	**190,998,000**	**202,568,000**	
Capital				
Public Transportation Funds	40,171,000	23,751,000	24,605,000	7
Regional Area Road Funds	292,000	-	-	
Federal Funds	39,507,000	37,304,000	34,398,000	8
Other	2,932,000	194,000	299,000	
Carry Forward & Reserves	-	18,754,000	18,301,000	9
Sub-Total Capital	**82,902,000**	**80,003,000**	**77,603,000**	
Pass-Through				
VMR Public Transportation Funds Program	41,952,000	47,072,000	52,221,000	10
Sub-Total Pass-Through	**41,952,000**	**47,072,000**	**52,221,000**	
Total Capital	**124,854,000**	**127,075,000**	**129,824,000**	
Total Sources of Funds	**$ 305,177,000**	**$ 318,073,000**	**$ 332,392,000**	

*Explanations for significant changes from prior year are included in the Budget Analysis section of this document.

USES OF FUNDS

Operating uses of funds are $202.6M, an increase of $11.6M or 6% from the FY19 budget. The primary uses are detailed below:

- Fixed Route operations costs are increasing $4.4M to $99.3M in FY20. This is due to contractual agreements.
- Paratransit operations costs for demand service are increasing $1.9M to $41.0M in FY20. Contractor rates are driving the increase.
- VMR operating pass through expenses of $27.3M are up $4.3M or 19% from FY19 due to staffing cost increases to support the new fleet, increased service, State of Good Repair needs, and the Respect the Ride initiative.

Capital uses of funds are $129.8M, an increase of $2.7M or 2% from the FY19 budget. The primary uses are detailed below:

- Regional Fleet planned purchases are $39.3M, a decrease of $1.5M from the FY19 budget.
- VMR capital pass through expenses of $52.2M show an increase of $5.1M or 11% over FY19. These are pass through PTF funds for VMR's capital construction programs.

	FY18 Actual	FY19 Budget	FY20 Budget	
Uses of Funds				
Operating				***Note**
Fixed Route Operations	$ 91,103,000	$ 94,867,000	$ 99,265,000	11
Paratransit Operations	36,963,000	39,087,000	40,999,000	12
Vanpool Operations	861,000	952,000	894,000	
Planning	2,058,000	3,923,000	2,392,000	13
Commute Solutions	1,193,000	1,270,000	1,334,000	
Regional Services	9,502,000	12,082,000	13,938,000	14
Administration and Finance	7,902,000	4,158,000	4,777,000	15
Sub-Total Operating	**149,582,000**	**156,339,000**	**163,599,000**	
Pass-Through				
VMR RARF Disbursements	500,000	500,000	500,000	
AZ Lottery Funds Disbursements	11,529,000	11,200,000	11,200,000	
Valley Metro Rail	18,712,000	22,959,000	27,269,000	16
Sub-Total Pass-Through	**30,741,000**	**34,659,000**	**38,969,000**	
Total Operating	**180,324,000**	**190,998,000**	**202,568,000**	
Capital				
Regional Fleet	47,429,000	40,783,000	39,263,000	17
Regional Facilities	1,039,000	7,284,000	8,592,000	18
Other Regional Projects	3,141,000	1,502,000	976,000	19
Member Agency Disbursements	7,856,000	7,065,000	5,448,000	20
Debt Service	23,437,000	23,369,000	23,324,000	
Sub-Total Capital	**82,902,000**	**80,003,000**	**77,603,000**	
Pass-Through				
Rail Program Disbursements	32,425,000	29,897,000	88,167,000	
VMR Reserve for Future Use	9,527,000	17,175,000	(35,946,000)	21
Sub-Total Pass-Through	**41,952,000**	**47,072,000**	**52,221,000**	
Total Capital	**124,854,000**	**127,075,000**	**129,824,000**	
Total Uses of Funds	**$ 305,177,000**	**$ 318,073,000**	**$ 332,392,000**	

*Explanations for significant changes from prior year are included in the Budget Analysis section of this document.

BUDGET ANALYSIS

The following is an analysis of the major changes in the FY20 Budget versus the FY19 Budget. The number in the "Note" column corresponds to the "Note" column in the "Sources of Funds" and "Uses of Funds" tables.

	Note	Analysis Comment - Sources of Funds
OPERATING	1	Public Transportation Funds from the Maricopa County Transportation Excise Tax are forecasted to grow by 7%. This forecast is provided by ADOT. Adequate reserves are in place should collections fall short of ADOT forecast projections.
	2	Transit service agreements are expected to increase by $6.5M - fixed route bus operations ($4.4M) and paratransit services ($2.1M).
	3	Federal funding for operations is down by $1.1M to $8.8M. The current driver of this is less preventive maintenance grant funding available for programming in the fixed route bus program.
	4	Fare revenues are forecasted at $11.6M for FY20. The forecasting method utilizes the most recent fare data, while making adjustments for any anticipated service changes.
	5	Carry forwards & reserves are down $3.1M to $1.6M. In FY20, operational project needs require less reserve funding with increased PTF income.
	6	VMR reimbursements for staff are $4.4M higher in FY20, primarily due to VMR staff additions required for increased service levels, State of Good repair (SOGR) component overhauls, support staff for the Respect the Ride campaign, and maintenance support staff for the new fleet scheduled to arrive in FY20.
CAPITAL	7	Capital PTF increases by 4% in FY20 due to replacing the financial system.
	8	Federal funding for capital activities is decreasing by $2.9M for FY20, resulting from a reduced number of capital fleet replacements. Federal funding is the primary source of capital fleet purchases (typically at least 80% of cost).
	9	Capital carry forwards & reserves decreased by 2%. As more PTF is available for use; less reserves are required.
	10	Capital pass through funds to VMR are $52.2M in FY20, $5.1M higher than FY19. This funding is used to support VMR capital activities related to capital construction projects, systemwide improvements, and state of good repair projects.

	Note	Analysis Comment - Uses of Funds
OPERATING	11	Overall fixed route bus service levels are planned to stay level at 14.2M miles. Transit service contracts increases primarily reflect contractual rate increases from the fixed route service providers.
	12	Paratransit service (including paratransit and RideChoice programs) are planned to slightly increase to 545,000 trips in FY20. Operational increases primarily reflect contractual rate increases.
	13	Planning is down $1.5M mostly due to the majority of the Origin & Destination study being completed in FY19.
	14	The regional services budget is increasing by 15% to $12.9M in FY20. The regional call center, mobility service center, community outreach, and regional marketing programs are showing increases to meet the Agency initiative of providing excellent customer service.
	15	Administration & Finance is increasing by $0.6M to $4.8M mainly due to additional IT consultant expenses and workstation furniture and supplies for new employees.
	16	Valley Metro Rail staff costs of $27.3M are up by $4.3M over FY19 to support State of Good repair (SOGR) component overhauls, support staff for the Respect the Ride campaign, maintenance support staff for the new fleet scheduled to arrive in FY20, and increased service levels.
CAPITAL	17	Regional fleet purchases are decreasing by $1.5M to $39.3M in FY20. Orders for buses are down by 4 vehicles, while an increase of 55 vanpool replacement vehicles are planned.
	18	Regional facilities costs are planned to increase by $1.3M to $8.6M in FY20 mostly due to planning consultants for a paratransit facility, and the purchase and implementation of Trapeze software for scheduling and reporting .
	19	Other regional capital expenditures are decreasing by $0.5M to $1.0M in FY20. The decrease is mainly due to fewer engine and transmission overhauls planned in FY20.
	20	Member agency disbursements are decreasing by $1.6M to $5.4M in FY20 due to the City of Phoenix completion of drawing PTF for local match funds for the bus fleet communication upgrade project in FY19.
	21	Capital pass-through PTF are up by $5.1M to $52.2M in FY20 due to the increased amount of VMR capital construction activities.

STAFFING OVERVIEW

RPTA and VMR budgets are developed with a unified staff plan, with department managers planning the level of effort required to meet the bus and rail activities. For FY20, there are 430 employees budgeted; 155 Full Time Equivalent (FTE) positions are budgeted to RPTA activities and 275 FTEs to VMR activities. Staffing levels are reviewed on an annual basis to fulfill work requirements for the coming year. Salary and fringe benefit compensation levels are measured against comparable regional agencies, member cities and peer transit agencies located in the western U.S.

FY20 COMPENSATION AND FRINGE BENEFIT ASSUMPTIONS

Total compensation budget is based on a 3.0% increase. For staff salary changes, merit increases are based on employee performance. Agency healthcare costs are forecasted to increase by 4.3% over FY19 levels.

FY20 STAFFING NEEDS

Valley Metro RPTA and Valley Metro Rail are in a period of significant expansion of the system and services. To meet the needs of our members by delivering service and meeting project deadlines, Valley Metro needs additional resources.

In FY20, we will have four active rail capital construction projects and another three more projects in the design phase. The VMR vehicle fleet will also increase in size beginning in mid FY20 with the delivery of the Siemens light rail vehicles and the Brookville streetcar vehicles. Both fleets will have their own sets of parts inventory and specific maintenance requirements.

Of the 45 proposed positions requested for FY20, 38 will directly support VMR operations activities and seven will support combined Agency activities.

The 38 VMR operations staff additions will support three areas: Respect the Ride (10), State of Good Repair coordinated with the Transit Asset Management Plan (16), and expansion of fleet with eleven LRVs and six streetcars (12). These staff additions may be phased in over two to three years.

The seven (7) support staff needed includes positions for Human Resources, Finance and Procurement, Planning, and Information Technology.

- Sr. Learning and Development Specialist
- Deputy Director, Human Resources
- Budget Supervisor
- Senior Contracts Administrator
- Sustainability Coordinator
- Business Intelligence Analyst
- System Administrator

Agency	FY19 Budget	Mid-Year Additions	FY20 Additions	FY20 Budget
RPTA	151	2	2	155
VMR	225	7	43	275
Total Agencies	**376**	**9**	**45**	**430**

Information Summary

DATE **AGENDA ITEM 5**
March 14, 2019

SUBJECT
Future Agenda Items Request and Report on Current Events

PURPOSE
Chair Tolmachoff will request future agenda items from members, and members may provide a report on current events.

BACKGROUND | DISCUSSION | CONSIDERATION
None

COST AND BUDGET
None

STRATEGIC PLAN ALIGNMENT
None

COMMITTEE PROCESS
None

RECOMMENDATION
This item is presented for information only.

Scott Smith
Chief Executive Officer
602-262-7433
ssmith@valleymetro.org

ATTACHMENT
None

Pending Items Request

Item Requested	Date Requested	Planned Follow-up Date

Agenda

March 14, 2019

Rail Management Committee
Thursday, March 21, 2019
Lake Powell Conference Room
101 N. 1st Avenue, 10th Floor
12:15 p.m.

	Action Recommended
1. Public Comment (blue card)	1. For Information

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

2. Minutes	2. For action

Minutes from the February 21, 2019 Board meeting are presented for approval.

CONSENT AGENDA

3A. Purchase of Aerial Device/Bucket Trucks	3A. For action

Staff recommends that the Board of Directors authorize the CEO to execute a contract with Altec Industries, Inc. for the purchase of two aerial device/bucket trucks for an amount not to exceed $223,106.

3B. Station Names for Gilbert Road Light Rail Extension	3B. For action

Staff recommends that the Board of Directors approve the names “Stapley/Main Street” and “Gilbert/Main Street” for the stations being constructed along the Gilbert Road Light Rail Extension.

REGULAR AGENDA

4.	Light Rail Vehicle (LRV) Communication and Video System Upgrade Contract Award Scott Smith, CEO, will introduce Ray Abraham, Chief Operations Officer, who will request that the Board of Directors authorize the CEO to execute a contract with Siemens Mobility, Inc. for an amount not to exceed $14,554,000 to upgrade the communication and video system on the light rail vehicles.	4. For action
5.	Valley Metro Rail, Inc. Fiscal Year 2020 (FY20) Preliminary Operating and Capital Budget and Five-Year Operating Forecast and Capital Program (FY20 thru FY24) Scott Smith, CEO, will introduce Paul Hodgins, Chief Financial Officer, who will provide an overview of the FY20 Preliminary Operating and Capital Budget.	5. For information
6.	Future Agenda Items Request and Report on Current Events Chair Williams will request future agenda items from members and members may provide a report on current	6. For information
7.	Next Meeting The next meeting of the RMC is scheduled for **Thursday, April 18, 2019 at 11:15 a.m.**	7. For information

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

Information Summary

DATE **AGENDA ITEM 1**
March 14, 2019

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.** Up to three minutes will be provided per speaker unless the Chair allows more at his/her discretion. A total of 15 minutes for all speakers will be provided.

BACKGROUND | DISCUSSION | CONSIDERATION
None

COST AND BUDGET
None

COMMITTEE PROCESS
None

RECOMMENDATION
This item is presented for information only.

CONTACT
Scott Smith
Chief Executive Officer
602-262-7433
ssmith@valleymetro.org

ATTACHMENT
None

Minutes

March 14, 2019 **AGENDA ITEM 2**

Board of Directors
Thursday, February 21, 2019
Lake Powell Conference Room
101 N. 1st Avenue, 10th Floor
11:15 a.m.

Meeting Participants
Mayor Thelda Williams, City of Phoenix **(Chair)**
Councilmember Robin Arredondo-Savage, City of Tempe **(Vice Chair)**
Vice Mayor Lauren Tolmachoff, City of Glendale
Councilmember Sam Huang for Mayor Kevin Hartke, City of Chandler
Councilmember Francisco Heredia, City of Mesa

Chair Williams called the meeting to order at 12:17 p.m. First is public comment.

1. Public Comment

Chair Williams said I don't believe we have any public that wants to comment.

2. Minutes

Chair Williams said that takes us to the minutes of January 17, 2019. Any discussion, comment, changes or motion?

IT WAS MOVED COUNCILMEMBER TOLMACHOFF, SECONDED BY COUNCILMEMBER ARREDONDO-SAVAGE AND UNANIMOUSLY CARRIED TO APPROVE THE JANUARY 17, 2019 BOARD MEETING MINUTES.

3. Consent Agenda

Chair Williams said next is the consent agenda, does anyone have any questions about it?

Okay. Hearing none, do I have a motion to approve the consent agenda?

IT WAS MOVED COUNCILMEMBER TOLMACHOFF, SECONDED BY COUNCILMEMBER ARREDONDO-SAVAGE AND UNANIMOUSLY CARRIED TO APPROVE THE CONSENT AGENDA.

4. Future Agenda Items Request and Report on Current Events

Chair Williams said the next is future items. Anyone have any future items they'd like to discuss?

Councilmember Arredondo-Savage said it's in relation to the street station naming. I think you guys kind of know we've been approached by ASU, and they want to look at possibly naming a point of interest at the Rural Tyler University Station.
So if it's okay with the board, it would be great to let Valley Metro staff maybe just have that discussion with them and see what that looks like. Is that all right?

Mr. Smith said thank you. And this will be similar to the 50th Street. What happens is that the city initiates the process and this will initiate that process.

Chair Williams said anything else? Hearing none, our next meeting will be March 21 at time to be determined. With that, we are adjourned.

With no further discussion the meeting adjourned at 12:18 p.m.

Information Summary

DATE **AGENDA ITEM 3A**
March 14, 2019

SUBJECT
Purchase of Aerial Device/Bucket Trucks

PURPOSE
To request authorization for the Chief Executive Officer (CEO) to execute a contract with Altec Industries, Inc. for the purchase of two aerial device/bucket trucks for an amount not to exceed $223,106.

BACKGROUND | DISCUSSION | CONSIDERATION
Valley Metro Rail's 26-mile light rail line is primarily street running and includes 40 passenger stations, 22 sub-stations, and park and ride lots. The light rail will be expanding another 2 miles to include the Gibert Road Extension that includes additional passenger stations, sub-stations, and a park and ride lot. An additional station is being added to the system at 50th St and Washington. The aerial device/bucket trucks will be used for maintenance and support of system operations that includes major repairs of the overhead catenary systems and unforeseen downed power lines. The trucks will provide for efficient use of resources to perform maintenance tasks on the rail line. One truck will be a replacement and the second truck is for expansion needs. The expansion truck is needed because of additional staff and additional maintenance needs due to the rail extension. The other truck is to replace a truck that is over 8 years old and has over 135,000 miles on it.

In December 2018, Valley Metro issued an Invitation for Bid (IFB) for the purchase of two aerial device/bucket trucks. Bidders were also asked to include the cost of an extended warranty. The procurement was advertised in accordance with Valley Metro's public notice procedures.

One bid was received at the bid opening. A price analysis was completed as required by Valley Metro policies and price was deemed to be fair and reasonable. The award recommendation is to Altec Industries, Inc. as the the responsive, and responsible bidder.

COST AND BUDGET
The purchase of the two aerial device/bucket trucks will be awarded for a not to exceed amount of $223,106. The cost includes an extended warranty and sales taxes. The vehicles will be manufactured and delivered in FY 2020. The cost for the purchase of the two aerial device/bucket trucks will be included in the Valley Metro Rail Proposed FY2020 Operating and Capital Budget.

STRATEGIC PLAN ALIGNMENT
This item relates to the following goals and strategies in the Five-Year Strategic Plan, FY 2016 – 2020:

- Goal 2: Advance performance based operation

COMMITTEE PROCESS
RTAG: December 18, 2018 for information
RMC: March 6, 2019 approved
Board of Directors: March 21, 2019 for action

RECOMMENDATION
Staff recommends that the Board of Directors authorize the CEO to execute a contract with Altec Industries, Inc. for the purchase of two aerial device/bucket trucks for an amount not to exceed $223,106.

CONTACT
Ray Abraham
Chief Operations Officer
602-652-5054
rabraham@valleymetro.org

ATTACHMENT
None

Information Summary

DATE **AGENDA ITEM 3B**
March 14, 2019

SUBJECT
Station Names for Gilbert Road Light Rail Extension

PURPOSE
To request authorization to establish formal names for the stations being constructed as part of the Gilbert Road Light Rail Extension.

BACKGROUND | DISCUSSION | CONSIDERATION
The Valley Metro Rail Board of Directors approved of a Station Naming Policy in 2004 that requires a geographic name as well as an option for a Point of Interest name for light rail stations. Station names (both geographic and any Points of Interest) are approved by the Board as stations are constructed. Points of Interest that meet the criteria may be identified at the Board's discretion. Point of Interest names are included in the policy to assist with passenger information and wayfinding.

COST AND BUDGET
Costs for typical station signage are included in the overall project budget.

STRATEGIC PLAN ALIGNMENT
This item relates to the following goals and strategies in the Board adopted FY16 – 20 Strategic Plan:

- Goal 1: Increase customer focus
- Goal 3: Grow transit ridership

COMMITTEE PROCESS
RTAG: February 19, 2019 for information
RMC: March 6, 2019 approved
Board of Directors: March 21, 2019 for action

RECOMMENDATION
Staff recommends that the Board of Directors approve the names "Stapley/Main Street" and "Gilbert/Main Street" for the stations being constructed along the Gilbert Road Light Rail Extension.

CONTACT

Wulf Grote, PE
Director, Capital & Service Development
602-322-4420
wgrote@valleymetro.org

ATTACHMENTS

A. Station Naming Policy
B. Recommended Station Names

STATION NAMING POLICY

(Revised - September 29, 2004)

Station Names

Valley Metro Rail, Inc. believes that the naming of rail stations and facilities along the light rail corridor is best performed using a standard set of established criteria. Therefore, the following criteria are established in the determination of station names and facilities.

Rail stations shall be named using the following standard criteria:

- **Rail stations should be named with the maximum benefit and convenience of the user in mind and to assist patrons in navigating the system;**

- **All names shall identify as closely as possible the geographic location of the station (e.g. cross streets at the station location);**

- **Rail stations shall not be named after individuals -- either living or deceased;**

Also, names of all light rail stations and facilities shall be subject to ratification by the Valley Metro Rail Board of Directors.

Point Of Interest Naming Policy

The point of interest naming policy is provided as an addition to the Station Naming Policy and maintains the intent of providing maximum benefit and convenience of the transit system user.

Valley Metro Rail, Inc. believes that transit passengers are best served by both identifying strategic points of interest at station locations and by limiting the number of these points of interest. The introduction of too many points of interest will result in the overloading of information on station signage and system maps, to the detriment of information processing by the passenger.

Therefore, the following criteria are established in the determination of point of interest designations:

- Points of interest must be major civic or public educational facilities/areas that are easily recognized by the public as a desirable destination;

- Such names shall be simple so as to be clearly understood by the user;

- All point of interest names shall be of facilities or institutions that have been built with significant public participation or of defined areas that have been designated by City Council action,

- The point of interest names shall be appended to the station banner signs to provide passenger visibility, but not in such a way as to confuse or overshadow the official station name.

- The point of interest names shall be no longer than 26 characters, including spaces.

- Point of interest names may also be added to the station directory map and information maps and brochures that provide station name information. The Agency shall retain the discretion to omit or shorten point of interest names with standard abbreviations where space is a consideration.

Also, point of interest names shall be subject to ratification by the Valley Metro Rail Board of Directors.

DRAFT STATION NAMES – GILBERT ROAD EXTENSION

Recommendation		
FULL STATION NAMES (Printed Materials)	ABBREVIATED NAME (Station Sign)	POINT OF INTEREST (POI) (Station Sign and Printed Materials)
Stapley/Main Street	Stapley/Main St	
Gilbert/Main Street	Gilbert/Main St	

Information Summary

DATE **AGENDA ITEM 4**
March 14, 2019

SUBJECT
Light Rail Vehicle (LRV) Communication and Video System Upgrade Contract Award

PURPOSE
To request authorization for the Chief Executive Officer (CEO) to execute a contract with Siemens Mobility, Inc. to upgrade the communication and video system on the light rail vehicles for an amount not to exceed $13,854,000 plus a contingency of $700,000, for a total of $14,554,000.

BACKGROUND | DISCUSSION | CONSIDERATION
Valley Metro has a fleet of 50 Kinkisharyo (KI) Light Rail Vehicles (LRVs). The current age of the light rail vehicles is 10 years in revenue service. The communication system in the KI LRVs is suffering from obsolescence and has performance issues. Valley Metro has determined that the current system has completed its life cycle and value and needs to replace it with a new and more reliable, user-friendly communication system. The on-board communication system includes:

- Public-address system (PA)
- Intercom system including cab-to-cab intercom and passenger-to-operator intercom (POIC)
- Passenger information system (PIS)
- Video surveillance (CCTV)
- Vehicle position system, GPS receiver, train to train communication, vehicle wireless communication to wayside, event recorder and the monitoring and diagnostic system (MDS).

The communication system will require integration and interfacing with existing vehicle systems. It will be the contractor’s responsibility to acquire necessary system characteristics and functionality by test, measurement, or other means.

Valley Metro attempted to utilize an existing City of Phoenix contract with Clever Devices. However, due to the extensive scope requirements for the LRV communication system and to offer public competition, Valley Metro issued a Request for Proposal solicitation.

In August 2018, Valley Metro issued a federally compliant Request for Proposal (RFP) for the LRV Communication and Video System Upgrade. The contractor will provide all necessary equipment and labor to complete the communications and video upgrade for 50 LRVs.

A total of five firms submitted proposals as follows:

1. Clever Devices Ltd.
2. ISC Applied Systems Corporation
3. Nokia of America Corporation
4. Siemens Mobility, Inc.
5. Woojin IS America, Inc.

A selection committee, comprised of staff from Valley Metro and City of Phoenix, evaluated technical proposals. Three firms (Clever Devices, Siemens, and Woojin IS) were shortlisted for interviews. The selection committee finalized its evaluations of each firm's technical proposal and price proposal. Best and Final Offers were submitted by the three short-listed firms. The Selection Committee arrived at its award recommendation using a "Best Value" process which allows for a contract award based on a combination of technical and cost factors. Based on this process, the selection committee has selected Siemens Mobility, Inc. as the firm whose proposal offers the "best value" to the agency.

Proposers	Technical Scores	Price Scores	Total Scores	Final Ranking
Siemens Mobility, Inc.	543	372	915	1
Woojin IS America, Inc.	513	400	913	2
Clever Devices Ltd.	517	265	782	3

LTK Engineering Services provided an independent cost estimate that analyzed each line item of the Price Schedule using current market costs. They compared their independent cost estimate with the three short-listed firms. Although Siemens' price proposal was not the lowest, it was within 6.9% of the independent cost estimate. Siemens' technical capabilities and demonstrated experience was deemed a better value to Valley Metro. After final negotiations, Siemens' price proposal was reduced by $128,700 and was within 5.9% of the independent cost estimate.

COST AND BUDGET

The cost to upgrade the communication and video system on the light rail vehicles is an amount not to exceed $14,554,000 which includes a $700,000 contingency for any unforseen integration issues or any other obstacles during installation. The cost for the upgrade is included in the Valley Metro Rail Adopted FY 2019 Operating and Capital Budget. Contract obligations beyond FY2019 are incorporated into the Valley Metro Rail Five-Year Operating Forecast and Capital Program (FY2019 thru FY2023).

STRATEGIC PLAN ALIGNMENT
This item relates to the following goals and strategies in the Five-Year Strategic Plan, FY 2016 – 2020:

- Goal 2: Advance performance based operation

COMMITTEE PROCESS
RTAG: February 19, 2019 for information
RMC: March 6, 2019 approved
Board of Directors: March 21, 2019 for action

RECOMMENDATION
Staff recommends that the Board of Directors authorize the CEO to execute a contract with Siemens Mobility, Inc. for an amount not to exceed $14,554,000 to upgrade the communication and video system on the light rail vehicles.

CONTACT
Ray Abraham
Chief Operations Officer
602-652-5054
rabraham@valleymetro.org

ATTACHMENT
None

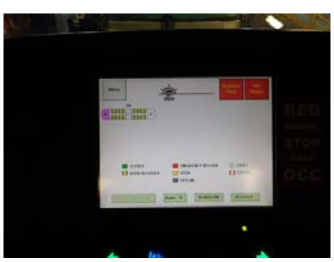
LRV Communication System Replacement

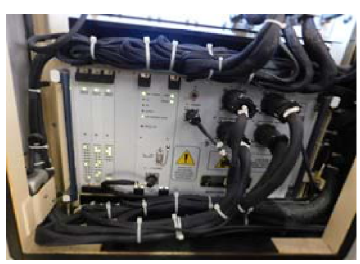
March 2019

Rheinmetal No Longer Supports Equipment

As of 1/1/18 they are no longer in transit business

- Affects the following equipment:
  - Monitoring & Diagnostic Logic (MDL)
  - Train Operator Display (TOD)
  - Passenger/Operator Intercom (POIC)





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Immediate Steps Taken

- Purchased as many spare parts that were available when Valley Metro was notified that manufacturer will no longer support system
- Attempted to reverse engineer critical components with no success
- Investigated getting system replaced using City of Phoenix CAD/AVL contract
  - Because of the Scope of the LRV communication system, Valley Metro was not able to piggyback on the contract and issued it's own RFP
- We are able to maintain system until a replacement can be obtained

Obsolete Parts

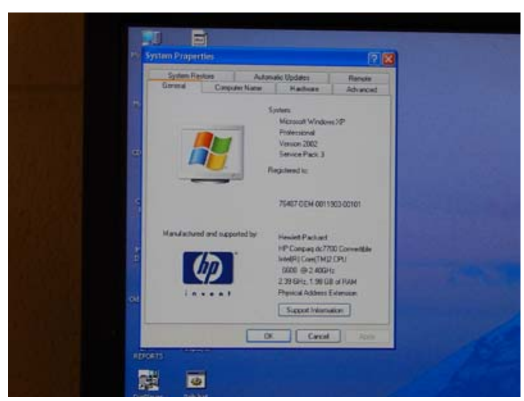
- Cameras (16 per Light Rail Vehicle)
- Wireless Local Area Network (WLAN) Transceiver
- MDL Central Processing Unit (CPU) Core
- TOD CPU Core
- Head-end Controller (HEC) - Limited Availability
- 12V DC Power Supply
- Public Address (PA) Amplifier
- Controller Area Network (CAN) Module

Voice Radio

The voice radio needs to be changed due to the impending switch to a digital trunking system.

MWS & PTUs Use Unsupported Windows Software

The Maintenance Work Station (MWS) and Personal Test Units (PTUs) currently uses unsupported Windows software applications. This creates a security risk and creates difficulty in obtaining hardware.



New Video System Will Reduce Video Downloading Needs

- Last FY we spent 1,594 hours downloading video
- New system will allow remote downloads thru WiFi

Procurement Process

- Request for Proposals (RFP) issued August 2018
- Total of 5 firms submitted proposals
- Siemens was selected through the evaluation process
- This will allow our existing LRVs to have an almost identical system to the new LRVs
- Cost:
  - $13,854,000
  - Contingency - $700,000 for any unforeseen integration issues or any other obstacles during installation

New System

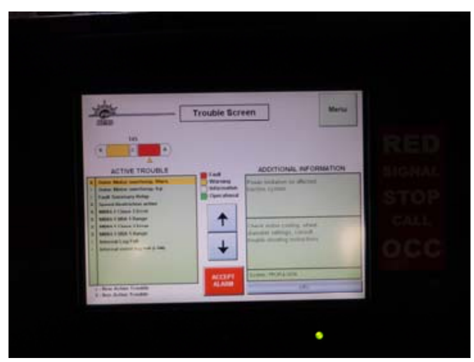
Complete Video System

- New Monitors
- High Definition (HD) Cameras
- New Cab Camera
- All Cameras will have a microphone
- New Digital Video Recorder (DVR)

New System

Complete Monitoring & Diagnostic System

- Interface with existing systems for fault reporting and health monitoring
  - Brakes
  - Propulsion
  - Doors
  - Heating, Ventilation and Air Conditioning (HVAC)
  - Auxiliary Power Supply



New System

Complete Passenger Information System

- Interior Message Signs
- Exterior Destination Signs
- Main Computer
- Speakers
- PA Amplifiers

Complete Automatic Passenger Counting System

New System

Trainline Interface Components

Recommendation

Staff recommends that the Board of Directors authorize the CEO to execute a contract with Siemens Mobility, Inc. for an amount not to exceed $14,554,000 to upgrade the communication and video system on the light rail vehicles.

Information Summary

DATE **AGENDA ITEM 5**
March 14, 2019

SUBJECT
Valley Metro Rail, Inc. Fiscal Year 2020 (FY20) Preliminary Operating and Capital Budget

PURPOSE
To provide an overview of the FY20 Preliminary Operating and Capital Budget.

BACKGROUND | DISCUSSION | CONSIDERATION
The Valley Metro Rail, Inc. (VMR) FY20 combined operating and capital budget (the budget) is $482.6 million (M) and includes $88.2M in projects funded with Proposition 400 Public Transportation Fund (PTF) revenues for light rail/high capacity transit capital.

The preliminary FY20 budget has been prepared with the goal of delivering a fiscally prudent, balanced budget using carry forwards, reserves and bond proceeds. The budget was developed in compliance with Board of Directors' adopted budget, financial and Transit Life Cycle Program (TLCP) policies.

The annual budget is prepared on a modified accrual basis and adopted by the Board of Directors each fiscal year. The legal level of budgetary control is the total annual appropriated budget. With respect to Capital Budgets, project contingency accounting is used to control expenditures within available project funding limits. With respect to Operating Budgets, encumbrance accounting is not used and all appropriations lapse at the end of the year. Prior to final adoption, a proposed budget is presented to the Board of Directors for review and public comment is received. Final adoption of the budget must be on or before June 30 of each year.

The total operating budget of $72.3M represents a $3.6M (5%) increase from the previous year's operating budget of $68.7M. The total capital budget of $410.3M represents a $170.9M (71%) increase from the previous year's capital budget of $239.5M.

The RPTA and Valley Metro Rail (VMR) budgets are developed with a unified staff plan, with department managers planning the level of effort required to meet the bus and rail activities. Salary and overhead charges to bus and rail projects are based on actual time worked on each project. For FY20 there are 430 employees budgeted in the integrated agency, with 155 FTE's budgeted to RPTA activities and 275 budgeted to VMR activities. Compensation budget based on 3.0% increase. For staff salary changes, merit increases are evaluated based on employee performance; division level control to manage total costs within budget.

STRATEGIC PLAN ALIGNMENT

This item relates to the following goals and strategies in the Five-Year Strategic Plan, FY 2016 – 2020:

- Goal 2: Advance performance based operation
  - Tactic C: Deliver projects and services on-time/on-budget.
  - Tactic E: Maintain strong fiscal controls to support Valley Metro's long-term sustainability.

COMMITTEE PROCESS

Preliminary Budget Review:
Financial Working Group: February 19, 2019 for information
RTAG: February 19, 2019 for information
RMC: March 6, 2019 for information
AFS: March 14, 2019 for information
Board of Directors: March 21, 2019 for information

Proposed Budget Adoption:
RMC: May 1, 2019 for approval
AFS: May 8, 2019 for action
Board of Directors: May 16, 2019 for action

RECOMMENDATION

This item is presented for information.

CONTACT

Paul Hodgins
Chief Financial Officer
602-523-6043
phodgins@valleymetro.org

ATTACHMENT

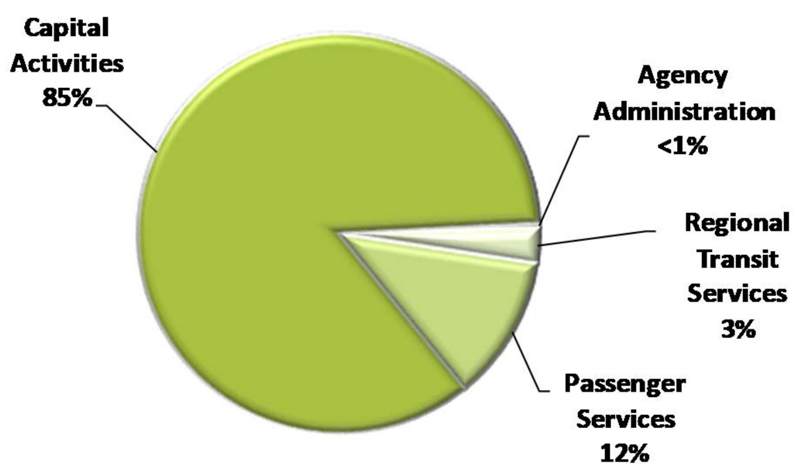
FY20 Budget Executive Summary

Valley Metro Rail

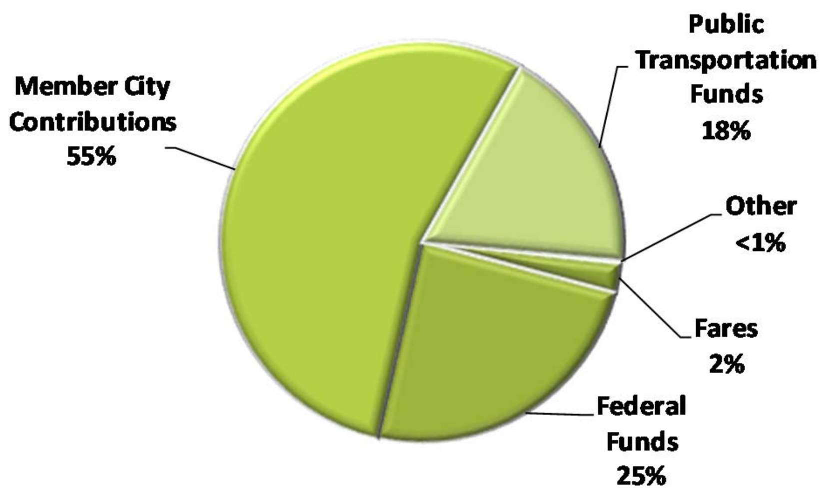
FY20 Preliminary Budget Overview

March 2019

Uses of Funds: Operating & Capital



Sources of Funds: Operating & Capital

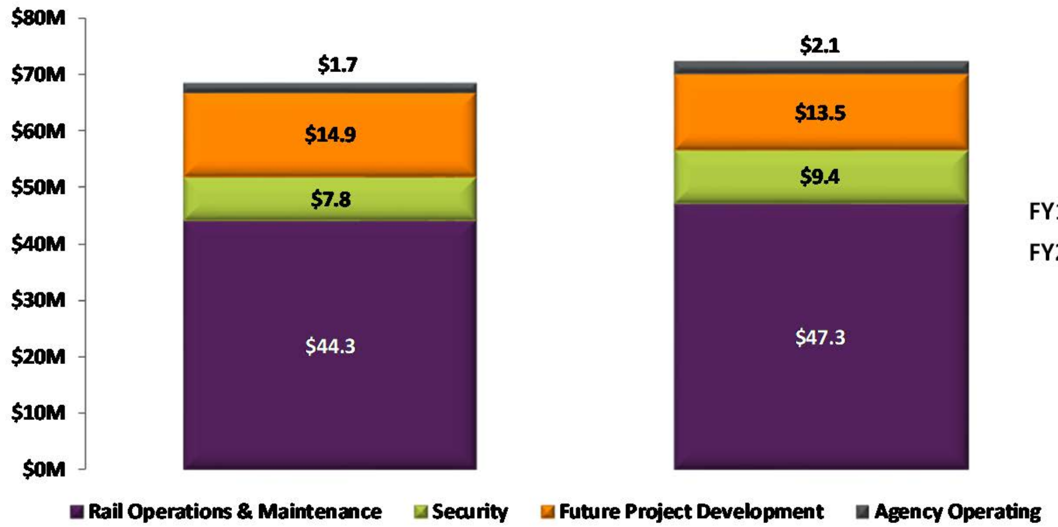


Uses of Funds: Operating ($,000,000)

Uses of Funds	FY19	FY20	Change $	Change %
Rail Operations & Maintenance	$44.3M	$47.3M	$3.1	7%
Security	$7.8M	$9.4M	1.6	21%
Future Project Development	$14.9M	$13.5M	(1.4)	-10%
Agency Operating	$1.7M	$2.1M	0.4	21%
Total Operating Uses	**$68.7**	**$72.3**	**$3.6**	**5%**

4

Operating Budget



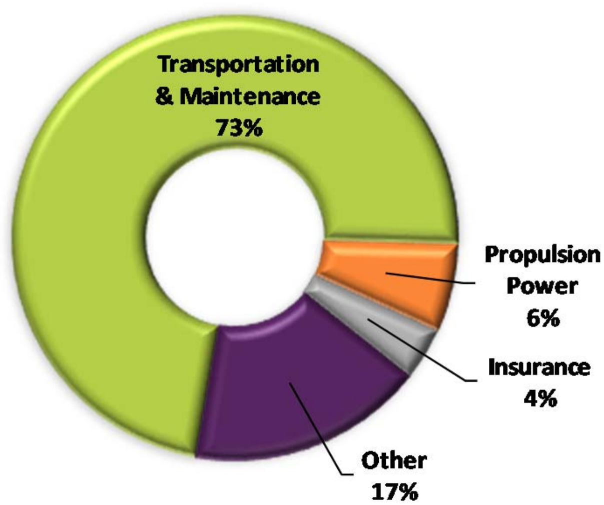
FY19 $68.7M

FY20 $72.3M

Rail Operations and Maintenance

65%

of operating budget supports rail operations and maintenance

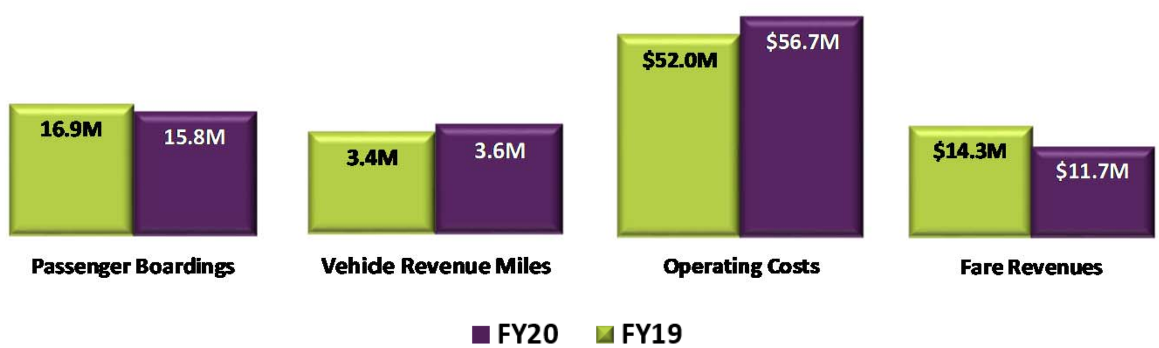


Baseline: Light Rail Operations

	FY19	FY20	Change
Passenger Boardings	16,874,000	15,827,000	-6%
Vehicle Revenue miles delivered	3,376,000	3,593,000	6%
Boardings per Revenue Mile	5.00	4.40	-12%
Operating cost per passenger	$3.08	$3.58	16%
Operating Costs	$52,041,000	$56,727,000	9%
Fare Revenues	$14,343,000	$11,713,000	-18%
Fare Recovery	28%	21%	
Avg Fare	$0.85	$0.74	-13%

7

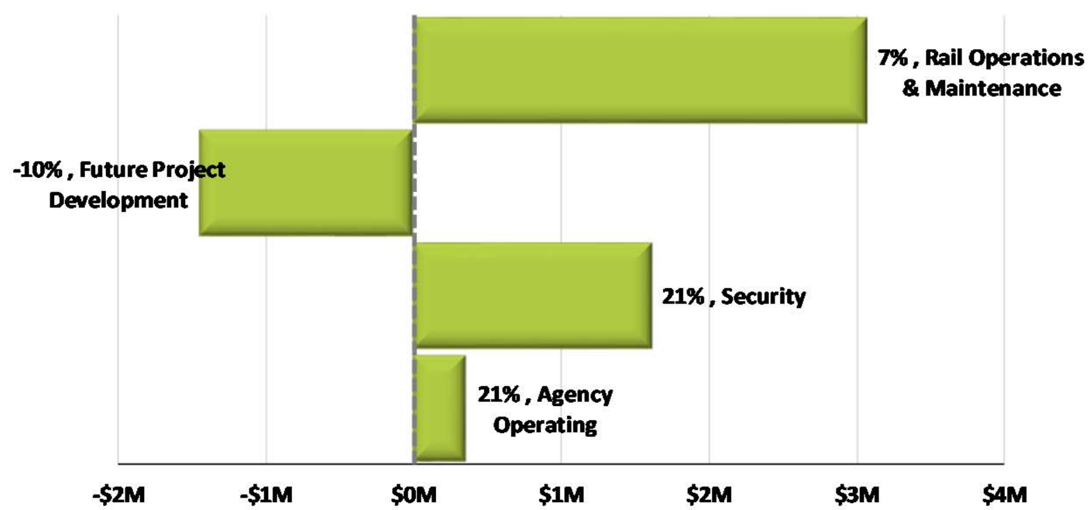
Baseline: Rail Operations and Maintenance



Baseline: Rail Operations and Maintenance

Uses of Funds: Operating

Change from Prior year



Sources of Funds: Operating ($,000,000)

Sources of Funds	FY19	FY20	Change $	Change %
Advertising	$1.1	$1.7	$0.6	50%
Fares	14.3	11.7	(2.6)	-18%
Federal Funds	2.7	2.6	(0.1)	-4%
Member City Contributions	38.2	44.6	6.4	17%
Regional Planning Funds	1.0	1.0	0.0	0%
Public Transportation Funds	11.4	10.8	(0.6)	-5%
Total Operating Sources	**$68.7**	**$72.3**	**$3.6**	**5%**

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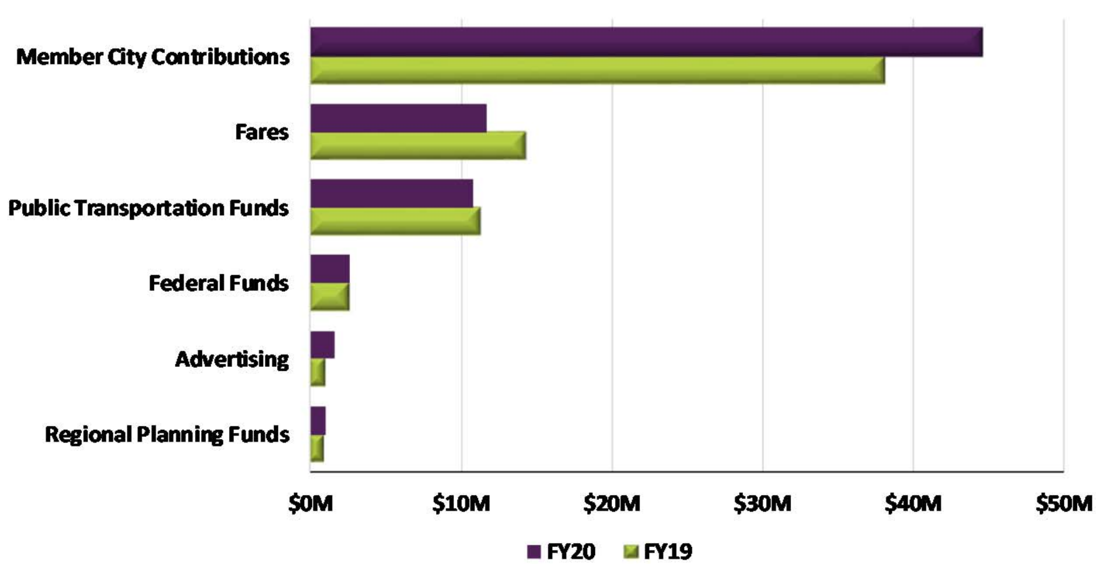
Sources of Funds: Operating

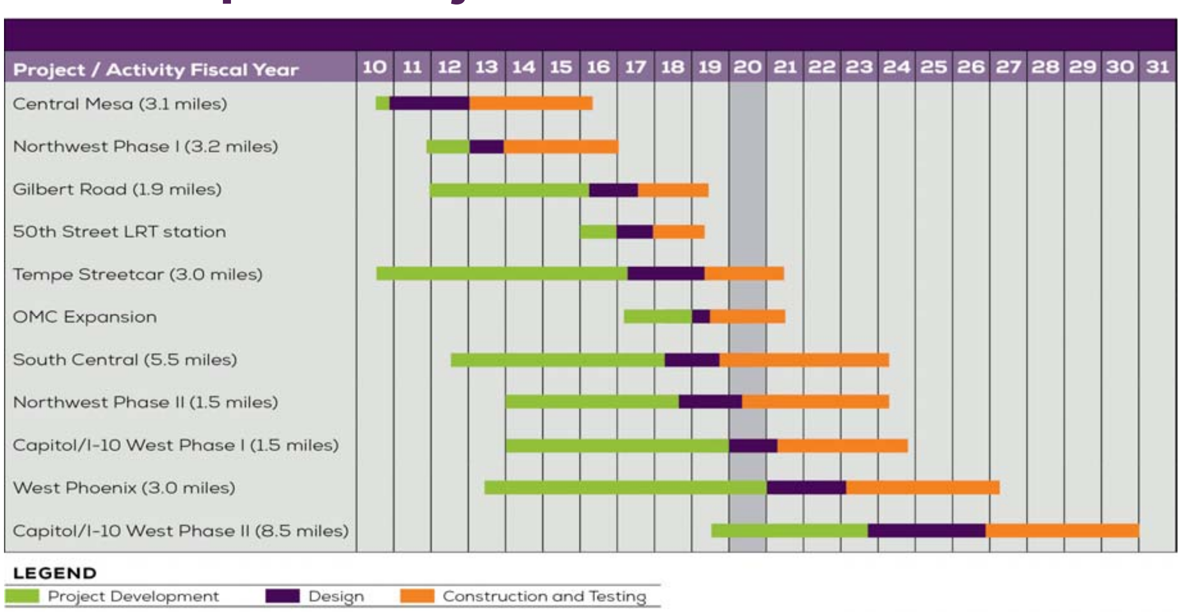


Uses of Funds: Project Development

($,000)

Uses of Funds	FY20
Capitol/I-10 West Phase I	$1,254
West Phoenix	84
I-10/I-17 Bus Ramp Design (FTA)	50
Fiesta District Corridor Study	462
Downtown Chandler/Arizona Ave AA	441
Tempe/Mesa Streetcar System Study	359
Systems Planning & Project Development	9,126
Capital Project Development Administration	1,691
Total Uses	**$13,467**

LRT Capital Project Schedule



Sources of Funds: Capital ($,000,000)

Sources of Funds	FY19	FY20	Change $	Change %
Federal Funds	$164.3	$115.5	($48.8)	-30%
Member City Contributions	33.7	218.9	185.3	550%
Public Transportation Funds	18.5	77.4	58.8	318%
City of Mesa Financing	23.0	(1.5)	(24.5)	-106%
Total Capital Sources	**$239.5**	**$410.3**	**$170.9**	**71%**

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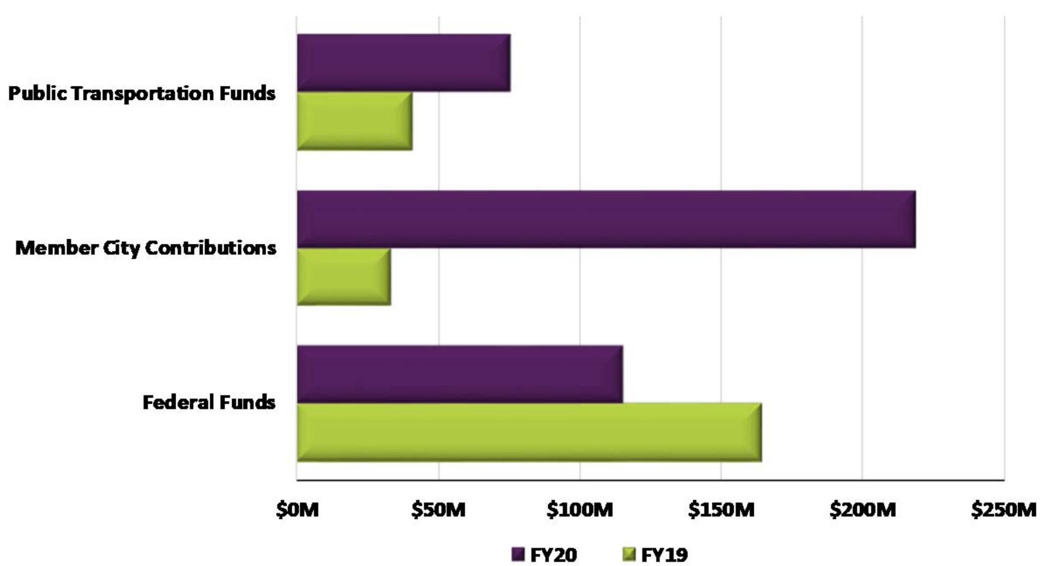
Sources of Funds: Capital



Uses of Funds: Capital ($,000,000)

Uses of Funds	FY19	FY20	Change $	Change %
Tempe Streetcar	$48.1	$85.7	$37.6	78%
South Central	$62.4	$223.5	$161.1	258%
Northwest Phase II	21.7	39.7	17.9	82%
OMC Expansion	7.1	32.1	25.0	351%
Gilbert Road Extension	65.9	4.5	(61.4)	-93%
50th Street Station	8.8	1.2	(7.5)	-86%
Central Mesa Extension	0.2	0.3	0.1	49%
Systemwide Improvements	25.3	10.7	(14.6)	-58%
State of Good Repair	0.0	12.6	12.6	-
Total Capital Uses	**$239.5**	**$410.3**	**$170.9**	**71%**

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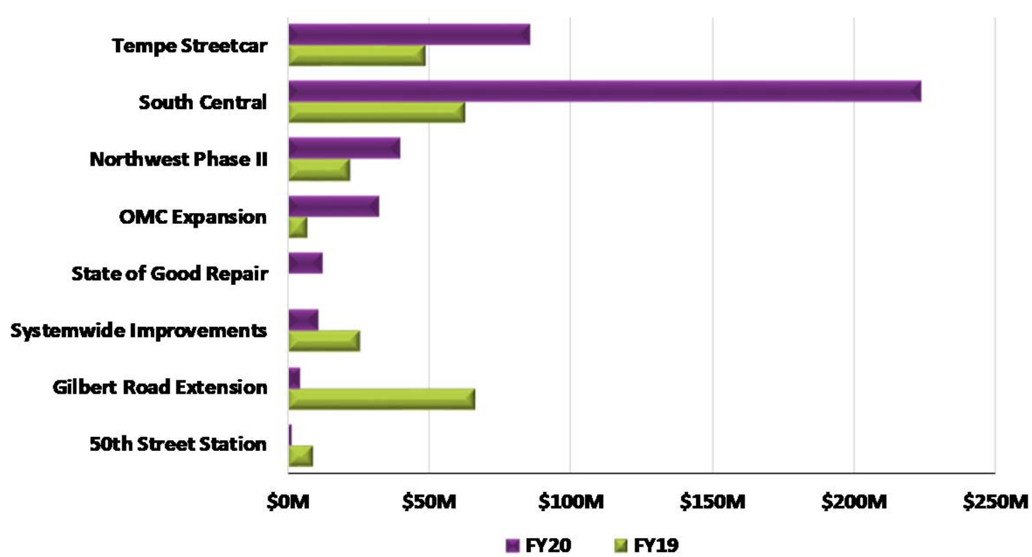
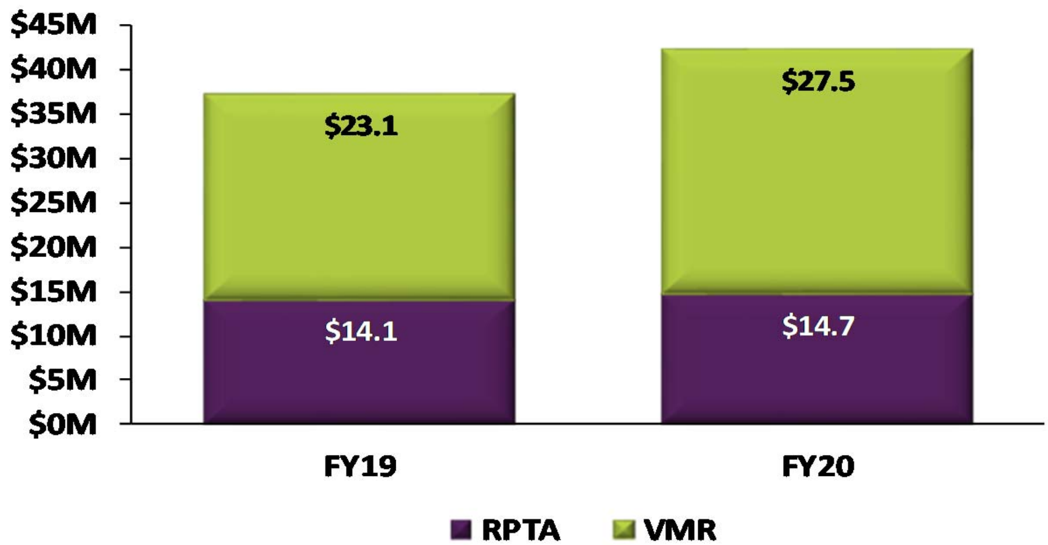
Uses of Funds: Capital



Staff Changes from FY19 to FY20



Staff Changes from FY19 to FY20

	FY19 Budget	Mid-Year Additions	FY20 Additions	FY20 Budget
Positions by Division				
Agency Business, Technology and Services	49		2	51
Capital and Service Development	56	1	1	58
Communication and Strategic Initiatives	10	6		16
Executive Office	5			5
Finance and Procurement	34	1	2	37
Human Resources	10		2	12
Internal Audit Services	2	1		3
Legal	2			2
Operations and Maintenance - RPTA	66			66
Operations and Maintenance - VMR	132		38	170
Safety, Security and Quality Assurance	10			10
Total Positions by Division	**376**	**9**	**45**	**430**
RPTA	*151*	*2*	*2*	*155*
VMR	*225*	*7*	*43*	*275*

Upcoming Budget Schedule FY20

March 21	Budget presented to Board of Directors for information
April 15	Member City Comments due
May	Committee cycle for Budget Adoption

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EXECUTIVE SUMMARY

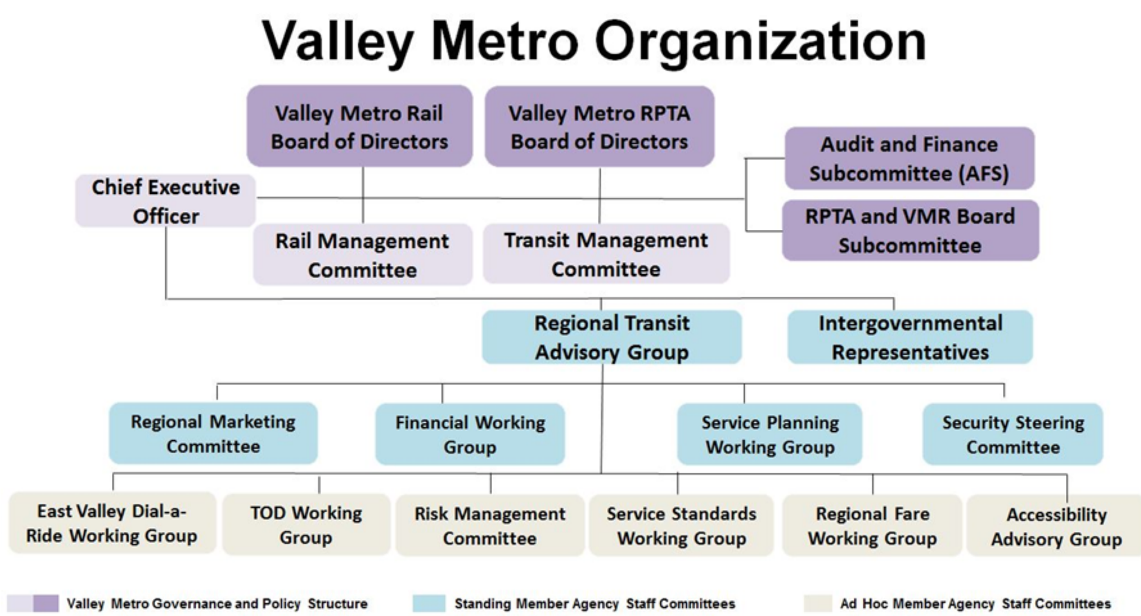
AGENCY OVERVIEW

Valley Metro is comprised of two separate legal entities, the Regional Public Transportation Authority (RPTA) and Valley Metro Rail, Inc. (VMR). The two agencies operate jointly with one Chief Executive Officer and one organizational structure. Intergovernmental agreements between the agencies define the responsibilities of each agency in meeting the overall strategic mission, vision and goals for Valley Metro. Valley Metro is governed by two boards of directors. The RPTA Board consists of 18 public agencies that set the policy direction for all modes of transit except light rail. The VMR Board consists of five cities that set the policy direction for light rail high capacity transit (HCT). The boards and the agency work to improve and regionalize the public transit system.

RPTA is the regional transit agency for Maricopa County. Created in 1985 with the passage of Proposition 300, RPTA is a political subdivision of Arizona overseen by an 18-member board of elected officials. Membership is open to all municipalities in Maricopa County and to the County government. Current Valley Metro RPTA Board member agencies comprise Avondale, Buckeye, Chandler, El Mirage, Fountain Hills, Gilbert, Glendale, Goodyear, Maricopa County, Mesa, Peoria, Phoenix, Scottsdale, Surprise, Tempe, Tolleson, Wickenburg, and Youngtown. With the passage of Proposition 400 in November 2004, RPTA is the recipient of the transit portion of the twenty-year countywide 0.5% sales tax fund commencing in 2006 and running through 2025.

VMR was formed in 2002 to design, construct and operate a 66-mile high-capacity transit system. Member cities comprise Chandler, Glendale, Mesa, Phoenix and Tempe. VMR is responsible for administration and oversight of the design, construction and operation of light rail, and for receipt and disbursement of funds from federal, state, local and other funding sources. The VMR Board is empowered to enter into contracts for design and construction, hire or contract for staff and undertake extensions to the system. The member cities of VMR retain power of eminent domain and ownership of real estate with agreements established for property use by VMR. The cities are responsible for providing annual funding for the light rail project through their annual or biannual budgets, in addition to recommending light rail corridors within their city boundaries.

The following chart depicts the policy organization for Valley Metro and the relationships to key stakeholders:



SERVICE CHARACTERISTICS

VMR operates the only light rail system within the Phoenix Metropolitan area, with an average weekday ridership of 48,000 boardings. Weekday trains run with two cars at 12 minute intervals during peak hours and 15-20 minute intervals off-peak. VMR operates a fleet of 50 light rail vehicles traveling over 10,000 miles each weekday, on a 28-mile alignment, serving 38 stations within the cities of Phoenix, Tempe, and Mesa. VMR's service area encompasses 39.1 square miles within the Phoenix Metropolitan area.

FARE POLICY

Effective March 2013, the current Regional Fare Policy is as follows:

LOCAL BUS / LIGHT RAIL				EXPRESS / RAPID BUS	
Full Fare		Reduced Fare*		Full Fare	
1-Ride	$2.00	1-Ride	$1.00	1-Ride	$3.25
All-Day	$4.00	All-Day	$2.00	All-Day	$6.50
7-Day	$20.00	7-Day	$10.00	31-Day	$104.00
15-Day	$33.00	15-Day	$16.50		
31-Day	$64.00	31-Day	$32.00		

*Available for youth ages 6 through 18, seniors 65 and older, persons with disabilities and Medicare card holders. Qualified persons may obtain a Valley Metro Reduced Fare Identification Card as proof of eligibility. Seniors and youth may show any valid photo ID indicating a birth date issued by a governmental agency.

Children ages 5 and younger ride free when accompanied by a fare-paying caretaker or guardian.

Visit Valley Metro's website at https://www.valleymetro.org for details regarding the fare structure.

VALLEY METRO

RESPECT ·THE RIDE·

STRATEGIC PLAN, VISION, AND GOALS

In January 2015, the Valley Metro RPTA and Valley Metro Rail Boards adopted the Valley Metro Strategic Plan for FY16 through FY20. The Strategic Plan provides clear definition of the purpose of the organization and establishes realistic goals and objectives for a five-year period. This plan ensures the most effective use of the organization's resources by focusing those resources on key priorities. Below are the five, overarching goals identified in the Strategic Plan:

- Increase customer focus
- Advance performance based operation
- Grow transit ridership
- Focus on economic development, regional competitiveness and financial resources
- Advance the value of transit

We are currently evaluating and updating the Valley Metro Strategic Plan for FY20 through FY24.

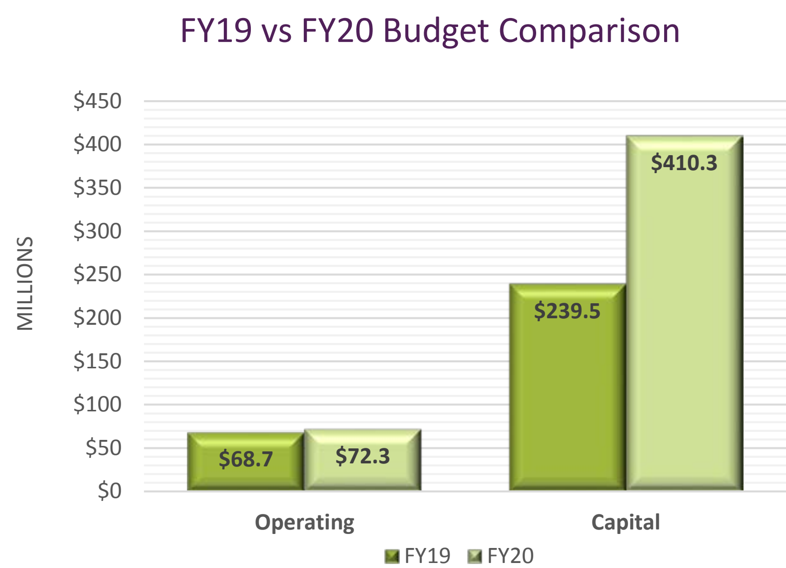
PRIORITIES AND ISSUES

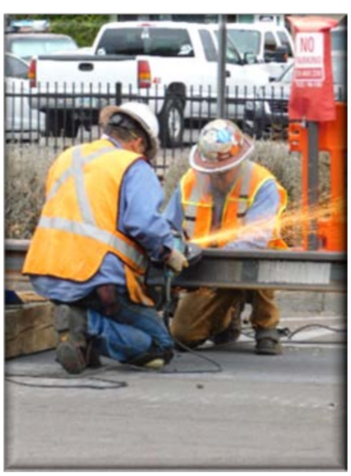
We will continue to work on existing initiatives in FY20 in the areas of:

- Respect the Ride Campaign
- Transit Asset Management Plan (State of Good Repair)
- Staff Development (Shifting Gears)
- On-going evaluation of staffing needs

BUDGET OVERVIEW

Total operating and capital budget for FY20 is $482.6 million (M), an increase of $174.5M or 57% from FY19 budget.





SOURCES OF FUNDS

Operating sources of funds are $72.3M, an increase of $3.6M or 5% from the FY19 budget. The primary sources are detailed below:

- Fare revenue is forecasted at $11.7M, which is down from FY19, based on current trends in average fare and ridership.
- Member city contributions of $44.6M is up from $38.2M. This funding is used for rail operations and maintenance, agency operating, and future project development expenses. It also includes a full year of operations for Gilbert Road Extension.
- Public Transportation Fund (PTF) sales tax revenue is $10.8M. PTF funding requirements for project development activities are down by $0.6M, primarily related to the West Phoenix study decelerating.

Capital sources of funds are $410.3M, an increase of $170.9M or 71% from the FY19 budget. The primary sources are detailed below:

- Federal funds are programmed at $115.5M to support South Central, Gilbert Road Extension, Tempe Streetcar, and Operations & Maintenance Center (OMC) expansion projects' design and construction activities, as well as systemwide improvements.
- Member city contributions are $218.9M, up from $33.7M. This funding is used to support capital construction activities, systemwide improvements, and state of good repair projects.
- PTF sales tax revenue is $77.4M, up from $18.5M in FY19 primarily due to funding for Tempe Streetcar, South Central, OMC Expansion, Northwest Phase II, and state of good repair projects.

	FY18 Actual	FY19 Budget	FY20 Budget	
Sources of Funds				
Operating				***Note**
Advertising	$ 1,100,000	$ 1,100,000	$ 1,650,000	1
Fares	11,911,000	14,343,000	11,713,000	2
Federal Funds	1,888,000	2,682,000	2,566,000	
MAG Funds	500,000	500,000	500,000	
Member City Contributions	30,705,000	38,177,000	44,555,000	3
Public Transportation Funds	8,701,000	11,382,000	10,804,000	4
Regional Area Road Funds	500,000	500,000	500,000	
Other	46,000	-	-	
Total Operating	**55,351,000**	**68,684,000**	**72,288,000**	
Capital				
Federal Funds	72,922,000	164,286,000	115,536,000	5
Member City Contributions	34,754,000	33,657,000	218,937,000	6
Public Transportation Funds	24,753,000	18,515,000	77,363,000	7
City of Mesa Financing	-	23,000,000	(1,491,000)	8
Other	181,000	-	-	
Total Capital	**132,610,000**	**239,458,000**	**410,345,000**	
Total Sources of Funds	**$ 187,961,000**	**$ 308,142,000**	**$ 482,633,000**	

**Explanations for significant changes from prior year are included in the Budget Analysis section of this document.*

USES OF FUNDS

Operating uses of funds are $72.3M, an increase of $3.6M or 5% from the FY19 budget. The primary uses are detailed below:

- Revenue Operations and Maintenance is $47.3M, up from $44.3M due to maintenance costs to maintain the system in a state of good repair. It also includes full year of operations for Gilbert Road Extension.
- Security is $9.4M, up from $7.8M due to continued Respect the Ride effort, additional presence on platforms, and the launch of the AlertVM safety app.
- Future project development is $13.5M, down by $1.4M primarily due to decrease in planning activities related to future corridors and system planning.

Capital uses of funds are $410.3M, an increase of $170.9M or 71% from the FY19 budget. The primary uses are detailed below:

- Tempe Streetcar will be the next alignment to come on board and construction activity levels will increase in FY20.
- Both South Central and Northwest Phase II projects ramp up the construction phase in FY20.
- Operations & Maintenance Center Expansion construction continues with completion in FY21.
- Gilbert Road Extension and 50th Street Station have completed construction in FY19. Residual expenses are expected in FY20.

	FY18 Actual	FY19 Budget	FY20 Budget	
Uses of Funds				
Operating				***Note**
Rail Operations & Maintenance	$ 37,338,000	$ 44,258,000	$ 47,333,000	9
Security	5,682,000	7,783,000	9,394,000	10
Future Project Development	10,584,000	14,909,000	13,467,000	11
Agency Operating	1,747,000	1,734,000	2,094,000	
Total Operating	**55,351,000**	**68,684,000**	**72,288,000**	
Capital				
Tempe Streetcar	25,619,000	48,071,000	85,706,000	12
South Central	23,820,000	62,353,000	223,450,000	13
Northwest Phase II	20,000	21,737,000	39,657,000	14
OMC Expansion	-	7,114,000	32,103,000	15
Gilbert Road Extension	66,927,000	65,901,000	4,544,000	16
50th Street Station	8,006,000	8,779,000	1,230,000	17
Northwest Phase I	22,000	-	-	
Central Mesa Extension	912,000	234,000	349,000	
Systemwide Improvements	7,284,000	25,269,000	10,672,000	18
State of Good Repair	-	-	12,634,000	19
Total Capital	**132,610,000**	**239,458,000**	**410,345,000**	
Total Uses of Funds	**$ 187,961,000**	**$ 308,142,000**	**$ 482,633,000**	

**Explanations for significant changes from prior year are included in the Budget Analysis section of this document.*

BUDGET ANALYSIS

The following is an analysis of the major changes in the FY20 Budget versus the FY19 Budget. The number in the "Note" column corresponds to the "Note" column in the "Sources of Funds" and "Uses of Funds" tables.

	Note	Analysis Comment - Sources of Funds
OPERATING	1	Advertising revenue is up $0.6M due to an increase in volume of ads. There will also be additional advertising opportunities with the opening of Gilbert Road Extension and 50th Street Station in late FY19.
	2	Fare revenue is forecasted at $11.7M, down $2.6M from FY19 forecast. Based on current trends in average fare and ridership FY20 plans 15.8 million rides with an average fare forecast to be $0.74 per ride.
	3	Member city contributions for operating projects are up from $38.2M to $44.6M in FY20 due $6.6M increase for rail operations, $0.4M increase for agency operating, and $0.6M decrease for future project development. Gilbert Road Extension and 50th Street Station are scheduled to be in revenue operation for a full year.
	4	PTF sales tax revenue funding requirements for future project development are down by $0.6M, primarily related to West Phoenix study decelerating.
CAPITAL	5	Federal funding for capital is down from $164.3M to $115.5M. The decreases are forecasted in South Central ($41.5M), Gilbert Road Extension ($34.2M), Systemwide Improvements ($8.8M), and Tempe Streetcar ($7.5M). Increases are due in Northwest Phase II ($23.1M), OMC Expansion ($20.0M), and Central Mesa - SCADA ($0.1M).
	6	Member city contributions for capital projects total $218.9M for FY20. City of Phoenix is funding South Central ($198.1M), 50th Street Station ($0.8M), and Northwest Phase II ($10.0M), City of Mesa is funding the Gilbert Road Extension ($0.3M), City of Tempe is funding the Tempe Streetcar ($7.9M). The state of good repair projects are funded by City of Phoenix ($1.1M), City of Tempe ($0.4M), and City of Mesa ($0.3M).
	7	PTF sales tax funding requirement is increasing from $18.5M to $77.4M. Capital project needs are: Tempe Streetcar ($37.7), State of Good Repair ($10.8M), South Central ($5.8M), OMC Expansion ($5.0M), Northwest Phase II ($4.8M), and 50th Street ($0.4M). There will be a decrease in Systemwide Improvements ($5.6M).
	8	City of Mesa will be reimbursed $1.5M for financing costs related to the Gilbert Road Extension with federal funds received in FY20.

	Note	Analysis Comment - Uses of Funds
OPERATING	9	Rail Operation & Maintenance costs are forecasted to increase by 7% over FY19 levels. Gilbert Road Extension and 50th Street Station will be operating a full twelve months. Maintenance costs are rising with scheduled preventive maintenance activities to maintain the system in a state of good repair.
	10	Security costs are forecasted to increase by 21% over the FY19 level. The additional costs are directly related to contractual increases, fare inspections for Gilbert Road Extension, and additional platform presence for the Respect the Ride campaign.
	11	Planned future project development costs are down by $1.4M due to a decrease in planning activities related to future corridors and system planning. This is primarily due to West Phoenix Study winding down.
CAPITAL	12	Tempe Streetcar project costs are up $37.6M. Annual expenditures are forecasted at $85.7M, which includes Non-Prior Rights (NPR) costs of $2.8M.
	13	South Central project and the Downtown Connector subproject activities to ramp up in FY20. Annual expenditures are planned at $223.5M, which includes Non-Prior Rights (NPR) costs of $11.3M and Concurrent Non-Project Activities (CNPA) costs of $21.1M.
	14	Northwest Phase II project begins construction activities in FY20. Annual design and project management expenditures are forecasted at $39.7M.
	15	OMC Expansion project construction activities continue in FY20. Annual expenditures are forecasted at $32.1M.
	16	Gilbert Road Extension project cost are down $61.4M due to completion of the construction phase and the scheduled commencement of passenger operations in late FY19. FY20 expenditures are forecasted at $4.5M for residual construction expenses.
	17	The 50th Street Station project costs are down by $7.6M due to the construction phase being complete in FY19 and commencement of passenger operations in late FY19. FY20 expenditures are forecasted at $1.2M for residual construction expenses.
	18	Systemwide Improvements annual expenditures are forecasted at $10.7M, down by $14.6M. The main cause for the decrease is the future extension light rail vehicles payments that are down $8.3M to $7.2M.
	19	State of good repair needs are estimated to be $12.6M for overhaul of revenue vehicles, vehicle communication system, and station upgrades. The original rail system and revenue vehicles are now over 10 years old.

STAFFING OVERVIEW

RPTA and VMR budgets are developed with a unified staff plan, with department managers planning the level of effort required to meet the bus and rail activities. For FY20, there are 430 employees budgeted; 155 Full Time Equivalent (FTE) positions are budgeted to RPTA activities and 275 FTEs to VMR activities. Staffing levels are reviewed on an annual basis to fulfill work requirements for the coming year. Salary and fringe benefit compensation levels are measured against comparable regional agencies, member cities, and peer transit agencies located in the western U.S.

FY20 COMPENSATION AND FRINGE BENEFIT ASSUMPTIONS

Total compensation budget is based on a 3.0% increase. For staff salary changes, merit increases are based on employee performance. Agency healthcare costs are forecasted to increase by 4.3% over FY19 levels.

FY20 STAFFING NEEDS

Valley Metro RPTA and Valley Metro Rail are in a period of significant expansion of the system and services. To meet the needs of our members by delivering service and meeting project deadlines, Valley Metro needs additional resources.

In FY20, we will have four active rail capital construction projects and another three projects in the design phase. The VMR vehicle fleet will also increase in size beginning in mid FY20 with the delivery of the Siemens light rail vehicles and the Brookville streetcar vehicles. Both fleets will have their own sets of parts inventory and specific maintenance requirements.

Of the 45 proposed positions requested for FY20, 38 will directly support VMR operations activities and seven will support combined Agency activities.

The 38 VMR operations staff additions will support three areas: Respect the Ride (10), State of Good Repair coordinated with the Transit Asset Management Plan (16), and expansion of fleet with eleven LRVs and six streetcars (12). These staff additions may be phased in over two to three years.

The seven (7) support staff needed includes positions for Human Resources, Finance and Procurement, Planning, and Information Technology.

- Sr. Learning and Development Specialist
- Deputy Director, Human Resources
- Budget Supervisor
- Senior Contracts Administrator
- Sustainability Coordinator
- Business Intelligence Analyst
- System Administrator

Agency	FY19 Budget	Mid-Year Additions	FY20 Additions	FY20 Budget
RPTA	151	2	2	155
VMR	225	7	43	275
Total Agencies	**376**	**9**	**45**	**430**

Information Summary

DATE **AGENDA ITEM 6**
March 14, 2019

SUBJECT
Future Agenda Items Request and Report on Current Events

PURPOSE
Chair Williams will request future agenda items from members, and members may provide a report on current events.

BACKGROUND/DISCUSSION/CONSIDERATION
None

COST AND BUDGET
None

COMMITTEE ACTION
None

RECOMMENDATION
This item is presented for information only.

CONTACT
Scott Smith
Chief Executive Officer
602-262-7433
ssmith@valleymetro.org

ATTACHMENT
None

Pending Items Request

Item Requested	Date Requested	Planned Follow-up Date