



Agenda

June 11, 2020

REVISED June 17, 2020

**Joint Meeting Agenda
Valley Metro RPTA
And
Valley Metro Rail
Thursday, June 18, 2020
**Webex/Phone
11:15 a.m.****

Action Recommended

1. Public Comment

1. For Information

Public comment is being taken in written format and will be entered into the official minutes of the meeting.

2. Chief Executive Officer's Report

2. For information

Scott Smith, CEO, will brief the Joints Boards of Directors on current issues.

3. COVID-19 Update

3. For information

An update on transit operation impacts related to COVID-19 will be provided.

4. COVID-19 Related Face Covering Requirement

4. For discussion and possible action

Phoenix Mayor Kate Gallego and Mesa Councilmember Francisco Heredia have requested action by the Boards of Directors to implement a requirement that transit operators and passengers wear a face covering while using Valley Metro operated public transit.

5. Possible Executive Session

5. For action

The Boards of Directors may vote to enter Executive Session for discussion or consultation and for legal advice with the attorney or attorneys of the public body and to consider its position and instruct its attorneys regarding the



public body's position concerning matters listed on the agenda, personnel matters and contracts as authorized by A.R.S. Sections 38-431.03 A.1, A.3., and A.4.

The agenda for Executive Session involves discussion and consultation regarding contractual, regulatory and statutory compliance implications related to the COVID-19 pandemic and impacts to transit operations and transportation-related workforce.

6. Executive Session Action Items

6. For action

The Boards of Directors may take action related to items discussed as part of Agenda Item 5.

7. Minutes

7. For action

Minutes from the May 21, 2020 Joint Board meeting are presented for approval.

8. Audit and Finance Subcommittee Update

8. For information

Councilmember Arredondo-Savage, Chair of AFS, will provide an update on the discussions and action taken at the AFS meeting.

CONSENT AGENDA

9A. Fiscal Year 2021 (FY21) Intergovernmental Agreements (IGA)

9A. For action

Staff recommends that the Boards of Directors authorize the CEO to execute the FY21 IGAs and IGA amendments as listed and for the periods of performance and in the amounts indicated for each agreement.

9B. Autonomous Vehicle Pilot Program with Waymo Contract Extension

9B. For action

Staff recommends the Boards of Directors authorize the CEO to issue an extension of service for the Autonomous Vehicle Pilot for one year. The extended period of service will be from July 1, 2020 to June 30, 2021 at a cost not to exceed \$50,000.



REGULAR AGENDA

10. Enterprise Resource Planning (ERP)/Enterprise Asset Management (EAM) System Contract Award

10. For action

Scott Smith, CEO, will introduce Paul Hodgins, Chief Financial Officer, who will request that the Boards of Directors authorize the CEO to execute a contract with Denovo Ventures, LLC for an integrated ERP/EAM System in an amount not to exceed \$7,113,070 for a contract period of 47 months with options to extend not to exceed a maximum term of 10 years.

11. Travel, Expenditures and Solicitations

11. For information

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

12. Future Agenda Items Request and Update on Current Events

12. For information

Chairs Hartke and Arredondo-Savage will request future agenda items from members, and members may provide a report on current events.

13. Next Meeting

13. For information

The next meeting of the Boards of Directors is scheduled for **Thursday, August 27, 2020 at 11:15 a.m.**

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

June 12, 2020

Kevin Hartke
Mayor, City of Chandler and Valley Metro RPTA Board Chair

Robin Arredando-Savage
City of Tempe Councilmember and Valley Metro Rail Board Chair

Dear Mayor Hartke and Councilmember Arredando-Savage,

Since the beginning of the COVID-19 pandemic, cities throughout the region have worked with Valley Metro to take steps that help reduce the spread of COVID-19 on public transit. These steps such as rear-entry boarding, bus operator safety shields, and robust awareness efforts were put in place to help protect our transit riders and employees, particularly those most vulnerable to the virus. However, in recent weeks there has been a significant rise in COVID-19 cases in Arizona and Maricopa County. The trend demonstrates the stark reality that COVID-19 remains a major public health issue, and reminds us of the need to continue implementing strong safety protocols.

Based on well-established guidance by the Centers for Disease Control and medical community, the wearing of face coverings is essential in public settings where it is difficult to adequately distance to help slow the spread of COVID-19. Even with social distancing guidance, it is difficult and at times impossible for transit users to remain adequately distanced from one another at all times.

With this in mind, this requests that an item be added to the June 18, 2020 Valley Metro RPTA and Valley Metro Rail Boards agendas requesting action by the Boards to implement a requirement that passengers wear a face covering while using Valley Metro operated public transit. We believe this requirement is critical to our efforts to protect our passengers and employees while COVID-19 remains active in our community. The item should be for discussion and possible action.

Thank you.

Sincerely,



Kate Gallego
Mayor, City of Phoenix



Francisco Heredia
City of Mesa Councilmember

Expense/ Revenue	Member Agency/Jurisdiction Intergovernmental Agreement No.	Brief Description	FY 2020 Amount	FY 2021 Amount	Change from FY 2020 to FY 2021
Expense	AZ Dept. of Environmental Quality	Repayment of Lottery Advance	\$2,000,000	\$2,000,000	\$0
PTF Reimbursement	City of Avondale 106-75-2020	ADA Allocations	\$148,200	\$265,905	\$117,705
PTF Reimbursement	City of Avondale 106-75-2020	Fixed Route Transit Services	\$1,199,913	\$183,200	(\$1,016,713)
PTF Reimbursement	City of Avondale 106-75-2020	RideChoice	\$0	\$57,966	\$57,966
PTF Reimbursement	City of Avondale 106-75-2020	Paratransit	\$148,200	\$139,227	(\$8,973)
Revenue	City of Avondale 106-75-2020	Fixed Route Transit Services	\$1,276,849	\$0	(\$1,276,849)
Revenue	City of Buckeye 166-75-2020	Fixed Route Transit Services	\$39,500	\$29,000	(\$10,500)
PTF Reimbursement	City of Chandler 118-75-2020	ADA Allocations	\$1,719,350	\$1,729,000	\$9,650
PTF Reimbursement	City of Chandler 118-75-2020	Fixed Route Transit Services	\$6,011,005	\$3,843,438	(\$2,167,567)
PTF Reimbursement	City of Chandler 118-75-2020	Paratransit	\$1,719,350	\$1,629,000	(\$90,350)
Revenue	City of Chandler 118-75-2020	Paratransit	\$906,245	\$249,320	(\$656,925)
Revenue	City of Chandler 118-75-2020	Fixed Route Transit Services	\$1,734,532	\$1,078,415	(\$656,117)
Revenue	City of Chandler 118-75-2020	RideChoice	\$194,290	\$166,747	(\$27,543)
Revenue	City of Chandler AAFA-COC-2019	Arizona Avenue Alternatives Analysis FA	\$600,000	\$0	(\$600,000)
PTF Reimbursement	City of El Mirage 121-48-2020	ADA Allocations	\$26,900	\$26,220	(\$680)
PTF Reimbursement	City of El Mirage 121-48-2020	Paratransit	\$26,900	\$26,220	(\$680)
Revenue	City of El Mirage 121-48-2020	Paratransit	\$7,419	\$30,904	\$23,485
PTF Reimbursement	City of Glendale 133-75-2020	ADA Allocations	\$784,844	\$759,003	(\$25,841)
PTF Reimbursement	City of Glendale 133-75-2020	Fixed Route Transit Services	\$3,843,888	\$2,100,728	(\$1,743,160)

Expense/ Revenue	Member Agency/Jurisdiction Intergovernmental Agreement No.	Brief Description	FY 2020 Amount	FY 2021 Amount	Change from FY 2020 to FY 2021
Revenue	City of Glendale 133-75-2020	Paratransit	\$1,192,995	\$1,223,522	\$30,527
PTF Reimbursement	City of Goodyear 136-75-2020	ADA Allocations	\$14,400	\$14,155	(\$245)
PTF Reimbursement	City of Goodyear 136-75-2020	Paratransit	\$14,400	\$14,155	(\$245)
PTF Reimbursement	City of Goodyear 136-75-2020	Fixed Route Transit Services	\$16,215	\$0	(\$16,215)
Revenue	City of Goodyear 136-75-2020	Fixed Route Transit Services	\$191,378	\$0	(\$191,378)
Revenue	City of Goodyear 136-75-2020	Paratransit	\$75,119	\$0	(\$75,119)
Revenue	City of Goodyear 136-75-2020	RideChoice	\$0	\$0	\$0
Revenue	City of Mesa 145-75-2020	Paratransit	\$754,783	\$0	(\$754,783)
PTF Reimbursement	City of Mesa 145-75-2020	ADA Allocations	\$3,843,530	\$3,760,005	(\$83,525)
PTF Reimbursement	City of Mesa 145-75-2020	Fixed Route Transit Services	\$11,582,811	\$7,727,489	(\$3,855,322)
PTF Reimbursement	City of Mesa 145-75-2020	Paratransit	\$3,843,530	\$3,358,256	(\$485,274)
PTF Reimbursement	City of Mesa 145-75-2020	RideChoice	\$0	\$401,749	\$401,749
Revenue	City of Mesa 145-75-2020	Fixed Route Transit Services	\$4,738,298	\$2,786,753	(\$1,951,545)
Revenue	City of Mesa 145-75-2020	RideChoice	\$914,968	\$301,516	(\$613,452)
PTF Reimbursement	City of Mesa FDAA-COM-2019	Fiesta District Alternative Analysis FA	\$900,000	\$0	(\$900,000)
PTF Reimbursement	City of Peoria 151-75-2020	ADA Allocations	\$247,100	\$241,110	(\$5,990)
PTF Reimbursement	City of Peoria 151-75-2020	Fixed Route Transit Services	\$1,651,871	\$999,633	(\$652,238)
PTF Reimbursement	City of Peoria 151-75-2020	Paratransit	\$0	\$0	\$0
Revenue	City of Peoria 151-75-2020	Paratransit	\$547,710	\$510,648	(\$37,062)
Revenue	City of Peoria 151-75-2020	Fixed Route Transit Services	\$1,272,957	\$147,442	(\$1,125,515)

Expense/ Revenue	Member Agency/Jurisdiction Intergovernmental Agreement No.	Brief Description	FY 2020 Amount	FY 2021 Amount	Change from FY 2020 to FY 2021
No Budget Impact	City of Peoria 151-35-2020	Peoria Park and Ride Operations and Maintenance	\$697,362	\$0	(\$697,362)
Expense	City of Phoenix 139285	Fixed Route Transit Services - RPTA Buys	\$10,635,095	\$5,863,262	(\$4,771,833)
PTF Reimbursement	City of Phoenix 143071	Fixed Route Transit Services	\$1,501,211	\$1,173,356	(\$327,855)
Revenue	City of Phoenix 143071	Fixed Route Transit Services - Phx Buys	\$8,182,583	\$5,233,911	(\$2,948,672)
Revenue	City of Phoenix	AZ-2016-017 Section 5310	\$0	\$6,797	\$6,797
PTF Reimbursement	City of Phoenix - ATAN	ATAN Bus Stop Improvement Projects	\$1,017,000	\$0	(\$1,017,000)
PTF Reimbursement	City of Scottsdale 160-75-2020	ADA Allocations	\$1,602,600	\$1,370,185	(\$232,415)
PTF Reimbursement	City of Scottsdale 160-75-2020	Fixed Route Transit Services	\$8,123,385	\$2,214,214	(\$5,909,171)
PTF Reimbursement	City of Scottsdale 160-75-2020	Paratransit	\$1,475,654	\$985,197	(\$490,457)
Revenue	City of Scottsdale 160-75-2020	Paratransit	\$12,050	\$0	(\$12,050)
PTF Reimbursement	City of Scottsdale 160-75-2020	RideChoice	\$0	\$246,021	\$246,021
PTF Reimbursement	City of Surprise 166-75-2020	ADA Allocations	\$52,600	\$51,395	(\$1,205)
PTF Reimbursement	City of Surprise 166-75-2020	Paratransit	\$52,600	\$51,395	(\$1,205)
PTF Reimbursement	City of Surprise 166-75-2020	Senior Shuttle	\$0	\$0	\$0
PTF Reimbursement	City of Surprise 166-75-2020	Fixed Route Transit Services	\$125,038	\$92,217	(\$32,821)
Revenue	City of Surprise 166-75-2020	Fixed Route Transit Services	\$106,641	\$90,453	(\$16,188)
Revenue	City of Surprise 166-75-2020	Senior Shuttle	\$125,985	\$0	(\$125,985)
Revenue	City of Surprise 166-75-2020	RideChoice	\$444,102	\$468,659	\$24,557

Expense/ Revenue	Member Agency/Jurisdiction Intergovernmental Agreement No.	Brief Description	FY 2020 Amount	FY 2021 Amount	Change from FY 2020 to FY 2021
Revenue	City of Surprise 166-75-2020	Paratransit	\$301,053	\$349,570	\$48,517
Expense	City of Tempe 169-75-2020-EVBOM	EVBOM	\$5,788,277	\$5,813,291	\$25,014
Revenue	City of Tempe 169-31-2019	Reduced Fare	\$1,000	\$1,000	\$0
Revenue	City of Tempe 169-31-2020	Paratransit	\$600,607	\$12,012	(\$588,595)
Revenue	City of Tempe 169-31-2020	RideChoice	\$195,416	\$243,817	\$48,401
PTF Reimbursement	City of Tempe 169-31-2020	Fixed Route Transit Services	\$5,927,375	\$4,595,728	(\$1,331,647)
Revenue	City of Tempe 169-31-2020	Fixed Route Transit Services	\$20,107,819	\$11,580,326	(\$8,527,493)
PTF Reimbursement	City of Tempe 169-31-2020	ADA Allocations	\$1,141,170	\$1,119,955	(\$21,215)
PTF Reimbursement	City of Tempe 169-31-2020	RideChoice	\$0	\$39,973	\$39,973
PTF Reimbursement	City of Tempe 169-31-2020	Paratransit	\$1,141,170	\$1,079,982	(\$61,188)
PTF Reimbursement	City of Tolleson 172-75-2020	ADA Allocations	\$11,300	\$11,115	(\$185)
PTF Reimbursement	City of Tolleson 172-75-2020	Fixed Route Transit Services	\$362,602	\$205,103	(\$157,499)
PTF Reimbursement	City of Tolleson 172-75-2020	Paratransit	\$0	\$11,115	\$11,115
Revenue	City of Tolleson 172-75-2020	Paratransit	\$61,285	\$23,565	(\$37,720)
Revenue	City of Tolleson 172-75-2020	Fixed Route Transit Services	\$411,277	\$174,632	(\$236,645)
Revenue	City of Tolleson 172-75-2020	RideChoice	\$0	\$6,956	\$6,956
Revenue	Gila River Indian Community 128-75-2020	Fixed Route Transit Services	\$151,120	\$98,517	(\$52,603)
Revenue	Maricopa Association of Governments (MAG) #1	Transit Planning Services	\$724,720	\$724,720	\$0
Revenue	Maricopa Association of Governments (MAG) #2	Origin Destination Study Agreement	\$200,000	\$0	(\$200,000)

Expense/ Revenue	Member Agency/Jurisdiction Intergovernmental Agreement No.	Brief Description	FY 2020 Amount	FY 2021 Amount	Change from FY 2020 to FY 2021
Revenue	Maricopa Association of Governments (MAG) #3	Regional Rideshare/Telework	\$594,000	\$594,000	\$0
Revenue	Maricopa Association of Governments (MAG) #954	Northwest Sun Cities Transit Implementation Study	\$64,452	\$0	(\$64,452)
PTF Reimbursement	Maricopa County	Paratransit	\$143,300	\$139,840	(\$3,460)
Revenue	Maricopa County	RideChoice	\$871,949	\$487,371	(\$384,578)
Revenue	Maricopa County	Paratransit	\$761,898	\$557,537	(\$204,361)
PTF Reimbursement	Maricopa County	ADA Allocations	\$143,300	\$139,840	(\$3,460)
Revenue	Maricopa County	Trip Reduction Expansion	\$370,000	\$370,000	\$0
Revenue	Maricopa County	Trip Reduction	\$150,000	\$150,000	\$0
PTF Reimbursement	Town of Fountain Hills 124-75-2020	ADA Allocations	\$14,900	\$14,535	(\$365)
PTF Reimbursement	Town of Fountain Hills 124-75-2020	Fixed Route Transit Services	\$28,120	\$16,164	(\$11,956)
PTF Reimbursement	Town of Fountain Hills 124-75-2020	RideChoice	\$14,900	\$9,236	(\$5,664)
Revenue	Town of Fountain Hills 124-75-2020	RideChoice	\$7,711	\$0	(\$7,711)
PTF Reimbursement	Town of Gilbert 130-75-2020	Fixed Route Transit Services	\$4,011,931	\$2,515,083	(\$1,496,848)
PTF Reimbursement	Town of Gilbert 130-75-2020	Paratransit	\$1,318,400	\$1,290,005	(\$28,395)
Revenue	Town of Gilbert 130-75-2020	Paratransit	\$1,143,102	\$608,503	(\$534,599)
Revenue	Town of Gilbert 130-75-2020	RideChoice	\$91,990	\$199,740	\$107,750
PTF Reimbursement	Town of Guadalupe 139-75-2020	Fixed Route Transit Services	\$230,210	\$144,188	(\$86,022)
PTF Reimbursement	Town of Youngtown 172-75-2020	Paratransit	\$1,600	\$1,615	\$15

Expense/ Revenue	Member Agency/Jurisdiction Intergovernmental Agreement No.	Brief Description	FY 2020 Amount	FY 2021 Amount	Change from FY 2020 to FY 2021
Revenue	Town of Youngtown 172-75-2020	Paratransit	\$85,875	\$45,972	(\$39,903)

Obviously, an implementation of a project this large is a huge organizational commitment and undertaking. How do you plan on continuing current business operations, from a staffing perspective, while the ERP is designed, tested and implemented?

The project will be managed internally with a Project Management Office staffed by consultants. Valley Metro will have an internal project manager who will be responsible for managing the project activities and maintaining the project scope. A project, by nature, is a temporary endeavor and by using consultants who are familiar with Valley Metro (from the assessment and selection) and experienced in system implementation processes. Valley Metro staff will provide business process requirements during the implementation. Using consultants to support the PMO will allow Valley Metro staff to focus on the business continuity of normal operations.

Valley Metro has selected a cloud managed services product, which means that the implementation will be performed by the selected consultants. Internal staff will have some additional assignments during the design, but a cloud product does not require the same type of commitment. During testing there will certainly be more of a commitment.

The Project Manager will have a project schedule, developed by the implementation company but with the input and contributions of Valley Metro representatives. This means a realistic schedule can be developed that addresses any unique considerations for the business such as holiday down times, accounting period busy times and other agency commitments.

Along with developing the schedule will be assignment of resources. Doing this as early in the project as possible will allow for staff who will likely be asked to do some work in addition to current assignments plan and adjust workloads in preparation for those activities. The internal Project Manager will continually check on staff and ensure they are prepared for the times they will be asked to participate.

Who will be on the design and implementation team (internally) and how do you plan to back fill or ease those employee's typical workload so that they can work on these aspects of the ERP?

For the Finance side, implementation planning activities are being organized and will be completed prior to the implementation project kick-off. These activities will be conducted with the consultants who performed selection activities and are familiar with Valley Metro's operations and the selection system. Our consulting Project Manager has advised us to consider backfill for routine tasks, especially tasks that are likely to go away with the new ERP. Identifying these resource requirements is a priority that will take place during the upcoming statement of work negotiations; Valley Metro will be

seeing the implementation process, deliverables and schedules during these meetings in July.

For the EAM project, the Maintenance staff have already begun to move assignments around to make the subject matter experts available to the design team. This group has begun implementation planning activities such as data cleansing. At this time, the Maintenance shop does not expect to have any backfill requirements.

How will we fund the additional, temporary or at least overtime costs for these employees?

We have \$600,000 included in the FY21 budget for implementation support, above the amount for the vendor team's implementation. This would include any support from Plante Moran for the Project Management Office as well as costs for temporary employees to backfill.

Our experience with the ERP replacement was that our costs for backfilling, etc was about 10-13% of the overall project. Perhaps VM might not be that high but even at 5% of the \$7.1M, we are still looking at just over \$355,000. These costs don't appear or are not clear in the budget authorization. Have these costs been considered?

The \$7.1 million is for the contract with Denovo and includes implementation and software licenses fees for 47 months. The implementation cost in the contract authorization is \$4.75 million with about \$475,000 in contingency, for an implementation total of \$5.22 million. The \$600,000 noted above for implementation support represents about 11.5% of the vendor's implementation cost.

I do not recall the breakdown of costs. If you have provided them previously, I apologize but can you provide them again for change management, direct ERP costs and indirect ERP costs?

Below is a summary of the project costs, broken down into implementation costs and software license costs. The license costs cover the initial term of the contract, 47 months.

Vendor Contract Costs

Application Software	\$37,500
Implementation Services	\$3,287,764
Change Management	\$187,500
Train-the-Trainer Training	\$269,768
Data Conversion Services	\$267,750
Interfaces	\$281,750
Modifications	\$37,752
Travel & Lodging Costs	\$379,160
Sub-total Vendor Contract	\$4,748,944

Contingency	\$474,894
Valley Metro/Plante Moran	
Implementation Support Costs	\$600,000
Total Implementation	\$5,823,838
Software Licenses (initial term)	\$1,889,232
Total ERP/EAM Project	\$7,713,070