



MEETINGS OF THE

Boards of Directors

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

Date:
March 24, 2022

Starting Time
11:15 a.m.

Meetings to occur sequentially

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

In compliance with the Federal Transportation Security Administration's mask mandate, Valley Metro continues to require the use of face coverings in its facilities. Employees and guests must wear masks, regardless of vaccine status, in hallways, common areas, and any time social distancing cannot be maintained. If you are in a conference room where 6' distance cannot be maintained, masks are to be worn. We appreciate your cooperation in complying with this federal law.

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



Agenda

March 17, 2022

Joint Meeting Agenda

Valley Metro RPTA

And

Valley Metro Rail

Thursday, March 24, 2022

Valley Metro, 101 N. 1st Avenue, 10th Floor

Boardroom/Webex

11:15 a.m.

Action Recommended

1. Public Comment

The public will be provided with an opportunity at this time to address the committees on **non-agenda items and all action agenda items**. 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.

1. For Information

2. Chief Executive Officer's Report

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

2. For information

3. Audit and Finance Subcommittee Update

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

3. For information

4. Minutes

Minutes from the February 17, 2022 Joint Boards of Directors meeting are presented for approval.

4. For action



5. Enterprise Resource Planning (ERP)/Enterprise Resource Management (EAM) Contract Authority Increase

5. For action

Staff recommends that the Boards of Directors authorize the CEO to increase the contract expenditure authority for the ERP/EAM System Implementation contract with Denovo Ventures, LLC by \$423,000.

6. Proposed Fare Policy Change – Streetcar

6. For action

Staff recommends that the Boards of Directors authorize an amendment to the regional Fare Policy to include a fare structure for streetcar.

7. South Central Extension/Downtown Hub – Track Connections and Single Tracking

7. For information

Staff will provide information on planned construction work and impacts to light rail service that will be required for the South Central / Downtown Hub Light Rail Extension project.

8. Travel, Expenditures and Solicitations

8. For information

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

9. Report on Current Events and Suggested Future Agenda Items

9. For information

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

10. Next Meeting

10. For information

The next meeting of the Joint Boards is scheduled for **Thursday, April 21, 2022 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.



Information Summary

DATE

March 17, 2022

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.

COST AND BUDGET

None

RECOMMENDATION

This item is presented for information only.

BACKGROUND | DISCUSSION | CONSIDERATION

None

COMMITTEE PROCESS

None

CONTACT

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

ATTACHMENT

None



Information Summary

DATE

March 17, 2022

AGENDA ITEM 2**SUBJECT**

Chief Executive Officer's Report

PURPOSE

Scott Smith, Chief Executive Officer, will brief the Joint Boards of Directors on current issues.

COST AND BUDGET

None

RECOMMENDATION

This item is presented for information only.

BACKGROUND | DISCUSSION | CONSIDERATION

None

COMMITTEE PROCESS

None

CONTACT

Scott Smith

Chief Executive Officer

602-262-7433

ssmith@valleymetro.org

ATTACHMENT

None



Information Summary

DATE

March 17, 2022

AGENDA ITEM 3**SUBJECT**

Audit and Finance Subcommittee (AFS) Update

PURPOSE

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

BACKGROUND | DISCUSSION | CONSIDERATION

The draft minutes from the March 3, 2022 AFS meeting are attached for further details of the meeting.

COST AND BUDGET

None

COMMITTEE PROCESS

None

RECOMMENDATION

This item is presented for information only.

CONTACT

Jim Hillyard
Acting Chief Financial Officer
602-262-7433
jhillyard@valleymetro.org

ATTACHMENT

Draft March 3, 2022 AFS meeting minutes



Minutes

March 17, 2022

AGENDA ITEM 3

Audit and Finance Subcommittee
Thursday, March 3, 2022
Via WebEx/Phone
12:00 p.m.

Meeting Participants

Councilmember Bill Stipp, City of Goodyear, Chair
Councilmember Lauren Tolmachoff, City of Glendale (phone)
Councilmember Francisco Heredia, City of Mesa (phone)
Vice Mayor Laura Pastor, City of Phoenix
Councilmember Robin Arredondo-Savage, City of Tempe (phone)

The Chair called the meeting to order at 12:02 p.m.

Chair Stipp said we will go ahead and call to order the Audit and Finance Subcommittee meeting of March 3, 2022. Pat, can you do a roll?

Ms. Dillon said:

Councilmember Lauren Tolmachoff, City of Glendale? Present.
Councilmember Bill Stipp, City of Goodyear? Present.
Councilmember Francisco Heredia, City of Mesa? Here.
Councilmember Laura Pastor, City of Phoenix? Present.
Councilmember Robin Arredondo-Savage, City of Tempe? Here, ma'am.

Chair Stipp said Great. Thanks everyone for being here today virtually or in person.

1. **Public Comment**

Chair Stipp said we will start the meeting with Public Comment. The public will be provided an opportunity to address the Committee on non-agenda items and all action items. We have up to three minutes to provide per speaker and Mr. Crowley is in the building.

Mr. Crowley said good afternoon. Less infrastructure is something that when I see all your planning and such that we're doing that it's not there. When we were putting it together, well, we tried to find out what the industry standard is and it's every quarter mile. And in this community, it needs to also have a shelter. With our killer heat in the summertime, if you've got to be out there for 15 minutes waiting between buses and



there's no shelter, you can die. But it's a responsibility I believe that you guys should do.

I also don't see where you're really doing any of the rural route planning, reestablishing Wickenburg or doing to Tonapah or Queen Creek. The I-10 tunnel, there's a structure in there. Why didn't it get finished or completed, Phoenix? You know. And since it is -- there's three-story structure inside of there supposedly for transit. If it's not being used for what it should be, why aren't we getting something out of it as in storage because you are always looking where are we going to put our vehicles and such.

With the planning that you're doing with the rail, I don't see it being intermodal and as in the minutes that you have last month, I have showed that there are five routes that are crossing this new construction and there is no stop there. You're not doing it multi-modal from not even having a stop there, but where are the Park and Ride? Where are other parts of the equation to do what you're supposed to be doing?

Cleaning the air and keeping the mobility safe and right.

With the progress that you guys are doing and what is happening, I know that Spring Training is something that is on all of your minds. Well, it's on mine too so if any -- if it does happen and any of you have extra tickets, the system knows how to get in touch with me. Give me a call. I'll come to any of your communities to pick them up and hopefully, to be able to do it on transit. But as we know, there's difficulties there so hopefully, that gets taken care of. You guys start doing things multi-modally as in the new hire that you're going to do. If they are not servicing multi-modal, who is the master? Because when I look at what you've got now, it's rail, rail, so I rail against it and have a pleasant. Enjoy your confab.

Chair Stipp said Thank you, Mr. Crowley. Are there any other speaker cards? No, there are none. Okay.

2. Executive Session

Chair Stipp said I entertain a motion to go into Executive Session for the -- pursuant to A.R.S. Sections 38-431.03A1 for the purpose of discussion concerning the performance evaluation of the Chief Auditor and A3 discussion or consultation for legal advice with the attorney or the attorneys of the public body. May I have a motion?

Motion by Vice Mayor Pastor, second by Councilmember Tolmachoff.

Any discussion? Seeing none. All in favor, say aye. Any opposed?

IT WAS MOVED BY VICE MAYOR PASTOR, SECONDED BY COUNCILMEMBER TOLMACHOFF AND UNANIMOUSLY CARRIED TO ENTER INTO EXECUTIVE SESSION.



The regular meeting adjourned for Executive Session at 12:07 p.m.
The regular meeting reconvened at 12:41 p.m.

Chair Stipp said we will go ahead and reconvene the Audit and Finance Subcommittee meeting.

There is no action and nothing on the agenda as a result of the Executive Session so we'll move on to item number 3.

3. Chief Financial Officer's Update

Mr. Hillyard said good afternoon, Mr. Chairman, members. I don't have an update for you this afternoon. Tyler and I are simply very heads down on the budget in preparation for our study session in March. We will, however, note that the dates of the study session the Board will hold in March changed to make way for the National Conference of Cities and Towns and is now scheduled for March 24, a study session at 10:00 a.m. and the Board meeting at 11:15 a.m.

Chair Stipp said great. Thank you.

This item was presented for information only.

4. Minutes

Chair Stipp said minutes from the February 3, 2022, Audit and Finance Subcommittee meeting are presented for approval. Those have been submitted in the packet. Barring any changes, I'll accept a motion to approve the minutes as presented.

Motion by Vice Mayor Pastor, second by Councilmember Tolmachoff.

Any discussion? All in favor, say aye. Any opposed? Ayes have it.

IT WAS MOVED BY VICE MAYOR PASTOR, SECONDED BY COUNCILMEMBER TOLMACHOFF, AND UNANIMOUSLY CARRIED TO APPROVE THE FEBRUARY 3, 2022 AFS MEETING MINUTES.

5. Contract Management – Federal Government Consulting Services (FGCS) Audit

Chair Stipp said that was included in our packet. Sebrina is going to the podium.

Ms. Beckstrom said all right. Thank you, Mr. Chair. As you said, at the request of this Committee, Internal Audit has completed an audit of the Federal Government Consulting Services contract.



The audit assessed risks related to exceeding Board contract authority, the risk of needing to terminate contracted services due to prematurely exhausting contract authority and the risk of the Board not receiving sufficient notification of a need to increase contract authority prior to those increases being requested.

The audit found that Valley Metro currently has implemented mostly effective controls over contract management in this area. The audit contains one finding and recommendation associated with this risk identified, finding area was calculated to be low risk.

We'll start talking about that. So this finding, specifically, prior to this audit, there were no internal policies or procedures that required staff to notify the Board of contract utilization changes with a potential to prematurely exhaust the contract expenditure authority.

During the audit, Valley Metro implemented a policy and associated process. As this policy and process has been implemented, the risk calculation reduced down to a low risk rating, however, as this is a new policy and procedure in this area and it is an interest to some Board members -- Board members expressed interest, Internal Audit plans to conduct a follow-up audit during the next fiscal year to ensure that Valley Metro continues to adhere to its new policy and that information is appropriately presented to the Board.

Lastly, in addition to the finding areas, we included an area of information that did not rise to the level of a finding but provides answers to questions that were presented by the Audit and Finance Subcommittee.

This concludes my summary of the audit. Are there any questions?

Chair Stipp said are there any questions on Webex? No. Seeing blank stares. Sebrina, I did have one question. Do you have the audit in your hand? So on page 7.

Ms. Beckstrom said yes.

Chair Stipp said so on page 7 of the audit, Sebrina goes through the timeline under Figure 4 and it goes through November 30th, October 8th, November 12th, et cetera. Did -- what I couldn't glean from this was did any of these actions or did all of these actions have Board approval or require Board approval?

Mr. Kondrat said contract award on November 30th of 2017 and then the request to increase the contract authority on September the 1st of 2021 and, finally, the final approval is granted on October 21st of 2021. The change orders did not require Board approval nor did the task order which extended the contract for one year.

Chair Stipp said and that was all allowed within the parameters of the contract, correct?



Mr. Kondrat said yes.

Chair Stipp said okay.

Mr. Kondrat said yes, sir.

Chair Stipp said okay. That was the only question that I had as a result of that. The action for us today then is to accept the Federal Consulting Services audit.

Councilmember Tolmachoff said is there a policy because I think maybe sometimes these things are connected to exceeding the spending authority of the contract. Is there a policy for document -- for what happens if you add to the scope of work? Is there a policy in place for that? The audit does refer to that, but it's not super specific as to whether or not that was addressed or is there -- is that something that needs to be addressed? But I think that the explanation that we were given in this particular contract was that the scope of work was increased which was the reason for the spend increase. But I -- so I'm just curious if Sebrina could give us just a quick answer there.

Ms. Beckstrom said it would be based on the contract language in the actual contracts. So I don't believe there is a specific policy. There's not a specific policy about -- well --

Councilmember Tolmachoff said no, the contract, would it speak to the amount of scope that could be changed within the contract? Or -- I mean, does the contract just generally allow for scope of work change which could result in, you know, a different spend, different cost?

I'm just curious how that works because I think that's kind of what the issue at heart here was. You can increase the scope of work and then -- I mean, now, the Board would be notified when the scope is increased or just when the spend is increased?

Ms. Clark said Councilmember Tolmachoff, this is Patty Clark, Chief Procurement Officer here for Valley Metro. If I may try to answer your question.

Ms. Clark said so your question that you're asking kind of goes hand in hand so if the contract, right, has some authority that allows some additional increase such as increasing revenue, right, for the revenue miles, the number of miles that are being reimbursed, right, so that would be an increase in scope, but it's also allowable. If it's something that -- and there's a cost that would be associated with that as well. We would be working within that existing contract authority that was approved by the Board. If there was something that we would be looking to add an exercise such as option years with LRVs, we have always taken those back to the Board because we are adding additional scope, meaning additional LRV vehicles and then with that comes additional authorization that we're seeking for authority.



Councilmember Tolmachoff said okay. Thank you. That makes sense. And I think it's when you're talking about services where it gets a little wonky. When you're -- I think that's where you -- and I don't know how you write a contract where you say, these are the services we're contracting for and then does that contract allow for saying, we want more services, we're just going to change the scope and change the amount we're spending. I mean, I'm just not sure how that works when -- I mean, I -- obviously, if you're ordering more LRVs or you're ordering more, you know, things that are more tangible things, it's much easier, but when you're talking about expanding services that we're asking for, is there a process for doing that or it's just an administrative thing and it doesn't get brought to the Board until there's a need for more money?

Mr. Hillyard said Mr. Chairman, Councilmember Tolmachoff, so I think what Patty's describing is what the terms of the contract the Board approved permitted in terms of whether there can be changes in either the quantity of service purchased which might not actually change the scope, it's just more hours than were initially anticipated or the kinds of services or goods that were purchased so there's a procurement response and I think Patty just gave that beautifully that we comply with the contract as approved by the Board.

But then there's also a dove tail into the policy that we promulgated as a result of this issue that Sebrina mentioned in her audit and that is whether a procurement action is necessary with regard to a contract or not because maybe you're not changing the scope, you're just buying more hours, whether a procurement action is required or not, if the agency is taking an action that we believe is either possibly going to cause us to utilize the expenditure authority faster than we thought or definitely is going to cause us to use the expenditure faster than we thought then that will be included in the quarterly report that you will receive along with sort of when that happened, why it happened and sort of what we're doing about it.

So we will be highlighting that to the Board as part of that quarterly report -- you'll -- that first quarterly report is being compiled for April of this year and so, it will be front and center for you and if you have questions about it then we'll be able to sort of follow up and answer those questions.

Councilmember Tolmachoff said okay. Very good. So the documentation of additional scope of work is still going to be part of what's included in that report?

Mr. Hillyard said yes. That report will note why we think that contract is at risk of exhausting its expenditure authority prematurely so you'll know what's driving it and can follow up if you have questions about that.

Councilmember Tolmachoff said okay. Very good. Thank you.

Vice Mayor Pastor said now, I'm completely confused. I want to break it down. So there is a written scope of work, that item comes to the Board or whatever -- the whole



piece, we put an expenditure amount, it's not to exceed the amount and then we vote on it.

My question is if the scope of work changes or there's a new scope added to that contract, does that come back to the Board?

Mr. Smith said I can answer that. Yes.

Vice Mayor Pastor said okay.

Mr. Smith said and there is a -- as Jim said, there is a scope and then there is a quantity. And so, the contract and what is assigned by the Board is the definition of the work to be approved and to be performed by staff. And then there is dollar amount, a place to that and a time frame. We operate within that dollar amount based on the Board authorization, but we also operate within the scope. If there is a material change to scope, that would need to come back to the Board.

In this case and in many services, the definition of the scope and I think what the audit found is that it was for lobbying expenditures. Our changes were primarily not because we had them doing things other than lobbying. It's just that we had-- it was a quantity issue, more hours and more time not a difference in the services that were provided. So this stayed within the scope that was approve it just was for a different quantity of service hours that were presented. That was the purpose for the change.

But if we had, for example, said, we not only want you to lobby, we want you to also do some other type of work, that would not be allowed because it would be outside the terms and the approval on the contract.

Vice Mayor Pastor said okay. I had a follow up. So knowing that, so I'm going to go to the lobbying one, don't now really much about it, but the lobbying one, it says, the scope of work says, we are here to lobby duh, duh, duh, ta, duh. And this is the amount. If they exceed the amount, what I understand is we now have a policy that then has to come back to the Board to be able to expand or add to that contract.

Mr. Hillyard said Mr. Chairman, if I might. So we have always had a policy that says you can't exceed the approved amount, however, sometimes in a five-year contract, it will take you a long time -- you can make a change in year one, it will be many years before you run out of money even if you've sort of increased the burn rate.

Mr. Hillyard said so what the policy now says is, in addition to the fact that we were never allowed to exceed the amount, if you've made a change that's going to cause you to exhaust that amount faster than was assumed then you have to notify the Board of that through this quarterly report process.



Vice Mayor Pastor said okay. So that's key to me. You can notify the Board through the quarterly process. I want to be able to vote on it to say, yes, we can add more to the -- so I don't know if I'm now off in la la land or in the sense of trying to understand that piece.

Mr. Smith said no, Vice Mayor, you're not. And that's exactly what came before the Board is that we cannot exceed that amount, we're limited. I think what happens is in a -- as Jim said, in a five-year contract there are ebbs and flows. You may have, for example, have to purchase -- and let's use fuel, for example. You can buy more fuel or more these services this year and therefore, if you assume that you were going to buy the same amount of excess fuel for five years, it would exceed the amount. But let's say -- that's only a one-year deal. And next year you expect or can manage it to where you do less.

The new policy says, we need to come before the Board and say, listen, you're -- this contract might exceed it, you need to know that and we're going to explain to you why we think it may or may not. And then if we do think that it will then it would require Board action to increase the amount. If not, then staff will have to explain to the Board that this is a temporary issue, over the five years, we don't expect to ever exceed the full amount, but at least, the Board is informed and is along all the way.

Vice Mayor Pastor said okay. So now, my understanding is because this is where I get -- need clarity, is that year one I'm only allowed 24, I'm just guessing, for the amount.

I'm assuming there's a five-year contract so I can ebb and flow, it's 30 this year then next year you can't spend 30. Just as long as I don't exceed my amount, but I will go with the example, fuel, I purchase this much fuel this year and it's costing and it's rising at a rapid rate. Then the following year I realize, you know what, I'm going to spend more and it's doubling, I'm going to notify the Board that this is the reason why we are spending at a rapid rate because of these needs and purposes or what is happening. However, if we exhaust the \$10,000 that was on the contract and we're getting close to exhausting that and we need to add additional dollars then you will come to the Board and say, we need an authorization for additional dollars.

Mr. Hillyard said correct.

Mr. Smith said that's correct.

Vice Mayor Pastor said okay.

Mr. Hillyard said we can never spend more than was authorized.

Vice Mayor Pastor said okay. That's what I wanted to make clear.

Mr. Hillyard said yeah.



Chair Stipp said the quarterly report is basically a warning.

Vice Mayor Pastor said it's just a warning.

Chair Stipp said it's a warning flag.

Mr. Smith said right.

Vice Mayor Pastor said got you.

Mr. Smith said and it forces the discussion.

Chair Stipp said right. Which we didn't have in this case so.

Vice Mayor Pastor said right.

Chair Stipp said okay. So I still need a motion to accept the results of the Contract Management Federal Consulting Services audit.

Motion by Vice Mayor Pastor, second by Councilmember Arredondo.

Any other discussion? All in favor, say aye. Any opposed? The ayes have it.

IT WAS MOVED BY VICE MAYOR PASTOR, SECONDED BY COUNCILMEMBER TOLMACHOF AND UNANIMOUSLY CARRIED TO ACCEPT THE CONTRACT MANAGEMENT – FEDERAL GOVERNMENT CONSULTING SERVICES (FGCS) AUDIT.

6. Continuous Monitoring – Contract Change Orders First Audit Review

Ms. Beckstrom said and Senior Auditor Jen Davis will provide the summary for this audit.

Chair Stipp said Jen.

Ms. Davis said good afternoon. Thank you, Sebrina. Thank you, Chairman. Thank you, Members of the AFS Committee. Appreciate your time today.

This is the first audit conducted in a series of change order reviews because we understand that this is important, and we wanted to keep an eye on it and provide transparency. We will be continuing these audits quarterly picking different samples each time.



The objective of this audit was to review the sample of contracts to determine Valley Metro's established internal controls and verify that they were effective, efficient and provided adequate monitoring and monitoring contract authority that was approved by the applicable Board directors.

Next slide, please. Thank you. Based on our review, this report just contains audit observations. We did not find any items that were out of compliance with the established policies and have no findings or recommendations so overall, the report risk is low.

So we did include our scope and methodology, we went ahead and when to the new system of CORE and pulled an active portfolio listing as of December to see which contracts were out there and we chose a sample of ten that did have monetary changes to them and we went ahead and looked at whether or not those were contract value changes of it they were administrative changes. We did also look at contract payments through the end of December of '21.

For the ten contracts, we did look at 32 total change orders. Fourteen of them increased the contract values and they were done, we noticed by three different methods. Either we did -- Valley Metro did bring the item back to the Board to seek new approval, that the CEO used the original Board approval to exercise the change order, basically, if the contingency was approved or the CEO approved based on the CEO's signing authority granted by the procurement manual. The other 18 change orders that we reviewed are considered administrative and were properly signed by the vendor, the contract and procurement staff and then the CEO or his designee.

So I think for our first review we really were to kind of looking to see, is this the format that you guys were looking for? Is this the information that you guys would like us to be investigating -- no investigating, looking into and then reporting on? Is there additional information that you guys might want to see in the next quarterly reports? We haven't kicked that one off yet but wanted to see if there's any questions on this report and if there's any advice you can give us your expectations for future reports. Thank you.

Chair Stipp said Okay. Councilmember Tolmachoff or Arredondo-Savage, questions? No.

Councilmember Tolmachoff said I didn't have any.

Chair Stipp said okay.

Councilmember Arredondo-Savage said no, I'm good. Thank you.

Chair Stipp said All right. So Vice Mayor Pastor does not have questions either. I have one and it's kind of, I guess, you could consider it ticky tacky, but perhaps not. Is



the third bullet under the 14, increase contract values, so if a contract -- if the Board approves a contract for \$100,000 to buy tires, if that contract value needs to increase to \$125,000 just -- and the CEO's signing authority is \$25,000 or it's \$50,000, let's just say. The CEO has the ability to increase that Board approved contract by \$25,000 without Board approval?

Ms. Davis said because there are established thresholds. RPTA's threshold for the CEO is \$50,000. Valley Metro is \$150,000. So Tempe asked a question and we replied to them last night on this as well so the one contract that we are referring to here was for brake repair for \$2.2 million and so that was approved by the Board. What had happened was that Board memo did not include any contingency so then there was two instances where additional \$30,000 was needed for each change order. Those are underneath the 10% of the original contract value so he was able to -- so the procurement manual gives him that 10% authority when contingency is not already approved by the Board. Is that making that clearer or am I making that not so clear? So yes, but he's never going -- the manual does not provide him authority to ever go over the 10% of contingency and does not allow him to go over if you've already approved contingency.

Chair Stipp said so if we are approving a whole bunch of contracts without contingency, we are basically signing over the authority for the CEO to add contingency upon his or her discretion?

Ms. Davis said up to 10%, but it's not just at --

Chair Stipp said yeah. That's what I mean it's up to 10%.

Ms. Davis said but not just purely at the CEO's discretion. It definitely still goes through the procurement process. It goes through procurement review. But at this point, how it's written, I'm not understanding -- my understanding is that it doesn't have to go back to the Board depending on the --

Chair Stipp said but the original contract had to go back to the -- had to start from the Board.

Ms. Davis said correct. Yes.

Mr. Smith said and our understanding is also that if something gets through that doesn't have contingency in it then the process is -- has messed up because every contract should have some contingency in it either built in or in addition to that so that's one of the controls that we have. And I would say if a contract gets to the Board that does not have either a stated, embedded or an additional contingency that's probably something that should not be included in the Board approval. There should always be contingency in it.



Chair Stipp said so if you're looking for -- to kind of piggyback with that thought in mind then if the collective "you" is looking for how do we want to look at these in the future, I think paying closer attention to that aspect of it may be important so that we -- we put thresholds in place for a reason and then we don't want to have embedded within our rules the ability to -- I'm going to use the word circumvent and there's probably a much better word because I don't -- that implies there's nefarious intent, but we -- I think we want to make sure that -- so if you're looking at them, if the occurrence is one out of a hundred contracts, maybe it's not worth the effort. But if it's ten or fifteen out of a hundred, it's probably worth the effort and we don't know that until you guys look at it. I think is collectively what I'm trying to suggest.

Mr. Smith said and Councilmember Stipp, just so you know, how we operate is if we have that situation, technically, the way it's written, yes, I can sign off on something that was less than \$50,000. Practically, we don't do that. We would bring it back to the Board because it's part of an original -- that's not in purpose the intent of that signing authority. If it were \$300 or even \$3,000 then I would probably sign off on it because it's not worth going back, but the reality is that the Board approval was there for a reason.

The contract amounts are in it for a reason. It may be something you may want to clarify through procurement manual or through something else that states that if there is a -- first of all, it should be an issue that all contracts should have some sort of contingency built in to protect the agency and the process.

The second thing though is to clarify for my successor that if there is a contract that was approved by the Board and you may want to define what a material excess is or whatever that it does need to come back before the Board. I'm not -- I don't recall any time that I have ever signed off on anything that exceeded that. I don't recall it. So it's never been an issues that I know that we haven't come back to the Board. Because usually when you're exceeding it, it's not just an exceeding of the contingency, there's some sort of change in scope or other that requires coming back to the Board to get approval. But there is a little bit of an area that probably needs to be tightened up there.

Chair Stipp said and that's what I'm suggesting is we need to -- we have these checks and balances in place for reasons so let's make sure that the checks and balances are there and they're active making sure that, you know, the process is there whether it's on the procurement side upfront within the procurement rules or it's based on this authority. We won't know it unless you guys are looking at it and, again, the collective.

Mr. Smith said and just so you know, I think on this month's Board memo, for example, you have some increases in contract authority on projects. You know, those fall within this case where you approve something, the situation's changed and we're outside the contingency on that, we're bringing it back to the Board.

That's our normal process, but I'm not sure that that is explicit in the procurement policy.



Ms. Davis said so the other comment that we had sent over to Tempe last night was that we did not have a good way to gauge how often that was occurring before, but that with the new policy that Jim spoke of earlier and with our commitment to do a follow up next year that we will have more transparency, we will have more availability to tracking and monitoring those type of things as they are -- if they would occur in the future. But like Scott was saying, making contingency part of the contracts is probably a good foundation to start with. Vice Mayor.

Vice Mayor Pastor said you answered my question because then -- in the sense that we will be building a mechanism in to be able then to do the checks and balances. That's what I'm hearing.

Ms. Davis said yes, with the establishment of the policy and then the report that is coming out in April that's my understanding.

Vice Mayor Pastor said okay.

Ms. Davis said and we're going to follow up to make sure.

Chair Stipp said and then this CEO signing authority thing, is that rolled into that? Ms. Beckstrom said We can look at that in next change order review process, add it in to the sample.

Chair Stipp said okay. Perfect. Sorry.

Ms. Davis said anything additional?

Vice Mayor Pastor said I would assume in the mechanism of going to three that there would -- if there is a contingency then maybe just for our sake as Board members to build in saying, a line saying CEO approval based on CEO signing authority and then the items that got signed. I mean, if we're really checking and balancing and someone is really following it at least we have the info.

Ms. Davis said yes, definitely.

Vice Mayor Pastor said and that way protection of the CEO is able to say, on such and such date, I did notify -- for me it's documentation, on such and such date, I did notify the Board on these following items that I have the authority to do. It's just protection, I think.

Councilmember Arredondo-Savage said Chair, I don't have a question. You did great. You guys did great. And thank you for answering my questions earlier. I guess, now, with the new tool that's going to be in place, do you think maybe we can just do a quick check-in maybe in six months just to make sure it's covering all the basis and all the concerns that I think you heard here today that might not -- might just be a wise thing to



do just to do a recalculation, a recheck just to make sure we are getting the outcomes that we want. Is that possible, Chair?

Ms. Beckstrom said yes. We plan on completing a follow-up audit in fiscal year '23 so we can do that at the beginning or the middle of the fiscal year to ensure that the policy has been implemented sufficiently.

Chair Stipp said perfect. Thank you. Thank you for the follow up. Any other questions? Okay. There is no -- there is action. I'm sorry. So I need a motion to accept the results of the Contract Change Order audit.

Motion by Vice Mayor Pastor, second by Councilmember Tolmachoff.

Any further discussion? All in favor, say aye. Any opposed? All right.

IT WAS MOVED BY VICE MAYOR PASTOR, SECONDED BY COUNCILMEMBER TOLMACHOFF, AND UNANIMOUSLY CARRIED TO ACCEPT THE CONTINUOUS MONITORING – CONTRACT CHANGE ORDERS FIRST AUDIT REVIEW.

7. Internal Audit Update

Ms. Beckstrom said thank you, Mr. Chair. For the Internal Audit update this month, the IT Department worked with the Mobility Center and Finance teams to implement an electronic transaction platform on February 22nd and Internal Audit will verify sales reporting and reconciliation processes in the next couple of months since that system has just been implemented recently.

And the Operations and Maintenance Department implemented Recommendation 4 related to pre-approval of overtime and they're in the process of implementing Recommendation 3 which is to add some of their procedures into contract language for their contract management rail transportation related to the Contract Management Rail Transportation Services audit.

For our Internal Audit work, we plan to present both the Credit Card and Travel Reimbursement audit reports in the April Audit and Finance Subcommittee meeting and we're in the planning stages for an Identity and Access Control audit as well as an audit of bus purchases for federal grant compliance. The bus purchases, we're scoping that now. We understand that the triennial reviewers that are working through the City of Phoenix are going to be reviewing the contract for heavy duty bus purchases so we're going to scope that out, but we'll be looking at some other areas.

We're also in the process of conducting our annual risk assessment for the upcoming audit plan year and so, I will be reaching out to each of you this month for input into that process.



That concludes my remarks. Are there any questions?

Chair Stipp said any questions for Sebrina? Now, again, just, Sebrina, for you and the team, you guys have really crushed it this year. A lot has gotten done and a lot of very heavy lifts have occurred and for a small team, you've done a lot of work so I think if I could speak on behalf of the entire Committee, I really want to express our appreciation for everything that has gone on so far.

Ms. Beckstrom said thank you.

This item was presented for information only.

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

Chair Stipp said this is for information. Does anybody have questions besides me on this?

And since this is only for information, I guess, we'll talk about it at the Board meeting on the 24th, but it appears as though item 8A the Enterprise Resource Planning, the ERP and the EAM contract, that is based on this policy change that we just talked about. Is that how I'm reading this? We've exceeded the original contract authority and need additional funding?

Mr. Hillyard said yes, Mr. Chairman. So this is a contract implementing the ERP and EAM system. What we have discovered in recent months was we weren't ready to go live with payroll. We had some staff illnesses, and some things came out of the woodwork and that needed to be delayed because, of course, payroll really, really, really needs to be right.

And so, this isn't seeking additional authority to accommodate that extension. It's also a perfect case study in some respects of the policy that we've just talked about because should the Board approve this authority increase this month, you will still see it on the April report as a contract at risk when that April report comes out because we've also discovered along the way that the original scope of work for the system didn't include a time clock for OMC and the OMC has to have a time clock. Like, it's not possible for them to log in on computers. They have a 15-minute line of people trying to clock in and clock out. It also included more complex rules for shift differential than the law requires and that's creating administrative overhead for the managers at the OMC, and we really need to simplify those rules, but those can't be simplified before we go live so we'll come back even after go live to incorporate a new -- a time clock and to make some modest changes.

And so, this will be a perfect example of how that new policy is intended to keep the Board apprised of changes even when we don't have an exact number for what the time



clock is going to cost. It's not going to be a big number, but it's going to have to be added. And so, the Board will be aware that those things are coming and that they will be seeing them even though we can't bring them to you now because we don't have a firm estimate from our contractor yet.

Chair Stipp said so is this going to be an agenda item or is this a consent kind of thing because I think a presentation to the Board on this would be probably important?

Mr. Hillyard said yeah. I think, you know, I think this has been consent through the process heretofore, but I would sure be happy to speak to it if that would be helpful. Chair Stipp said I think from an Audit and Finance Subcommittee perspective given what we just went through in the audit and what we've just gone through with this other thing, it's probably behooved all of us to get that out in front of the Board.

Mr. Hillyard said you bet.

Chair Stipp said I don't know if anyone would like to disagree with that or not, but that's how I'm going to run this.

Mr. Smith said no, we'll put it on the record, again, but it's easy.

Councilmember Arredondo-Savage said would I ever want to disagree with you, Chair? Never.

Councilmember Tolmachoff said I thought we weren't allowed to disagree with him.

Councilmember Arredondo-Savage said you set the rules much earlier. We got this.

Chair Stipp said hey, look, for having an Executive Session, et cetera we are only at 1:20 so if you would like we can drag this out or we can – or we can kill this thing right now.

This item was presented for information only.

9. Future Agenda Items

Chair Stipp said you'll see that we have finally settled on May for the rare recovery update with everything that is going on with the budget, I had suggested to Jim and Tyler that we push that piece. As we talk about fare recovery and revenue, it's a perfect budget item. Let's get the budget started and then we'll talk about that in May as we roll through so.

Any other requests for future agenda items? Seeing none.



The next meeting of the Audit and Finance Subcommittee is scheduled for April 7, 2022, at 12:00 p.m.

This meeting is adjourned.

Without further discussion, the meeting was adjourned at 1:20 p.m.

DRAFT



Minutes

February 11, 2022

AGENDA ITEM 4

Joint Boards of Directors
Thursday, February 17, 2022
Lake Powell Conference Room/Webex
101 N. 1st Avenue, 10th Floor
12:30 p.m.

RPTA Meeting Participants

Councilmember Francisco Heredia, City of Mesa - **Chair**
Vice Mayor Laura Pastor, City of Phoenix - **Vice Chair**
Councilmember Bill Stipp, City of Goodyear- **Treasurer**
Vice Mayor Veronica Malone, City of Avondale (phone)
Councilmember Clay Goodman, City of Buckeye (phone)
Mayor Kevin Hartke, City of Chandler
Vice Mayor Monica Dorsey, City of El Mirage (phone)
Councilmember Lauren Tolmachoff, City of Glendale
Mayor Brigitte Peterson, Town of Gilbert
Councilmember Lauren Tolmachoff, City of Glendale
Supervisor Jack Sellers, Maricopa County
Vice Mayor Jon Edwards, City of Peoria
Councilmember Jeff Brown, Town of Queen Creek (phone)
Councilmember Betty Janik, City of Scottsdale (phone)
Councilmember Chris Judd City of Surprise
Councilmember Robin Arredondo-Savage, City of Tempe
Mayor Rui Pereira, Town of Wickenburg (phone)
Mayor Michael LeVault, Town of Youngtown (phone)

Members Not Present

Councilmember Mike Scharnow, Town of Fountain Hills
Councilmember Aldofo Gamez, City of Tolleson

Valley Metro Rail Participants

Councilmember Francisco Heredia, City of Mesa - **Chair**
Councilmember Robin Arredondo-Savage, City of Tempe - **Vice Chair**
Vice Mayor Laura Pastor, City of Phoenix
Mayor Kevin Hartke, City of Chandler

Chair Heredia called the meeting to order at 12:30 p.m.

1. **Executive Session**

Chair Heredia requested a motion and a second to enter into an Executive Session pursuant to A.R.S. Sections 38-431.03(A)(1) for the purpose of discussion concerning applications for employment or appointment of the Chief Executive Officer.



IT WAS MOVED BY COUNCILMEMBER STIPP, SECONDED BY COUNCILMEMBER ARREDONDO-SAVAGE AND UNANIMOUSLY CARRIED TO ENTER INTO EXECUTIVE SESSION.

The regular meeting adjourned at 12:32 p.m.
The regular meeting reconvened at 1:54 p.m.

2. Public Comment

Chair Heredia said we'll go to item 2, public comment. Public will be provided this opportunity to make any comments on non-agenda items and all action agenda items so you've got three minutes. Anybody here with comments?

Ms. Dillon said no, I don't believe so.

3. Chief Executive Officer's Report

Chair Heredia said Mr. Smith.

Mr. Smith said thank you, Mr. Chair and thank you to all the Board. And I want to, first of all, congratulate and appreciate -- and tell you how much we appreciate not having been involved in the proceedings that you appear to have wrapped up. I can tell you though that it appears from the outside that you've done a very good job in an orderly fashion of getting a good group and having the met the two candidates before it seems like Valley Metro will be well served so thank you very much for your service and for how you've conducted that. We all, the staff and the community really appreciate that.

I would like to just cover a few things quickly. This year for another year, Valley Metro was named one of the two -- one of the best workplaces for commuters in the entire country. This recognition comes from Best Workplaces for Commuters a national authority and recognizes our exceptional commuter benefits to Valley Metro employees and to others.

I want to highlight something which I'm proud of our staff doing. As we've talked about in previous meetings, we like everyone else in this economy have been hit by labor challenges. One of the areas where we've been hit most is on our route 685 which runs from Ajo into west Phoenix. One of the challenges there is that those drivers of regular buses require commercial driver's licenses and since our CDL operators have been disproportionately hit during the pandemic, that route has had significant service disruptions.

Our staff looking at that got creative and delivered two of our ADA accessible vans and retrofitted them so that they could run on those days of those routes where we had CDL issues. The reason why that's important is that these smaller vans can be run and



operated by operators who don't possess a CDL. So the flexibility will help if hiring operators and keeping more of this critical service on the road and a special thanks to our bus operations, van pool teams for coming up with a unique and innovative solution to a service challenge.

On Saturday, February 5th, at the Sycamore /Main Street station was designated as the Asian District Station in Mesa. WE are very honored to have our Chair Councilmember Francisco Heredia there with representative from the Governor, Congressman Stanton, Dr. Steve Caplan and his wife, Winnie who were chairs of the Asian Festival and also, Mesa Mayor John Giles, Supervisor Jack Sellers and Chandler Mayor Kevin Hartke. You can see Mayor Hartke there in the middle, I'm sorry, he's not here so we can't give him some grief over that -- I don't know what he's wearing there in the middle, but he wears it well. And, of course, Tempe Mayor Corey Woods also joined us in this.

This was a big event and it's been fun to watch the transformation of that specific area in Mesa. Since light rail came in, it is now the highest concentration of diverse and unique Asian businesses not only in the state, but in some ways in the country. If you've never been down to the Asian District, talk to Councilmember Heredia, it's in his district and it's amazing. There's over 70 Asian-themed businesses, food of whatever type you want and whatever southeast, Asian and Southeast Asian that you can. And we are pleased to be a major part of that and recognize that by designating that station as the Asian District.

Mayor Peterson said the lady to the far right is my **Councilmember** Koprowski. She is Asian and she's dressed in her -- thank you.

Mr. Smith said and she represented you well. Thank you, Mayor for reminding us of that. I totally forgot on who exactly that was so. All East Valley cities were well represented in what was truly a regional event.

Wanted to give you one overhead look. This happened within the last month, and this was the placement of the support girders over the I-17. This just gives you a real view of how the Extension in the northwest Phoenix of our light rail line will really interact with the former Metrocenter mall. As you can see, the mall there in the upper left-hand corner of the picture and where the end of that line is is where the station, the elevated station will be so literally, this station will be at the former front door of Metrocenter. As we've known from recent announcements, there's exciting plans for the redevelopment and reuse of the Metrocenter area into a pretty exciting, I think one of the most exciting development opportunities in the entire country. That will be truly transit-oriented development. Not only is this the end line of the light rail, but we are also moving the transit station which now currently exists on the western part of Metrocenter over to where the light rail is and you'll see a multi-level garage there that will be used for transit users.



Another thing to point out is that I've got to give kudos to our capital services and our engineering team. This span over I-17 is very unique because one thing that you see are there is four columns there on either side of the freeway. You do not see a column in the middle of the freeway, and this is quite an engineering accomplishment because we wanted to build this bridge in a way that did not or had minimal disruptions in the freeway itself. And so, this is a cantilever design where the columns of support will be near the frontage roads, but there will be nothing within the freeway itself to support those columns. They come together and that was a unique solution and pretty innovative and will minimize the disruptions on I-17 during construction and moving forward.

Wanted to give you our monthly report on ridership. As you can see, we are still down - - we're up over last year, our riders have grown. Riders have grown in both bus and rail, but we are still significantly down about 50% down from 2020 or pre-pandemic. The next couple months will be last months we have pre-pandemic and then we'll get into the pandemic area which officially for us started in March of 2020. But one thing I would like to note, last month when I gave you this report, we were only down about 47 -- 46-47%. Now, we're down 50% and that is -- you see the direct impact of Omicron come in and the increase in impact in December and January of this year.

So we will continue to keep you updated on that. We continue to be challenged with putting service out. We had a significant increase in the number of callouts because many of our operators and maintenance were impacted by Omicron. We hope to see some relief from that. We will be talking to you during the next month about some measures that we're going to propose both on the recruiting and the retention side for our operators and our front-line workers. That will come up as part of the budget discussion during our study session next month.

And here's a schedule for that month. You see coming up our next meeting will be March 17 with the budget study session which was delayed from this one I think after what you've been through today, you're very grateful that you didn't have a heavy-duty budget discussion in the middle of that so that you, Mr. Chair, and AFS Chair Bill Stipp for proposing that. But we'll do that in March. And, Mr. Chair, that's the end of my report.

Chair Heredia said thank you, Scott.

4. Audit and Finance Subcommittee Update

Chair Heredia said item four is the AFS update. Councilmember Stipp.

Councilmember Stipp said thank you, Mr. Chair. I'll be very brief if I can.



The Audit and Finance Subcommittee met on Thursday, February 3rd. One of the items that we approved was the RPTA and Valley Metro Rail Annual Comprehensive Financial Report and the Single Audit Reporting Package. Those were presented to us and they were approved unanimously.

We also received our monthly Internal Audit update. The next big milestone for us is going to be at the March meeting which is also March 3rd.

We received an update on the 2023 service level budget assumptions. I think it will be important and one of the reasons that we postponed the budget meeting to the month of March, obviously, it was a conflict today, but more importantly is the discussion about the inflationary impacts that are occurring right now to Valley Metro, the workforce challenges that may impact the budget next year and then budget formulas moving forward. So we're trying to keep a very close eye on that. More information, obviously, on the 17th of March.

We also had the second quarter budget variance review. Asked some questions of Tyler and Tyler and his team this year have done a really good job so we appreciated that. We will also in the month of -- we've got a busy March meeting. We will be conducting the annual performance review of our Chief Auditor, Sebrina Beckstrom and so far, that has been a great collaboration between the CEO and our Board so far and we'll complete that on the 3rd.

And with that, pending questions, that ends my report.

Chair Heredia said any questions for Councilmember Stipp? Hearing none.

5. Consent Agenda

Chair Heredia said the consent agenda is presented for action. I will ask the Board members if they have any questions or comments or anything want to get pulled from the Consent Agenda? Hearing none.

Request a motion and a second.

IT WAS MOVED BY VICE MAYOR PASTOR, SECOND BY COUNCILWOMAN TOLMACHOFF AND UNANIMOUSLY CARRIED TO APPROVE THE CONSENT AGENDA.

6. Quarterly Reports

Chair Heredia said this item is presented for information only. Do any of the Board members have any questions, comments? Hearing none.



7. Travel, Expenditures and Solicitations

Chair Heredia said this item is presented for information only. Are there any questions, take them now. If no, no action is required.

8. Report on Current Events and Suggested Future Agenda Items

Chair Heredia said are there any reports or agenda items for future meetings? Seeing none. All right.

9. Next Meeting

Chair Heredia said the next meeting is Joint Boards is schedule for Thursday, March 17th, at 11:15.

With no further discussion the meeting adjourned at 2:05 p.m.



Information Summary

DATE

March 17, 2022

AGENDA ITEM 5

SUBJECT

Enterprise Resource Planning (ERP)/Enterprise Resource Management (EAM) Contract Authority Increase

PURPOSE

To request authorization for the Chief Executive Officer (CEO) to increase the contract expenditure authority for the ERP/EAM System Implementation contract with Denovo Ventures, LLC by \$423,000.

RECOMMENDATION

Staff recommends that the Boards of Directors to authorize the CEO to increase the contract expenditure authority for the ERP/EAM System Implementation contract with Denovo Ventures, LLC by \$423,000.

BACKGROUND | DISCUSSION | CONSIDERATION

In June 2020, the Board approved a contract with Denovo Ventures, LLC to implement a new ERP/EAM system. This approval included \$5,223,838 for system implementation and \$1,889,232 for 47 months of licensing, support, and cloud hosting. Implementation of the new system was to be phased over a two-year period with functional modules entering utilization at different times. The purchasing and accounting modules went live in July 2021. The budget planning module followed in September 2021. The payroll module was originally planned for implementation on December 27, 2021. The final module, EAM, was planned for implementation on April 15, 2022.

Implementation of the payroll and EAM modules have been delayed resulting in an 8% increase in the system's implementation costs. The payroll module is now scheduled for implementation in December 2022¹ and EAM is planned for implementation in August 2022.

Valley Metro's payroll process requires a great deal of manual effort. It uses three different systems and requires manual transfers between systems, data updates, and validation for payroll production. As result, automating that process was found to require more requirements gathering, design, and testing than originally anticipated. That fact was compounded by COVID related staff absences during a critical period. As a result, it wasn't possible to complete the module's testing to implementation at the start of the first quarter. Given that criticality of payroll's accuracy, implementation has

¹ The RTAG and TMC/RMC version of this memo estimated payroll implementation in April 2022. On March 15, Valley Metro was informed by Oracle that a modification to their system needed for payroll implementation would not be ready for use until late summer. As a result, Valley Metro will retarget payroll implementation for December 26, the first pay period in 2023, simplifying payroll tax filings. This request is not otherwise impacted.



been rescheduled for the start of the second quarter. When fully implemented, the ERP payroll module will replace the current ADP/Workforce Now contract eliminating \$172,600 in annual costs.

The EAM module was delayed by challenges integrating the Trapeze EAM software and the ERP's accounting system and by the greater than anticipated workload associated with entering all Valley Metro operating assets into the EAM system. While both challenges have now been resolved, the original implementation date is no longer possible.

COST AND BUDGET

This increase in implementation costs will be shared equally between RPTA and Valley Metro Rail (VMR). The RPTA portion will be from Regional Area Road Funds (RARF). VMR will utilize regional Public Transportation Funds. No member city funds are used in the system's implementation.

COMMITTEE PROCESS

RTAG: February 15, 2022 for information

TMC/RMC: March 2, 2022 approved

Board of Directors: March 17, 2022 for action

CONTACT

Jim Hillyard

Interim Chief Financial Officer

602 495-8234

jhillyard@valleymetro.org

ATTACHMENT

None



Information Summary

DATE

March 17, 2022

AGENDA ITEM 6**SUBJECT**

Proposed Fare Policy Change - Streetcar

PURPOSE

To request authorization to amend the regional Fare Policy to include a fare structure for streetcar.

RECOMMENDATION

Staff recommends that the Boards of Directors authorize an amendment to the regional Fare Policy to include a fare structure for streetcar.

BACKGROUND | DISCUSSION | CONSIDERATION

The current regional fare structure was adopted by the Valley Metro Board and City of Phoenix Council in 2007. The base fare and associated pass pricing have been increased twice since implementation, in 2009 and 2013, to stay current with the value and cost of service. Other minor updates to the policy have been made, most recently in March 2021 updating the requirements in the Platinum Pass Program.

The current Scheidt & Bachmann (S&B) system is currently being replaced by a modern, open architecture system provided by Vix Technologies. The project is being managed by the City of Phoenix, with support from Valley Metro. While providing greater financial controls for the region, the system will also allow for more flexibility and options for the riders. The system will provide mobile ticketing (fall 2022), stored value smartcards (2023) and a web-based management tool for riders to manage their accounts (also 2023).

Proposed Fare Policy Changes

With the implementation of streetcar in our region, Valley Metro has worked with member cities to develop a fare structure for streetcar as a mode. The current price proposal is \$1.00 for Full Fare and \$.50 for Reduced Fare for streetcar-only trips. All other, regional fare types, such as day passes or, in the future, mobile ticketing, would be valid fare on streetcar as well.

While Tempe Streetcar will initially enter passenger service with an introductory, free fare period beginning in spring of this year, the Fare Policy required updating prior to the start of service.

Public Outreach Process

With streetcar operations beginning soon, staff initiated a public outreach process in January 2022, as required by Title VI and the Board-adopted Fare Equity Policy, to seek feedback on the aforementioned amendments to the regional Fare Policy. The outreach



process consisted of rider intercept surveys, an online survey as well as a public hearing shared through virtual and online channels. A summary of the public outreach results are being shared (in the attachment) to help inform decision-making on this item.

COST AND BUDGET

There is no cost to update or implement the policy.

COMMITTEE PROCESS

RTAG: February 15, 2022 for information

TMC/RMC: March 2, 2022 approved

Boards of Directors: March 17, 2022 for action

CONTACTS

Tyler Olson

Manager, Budget and Operations Financial Controls

tolson@valleymetro.org

Jordan Brackett

Manager, Community Relations

jbrackett@valleymetro.org

ATTACHMENTS

DRAFT Fare Policy Master

Tempe Streetcar Fare Policy Outreach PowerPoint

DRAFT – January 27, 2022

VALLEY METRO REGIONAL PUBLIC TRANSIT FARE POLICY AND UNIFORM FARE STRUCTURE

FARE STRUCTURE

Effective MM DD, 2022

Full Fare Regional Bus and Light Rail

Fare Type	Fare Structure	Fare Policy Rules/Multiples
LOCAL - BUS and LIGHT RAIL		
1-Ride	\$2.00	Base 1-Ride fare for bus or light rail
All-Day	\$4.00	2 x base fare
7-Day	\$20.00	5 x All-Day off-board
15-Day	\$33.00	16.5 x base fare
31-Day	\$64.00	32 x local base fare
EXPRESS/RAPID		
1-Ride	\$3.25	Base 1-Ride fare + \$1.25
All-Day	\$6.50	2 x Express/RAPID 1-ride fare
31-Day	\$104.00	32 x Express/RAPID 1-ride fare
STREETCAR		
1-Ride	\$1.00	Base 1-Ride fare for streetcar

Reduced Fare Regional Bus and Light Rail

Fare Type	Fare Structure	Fare Policy Rules/Multiples
REDUCED – BUS AND LIGHT RAIL		
1-Ride	\$1.00	0.5 x base fare, rounded down to nearest \$0.05
All-Day*	\$2.00	0.5 x local off-board All-Day, rounded down to nearest \$0.05
3-Day	Discontinued	
7-Day	\$10.00	0.5 x 7-Day rounded down to nearest \$0.25
15-Day	\$16.50	0.5 x local 15-Day rounded down to nearest \$0.25
31-Day	\$32.00	0.5 x local 31-Day, rounded down to nearest \$0.25
REDUCED STREETCAR		
1-Ride	\$0.50	0.5 x streetcar 1-ride rounded down to the nearest \$0.05

Reduced Fare Eligibility – Youth ages six to 18, seniors age 65 and over, persons with disabilities and people who have been issued a Medicare card by the Social Security Administration are eligible for Reduced Fares. Any photo ID showing an individual's age is acceptable proof of age for youth and seniors. The Valley Metro Reduced Fare Identification Card is available for \$5.00 and is also acceptable as proof of eligibility.

No Reduced Fare is offered on Express/RAPID. A passenger using a Reduced Fare local bus/rail pass for Express/RAPID service is required to pay the difference in fares based on 1-Ride fares (\$3.25 – \$1.00 = \$2.25).

Semester Passes – Regional Local Bus and Light Rail

Semester Passes can be purchased by high schools for students at no cost to students and by full-time students enrolled in high schools, technical, trade, college or graduate courses at participating schools. Passes are good for unlimited rides on local bus/rail service for the time period printed on the pass.

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

Full fare Semester Passes are valid on Express/RAPID for an additional \$1.65 per boarding. Reduced Fare Semester Passes are valid on Express/RAPID for an additional \$2.45 per boarding.

Free Fare

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

Changes in Fare Structure

For each fare change, the federally-required Title VI analysis evaluates the proposal for equity among ridership demographics. The analysis ensures that any fare change is administered in an equitable manner among all riders.

Proposed changes to fare structure are implemented to equitably support the cost of transit operations. The current regional fare recovery target is 25 percent, which is the ratio of fares collected for regional fixed route services divided by the operating cost of fixed route services. Locally-funded circulator services that do not comply with the regional fare policy are not included in the fare recovery calculation.

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

PROGRAMS

Platinum Pass Program (administered by City of Phoenix)

Platinum Pass is a transit credit card available to companies, agencies, or organizations for their employees, students, tenants, residents, or other individuals permitted to participate by the company, agency, or organization. The cardholder is charged the appropriate fare for each boarding on Local and Express/RAPID bus and rail service. At the end of the month, a bill and an itemized statement is issued for each boarding up to the monthly cap for each pass's usage. Passes are capped at the maximum price of an Express/RAPID pass. A detailed report of actual boardings charged each month can be purchased for an additional cost. The company, agency, or organization is solely responsible for the cost of the program.

Homeless Provider Program (administered by City of Phoenix)

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

Arizona State University (ASU) U-Pass Program (administered by City of Phoenix in collaboration with ASU)

The U-Pass is provided to ASU students by ASU. ASU pays a fixed rate per boarding to the City of Phoenix Regional Fare Depository for students based on the average Platinum Pass fare per boarding for the prior period. The rate is adjusted annually.

Ticket Partnership Program (administered by Valley Metro) *(updated June 22, 2017)*

With the Ticket Partnership Program, patrons possessing tickets or identifiable media issued by event officials from a participating event will be able to ride Valley Metro Rail on the day of the event at no additional charge. Event tickets will be honored as valid Valley Metro Rail fare for a pre-determined time in advance of the event and through the end of the transit day. Participating event venues/events pay an amount per attendee commensurate with the current average fare to support regional fare recovery goals. A qualifying event generates a minimum of 5,000 attendees; similarly, for a venue, a single event at this facility must generate a minimum of 5,000 attendees. This program can be extended to bus route(s) if the aforementioned criteria is maintained and the service can be supported by operations. Valley Metro must receive notice of interest in the Ticket Partnership Program from event organizers at least four months in advance of the event and agreements must be completed by 60 days prior to the event.

Group Field Trip Program (administered by Valley Metro Customer Service)

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

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

The Tempe Youth Transit Pass allows youth ages six to 18 residing in the City of Tempe to ride local bus/rail for free. The pass issued is a Platinum Pass effective for 12 months and subsidized by the City of Tempe. If under 18, the young person must be accompanied by a parent or guardian with proof of residency. Passes can be applied and received from the Tempe Transit Store.

Rural Route Fare (administered by Valley Metro)

Rural Route fares are based on distance travelled. 1-Way travel within the same city is \$2.00; 1-Way travel within multiple cities is \$4.00. Reduced Fare is available to passengers meeting the Reduced Fare criteria.

Special Event Pass Program (administered by City of Phoenix)

The Special Event Pass Program supports major, special events and conventions in Maricopa County interested in sponsoring public transportation travel for their attendees. This program is available to events of two or more days in length and 100 or more participants (or cards). Operating as a Platinum Pass, the event sponsor is charged an up-front fee for the cards; customization of the card's exterior graphics is available with a 4 – 8 week lead time, depending on card volume. Post-event, the event sponsor is charged for actual rides taken via these passes, up to a maximum price of \$5.00/day. For events of four or more days, the daily cap adjusts to a lower rate consistent with average daily pricing of other pass types (see table below). Interested event sponsors must complete an application and eventually an agreement to take part in this program.

Special Event Duration	Daily Maximum (and Regional Fare Equivalent)
2 – 3 days	\$4.00 (All-Day pass price)
4 – 7 days	\$2.85 (7-Day pass price per day)
8 – 15 days	\$2.20 (15-Day pass price per day)
16 or more days	\$2.00 (31-Day pass price per day)

For Private Outlets (administered by City of Phoenix)

Private Sales Outlets are able to sell or offer fare media to their employees, students or clients. Private Outlets are provided with Transit Books and other marketing materials to help promote the sale of passes.

REFUNDS

No refunds are given for any fare media products or unused stored value. If a customer has registered an account, any remaining stored value will be transferred to a new card, should the customer's card become lost or damaged. In such a case, customer should notify FCS Customer Service immediately to deactivate the lost or damaged card.

VALLEY METRO PARATRANSIT (DIAL-A-RIDE)

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

ADA Paratransit (Dial-a-Ride)

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

ADA Platinum Pass Program

Valley Metro offers the free use of local bus and rail for individuals who are eligible for ADA Dial-a-Ride service and who reside in cities that have elected to participate in the program. ADA Platinum Pass program participants receive a photo ID card which operates as a Platinum Pass. If an individual is eligible to travel with a Personal Care Attendant (PCA), the PCA may also ride for free. If the pass used for Express/RAPID service, the passenger pays the difference in fares. The card itself is initially free, but there is a charge to replace a lost or stolen pass.

Non-ADA Paratransit (Dial-a-Ride)

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

Tempe Streetcar Fare Policy Outreach

March 2022



1

FCS Project Background



2

2

Goals for New Fare Collection System



- Improved fare media control and functionality
- Flexible and expandable
- Introduce innovative fare collection features
- Eliminate paper passes
- Minimize reduced fare abuse
- Minimize use of cash



3

3

New Fare Collection System



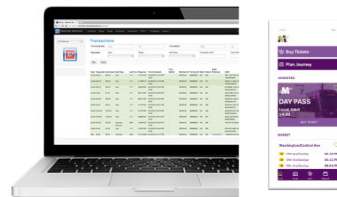
• New Fare Technology

- Account based system
- Stored value on transit smart cards and smartphones
- New ticket vending machines
- New validators on board regional fleet and at rail stations



• New Fare Channels

- Mobile app/ticketing
- Retail media sales and reloading
- Comprehensive website portals
 - Account management, autoloading



4

4

Phasing of Features



Phase 1 – Validators and Mobile Ticketing (Dec 2022)

- One-way tickets and day passes available on mobile ticketing app
- Validate mobile tickets on new bus and rail validators



Phase 2 – Reloadable Smartcard, TVMs, new fareboxes (August 2023)

- Pre-phase 2: Reduced fare ID outreach & applications
- Reloadable smartcard availability to all transit users, with ability to purchase and load fare online
- Installation of new Ticket Vending Machines (TVMs)
- New retail network for smartcard purchases and reloads

5

5

New Fare Collection System



- **New FCS is opportunity to update fare policy**
 - Reduced fare ID
 - Base fare – no change
 - Pass prices/cap amounts
 - Passes/caps offered
- **Streetcar fare needs to be added to current fare policy ahead of passenger service launch**

6

6

Outreach and Fare Policy



7

7

Proposed Streetcar Fare



- **Streetcar fare**
 - \$1.00 for Full Fare single ride
 - \$0.50 for Reduced Fare single ride

8

Fare Policy Outreach: Tempe Streetcar



Required Elements:

- Public Hearing
- 30-day comment period

Audiences:

- Localized to Tempe, Mesa
- Regionwide
- Riders
- Future riders

Digital and In-Person Tactics:

- Virtual Public Hearing
- Email outreach
- Social media targeting
- In-person survey distribution
- Key stakeholder groups

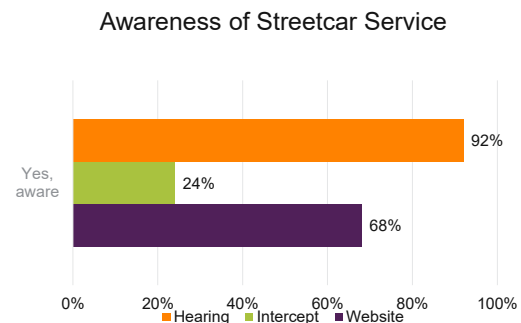
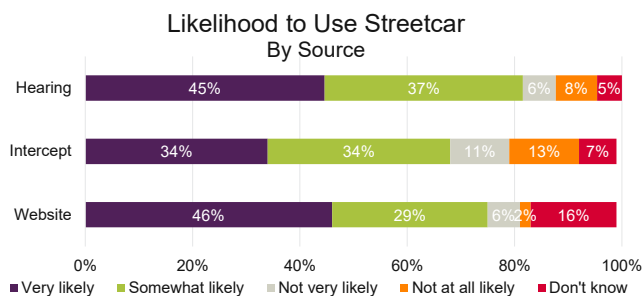
9

9

Results to Date



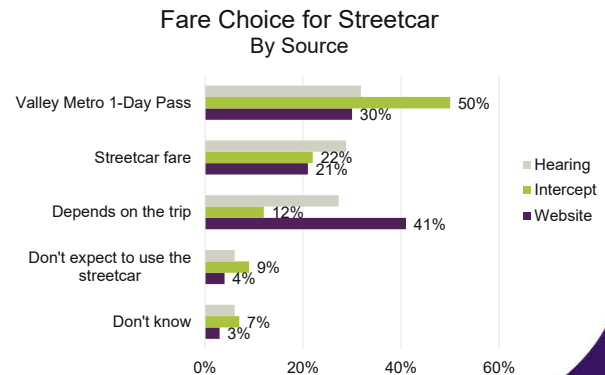
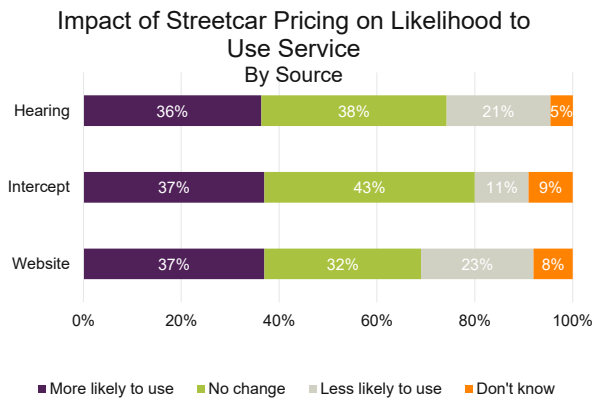
418 in-person surveys | 1,338 online surveys | 62 public hearing



10

10

Results to Date



11

11

Status and Next Steps



- ✓VMAAG – Jan. 27
- ✓SPWG – Feb. 1
- ✓FPWG – Feb. 14
- ✓RTAG – Feb. 15
- ✓TMC/RMC – Mar. 2
- Joint Boards – Mar. 24

12

12



Recommendation

Staff recommends that the Board of Directors authorize an amendment to the regional Fare Policy to include a fare structure for streetcar.

13

TEMPE STREETCAR

Executive Summary: Fare Policy Outreach for Streetcar



MARCH 2022



TABLE CONTENTS

Project Introduction and Background1

Proposed Fare Policy Changes1

Methodology & Notification1

Key Audiences2

Public Input3

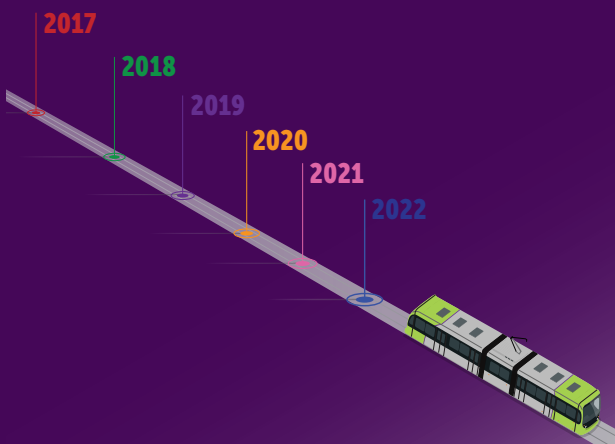
Awareness of Streetcar Service Graph3

Likelihood To Use Streetcar By Source Graph4

Fare Choice for Streetcar By Source Graph4

Impact of Streetcar Pricing on Likelihood
to use Service by Source Graph5

BACKGROUND



The current regional fare structure was adopted by the Valley Metro Board and City of Phoenix Council in 2007. The base fare and associated pass pricing have been increased twice since implementation, in 2009 and 2013, to stay current with the value and cost of service. Other minor updates to the policy have been made, most recently in March 2021 updating the requirements in the Platinum Pass Program.

The current Scheidt & Bachmann (S&B) fare payment system is currently being replaced by a modern, open architecture system provided by Vix Technologies. The system replacement project is being managed by the City of Phoenix, with support from Valley Metro. While

providing greater financial controls for the region, the system will also allow for more flexibility and options for riders. The system will provide mobile ticketing (fall 2022), stored value smartcards (2023) and a web based management tool for riders to manage their accounts (also 2023).

Proposed Fare Policy Changes

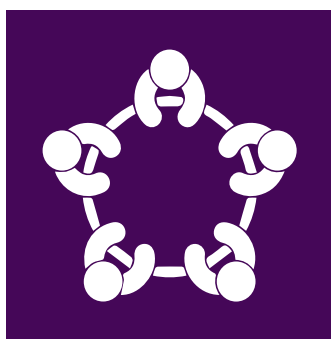
As part of these changes that will impact Valley Metro's Fare Policy, robust outreach is required to ensure community input is received and incorporated. A key element of these changes is the addition of the streetcar and the associated fare for the new mode.

With the implementation of streetcar in the region, Valley Metro has worked with member cities to develop a fare structure for streetcar as a mode. The current price proposal is \$1.00 for Full Fare and \$.50 for Reduced Fare for streetcar only trips. All other regional fare types, such as day passes or, in the future, mobile ticketing, would be valid fare on streetcar as well.

The streetcar line is anticipated to go into passenger service in spring 2022. While streetcar will initially enter passenger service with an introductory, free fare period, the Fare Policy required updating prior to the start of service.

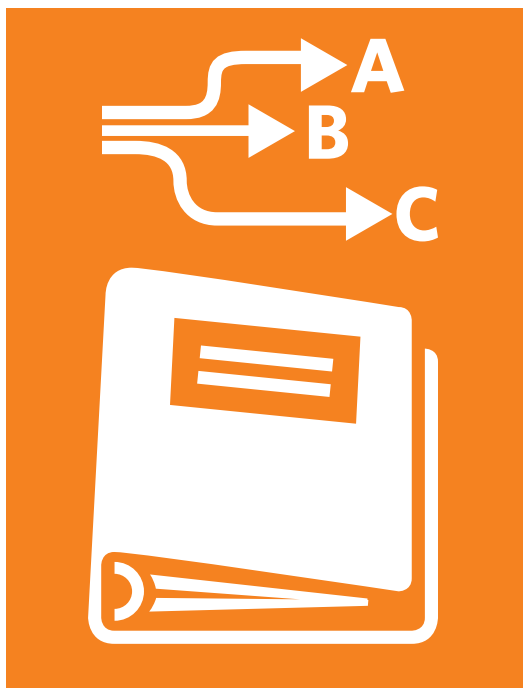
This public involvement effort collected public feedback on both the overall fare policy change and the proposed streetcar fare of \$1.00 for Full Fare and \$.50 Reduced Fare.

METHODOLOGY & NOTIFICATION



The purpose of public outreach is to actively seek and obtain public and key stakeholder input regarding a potential fare change. The plan is designed to facilitate community engagement and the integration of stakeholder input into agency recommendations. Engagement of the community throughout the process greatly increases the successful identification of community issues early on so that those issues may be adequately addressed. The activities undertaken are intended to increase all parties' understanding of the goals, needs and potential transit solutions that best meet the community's needs.

As part of the federally-mandated outreach process, several key elements were incorporated into this outreach effort:



- 1) Public Hearing with accommodation for persons with disabilities and Limited English Proficiency audiences
- 2) A full 30-day comment period
- 3) A mixture of in-person and digital outreach tactics to ensure coverage of the diverse regional community.
- 4) A survey team and Customer Experience Coordinators working in-person with transit riders to make them aware of the survey and solicit their input throughout January.
- 5) Key audiences targeted via social media advertisements, along with promotions via Valley Metro's social media pages.
- 6) Emails to the Valley Metro database (add number of email addresses??) advertising the survey
- 7) Presentations to Valley Metro advisory groups like Accessibility Advisory Group and Fare Policy and Service Planning Working Groups

The in-person outreach efforts were focused on Tempe and Mesa due to the streetcar beginning operations soon in Tempe and the streetcar extension study underway in Mesa. Audiences in Phoenix and other valley cities received the survey as well. While it was important to concentrate outreach in the immediately affected Tempe community, the streetcar will be part of the regional system and it was critical that the outreach also be regionally representative.

These activities helped to gather input from a wide range of participants including existing riders and potential future riders.



Key Audiences:

- General public and regional transit riders
- Tempe-Mesa Transit Riders and Local Stakeholders
- Valley Metro Joint Boards of Directors
- Transit Management Committee/Rail Management Committee (TMC/RMC)
- Regional Transit Advisory Group (RTAG)
- Fare Policy Working Group (FPWG)
- Valley Metro Accessibility Advisory Group (VMAAG)
- Service Planning Working Group (SPWG)

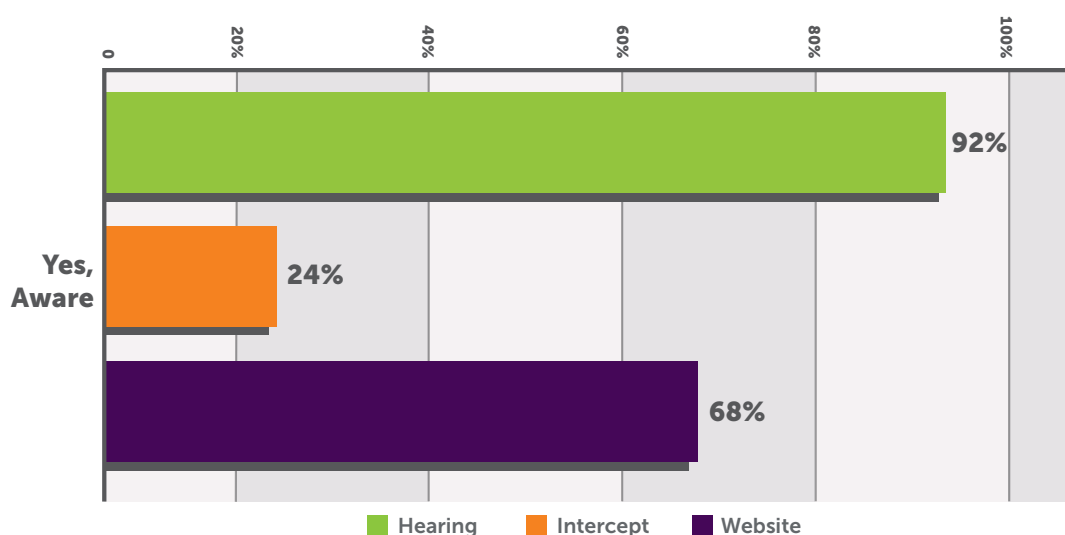
PUBLIC INPUT

Outreach for fare policy changes related to Tempe Streetcar has been completed. The following results are from the in-person intercept surveys, the website survey and the virtual public hearing survey.

Demographics	Intercept Total n=418	Website Total n=1338	Hearing n=62	Demographics	Intercept Total n=418	Website Total n=1338	Hearing n=62
Gender				City Residence			
Male	64%	62%		Mesa	41%	17%	13%
Female	35%	33%		Tempe	30%	57%	40%
Prefer Not to Answer	1%	5%		Phoenix	18%	17%	34%
Age				Chandler	6%	1%	2%
18-24	39%	35%	20%	Scottsdale	1%	4%	0%
25-34	18%	30%	29%	Glendale	1%	<1%	2%
35-44	15%	17%	21%	Gilbert	1%	1%	3%
45-54	10%	14%	15%	Other	1%	1%	6%
55-64	10%	3%	11%				
65+	6%	1%	3%				
Prefer Not to Answer	1%		1%				

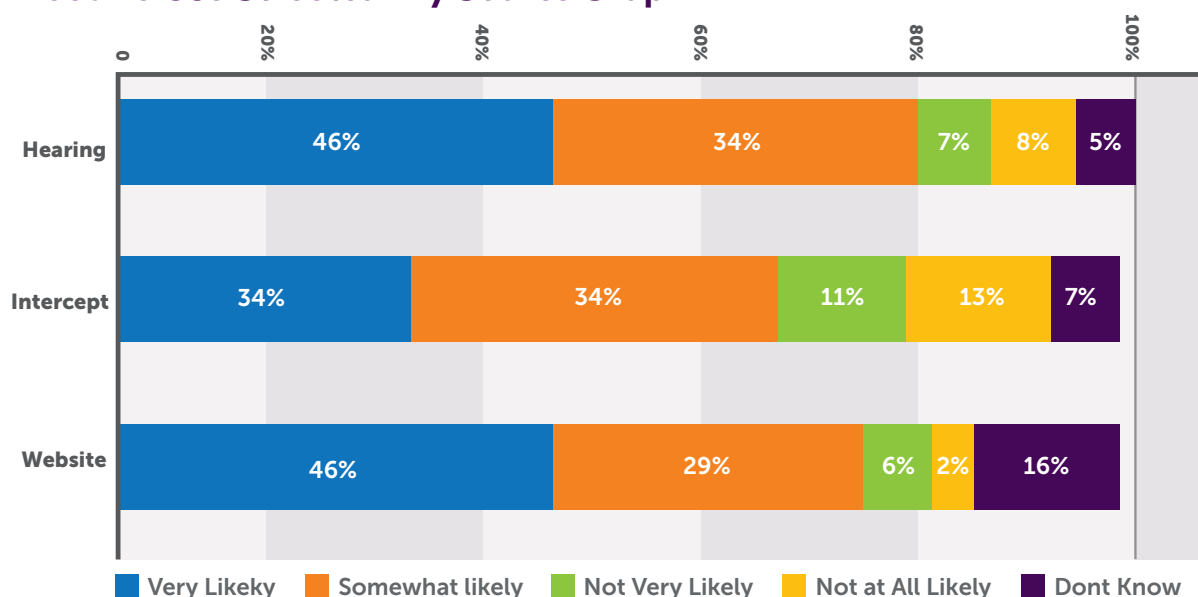
Just under two-thirds of riders were male (true for both intercept and website responses). Those responding through the website skewed slightly younger and were more likely to report living in Tempe. The public hearing respondents were most likely to live in Phoenix or Tempe.

Awareness of Streetcar Service



Survey respondents were asked about their awareness of streetcar as a new service. Just one-quarter of intercept riders were aware of the new streetcar service. However, over two-thirds of those who responded online reported they were aware of the new service. The highest percentage of awareness of the streetcar was in the hearing survey, with 92% of participants aware of the streetcar as a new service.

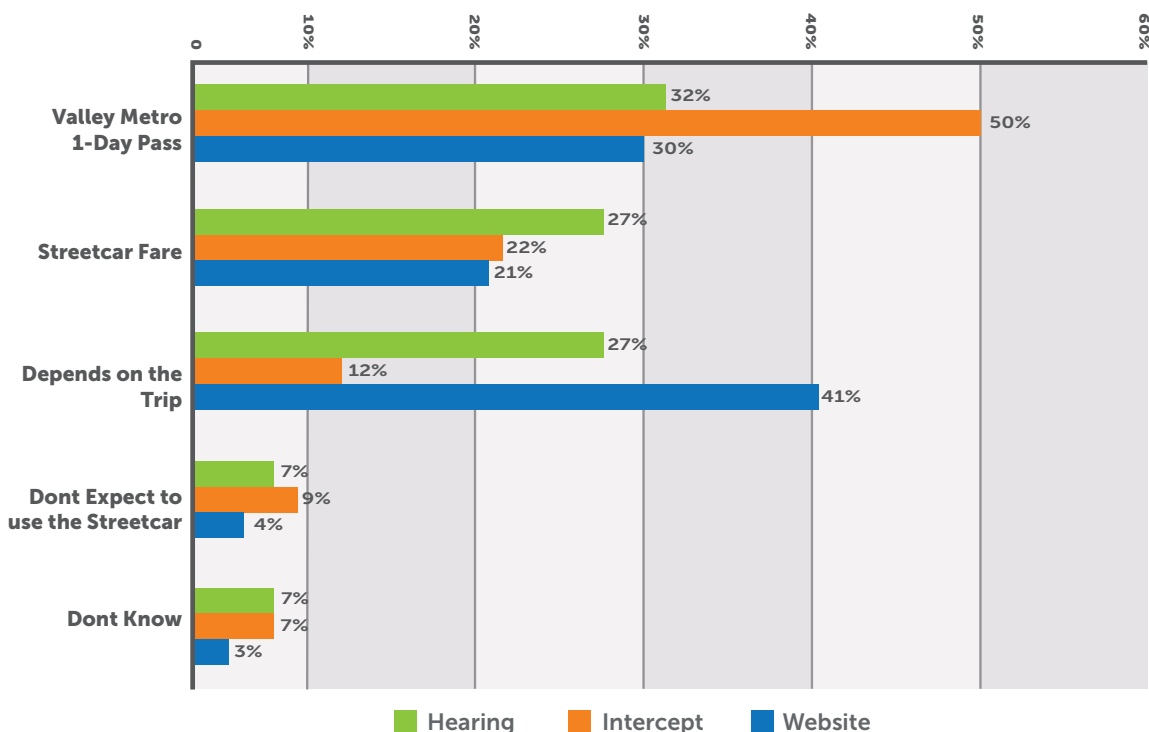
Likelihood To Use Streetcar By Source Graph



Respondents were asked if they were likely to use streetcar in general. At least two-thirds of all participants were either “very” or “somewhat” likely to ride the streetcar when service begins this year with the public hearing participants coming in at the highest percentage of 82%. Audiences ranged from 8% to 24% in the “unlikely” to use streetcar categories.

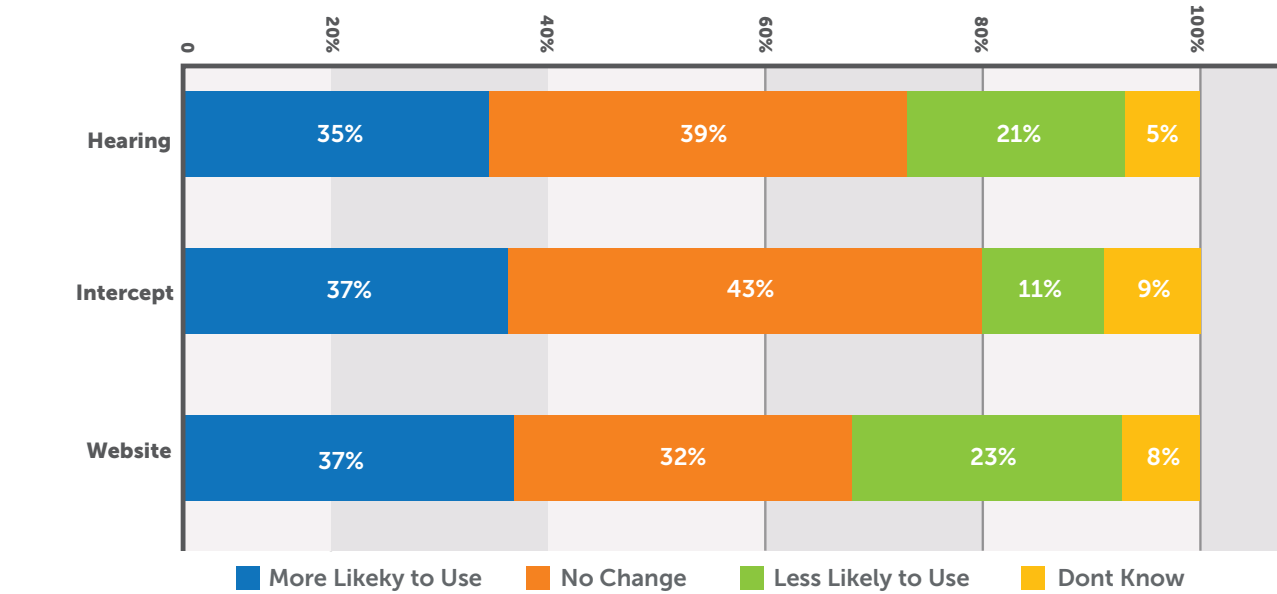
For the following survey questions, respondents were asked about the fare pricing (\$1 for a full fare single-ride and .50 for reduced fare single ride) and if the knowledge of that pricing would impact their likelihood to use streetcar.

Fare Choice for Streetcar By Source Graph



Respondents were asked, based on the knowledge of the available fares and proposed fare cost for the streetcar, which type of fare they were most likely to use. The majority of intercept and public hearing respondents reported they would use the 1-Day Pass or the streetcar fare if they decided to use the streetcar. Website respondents were more likely to say their fare choice depends on the trip.

Impact of Streetcar Pricing on Likelihood to use Service by Source Graph



Just over one-third of all respondents felt knowing the streetcar fare pricing makes them more likely to use the streetcar in the future. Another four-in-ten respondents said it would make no change. One-in-five public hearing and website survey respondents said this knowledge would make them less likely to use streetcar, while only one-in-ten of our in-person respondents said this knowledge would make them less likely to use streetcar.

In summary, the data indicates that riders and potential riders are likely to use the streetcar regardless of fare. When asked specifically about the proposed fares, 40% of respondents indicated the fare would have no impact on their use of streetcar. Up to two-in-ten respondents indicated they may be less likely to ride with over one-third of all respondents saying they were more likely to use the new mode.

Based on the outreach report, the TMC/RMC approved the recommendation to forward the approval of the fare policy changes for streetcar to the Valley Metro Joint Board of Directors on March 2.

Information Summary

DATE

March 17, 2022

AGENDA ITEM 7**SUBJECT**

South Central Extension / Downtown Hub – Track Connections and Single Tracking

PURPOSE

To provide information on planned construction work and impacts to light rail service that will be required for the South Central / Downtown Hub Light Rail Extension project.

RECOMMENDATION

This item is for information only.

BACKGROUND/DISCUSSION/CONSIDERATION

The construction of the South Central / Downtown Hub (SCE/DH) light rail project will require the installation of 7 pieces of special track that intersect the existing light rail system in the center of downtown Phoenix. Portions of the existing light rail track will be unavailable for service during this work. Valley Metro's project team has developed a plan to maintain service on a single-track to safely complete this work. Utilizing new infrastructure recently installed by the SCE/DH project (5th Street crossover loops and McKinley crossover loops), Valley Metro can maintain reliable service during this period on a modified schedule running on 20-minute headways. Currently, headways are 15-minutes during peak workday hours and 20-minutes during the majority of the weekend.

The work is scheduled to begin on Saturday, April 16, 2022 and continues through completion on July 2, 2022. The start date was based on number of factors. The main two factors are: 1) completion, certification, and activation of new infrastructure to accommodate shorter headways and 2) availability of the special trackwork. Work will start on the westbound track and switch to the eastbound track in May.

Three-car trains will be used, as needed, to accommodate the reduced service frequency. Except for Memorial Day, construction is scheduled to be continuous during this period.

This work will also require roadway restrictions and closures on Washington Street, Jefferson Street, 1st Street, Central Avenue, and 1st Avenue. Traffic control and detours will change with the work and the construction team will continuously address business access and commuter routes in downtown area.

To plan for this impact on light rail service, Valley Metro has begun coordinating with the cities of Phoenix, Tempe, and Mesa to ensure safety due diligence, special event services, and other considerations are addressed. A communications plan is in



development to inform riders, businesses, commuters, and event planners of the temporary changes.

Staff will provide a presentation with additional information on the approach to the work and ongoing planning to reduce impacts.

COST AND BUDGET

Marketing and public information materials will be prepared. Costs will be incurred as part of the SCE/DH project.

COMMITTEE PROCESS

RTAG: February 15, 2022 for information

TMC/RMC: March 2, 2022 for information

Boards of Directors: March 17, 2022 for information

CONTACT

Henry Ikwut-Ukwa

Director, Capital and Service Development

602-322-4420

hukwa@valleymetro.org

ATTACHMENT

PowerPoint Presentation

South Central Extension/Downtown Hub

Light Rail Service Adjustments & Special Track Installations

Luis M. Mota, Project Manager



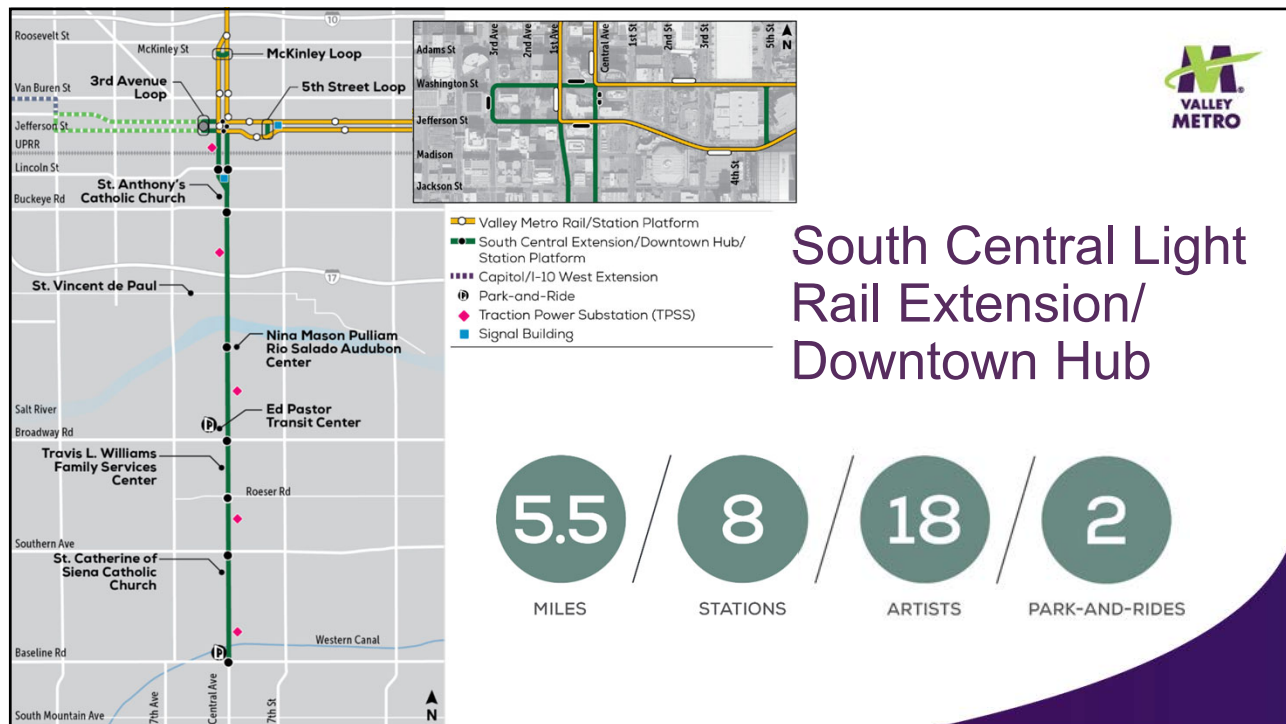
1

Agenda

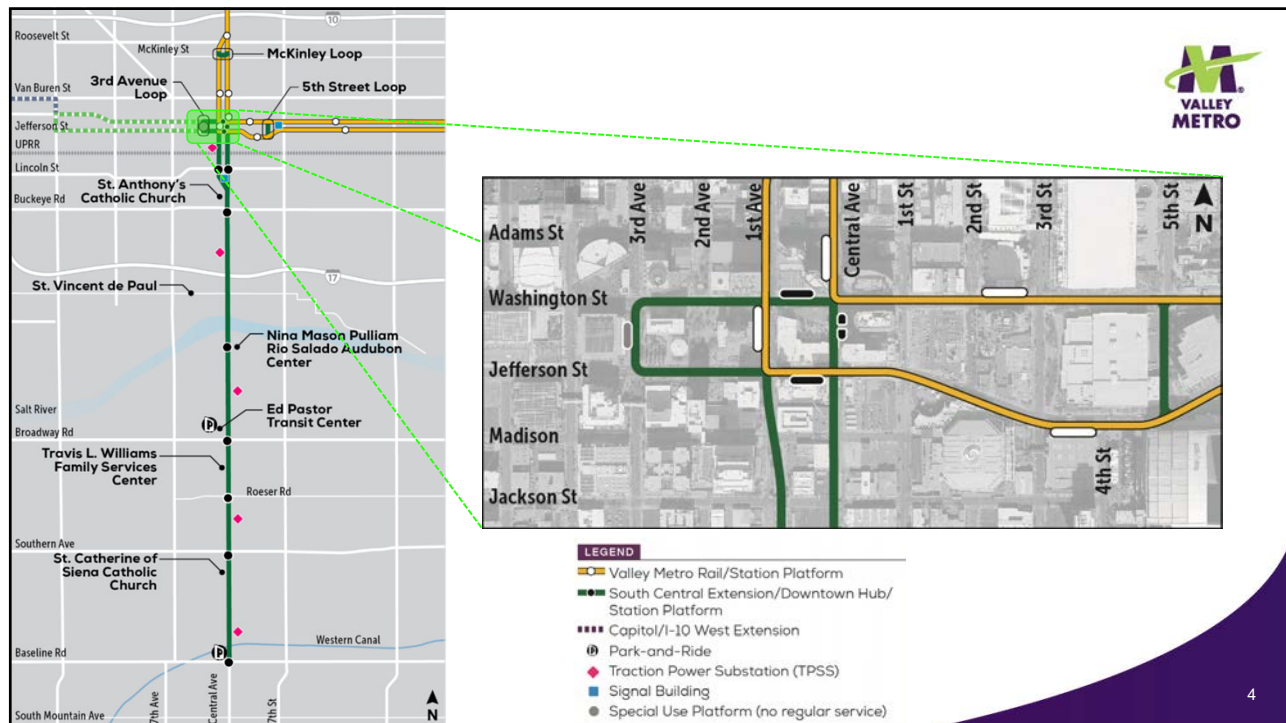
- SCE/DH Project Overview
- Special Track Scope
- LRT Adjustments
- Traffic Detours
- Communications Plan



2



3

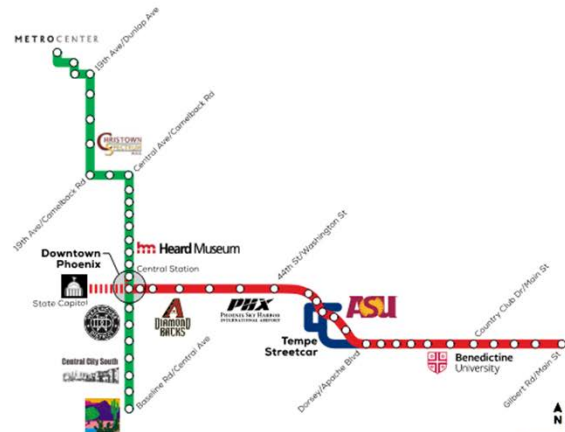


4

Light Rail Lines – Today/Tomorrow



Present



Future

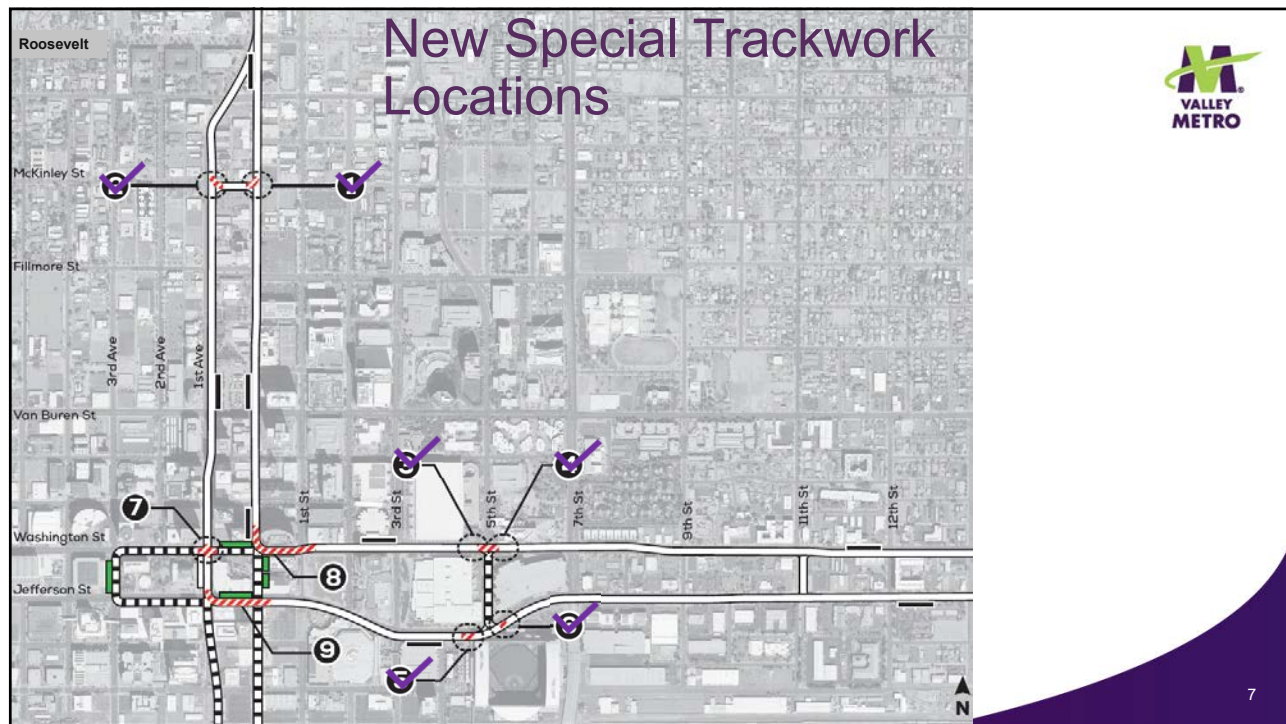
5

5

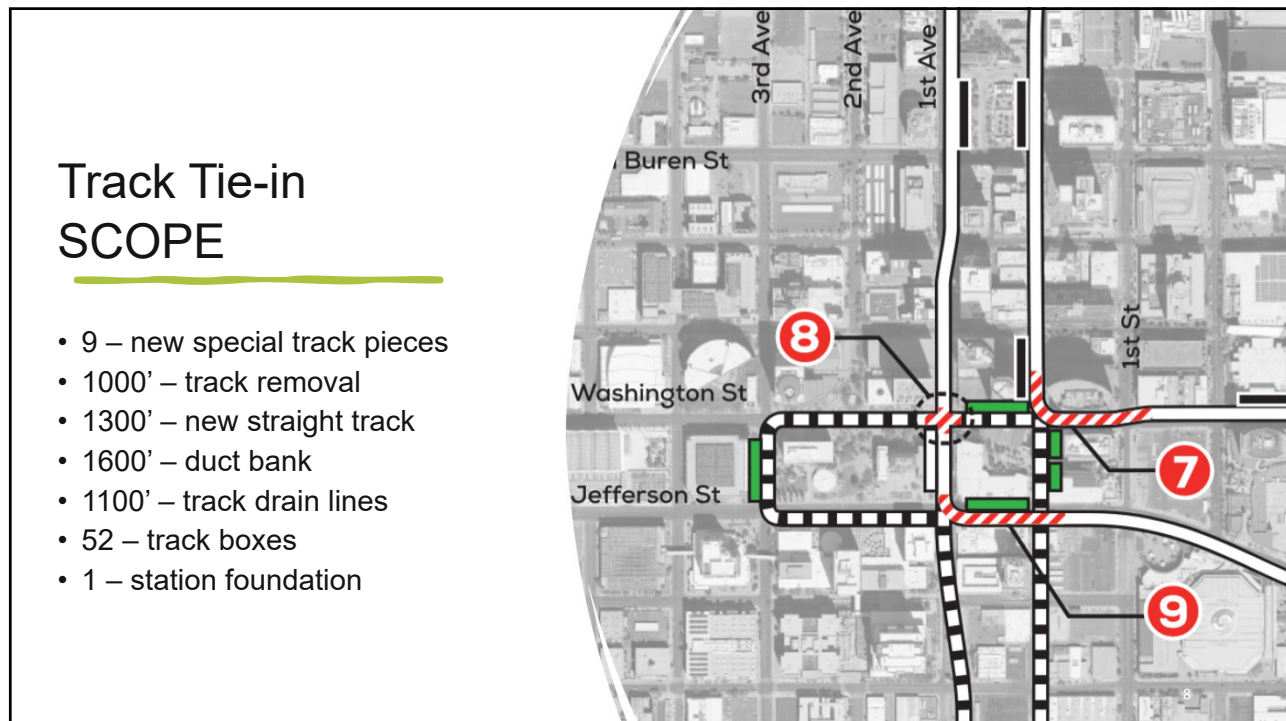


6

6

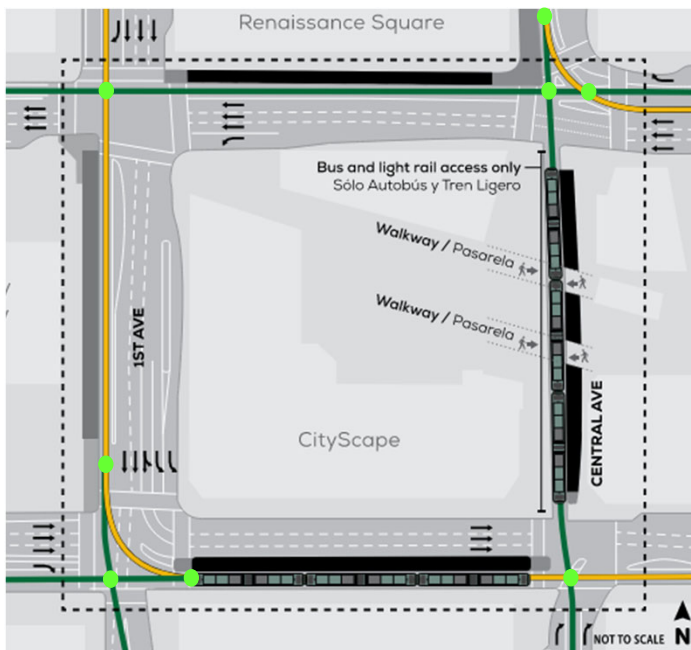


7



8

Downtown Hub

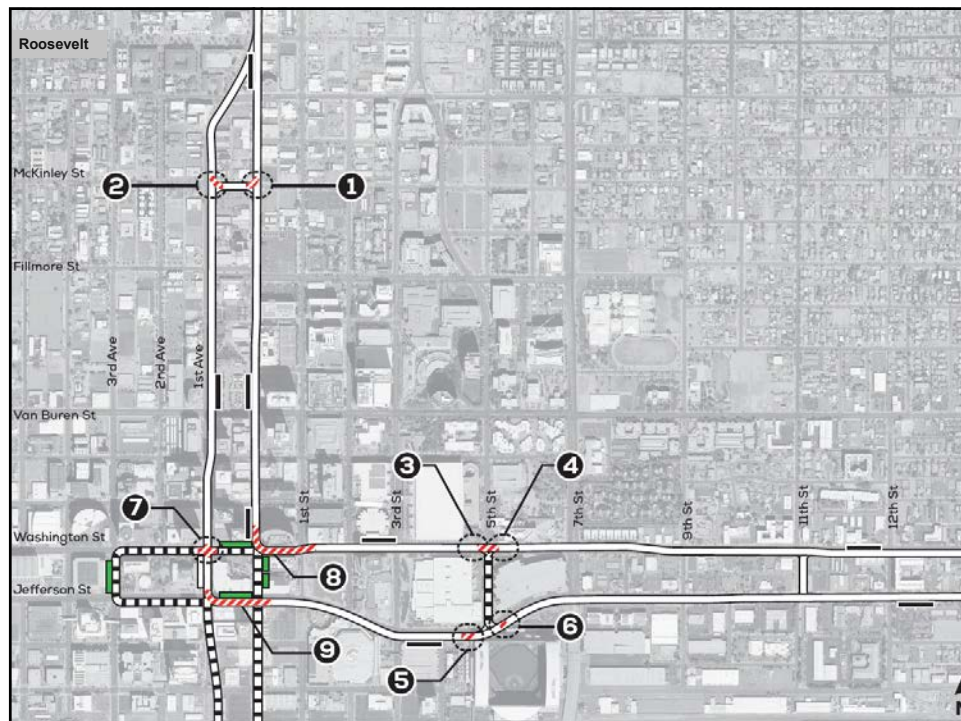


**Special Track Locations
9 Total**

(Special Track at Washington/1st St not shown)

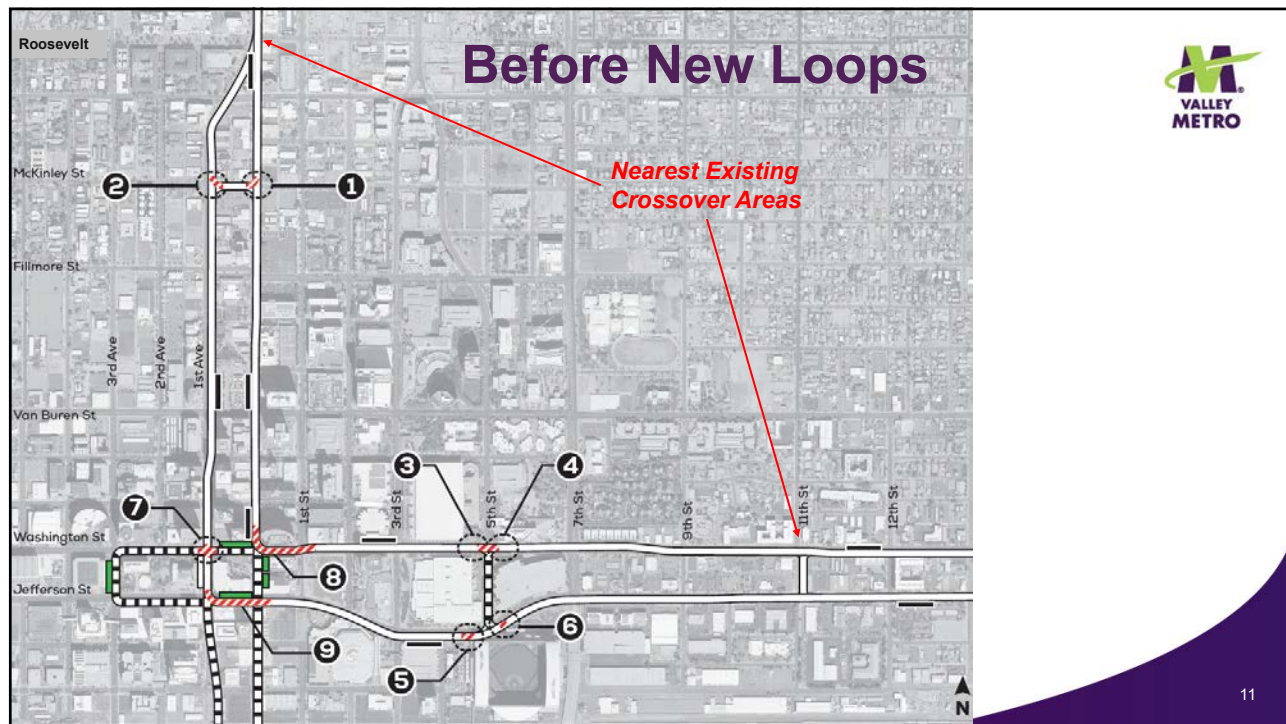
9

9

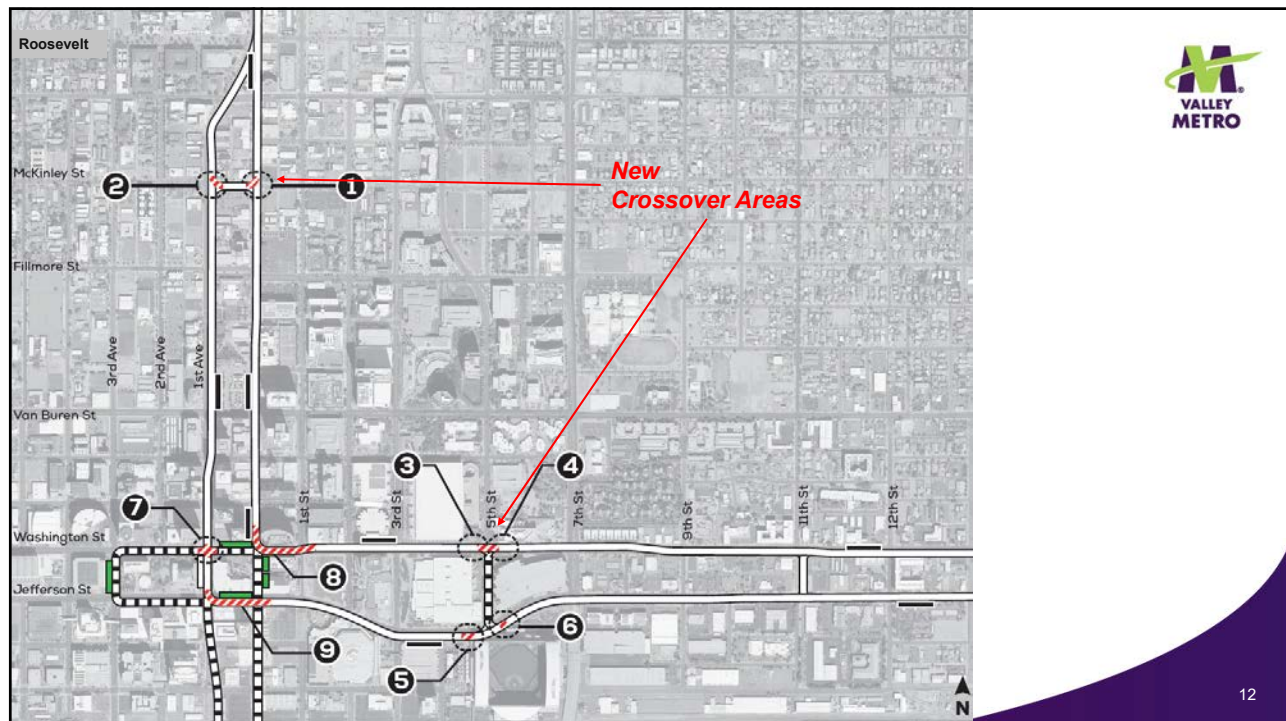


10

10

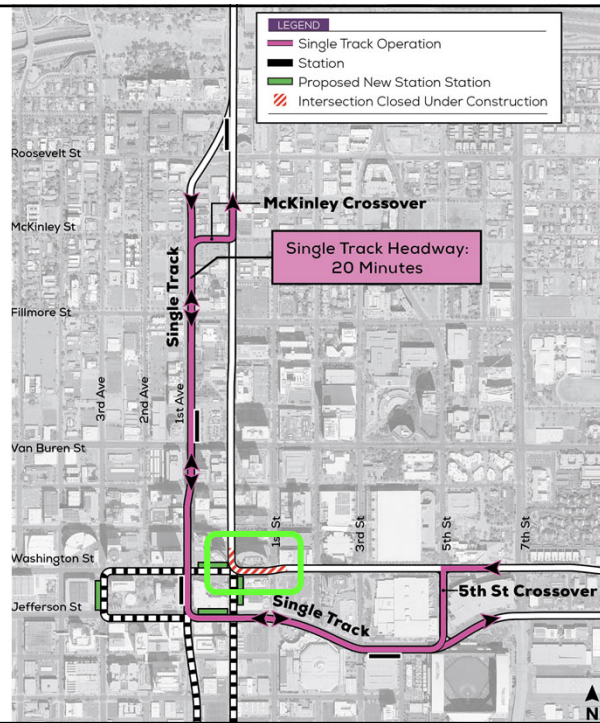


11



12

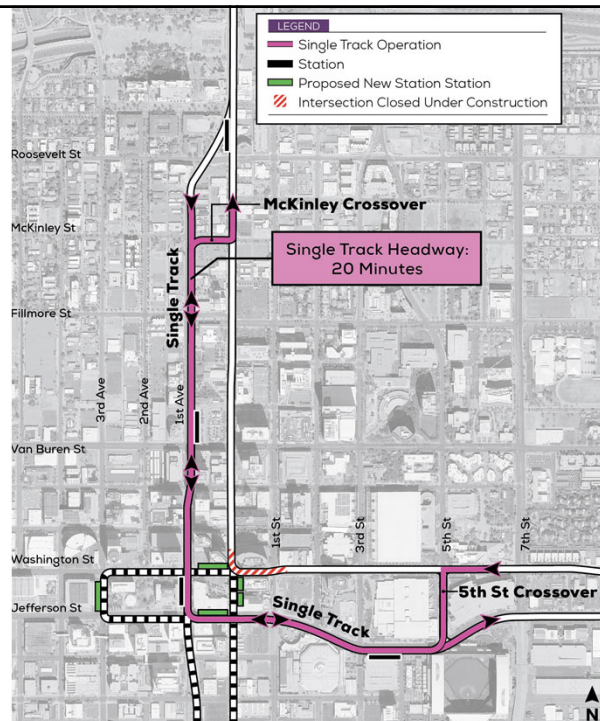
LRT Adjustments



13

13

LRT Adjustments



14

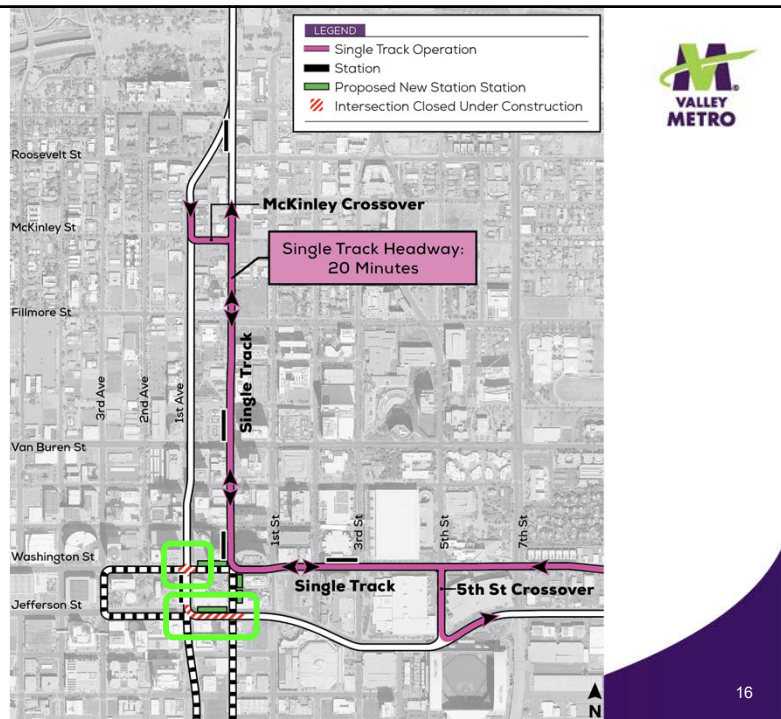
14

LRT Adjustments



15

LRT Adjustments



16

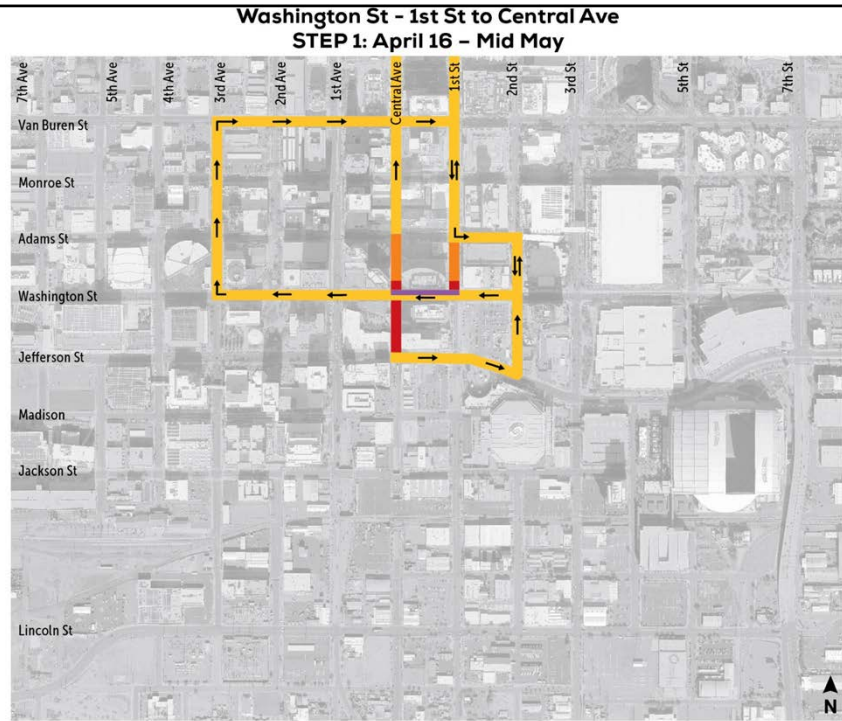
TRAFFIC IMPACTS

Washington St 1st St – Central

Step 1

LEGEND

- █ Full Road Closure
- █ Partial Road Closure
- █ Road Closed Local Traffic Only
- Detour



17

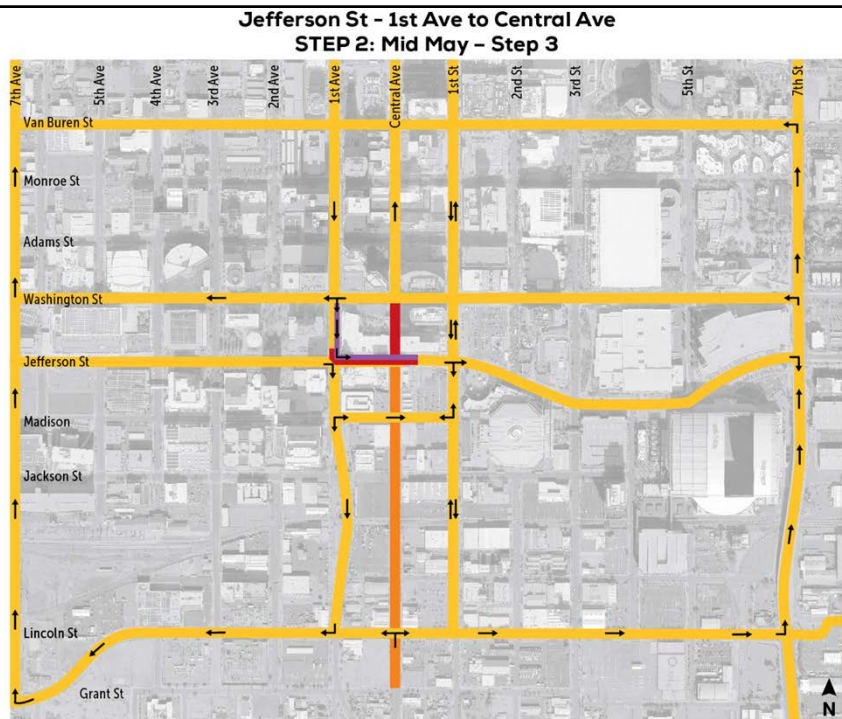
TRAFFIC IMPACTS

Jefferson St 1st Ave – Central

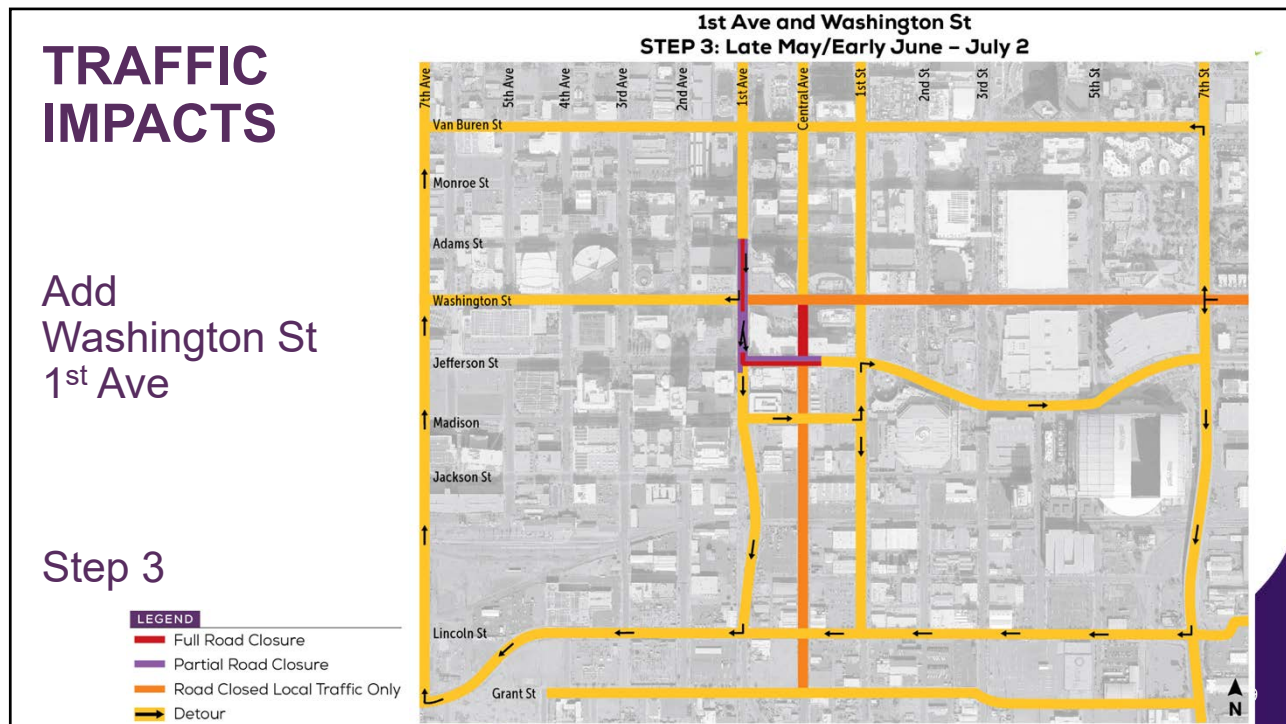
Step 2

LEGEND

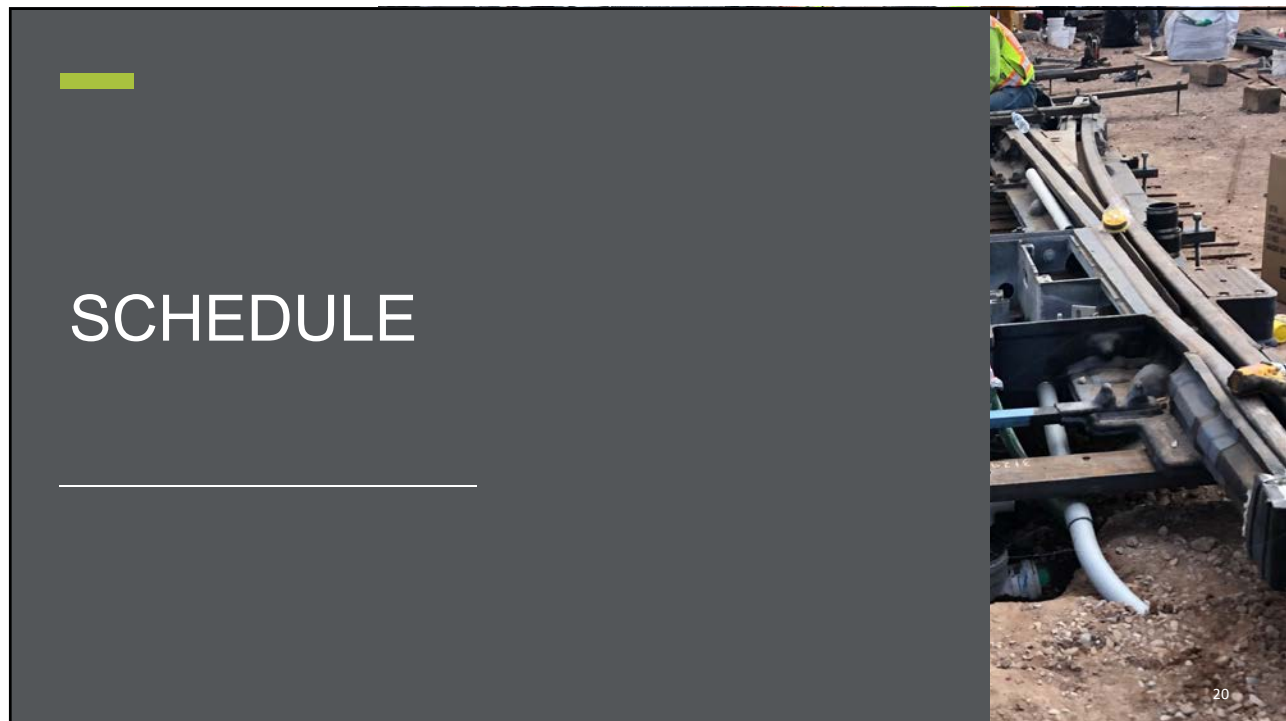
- █ Full Road Closure
- █ Partial Road Closure
- █ Road Closed Local Traffic Only
- Detour



18

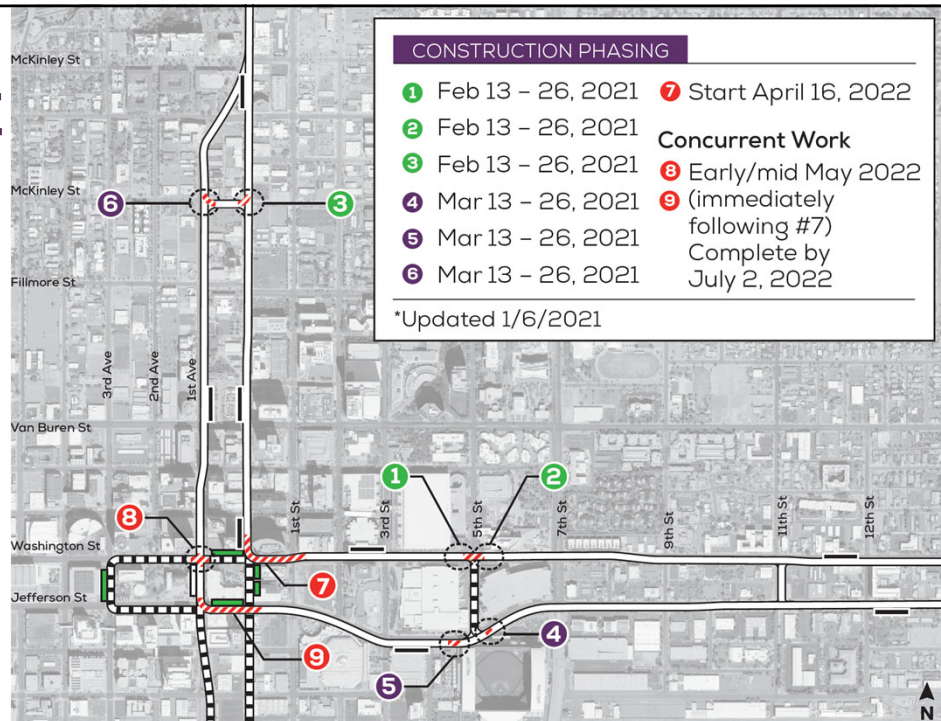


19



20

SCHEDULE



21

COMMUNICATIONS



- Pardon our Progress webpage
- Social media (organic and paid)
- Emails to general news, Commute Solutions & project distribution lists
- Valley Metro home page post
- Press release
- Other city-owned channels like newsletters
- On-board bus announcements
- Rail station announcements
- Signs posted at all rail stations
- AlertVM push notifications
- RideText notifications
- Rider Alerts on Valley Metro app and website
- Trip Planner integration
- Customer Experience Coordinators- handout and rider education

22

22

QUESTIONS?





Information Summary

DATE

March 17, 2022

AGENDA ITEM 8**SUBJECT**

Travel, Expenditures and Solicitations

PURPOSE

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

Non-essential travel has been suspended at this time.

RECOMMENDATION

This item is presented for information only.

BACKGROUND | DISCUSSION | CONSIDERATION

None

COST AND BUDGET

None

COMMITTEE PROCESS

None

CONTACT

Jim Hillyard
Acting Chief Financial Officer
602-262-7433
jhillyard@valleymetro.org

ATTACHMENTS

Valley Metro Travel 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
1/1/22 through 1/31/22

Job Title	Purpose of Travel	Location	Dates Traveled	Total Travel Cost	Airfare	Other Transport	Lodging	Meals	Misc.
Superintendent LRV Maintenance	Brookville Testing Visit	Pittsburgh, PA	12/19/22-12/21/22	1,739.39	877.79	247.24	390.36	224.00	0.00
Chief Maintenance Engineer	Brookville Testing Visit	Pittsburgh, PA	12/19/22-12/21/22	1,489.15	877.79	0.00	387.36	224.00	0.00

Total this reporting period

\$3,228.54

Year to Date

\$13,566.20

Report reflects Out of State (AZ) Travel

Valley Metro Regional Public Transportation Authority
Monthly AP Payments over \$25,000
January 2022

Payment				
Number	Date	Supplier or Party Name	Transaction Description	Amount
10000342	1/28/2022	First Transit Inc	Dec 2021 Transit Services + Preventative Maintenance for East Valley Routes	5,694,745.92
10000312	1/14/2022	Transdev Services Inc	Nov 2021 General Paratransit Service	1,156,383.71
10000301	1/14/2022	Allied Universal Security Services	VMR - Nov 2021 Fare Inspection and Security Services	1,084,316.37
90000042	1/14/2022	ADP LLC	PPE 01/14/22 Payroll Liabilities	979,944.90
90000044	1/28/2022	ADP LLC	PPE 01/28/22 Payroll Liabilities	934,643.76
10000298	1/7/2022	Motor Coach Industries Inc	Over the Road Transit Coach	699,560.58
10000332	1/21/2022	City of Phoenix	Jan 2022 FR Bus Service, DAR, FR Svc Op Supp	568,733.77
10000311	1/14/2022	Total Transit Enterprises LLC	Nov 2021 West Valley Contracted Fixed Route and Maintenance Services	529,703.35
90000041	1/14/2022	Cigna Health and Life Insurance Company	Jan 2022 Health Insurance Premiums	435,793.77
10000326	1/21/2022	HDR Engineering Inc	VMR - Oct 2021 PCRS Services	372,039.57
90000040	1/14/2022	ASRS	PPE 01/14/22 ASRS Contributions & LTD	257,689.90
90000043	1/28/2022	ASRS	PPE 01/28/22 ASRS Contributions & LTD	257,448.02
10000323	1/21/2022	Creative Software Solutions LLC	Ridechoice Mgmt Svcs + EZT SetupImplementation Fee	217,698.92
10000339	1/28/2022	Denovo Ventures LLC	ERP-EAM System Software Implementation	201,966.68
10000328	1/21/2022	Medical Transportation Management Inc	Dec 2021 Paratransit Eligibility Assessment and Fixed-Route Travel Training Services	137,380.81
90000046	1/31/2022	Surepays	RPTA Jan 2022 Utilities	132,280.03
1000368	1/14/2022	Hye Tech Network & Security Solutions L	Cisco Security Products Enterprise Agreement-Subscription Costs	114,932.57
10000325	1/21/2022	Guidesoft Inc	Managed Services Provider	109,365.66
10000321	1/14/2022	Senergy Petroleum LLC	Bulk Fuel	73,465.39
10000324	1/21/2022	DMS Facility Services Inc	VMR - Dec 2021 Facilities Maintenance Services	70,092.95
100055	1/7/2022	CHK America Inc	Oct 2021 Wayfinding Map Design Services	58,440.00
1000386	1/21/2022	CopperPoint Insurance Company	Feb 2022 Rent for Mobility, Call Center and Parking	57,007.06
10000345	1/28/2022	Second Generation Inc, dba Ajo Transpor	Nov 2021 Rural Connector Services	56,442.39
10000331	1/21/2022	URW LLC	Dec 2021 Landscape Maintenance Services	44,686.35
10000291	1/7/2022	Enterprise Rideshare	Nov 2021 Contract Year 9-Van Pool Services for FY22	44,599.99
90000045	1/31/2022	Wells Fargo Bank	Dec 2021 Credit Card Charges	43,325.39
10000307	1/14/2022	Dye Management Group Inc	Nov 2021 Transit Asset Management Consulting Services	40,315.50
1000356	1/7/2022	Clifton Larson Allen LLP	RPTA CAFR Audit	40,122.75
10000293	1/7/2022	Guidesoft Inc	Managed Services Provider	39,831.30
10000341	1/28/2022	Enterprise Rideshare	Dec 2021 Contract Year 9-Van Pool Services for FY22	39,683.71
1000400	1/28/2022	All Fleet Services	Non Revenue Vehicle Maintenance	36,282.08
10000303	1/14/2022	Award Winning Restorations	Light Rail Vehicle Painting	35,040.00
10000335	1/21/2022	Krauthamer & Associates LLC	Installment Retainer of CEO Recruitment Fee	31,900.00

10000308	1/14/2022	GMI	Professional Consulting Services for IT Systems	28,410.00
10000336	1/21/2022	Senegy Petroleum LLC	Bulk Fuel	28,391.32
10000288	1/7/2022	Alliant Insurance Services Inc	Jan 2022 Quarterly Installment	28,125.00
				14,680,789.47

Valley Metro Rail, Inc
Monthly AP Payments over \$25,000
January 2022

Payment				
Number	Date	Supplier or Party Name	Transaction Description	Amount
50000245	1/14/2022	Kiewit Infrastructure West Company	Sep + Oct 2021 CMAR Services for South Central-Downtown Hub	24,868,069.60
50000246	1/14/2022	Kiewit-McCarthy, a Joint Venture	Nov 2021 CMAR Services for South Central-Downtown Hub	5,399,609.94
50000221	1/7/2022	Alliant Insurance Services Inc	Risk Management Consulting Services-Annual Insurance Premiums	4,751,214.27
50000274	1/28/2022	Brookville Equipment Corp	Street Car Vehicles	951,391.68
50000222	1/7/2022	Alternate Concepts Inc	Nov 2021 Transportation Services	891,229.21
50000254	1/21/2022	AECOM Technical Services Inc	Sep 2021 Design Services for South Central-Downtown Hub	352,870.23
90000007	1/31/2022	Surepays	VMR Jan 2022 Utility	291,664.95
50000253	1/21/2022	101 North First Ave LLC	Feb 2022 Rent + Storage Room Leases	168,846.91
50000259	1/21/2022	CDW Government LLC	Ethernet Switches	148,999.20
50000252	1/14/2022	LED Smart Inc	Fluorescent Replacement Bulbs	139,548.00
50000225	1/7/2022	Jacobs Engineering	Nov 2021 Design Services for Northwest Phase II	136,248.19
50000242	1/14/2022	DLT Solutions LLC	Aconex Project Control System	77,306.10
50000279	1/28/2022	Scheidt & Bachmann USA Inc	Year 3 Service Desk Hardware and Software Support	75,267.51
50000223	1/7/2022	Barbara Grygutis Sculpture LLC	Tempe Streetcar - Public Art Services-Fabrication / Install	72,286.00
50000270	1/21/2022	WILLCO Art & Design Inc	NWE II - Public Art Services-Fabrication / Install	68,850.00
5000436	1/21/2022	PGH Wong Engineering Inc	Nov 2021 System Design Services	47,252.46
50000231	1/7/2022	Portable Air LLC	Generator Rental for AC Outage	43,781.31
50000271	1/21/2022	Elontec LLC	MOW Furniture	40,174.55
50000251	1/14/2022	Siemens Mobility	Light Rail Vehicles	37,906.08
5000377	1/7/2022	Relay Specialties Inc	Horn/Bell Relay Switch	33,323.51
50000235	1/14/2022	Prestamos CDFI LLC	Sep thru Nov 2021 SBFAP	33,000.00
50000264	1/21/2022	Kiewit Infrastructure West Company	SCE/DH Incentive Disbursement-Quarterly Payments	28,309.00
				38,657,148.70



Procurement Report for March Board Month

RECENTLY COMPLETED PROCUREMENTS										
Contract Administrator	Agency	Procurement Type	Procurement Title	FTA Funding	Release Date	Proposal Due Date	Targeted Board Award Date	Estimated Contract Value	Term of Contract	Comments
Barb H	VMR	SoleSource	Water Fountain Covers	No	January 2022	February 2022	N/A	\$133,760.00	1 year	Routed for Signature
Christian J	RPTA	COOP	Paratransit Vehicles	Yes	N/A	N/A	January 2022	\$4,594,814.00	Purchase Order	Pending City of Phoenix Approval
ACTIVE PROCUREMENTS										
Contract Administrator	Agency	Procurement Type	Procurement Title	FTA Funding	Release Date	Proposal Due Date	Targeted Board Award Date	Estimated Contract Value	Term of Contract	Comments
Barb H	Joint	RFQ	Planning Support Services	Yes	December 2021	February 2022	June 2022	\$30,000,000.00	3 years + 2 options	Solicitation Issued
Barb H	VMR	RFP	LRV Electrical Component Repair	Yes	February 2022	March 2022	May 2022	\$300,000.00	3 years + 2 options	SOW Development
Susanna H	Joint	RFP	Community Relations Support Services	Yes	January 2022	February 2022	July 2022	\$6,500,000.00	3 years + 2 options	Solicitation Issued
Rick W	RPTA	RFP	Rural Connector Service	Yes	January 2022	February 2022	May 2022	\$9,000,000.00	5 years + 3 options	Solicitation Issued
Rick W	RPTA	RFP	CNG Gas Detection System	No	November 2021	January 2022	March 2022	\$200,000.00	onetime purchase	In Evaluation
Christian J	RPTA	COOP	Automatic Passenger Counting (APC) Reporting Software	No	N/A	N/A	March 2022	\$208,500.00	2 years	Pending Board Approval
Christian J	RPTA	RFP	RideChoice Management Services	Yes	March 2022	April 2022	August 2022	\$10,804,731.00	1 year + 1 option	Initiating Documents
Sheila H	RPTA	Sole Source	Cash Only Fareboxes	Yes	February 2022	N/A	March 2022	\$15,000,000.00	2 years	Initiating Documents
FUTURE PROCUREMENTS										
Contract Administrator	Agency	Procurement Type	Procurement Title	FTA Funding	Release Date	Proposal Due Date	Targeted Board Award Date	Estimated Contract Value	Term of Contract	Comments
Barb H	VMR	RFP	East Valley Fixed Route Bus Services	Yes	May 2022	August 2022	November 2022	\$400,000,000.00	5 yrs + 3yr/2yr opt	SOW Development
Barb H	RPTA	RFP	Autonomous Vehicle Research	Yes	May 2022	TBD	TBD	\$250,000.00	5 years	SOW Development
Barb H	VMR	Sole Source	SCV Managed Inventory Program	No	July 2022	N/A	November 2022	TBD	5 years	SOW Development
Christian J	Joint	RFP	Regional ADA Paratransit Services Operations & Maintenance	Yes	TBD	TBD	TBD	TBD	TBD	SOW Development
Christian J	VMR	COOP	Time Management Solution	No	April 2022	N/A	TBD	\$65,000.00	5 years	SOW Development
Christian J	Joint	RFP	Agency Owned Vehicle Fleet Maintenance Services	No	April 2022	TBD	TBD	\$700,000.00	5 years	Initiating Documents

IFB - Invitation For Bids
RFP - Request for Proposals
RFQ - Request for Qualifications
COOP - Cooperative Contract
TBD - To Be Determined



Information Summary

DATE

March 17, 2022

AGENDA ITEM 9**SUBJECT**

Report on Current Events and Suggested Future Agenda Items

PURPOSE

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

COST AND BUDGET

None

RECOMMENDATION

This item is presented for information only.

BACKGROUND/DISCUSSION/CONSIDERATION

None

COMMITTEE PROCESS

None

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 17, 2022

**Valley Metro RPTA
Board of Directors**
Thursday, March 24, 2022
Boardroom/Webex
Valley Metro, 101 N. 1st Avenue, 10th Floor
11:15 a.m.

Action Recommended

1. Public Comment

1. For Information

The public will be provided with an opportunity at this time to address the committees on **non-agenda items and all action agenda items**. 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.

CONSENT AGENDA

2A. Minutes

2A. For action

Minutes from the February 17, 2022 Board meeting are presented for approval.

2B. Request for Proposals (RFP) for RideChoice Broker Services and Extension to the Regional ADA Paratransit Contract

2B. For action

Staff recommends that the Board of Directors authorize the CEO to issue a federally compliant RFP for a base term of one year with an option for up to 1-year extension for RideChoice Broker Services at an estimated combined federal and local cost of \$10,804,731, and to execute a contract change order to exercise an option to extend service for 12-months with Transdev for the Operation of Regional ADA Paratransit, including East Valley and Northwest Valley Services at a combined federal and local cost not to exceed \$22,318,012.

REGULAR AGENDA

3. Report on Current Events and Suggested Future Agenda Items

3. For information

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

4. Next Meeting

4. For information

The next Board meeting is scheduled for **Thursday, April 21, 2022 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



Information Summary

DATE

March 17, 2022

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.

COST AND BUDGET

None

RECOMMENDATION

This item is presented for information.

BACKGROUND | DISCUSSION | CONSIDERATION

None

COMMITTEE PROCESS

None

CONTACT

Scott Smith

Chief Executive Officer

602-262-7433

ssmith@valleymetro.org

ATTACHMENT

None



Minutes

March 17, 2022

AGENDA ITEM 2A

Board of Directors

February 17, 2022
Boardroom/Webex
11:15 a.m.

RPTA Meeting Participants

Councilmember Francisco Heredia, City of Mesa - **Chair**
Vice Mayor Laura Pastor, City of Phoenix - **Vice Chair**
Councilmember Bill Stipp, City of Goodyear- **Treasurer**
Vice Mayor Veronica Malone, City of Avondale (phone)
Councilmember Clay Goodman, City of Buckeye (phone)
Mayor Kevin Hartke, City of Chandler
Vice Mayor Monica Dorsey, City of El Mirage (phone)
Councilmember Lauren Tolmachoff, City of Glendale
Mayor Brigitte Peterson, Town of Gilbert
Councilmember Lauren Tolmachoff, City of Glendale
Supervisor Jack Sellers, Maricopa County
Vice Mayor Jon Edwards, City of Peoria
Councilmember Jeff Brown, Town of Queen Creek (phone)
Councilmember Betty Janik, City of Scottsdale (phone)
Councilmember Chris Judd City of Surprise
Councilmember Robin Arredondo-Savage, City of Tempe
Mayor Rui Pereira, Town of Wickenburg (phone)
Mayor Michael LeVault, Town of Youngtown (phone)

Members Not Present

Councilmember Mike Scharnow, Town of Fountain Hills
Councilmember Aldofo Gamez, City of Tolleson

Chair Heredia called the meeting to order at 12:28 p.m.

1. Public Comment

Chair Heredia said the public will be provided with an opportunity to address of the Board members with non-agenda item or any agenda item. So, Pat, anybody? Nope.

Ms. Dillon said no, sir.

2. Consent Agenda

Chair Heredia said the consent agenda is presented for action. Any of the Committee members have any questions or wants to pull an item from the Consent Agenda? Hearing none.



I request a motion and a second to approve this Consent Agenda to move it forward for approval.

IT WAS MOVED BY COUNCILMEMBER EDWARDS, SECONDED BY VICE MAYOR PASTOR AND UNANIMOUSLY CARRIED TO APPROVED THE CONSENT AGENDA.

3. Valley Metro RPTA Administrative Code

Chair Heredia said based on conversations with other colleagues, we're pushing that out to a next future date that we will notify everybody on the Board.

IT WAS MOVED BY COUNCILMEMBER TOLMACHOFF, SECONDED BY VICE MAYOR PASTOR AND UNANIMOUSLY CARRIED TO TABLE ITEM NUMBER 3, RPTA ADMINISTRATIVE CODE.

Chair Heredia said, again, we'll let everybody know when that will be scheduled for -- so that we all prepare for that discussion.

4. Report on Current Events and Suggested Future Agenda Items

Chair Heredia said anyone have anything to add on this? Hearing none.

5. Next Meeting

The next Board meeting is scheduled for Thursday, March 17, 2022 at 11:15 a.m.

Chair Heredia said thank you, everybody.

Councilmember Tolmachoff said it was just brought to my attention. I don't know who is going to be participating in the League, National League of Cities. I'll be back -- I'm coming back on the 16th so I could come to a meeting on the 17th. Actually, you could participate virtually, possibly on the 17th. I don't know, but I don't know if everybody will be back, so I just wanted to bring that to your attention.

Ms. Smith said we'll check. Pat will call around and check with your staff and if we need to move that meeting, we'll find a time when we can -- it doesn't conflict directly with the League of Cities.

Chair Heredia said okay. That's a good comment. Thank you, Councilwoman Tolmachoff. That concludes our meeting of RPTA

The meeting is adjourned.

With no further discussion the meeting adjourned at 2:09 p.m.



Information Summary

DATE

March 17, 2022

AGENDA ITEM 2B**SUBJECT**

Request for Proposals (RFP) for RideChoice Broker Services and Extension to the Regional ADA Paratransit Contract

PURPOSE

To request authorization for the Chief Executive Officer (CEO) to:

- Issue a Request for Proposals (RFP) for RideChoice Broker Services
- Extend the contract with Transdev for Operation of Regional ADA Paratransit, including East Valley and Northwest Valley Services

RECOMMENDATION

Staff recommends that the Board of Directors authorize the CEO to issue a federally compliant RFP for a base term of one year with an option for up to 1-year extension for RideChoice Broker Services at an estimated combined federal and local cost of \$10,804,731, and to execute a contract change order to exercise an option to extend service for 12-months with Transdev for the Operation of Regional ADA Paratransit, including East Valley and Northwest Valley Services at a combined federal and local cost not to exceed \$22,318,012.

BACKGROUND | DISCUSSION | CONSIDERATION

On September 10, 2020, the Board of Directors approved a motion authorizing the CEO to develop and issue a federally compliant RFP to create a system that shares the call center/scheduling functions for the Regional ADA Paratransit and RideChoice programs to better match customers with the most cost-effective service meeting their needs and to eliminate the duplication of this administrative function between the programs.

On August 19, 2021, the Board of Directors authorized the CEO to execute a 15-month emergency, non-competitive contract with MJM Innovations for the brokerage of RideChoice services to allow for the completion of the new RFP.

During September 2020, Valley Metro engaged all participating jurisdictions in a series of brainstorming sessions to help define Valley Metro's path forward relating to the Regional ADA Paratransit and RideChoice programs. The brainstorming sessions involved members from RTAG and ATS Partners. There were five brainstorming sessions over a 3-month period where 17 jurisdictions along with Valley Metro participated, and 59 individuals attended and gave input into the model and process. The service model selected by these sessions was the "Call and Control Center" model wherein a vendor provides the reservations and scheduling functions, and a separate vendor (through another RFP) provides fleet operations and maintenance. The Transit Cooperative Research Program (TCRP) study 135 on ADA Paratransit service models



utilized across the United States found this model to be one of the three most common in the industry.

Representatives from four jurisdictions (Mesa, Glendale, Goodyear, and Peoria) along with representatives from Valley Metro developed the scope of work and the RFP was published on September 3, 2021. Proposals were due seven weeks after it was released. During that 7-week timeframe, a pre-proposal conference was held and questions from prospective proposers were entertained. Valley Metro staff responded to all questions allowing interested parties to be well educated on the project. We extended the due date of the proposals an extra week based on requests from potential proposers. All the major transit private companies and several smaller private and private-non-profit companies requested copies of the RFP. Five of the requesting companies attended the pre-proposal conference; however, only one proposal was received.

The proposal evaluation team included representatives from Mesa, Tempe, Peoria, Glendale, and Goodyear. Internally, Valley Metro was represented by staff with subject matter experts from ATS, Finance, IT and Procurement. After a thorough evaluation process, the evaluation committee came to a consensus that the proposal was insufficient and that proceeding with a contract award would not be in the best interest of the region. As a result, the RFP for the Administrative Call and Control Center was cancelled.

Communications with firms that showed interest in the solicitation seemed to indicate that concerns with the challenges and uncertainty in the current labor market discouraged some from taking on new commitments. Specific responses included: “we were busy responding to competing proposals at the time this procurement was issued” and “we are waiting for the Operations and Maintenance RFP to hit the street”.

Given the market’s failure to provide an acceptable offer, ATS staff explored providing the reservations and scheduling functions in-house, however, it was determined that, under Valley Metro’s current methodology of allocating indirect costs, this would result in an increase in costs to jurisdictions as overhead shifted from PTF funded functions to Paratransit and RideChoice. Therefore, the consensus of the cities participating in the ATS Partners team was to re-solicit reservations and scheduling functions.

There is no reason to believe, however, that re-soliciting the reservations and scheduling functions amid the current labor market uncertainties would result in more competitive offers. As a result, Valley Metro recommends continuing the current Paratransit and RideChoice service models for one year to allow the labor market to stabilize. To do so, Transdev’s current contract includes one-year extension options that can be exercised with authorization from the Board. The current RideChoice contract, however, is sole source and cannot be extended. Therefore, a new RFP must be issued to continue this service. Because the vendor community is familiar with the current RideChoice program, Valley Metro believes acceptable bids will be obtained for



a continuation of service. As a result, Valley Metro seeks authorization to issue this RFP.

COST AND BUDGET

Contract obligations will be incorporated into the FY 2023 and FY 2024 Valley Metro Operating and Capital Budget and the Five-Year Operating Forecast and Capital Program. At this time, the cost of a 12-month Transdev contract extension is estimated to be \$22,318,012. RideChoice costs will be determined by the RFP process but are estimated to be \$10,804,731 for up to 24 months.

COMMITTEE PROCESS

RTAG: February 15, 2022 for information

TMC: March 2, 2022 approved

Board of Directors: March 17, 2022 for action

CONTACT

Tom Young

Accessible Transit Services Manager

tyoung@valleymetro.org

ATTACHMENT

None



Information Summary

DATE

March 17, 2022

AGENDA ITEM 3**SUBJECT**

Report on Current Events and Suggested Future Agenda Items

PURPOSE

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

COST AND BUDGET

None

RECOMMENDATION

This item is presented for information only.

BACKGROUND | DISCUSSION | CONSIDERATION

None

STRATEGIC PLAN ALIGNMENT

None

COMMITTEE PROCESS

None

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 17, 2022

Valley Metro Rail
Thursday, March 24, 2022
Boardroom/Webex
Valley Metro, 101 N. 1st Avenue, 10th Floor
11:15 a.m.

Action Recommended

1. Public Comment

1. For Information

The public will be provided with an opportunity at this time to address the committees on **non-agenda items and all action agenda items**. 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.

CONSENT AGENDA

2A. Minutes

2A. For action

Minutes from the February 17, 2022 Board meeting are presented for approval.

2B. Automatic Passenger Counting (APC) Reporting Software

2B. For action

Staff recommends that the Board of Directors authorize the CEO to procure a software subscription to manage the APC data of the combined LRV fleet for a two-year not-to-exceed amount of \$208,500.

REGULAR AGENDA

3. Report on Current Events and Suggested Future Agenda Items

3. For information

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



4. Next Meeting

4. For information

The next meeting of the Board is scheduled for **Thursday, April 21, 2022 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



Information Summary

DATE

March 17, 2022

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.

COST AND BUDGET

None

RECOMMENDATION

This item is presented for information only.

BACKGROUND | DISCUSSION | CONSIDERATION

None

COMMITTEE PROCESS

None

CONTACT

Scott Smith

Chief Executive Officer

602-262-7433

ssmith@valleymetro.org

ATTACHMENT

None



Minutes

March 17, 2022

AGENDA ITEM 2A

Board of Directors

February 17, 2022
Boardroom/Webex
11:15 a.m.

Valley Metro Rail Participants

Councilmember Francisco Heredia, City of Mesa **Chair**
Councilmember Robin Arredondo-Savage, City of Tempe – **Vice Chair**
Mayor Kevin Hartke, City of Chandler
Vice Mayor Laura Pastor, City of Phoenix

Chair Heredia called the meeting to order at 1:59 p.m. welcomed members to the Valley Metro Rail meeting.

1. Public Comment

Chair Heredia said Pat, is anyone here for public comment?
Ms. Dillon said no, sir.

2. Consent Agenda

Chair Heredia said the Consent Agenda is presented for action. Are there any questions on the consent agenda or are there any items that members would like removed for separate consideration.

Hearing none. I'll request a motion and a second for approval.

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

3. Report on Current Events and Future Agenda Items

Chair Heredia said anyone have anything? Don't hear anything. Perfect.

4. Next Meeting

Chair Heredia said the next meeting is Thursday, March 17, 2022. Thank you everybody have a great weekend.

Meeting adjourned.

With no further discussion the meeting adjourned at 2:10 p.m.

Information Summary

DATE

March 17, 2022

AGENDA ITEM 2B**SUBJECT**

Automatic Passenger Counting (APC) Reporting Software

PURPOSE

To request authorization for the Chief Executive Officer (CEO) to procure a software subscription to manage the APC data of the combined LRV fleet.

RECOMMENDATION

Staff recommends that the Board of Directors authorize the CEO to procure a software subscription to manage the APC data of the combined LRV fleet for a two-year not-to-exceed amount of \$245,500.

BACKGROUND | DISCUSSION | CONSIDERATION

Passenger-count-data is critical to Valley Metro's operations. For example, it is used to calculate city fare revenue allocations, to monitor vehicle capacities, and to complete National Transportation Database (NTD) reporting that the Federal Transit Administration uses to apportion funding. As a result, it is important that the data be collected, collated, and presented accurately. This requirement has become more challenging in recent months as Valley Metro Rail's LRV fleet has expanded to 66 light vehicles from three different manufacturers: the Kinkisharyo LRVs, Siemens S700s, and Brookville Liberty NXTs. Each make/model of LRV has a different passenger information system, including different APC equipment that provides data in three different formats.

To address this issue, Valley Metro staff consulted with peer agencies using similarly diverse fleets and participated in demonstrations of off-the-shelf software offerings. As a result of this analysis, staff recommends the purchase of a DILAX Citisense software subscription. Citisense is used and recommended by Orange County Transportation Authority and provides the following key capabilities:

- Automated import and combination of all three APC data feeds
- Alerts on APC equipment faults or data quality issues such as missing counts
- Reporting and dashboards, including web publishing
- Self-service data analysis capabilities for Planning and Finance staff
- Advanced analysis capabilities including forecasts, simulations, and predications
- Certification of calculations and reporting with the NTD as part of implementation



COST AND BUDGET

The cost for this software subscription is included in the adopted VMR FY 2022 Operating and Capital Budget. The requested authorization is not to exceed \$245,500 over a two-year period.

Item	Reoccurrence	Cost
FY 2022		
Implementation & NTD Consultant	One-Time	\$24,500
Software Licensing (66 units)	One-Time	\$93,800
Siemens/Init Data Import Interface ¹	One-Time	\$18,500
Brookville Data Import Interface ¹	One-Time	\$18,500
Hosting, Maintenance, & Support	Annual	\$41,500
FY 2022 Total:		\$196,800
FY 2023		
Software Licensing Growth Contingency (+5 units)	One-Time	\$7,200
Hosting, Maintenance, & Support	Annual	\$41,500
FY 2023 Total:		\$48,700
Total Authorization:		\$245,500

As IT goods and services are purchased by virtually all Arizona public entities, Valley Metro obtains the best volume discounts by utilizing statewide cooperative contracts. The Citisense software will be procured from DILAX Intelcom GmbH through reseller SHI International Corp. using the Omnia Partners cooperative contract #2018011-02.

COMMITTEE ACTION

RTAG: February 18, 2022 for information

TMC/RMC: March 2, 2022 approved

Board of Directors: March 17, 2022 for action

CONTACT

Phil Ozlin

Chief Information Officer

(602)495.8253

pozlin@valleymetro.org

ATTACHMENT

None

¹ The vendor contacted us on March 4, 2022 to inform us that one-time charges for translation of the data from the Siemens and Brookville vehicles had been omitted from the original quote. A revised quote was issued, and this memo updated accordingly.

Information Summary

DATE

March 17, 2022

AGENDA ITEM 3**SUBJECT**

Report on Current Events and Suggested Future Agenda Items

PURPOSE

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

COST AND BUDGET

None

RECOMMENDATION

This item is presented for information only.

BACKGROUND/DISCUSSION/CONSIDERATION

None

COMMITTEE ACTION

None

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