



MEETINGS OF THE

Boards of Directors

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

February 16, 2023

Starting Time

**Directly Following Study Session
(11:15 a.m.)**

Meetings to occur sequentially

Location:

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

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



Agenda

February 9, 2023

Joint Meeting Agenda

Valley Metro RPTA

And

Valley Metro Rail

Thursday, February 16, 2023

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

Boardroom/Webex

(Directly following Study Session which starts at 11:15 a.m.)

Action Recommended

1. Executive Session

1. For action

The Joint Boards of Directors may vote to enter into Executive session according to A.R.S. 38-431-03 Section (A)(3) Discussion or consultation for legal advice with the attorney or attorneys of the public body; and (A)(4) discussion or consultation with the attorneys of the public body in order to consider its position and instruct its attorneys regarding the public body's positions regarding contracts that are the subject of negotiations, in pending or contemplated litigation or in settlement discussions conducted in order to avoid or resolve litigation.

2. Public Comment

2. 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 for the Joint, RPTA and VMR meeting agendas**. Up to three minutes will be provided per speaker unless the Chair allows more at their discretion. A total of 15 minutes for all speakers will be provided.

3. Chief Executive Officer's Report

3. For information

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

4. Audit and Finance Subcommittee Update

4. For information

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



CONSENT AGENDA

5A. Minutes

5A. For action

Minutes from the January 19, 2023 Joint Board meeting are presented for approval.

5B. Request for Authorization to Issue a Competitive Solicitation for a General Consulting Support Services Contract

5B. For action

Staff recommends that the Boards of Directors authorize the CEO to issue a federally compliant competitive solicitation for a General Consulting Support Services contract.

5C. Request for General Consulting Support Services Contract Authority

5C. For action

Staff recommends that the Boards of Directors authorize the CEO to provide additional contract expenditure authority for the GCSS contract with Arcadis, Inc. in the amount \$1.5 million. This action would provide an overall contract authority of \$13.3 million.

REGULAR AGENDA ITEMS

6. Travel, Expenditures and Solicitations

6. For information

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

7. Report on Current Events and Suggested Future Agenda Items

7. For information

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

8. Next Meeting

8. For information

The next meeting is scheduled for **Thursday, March 16, 2023 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

February 9, 2023

AGENDA ITEM 1**SUBJECT**

Executive Session

PURPOSE

To enter into Executive Session.

RECOMMENDATION

The Joint Boards of Directors may vote to enter into Executive session according to A.R.S. 38-431-03 Section (A)(3) Discussion or consultation for legal advice with the attorney or attorneys of the public body; and (A)(4) discussion or consultation with the attorneys of the public body in order to consider its position and instruct its attorneys regarding the public body's positions regarding contracts that are the subject of negotiations, in pending or contemplated litigation or in settlement discussions conducted in order to avoid or resolve litigation.

CONTACT

Jessica Mefford-Miller
Chief Executive Officer
602-262-7433
jmeffordmiller@valleymetro.org

ATTACHMENT

None



Information Summary

DATE

February 9, 2023

AGENDA ITEM 2**SUBJECT**

Public Comment

PURPOSE

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

COST AND BUDGET

None

RECOMMENDATION

This item is presented for information only.

BACKGROUND | DISCUSSION | CONSIDERATION

None

COMMITTEE PROCESS

None

CONTACT

Jessica Mefford-Miller
Chief Executive Officer
602-262-7433
jmeffordmiller@valleymetro.org

ATTACHMENT

None



Information Summary

DATE

February 9, 2023

AGENDA ITEM 3**SUBJECT**

Chief Executive Officer's Report

PURPOSE

Jessica Mefford-Miller, 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

Jessica Mefford-Miller
Chief Executive Officer
602-262-7433
jmeffordmiller@valleymetro.org

ATTACHMENT

None



Information Summary

DATE

February 9, 2023

AGENDA ITEM 4**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 February 2, 2023 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

Ken Kessler
Chief Financial Officer
602-262-7433
kkessler@valleymetro.org

ATTACHMENT

Draft February 2, 2023 AFS meeting minutes



Minutes

February 9, 2022

AGENDA ITEM 4

Audit and Finance Subcommittee
Thursday, February 2, 2023
Via WebEx/Phone
12:00 p.m.

Meeting Participants

Councilmember Bill Stipp, City of Goodyear – **Chair**
Councilmember Clay Goodman, City of Buckeye
Mayor Brigitte Peterson, Town of Gilbert (phone)
Vice Mayor Francisco Heredia, City of Mesa (phone)
Councilmember Laura Pastor, City of Phoenix (phone)

Chair Stipp called the meeting to order at 12:03 p.m.

Chair Stipp said we'll go ahead and call to order the Audit and Finance Subcommittee meeting for Valley Metro and Valley Metro Rail for Thursday, February 2nd. Pat, can you take the roll, please?

Ms. Dillon said yes. Good afternoon, everyone.

Ms. Dillon said Councilmember Clay Goodman, City of Buckeye? Present
Ms. Dillon said Councilmember Bill Stipp, City of Goodyear? Present.
Ms. Dillon said Mayor Brigitte Peterson, Town of Gilbert? Present
Ms. Dillon said Vice Mayor Francisco Heredia, City of Mesa?
Ms. Dillon said Councilmember Laura Pastor, City of Phoenix?

Ms. Dillon said we can go ahead.

Chair Stipp said Mayor Peterson, thank you for being here virtually. Do you have any hard stops that we need to be aware of?

Mayor Peterson said I do not. Thank you for asking, Chair. It looked like it was going to be a very light agenda, so I opted to be here virtually if that's okay.

Chair Stipp said just making sure because you are the quorum so, thank you.

Mayor Peterson said oh, thank you.

Chair Stipp said not that you aren't important enough as it is, but. All right. So with that, we'll go to Item 1 on the agenda, which is Public Comment.



1. Public Comment

Chair Stipp said and I assume Mr. Crowley. Go ahead and speak your three minutes and then we'll just do it in reverse if you don't mind, Blue, thanks.

Mr. Crowley said you got it.

I forgot to do it at yesterday's meeting. And if you notice, it is color coordinated with my eyes. This Committee and what it does is important especially when it has to fix all the stuff that has been left in its wake before it got here. I requested the bus stop data to find out, you know, because it was news to me and to you when we found out that Mr. Smith and them had trashed anything about the system to where we would be getting stops covered, right?

And with the data that I got yesterday, it shows that 3,436 of the stops outside of Phoenix and stops with shelters 1100, with just a bench 860 and with just a sign 154, which is almost, you know, the same 1100 and I'm going. When they did the cutbacks, all the stuff from rail, you know, because you guys have nothing to do with that that's a separate committee that you're connected to, but with their cutbacks, I don't see where they were maintained or were that were sustained. They not only got back what they said they were cutting, they have advanced more and when I look at the bus, I go, well, what are you guys doing to make sure it's done right? That thing with the hopper that I brought up the last time.

What are you doing to make sure the legislation that's going to be governing you has the parts that need to be as in an infrastructure of the bus? If you look at the old plan, nothing exists below Van Buren and I believe, that's where Goodyear is, right? And Buckeye. So that with what they're putting forward, where are you covered in that?

I, at yesterday's meeting, submitted all of my minutes on agenda items to each one of their things because it covered everything that I had stated in the minutes. I didn't know that by turning in that written material that Pat had to read it into the record. And even though it stated that it was for all three meetings, and I was going to specific agenda action items that it was left out and the attorney said, hey, that's your fault. I turned the documents in. You have that all the minutes that needs to be in the document that you produce saying here's what we did because I did turn it in, I did state each of those action places and when you did the other two meetings, you're supposed to Pat, say, hey, I've got written material here. And I didn't know that you needed to read it into the minutes.

Chair Stipp said Blue.

Mr. Crowley said sorry for taking the extra 30.

Chair Stipp said thank you for your comments.



Ms. Dillon said Mr. Crowley has also provided a written comment for Agenda Item 4. This note says:

"I agree with the recommendations, and I hope that with the findings the Committee will be proactive with these recommendations and labor force."

Chair Stipp said thank you. Michael, can we get some guidance later on how we're handling the written comment versus actual comment for future meetings.

Mr. Wawro said yes, not a problem.

Chair Stipp said because I think there's a difference between reading it into the record and just having it submitted so that it's part of the record.

Mr. Wawro said that's correct.

Chair Stipp said thanks. With that, I assume there's no other public comment unless Christine's going to say something so.

2. Chief Financial Officer's Update

Mr. Kessler said thank you, Chair, members of the Subcommittee. Just a couple of items I want to mention today. First of all, many of you know, hopefully all of you know, mobile fare was launched yesterday, effective yesterday morning for the general public. This culminates years of planning, months and months of development and design, several weeks of testing in recent weeks by agency staff, some of our member city staff as well as some public testers and we're thrilled to announce that we know have mobile fare here in the Phoenix metropolitan region. So that's an exciting moment here for us to celebrate. It's been a lot of work. More work ahead as we look to continue to modernize our fare collection system over the next year or so.

And the other item I want to mention is we have a ticket partnership in place for the Super Bowl events. It entails downloading the NFL OnePass app. This is an awesome partnership to sponsor fares for folks going to events at the Margaret T. Hance Park as well as the Phoenix Convention Center. Those tickets to those events will act as their fare on light rail for those event days and it works similar to how the existing Footprint Center ticket partnership works and we're just really thrilled to have this ticket partnership to allow folks attending those events to not have to buy a separate fare pass. It will help alleviate some of the crowding and so forth on the platforms as they ingress into the event as well as egress out of downtown after the events. So very excited for this partnership. Obviously, the Super Bowl event is big for the Phoenix area and having this available for our event attendees is great news that we are able to establish this partnership.

Councilmember Goodman said is that for the Super Bowl game ticket?



Mr. Kessler said not the Super Bowl game ticket. The NFL Experience basically is a free event at Margaret T. Hance, but they are having folks download this app. And then the NFL Experience events at the Convention Center is a paid, ticketed event. Certainly.

And that concludes my remarks for today.

Ms. Mefford-Miller said I would also just add. We have the Super Bowl music fest occurring at Footprint Center and with Footprint Center, those events and all events throughout the course of the year include light rail fare, so all of our light rail events or all of our Super Bowl events across three venues include light rail fare this year. It's very exciting.

Chair Stipp said awesome. Thank you. I do have one comment. And it may be my own ineptness, but I had no idea mobile fares started yesterday. So it may be something good to just blast out to the Board to just say, hey, we kicked this off and, you know, exciting time, just a little blurb. Because I'm sure we'll want to celebrate this same thing two weeks from now and it wouldn't hurt to kind of bring that forward, but very good news. And you said that ended your report?

Mr. Kessler said yes, that's it.

3. Minutes

The minutes from the January 5, 2023 Audit and Finance Subcommittee meeting are presented for approval.

Chair Stipp said so pending any questions, I'll go ahead and entertain a motion to approve.

Motion by Councilmember Goodman, second by Mayor Peterson.

Any discussion? Not seeing or hearing any. All in favor, say aye. Do I have Councilmember Pastor on?

Ms. Dillon said Councilmember Pastor has joined and so has Vice Mayor Heredia so we everyone is present.

Chair Stipp said so we have everybody, okay. So the motion passes.

IT WAS MOVED BY COUNCILMEMBER GOODMAN, SECONDED BY MAYOR PETERSON AND UNANIMOUSLY CARRIED TO APPROVE THE JANUARY 5, 2023 AFS MEETING MINUTES.

4. Paratransit Operator Certifications and Labor Audit

Ms. Beckstrom said thank you, Mr. Chair, members of the Subcommittee. Internal



Audit has completed the last in the three-audit series of Operator Certifications and Labor. This last report focuses, as was mentioned, on paratransit. Though the criteria that was tested for these three audits was different, the objectives for reviewing drug and alcohol testing, training, recertification, hours of duty and fitness for duty remained the same. So the report was assessed to be a low risk based on the likelihood and impact of events occurring. This report includes two low risk findings.

The first finding was related to enhancing oversight of the paratransit services providers drug and alcohol program. In that, Internal Audit recommended that Valley Metro require their contractor to make some modifications to their drug and alcohol policies to include annual federal filing requirements. And then implement a documented annual review process by Valley Metro staff to verify the accuracy and timeliness of the contractor's compliance with those federal requirements.

Valley Metro has concurred with this recommendation and the Safety Security and Quality Assurance division within Valley Metro is now spearheading the Valley Metro program for reviewing these drug and alcohol requirements for bus, rail and paratransit going forward. It's going to be consolidated into the one group.

The second finding noted that the Accessible Transit Services department within Valley Metro, has implemented a good periodic contract monitoring review process in the last few years where they review performance based on contract requirements. However, a standard operating procedure has not been created to formally document this review process including how staff ensure that contractors have required all applicable personnel to complete their annual retraining.

Due to changes in staffing that we observed for the contractor and internally with Valley Metro staff, it's a best practice to have a written standard operating procedure to ensure continuity in the review process going forward.

Valley Metro has concurred with this recommendation as well and you can see in the matrix at the end of the report the responses and the estimated completion dates for both of those actions.

And I'd be happy to answer any questions.

Chair Stipp said awesome. Thank you. Does anybody have any questions for Sebrina or anyone on the staff regarding the audit? Seeing and hearing none. I'll entertain a motion to accept the Paratransit Operator Certifications and Labor Audit.

Motion by Councilmember Goodman, second by Mayor Peterson.

Any discussion? Seeing none. All in favor, say aye. Any opposed? All right. The ayes have it.



IT WAS MOVED BY COUNCILMEMBER GOODMAN, SECONDED BY MAYOR PETERSON AND UNANIMOUSLY CARRIED TO ACCEPT THE PARATRANSIT OPERATOR CERTIFICATIONS AND LABOR AUDIT.

5. Internal Audit Update

Ms. Beckstrom said thank you, Mr. Chair. For the Internal Audit Update for the month of January, we have four audit projects in process at this time.

The Credit Card Transaction audit there at the beginning of the list in progress is nearly complete while Fare Process Controls Reduced Fare Review and the Contract Authority Monitoring audit projects are in the beginning stages.

Last month one of the IT audit recommendations relating to restricting the use of admin accounts was closed and auditors completed test work to verify that no individual user accounts are contained in the administrator group. So we were able to close that finding out or that recommendation out.

We are starting to receive some results from our contracted assessments for cybersecurity and we'll likely have information to share in Executive Session next month.

Those complete my remarks for today.

Chair Stipp said and is that the next month here or next month full Board? Because I think the last time, we did the cybersecurity it was the full Board.

Ms. Beckstrom said yes. We can do here, there, both.

Chair Stipp said it's just the audit?

Ms. Beckstrom said there are two. One is a cybersecurity resilience test completed by the federal agency, the Cybersecurity Information Security agency.

Chair Stipp said oh, yeah.

Ms. Beckstrom said and then one is an assessment of our SCADA system.

Chair Stipp said okay.

Ms. Dillon said so we should probably do that at the full Board because if we tell you then you can't tell anyone.

Ms. Beckstrom said yes, that's right.



Ms. Mefford-Miller said I would suggest the full Board in Executive Session since both items are safety and security sensitive.

Ms. Beckstrom said that was it.

Chair Stipp said before I turn this over. This item is presented for information only, so does anybody have any follow-up questions for Sebrina on the status of the audits? I have noticed that, and I just need to point it out, there are a number of them that we've pushed out to the 3rd quarter of 2023 and all of those are related to the procurement team, which I'm going to say currently doesn't exist, but is without a leader at this moment, I believe, so.

Mr. Kessler said that's correct. The recruitment for that position is currently underway.

Chair Stipp said and there is nothing in any of those that was a high risk. I just kind of want that on the record.

Ms. Beckstrom said correct. The recommendations that were in there were related to updating the manual to reflect processes that are in place, but not fully documented. As a result, a lot of them were pertaining to the system of record changing for the financial procurement system.

Chair Stipp said like I said, I just wanted it on the record that we pushed these things, but it's more paperwork than it is actual procedure so. Thank you for clarifying that.

6. FY23 2nd Quarter Budget Review

Mr. Kessler said yes. Chair, members of the Subcommittee, Tyler Olson will provide the overview of this agenda item.

Mr. Olson said thank you very much. Good afternoon, Audit and Finance Subcommittee.

So just give you a brief overview on the 2nd quarter actuals, so year to date would be a 50% target for all the areas spent. And we'll start with the RPTA. So total sources of funds programmed for the year \$189.3 million, that's excluding the passthroughs for Valley Metro, which are really just the reimbursements of any staffing effort on Valley Metro, \$73.6 million spent to date so we're at 39% collected to date in revenues booked. So 39% there and 39% overall including the passthroughs.

On the capital side, things are a little bit slower, \$6.9 million recorded to date for RPTA. Primarily, federal funds, that tends to catch up as we get through the year and get some more deliveries and reimbursements and record the local match PTF requirement for those vehicles as we move through the year.



Moving on to uses of funds. So operating for RPTA at 45% spent to date. Most of those items are within plan. It looks like planning is right on target, 50%, a slight underrun in other areas, so collectively with passthroughs we're at 44% spent to date.

The capital side of things, as mentioned, some of the fleet and things like that tend to lag especially with some of the supply chain issues that have occurred in the past with those orders, but 25% spent to date. Primarily, fleet \$10.3 million and then other regional projects \$7.8 million. That's the Fare Collection Modernization project that is currently underway. We've talked about the mobile app that's part of it. We budget the local match for that, City of Phoenix has the overall project with the federal funding.

So just some noteworthy comments, if you haven't had time to look through the handout. Fixed route operations slight line item overrun regarding City of Scottsdale's Valley Metro vehicle management tracker on their buses, it's a regional cost that they can have plenty of jurisdictional equity for in the TLCP to be reimbursed for that. Regional services rent payments are slightly ahead. And then our call center, of course, that we're implemented for the mobile app and future Fare Collection System

Modernization just some timing on the assumptions that we put in the budget, and we did a midyear increase to match that up as the Board approved last month. And then as mentioned before, some IT items were out of our -- not included in our base budget last year so we're seeing a little bit of overrun in those areas, but as mentioned, we're living within our existing plan, so all items are truly within the overall budget for RPTA.

Moving on to the capital side. Regional services facilities and administration. We had some of those core ERP final payments. This is another carryover from last quarter. Same thing. We had assumed that the project would be done in '22. There's just some trailing costs related to that. Overall, the capital budget is within plan.

Any questions with RPTA before I move into VMR?

Chair Stipp said does anyone have questions about the RPTA 2nd quarter budget?

Mr. Olson said alright.

Chair Stipp said and I just want to point out, Tyler, I think the little footnotes and whatnot seems to be working really well for us. Takes away a lot of the questions so.

Mr. Olson said excellent. Thank you.

Chair Stipp said thanks. So on to Valley Metro Rail.

Mr. Olson said alright. It's the same look sources of funds on Valley Metro Rail. The good thing and I forgot to mention this on VMR RPTA as well, but fares are trending higher than plan, higher than we budgeted so that's always a good side. And we look forward to the



mobile app and those efforts and hopefully, attracting some new riders and increasing our fares further.

It's not reflected in this slide, we haven't recorded all the advertising yet, but we do anticipate exceeding the budget for advertising this year with all of the Super Bowl things going on as well as us growing back into our advertising program, so total recorded to date is 31%, member cities contributions a little behind. We still have one member city that we're working with to get their IGA approved so we can get that funding in place.

Sources of funds on the capital side, \$113.5 million recorded to date. You see a bit of an overrun in member city contributions. If you remember from the January Board meeting, we did ask for a Valley Metro Rail capital increase adjustment based on the timing of those projects and the different activities that go on. And so, you'll see these numbers adjusted and we expect to be within the revised budget through the end of the year.

So uses of funds. I do want to note that we caught a error on this slide so it's a little bit different than you packet just caught that today so my apologies on that. We can send this back out, but there's a misallocation in some of the lines. Total expenses just under \$35 million collected. Expenses are at 37% to date, operations and maintenance at 40%, security at 44.

So basically, there was some formula errors so the actuals in your handout it looks like security is way over. That's not true. There is just some misallocation of those line items, so when we looked at the handout, we noticed that and we're like, oh, no. So just a formula error so sorry about that.

Chair Stipp said this slide 12 is different than the slide we have in our packet.

Mr. Olson said correct.

Chair Stipp said so you're showing FY23 actuals and security at 4.5.

Mr. Olson said correct.

Chair Stipp said and our packet has 6.3.

Mr. Olson said yes. It looks way over. That jumped out to me at the last minute, so I apologize for not catching that sooner. I didn't want to let that slide go and you think that security is way over so we just made a quick update.

Chair Stipp said is that the correlation to the difference in the charts that are not in PowerPoint? The one that's 600% or is that something different? Because I'll get to that later. I'll get to that later.



Mr. Olson said so uses of funds, 30% expense to date so \$402 million budget, we're at \$120.9 million. We do expect these costs to ramp up even more than our approved budget for the year. We did request that midyear adjustment increase primarily for South Central, Northwest two of our most active projects right now, so you'll see that in next quarter's budget.

So going to the notes. So light rail maintenance of way, obviously, fuel has been a little volatile so a little bit higher than planned. We also have a utilities entry that might be miscoded. We're kind of looking into that, doing an audit of that, so we'll update that accordingly in the future. Security, there's some additional equipment charges that were budgeted in another line item so you can see an overrun and an underrun in that handout. But overall, the operating budget is well within the annual appropriation.

On the capital side of things. Again, we did request a midyear adjustment for these. I'm not going to hit on each one of these, but Tempe Streetcar, South Central were both increased at midyear and so that will be reflected in the next report. And our Fare Collection System Modernization, there was a huge lift to do the site work at all of the light rail stations to prepare for all those fare readers out there, so that we could use the new mobile app as well as our smart cards. And so it was a little higher than planned, but overall, we're well within the 50% target on that line item. Overall, the capital budget is within plan.

Chair Stipp, did you have another question regarding a reference?

Chair Stipp said we'll get to that in just a second. So this ends your presentation, right?

Mr. Olson said yes, sir.

Chair Stipp said okay, so does anybody have questions for Tyler on the Valley Metro RPTA FY23 2nd quarter? Okay. I guess it's me. In the packet, the line-by-line packet, page 13.

Mr. Olson said that would be the RPTA handout, I believe, page 13.

Chair Stipp said correct. So it's RPTA regional facilities administration, maintenance facilities personnel. It shows us 600% spent on that budget. I know we've already asked the question and got an answer, but I want it on the record so.

Mr. Olson said yes, you bet.

Chair Stipp said let's talk about 600% so when the rest of the Board reads this, they know what we're talking about.

Mr. Olson said sure. So personnel was budgeted just to put that in reference in case anybody doesn't have the handout, personnel for maintenance facilities was budgeted at \$2,000 for the year. Fiscal year 23 actuals are \$12,000 so it's showing an overage of



\$10,000 or 600%. That is a formula error. We looked into that, in fact, your staff pointed that out which we truly appreciate looking into those things prior to the meeting so we do have a fix for that. So the actuals are around \$1,000 in reality. It's just the rolling up of the rolling up to the rounding to get in the nice format that you guys probably would like better than us showing you the pennies and we just missed that one so thank you.

Chair Stipp said you know, these things happen, but it's important to just call it out so when the Board members are actually reading this, if they happen to look at it they have the explanation so.

Mr. Olson said absolutely.

Chair Stipp said I appreciate that so thank you. If there are not any other questions, this item was also presented for our information only. Not hearing or seeing any.

7. FY24 Service Level Budget Assumptions Update

Mr. Kessler said thank you, Chair, members of the Subcommittee. I'm going to give a overview of the assumptions built into the FY24 budget that basically drives the member cities IGA's the cost to the member cities and then also kind of give some revenue information just for some context of where we're at overall.

So first, I want to talk about revenue forecasts. Previously, in October, we had given you and overview of these budget assumptions for FY24 and so some of that information has been updated in this presentation with updated new information. So back in October, we had provided FY22 information, and that was sort of a comparison to FY21. Now, we're providing with some more data for the current fiscal year in terms of we're six months in some of the current forecasts. And here is just some of the dedicated transportation taxes throughout the region. You can see by and large up over budget across the region, so that's good news for the sales tax revenues.

And next, this is just a depiction of the PTF funds showing FY22 actual revenues and the budget for '23 which is based on the ADOT forecast which was done in '21. So the FY24 here you see the 247.4 million is based on the fall of '22 ADOT forecast for PTF and you can see with the timing of those forecasts, the jump in the forecasted sales tax revenues for the region.

This is just a monthly view of the sales tax performance this year compared to prior year and compared to the budget and showing that we're about 10% over the budget and about 11% over the prior year actuals for the same period.

Just want to highlight that other important revenue forecasts, federal, right now, we are continuing to forecast about a 1.5 increase in the federal FTA preventive maintenance funding and operating assistance. That's consistent with the FTA formula programs in the bipartisan infrastructure law year over year increases. And also, just want to note that



there's no COVID relief funds remaining into next fiscal year's budget, so that's a change from the prior years where we had that one-time money that was able to help offset some of the operational costs.

And then good news on the advertising front, you know, our fairly, new advertising program on the bus side is showing some very solid growth and we're projecting up to about \$750,000 in the current year. So that's good news on the advertising front.

Next, this is just a view of the forecasted fare revenues. This is updated with five months of actuals, and it shows that the forecast basically through the end of the fiscal year looks like we'll be about 600k over the budget for the current fiscal year.

Now, just want to talk a little bit about some of the forecast basic service levels that we're provided by the Service Planning Group. Just updated miles slightly from the October information that we had provided, very minor change from that October and this is based on our Service Planning Group working with the member cities in terms of planned miles of service for the next fiscal year.

And then here just some updated information on the service changes as compared to October's presentation on this subject. So, again, revenue miles, the Service Planning Working Group works with the cities to determine that, and we had sent the detailed mileage to the cities in December for their input and feedback to update that, which was provided to the Service Planning Working Group. And one thing I want to highlight here is the last bullet point, the cost shift to PTF, there are ongoing discussions with member cities as far as what potentially locally funded service may be shifted to PTF and I just want to note here this doesn't affect the expenditure side of the FY24 budget. It just impacts what revenue may be applied to fund that service.

So moving on. Just a quick overview just kind of depicting that we've got for East Valley bus known costs through FY23 and with the Board approved extension through December of this calendar year. Part of '24 is known, but there's a lot of uncertainty there and really, we'll have to relook at kind of those rates that go behind those bars that are sort of shaded into the future year when that procurement wraps up. So at that point, we'll have some known rates and then that will be key information to update our five-year plan as well. And just want to note that we do have rate contingency built in for the second half of the fiscal year knowing right now we don't have rates for East Valley bus service beyond December of the current calendar year.

So really the West Valley bus contract there were no updates since the October presentation of this information. Again, going beyond fiscal '24 when that contract expires there's uncertainty there and so as we move forward re-procuring that service, we'll update those numbers and build that into the five-year plan as well.

Just want to mention here, fuel, obviously, there's some uncertainty here and we've seen some spikes over the last couple years. Things are sort of slowing down, declining a little



bit, but again, definitely, uncertainty regarding where fuel rates will be in the future. And just want to, you know, mention that, you know, there's costs associated with the O&M facility maintenance at Tempe and Mesa that are built into the budget as well.

And then just briefly on the demand services. As you know, Tom Young has been working towards, you know, a new service model for this and working through the procurement so, you know, at this point, his team and procurement are working through the evaluation of the proposals for that service.

On this slide just some general economic conditions data that our staff has kind of been tracking just to kind of highlight some things that, you know, are out there that may impact costs as we move into the future, some of those sorts of uncertainties in the economy.

And then next, just want to point out some other things going on and some other risks, as Tyler talked about, the fare collection system modernization project, you know, and I mentioned with the launch of the mobile app and mobile ticketing yesterday and then we have the smart card implementation which will be happening over the next year. And we hope to launch the full system by mid fiscal year '24. And then, obviously, working towards the West Valley bus facility location as with the new contract here that's a consideration we have to be mindful of. And then just a few risks that we look at in terms of, you know, where inflation is going and, you know, these Valley bus service contracts and the demand service procurement as well.

So that concludes my overview of the service level budget assumptions for RPTA, I'd be happy to take any questions.

Chair Stipp said does anybody have questions on the RPTA FY24 service level budget assumptions?

Ken, I have one question that you mentioned it during your presentation here. You talked about you have built in a contingency for rate increases.

Mr. Kessler said for the East Valley bus contract since the current contract only goes through the middle of next fiscal year. So there's uncertainty about what the rates will be for the second half of the year.

Chair Stipp said so you're building that in to the FY24 budget, correct?

Mr. Kessler said and especially for the IGA's that, you know, involved there because we want to make sure that when we have those rates, we don't come back and ask the member cities affected for, you know, increasing their IGA's and having to go back to council.

Chair Stipp said and I absolutely agree with that. I just want to make sure that we're farther ahead on that topic than we were last year so we don't have a oh, we shouldn't do



contingency discussion in June. Tyler, correct me, is the contingency built into the budget or we just build it into the IGA's?

Mr. Olson said you know, last year was a very significant year in that there was a ton of labor market renegotiations. We didn't know what we didn't know.

This is not necessarily that same conversation. This is hey, we've got an RFP out there and we don't know what the market rates are. And so, does it make sense to put something in there based upon an independent cost estimate potentially and give that flexibility to the cities and their IGA. We can include that in the budget or if we don't, we have to do a midyear. But, you know, I think the preference for most cities is to go to the council one time, instead of, you know, more than once so.

Chair Stipp said well, I think the reason that I asked the question is municipal wounds stay scabbed for a long time and when you come back and pick at it again, so if we just get ahead of that conversation and just kind of identify where we want to be, if we have that conversation in February then when it comes up in June, we're not battling it out on a budget discussion. And it may be a very simple solution. I just don't want it to materialize in the same fashion that it did last year. I mean, that's my personal preference and I'm sure everybody else who sat here through that painful process would agree with that so.

Mr. Kessler said agreed.

Ms. Mefford-Miller said if I may, Mr. Chair, on timing, it would be nice if we could include this contingency for the latter portion of FY24. We do anticipate coming to this Board with a recommendation to award a contract on East Valley bus operations and maintenance in June of this so at that point, we'll know rates.

Chair Stipp said so just, again, we start the conversation with our municipal partners I would assume that that's Financial Working Group and what not that we get everybody on board early and then this conversation really doesn't happen so.

Mr. Kessler said yes, absolutely, that's the intent.

Chair Stipp said thanks. So Valley Metro Rail.

Mr. Kessler said okay. On to the Valley Metro Rail side. so, obviously, we already talked about the sales tax and no need to repeat that here. On the federal side for the federal preventive maintenance funding for rail, similar, same thing looking at increases consistent with the FTA formula programs. And, again, COVID funding is being used up this year. It will be all used up on the VMR side, so there will be nothing going forward on that. Also, continued good news on the advertising front as we're ticking back up getting close to pre-COVID levels on our advertising program for VMR. As you may be aware, the VMR advertising program has been around for many, many years and COVID kind of caused a hit to that, but it's good news to see that we're growing back to previous levels.



And similar to on bus, the forecasting out for the rest of the fiscal year based on what we've seen for the first five months of this year, fare revenues look to be trending positively compared to budget. We're looking to be about a million dollars over budget by the end of the year, which is good news and hopefully, as mobile fare is, you know, widely accepted out there hopefully, we'll see more increased ridership and more fare revenue increases resulting from that.

Next, just some of the basic assumptions building around the budget. Right now, we're building the budget with light rail headways as well as streetcar headways with 12 minutes for next year knowing at this point we're not operating at those levels. We want to start with sort of a not to exceed number at this point in the budget process to make sure that if there's discussions around other headways that we would decrease and not have to increase if we started from a bigger headway standpoint at first.

Looking at ACI rate increases in the contract. Oh, I'm sorry.

Chair Stipp said what are they today?

Ms. Mefford-Miller said they're 20 minutes and, Mr. Chair, yesterday in Rail Management Committee, Chair Paniagua asked for a study session to discuss headways on light rail. We'll do the same for streetcar because we've got an active dialog with FTA on that topic.

Chair Stipp said I was just curious.

Councilmember Goodman said can you give me a laymen's definition of a headway?

Ms. Mefford-Miller said headway, sorry, it's such a wonky term. Headway is just the time between vehicles, so a 20-minute headway means every 20 minutes a train is coming.

Councilmember Goodman said got it. Thank you.

Mr. Kessler said again, just some of the rate increases in some of our key contracts and cost elements. And currently, again, building for those IGA's there's about a 3% contingency that previously with the preliminary budget that was provided in October it was at 5%, but this is something we're looking to refine all the cost estimates and hopefully, eliminate the contingency as we go through the budget process.

Next, just depicting some changes from the October update on this information so you can see some items are crossed out here on the state of good repair program and some new items in red. So these are just basically O&M re-prioritizing some of the items that are needed for the O&M program to maintain assets and make sure the priorities are in order. And then next slide, again, just some of the economic conditions tracked by the Finance team similar to what I showed on the RPTA side.



And then just some things going on, obviously, the major capital projects that are kind of underway. Looking towards the future, the study for the extension of streetcar, Phoenix west Phoenix high-capacity study as well as the progress of the Capital Extension towards construction as we're in project development design right now and looking towards the future of the I-10 West extension. And then, again, the risk sitting there is inflation causing the fed to increase rates and what they may do in the future, you know, who knows, you know, you hear different opinions on that, but obviously, that may have an impact on economic conditions as well.

So that's my presentation on the VMR side, be happy to take any questions.

Chair Stipp said awesome. Anybody have any additional questions on the VMR budget assumptions? Seeing and hearing none. Thank you, Ken.

Mr. Kessler said thank you.

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

Chair Stipp said this item is presented I'm going to say, literally, for information only. The information is contained in the packet. Board Subcommittee members are encouraged to reach out to staff if they have questions before these get to the formal Board meeting in two weeks.

Ken, I would just make one, I guess, observation and request that when these long term contracts are going to exceed the lifespan of Prop 400, there's a big difference between a five-year contract that is a five-year hard contract and a five-year contract that is on demand through task order. Can we just kind of call that out as we know progress through these next few years until we have some certainty about what's going to happen with Prop 400 Extension, so the Board members are aware of what is really happening. Is that? It should be a simple couple words here and there.

Mr. Kessler said certainly, yes, we can do that.

Chair Stipp said before it gets to the Board. I know it's a conversation nobody wants to have, but if we don't have it, we're not doing our job so.

9. Report on Current Events and Suggested Future Agenda Items

Chair Stipp said does anybody have anything they would like anybody here on the team to take a look at? Seeing and hearing none.

The next meeting of the Audit and Finance Subcommittee is scheduled for March 2, 2023, at 12:00 p.m.



Without further discussion, the meeting was adjourned at 12:52 p.m.

DRAFT



Minutes

February 9, 2023

AGENDA ITEM 4

Joint Boards of Directors
Thursday, January 19, 2023
Lake Powell Conference Room/Webex
101 N. 1st Avenue, 10th Floor
11:15 a.m.

RPTA Meeting Participants

Councilmember Laura Pastor, City of Phoenix - **Chair**
Councilmember Bill Stipp, City of Goodyear – **Vice Chair**
Councilmember Max White, City of Avondale
Councilmember Clay Goodman, City of Buckeye
Councilmember O.D. Harris, City of Chandler
Councilmember Monica Dorsey, City of El Mirage (phone)
Mayor Brigitte Peterson, Town of Gilbert (phone)
Councilmember Lauren Tolmachoff, City of Glendale
Vice Mayor Francisco Heredia, City of Mesa (phone)
Councilmember Jon Edwards, City of Peoria
Vice Mayor Jeff Brown, Town of Queen Creek
Councilmember Kathy Littlefield, City of Scottsdale (phone)
Councilmember Aly Cline, City of Surprise (phone)
Vice Mayor Jennifer Adams, City of Tempe
Mayor Rui Pereira, Town of Wickenburg (phone)

Members Not Present

Supervisor Jack Sellers, Maricopa County
Councilmember Aldofo Gamez, City of Tolleson
Mayor Michael LeVault, Town of Youngtown
Town of Fountain Hills not represented

Valley Metro Rail Participants

Vice Mayor Jennifer Adams, City of Tempe - **Chair**
Councilmember Laura Pastor, City of Phoenix - **Vice Chair**
Councilmember O.D. Harris, City of Chandler
Vice Mayor Francisco Heredia, City of Mesa

Chair Pastor called the meeting to order at 11:22 a.m.



I am calling the meeting to order. Welcome, everybody. We have a full -- nice to have everybody here. Happy New Year.

I would like to welcome Councilmember White from City of Avondale, Councilmember Harris from the City of Chandler, Councilmember Cline from the City of Surprise and Vice Mayor Brown from Town of Queen Creek. Thank you. Welcome. We're all ready to do. Thank you for being here on time. Pat, will you now call the roll.

Ms. Dillon said yes, ma'am. Good morning, everyone.

City of Avondale, Councilmember Maxine White?
City of Buckeye, Councilmember Clay Goodman? Present.
City of Chandler, Councilmember OD Harris? Present.
City of El Mirage, Councilmember Monica Dorsey?
Town of Fountain Hills? Town of Fountain Hills is not represented today.
Town of Gilbert, Mayor Brigitte Peterson? Present.
City of Glendale, Councilmember Lauren Tolmachoff? Present.
City of Goodyear, Councilmember Bill Stipp? Present.
Maricopa County, Supervisor Jack Sellers?
City of Mesa, Vice Mayor Francisco Heredia? Here.
City of Peoria, Councilmember Jon Edwards? Present.
City of Phoenix, Vice Mayor Laura Pastor? Present.
Town of Queen Creek, Vice Mayor Jeff Brown? Present
City of Scottsdale, Councilmember Kathy Littlefield?
City of Surprise, Councilmember Aly Cline?
City of Tempe, Vice Mayor Jennifer Adams? Present.
City of Tolleson, Councilmember Adolfo Gamez?
Town of Wickenburg, Mayor Rui Pereira? Present.
Town of Youngtown, Mayor Michael LeVault?

Ms. Dillon said Chair, we're ready to proceed.

Chair Pastor said if a committee member would like to ask a question or make a comment during the meeting, please type your comment in the box and it will be read aloud and answered. All meeting attendees, please mute your computer microphone or phone.

1. Public Comment

Chair Pastor said Pat?

Ms. Dillon said Mr. Crowley.

Chair Pastor said thank you.



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

Mr. Crowley said I find it fascinating that RPTA finds itself above your jurisdictions and all of your jurisdictions, it's not just open public comment on three different meetings, it's also comment on all of the action items that you have before you. And you guys are saying, hey, cover everything and go away.

Well, in the minutes from the past meetings, everything I stated there is applicable. I have a question for you all. Could everybody raise their hand that knows what a hopper is? That's what's going down at the legislature. I'm sorry you don't know about it, but this is where all of the bills are being put in there right now and what are your lobbyists doing? What are their instructions? Are they doing anything there?

Well, one of the things I need done is that with this new thing, we need to get the infrastructure dealt with. I didn't know that since '09 this body has not funded any of the bus stops. Only 1/3 of them have shelters, why? Because that wasn't important to y'all. What is important we understand is paying lobbyists millions and the ones down at the State, so as I said, the hopper is open until early February. What are you guys doing about that legislation to have your funding, et cetera done and to cover the big major parts that you have abandoned, not done and should have addressed such as stops, infrastructure, multi-modal rather than lobbyists, consultants, \$30 million in planning for that light rail, but where are the multi-modal stops? Well, you only spent \$600,000 of it for the bus part of it for them to do the job. Is that because your marching orders weren't right?

And I do understand that I have shown this map and if you notice the Queen Creek down there is one of the routes that was abandoned. Is there any chance with monies that you do have now that that Queen Creek route could get put back in? It was supposedly, what, three years ago that that would have been part of the system. But you guys have, what, when it comes to power? Thank you. Then why are you here?

Chair Pastor said thank you, Blue. What I would like to direct is that if we can meet with our lobbyists and provide some direction. I'm sure we do provide direction, but I want to review and possibly in the next meeting, we could have a -- an agenda item to talk about that.

Ms. Mefford-Miller said absolutely.

Chair Pastor said thank you.



Ms. Mefford-Miller said thank you, Chair.

2. Chief Executive Officer's Report

Ms. Mefford-Miller said good morning, Madam Chair, members of the Board. A special welcome to our new Board members, Councilwoman White, good morning.

Councilmember Harris, good morning. Vice Mayor Brown, good morning. And Councilmember Cline on the phone, good morning. Thank you for the time you'll be spending here with us at Valley Metro, and we wish you a very warm welcome.

I'd like to begin today with a little bit of numbers. I want to provide you with an update on some of our key performance indicators. I also want to tell you that at our next month's meeting in February we'll be doing a deeper dive into performance. We'll be looking at the 4th quarter of calendar year '22, so October through December across more indicators. I want to prepare you for that, but in the meantime, here are some of the items that we are improving upon and that we still have work to do on.

Over the course of the fall, this body approved increases to the contract ceiling for a number of our operations and maintenance agreements including our East Valley bus, our West Valley bus, our Allied Universal security, cleaning, our DMS contract cleaning and our ACI light rail and streetcar operations contracts. Those changes were implemented on or before December 1st. We have since seen tremendous improvements in our workforce numbers in many of our key categories.

I want to draw particular attention to East Valley bus operations where we are down just 9%. This is a significant improvement from our past performance earlier last calendar year. We're seeing that bear out in the number of missed trips which I'll show you in just a minute.

We are struggling in a number of different categories on our West Valley bus operations and maintenance, that's our Total Ride contract, including workforce, fleet availability and customer contacts. We are working very closely with Total Ride to improve performance on that contract. We have a new general manager on that contract effective just last week and we are certainly not letting up the pressure and ensuring performance that is consistent with our contract specifications.

Rail operations, I am very pleased to report that we have hit and are maintaining our goals with respect to streetcar and light rail operators with our ACI contract. We were significantly short and this was a great threat to us especially as we approach the Super Bowl coming up in less than a month from now. ACI has performed well. We're pleased about that.



We're continuing to struggle, as so many other industries are across the Valley and across the nation, with workforce in our skilled trades especially our traction power electricians. We're down 45%. Our communications technicians and our track workers. These folks are essential especially for supporting our fixed guideway light rail and streetcar programs. These individuals are not contract employees; these are Valley Metro employees. We have made some changes internally to hiring rates and we're working on a recruitment and retention strategies. When we, and we will, achieve a significant reduction in vacancy rate, we need a longer-term approach for this. We're going to have to work harder to develop skilled trades workers across the Valley to feed these industries because many individuals that are currently with our organization and similar organizations are at or near retirement age. So this will be a key focus for us moving forward.

Let's take a look at performance on our specific contracts. Within our East Valley bus operations and maintenance contract, which is performed by First Transit, we are now back to our pre-workforce shortage levels of service provided. In the month of December, we provided a little over 97% of scheduled service. Our goal is at or near 100% so we still have a gap to overcome. I'm confident we'll soon be there with the renewed workforce that we're experiencing now.

Ridership on bus and this is true in East and West Valley alike, we are struggling on bus ridership. It hasn't rebounded as much from the pandemic. We had a rather weak month of December. We had holidays which we always do, but we also saw a decrease in fuel prices across the Valley and I think that eroded some of the attractiveness of bus service. So we're paying particular attention to this and identifying which markets and which routes are particularly lagging so we can make adjustments to performance as needed.

In the West Valley, I mentioned, we're struggling with our Total Ride contract and in December, our customer contacts actually went up. In our other service agreements including with ACI and First Transit, we have seen a significant reduction in customer complaints. So we are working with the new leadership team at Total Ride to put measure into place including restoring that workforce and more closely managing the contract so that we can see an increase in service provided and a decrease in our customer contacts. We're also communicating closely with our West Valley member cities on this topic.

Yes, Councilmember. Back one slide, please, Stephanie.

Councilmember Goodman said what is a valid complaint?

Ms. Mefford-Miller said first, let me say most complaints that we receive are valid, so a typical complaint would be my bus passed me up and we're able usually to look at video and see did the bus run early, was the customer there and oftentimes, the customer



isn't there. And so, if we can't trace any realism back to that, it's considered invalid. We address all of the complaints. Where the distinction of valid versus invalid becomes important is in the area of operator discipline and coaching, so we don't want to penalize an operator for something that they didn't do, but we want to respond to each of the customer contacts we receive.

Councilmember Goodman said okay. Thank you.

Ms. Mefford-Miller said so light rail and streetcar, as I mentioned, we have made great strides in our level of workforce availability on the ACI contract who delivers service for light rail and streetcar alike our staffing level is where we need it to be. We're closely watching our attrition level to make sure that we don't find ourselves in a hole as we move through Super Bowl. Subsequently, the operation of the Northwest Phase II light rail extension and then after that the opening of the South Central light rail extension.

Our customer complaints have gone down, but we are struggling right now with on-time performance. We currently have developed a new schedule on light rail that will put in place in February in advance of Super Bowl. We just don't have enough running time from end to end on the alignment to maintain on-time performance. This is a significant challenge, and it is a customer pain point. We have been working with our rail cities, Mesa, Tempe, and Phoenix, to make adjustments to our schedule timing. We're also responding to changing travel patterns. And so, light rail schedule that worked for us a year ago with reduced automobile travel keeping in mind that we're operating in a share right-of-way, just isn't working for us today. So, we'll execute that new schedule in February, continue to work on signal timing and work with our operators to ensure greater on-time performance. I'll have more on that next month.

In addition to focusing on our core business and our operations performance metrics, we have been deepening our engagement with our member cities and our communities.

On Saturday, December 3rd, we enjoyed celebrating with the South Central community at the Fiesta on Central Avenue. We had over 25 local businesses all within that corridor, over 175 members of the community come out and celebrated. We sang, we danced, we bounced, we painted faces and we visited with Santa Claus. It was a wonderful event. It is so nice to be back in person interacting with and supporting the community. We're already planning our next event on South Central and that will be in a March, April time frame.

Right now, we're also focused on marketing our local businesses on the South Central corridor who we know have been impacted by construction. We have a focused marketing campaign associated with Super Bowl trying to drive all of the attendance that we're going to have in and around the downtown area to the many wonderful businesses especially restaurants and shops that are located on South Central.



On December 12th, we hosted our now second annual re-imaging diversity equity and inclusion event at the Maricopa Community College. This event is focused specifically on procurement. It was a matchmaking event of sorts between historically under-utilized businesses and our prime contractors to try and diversify the pool of firms that we're working with here at Valley Metro. We had about 50 different firms represented at that event. We're going to make some adjustments to that approach next year so that we can deepen the level of interaction between our small businesses and our primes.

We had a number of prime partners including Ames Construction, Kiewit, Balfour Beatty, Hensel Phelps, Kiewit-Fann, Southwest Transit Partners, Hill International, HGR, WSP, AE Comm and Gannett Fleming. Each of these are large firms with whom we do a great deal of business especially in the planning and construction spaces. We recognize that the Phoenix business community has a great many small businesses that also operate in this space or provide corollary services. This will be part of our ongoing diversity, equity and inclusion program that we're working to develop here at Valley Metro. Who we employ, who we serve and who we do business with will be core focuses for us moving forward.

Making transit fare payment easier is a priority for us. We know that transit fares are necessary, but it can also be a pain point for our customers especially if you aren't walking around with exact change or if you aren't using our service on a daily basis and possess something like a monthly pass. In December, we kicked off testing for our mobile fare pilot.

Many of you are probably aware that we have a Valley Metro app. If you don't have it, I encourage you to download it in the app store. Right now, you can plan your trip using the Valley Metro app. You can also get rider alerts if service is delayed or somehow disrupted. You can also track your vehicle in real time and when you're waiting for your bus, being able to know exactly when it's coming is a big deal and it's a huge service. Soon you'll also be able to pay your transit fare using that mobile application. In December, we kicked off with testers just internal to the Valley Metro team and they've tapped in about 800 times since that began. We have also expanded that to an external group of 250, I'll call them power users, who are out testing and stressing our system across bus and rail every day. We're using that feedback to work with our contractor Vix to make adjustments to the mobile testing front end and backend. Our planned timing is to launch this in the public space in advance of Super Bowl. We're working hard and fast to meet that deadline and I'm confident that we will succeed.

We also have a fare support customer center that is staffed by Vix. It's located in downtown Tempe. That's up and running so we are ready to assist customers with any questions they may have about fare payment. Our marketing and communications team working alongside Vix, already has a customer information campaign focused on Super Bowl pushing riders to the app for all things trip planning, rider alerts and fare payment.



A quick update. We have received to-date 11 new Siemens light rail vehicles, very exciting when we have the opportunity to expand our fleet. He is not here today, but kudos is due to Rob Rosenberg. He's our deputy director of maintenance. He's actually in California right now at the Siemens plant working with their staff and we have a huge contingent of the Siemens crew here working right now. Unlike when you buy a car when you buy trains, it takes a great deal of testing, breaking in and inspecting as well as a review with our state safety oversight before we can put these cars into service. We anticipate that most if not all of our 11 brand new trains will be in service with us before Super Bowl. They are beautiful and if you have the opportunity -- yes, Councilmember.

Vice Mayor Adams said I just have a question. It looks their -- they don't seat as many as the original ones?

Ms. Mefford-Miller said so I think they are close if not identical in seating. The seats are different, and I think that might be it as well as the angle. I could get you, Councilmember or Vice Mayor -- Dan?

Mr. Filippino said it's the same.

Ms. Mefford-Miller said same? Oh.

Mr. Filippino said it's off by two seats. 66 seated on the -- on the Kinkisharyo and 64 seats, but there's two additional bike racks (Indiscernible).

Ms. Mefford-Miller said thank you, Dan.

Vice Mayor Adams said I knew there was two seats short.

Ms. Mefford-Miller said good eye. Good eye, Vice Mayor. And on this type of --

Vice Mayor Adams said thank you for answering my question. Appreciate it.

Ms. Mefford-Miller said on this type of vehicle, a full load is typically about 1.5 times the number of seat and at capacity load and then we fully expect to be there throughout Super Bowl week is about two times the number of seats that we have. Yeah. They are beauties.

And finally, let's look ahead just a moment at our February Board and Committee meeting calendar. We have Transportation Management Committee and Rail Committee here on February 1st. On February 2nd, Audit and Finance Subcommittee meets. February 16th, we have the full boards of directors' meetings and on this day, we also have a study on session on fare program. That will begin at 11:15 on Thursday



the 16th and then the meeting of the full boards will begin immediately after the study session.

So this fare study session is in response to Chair Pastor's request for information and a presentation on free fare which is a hot topic in the transit industry. So we'll provide the Board with information about what's happening within the industry, what our current fare policy is and how that looks in our operating budget and how we operationalize it. I'd also like to share with you a number of fare alternatives that maybe of interest to this Board. No action will be taken in that study session. We want to provide you with an update and ideally, get your direction on the future of fare policy that you'd like to see within Valley Metro.

This concludes my report. May I answer any questions for you?

Chair Pastor said I have a question about the fare.

Ms. Mefford-Miller said yes.

Chair Pastor said not necessarily about the study session. Once we're out of the study session, how do we communicate or go to the community to discuss the dynamics of the fares? Because I'm being asked this from the community college side, and I'm also being asked about it from the high school district side regarding this. And I'm bringing it up because I'm sure it happens in other jurisdictions. I know Tempe provides free fares and it's been asked at the City of Phoenix. And so, I would like to see once we're done with the study session of possibly doing kind of like a forum regarding fares and bringing the stakeholders together to discuss it and see the back and forth and what the cost will be.

Ms. Mefford-Miller said so coming out of that study session what could happen, the Board may choose to direct staff to conduct listening sessions that are focused on fare throughout our service area. We might also contemplate conducting a fare study. This hasn't been done here in a number of years. That's something systems like ours should do periodically where we look at the fare products and pricing available against what might make sense for us or what's happening in the industry and what we're hearing from the community. And that would inform any change to our fare policy, if any change is desired. Changes to our fare policy would certainly come back through this Board and through our supporting staff committees before they would actually be executed. So there's a process there, but it's been a long time since we've move through this process.

And we also have some interesting fare tools and opportunities available to us with mobile ticketing and with smart card that we haven't in the past.



Chair Pastor said thank you. And then my second question is about ridership particularly bus. What are we doing to message, market, try to encourage or increase. What is the plan for that?

Ms. Mefford-Miller said for messaging and marketing program to-date has been fairly general. Given the recent sluggish bus ridership, I think that we do need some focused efforts. So we're working right now to understand which markets or routes need the most work, which are lagging behind the others. We're also doing a few things. We're working to improve the operational performance because we can't wonder why bus ridership is down if the bus isn't showing up. So we've made significant improvements, but we're not there just yet.

And then we're also preparing for a comprehensive operational analysis where we would look at all of the routes, their schedules, their configuration. So right now, we're doing two things to support that future study. We're looking at run time of routes. I don't want to get too far down into the weeds but run time of routes across the system to ensure that we've got the right running time and we can show up on time when the schedule says we will. And then we're looking at the performance and productivity of those routes so that we can inform any changes that the member cities might like to see to the system.

So we're working on making the service excellent while at the same time, preparing to communicate and promote that service.

Chair Pastor said thank you for doing that. I'm just curious as to why possibly and I don't know how you would get that information, but why did they stop using the bus.

Ms. Mefford-Miller said yes.

Chair Pastor said or did they go back to the car or, you know, because gas is -- or was it more of I wasn't getting on time to work and so that created this dynamic, so I had to do this. I'm just very curious only so that then we can make it a very proactive piece and really encourage ridership and demonstrate that it's better to do -- ride the bus than to drive and these are the reasons why.

Ms. Mefford-Miller said yes.

Chair Pastor said but that's a probably a short- and long-term goal.

Ms. Mefford-Miller said we're working to understand those reasons why. We're engaged in market research right now. We talked about this last spring through the budget process. That's customer surveys including our on-board survey. I don't know if we're conducting non-rider surveys right now. It's in the budget and in the plans to do that. So we have to talk to both the customers using our service and the folks who are



not using our service or who are not using it anymore. So market research is another one of those key data points that has to inform the way we do business moving forward.

Chair Pastor said okay. Councilmember Tolmachoff.

Councilmember Tolmachoff said thank you, Madam Chair. So how do you target customers who were riders and are no longer riders? What data do we have to mine answers? Because I'm wondering whether at least some portion, I think, I'd feel pretty certain that some portion of the people who are no longer riding are working from home. Because there's a lot of the workforce that's no longer commuting to work on a daily basis. So how do we mine that data?

Ms. Mefford-Miller said we have a lot of telecommuting that's impacting ridership, but we can mine that data through the database of customers that we have in our customer contact database and prior customers who have responded to us through our annual on-board surveys. So we can survey them and ask them are you riding now, how often, how many days per week are you not riding and if so, why. So that customer contact information is something that's essential and we build and add to that database with our surveys and every day with our customer service call center.

Councilmember Tolmachoff said okay. And Madam Chair, I have a follow-up, if I could. You mentioned it had been quite some time since we've done a fare study. How long has that been?

Ms. Mefford-Miller said 2012.

Councilmember Tolmachoff said oh, okay.

Ms. Mefford-Miller said it is time. So I would like to see us resume a regular cadence where we're looking at big policies like fare as well as service design particularly for the bus network at least every five years.

Councilmember Tolmachoff said okay. Thank you.

Ms. Mefford-Miller said we've got a little bit of catching up to do, but we are well on the path.

Councilmember White said Madam Chair?

Chair Pastor said go ahead.

Councilmember White said thank you so much for the report. Excellent information. I think you shared that in the West Valley, it's a struggle and you gave three areas that -- that you found being a struggle. You talked about workforce and then fleet availability.



Can you give us that third one again? And then when we look at the workforce over in the West Valley, I know you'd also talked about the real technical electrician and building that pipeline. Can you just give me a little more information?

Ms. Mefford-Miller said yes. Workforce in west Valley is limited to operations and maintenance of bus service and so that's mechanics -- it's a relatively small contract so I want to say we only have nine full time mechanics assigned to that contract. Our big technical requirements are all based at our operations and maintenance center, which is in the City of Phoenix near Sky Harbor airport. Those are the teams that support the rail system.

But we are short on operators so the individuals who drive the buses. In West Valley this is a critical need of ours. We're also short on supervisory staff. We have been through a great deal of transition in leadership on the West Valley contract in my eight months tenure with the organization. I think we are on a third general manager on that Total Ride contract. We have had turnover on each of our operations and maintenance contracts, by the way, and for each of the other three I'm very satisfied with our performance to date. Total Ride is not there yet. So we're working to provide them with support in scheduling and ensuring that we can actually operate on time, but we have to restore that workforce if we're going to be able to operate the service. And that's the biggest challenge in West Valley is bus operators.

I do want to mention that unlike ACI our rail contractor and First Transit East Valley bus contractor, Total Ride is a non-union shop, so they've got a little bit different configuration and have historically struggled with workforce under this contract. Councilmember White said thank you very much.

Chair Pastor said there's another one. Active.

Vice Mayor Adams said yes, I have a question. We've already raised the salaries for the bus operators, correct? And since we've done that what has been the percentage of increase in personnel?

Ms. Mefford-Miller said you know, I don't have the workforce shortage update in front of me. You'll get it emailed to you today. On some of our contracts like, for instance, I'll used Allied Universal Security because I want to talk about that one a little bit, we were at about 50%, 5-0 percent, vacancy rate on Allied. We now are at a 10% vacancy rate on Allied, which for a contract like this you never really get to 100%. We can get close to it, so I am delighted with the results. Allied was the first contract that had the wage rate increase. And so, we've had a little bit longer to recover from that.

The bus operations and maintenance and the rail went into effect December 1, so we've got a month and a half under our belt. But in some of the other categories like bus operators, we were 20-30% short and now, we're closing in on that 90% and above fully



resources. So it's been incredibly beneficial. We are just still struggling on that Total Ride contract. But East Valley is going great. Number of missed trips last month was about 3.5%, that is 3.5% more than we'd like, but it's much better than the 7-10% missed trips that we had been seeing. And for rail, we weren't missing trip, but you will recall, we were relying heavily on supervisors and anyone who worked in rail operations to actually operate trains and revenue service and now, we're fully staffed on that contract.

Vice Mayor Adams said very good. So we're moving in a positive direction.

Ms. Mefford-Miller said absolutely. Positive and I have to tell you the results have improved faster than I expected.

Vice Mayor Adams said that's great news. Thank you.

Chair Pastor said well, thank you for your report.

3. Audit and Finance Subcommittee Update

Councilmember Stipp said thank you, Madam Chair. We had a very extensive meeting for the new Board members and a reminder for the more senior Board members. The minutes for our meeting are contained in our packet so I would strongly encourage everyone to flip through that.

We did have an update on the rail operator and bus operator certifications and labor audit. That was an internally requested audit from our CEO. Really highlighted for us the need for extensive contract management and oversight. Really good information contained in the minutes on that, but that was presented to the Audit and Finance Subcommittee.

We did have our Internal Audit update. Again, the -- contained in the minutes are the charts for those audits were moving ahead with, the follow-up information that is coming from the staff to complete those.

We did review RPTA and Valley Metro Rail fiscal midyear budget adjustments. Spent a great deal of time talking about that. There was a -- I do want to point out there was moment of celebration for us. There were -- there was an opportunity for the staff to absorb some of those increases which they did and that's the first time in many of our recollection that the staff was able to actually do that and move forward with that so congratulations to the Finance team, Tyler and the rest of the gang over there for that. I wanted to particularly call that out so if you happen to look at that you'll see it.

We had a brief discussion on the intergovernmental agreements contract change orders and amendments, which we are seeing today on our agenda.



And pending any questions that ends my report.

Chair Pastor said are there any questions? No questions. Great. Thank you. Thank you for serving.

Councilmember Stipp said thank you.

4. Minutes

The minutes from the December 1, 2022, Joint Board meeting are presented for approval.

Chair Pastor said are there any questions or any edits? All right. I'm going to request a motion and a second to approve the December 1st, 2022, Board meeting minutes?

Motion by Vice Mayor Adams, second by Councilmember Tolmachoff.

Any discussion? I'm remembering this piece. I finally get there. Any discussion? I see no discussion.

All those in favor of the motion, please say aye. And those not in favor, please say nay. Motion carries. Sorry. See I enjoy these meetings.

IT WAS MOVED BY VICE MAYOR ADAMS, SECONDED BY COUNCILMEMBER TOLMACHOFF AND UNANIMOUSLY CARRIED TO APPROVE THE DECEMBER 1, 2022, MINUTES.

5. Super Bowl LVII Transit Planning Update

Ms. Mefford-Miller said thank you, Madam Chair. We are just 24 days from Super Bowl LVII. Our team has been working for months with our partners, the City of Phoenix and the Super Bowl Host Committee to prepare for this mega event. We're anticipating record setting ridership during Super Bowl week. To date in the history of our rail system the Saturday before Super Bowl in 2015 is our highest ridership so far. We anticipate breaking that this year.

My hope for us coming out of this is, of course, that we successfully execute our Super Bowl operations, but that the relationships, the collaboration that we have developed with our member cities and our partners and all things from street operations to law enforcement and security will help us moving forward to improve our service and to collaborate on a consistent basis every day of the year.



We've got a couple of things still in the hopper. We are working with our partners at City of Phoenix Convention Center, Super Bowl Host Committee and Downtown Phoenix Inc on a possible ticket partnership in support of Super Bowl whereby Super Bowl -- I'm sorry, light rail fare could potentially be included in the cost of tickets to events at the Phoenix Convention Center, at Footprint Center, which is already covered by an existing agreement and to the Hance Park events. I don't have a final partnership to report out to you, but I'm optimistic that we will be able to secure something. I'm excited about this not only because it gives us an opportunity to give back to the community who supports light rail on a day-to-day basis, but also I think potentially paves the way for additional ticket partnerships to connect people who are going to Footprint Center today under our existing partnership, possibly to the Coyotes stadium and possibly to a soccer game at our forthcoming stadium in the near future.

So I want to invite Dan Filippino, Adrian Ruiz and Hillary Foose to provide you with an update on our transit planning. At the conclusion, please ask questions about our operating plan, our vulnerabilities and the tremendous opportunities that we have.

Mr. Filippino said good morning, Madam Chair and members of the Board. To talk a little bit about the operations plan for the Super Bowl. There's been extensive planning that's been in the works for months leading up to the Super Bowl. Starting with the extended rail enhanced rail service. That enhanced rail service includes additional capacity where normally today our trains are 2 car consists, we'll run 3 car consists, so all of our revenue service trains will have the ability to handle additional capacity throughout the day. But we'll also add in special event trains, so when these events at Hance Park or at Footprint Center when those events end, we'll have event trains that are available, empty event trains to help usher the people out of town and get people to their final destination after the event ends.

We will also for the Thursday night, Friday night, Saturday night and Sunday night, the main four days of the events, we will run extended service with the last trips leaving the end of the line at 2 a.m. So we will have service, not stopping at 2 a.m., but last trip leaving the end of the line at 2 a.m. so really we have service going all the way until almost 3:30 in the morning to help people and let them enjoy the events and not have to rush out of the cities to get on home. So there will be that extra service available. We're trying our best to get our fleet up to make sure that we have our full fleet available for the event. Every week we have preventative maintenance that is planned. It's all scheduled out throughout the year for our fleet. What we will do is we will perform a lot of the preventative maintenance the week before and the week after, this way allowing more vehicles availability as far as light rail vehicles available to be used during the Super Bowl week.

There's also buses that will be available for event egress. The bus is a huge portion of what we will need to provide. So we will have buses that will not only be available to help in case we need to run a bus bridge if the light rail, which will be the heavy carrier



of the passengers, if the light rail gets blocked, if there's any type of say a car accident that blocks both tracks, we'll have buses available to usher people around that blockage. But those same bus bridges buses will become event service buses late at night. So when Hance Park is letting out, while we will have light rail there to get the majority of the passengers home those buses will be used to get people to specific destinations. We may have buses that will go specifically from the event to Park and Rides in the East Valley and in the West Valley. And that's working together with the City of Phoenix and the Phoenix bus contractors also.

It's an all hands on deck staffing event. As we've talked about for a long time, we've been working on getting our staffing levels back to where they need to be as we move through COVID, but this is also just another opportunity. We need to have that staff available and the staff there. We'll have staff that will be a large volunteer staff, a large operational staff, large maintenance staff that will be available throughout all these hours of the Super Bowl. And including our Customer Service. We will have extended Customer Service hours that will be extended on Thursday, Friday and Saturday until midnight in case any of our customers have questions. A lot of our out-of-town customers we want to make sure that we are available to all of the local and our out-of-town customers and provide that extra customer service for them.

And working with the City of Phoenix there is also a plan with Phoenix and Glendale with three routes that will be providing additional service on game day and just another way to help people get to the event in Glendale.

Turn it over to Adrian.

Ms. Ruiz said good morning, Madam Chair and members of the Board. We have some chronological events that will occur in January. I'm going to cover a couple additional events.

Ms. Ruiz said and I'm Adrian Ruiz Director of Safety Security and Quality Assurance. Hello. In addition to the items that are on here in chronological order, I want to give a little bit more detail. So we're providing an all hazards for transit employees, our frontline, from National Transit Institute. It's a course that we worked with NTI back in the original Super Bowl and we've compressed this course which is typically a four-hour block of instruction into about a one hour, I actually taught it today in about 35 minutes, so this is going out and we did a cadre of instructors a train the trainer last fall. So our folks in bus, bus operators, road supervisors, our frontline employees can have instruction led by those work groups. And in those that are larger groups that need additional support, my division has been doing that. So we have been doing that. We're going to do that also for our volunteers. We also have included in part of that training, human trafficking observations as well.



We have then reviewed our final exercise and our final ops plan for security yesterday with my division just to make sure that covered all the positions and everything we need for Allied, my division. That has been finalized and now forwarded to the Public Transit department with City of Phoenix for inclusion in the overall packet of the operations plan for Valley Metro and PTD and that will be provided to NFL. So that is also completed.

February 2nd and 3rd as you see up here, we're going to have our All Hands for Allied Universal. This will be two section blocks of training. It will be two hours each. This training will be for all Allied personnel in two different blocks. Everyone will get the training. The first hour will be the NTI course I just mentioned and then the final hour, hour and a half will be going over the actual security plan. Positions, we have a full PowerPoint on different locations for downtown including Margaret T. Hance.

The staffing, we are being asked to staff multiple commands posts. I know that Dan and I have been struggling with staffing the multiple command posts which are different than 2015. This one has multiple locations. We've been invited, which is great, but we are spread very thin. So we're working on the multi-agency coordination communication which is the main hub at Lower Buckeye for fire training center. That is the main communication and coordination center. We will be staffing that pretty much full operation from Thursday through Saturday. We've been included also in the NFL command post at the Convention Center and the 160 over 90 for Margaret T. Hance, their command post. So we're going to kind of check in on both of those. But that's very good. That's addition to 2015, a little bit different.

We've been also asked to allow access for our CCTV for platforms by Department of Homeland Defense. We did that last year, 2015, so we're working through some of the technological impacts of how to make sure that works. So police have direct access to our platform cameras.

And then finally, we're getting supplemental support from the TSA visible intermodal prevention and response team from TSA. That's the VIPR team. We used them last time as well we used them multiple times. They're coming out of San Francisco, Vegas, Dallas and also LA. So this is a 14-person team. Seven will go to aviation and seven will go to surface. So they've already been here. Their forward team is here now and they will be working with us as well to add extra support.

Any questions? I'd be happy to answer them.

Chair Pastor said I have some questions. In particular, the multi-agency coordination.

Ms. Ruiz said yes, ma'am.

Chair Pastor said because that's not only coordination with Phoenix it's also with Tempe and Mesa and Glendale.



Ms. Ruiz said yes, ma'am.

Chair Pastor said I guess, where I'm going is how is that being coordinated and who is the main key person that's coordinating with everybody?

Ms. Ruiz said that would be Phoenix Fire. Phoenix Fire is the main lead for the MAC. The acronym for the multi-agency. There is a joint information command also. It's call the JIC. There's also a JOC. See I'm in heaven right now because I have all these acronyms. I can keep going folks. So all of these coordination groups, it does become overwhelming. The main focus of all the coordination funnels up through the MAC.

In the event there's an emergency, we turn that into the EOC, which is the Emergency Operations Center. So hopefully, that answers your question, but it's all coordinated through Phoenix Fire.

Chair Pastor said yes, it does. I was just curious only because as I represent Phoenix and the downtown area, this and the Committee, that's where I'm trying to figure out like making sure that everybody's safe, there's a plan, everything happens especially at Margaret Hance because we're at such a distance. But then my mind then switches to also, okay, light rail, what does that look like? And how is the coordination of all of that so.

Ms. Ruiz said and I can tell you also, and these are great questions, but it's definitely something that everyone should understand. Arizona is top notch for planning special events. The coordination between fire and PD is amongst the nation's top notch because there's a lot of fire and PDs that just don't get along very well, but ours do very well, multi-agency and across the regions. So when we start planning for this, Valley Metro has been included as has public transit department included from the very beginning. I know PTD is operating in the MAC full time. We will be with them at the same table and it's a very large room about this size with multiple screens and we are all together from everything from media, public events from the NFL Host and forward team, NFL security team, fire, PD, multi-agencies.

Chair Pastor said okay. Thank you.

Ms. Ruiz said yes. Thank you.

Chair Pastor said Councilmember Tolmachoff.

Councilmember Tolmachoff said I did have a question. So you said if there is some sort of incident and then that goes to the EOC, any type of incident, would go, you know, whether it's, you know, transit related or anything that would happen, a security incident. If it goes to EOC, is there going to be a Valley Metro voice at the EOC as well?



Ms. Ruiz said that's a great question. Thank you and members of the Board. The way it works, so in an incident command system like ours, under the National Incident Management System which we operate in this region under that model, is the MAC because it's not an incident, it's an event. That will turn into an EOC and we have a seat at the table as does PTD. Yes.

Ms. Foose said alright. Thank you. Hillary Foose, Director Communications and Strategic Initiatives here at Valley Metro. Welcome, Madam Chair, members of the Board.

Last, but not least, communications and volunteers. We're only as good as how we communicate and educate our riders. Certainly, our local residents and our out-of-town visitors, we're expecting hundreds of thousands to be joining us for this special event. We're putting together a lot of communication including a printed pocket guide with a very detailed transit map for how to use our system, where to board, how to access, where to get off for the different events.

We will also be using a massive amount of digital as you might imagine through social media and media buys to make sure that we're communicating to our target audiences how to access and consider using transit. We talked about ridership campaigns at the front of this meeting. This is really a big ridership effort. How do we attract people to using transit and have a, hopefully, a very seamless positive experience while on board. We also will have a dedicated webpage. It's valleymetro.org/sbgameplan, which will be the clearinghouse for all of our information and linking out to our various partners as well.

Signage is critical, so how do we get boots on the ground so that will happen with volunteers, but also, communication through signage. We will have signage at our Park and Rides, which we have 12. We're also identifying five additional Park and Ride opportunities because that gets busy very quickly. We will also have a massive amount of signage at our downtown locations all the way extending up to Hance Park.

We will also have some esthetically pleasing signage in and around our new station platforms associated with our South Central Extension/Downtown Hub project that remains under construction. Those platforms are not yet operational, so we don't want people waiting there for service that never comes, so we're working to make sure that we're educating about those platforms that are not yet ready for public service.

Media, we're working extensively with our partners to coordinate on media. There's a lot of stories to tell. You've heard how much our teams are preparing and planning for this. We want to tell that story making sure that we're telling the story of the hard work of our frontline teams and certainly, how to use transit, how to access it, again, making



it a very seamless enjoyable experience while on board. I want to tell that story using our friends at the media.

Volunteers can't be underscored. There's nothing better than a friendly face standing ready to greet, welcoming you aboard, helping you validate your fare, buy fare, making sure you know where to get on and off and we had, in 2015, we had 200 agency staff participate as volunteers in addition to participation from the Super Bowl Host Committee and we're planning a big effort again. And so the whole agency and our member cities are really rallying together to make sure we have a strong ambassador presence certainly, in downtown and at Roosevelt and McDowell, which are those stations adjacent to Hance Park and also, in Tempe and Mesa and west Phoenix as well.

Mobile fare was mentioned at the front end of this meeting. Really exciting to be testing that really actively, but that will be another point of education. It's a new feature of our app and certainly, making sure we have volunteers and a level of education out there to attract people to the app and the new opportunity that mobile fare provides. So we're really excited about having that new digital tool.

And so, as you can tell, we're really excited to be helping host Super Bowl LVII. Transit being a critical piece of that, so happy to answer any questions.

Chair Pastor said I have a question about the volunteer program. The volunteer program is that getting coordinated through the Super Bowl or this is just a volunteer program for Valley Metro and on the platforms?

Ms. Foose said it's really both. So the volunteer program I'm referencing here is one that we do internal to Valley Metro. It will be 200 of our agency staff members, but we're also working closely with the volunteer coordinator for the Host Committee because we will have some of their Host Committee volunteers that they've recruited also participating on our transit platforms helping to wayfind and have that positive customer experience. We're also making sure that training is aligned so that their team members, the Host Committee's volunteers as well as ours understand all the different pieces. So we are strongly coordinating with the Host Committee. But that's our staff, it will be our team members.

Chair Pastor said okay.

Ms. Foose said Valley Metro team members on the ground.

Chair Pastor said okay. So it's not a recruitment of volunteers also?

Ms. Foose said no, we're not doing a public recruitment.



Chair Pastor said right.

Ms. Foose said it's really internal to Valley Metro and our member cities.

Chair Pastor said okay. Thank you. And then the mobile fare, how is that testing going? I don't know. I know it started. I don't know if we've had glitches at least in the City of Phoenix.

Ms. Mefford-Miller said yes. So it's going well and because it is testing we do expect to stress the system and encounter some errors. The testing team meets every single day to review any errors that they've encountered working with Vix, our vendor, to actually remediate them. So I am pleased to say we're on target. We began with that internal Valley Metro testing pool; we expanded it to our public testing pool on schedule and we anticipate releasing it to the public on schedule.

Chair Pastor said tank you. Any other questions? Councilmember Harris.

Councilmember Harris said okay. Yes. How you doing today?

Ms. Foose said hi. Morning.

Councilmember Harris said morning. Thank you. And I don't know if this question is for you specifically, but the question I had is: What will the communications be like all the way out in Chandler?

You know, we have all our hotels are sold out currently right now in the city of Chandler and I know that there's going to be a great focus in the central area of Arizona, Phoenix and west Chandler and things like that. How would the communication go out in terms of getting south Chandler moving towards into Queen Creek because I believe Queen Creek hotels are filling up if not already sold out? And so there is that greater need for that stretch to making sure that the information that's being communicated, the Ride Share. I know that we have the bus tends to stop at a certain time in the city of Chandler, at least southern Chandler, south of the 202, so I want to know have we looked at that in terms of that stretch? What will that look like on that weekend? Will there be some additional communication that will go out to all the cities so we can also put on our tourism website so people will know that as well?

Ms. Foose said yes. Councilmember, Madam Chair, thank you for that question. We're doing a couple things. So we have a media buy that's beginning to be active. It's also targeted at really the out-of-towners who are coming here and certainly, they're coming all over, as you said, and certainly, in Chandler and across the Valley. We're also doing marketing with the airport, so as they travel in from Sky Harbor and Mesa Gateway we're communicating the accessibility of transit, how to use it, what tools to use, et



cetera. So that media campaign will help get those feelers out to those who are visiting here.

And then we're also planning to work with our member cities. Certainly, the City of Chandler and others preparing them and providing them with the information about transit so that can be shared on your respective websites, through your city communication channels. Certainly, we want to point people to that valleymetro.org/sbgameplan. That's really going to be your best resource in the hub for a lot of this transit information on how to access the system.

We are not intending to expand bus service all over the Valley. Obviously, you heard some of our challenges related to workforce. We really are trying to encourage people to utilize the Park and Rides that we have along rail system. There's several in the East Valley that would make, you know, getting to a Park and Ride from Chandler very accessible as an example. And we're also making sure that those lots -- we're also expanding those lots to make sure we have the right amount of parking as best we can to make sure people have a place to park and then ride in, and then we'll get them fast and out back to their Park and Ride at the end of the evening.

I hope that answers some of your questions. And, Jessica, if you have anything to add.

Ms. Mefford-Miller said no, I'm good.

Chair Pastor said Vice Mayor Adams.

Vice Mayor Adams said I just have a quick question. So we wrap the light rail cars, right, and I'm just wondering are we increasing our fares for those wraps over the Super Bowl since it's going to be such high volume? I'm just thinking about making money.

Ms. Foose said yes, we want to too.

Vice Mayor Adams said for us.

Ms. Foose said Vice Mayor, Madam Chair, thank you. So we work with Outfront Media who is our advertising administrator and certainly, there's a premium that they attach. We really let them devise that they're the experts in outdoor marketing. They really have those national relationships with those big clients, but we are anticipated to vastly exceed our expectations for advertising revenue by several hundred thousands of dollars based on what Outfront is forecasting. So certainly, they are adding a premium and making sure that we're maximizing the revenue where we can particularly related to how visible our fleet is during this mega event.

Vice Mayor Adams said that's the best news I've heard all week.



Ms. Foose said okay. Good.

Vice Mayor Adams said thank you. Ching, ching.

Councilmember Tolmachoff said Madam Chair?

Chair Pastor said yes, go ahead.

Councilmember Tolmachoff said I have a question. Just so I want to make sure that I understand kind of tagging onto Councilmember Harris's question. So, for example, Chandler, Glendale some of the outlying cities say you talked earlier about, I think, operations talked about the last ride leaving to return people back would be at 2 a.m. So, for example, somebody goes to a Park and Ride in the East Valley, they ride the light rail to Margaret T. Hance Park, and they'll still be able to get a bus ride back to their Park and Ride? The last ride back to the Park and Rides will leave at 2 a.m.? Is that how that? How are we going to communicate that to people so that they have a way to get back?

Ms. Mefford-Miller said it's the last train that will be going back to the Park and Ride. I know that Glendale is doing some additional bus service and City of Phoenix is doing a little bit, but outside of that the bus schedules across the Valley remain more or less the same as they are today. Dan, is the bus -- is the -- I'm sorry, the train special scheduled loaded in the app? Can you answer that? Or Hillary.

Mr. Filippino said the special schedule is in the process of being loaded into the app. It was just completed last week so we'll see that coming in here shortly, but it will be a light rail trip that will leave the end of the line getting people to their Park and Ride even from 2 a.m., with 2 a.m. being that last trip, so they will have the opportunity.

Councilmember Tolmachoff said okay. I misunderstood that. I was thinking that cities that don't have rail would be using those Park and Rides to get people onto the rail to minimize traffic. That's how I was understanding it.

Ms. Mefford-Miller said so if I'm going to the Mesa and Main Park and Ride lot in the east Valley that means I could leave downtown close to 2 a.m. and still make it back to Mesa and Main that night or early that morning as it were. So that means the trains won't actually be pulling into the yard at the operations and maintenance center until late in the 3 a.m., early in the 4 a.m. hour. We'll have some overlap. We'll be pulling trains from the night before as we're pulling trains out in the morning for the next morning commute. So leave downtown by 2 a.m.

Councilmember Tolmachoff said so Madam Chair, that will be part of our communication plan is that you need to go to a Park and Ride that is serviced by rail.



Don't go to a Park and Ride that is bus service because if people are going to be coming from all over and they're not going to know.

Ms. Mefford-Miller said that's a good point. Good point. Thank you.

Chair Pastor said yes. That's an excellent point. Didn't even think that one through. My question is: How are you working with the Arizona Hotel and Lodging Association? Because they're critical to this and getting communication to those hotels and schedule, QR code, whatever it is that is needed.

Ms. Foose said Vice Mayor, thank you. We aren't yet, but it's a great point and we have a whole distribution plan certainly involving the cities, visitors' bureaus. They may be on there as well, but I will make sure that we ensure that there's strong communication with them.

Chair Pastor said because I want to say at the last Super Bowl if I'm remembering correctly that they had messaging for pamphlets that would be in their hotel room. So when somebody came in, they had that information. I'm just thinking broader of Super Bowl, in general. So I think you probably need to plug them in because they'll be critical and at least get the app. Oh, I had one more question, but I forgot.

Ms. Foose said absolutely.

Councilmember Tolmachoff said Madam Chair.

Chair Pastor said oh, I have been trained and I think all of us that when we travel to DC and we take the Metro, we know at midnight that's the last one going out. So we have to get there before midnight to get the Metro. I know on the weekend they extend their hours to 2 a.m. So somehow, we have to figure out and I'm not saying we have it, but really to get that message out as to the last light rail ride is you need to be there at the platform by 1:45 in order to get on the 2 a.m. ride. Because that's critical, I think. Especially if someone has been having adult drinks and everything else and has a little lightheaded.

Councilmember Tolmachoff said you looked at me when you said that.

Chair Pastor said I was looking at the hand. Councilmember White had her hand out so she was saying that's me. So I think we just know how critical or crucial it is.

Ms. Foose said absolutely, thank you.

Chair Pastor said Councilmember White.



Councilmember White said Madam Chair, thank you so much. I guess I was taking a look at the actual time as it stands right now. If I went from Margaret T. Hance Park so I'm trying to get to the light rail from the State Farm Stadium on a bus because that route exists right now and that's about an hour and a half. So what you're saying is if we're having some modified bus transportation for those people who might have libations after the Super Bowl, right, they're enjoying themselves and they need to get back to that rail station to get back to the East Valley, they need to leave an hour and a half and that bus will run and it will get them back there. Is that what I'm hearing?

Ms. Foose said that's correct, yes.

Councilmember White said thank you.

Chair Pastor said Vice Mayor Adams.

Vice Mayor Adams said I just have one more question. I know we talked a little bit in here about the hotel numbers and do you have the hotel capacity and where are we with the different cities as far as hotel rooms available just in general? I don't expect specifics, but just to give us a little bit of an idea about the hotel rooms that are available.

Ms. Foose said Vice Mayor, I don't have that information, but I certainly know the people who can help provide it. I think Councilmember Pastor brought up a good point about that closer coordination with the Hotel and Lodging Association. But I'm not privy to that information, but we'll close that loop.

Vice Mayor Adams said okay. Thank you so much.

Chair Pastor said thank you. I would extend one more item is always working with the restaurant association. The Arizona Restaurant Association and seeing how they can incorporate it possibly in their websites. But thank you. And the Chambers.

6. Travel, Expenditures and Solicitations

Chair Pastor said this item is presented for information only. Are there any questions? Seeing none. No action needed.

7. Report on Current Events and Suggested Future Agenda Items

Chair Pastor said are there anybody want to speak on current events?

Councilmember Tolmachoff said Madam Chair, I'd just like to second your request to have an opportunity to find out what our lobbyists have been tasked with. So I think



that's a really good point. I'd to add on to her request to that to have that happen. Thank you.

Chair Pastor said thank you. Do not forget. February's board meeting there will be a study session to discuss fare policies. So I will see you bright and early in the morning.

8. Next Meeting

The next meeting of the Boards of Directors is scheduled for Thursday, February 16, 2023.

The meeting was adjourned.

With no further discussion the meeting adjourned at 12:30 p.m.



Information Summary

DATE

February 9, 2023

AGENDA ITEM 5B**SUBJECT**

Request for Authorization to Issue a Competitive Solicitation for a General Consulting Support Services Contract

PURPOSE

To request authorization for the Chief Executive Officer (CEO) to issue a federally compliant competitive solicitation for a General Consulting Support Services contract.

RECOMMENDATION

Staff recommends that the Boards of Directors authorize the CEO to issue a federally compliant competitive solicitation for a General Consulting Support Services contract.

BACKGROUND | DISCUSSION | CONSIDERATION

On June 9, 2016, the Board of Directors authorized the CEO to execute a five-year base contract, with three, one-year extension options, for the General Consulting Support services (GCSS) Contract with Arcadis, Inc. This contract is set to expire on June 30, 2024.

Valley Metro is needs continued consultant support with a wide range of specialty expertise to support various project implementation. The GCSS consultant supports projects of various sizes including rail state of good repair, bus infrastructure projects with member cities, and technical support for the large rail extension projects. Most of the services required will be short-term in duration and on an as-needed basis. The types of services provided by the GCSS Consultant are architectural/engineering design, construction management/inspection, project controls, project scheduling, cost estimating, environmental, quality assurance, real estate support and other technical services as required.

Staff is seeking authorization to issue a federally compliant competitive solicitation for General Consulting Support Services for a contract term of up to eight years (a five-year base and three, one-year options).

Contingent upon Board approval, the solicitation would be issued in April 2023 with a contract award anticipated in December 2023. This timeline would allow for a six-month transition period between the existing and new GCSS contracts.



COST AND BUDGET

The source of funding will be determined on a task order-by-task order basis and will be from member cities, the regional Public Transportation Fund (Prop 400/PTF), and/or federal funding. Historically, this contract has supported projects at a ratio of 90% VMR and 10% RPTA.

The proposed contract term is a five-year base term with three 1-year extension options. Staff will review forecasted work during the award process and provide the requested contract authority with the board approval to award the GCSS contract.

COMMITTEE ACTION

RTAG: January 17, 2023 for information

TMC/RMC: February 1, 2023 approved

Boards of Directors: February 16, 2023 for action

CONTACT

Henry Ikwut-Ukwa

Chief, Capital and Service Development

602-322-4420

hukwa@valleymetro.org

ATTACHMENT

None



Information Summary

DATE

February 9, 2023

AGENDA ITEM 5C**SUBJECT**

Request for General Consulting Support Services Contract Authority

PURPOSE

To request approval for the Chief Executive Officer (CEO) to provide additional contract expenditure authority for the General Consulting Support Services (GCSS) contract with Arcadis, Inc. in the amount of \$1.5 million.

RECOMMENDATION

Staff recommends that the Boards of Directors authorize the CEO to provide additional contract expenditure authority for the GCSS contract with Arcadis, Inc. in the amount \$1.5 million. This action would provide an overall contract authority of \$13.3 million.

BACKGROUND | DISCUSSION | CONSIDERATION

In June 2016, the Boards of Directors authorized the CEO to execute a five-year contract, with three, one-year extension options, for the GCSS contract with Arcadis, Inc. for a total authorized amount not-to-exceed \$11.8M. Valley Metro is currently in the second, one-year extension option and is requesting additional authority to support the final, one-year extension option of the contract.

The GCSS Consultant provides a wide range of specialty expertise to assist Valley Metro as projects are implemented. The GCSS consultant supports projects of various sizes including rail state of good repair, bus infrastructure projects with member cities, and technical support for the large rail extension projects. The types of services provided by the GCSS Consultant are architectural/engineering design services, construction management/inspection services, project controls, project scheduling, cost estimating, environmental, quality assurance, real estate support and other technical services as required.

To date, the GCSS Consultant has provided services on multiple efforts including,

- Project controls oversight and cost estimating for Gilbert Road Extension, 50th Street Station, Tempe Streetcar, Operations and Maintenance Center Expansion, South Central Extension/Downtown Hub, and Northwest Phase II Extension
- HVAC assessment for the Operations and Maintenance Center.



- Design services for bus infrastructure projects including Peoria Park-and-Ride, Buckeye Park-and-Ride Expansion, Avondale Bus Stop Improvements, Mesa Bus Operations Vehicle Wash Equipment Replacement, Real Time Locating System/Smart Yard Design
- Threat, vulnerability, and risk analysis and emergency preparedness plan support for the Valley Metro bus system
- Project management of Job-Order Contracting projects.
- Third party utility support including inspection and blue staking services

The GCSS Consultant will continue to provide technical support for the following Valley Metro projects: Tempe Streetcar, Northwest Extension Phase 2, South Central/Downtown Hub Extension, OMC Expansion, Capitol Extension, and I-10 West. In addition to these projects, this contract will support projects including Zero Emissions Bus Fleet Transition Plan and Infrastructure design, Gilbert Park-and-Ride design, standard pedestrian railing design, and continued support for the Fare Collection System Modernization project. The GCSS Consultant will also continue to provide design and construction support for improvements to the existing rail infrastructure, and both bus/rail operations and maintenance facilities. The majority of the services required are short term in duration and are on an as needed basis.

COST AND BUDGET

In June 2016, the Board authorized a total of \$11.8M in contract authority in conjunction with the GCSS contract award to Arcadis, Inc. The table below summarizes the contract expenditures incurred as of November 2022 and the anticipated expenditures from December 2022 through the end of the contract in June 2024. Providing additional contract authority will allow for continued consultant support for on-going projects, as well as known, upcoming projects without delay.

The source of funding for projects is determined on a project-by-project basis and is from member cities, the regional Public Transportation Fund (Prop 400/PTF), and/or federal funding. Historically, this contract supports projects at a ratio of 90% VMR and 10% RPTA.



Description	Amount
Current Contract Authority (approved in June 2016)	\$11,800,000
Contract Expenditures (July 2016-November 2022)	\$10,100,000
Anticipated Expenditures (December 2022-June 2024)	\$3,064,000
Additional Contract Authority Needed	\$1,364,000
10% Contingency	\$136,000
Total Additional Contract Authority Requested	\$1,500,000

COMMITTEE ACTION

RTAG: January 17, 2023 for information

TMC/RMC: February 1, 2023 approved

Boards of Directors: February 16, 2023 for action

CONTACT

Henry Ikwut-Ukwa

Chief, Capital and Service Development

602-322-4420

hukwa@valleymetro.org

ATTACHMENT

None



Information Summary

DATE

February 9, 2023

AGENDA ITEM 6**SUBJECT**

Travel, Expenditures and Solicitations

PURPOSE

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

RECOMMENDATION

This item is presented for information only.

BACKGROUND | DISCUSSION | CONSIDERATION

None

COST AND BUDGET

None

COMMITTEE PROCESS

None

CONTACT

Ken Kessler

Chief Financial Officer

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Kkessler@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
12/1/22 through 12/31/22

Job Title	Purpose of Travel	Location	Dates Traveled	Total Travel Cost	Airfare	Other Transport	Lodging	Meals	Misc.
Project Manager	FTA Transit Construction Workshop	Chicago, IL	9/6/22-9/9/22	\$1,232.69	\$345.96	\$15.00	\$595.23	\$276.50	
Director, Capital Development	APA TX 2022 State Planning Conf	El Paso, TX	10/20/22-10/22/22	\$132.50				\$132.50	

Total this reporting period

\$1,365.19

Year to Date

\$72,470.22

Report reflects Out of State (AZ) Travel

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

Payment Number	Date	Supplier or Party Name	Transaction Description	Amount
10001023	12/9/2022	First Transit Inc	Monthly Transit Services	5,849,623.60
10001011	12/1/2022	City of Phoenix	RTP Reimbursement	3,698,394.77
10001060	12/21/2022	Scheidt & Bachmann USA Inc	Regional Farebox Project	3,557,421.00
10001016	12/1/2022	Motor Coach Industries Inc	Over the road transit coaches	2,098,681.74
10001029	12/9/2022	Transdev Services Inc	General Paratransit Service	1,370,022.37
90000133	12/16/2022	ADP LLC	PPE 12/11/2022 Payroll Liabilities	1,256,724.64
90000135	12/29/2022	ADP LLC	PPE 12/25/2022 Payroll Liabilities	1,116,528.60
90000129	12/1/2022	ADP LLC	PPE 11/27/2022 Payroll Liabilities	1,077,815.35
10001073	12/29/2022	HDR Engineering Inc	Continuation of Tasks and Work-July and August 2022	636,930.46
10001053	12/21/2022	Creative Bus Sales Inc	Paratransit Vans	574,479.00
10001021	12/9/2022	Creative Software Solutions LLC	Ridechoice Management Services	504,253.14
90000132	12/16/2022	Cigna Health and Life Insurance Company	Health Insurance Premiums	487,084.11
10001028	12/9/2022	Total Transit Enterprises LLC	Monthly West Valley Contracted Fixed Route	484,201.43
90000134	12/29/2022	ASRS	PPE 12/25/22 ASRS Contributions & LTD	296,814.11
90000128	12/1/2022	ASRS	PPE 11/27/22 ASRS Contributions & LTD	290,824.82
90000131	12/16/2022	ASRS	PPE 12/11/22 ASRS Contributions & LTD	281,278.92
10001035	12/9/2022	MTM Transit LLC	Paratransit Training Services	232,629.76
10001070	12/29/2022	101 North First Ave LLC	101 Building Rent	183,898.71
90000137	12/31/2022	Surepays	RPTA Monthly Utilities	147,919.49
10001066	12/21/2022	MTM Transit LLC	Paratransit Training Services	98,048.00
10001061	12/21/2022	Second Generation Inc, dba Ajo Transpor	Monthly Rural Connector Services	80,052.45
10001069	12/29/2022	WSP USA Inc	Project Development Support	75,806.69
1001195	12/21/2022	QCM Technologies Inc	Information Security Program Support	73,232.81
1001155	12/9/2022	QCM Technologies Inc	Information Security Program Support	67,918.61
1001208	12/29/2022	CopperPoint Insurance Company	Mobility Center Rent	64,498.19
10001034	12/9/2022	Senergy Petroleum LLC	Bulk Fuel	58,573.85
1001204	12/29/2022	ACRO Service Corporation	Staffing Services and Related Solutions-IT Project Management Services	57,768.00
10001072	12/29/2022	DLT Solutions LLC	Oracle Products and Services-Subscription Costs - ERP Cloud Fusion	45,026.94

1001171	12/16/2022	ACRO Service Corporation	Staffing Services and Related Solutions-IT Project Management Services	44,670.00
10001063	12/21/2022	Senergy Petroleum LLC	Bulk Fuel	44,375.93
10001057	12/21/2022	Guidesoft Inc	Managed Services Provider	44,287.89
90000136	12/29/2022	Wells Fargo Bank	Monthly Credit Card Charges	42,028.80
10001005	12/1/2022	Enterprise Rideshare	Van Pool Services	38,548.26
10001012	12/1/2022	Cardinal Infrastructure LLC	Federal Government Consulting Services	33,619.54
1001147	12/1/2022	WestGroup LLC	Market Research Services	33,125.00
1001170	12/16/2022	WestGroup LLC	Market Research Services	33,125.00
10001041	12/16/2022	Guidesoft Inc	Managed Services Provider	33,106.60
10001006	12/1/2022	Guidesoft Inc	Managed Services Provider	32,659.60
10001022	12/9/2022	DLT Solutions LLC	Oracle Products and Services-Subscription Costs - ERP Cloud Fusion	32,470.00
1001178	12/16/2022	QCM Technologies Inc	Information Security Program Support	31,130.40
1001187	12/21/2022	Bentley Systems Inc	ProcureWare Annual Renewal	30,972.72
10001015	12/1/2022	Senergy Petroleum LLC	Bulk Fuel	29,992.36
10001049	12/16/2022	WSP USA Inc	Project Development Support	29,149.82
1001165	12/16/2022	City of Scottsdale, Remittance Processi	PTF Expenditure Reimbursement	28,964.01
1001183	12/16/2022	WEX Bank	Fleet Card Services	28,741.14
1001156	12/9/2022	SHI International Corp	Software Value Added Reseller	26,107.40
10001033	12/9/2022	Krauthamer & Associates LLC	Recruitment Services	25,000.00
				25,408,526.03

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

Payment				
Number	Date	Supplier or Party Name	Transaction Description	Amount
50000859	12/9/2022	Kiewit Infrastructure West Company	CMAR Services for Northwest Phase II	15,752,990.43
50000860	12/9/2022	Kiewit-McCarthy, a Joint Venture	CMAR Services for South Central-Downtown Hub	11,007,901.03
50000904	12/29/2022	Alliant Insurance Services Inc	Transportation Services	5,261,992.95
50000880	12/16/2022	Siemens Mobility	Light Rail Vehicles	2,042,866.98
50000910	12/29/2022	Hill International Inc	PMCM Services	983,155.06
50000893	12/21/2022	J Banicki Construction Inc	Construction Services - JOC	699,029.05
50000884	12/21/2022	Allied Universal Security Services	Fare Inspection and Security Services	683,775.27
50000888	12/21/2022	Builders Guild Inc	Construction Services - JOC	681,898.39
50000842	12/1/2022	Allied Universal Security Services	Fare Inspection and Security Services	626,482.96
50000863	12/9/2022	PGH Wong Engineering Inc	System Design Services	510,390.11
90000018	12/31/2022	Surepays	VMR Monthly Utilities	355,785.22
50000865	12/9/2022	SRP	Third Party Utility for Construction	327,301.88
50000843	12/1/2022	Alternate Concepts Inc	Transportation Services	244,170.04
50000858	12/9/2022	J Banicki Construction Inc	Construction Services - JOC	192,337.72
50000852	12/1/2022	Siemens Mobility	Light Rail Vehicles-Parts	180,953.62
5001306	12/16/2022	Sanderson Ford Inc	New Vehicle Purchases	169,452.54
50000894	12/21/2022	Jacobs Engineering	Design Services for Northwest Phase II	152,794.03
50000885	12/21/2022	ARCADIS	Consulting Support Services	99,647.87
5001283	12/9/2022	Peoria Ford	New Vehicle Purchases	79,244.26
500134	12/21/2022	CHK America Inc	Wayfinding Map Design Services	65,320.00
50000845	12/1/2022	ARCADIS	Consulting Support Services	53,856.24
50000912	12/29/2022	Scheidt & Bachmann USA Inc	Repairs to ticketing Unit	49,669.83
50000864	12/9/2022	WILLCO Art & Design Inc	Phase II - Fabrication/Install	45,900.00
5001327	12/21/2022	NASG Holdings LLC	Windows	43,084.40
5001291	12/16/2022	National Restroom Trailers LLC	Restroom Trailer	40,925.00
50000897	12/21/2022	Leach International Corp	Relays	39,406.25
50000871	12/16/2022	Award Winning Restorations	Light Rail Vehicle Painting	37,736.38
50000909	12/29/2022	HDR Engineering Inc	Continuation of Tasks and Work-July and August 2022	33,385.80
50000896	12/21/2022	Knorr Brake Corporation	Brake Pad	31,522.00
50000887	12/21/2022	Brookville Equipment Corp	Streetcar Vehicles-Demonstraton Plan	30,313.92
50000895	12/21/2022	Kiewit Infrastructure West Company	SCE/DH Construction Advisory Board North Incentive Disbursement	29,837.00

50000868	12/9/2022 Janelle L Stanley Design LLC	Public Art-Fabrication/Install	29,114.00
50000883	12/21/2022 Alliant Insurance Services Inc	Insurance Brokerage Services	28,125.00
50000861	12/9/2022 Leach International Corp	Relays	27,038.75
50000849	12/1/2022 Penn Machine Company LLC	Axel Assembly	25,965.00
			40,663,368.98



Information Summary

DATE

February 9, 2023

AGENDA ITEM 7**SUBJECT**

Report on Current Events and Suggested Future Agenda Items

PURPOSE

Chair Pastor 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

Jessica Mefford-Miller
Chief Executive Officer
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ATTACHMENT

None.

Pending Items Request

Item Requested	Date Requested	Planned Follow-up Date



Agenda

February 9, 2023

Valley Metro RPTA

Thursday, February 16, 2023

Boardroom/Webex

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

(Directly following Study Session which starts at 11:15 a.m.)

Action Recommended

CONSENT AGENDA

1A. Minutes

1A. For action

Minutes from the January 19, 2023 Board meeting are presented for approval.

1B. City of Phoenix Grant Pass-Through Intergovernmental Agreement (IGA) Amendments – Section 5307 and 5339 Funds

1B. For action

Staff recommends that the Board of Directors authorize the CEO to execute IGA amendments with the City of Phoenix for the listed grants.

1C. Trapeze Pass Customization for RideChoice Faring Accessible Transit

1C. For action

Staff recommends that the Board of Directors authorize the CEO to procure development and professional services for Trapeze to manage the RideChoice program. The period of authorization is FY 2023 – FY 2025, in an amount not to exceed \$339,677 plus a 5% contingency of \$16,984, for a total not-to-exceed authorization amount of \$356,661.

REGULAR AGENDA

2. Report on Current Events and Suggested Future Agenda Items

2. For information

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



3. Next Meeting

3. For information

The next Board meeting is scheduled for **Thursday, March 16, 2023 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



Minutes

February 9, 2023

AGENDA ITEM 1A

Valley Metro RPTA

Thursday, January 19, 2023
Lake Powell Conference Room/Webex
101 N. 1st Avenue, 10th Floor
11:15 a.m.

RPTA Meeting Participants

Councilmember Laura Pastor, City of Phoenix - **Chair**
Councilmember Bill Stipp, City of Goodyear – **Vice Chair**
Councilmember Max White, City of Avondale
Councilmember Clay Goodman, City of Buckeye
Councilmember O.D. Harris, City of Chandler
Councilmember Monica Dorcey, City of El Mirage (phone)
Mayor Brigitte Peterson, Town of Gilbert (phone)
Councilmember Lauren Tolmachoff, City of Glendale
Vice Mayor Francisco Heredia, City of Mesa (phone)
Councilmember Jon Edwards, City of Peoria
Vice Mayor Jeff Brown, Town of Queen Creek
Councilmember Kathy Littlefield, City of Scottsdale (phone)
Councilmember Aly Cline, City of Surprise (phone)
Vice Mayor Jennifer Adams, City of Tempe
Mayor Rui Pereira, Town of Wickenburg (phone)

Members Not Present

Supervisor Jack Sellers, Maricopa County
Councilmember Aldofo Gamez, City of Tolleson
Mayor Michael LeVault, Town of Youngtown
Town of Fountain Hills not represented

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

1. Consent Agenda

Chair Pastor said the Consent Agenda is presented for action. Are there any questions? Do I have a motion?

Motion by Councilmember Stipp.

Councilmember Tolmachoff said Madam Chair, I did have a question about the automated speech recognition.

Chair Pastor said okay.

Valley Metro | 101 N. 1st Ave. Phoenix, AZ 85003 602.262.7433



Councilmember Tolmachoff said on one item on the automated speech recognition. It hadn't occurred to me before I've been here a long time, but do we have a chat feature on our app or on our website or a lot of people like to use chat rather than getting on the phone. If they have an issue, they'd like to just chat. And I didn't see that option and I didn't know whether that's something that we might be missing.

Ms. Mefford-Miller said I want to welcome Phil Ozlin to answer any questions, as needed. We don't currently have a chat feature as part of our app, but it is something that we're exploring. It could be potentially part of our app, but there are also standalone services and firms that can be acquired relatively inexpensively so that customers can live chat with a customer service agent during our hours of operation. And you're right, this is how we've become accustomed to communicating so as we're evolving our tools, we're focusing on adding those options.

Councilmember Tolmachoff said and if I could, also on the website. I mean, a lot of times, it's anywhere where you want to chat with somebody about any issues and a lot of times the chat bot, just the same as the voice recognition, can answer the question intuitively and so, if they can't resolve it then you can speak to a live person. But I think it's a really, efficient way to provide service and I have just -- hadn't occurred to me until I saw the voice recognition and thought I would ask whether we were exploring that option.

Ms. Mefford-Miller said thank you.

Mr. Ozlin said yes, it is something that has been explored, but has not been moved forward at this point. But it's certainly something that we have kept our eye on.

Councilmember Tolmachoff said thank you.

Chair Pastor said thank you.

Motion by Councilmember Stipp, second by Councilmember Edwards. Any discussion? Seeing none the motion carries.

IT WAS MOVED BY COUNCILMEMBER STIPP, SECONDED BY COUNCILMEMBER EDWARDS AND UNANIMOUSLY CARRIED TO APPROVE CONSENT AGENDA ITEMS 1A-1D.

2. RPTA Fiscal Year 2023 (FY23) Mid-Year Budget Adjustment

Ms. Mefford-Miller said I want to invite Chief Financial Officer Ken Kessler to the podium to address this item for the Board.



Mr. Kessler said good morning, Madam Chair. Or is it still morning? Nope. Afternoon. Good afternoon, Madam Chair, members of the Board. I'm here to discuss nothing as exciting as the Super Bowl activities just routine business here. So for the RPTA '23 midyear budget adjustment, there are a few items that we're requesting the Board approve relative to the budget adjustment.

So I just want to point out regarding the labor rate adjustments that were approved by the Board last month along with those actually the budget adjustment for those items was approved and that was about \$3.1 million so those budget adjustments and just want to put them up here for just for your information purposes.

What we're looking at actually for action today is these three items here. We've got in the areas of planning, regional services and call center about \$3 million in budget adjustment that needed to cover these items. And, basically, these are some items that were not planned for this fiscal year and so in order to incorporate these activities into the current year activities, we need to get an approval for increased budget by about \$3 million.

The first thing we have in the planning area is the O & D study. You just approved that in the previous consent item to do the study. Now, we're asking to approve the budget adjustment in order to do that in this fiscal year. When the budget was prepared last year, this item was slated more towards being conducted in the following fiscal year, so since we are able to move this activity forward into the current fiscal year, we need some additional budget in the current year to make that happen.

Additionally, in the planning area, we have our zero-emission fleet transition plan. This is a requirement of the FTA in order to apply for the FTA's discretionary low and no emission grant program, you need to have a fleet transition plan and you need to submit that as part of your application so we're looking for a budget adjustment in order to complete that activity this year in order to be prepared later in this fiscal year when we expect the funding opportunity from FTA to be opened up to apply for those grants.

The next item under the regional services area is our fare collection system maintenance. And this is, basically, a need for the City of Phoenix. Phoenix currently has a maintenance agreement with Scheidt & Bachmann, the current fare collection system vendor, that expires at the end of the month. The Board did approve the acquisition of new fare boxes which will happen in the next fiscal year as well as the -- the contract for maintenance and this is just a request to increase the budget and this item will actually be funded by the City of Phoenix, their share of the public transportation fund. And so, just wanted to point that out as far as that funding source not necessarily coming out of Valley Metro funds but coming out of Phoenix funds.

And then the last item is the call center. This is the call center for the new fare system.



This is just sort of a timing issue here, again, when the budget was planned for last year, the timing on the launch of the mobile ticketing and the full new fare system was a little uncertain, so this wasn't budgeted for. I do want to mention that with this additional budget it's still within the contract. So the maintenance contract for this call center or the operations and maintenance contract for the call center remains unchanged. This is just a timing starting that a little sooner than was planned last year when the budget was developed.

And one thing I want to point out that's important for this overall budget adjustment of \$3 million, it does not affect any member city IGA's or your contributions. The IGA's were prepared with some contingency in there, so you'll continue to be billed your -- at your current member city IGA amounts for the rest of the fiscal year. And then also want to mention -- remind folks that we do a true up at the end of the year where we reconcile actual cost to the forecast and typically, there's a slight refund back to the member cities based on the actual results of our expenditures for the year compared to what was put into the IGA's.

Just here wanted to show a quick breakdown of the funding sources. It's a public transportation fund, regional area road fund, which is a funding source that comes from MAG, member city contributions, again, that increase is really for Phoenix, and then federal funds of a little over half a million dollars.

And then this is just a table kind of giving you some more detail on the areas of where the budget adjustment is needed totaling \$6.1 million, so that includes the previously approved budget adjustment for the transit service contract labor rate increases. And so, in total these budget adjustments are about 3% of the overall RPTA operating budget.

Chair Pastor said Vice Mayor Adams.

Vice Mayor Adams said just for clarification, can you go back to that slide?

Mr. Kessler said sure.

Vice Mayor Adams said under planning, a 53%, can you just explain that? I'm sure you have a good reason for it, but I would like to know about it.

Mr. Kessler said so the overall planning budget in the adopted budget is \$2.4 million and the \$1.3 million additional that's for that O & D study and the fleet transition plan that we need to do. Totals about \$1.3 million which represents a 53% increase over the appropriated budget.

Vice Mayor Adams said thank you for the clarification.



Mr. Kessler said certainly. So that concludes my presentation and staff is recommending that the Board approve this midyear budget adjustment to the RPTA operating budget for FY23. I can answer any questions.

Chair Pastor said alright. Any questions? Anybody would like to make a motion?

Motion by Vice Mayor Adams, second by Councilmember White.

Any discussion? No, no, no. I have a motion and a second, any discussion? I hear none.

All those in favor of the motion, please say aye. Any nays? Ayes carry. Motion carries. Thank you.

IT WAS MOVED BY VICE MAYOR STIPP, SECONDED BY COUNCILMEMBER WHITE AND UNANIMOUSLY CARRIED TO APPROVE THE RPTA FISCAL YEAR (FY23) MID-YEAR BUDGET ADJUSTMENT.

3. Election of Board Treasurer and Joint Board Subcommittee Positions

Chair Pastor said I have a request. Is there a motion?

Councilmember Stipp said Madam Chair, I'd like to make a motion that we submit Councilmember OD Harris from the City of Chandler.

Vice Mayor Adams said second.

Chair Pastor said any discussion? All those in favor, please say aye.
Councilmember Stipp said I think we should just take a moment and thank OD for being here and willing to put himself on the line at his first meeting. Look forward to working with you.

Chair Pastor said okay. I know.

Councilmember Tolmachoff said I assume he hasn't been briefed yet.

Councilmember Stipp said oh, so that's why we're doing this quickly before he changes his mind? Okay.

Chair Pastor said any nays? Do you want me to say a nay for you? No nays. All those -- the motion carries. Welcome, OD, to the group and we all take risks when we run for office so. But when your colleagues put you there, watch out. Congratulations.

Councilmember Harris said thank you.



Chair Pastor said any other comments on this? All right.

IT WAS MOVED BY COUNCILMEMBER STIPP, SECONDED BY VICE MAYOR ADAMS AND UNANIMOUSLY CARRIED TO APPROVE COUNCILMEMBER O.D. HARRIS, CITY OF CHANDLER AS BOARD TREASURER AND JOINT BOARD SUBCOMMITTEE.

4. Report on Current Events and Suggested Future Agenda Items

Chair Pastor said Any members? No. All right.

5. Next Meeting

The next Board meeting is scheduled for Thursday, February 16, 2023 at 11:15 a.m.

The meeting was adjourned.

With no further discussion the meeting adjourned at 12:40 p.m.



Information Summary

DATE

February 9, 2023

AGENDA ITEM 1B

SUBJECT

City of Phoenix Grant Pass-Through Intergovernmental Agreement (IGA) Amendments
– Section 5307 and 5339 Funds

PURPOSE

To request authorization for the Chief Executive Officer (CEO) to execute IGA amendments with the City of Phoenix extending the terms of grant pass-through IGA's.

RECOMMENDATION

Staff recommends that the Board of Directors authorize the CEO to execute IGA amendments with the City of Phoenix for the listed grants.

BACKGROUND | DISCUSSION | CONSIDERATION

Valley Metro requested extensions to pass-through IGA agreement number 153624-1 for AZ-2020-042, AZ-2020-045, AZ-2020-051, and AZ-2020-052 and pass-through IGA agreement number 151680-1 for AZ-2020-009. The extensions are needed to allow additional time to complete the projects identified in the grants. The table below summarizes the requested changes:

Grant	Agreement Number	Source	Extension
AZ-2020-042	153624-1	Section 5307 Capital Funds	9/30/2025
AZ-2020-045	153624-1	Section 5307 Capital Funds	9/30/2025
AZ-2020-051	153624-1	Section 5339 Bus & Bus Facilities	9/30/2025
AZ-2020-052	153624-1	Section 5307 Capital Funds	9/30/2025
AZ-2020-009	151680-1	Section 5307 Capital Funds	8/23/2024

Grant AZ-2020-42 has \$2,524,486 of funding remaining from the original award of \$2,974,050, \$178,500 of the funding will be used to pay for paratransit vans that were not purchased during the pandemic. The remaining \$2,345,986 will be used to cover Small UZA operating expenses that, for the past few years, have been paid using Covid relief funding. The grant IGA expires on June 30, 2023, and an extension until September 30, 2025, is needed for additional time to utilize this funding.

Grant AZ-2020-045 has \$73,816 of funding remaining from the original award of \$73,816. This funding will be used to pay for Small UZA Preventative Maintenance. Due to the Covid-19 Pandemic and supply chain issues, Valley Metro was not able to utilize



the funding in the allotted time frame. The grant IGA expires on June 30, 2023, and an extension until September 30, 2025, is needed for additional time to utilize this funding.

AZ-2020-051 has \$510,000 remaining from the original award of \$510,000. The funding will be used to purchase three replacement buses for Rural route 685. However, the purchase has been delayed due to low mileage of existing buses. The order will be revisited later in FY2023. The grant IGA expires on June 30, 2023, and an extension until September 30, 2025, is needed for additional time to utilize this funding.

Grant AZ-2020-052 has \$13,090,957 of the original award amount of \$29,598,700. Due to the Covid-19 Pandemic, the buses that were ordered were placed on hold from the manufacturer due to lack of supply. We are actively working with the vendor to procure needed buses. The grant IGA expires on June 30, 2023, and an extension until September 30, 2025, is needed for additional time to utilize this funding.

Grant AZ-2020-009 has \$731,095 remaining from the original award of \$4,059,674. Of the remaining total, \$623,762 will be used to fund the purchase of commuter and expansion buses. The remaining \$107,333 will be used to cover Small UZA operating expenses that for the past few years have been paid using Covid relief funding. The grant IGA expired on August 23, 2022, and an extension until August 23, 2024, is needed for additional time to utilize this funding.

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

COST AND BUDGET

No changes in cost and budget.

COMMITTEE PROCESS

RTAG: January 17, 2023 for information

TMC: February 1, 2023 approved

Board of Directors: February 16, 2023 for action

CONTACT

Ken Kessler

Chief Financial Officer

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ATTACHMENTS

None



Information Summary

DATE

February 9, 2023

AGENDA ITEM 1C**SUBJECT**

Trapeze Pass Customization for RideChoice Faring Accessible Transit

PURPOSE

To request authorization for the Chief Executive Officer (CEO) to procure development services for faring enhancements to PASS for RideChoice and PASS Next Gen Support Services and transition the Trapeze Pass System to TCMS (Cloud) for Pass to support Valley Metro's ADA Paratransit and RideChoice services.

RECOMMENDATION

Staff recommends that the Board of Directors authorize the CEO to procure development and professional services for Trapeze to manage the RideChoice program. The period of authorization is FY 2023 – FY 2025, in an amount not to exceed \$339,677 plus a 5% contingency of \$16,984, for a total not-to-exceed authorization amount of \$356,661.

BACKGROUND | DISCUSSION | CONSIDERATION

In June 2020, Valley Metro entered into a Software License and Maintenance Agreement with Trapeze for the scheduling and dispatch software necessary to operate Regional ADA Paratransit services (Trapeze Pass). Previously, the licenses were owned by Transdev, our ADA Paratransit Contractor. Valley Metro agreed to secure the software directly to reduce the cost associated with the contractor holding the licenses, and to ensure continuity of service if the contract were to transfer to a different provider. In addition, Valley Metro just completed the process of moving the scheduling and dispatch software from Transdev-owned servers to Valley Metro-owned infrastructure to ensure services continue no matter the provider assigned.

Recently, Valley Metro started an upgrade to the software to increase customer facing features that includes IVR (interactive voice response) to notify customers of upcoming rides, make trip reservations and check trip status via the web or mobile device, and to pay fare electronically.

The final upgrade needed to manage the RideChoice program under the new joint administration for reservations and trip scheduling for both ADA Paratransit and RideChoice programs includes a development of Pass faring customizations specifically designed to manage the RideChoice program and individual trip limits and trip cost and moving the entire program to Trapeze TCMS (Cloud) for PASS.



The PASS faring customization is a necessary step to ensure one software system can manage both ADA Complementary Paratransit and RideChoice to meet the goals established by the combined administration of the programs. These software enhancements will also prepare for the management of additional demand response programs including microtransit.

Item	One-Time	Annual	Total
TCMS (Cloud) for PASS	\$80,949	\$84,572	\$250,093
Faring Enhancement to PASS for RideChoice + PASS NextGen support services	\$89,584	N/A	\$89,584
PASS Next-Gen	\$0	\$0	\$0
Year One Subtotal:	\$170,533	\$84,572	\$255,105
Maintenance	---	\$84,572	\$84,572
Year Two Subtotal:	---	\$84,572	\$84,572
Total:	\$170,533	\$169,144	\$339,677

COST AND BUDGET

The funds for the software and professional services outlined in this memo will be included in the RPTA FY 2024 Operating and Capital Budgets as part of the RideChoice & ADA Paratransit Administrative Broker Services initiative. The requested authorization is not to exceed \$356,661 through FY 2025.

Trapeze is the principal owner and proprietor of the technology in the suite Valley Metro is expanding. Trapeze is the sole-source distributor of the suite as well as any services and maintenance required to support the suite.

COMMITTEE ACTION

RTAG: January 17, 2023 for information

TMC: February 1, 2023 approved

Board of Directors: February 16, 2023 for action

CONTACT

Phil Ozlin

Chief Information Officer

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ATTACHMENT

None



Information Summary

DATE

February 9, 2023

AGENDA ITEM 2**SUBJECT**

Report on Current Events and Suggested Future Agenda Items

PURPOSE

Chair Pastor 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

Jessica Mefford-Miller

Chief Executive Officer

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ATTACHMENT

None

Pending Items Request

Item Requested	Date Requested	Planned Follow-up Date



Agenda

February 9, 2023

Valley Metro Rail

Thursday, February 16, 2023

Boardroom/Webex

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

(Directly following Study Session which starts at 11:15 a.m.)

Action
Recommended

CONSENT AGENDA

1A. Minutes

1A. For action

Minutes from the January 19, 2023 Board meeting are presented for approval.

1B. City of Phoenix Grant Pass-Through Intergovernmental Agreements (IGA) Amendments – STP FLEX, Sections 5307 and 5337

1B. For action

Staff recommends that the Board of Directors authorize the CEO to execute IGA amendments with the City of Phoenix for the listed grants.

1C. City of Phoenix Grant Pass-Through Intergovernmental Agreement (IGA) Amendments – Section 5309

1C. For action

Staff recommends that the Board of Directors authorize the CEO to execute IGA amendments with the City of Phoenix for the listed grants.

1D. Aerial Device/Bucket Trucks Purchase

1D. For action

Staff recommends that the Board of Directors authorize the CEO to purchase four aerial device/bucket trucks through a cooperative agreement with Altec Industries, Inc. for an amount not to exceed \$970,271.

REGULAR AGENDA

2. Report on Current Events and Suggested Future Agenda Items

2. For information

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

3. Next Meeting

3. For information

The next meeting of the Board is scheduled for **Thursday, March 16, 2023 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



Minutes

February 9, 2023

AGENDA ITEM 1A

Valley Metro Rail
Thursday, January 19, 2023
Lake Powell Conference Room/Webex
101 N. 1st Avenue, 10th Floor
11:15 a.m.

Valley Metro Rail Participants

Vice Mayor Jennifer Adams, City of Tempe - **Chair**
Councilmember Laura Pastor, City of Phoenix - **Vice Chair**
Councilmember O.D. Harris, City of Chandler
Vice Mayor Francisco Heredia, City of Mesa (phone)

Chair Adams called the meeting to order at 12:45 p.m.

Chair Adams said Metro Rail Board meeting to order, please.

1. **Consent Agenda**

Chair Adams said and it is presented for action, so does the Committee have any questions or are there any items that need to be pulled for separate discussion? Seeing none. Do I have a motion to approve?

Motion by Councilmember Harris, second by Vice Mayor Heredia.

Please say aye. Any nays? Okay. Motion carries.

IT WAS MOVED BY COUNCILMEMBER HARRIS, SECONDED BY VICE MAYOR HEREDIA AND UNANIMOUSLY CARRIED TO APPROVE CONSENT AGENDA ITEMS 1A-1D.

2. **Valley Metro Rail Fiscal Year 2023 (FY23) Mid-Year Budget Adjustment**

Ms. Mefford-Miller said sure. I would like to ask Chief Financial Officer Ken Kessler to report on this item.

Chair Adams said okay. Thank you.



Mr. Kessler said thank you. Madam Chair, members of the Board, just go briefly through the requested midyear budget adjustment for Valley Metro Rail. This is really about timing of capital project activities. We're requesting a budget increase in the current year of about \$106 million for South Central, Northwest Phase II, Tempe Streetcar and the OMC Expansion completing that project up. And really this is about the timing of the activities related to the project. These projects all are within their total multiyear budget, so this has no impact on that. It's just really the timing of when those costs are incurred. And just a breakdown here quickly of the sources that are funding these projects. You can see there that the federal funds, member city contributions and PTF funds that are budgeted as well as the increase for the midyear budget adjustment.

Chair Adams said I have a question on that slide. Can you go back?

Mr. Kessler said certainly.

Chair Adams said on the 142% increase for the member city contributions, can you just break that down a little bit more?

Mr. Kessler said Madam Chair, that's the current budget there for member city contributions is 30.5 million, the increase is 43.4 million resulting in the 142% increase in the member city contribution. And that's City of Phoenix, by the way. Just for your information.

Chair Adams said thank you, Laura. All right. Appreciate it.

Mr. Kessler said Tempe's good. And then just a quick, here the table showing the breakdown of the various projects and where we're needing budget increases a total of a 26% increase in the current year budget. Again, there are no increases to the total multiyear project budgets for the budgets included here, or the projects included here.

So with that, staff is recommending the Board of Directors approve the midyear budget adjustment for the Valley Metro Rail capital budget.

Chair Adams said do I hear a motion to approve?

Motion by Councilmember Pastor, second by Councilmember Harris.

Is there any discussion? Is there any discussion on this item? Okay. Please vote. Any nays? Motion carries. All right.

IT WAS MOVED BY COUNCILMEMBER PASTOR, SECONDED BY COUNCILMEMBER HARRIS AND UNANIMOUSLY CARRIED TO APPROVE THE VALLEY METRO RAIL FISCAL YEAR (FY230 MID-YEAR BUDGET ADJUSTMENT.



3. Report on Current Events and Suggested Future Agenda Items

Chair Adams said are there any members that -- are there any reports on current events or any members that want to add future agenda items?

Councilmember Pastor said some fun.

Chair Adams said seeing none. We'll move on.

4. Next Meeting

The next Board meeting is scheduled for Thursday, February 16, 2023 at 11:15 a.m.

Chair Adams adjourned the meeting.

Without further discussion, the meeting was adjourned at 12:49 p.m.

Information Summary

DATE

February 9, 2023

AGENDA ITEM 1B

SUBJECT

City of Phoenix Grant Pass-Through Intergovernmental Agreements (IGA) Amendments – STP FLEX, Sections 5307 and 5337

PURPOSE

To request authorization for the Chief Executive Officer (CEO) to execute IGA amendments with City of Phoenix extending the term of grant pass-through IGA's.

RECOMMENDATION

Staff recommends that the Board of Directors authorize the CEO to execute IGA amendments with the City of Phoenix for the listed grants.

BACKGROUND | DISCUSSION | CONSIDERATION

Valley Metro requested extensions to the pass-through IGAs for AZ-2018-014, AZ-2020-041 and AZ-2020-052. The extensions are needed to allow additional time to complete the project identified in the grants. The table below summarizes the requested changes:

Grant	Source	Extension
AZ-2018-014	Section STP FLEX; 10WEST	3/31/2026
AZ-2020-041	Section 5337 SoGR; Light Rail Vehicle Communication Upgrade	2/13/2026
AZ-2020-052	Section 5307 Capital Funds: Preventive Maintenance	2/13/2026

Grant AZ-2018-014 has \$310,121 of funding remaining from the original award amount of \$60,542,432. The grant IGA expired on March 31, 2022, and the remaining funds in the grant were redirected to fund the 10WEST project. An extension until March 31, 2026 is needed to fund the project cost.

Grant AZ-2020-41 has \$1,267,432 of funding remaining from the original award amount of \$3,697,392. The funding will be used to pay for the 50 light rail vehicle



communication system upgrade. The grant IGA will expire on February 13, 2023, and an extension until February 13, 2026 is needed to fund the project cost.

Grant AZ-2020-52 has \$2,363,287 of funding remaining which is the original amount. The funding will be used for the Rail Operations Preventive Maintenance. The grant IGA will expire on February 13, 2023, and an extension until February 13, 2026 is needed to fully expend the funds because federal Covid relief operating assistance funding was utilized the past few years.

The City of Phoenix is the designated recipient for all FTA grant funds for the region. Valley Metro/RPTA undertakes projects approved for FTA grant funding, then submits requests to Phoenix for reimbursement of actual expenses incurred. Phoenix then executes a drawdown of funds from FTA to pass-through the reimbursement to Valley Metro. The pass-through IGA's are required for Phoenix to reimburse Valley Metro for eligible expenses.

COST AND BUDGET

No changes in cost and budget.

COMMITTEE PROCESS

RTAG: January 17, 2023 for information

RMC: February 1, 2023 approved

Board of Directors: February 16, 2023 for action

CONTACT

Ken Kessler

Chief Financial Officer

602-523-6043

kkessler@valleymetro.org

ATTACHMENTS

None

Information Summary

DATE

February 9, 2023

AGENDA ITEM 1C

SUBJECT

City of Phoenix Grant Pass-Through Intergovernmental Agreement (IGA) Amendments
– Section 5309

PURPOSE

To request authorization for the Chief Executive Officer (CEO) to execute IGA amendments with the City of Phoenix to receive additional federal funding to allow Valley Metro to be reimbursed for eligible activities.

RECOMMENDATION

Staff recommends that the Board of Directors authorize the CEO to execute IGA amendments with the City of Phoenix for the listed grants.

BACKGROUND | DISCUSSION | CONSIDERATION

Valley Metro is being provided federal funds from the Federal Transit Administration (FTA) through the Section 5309 New Starts Grant Program. The table below summarizes the funding available:

Grant	FTA Program	Federal share	Regional Share	Local Share	Total
TBD	5309 New Starts – South Central Extension/Downtown Hub	\$232,119,328	\$138,554,267	\$159,467,649	\$530,141,244
TBD	5309 New Starts – Northwest Extension II	\$58,122,079	\$7,231,497	\$82,191,721	\$147,545,297
Total		\$290,241,407	\$145,785,764	\$241,659,370	\$677,686,541

- Funds from the Section 5309 New Starts Program are awarded for reimbursement of South Central Extension/Downtown Hub project costs.
- Funds from the Section 5309 New Starts Program are awarded for reimbursement of Northwest Extension Phase II project costs.

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



executes a drawdown of funds from FTA to pass-through the reimbursement to Valley Metro. The pass-through IGA's are required for Phoenix to reimburse Valley Metro for eligible expenses.

COST AND BUDGET

All expenses are in the approved FY23 Adopted Operating and Capital Budget and 5-Year Capital Program. The grant funds will offset capital expenses, reducing the net cost to the Public Transportation Funds and the member agency budgets.

COMMITTEE PROCESS

RTAG: January 17, 2023 for information

RMC: February 1, 2023 approved

AFS: February 2, 2023 for information

Board of Directors: February 16, 2023 for action

CONTACT

Ken Kessler

Chief Financial Officer

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ATTACHMENT

None



Information Summary

DATE

February 9, 2023

AGENDA ITEM 1D**SUBJECT**

Aerial Device/Bucket Trucks Purchase

PURPOSE

To request authorization for the Chief Executive Officer (CEO) to purchase four aerial device/bucket trucks through a cooperative agreement with Altec Industries, Inc. for an amount not to exceed \$970,271.

RECOMMENDATION

Staff recommends that the Board of Directors authorize the CEO to purchase four aerial device/bucket trucks through a cooperative agreement with Altec Industries, Inc. for an amount not to exceed \$970,271.

BACKGROUND | DISCUSSION | CONSIDERATION

Valley Metro 28-mile light rail line is primarily street running and includes 43 passenger stations, 22 sub-stations, and park-and-ride lots. The rail system has expanded an additional three miles to include Streetcar operations which includes additional passenger stations and sub-stations.

Additionally, there will be two rail extensions that will be added to revenue service in the near future. The Northwest Extension II is estimated to be completed and in revenue service by January 2024. This extension will add an additional 1.6 miles to the light rail system. Also, the South Central Extension is estimated to be completed and in revenue service by July 2025. This extension will add an additional 5.5 miles to the light rail system. With the two additional rail extensions and the streetcar alignment, this increases the total alignment by 36%.

The addition of four aerial device/bucket trucks are needed due to increased staffing and added rail extensions. With the current procurements and the addition of these four trucks, we will have a total of eight light duty bucket trucks to support 24 traction power technicians. The estimated life expectancy of these bucket trucks are 14 years. The aerial device/bucket trucks will be used to perform nightly catenary inspections and maintenance and support of system operations that includes major repairs of the overhead catenary systems and unforeseen downed power lines. The trucks will be outfitted with hi-rail equipment that gives the trucks ability to safely and effectively move up and down the rails from an elevated position. The trucks will provide for efficient use of resources to perform maintenance tasks on the rail line.



The recommended vendor for the purchase of the aerial device/bucket trucks is Altec Industries, Inc. These vehicles have a long lead time and will not be delivered until FY2026. Altec is a vendor on the Sourcwell Cooperative Contract. Cooperative Agreements are competitive contracts solicited and awarded by other public entities and whose cooperative language allows Valley Metro to utilize these contracts for its requirements.

An independent cost estimate including a cost comparison and price analysis have been completed. The proposed price has been deemed fair and reasonable based on the price analysis.

COST AND BUDGET

The the purchase price of four aerial device/bucket trucks from Altec Industries, Inc. will not to exceed \$970,271 which includes extended warranties and sales tax. Due to the long lead time of these vehicles with an estimated delivery in FY26, they will be included in the Valley Metro Rail Proposed Five-Year Operating Forecast and Capital Program (FY2024 thru FY2028).

COMMITTEE PROCESS

RTAG: January 17, 2023 for information

RMC: February 1, 2023 approved

Board of Directors: February 16, 2023 for action

CONTACT

Rob Rosenberg

Deputy Director of Rail Maintenance and State of Good Repair

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ATTACHMENT

None

Information Summary

DATE

February 9, 2023

AGENDA ITEM 2**SUBJECT**

Report on Current Events and Suggested Future Agenda Items

PURPOSE

Chair Adams 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

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ATTACHMENT

None

Pending Items Request

Item Requested	Date Requested	Planned Follow-up Date