MEETINGS OF THE
Boards of Directors

Joint Meeting
Valley Metro RPTA and Valley Metro Rail

Date:
April 22, 2021

Starting Time
11:15 a.m.

Meetings to occur sequentially

Location:
Valley Metro
Via Webex
Phoenix

Valley Metro is not accepting visitors at this time. Please join the Board meeting via You Tube.

If you require assistance accessing the meetings please call 602.262.7433.
Joint Meeting Agenda
Valley Metro RPTA
And
Valley Metro Rail
Thursday, April 22, 2021
Webex/Phone
11:15 a.m.

Action Recommended

1. Public Comment (yellow card)

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

2. Chief Executive Officer's Report

Scott Smith, CEO, will brief the TMC/RMC on current issues.

3. Minutes

Minutes from the March 18, 2021 Joint Board meeting are presented for approval.

4. Audit and Finance Subcommittee Update

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

5. Fare Inspection and Security Services (FISS) Contract Award

Staff recommends that the Boards of Directors authorize the CEO to execute a contract with Allied Universal Security Services for an amount not to exceed $52,332,000 for the total five-year contract (three-year base contract with two one-year renewal options), with a total contract value for VMR of $50,781,000 and $1,551,000 for the RPTA.
6. **Cyber Security Assessment and Next Steps**

Staff will provide a report on Valley Metro’s 2021 cyber security assessment and summarize the actions for improvement in 2021.

7. **Travel, Expenditures and Solicitations**

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

8. **Future Agenda Items Request and Update on Current Events**

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

9. **Next Meeting**

The next meeting of the Joint Boards of Directors is scheduled for **Thursday, May 20, 2021 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](http://www.valleymetro.org).
## AGENDA ITEM 1

**DATE**  
April 15, 2021

**SUBJECT**  
Public Comment

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

**COST AND BUDGET**  
None

**RECOMMENDATION**  
This item is presented for information only.

**BACKGROUND | DISCUSSION | CONSIDERATION**  
None

**COMMITTEE PROCESS**  
None

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

**ATTACHMENT**  
None
Information Summary

DATE
April 15, 2021

SUBJECT
Chief Executive Officer’s Report

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

COST AND BUDGET
None

RECOMMENDATION
This item is presented for information only.

BACKGROUND | DISCUSSION | CONSIDERATION
None

COMMITTEE PROCESS
None

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

ATTACHMENT
None
Minutes

April 15, 2021

Agenda Item 3

Board of Directors
Thursday, March 18, 2021
Lake Powell Conference Room
101 N. 1st Avenue, 10th Floor
11:15 a.m.

RPTA Meeting Participants
Councilmember Jon Edwards, City of Peoria (Chair) (phone)
Councilmember Francisco Heredia, City of Mesa (Vice Chair) (phone)
Mayor Kate Gallego, City of Phoenix (Treasurer) (phone)
Vice Mayor Veronica Malone, City of Avondale (phone)
Councilmember Clay Goodman, City of Buckeye
Mayor Kevin Hartke, City of Chandler (phone)
Mayor Ginny Dickey for Councilmember Mike Scharnow, Town of Fountain Hills (phone)
Councilmember Lauren Tolmachoff, City of Glendale (phone)
Councilmember Jared L. Taylor, Town of Gilbert (phone)
Vice Mayor Bill Stipp, City of Goodyear (phone)
Supervisor Jack Sellers, Maricopa County (phone)
Councilmember Jon Edwards, City of Peoria (phone)
City of Scottsdale, Mayor David Ortega (phone)
Councilmember Roland F. Winters Jr., City of Surprise (phone)
Councilmember Robin Arredondo-Savage, City of Tempe (phone)
Councilmember Linda Laborin, City of Tolleson (phone)
Mayor Michael LeVault, Town of Youngtown (phone)
Mayor Rui Pereira, Town of Wickenburg (phone)

Members Not Present
Mayor Alexis Hermosillo, City of El Mirage
Councilmember Jeff Brown, Town of Queen Creek

Valley Metro Rail Participants
Councilmember Francisco Heredia, City of Mesa (phone) (Chair)
Mayor Kate Gallego, City of Phoenix (phone) (Vice Chair)
Mayor Kevin Hartke, City of Chandler (phone)
Councilmember Robin Arredondo-Savage, City of Tempe (phone)
Chair Edwards called the meeting to order at 11:18 a.m. The Pledge of Allegiance was recited.

1. **Public Comment**

*Written public comment submitted*

This is William Charles "Blu" Crowley, III and I am a resident of Phoenix and slash Maricopa County. This is first for the Joint Valley Metro RPTA, Valley Metro Rail meeting.

My first comment is I think that the logo is not right. It's Valley Metro RPTA, Valley Metro Rail then that's the way your logo up there should be not Valley Metro Rail, ValleyMetro.

My comment is on item 7 and it's the Transit Planning Projects and Corridor Facility Planning that would be on pages 12 and 13, panels 23, 24, 25, and 26. I note that there's nothing in there about the Wickenburg transit study that should be going on now and I believe is, but are you waiting for them to take surveys, et cetera?

I'd also like to know about what is happening and I'm using the Regional Transit Plan Projects and Services Supported by the Public Transit Fundings 2006 - 2026, Issue 5. And some of the projects that you are supposed to be dealing with this year in the express rapid transit service would be the Anthem to Park and Ride, the State Capitol, the 51 rapid from Desert Sky to the State Capitol and I would possibly think that you would be doing some of the planning on the Loop 303 express which is Arrowhead transit center to Desert Sky mall. I believe that should be Loop 101.

And then when it comes to the bus situation, you have how many of the routes that didn't make it to the Litchfield Park or Litchfield Road? And those would be the 99th Avenue, when is that going to be happening? And since it says in 2022, you are going to be doing 83rd and 75th Avenues, when are we going to start doing some of the planning on it? And as I said, the Litchfield Road from Metrocenter on Dunlap and the 99th Avenue, when are those going to be addressed? That's part of what the plan was supposed to be and when are you going to address that and do it? Also, when we did the part in there for expansion of the routes and such, those were things like the rural routes. Well, we wanted them also to be going to Tonopah and Queen Creek. It's nice now that you're thinking about a Park and Ride study for Queen Creek.
2. Chief Executive Officer's Report

Chair Edwards said Mr. Smith.

Mr. Smith said thank you. I am going to ask you to indulge me just a few minutes. We have had a lot happen since we were last together, so I appreciate seeing everybody after taking a month off. And as I have said, I will get right to it. I have a lot to cover.

First of all, I would like to let you know that today is Transit Employee Appreciation Day. And this is especially important for us. I just -- and I have told you this before and I just cannot thank -- you know, it has been a year now that our workers have been providing absolutely, important and essential service. And from day one, we had a large contingent of our workers who showed up, ran the buses, the trains, the paratransit, sometimes not knowing what the risk was. We worked well with them over the last year and fortunately, we have been able to avoid the big impact, but they were always there. And so, I hope they understand how appreciative we are of their efforts and please, if you see a transit worker especially one of our front-line workers, let them know how much we appreciate what they have done for our community and your residents over the past year and will continue to do.

As part of our appreciation, we were able over the last week to work with Maricopa County Health Department and Phoenix Union High School District in doing a dedicated COVID vaccination site for transit workers in the Valley. Both Valley Metro, City of Phoenix, and, also, U.S. Postal Service workers. This was held last Friday, Saturday, and Sunday at Cesar Chavez High School. We had over 3,100 individuals who received vaccinations, COVID vaccinations. And we had several Valley Metro team members who volunteered on the site and we are just so grateful that we were able to help them out and get them in their own group for vaccinations so they did not have to fight all the lines and everything at State Farm and could get on and schedule that.

Lastly, some of you or many of you may have heard on the news, we did have a light rail derailment over the weekend. Because of the single tracking due to construction in downtown, this was a 3-car train and as you can see, it -- all three left the tracks. We are so very fortunate that while we did suffer some property damage to the trains that you can see, there was a vacant lot and we escaped with no serious injuries to any passengers or employees and we are so very -- count ourselves very, very lucky and grateful that we are able to do that.

I would like to have a special recognition to our -- both what we call our maintenance of equipment staff, those who take care of the trains. And in this case, the maintenance of way, those who take care of the tracks and the electrical. You can see that this was quite a mess. That those, at least, two of the trains are a long way off the tracks. If you go by there now, which is 11th Street between Washington and
Jefferson, you will not see any trains there. It is all cleared and, as a matter of fact, the maintenance of way worked overtime and 24/7 to move the trains, to repair some power poles and lines that were down on this, and to get us back to normal service. So, really a great example of our team working together and the professionalism of our team and, once again, we are so very, grateful that there were no injuries.

On a positive note, this last Friday, our first streetcar arrived, as you can see, on the back of a flatbed from Brookville, Pennsylvania. Made the long trek across the country. Came into our yard. We will be having an event this next week, but this is pretty, exciting to finally have a streetcar arrive on site. And now, we will go through the onsite preparations and we are expecting a few more of these to come in over the next few weeks and months. So, we are looking forward to starting service in Tempe next fall. And I have a little side note, I was, actually, driving south toward Tucson and was quite surprised when I was in Casa Grande and I looked -- just happened to glance over on the westbound traffic on I-10 and there is our streetcar. Of course, you could not miss it with that gigantic safety vest that it was wearing in front. That color jumps out at you and my wife even said, oh, my gosh, you can't miss that. So, we are excited about that and excited for both the region and the City of Tempe.

Also, want to let you know something that we have been looking at and are going to pursue. Electric buses are really, popular both in the political realm and, also, as a service model. Now, they have been around for a few years, but it has just been recent that there have been technological advancements that would get us really interested in these. As a matter of fact, four years ago, we brought some electric buses into town, tested them. We tested them in July and August when they are stressed the most and the battery technology simply did not support it. We were getting -- the manufacturers were promising 200 miles on a charge and we were getting maybe 70. So, we lost interest because it just didn't perform in the summer, in the heat of the summer.

Well, technology has improved significantly and so, we invited three bus makers last summer to come back in town and let's look at it. And believe it or not, all three of them performed much better. As a matter of fact, they performed well enough that we decided that this would be something we would like to test further. And so, working with the cities of Phoenix and Tempe, specifically, we are preparing to apply for what is called a Low No or Low Emissions grant program from the FTA with the idea that maybe we will bring some buses and do some infrastructure and test these out in a controlled environment on some of our routes in a longer term to see if these really can be a part of our future. The jury is still out because it is quite a strain to run these buses in the heat of the summer and we do not know where we will do it, but we are going to be applying for that in the next few weeks, literally, and we will give you an update as to see how that works. So, we are excited about that.
The next item is Title VI. Title VI for those of you who may not be aware is Title VI of the Civil Rights Act. It is the part that governs our outreach and our equity portion to make sure that when we take actions as it relates to routes and fares and service and things like that that all parts of the community are included. And so, we have to follow a very, strict protocol to make sure that that happens. That program has to be updated periodically and we are now in the middle of this. We will be working with your staff and are working already with your staff and, of course, with the City of Phoenix as the designated recipient, on our updates and you can see the timeline here. We look to have public comments in the next month or two. This is something that needs to come before you for approval, the update does, and the Phoenix City Council as the designated recipient. We will look for that near the end of the summer, maybe early fall to have that.

We also are very, proud of our Commute Solutions group and those who work within our office to provide opportunities for, since we are a transit agency, for commuting using public transportation and we are happy to announce that this year we were named one of the Best Workplaces for Commuters. And that is not by accident, you would think it would be given, but no. We have a great staff that works really, diligently and works with the community and your staff and your cities to come up with plans that help make it easy for our workers to commute to take the cars off the street and be to our sites using public transportation.

The last thing I would like to talk to you about is an update on the American Rescue Plan. For those of you who maybe have not been following the news and I know all of you have, the American Rescue Plan or ARP is the $1.9 trillion bill that was recently passed by Congress and signed by the President, just a week or so ago. This is the third round of COVID relief for lack of a better term that has come out of Congress and, as with the first two, there is a significant amount of money, specifically, dedicated to public transportation. This is the single largest infusion of federal funds ever. As a matter of fact, not only is it the most for public transportation, but Congress has funded public transportation through COVID relief more than any other transportation mode. As a matter of fact, I think I read somewhere that if you take all the others such as airlines, that combined they do not match the amounts that have been sent to public transportation. This is a great blessing for us.

The most recent ARP is $30.5 billion for public transportation of which a little over $200 million is estimated to come to the MAG region. That is our estimates and others in Washington. The funds will be allocated by FTA, as you can see, using existing program formulas like they were with the original amount, but there is a cap on the amount and that is, we are only eligible for 132% of our 2018 expenses that we reported to the FTA. And there is also an amount about $1.7 billion to help us with our rail projects that we will be talking with the rail cities about.
Now, the interesting thing is that this is -- these funds are allocated to the two urban zones that we have here in metro Phoenix, the Phoenix-Mesa and the Avondale-Goodyear. The $208 million will go to the Phoenix-Mesa because Avondale-Goodyear in the first CARES Act received an amount that matches the 132% of 2018 so there will not be any separate funds. So, that $208 million will come to the region and then is split out by operators. So, it will go to -- and I will have a table just in a little while, but Valley Metro, City of Phoenix, City of Glendale, Peoria, and Scottsdale receive funds because we are operators. These then flow through to your cities throughout IGAs and I will get to that in just a second.

What this means is with the three different CARES COVID recovery, there has been almost a half a billion dollars brought into our region in transit-specific funds. You can see -- about $198 million from the original CARES, $86 from what we call CRRSA or CARES 2, and then the $208 that we talked about. $490 million. Now, this is primarily meant -- and the original objective is to cover operating expenses and to ensure that levels of service and employment are maintained. And we have $490 million. That is huge.

As we can see, it is especially beneficial for us because in our region sales taxes which we anticipated would dive precipitously have either held steady or in many cases, in cities and with the region, the Prop 400, have, actually, gone up year over year which means that our real COVID impact is twofold. Number one, additional expenses in cleaning and other things we have had to do related to adjusting and confronting the pandemic. And also, we, obviously, because of the lower ridership and rear-door boardings and other things and reduction in actual aggressive fare enforcement on light rail, we have seen a shortfall and will continue to see a significant shortfall in our fare revenue.

As you can see, that in 2019, the last full year, we collected around $51 million or just over $51 million in fares between bus and light rail. This says, and Paul can get into the details, will get in his budget presentation, but that is down significantly. That is the real nut we have to fill from a revenue standpoint in the region is this loss. And you can see with the $490 million, it would -- if we were only going to care about covering fare revenue, even if we received zero in fare revenue, we could still cover 9-10 years. I guess, the point I am making is that we should feel and we do feel very, grateful that with the -- that Congress has, specifically, funded transit to make sure that we maintain levels of operation and maintain employment levels both with us and our contractors the best we can. Because it is really expense related.

Next slide, please. This is to just show you some of the allocations and, once again, this is done through MAG, through their process and how they allocate funds, and you can see those things that go to Valley Metro through ARP. There is about $50 million to Valley Metro Rail and about the same amount to RPTA which is split among -- a little bit more -- the other amounts $158 million to the bus which is split among -- as the
cities that I mentioned before.

As it relates to how it goes through to your cities, just to remind you. We get this allocation and then we work with your staff through the -- first of all, we cover our fare loss. We cover the expenses that are incurred because of COVID, extra cleaning, things like that. And then we give you a credit through the IGA for the amounts that you normally would pay to Valley Metro and that is how the cities benefit from this is through the amounts they do not have to pay as much. That is how we have done it in the first two acts and so therefore, that is sort of the proposal, although I would like to talk to you about maybe a little change from that this time.

As you can see, this was the amount that went to the Avondale-Goodyear zone. That was in the CARES Act because that amount exceeded the 2018 132% that zone has received nothing. It does not mean that those cities do not get anything, but we do not get that extra funding through that sub-urban zone.

Now, the couple things I would like to talk to you about and I am throwing these out both as items of discussion and proposals. And they may seem a little bold is that with all this money that has come in, we appreciate the fact that the way we fund is somewhat, no, it is not somewhat. It is unique. There is no other regional transit authority in the country that is funded or set up like Valley Metro where most of the funding and the decisions really are bottom up. As we have told you before and Paul will get in a little bit more in the budget, we operate operationally primarily with regional funds, Prop 400, and local funds. And that is why when we get the federal money it goes -- comes primarily back to the cities on theirs.

I understand why cities would do this and I appreciate the staff that has been our history. I would like to maybe put on the table for your consideration that perhaps on this round since we have sales tax that have held steady that we perhaps take a more conservative prudent approach and perhaps hold back a portion of this to be determined in the regional fund. For this reason, I do not know what next year or the year after that or the year after that will hold. I know that with this $500 million, we have plenty of funds to get us through normal operating for the next couple of three years. However, we do not know what emergencies may come up and we do not know what we -- what opportunities we may have and it would be nice if we could build up our fund, our regional fund, so we could adjust to those without having to come back to you and say, hey, you know that money I gave you last year? I would really like some of it back.

We know that that is not a nice thing to do because everyone -- it is a hassle. And we can always at any time if it is in the regional fund allocate it out to the cities. So, I would like to put that on the table that perhaps on this round of funding that we consider holding back and building up our regional transportation fund rather than rush into giving all of that back to you as cities. And I know that your staff is not going to like
what I just said, but I am really, really concerned and would like to take a more prudent approach to this, and we can always adjust. It gives us the flexibility to be able to plan in the future and adjust any time. It means -- it does not mean your city will not get the money if we do not use it, it can always go back in future years.

The second thing I would like to put out to you is that while as a region we have encountered or experienced pretty, positive financial results the reality is that those are not all equal. There are some cities who, frankly, are receiving record sales tax revenue. There are other cities that have been flat or even a slight reduction. This experience is not uniform. The other thing is we have some service-related issues, related to our ability to put service out in -- right now, we are dealing with an issue in the west Valley. So, the experience with COVID is not uniform across the area.

One of the, not the challenges, but the issues we have is that as we apportion funds out, the concept of jurisdictional equity always comes into play. Now, the basis of this and I am stating this although there is no hard, fast rule, but it is sort of like trying to give back to communities sort of what they pay in or their residents put into Prop 400. I know that this is not a perfect example, that is generally how it works. What that means though is that if we have pockets where we need to, for example, have a city or a group of cities that are experiencing different challenges under COVID than another city does, as we distribute funds out, this jurisdictional equity formula always comes into play. This has created some obstacles for us to truly handle regional issues because it, actually, could cause us to say, well, we cannot put that money there because it might get the JE formula a little bit out of whack.

Now, if we operated -- if every city operated in a transit island that would work, but we all know that we have very, few routes outside of a couple three in Phoenix and maybe in some of the cities and, of course, city of Phoenix, city of Tempe, a couple three routes, where our routes and our services cross city lines. So, if one city experiences a problem to deal with that problem you are going to involve other cities, the exact opposite of a regional system and what I would propose is that we look seriously at, at least with this COVID money, that we look at -- take a regional approach and if there are, if there are pockets where we need to have some specific assistance to a city or a group of cities to solve some issue that we perhaps overlook some of the jurisdictional equity and take more of a regional approach since these funds are literally coming in to the region.

Those are the two things I would like to put on table as it relates to this COVID funding. We are not going to solve those problems now. I would like to put them out and for your consideration and perhaps if you are interested in pursuing those, you can talk to your staff. We can talk to your financial staff and address those and come up with a plan to come back to you and present. We are in no hurry to do any of this stuff, as I have said, the first two rounds of funding have no expiration date. The ARP funding, I think, expires in 2024 so we do have time to work these -- and you do not get this cash
up front. This is on a reimbursement basis so we have not even totally used the funds that have been allocated to us before, so we do have time to consider it, but it does come into budget considerations since you are all and we are looking at budgets right now.

So, those are things I would like you -- I would like to at least maybe consider and see from a policy standpoint you would like to address those or at least revisit those. If not, fine, but I felt a need to put them on the table.

Now, going back to the calendar. Next slide. Our next meeting is April 18, and you can see the TMC/RMC and the Audit and Finance Committee meeting in April. And Mr. Chair, unless there are any specific questions, that is my report and I thank you for the time.

Chair Edwards said thank you, Scott. Are there any questions out there because I am sure I have quite a few questions, as well.

Mayor Hartke said thank you, Chair. Scott, I, you know, listening to your two requests, I guess, again, the devil is in the details with these, of course, what does that mean, and again, making sure that -- I assume that any expenditures of these dollars would come back to us with your first request on that and, certainly, the treatment that this is most certainly one-time dollars rather than ongoing so this would certainly not be used for any advancement of staff or anything that we would need an ongoing stream from. So, I, I mean, I am not -- I am interested in knowing more about the -- what this would mean.

And concerning the second, I am a jurisdictional equity kind of guy meaning at least, regional, in the sense that, you know, as we look at these, is there a sense that -- you mention no city is an island, but we are certainly impacted by what goes around us and one hundred percent agree with you but again, it is a little more the just needing to know more details before I can say, give a yes to either one of those. But certainly not opposed to the conversation.

Mr. Smith said thank you, Mayor. And just to cover briefly, I agree with you. The proposal would not change or impact our base policies or what we deal with Prop 400 or any other types of things. It would simply be, as you said, this one-time and only relate to the federal, the COVID relief funds, that come in. And, as a matter of fact, if those are not used then it would go back to the cities based, once again, on the jurisdictional equity type formula. It is just if we need from a regional standpoint to perhaps plug some gaps or take advantage of some opportunities that are more regional in nature that have that.

And so, we will work on -- we would work on the details. It is, once again, not to expand anything. The primary purpose of these relief funds is to maintain existing levels of service and of staffing. We would not use these to embark on any kind of
additional without, of course, direction from the Board. But it would just mean to cover the uncertainties and make sure that we do not have to come back to you to cover these things, in case, there is some sort of unforeseen thing. We have that luxury because of the overall financial situation. I do not want to be flippant about it, but I also want to make sure that we keep in reserve enough that we do not have to come back to you in years two or three and say, gee, I wish we would have kept this COVID. Now, can you give us some of the money back? I know that that is how we have thought in the past. I am just maybe throwing out there since this is unique and one-time money that maybe we do it this one time.

So, we will -- I agree with you the devil is in the details and we will work with you and your staff to come up with how that specifically could work.

Councilmember Tolmachoff said Mr. Chair, it is Lauren. I do have a, you know, I mean, I do not even really think I know enough about what you are proposing to even really comment on it. You know, who? How? Who would be making the decisions? Would this be administrative? I think this is something -- I am surprised that you did not notice this as a study session and present it to us in that way because this, you know, this is a really, big ask for the Board especially when we really do not even understand the concept of exactly what you are talking about. So, you know, I do not feel like I am in a position to even say anything other than bring it to a study session and let’s talk about it there.

Mr. Smith said and Councilmember, I appreciate that. I was not expecting any decision or anything. I was purely put it on the table as a concept understanding that this would take a lot more discussion and a lot more work both at the Board level and at the staff level. But since it is relevant right now, this issue has come up, ARP was just passed, it has also come up in the Financial Working Group about how are we going to allocate these funds, I thought it prudent to merely put it on the table. I was not expecting any kind of decision or any -- or your understanding because it is so new and it is broad based. It was simply to get it on the radar and see is this worth at least continuing on a conversation. You may decide as we get in the details that it is not something worth pursuing. That is fine. But I just thought it was good to at least put it out on the table so you are at least aware of it and if there is an interest in reserving -- putting some of these funds in a reserve that could be held for future needs that is a concept that was worth perhaps at least pursuing.

Councilmember Tolmachoff said Mr. Chair, if I could follow up. So, what I am saying is if you have a concept in mind, put together a plan and bring it to a study session and present it to the Board.

Mr. Smith said -- we would be more than happy to do that and we will pursue that if that is something the Board is, you know, I do not want to waste your time and our time if it issomething you are dead set against. But if it is worth pursuing, we will work and
Councilmember Tolmachoff said that is my point, Scott. Is that how do we know whether we are dead set against when we do not really know exactly what you are talking about? So, I mean, you know, I am sorry if you have to spend your time putting together a plan, but how do you want us to have any buy in when we do not really know exactly what you are talking about? I cannot say -- I do not want to feel like, oh, now, they brought us a plan and so now they have spent time on it. I mean, this is going to require a little bit of, you know, work on your part if you want to present this to us. Somebody to show us what you are talking about. That is -- I am going to yield to -- I am sure there is a lot of other conversations, but I do not know how you can say whether you are dead set against it or absolutely for it when we do not really have any details.

Mr. Chair and Lauren, I appreciate that, Councilmember. This is a philosophical and conceptual. Historically, what we have done is when we receive -- when we have excess funds at the Valley Metro level -- for example, if we get to the end of the year, at least, for example, on rail and other instances, we refund the money back to the cities. That is generally how we have done that. And so, the money goes back to you when you have paid for us and there is money. That is a general concept and philosophy.

All I am asking is that if -- we revisit that philosophy, subject to details, and say, would you be open to the concept that with these funds that, perhaps, we hold some in reserve? And we keep them in the fund as opposed to sending everything back to cities immediately. That is the general concept and philosophy that I would just like to put on the table.

If there is a philosophical difference, you do not need to know the details with that approach, then fine. I just wanted to lay that out there as a philosophical and conceptual -- as a change to how we have, historically, done things. Is it worth pursuing? Is that something -- holding back some of these federal funds, these one-time federal funds, in reserve to ensure that we are covered for the next two or three years with the idea it can always go back to the cities. Is that a concept that the Board is interested in pursuing? Because that is a change with how things have done. Normally, if there -- if you pay us $100 and we get at the end of the year and there is $10 left over, we cut you a check for $10. So, our idea would be and without getting in details, if -- now that we have $100 which includes federal money, would we instead of cutting you a check back for every penny, would we hold some of that in the fund to make sure we are covered for unforeseen deals in the future? That is all I am asking for is your ideas and your reaction to that concept without any specific approval or anything like that.

Councilmember Tolmachoff said okay. John, if I could? Just one more thing. I mean, you know, Glendale and I am sure everybody, you know, in this Zoom meeting or
whatever we are using today, you know, wants to be a good regional partner, but, you know, as Mayor Hartke said, the devil is in the details. What would constitute a reason for, you know, allocating money outside of the jurisdictional equity? How would the decision be made? What kind of supporting doc? All of that stuff, you know, we do not know any of those details so --

Mr. Smith said you are right.

Councilmember Tolmachoff said -- while I am committed to being a good regional partner, I am and I know everybody here is that, you know, without knowing more about how this would work, I still am not willing to say one way or the other.

Mr. Smith said and Councilmember, I am not asking you for a decision on any of that. I am sure there will come a time when -- if we do have details, it will be presented to you in detail, explaining, then is that the time to make the decision on whether to move forward or not.

Mr. Hodgins said so, we also had this conversation at our Financial Working Group earlier this week and so, it was a good conversation. What we agreed to do was to put together some options on how this might work to present to your staff in the next few weeks. So, we are working on a conceptual plan of how it would work and what the impacts would be so we will have that to your staff and then we could certainly have a study session to discuss some of that with the Board, at a later date.

Mr. Smith said thank you, Paul. And once again, I felt the need to let you know that this exists because we are talking about a lot of money. And we are talking about a lot of money that was intended for a specific purpose and it does impact both our budget considerations and your city budget considerations, and I felt it was prudent since it was -- that conversation was going on at the staff level, to make you aware of this situation. Not asking for a decision, but just to make you aware of the situation. Now, it is on your radar. As Paul works on that with the staff, I am sure it will percolate up. I hope it does and if there is something worth pursuing, we will come back to you with those details in a more formal basis and present it in either study session or for action at the appropriate places working through the normal process.

Mayor Gallego said thank you. I am aware of Mayor Ortega's excellent advice that we move on, but I did want to ask. Was this presented to the Management Committee?

Mr. Smith said no. Mayor, thank you. Nothing has been presented. This was, once again, a general idea that is only relevant because this was passed last week, and it did come up in the Financial Working Group. There is not a specific proposal, simply, a concept, once again. So, I mean, I am not looking for any specific vote or (indiscernible). So, no, we have not worked through the normal process, simply,
because it did come up and there was discussion and so we felt it prudent just to lay it on the table for you today. Sometimes, you do that just so we can start the discussion and, of course, if there is anything specific, it will work through Financial Working Group, RTAG, and the city managers, the TMC/RMC before any specific proposal comes back to this Board. So, if there is anything specific, any details, those will be fully vetted at the staff and the manager level before you come back. I just wanted to make you aware of it so that when we showed up with this report or you heard it going on and because it does impact your budgets and our budget, it was not something of a surprise.

Mayor Gallego said wonderful. Well, before it comes to a work/study, I think it would be great through it in detail with our staff.

Chair Edwards said absolutely.

Mr. Smith said and Mayor, I can assure you that will happen.

Chair Edwards said okay. So, I know we probably have a few more questions, but in the interest of time, we probably need to move forward. So, Scott, you need to work without staff members --

Mr. Smith said we will.

Chair Edwards said -- and yourself. Get a presentation together. Get it setup for a study session because I do not think anybody on this phone is willing to commit to anything without addressing the items piece by piece. So, if you could just get that together, get with Pat, put it on a future agenda study session so we can take a look at it.

Mr. Smith said and Vice Mayor, I appreciate that and that was the plan all along. Once again, I was not asking, it was simply to throw it on the table. And we will -- it will work through and believe me, no one will be left out. It will go to staff and be developed in just the way that we have talked about and before it comes back to you.

Chair Edwards said okay. Thank you. Before we move on, I failed to mention I wanted to welcome Mayor David Ortega who is representing the City of Scottsdale. I just want to welcome you the Board and look forward to working with you.

3. Minutes

Chair Edwards said the minutes from the January 21, 2021 meeting are presented for approval.

IT WAS MOVED BY MAYOR HARTKE, SECONDED BY COUNCILMEMBER
GOODMAN AND UNANIMOUSLY CARRIED TO APPROVE THE JANUARY 21, 2021 JOINT BOARD MEETING MINUTES.

4. Consent Agenda

Chair Edwards said the consent agenda it presented for approval. Are there any questions or items to be removed for separate consideration?

Mayor Gallego said the federal agenda.

Chair Edwards said federal agenda. Okay. Anything else? Okay. So, I am going to go ahead and ask for everything but the federal agenda to be approved. Is there a motion to approve the Consent Agenda minus the federal agenda? I need a motion and a second.

IT WAS MOVED BY COUNCILMEMBER GOODMAN, SECONDED BY MAYOR HARTKE AND UNANIMOUSLY CARRIED TO APPROVE CONSENT AGENDA ITEMS A-E.

Chair Edwards said Mr. Smith do you have someone to present items for the federal agenda?

Mr. Smith said I will turn it over the Alexis Tameron Kinsey and Mayor, if you have a specific question on it, we would be more than happy to address that. But I will turn it over to Alexis.

Mayor Gallego said I will just go ahead and make a motion to approve the federal agenda except -- removing the capital I-10 Phoenix Phase I project from our agenda at this point.

IT WAS MOVED BY MAYOR GALLEGO, SECONDED BY VICE MAYOR STIPP AND UNANIMOUSLY CARRIED TO APPROVE CONSENT AGENDA ITEM F WITH THE REMOVAL OF THE CAPITAL I-10 PHOENIX PHASE I PROJECT.

5. New Fare Collection System (FCS) Customer Service Contract
6. New Fare Collection System (FCS) – Retail Network Administration plus Smartcard Fare Media (“Retail Network Sales”) Contract Award

Chair Edwards said these two items are being presented together as they are related. Mr. Smith.

Mr. Smith said thank you, Mr. Chair, and I will turn it over to Paul Hodgins.
Mr. Hodgins said thank you, Mr. Chair. As you mentioned, we do have a presentation that covers both items and, actually, our budget manager, Tyler Olson, is going to take the lead in providing the presentation. Thank you.

Mr. Olson said good afternoon, Chair, members of the Board. I will walk you through the retail network and customer service awards.

Both of these awards that we are requesting today will support the Fare Collection System Replacement project that we are currently working on with the City of Phoenix and Vix Technology. I will give some context for that project in the coming slides and then go into the details of how these two awards will support that project.

So, over the last several years, we have worked in collaboration with City of Phoenix incorporating input from our member cities through Fare Policy Working Group as well as committees and boards as well as workshops. Our top goals for the project were to offer better payment options for our riders with enhanced features such as fare capping and mobile ticketing. Improving data collection for most important metrics such as ridership and revenue. Have a true point of sale control over reduced fare media linking reduced fare IDs to passenger’s smart cards something that we do not have today. This will have a great impact on reducing the amount of fare abuse that we see in our system today and this new fare collection system will get us there. We also wanted to phase the project in such a way that it would result in the smoothest transition for our customers moving away from our legacy system that we have today to the future system.

Let me explain a little bit more about the procurements. So, we approached this project regionally even down to the procurement level. City of Phoenix released the procurement for the majority of what we offer today in our system and made the award to Vix Technology last March while Valley Metro released the procurements for the retail network and customer service. The retail network is currently managed by City of Phoenix and is not new. However, the system will need enhanced the customer service, which I will tell you about in the coming slides.

A little more about the City of Phoenix contract with Vix Technology. Next slide. This is a major enhancement to the region and our customers and will be with us for quite sometime. The project includes a base contract of $33.2 million and an ongoing operations and maintenance support contract of $28 million. Capital installation will take place over a period of 3 years and is funded with 80% federal and 20% Prop 400. The ongoing operations and maintenance costs are shared by the City of Phoenix, Valley Metro, and the regional partners and includes nine years initial operations plus two three-year extensions.

So, the new system will include mobile ticketing, reloadable smart cards for the
general public. Our current system only offers this for corporate accounts to participate. Fare capping which we are very excited about, essentially, customers can tap their way to earn daily and monthly passes. It is a great value to the customers particularly those that cannot afford to pay a monthly pass upfront and end up spending more in day passes throughout that same period. So, in the future system, customers who purchase enough day passes to equal the value of a monthly pass will ride the rest of the month for free. So, to put that in context, today’s all-day pass is $4, a 31-day pass is $64. If someone was to purchase 16 all-day passes in a calendar month, they would ride the rest of the month for free.

As far as hardware, each rail station will have at least two TVMs to purchase and load value onto smart cards along with multiple validators for riders to tap their smart cards and mobile tickets. Each bus will also have a validator for this purpose as well.

Customers will be able to purchase and load value onto smart cards at our retail locations which I will tell you about shortly. The system will also be built with open architecture in mind allowing us to integrate future technologies and software as things change, as times change that way we are not tied to the contractor for proprietary reasons.

So, this project has two major phases. Phase 1 really focuses on installing the validators on board both buses and at rail stations and rolling out the mobile app. It, ultimately, prepares us for the infrastructure for Phase 2.

Phase 2 will launch reloadable smart card and ticket vending machines. Passengers will also be add value to their cards online, over the phone through customer service, and at retail locations. Autoloading will also be available. Some more great news is that our unbanked customers will be able to load cash on to both their mobile and smart card accounts.

So, a little bit more about the timeline and how the awards we are seeking today fit within the regional fare collection system. I want to point out that the orange boxes are related to the City of Phoenix procurement milestones while the purple boxes are the two awards we are presenting today. At the far left, you can see that we started the City of Phoenix procurement back in January of 2018, writing and refining the specifications and releasing an RFP a year later. The evaluation process was quite lengthy with many proposals to review. We had a lot of good competition including demonstrations by vendors. The panel had a regional representation and made the decision to award to Vix Technology. The project did experience some delay in kicking off due to the pandemic, however, that did take place in August of last year, officially.

Although Phase 2 will not be in place until May of 2023, there is a lot of work that needs to be done to get reduced fare cards in the hands of our customers prior to that launch date. For the awards we are seeking today, those efforts will start in
September of this year with the Vix customer service team processing reduced fare applications, checking eligibility, taking pictures, and ultimately, setting up those riders' accounts in the fare collection system database so that they are ready to go with Phase 2 launch and ready to ride the system.

At the same time, we will utilize InComm to provide the smart card media for the reduced fare IDs which also serves as fare instruments for those passengers. Once we go live in May of 2023, Vix will also be taking customer service calls related to the mobile app when it launches as part of Phase 2 in September of ’22. So, once we do go live in May of ’23, with the regional fare collection system, Vix will provide ongoing customer service or support for that fare collection system while InComm will launch the retail network program and continue to be a supplier for fare media in the region.

For the retail network award, InComm will manage all aspects of the retail network from distributing and replenishing smart cards to managing the retailers and revenue. InComm will only sell full-fare cards to retailers, however, customers who have already applied for and received their reduced fare ID through the eligibility process can load value onto their cards. We will also utilize InComm’s services as a fare media supplier to the region.

Some of the benefits. Really a lower cost in the long term. Smart cards cost around $2 a piece and last up to 10 years. The equivalent cost of providing the existing monthly pass media for the same period is over $7 so significantly cheaper for this type of media. This program makes it more, simple for the customer as well. It is simply, you know, can grab the Valley Metro gift card off the gift card display at the retail outlet and add value or they can already take their purchased smart card in and load more value on to it. I would like to note that although we have not -- a "not to exceed" amount that we are proposing today, we will only be billed for actual purchases and loads on this contract.

Valley Metro and City of Phoenix are also exploring options to recover a portion of the expenses by charging a nominal fee to customers. This can create incentive for the customer to retain the card instead of carelessly disposing of it at bus stops and stations. We could also provide a credit for that fee on their account once they register their card online which will give them, you know, more website benefits and security and incentive to ride.

Moving on to qualifications. So, InComm is not new to the retail network industry. Having over 25 years of experience, a global presence and, also, specific experience in tolling and, of course, with many major transit agencies as you can see on the right side of the screen.

Let me tell you a little bit more about the differences in today's network versus the
future network. So, the current network sells a magnetic-striped pass media at a 4% discount to retailers, all types of passes are sold, and it is currently managed by the City of Phoenix. So, InComm is really going to change that with the smart card media sales, no more magnetic stripe, really loading value that is what they do. They are going to be there to load value. Do not have to get into the, you know, reduced fare question. It is customer brings their card in there and they load it, unlike today. So, they will also manage the supply and distribution of the media as well as relationships with retailers.

For the customer service award. Vix Technology will provide a comprehensive customer service team. Now, we are already performing the regional customer service function today, however, this supplemental team will specifically support the new fare collection, as I mentioned, and the multi-channel purchasing options for our customers. It is quite more extensive than what we have today. So, the types of calls and support required for the new fare collection system will be significantly different including payment processing which has significant Payment Card Industry or PCI risk that we have considered.

Another very, large effort that they will support is the reduced fare rollout, as I mentioned. In order to purchase the reduced fare media in the future system, customers will need to apply and be certified by a Valley Metro representative for their eligibility. Vix will have local staff to support the intake of customers and applications as well as support the Valley Metro outreach events that we may want to get started on right away, that could include being part of a mobile unit that goes to a scheduled reduced fare signup event or fair at a community center, senior center, or similar locations in the Valley.

Some more of the benefits with this contract is that outsourcing customer service support to a third party for this type of launch, system launch, is considered best practice. Vix was awarded the larger fare collection system replacement project, so they know their software best and they have done this type of work before. The contract is also structured in such a way that we can tailor the service levels to our customer needs based on volume and peak periods. Also, the base term of the five years will get us through the reduced fare rollout and implementation so.

Under the qualifications, Vix has quite extensive experience in fare collection as well as customer service and previous partnerships with TrachMar, its subcontractor for customer service in this case. So, TrachMar is a well-recognized agency within the public sector. They also have experience in public transportation. And more importantly, Vix and TrachMar have performed these integrations together before for the same type of service at DART in Dallas as well as the Capital Region Partners in Edmonton.
So, I would like to reiterate some of the key differences in today's customer service effort and the additional Vix/ TrachMar service with the new fare collection system. So, Valley Metro currently provides customer service to the regional Valley Metro system. Calls range from questions regarding route schedules and complaints or kudos to lost and found inquiries. The team also manages rider alerts function for transit changes and detours, proactively communicating and announcing any service disruptions. The Vix customer service team will provide specific support just for the Vix fare collection systems as well as manage the ongoing reduced fare applications that will come in before as well as after ongoing as long as we are operating after the launch of Phase 2. They will also assist in customers with account inquiries, you know, processing claims refunds, taking payments, transferring accounts due to misplaced or stolen cards. Another key difference as mentioned before is the flexibility with this contact with Vix that we can add and remove customer service agents as things ramp up or down and just do not know the level of volumes or acceptance at this point so.

Moving on the pricing for the two contracts. There are two components for the contract for InComm: design and integration and media production. So, the design and integration is a one-time cost to design the fare media with incorporating the Valley Metro branding and integrate into the Vix fare collection system. The media production is 100% variable, so we are only getting charged for the smart card media that we order and need. And just to reiterate my earlier comment, the fare media administrative fee that we are considering to pass along to the customers to incentivize the retaining of those cards would be used to offset the production of these costs for the media production so that fee amount as well as other fare policy items related to the future system will be discussed at a future Board meeting. So, this is a five-year base with two options to extend, ten years total.

As far as the customer service contract, there are three components for this contract value. The implementation which covers the cost for support prior to the launch of the fare collection system so prior to Phase 2 including establishing a local call center so that we can have boots on the ground really working hand in hand with customers to get those reduced fare IDs rolled out as well as integration with the Vix fare collection system and labor to roll out that reduced fare ID. Base operations. This comes in after Phase 2 so this covers the ongoing cost of customer service and reduced fare media application processing and fulfillment. The variable cost, this is really, great part of the contract is that this really gives us the flexibility to pull in customer service agents, as needed, based upon call volumes, as I mentioned. With a system launch of this magnitude, we want to ensure that this regional project goes off without a hitch and that we have the resources in place when needed to do so. I will note that, you know, this labor is remote support so we are able to allow the vendor greater flexibility in putting that together as well as save Valley Metro and the region costs by not having to over hire local staff just to let them go should call volumes not be at the expected level so good flexibility there.
I will say that both of these contracts are ten years in total which lines up with the City of Phoenix operations contract that gets us to year 2031. And the Vix contract in particular offers us additional flexibility to get through the launch, you know, get over the big hump of call volumes in the first five years and then we can re-evaluate whether we would want to bring this work inhouse or continue with the vendor.

So, with that, the recommendations that we are seeking today are on the screen. I would be happy to answer any questions that you may have.

Chair Edwards said thank you. Does anybody have any questions?

Vice Mayor Stipp said Tyler, can you go back? I think, two slides, please. Oh, right there. I'm sorry. It was on the -- slide. So, you mentioned on this slide that the base operations piece of the contract does not kick in until Phase 2; is that correct?

Mr. Olson said that is correct.

Vice Mayor Stipp said and Phase 2 does not begin until 2023?

Mr. Olson said right. That is correct.

Vice Mayor Stipp said we have a five-year contract and $4.5 million of it is going to be for the last two years of that contract?

Mr. Hodgins said no --

Vice Mayor Stipp said the last three years of the contract?

Mr. Hodgins said well, the customer service piece supporting the fare -- the backend or supporting fare technologies may not kick in until Phase 2, but they will begin with the reduced fare ID launch and helping support that rollout. So, that will begin this September.

Vice Mayor Stipp said okay. So, there is not an aspect of this contract that is not starting immediately; is that correct?

Mr. Hodgins said there are some aspects that would not start immediately so some of the supporting some of the web-based value loading tools that Vix is implementing. That support would not happen until those actually go live later, but the contract will kick in sooner to help with the reduced fare ID. And, again, we only pay for the support that we need at the time, so it is not -- there is not like a fixed fee every year.

Vice Mayor Stipp said so this is not a not to exceed amount not -- we are not contractually obligated to $9.457 million?
Mr. Hodgin said correct.

Vice Mayor Stipp said okay. Just for the rest of the Board's benefit, we had a fairly in-depth conversation about this at the Audit and Finance Subcommittee and it is my understanding that an additionally robust conversation occurred at the Management Committee meeting regarding the, you know, rolling this out, at this time, for something that is not going to start for a number of years. But, obviously, we leave it to the discretion of the Board. I think it's -- I think it is fair that the Board understand the conversations that have taken place prior to this meeting. Thank you.

Chair Edwards said thank you, Bill. Anybody else? I'm sorry, Pat. Was there somebody else? No. Okay.

So, we are going to break them up into, item number 5 is the new fare collection customer service contract. This is a ten-year contract, five year base contract with two extension options. Customer service network contract with Vix Technologies in the amount not to exceed $24,166,000. Contract value of $21,969,000 with a 10% contingency of $2,197,000.

IT WAS MOVED BY MAYOR GALLEGO, SECONDED BY VICE MAYOR STIPP AND UNANIMOUSLY CARRIED TO AUTHORIZE THE CEO TO EXECUTE A 10-YEAR (5-YEAR BASE CONTRACT WITH TWO EXTENSION OPTIONS) CUSTOMER SERVICE NETWORK CONTRACT WITH VIX TECHNOLOGIES IN AN AMOUNT NOT TO EXCEED $24,166,000 (CONTRACT VALUE OF $21,969,000 WITH A 10% CONTINGENCY OF $2,197,000).

Chair Edwards said Item number 6 is the new fare collection retail network administration plus smart card. This is a ten-year contract, five-year basic contract with a two year extension. Retail network service contract with InComm in the amount not to exceed $10,217,000. Contract value of $9,288,000 with a 10% contingency of $929,000. Do I have a motion?

IT WAS MOVED BY MAYOR PETERSON SECONDED BY COUNCILMEMBER TOLMACHOFF AND UNANIMOUSLY CARRIED TO AUTHORIZE THE CEO TO EXECUTE A 10-YEAR (5-YEAR BASE CONTRACT WITH TWO EXTENSION OPTIONS) RETAIL SALES NETWORK CONTRACT WITH INCOMM IN AN AMOUNT NOT TO EXCEED $10,217,000 (CONTRACT VALUE OF $9,288,000 WITH A 10% CONTINGENCY OF $929,000).

7. Quarterly Reports

Chair Edwards said this item is presented for information.
8. **Travel, Expenditures and Solicitations**

Chair Edwards said this item is presented for information.

9. **Future Agenda Items Request and Update on Current Events**

None.

10. **Next Meeting**

The next meeting of the Board is scheduled for Thursday, April 22, 2021 at 11:15 a.m.

The meeting is adjourned.

With no further discussion the meeting adjourned at 12:21 p.m.
Information Summary

DATE
April 15, 2021

AGENDA ITEM 4

SUBJECT
Audit and Finance Subcommittee (AFS) Update

PURPOSE
Councilmember Arredondo-Savage, AFS Chair, will provide an update on the discussions and actions taken at the AFS meeting and request that the Board of Directors approve the AFS Charter.

BACKGROUND | DISCUSSION | CONSIDERATION
None

COST AND BUDGET
None

COMMITTEE PROCESS
None

RECOMMENDATION
This item is presented for information only.

CONTACT
Paul Hodgins
Chief Financial Officer
602-262-7433
phodgins@valleymetro.org

ATTACHMENT
None
Information Summary

DATE
April 15, 2021

AGENDA ITEM 5

SUBJECT
Fare Inspection and Security Services (FISS) Contract Award

PURPOSE
To request authorization for the Chief Executive Officer (CEO) to execute a contract with Allied Universal Security Services for fare inspection and security services (FISS) effective July 1, 2021, for a total of five years (three-year base contract with two one-year renewal options). For the total term of the contract, for an amount not to exceed $52,332,000.

RECOMMENDATION
Staff recommends that the Boards of Directors authorization for the CEO to execute a contract with Allied Universal Security Services for an amount not to exceed $52,332,000 for the total five-year contract (three-year base contract with two one-year renewal options), with a total contract value for VMR of $50,781,000 and $1,551,000 for the RPTA.

BACKGROUND | DISCUSSION | CONSIDERATION
The fare inspection and security services contractor provides valuable services by ensuring fares are paid by light rail passengers along with helping to create a safe environment for passengers utilizing our bus and rail facilities, park-and-ride lots, and passenger stations along the light rail alignment. This service results in increased public confidence in their safety and well-being while using Valley Metro services. The scope of this contract also includes security at Valley Metro bus and rail maintenance facilities at two locations: Operations and Maintenance Center in Phoenix and the Greenfield Transit Bus Facility in Mesa.

Security Services Contract Milestones
Over the course of the last five years of the existing contract, Valley Metro worked, in coordination with member cities, to address ridership concerns regarding lack of visible security presence/fare inspection on the system, rider safety, increase in security incidents and a rise in customer service complaints. A summary of enhancement milestones is listed below:

- **April 2015**: A focus on customer service experience as an added minimum hiring requirement.
- **August 2016**: After conducting a push to inspect 20% of the ridership, fare compliance remained flat at 92-94%. Focus then turned to visible security presence and revenue recovery in lieu of civil citation or penalty. VM directed a renewed focus on “Presence Matters”, maintaining fare inspections of 15-17%, enhanced customer service and revenue recovery to reduce incidents and allow for more one-on-one time with ridership.
• **April 2017**: Change order initiated to the existing contract to increase presence on the system. Valley Metro coordinated with the member cities to implement the Transit Police Officer Program (TPOP) to supplement security services.

• **October 2017**: Code of Conduct refreshed and approved by the Board. Respect-the-Ride kicks off and is designed to support security services, refresh and correct station signage, clearly designate paid fare zones and add Right and Rong marketing for positive messaging.

• **August 2018**: Increase of the hourly rate to support a competitive wage market in security services.

• **November 2018**: Initiated “Alert VM” mobile application. This provided riders with the increased ability to report incidents at the initial stages.

• **May 2019**: Extension of the two option years to the existing contract included a 2% increase for staff for FY’20 but suspended for FY’21 (COVID environment)

• **October 2019**: New deployment model designed to split teams per consist. The two-person teams were split with one person per car. Standard Operating Procedures included how to provide for officer safety while also showing a presence on approximately 35-40% of the fleet. Plans were in place to staff up to 75% of the fleet with a security presence for the future (pre-COVID). Immediate results were seen through a reduction in customer service complaints and an increase in customer comments recognizing more presence on the system. Officer assaults reduced; incidents reduced.

• **Special Training to all contract employees (over 7 hours total training in the below categories):**
  - White Glove Customer Service
  - Ethics and Conduct
  - The Right of the People
  - Cultural Diversity
  - Behavioral Pattern Recognition
  - Management of Aggressive Behavior MOAB – 4-hour Verbal de-escalation

### Current Contract Award Background
In August 2016, the RPTA and VMR Boards awarded a three-year contract with two one-year renewal options to Allied Barton Security for fare inspection and security services (FISS). The second one-year option expires on June 30, 2021. In October 2020, the RPTA and VMR jointly issued a “best value” Request for Proposals (RFP) for FISS. The RFP was advertised in accordance with Valley Metro’s Public Notice procedure.

For “best value” procurements, selection is made by evaluation of proposals containing price, qualitative and technical components:

- Qualifications and Experience of Firm – 400 points
- Qualifications and Experience of Assigned Personnel – 200 points
- Understanding/Approach to Scope of Work – 250 points
- Proposed Price – 150 points
In November 2020, eleven proposals were received which were determined to be responsive.

- Allied Universal Security Services
- G4S Secure Solutions
- HSS
- American Guard Services, Inc.
- Anderson Security Agency
- Canyon Security Specialist & Consulting
- GardaWorld
- InterCon Security
- S.A.F.E. Management
- Securitas Services
- Transcend Security

A selection committee comprised of representatives from Valley Metro and member agencies evaluated the eleven proposals. The selection committee has finalized its evaluations of each firm’s technical proposal, and the agency has finalized evaluation of each firm’s price proposal. The Selection Committee ranked proposals and arrived at its award recommendation using a “Best Value” process which allows for a contract award based on a combination of technical and cost factors. Based on this process, the selection committee has selected Allied Universal Security Services as the firm whose proposal offers the “best value” to the agency.

The following table shows the technical, cost, and combined scores for the eleven proposers:

<table>
<thead>
<tr>
<th>Rank and Firm</th>
<th>Technical Score</th>
<th>Price Score</th>
<th>Combined Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Allied Universal Security Services</td>
<td>808.40</td>
<td>135.24</td>
<td>943.64</td>
</tr>
<tr>
<td>2. HSS, Inc.</td>
<td>743.20</td>
<td>131.04</td>
<td>874.24</td>
</tr>
<tr>
<td>3. G4S Secure Solutions</td>
<td>755.80</td>
<td>109.73</td>
<td>865.53</td>
</tr>
<tr>
<td>4. GardaWorld</td>
<td>708.00</td>
<td>139.02</td>
<td>847.02</td>
</tr>
<tr>
<td>5. S.A.F.E. Management</td>
<td>713.20</td>
<td>126.38</td>
<td>839.58</td>
</tr>
<tr>
<td>6. InterCon Security</td>
<td>686.60</td>
<td>129.90</td>
<td>816.50</td>
</tr>
<tr>
<td>7. Transcend Security</td>
<td>674.60</td>
<td>138.03</td>
<td>812.63</td>
</tr>
<tr>
<td>8. American Guard Services, Inc.</td>
<td>693.20</td>
<td>114.24</td>
<td>807.44</td>
</tr>
<tr>
<td>9. Anderson Security Agency</td>
<td>671.00</td>
<td>127.90</td>
<td>798.90</td>
</tr>
<tr>
<td>10. Securitas Services</td>
<td>649.60</td>
<td>128.57</td>
<td>778.17</td>
</tr>
<tr>
<td>11. Canyon Security</td>
<td>534.80</td>
<td>150.00</td>
<td>684.80</td>
</tr>
</tbody>
</table>

A cost estimate was prepared prior to soliciting to assist with preplanning and with the evaluation review process. Additionally, the cost estimate in coordination with the price analysis assisted in the determination of fair and reasonable for this procurement.

This negotiated contract is a firm fixed price contract with no price escalation or adjustment based on the contractor’s cost experience while performing the contract. Additional staffing for fare inspection and security hours is provided related to growth and expansion of the system. The RPTA staffing model for the Greenfield Facility in Mesa will not change.
COST AND BUDGET

The fare inspection and security services for approval has a total contract value of $52,332,000 with funding as follows:

<table>
<thead>
<tr>
<th>Agency</th>
<th>Year 1</th>
<th>Year 2</th>
<th>Year 3</th>
<th>Option Year 1</th>
<th>Option Year 2</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>RPTA</td>
<td>$295,000</td>
<td>$302,000</td>
<td>$310,000</td>
<td>$318,000</td>
<td>$326,000</td>
<td>$1,551,000</td>
</tr>
<tr>
<td>VMR</td>
<td>$7,864,000</td>
<td>$8,060,000</td>
<td>$8,548,000</td>
<td>$9,065,000</td>
<td>$9,300,000</td>
<td>$42,837,000</td>
</tr>
<tr>
<td>Tempe SC</td>
<td>$539,000</td>
<td>$818,000</td>
<td>$838,000</td>
<td>$859,000</td>
<td>$880,000</td>
<td>$3,934,000</td>
</tr>
<tr>
<td>NWE</td>
<td>$  -</td>
<td>$</td>
<td>$228,000</td>
<td>$408,000</td>
<td>$417,000</td>
<td>$1,053,000</td>
</tr>
<tr>
<td>SCE</td>
<td>$  -</td>
<td>$</td>
<td>$</td>
<td>$1,172,000</td>
<td>$1,785,000</td>
<td>$2,957,000</td>
</tr>
<tr>
<td>Total</td>
<td>$8,698,000</td>
<td>$9,180,000</td>
<td>$9,924,000</td>
<td>$11,822,000</td>
<td>$12,708,000</td>
<td>$52,332,000</td>
</tr>
</tbody>
</table>

*The cost for the current contract year, excluding Tempe Street Car, is $8,055,000.

For the first year of the contract, the RPTA contract obligation is $295,000, which is funded within the Valley Metro RPTA Adopted FY22 Operating and Capital Budget. Contract Obligations beyond FY22 are incorporated into the Valley Metro RPTA Five-Year Operating Forecast and Capital Program (FY2022 thru FY2026).

For the first year of the contract, the VMR estimated contract maximum, including Tempe Street Car, is $8,403,000, which is funded within the VMR Adopted FY22 Operating and Capital Budget. Contract Obligations beyond FY22 are incorporated into the Valley Metro Rail Five-Year Operating Forecast and Capital Program (FY2022 thru FY2026).

The Year 1 cost in this proposed contract remains flat when compared to Year 5 of the current security contract, while maintaining the existing service levels. This contract shall be in effect starting July 1, 2021, with Board approval, for three years and two one-year options.

The sources of funding obtained from PTF and member city contributions.

COMMITTEE ACTION

RTAG: March 16, 2021 for information
RMC/TMC: April 7, 2021 approved
Board of Directors: April 22, 2021 for action

CONTACT

Adrian Ruiz
Director of Safety, Security and Quality Assurance (SSQA)
602-523-6054
aruiz@valleymetro.org

ATTACHMENT
None
Fare Inspection-Security Services Contract Award

April 2021

Security Team Responsibilities

• Bus
  • Facility-fixed post Greenfield Bus Operations

• Rail
  • OMC Security Post/Patrol
  • Dispatch
  • Field Security Officers
  • Supervisors Field and Shift
  • PNR Security
Security Services Milestone
Presence Matters

• Focus on customer service
• Increase of security staff by 30% (2016)
• Respect the Ride
• Alert VM application - Ridership Tool
• New deployment model (pre-COVID)
2019 Rider Safety Study

**Your Personal Safety as a Rider**

Change Over Past 12 Months

- Improved, 33%
- Worsened, 5%
- Remained the same, 59%
- Don’t know, 3%

**Reason Personal Safety “Improved”**

<table>
<thead>
<tr>
<th>Reason Personal Safety “Improved”</th>
<th>n=185</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increased security/see more security</td>
<td>54%</td>
</tr>
<tr>
<td>More rule enforcement/checking passes</td>
<td>12%</td>
</tr>
<tr>
<td>No problems/improving/feel safe</td>
<td>8%</td>
</tr>
<tr>
<td>Noticed less incidents/fewer fights</td>
<td>6%</td>
</tr>
<tr>
<td>Feel safer with app/ability to report problems</td>
<td>4%</td>
</tr>
<tr>
<td>Less people on drugs/drunk</td>
<td>3%</td>
</tr>
<tr>
<td>Nicer people using service</td>
<td>3%</td>
</tr>
<tr>
<td>Responsive/quick to respond</td>
<td>3%</td>
</tr>
<tr>
<td>Other</td>
<td>7%</td>
</tr>
<tr>
<td>Unsure</td>
<td>12%</td>
</tr>
</tbody>
</table>

Q5a. Based on your experience using Valley Metro Rail, do you think your personal safety as a rider has improved, remained the same, or worsened over the past 12 months?

5aNEW: Please explain why you feel your personal safety has improved/worsened.

Presence Matters

Results of Staffing Increases-Deployment and Technology in 2019 and into 2020

**Perception of Change in Safety Over Past Year**

- 2019
  - Improved: 47%
  - Same: 46%
  - Worsened: 4%

**Likelihood of Recommending Light Rail to others...**

- 71%
- 18%
- 6%
- 2%

**Likelihood of Riding Light Rail in One Year Total n=557**

- 76%
- 9%
- 7%
- 3%
Security Services Core Values
Customer Service Focus

• Personal and Professional Accountability
  • Take the Initiative
  • Be Responsible for your Actions-Own It
  • Headline Test

• Exemplary Customer Service
  • High Quality
  • Be Approachable
  • Golden Rule

• Go Above and Beyond
  • Set the Example
  • Consistent Service-equitable
  • End your Shift as you Began it-SAFELY

Budget Discussion
Cost Comparisons
Five Year Summary

The Year 1 cost in this proposed contract remains flat when compared to Year 5 of the current security contract, while maintaining the existing service levels. The cost for the current contract Year 5, excluding Tempe Street Car, is $8,055,000.

<table>
<thead>
<tr>
<th>Agency</th>
<th>Year 1</th>
<th>Year 2</th>
<th>Year 3</th>
<th>Option Year 1</th>
<th>Option Year 2</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>RPTA</td>
<td>$295,000</td>
<td>$302,000</td>
<td>$310,000</td>
<td>$318,000</td>
<td>$326,000</td>
<td>$1,551,000</td>
</tr>
<tr>
<td>VMR</td>
<td>$7,864,000</td>
<td>$8,060,000</td>
<td>$8,548,000</td>
<td>$9,065,000</td>
<td>$9,300,000</td>
<td>$42,837,000</td>
</tr>
<tr>
<td>Tempe SC</td>
<td>$539,000</td>
<td>$818,000</td>
<td>$838,000</td>
<td>$869,000</td>
<td>$880,000</td>
<td>$3,934,000</td>
</tr>
<tr>
<td>NWE</td>
<td>$-</td>
<td>$-</td>
<td>$228,000</td>
<td>$408,000</td>
<td>$417,000</td>
<td>$1,053,000</td>
</tr>
<tr>
<td>SCE</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
<td>$1,172,000</td>
<td>$1,785,000</td>
<td>$2,957,000</td>
</tr>
<tr>
<td>Total</td>
<td>$8,698,000</td>
<td>$9,180,000</td>
<td>$9,924,000</td>
<td>$11,822,000</td>
<td>$12,708,000</td>
<td>$52,332,000</td>
</tr>
</tbody>
</table>

Recommendation

Staff recommends that the Boards of Directors authorize the CEO to execute a contract with Allied Universal Security Services for an amount not to exceed $52,332,000 for the total five-year contract (three-year base contract with two one-year renewal options), with a total contract value for VMR of $50,781,000 and $1,551,000 for the RPTA.
Information Summary

DATE
April 15, 2021

AGENDA ITEM 6

SUBJECT
Cyber Security Assessment and Next Steps

PURPOSE
To provide a report on Valley Metro’s 2021 cyber security assessment and summarize the actions for improvement in 2021.

RECOMMENDATION
This item is presented for information only.

BACKGROUND | DISCUSSION | CONSIDERATION
At its November 2020 meeting, the Board authorized Valley Metro to purchase professional services to conduct an assessment of Valley Metro’s information security (IS) program and to provide a plan for improvement to address IS standard compliance issues.

That assessment has been completed. It assessed compliance with the National Institute of Standards and Technology (NIST) Cyber Security Framework (CSF). NIST-CSF standards are used by all Federal agencies and most public entities. It provides standard for five domains of cyber security. The assessment of Valley Metro’s performance in each of these domains was gauged using the Capability Maturity Model Integration (CMMI) which measures performance on a five-level scale from “Level 1: Reactive” to “Level 5: Optimized.” The assessment found high levels of maturity in the “Detection” and “Recovery” domains and lower level of maturity in the “Identification” and “Protection” domains.

The attached presentation details these results and discusses the next steps planned for 2021 to continue to improve the IS program.

COST AND BUDGET
None

STRATEGIC PLAN ALIGNMENT
This item supports the following goal from Valley Metro’s draft strategic plan:
  • Maximize Organizational Effectiveness
COMMITTEE ACTION
TMC/RMC: April 7, 2021 for information
Board of Directors: April 22, 2021 for action

CONTACT
Jim Hillyard
Chief Administrative Officer
602-495-8234
jhillyard@valleymetro.org

ATTACHMENT
2021 Cyber Security Assessment
2021 Cyber Security Assessment

April 2021

Introduction – Andy Jordan

Cyber Security Leader

Experience

- 15 years in cyber security industry focused on program assessment and development
  - Manufacturing, Transportation, Government, & Finance
- Multiple security best-practice and technical certifications
  - CISSP, CISM, MCSA, Sec+, Net+, ITIL v4, LeanIT, AWS SSA
- Founded New Genesis Solutions in 2018
  - Cyber security consulting and managed-services

Publications and Presentations

- Multiple publications per year since 2017
  - Fox News – Data privacy and tracking devices
  - SC Magazine – Managing Cyber Incident Response Programs
  - Digital Guardian – Threat Predictions
- Recognized security leader and presenter
  - Dark Reading Summit – Building Incident Response Programs
  - CactusCon – Building Vulnerability Management Programs
  - ISSA – Security Incident Response Program
Why Care About Cyber Security?

Cyber Security Breaches

In 2008 a teenager in Lodz, Poland, hacked his town’s rail network with only a TV remote and a library computer, taking control of nearby trains and causing multiple derailments.
Transit is a Target

In May 2017, Deutsche Bahn, the German national rail network, suffered an attack on its data systems. The WannaCry virus affected 450 Deutsche Bahn computers, bringing down passenger information systems, ticket machines and CCTV networks. The same attack, which is thought to have originated in North Korea, hit the national railway systems in both Russia and China.

Transit is a Target

Ransomware causes outage for San Francisco municipal transportation and allows all passengers free rides

Ticketing systems in station agents’ booths also crashed. The attack lasted for two days.
The Risk is Growing

Data includes only insurance claims due to cyber security incidents

![Graph showing the growth in risk over time]

*Please note - this data is indexed against the base line year of 2012*

And Costs are Growing Even Faster

The cost of a breach nearly doubles every three years

![Graph showing predicted ransomware damages 2015-2021]

Wrapping Up
Valley Metro has a lot of systems and data that we are trying to protect

Types of Data We Have?

- **Transportation/Operational Technology systems** – Bus and rail systems
- **Email** – Phishing attacks causing $45k in financial loss (per avg. company)
- **Private Identity Information** – Rideshare profiles (and soon to be FCS)
- **HR Information** – Employees and contractor records (SSN, Tax info)
- **Credit Cards** – Legacy terminals processing credit cards
- **Medical** – Paper records are stored by vendors and partners
- **Financial** – Capital funding, procurement, and accounting information

Assessment Findings & Objectives
Using NIST-CSF and CMMI
How We Assesses Info Sec
Standards and Maturity Measurement

Valley Metro’s Information Security program was started in 2017

Valley Metro’s Information Security (IS) program’s objective is compliance with the National Institute of Standards and Technology (NIST) Cyber Security Framework (CFS) standards
- NIST-CFS establishes and defines security program standards that Valley Metro must meet to stay compliant with federal, state, and regulatory requirements

Valley Metro’s IS program’s results are measured using the Capability Maturity Model Integration (CMMI)
- CMMI is a nationally recognized model for gauging an organization’s maturity on a continuum from reactive to optimized.

NIST – Cyber Security Framework
5 Sets of Controls to Prevent Attacks At All Levels

- **IDENTIFY**
  - Asset Management
  - Business Environment
  - Governance
  - Risk Assessment
  - Risk Management Strategy

- **PROTECT**
  - Awareness Control
  - Awareness and Training
  - Data Security
  - Info Protection and Procedures
  - Maintenance
  - Protective Technology

- **DETECT**
  - Anomalies and Events
  - Security Continuous Monitoring
  - Detection Process

- **RESPOND**
  - Response Planning
  - Communications
  - Analysis
  - Mitigation
  - Improvements

- **RECOVER**
  - Recovery Planning
  - Improvements
  - Communications
CMMI Maturity Levels

Building Integrated Processes Across Entire Organization

<table>
<thead>
<tr>
<th>MATURITY LEVEL</th>
<th>Process</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>Optimizing</td>
<td>Stable and flexible. Organization is focused on continuous improvement and is built to pivot and respond to opportunity and change. The organization’s stability provides a platform for agility and innovation.</td>
</tr>
<tr>
<td>4</td>
<td>Quantitatively Managed</td>
<td>Measured and controlled. Organization is data-driven with quantitative performance improvement objectives that are predictable and align to meet the needs of internal and external shareholders</td>
</tr>
<tr>
<td>3</td>
<td>Defined</td>
<td>Proactive, rather than reactive. Organization-wide standards provide guidance across projects, programs, and portfolios.</td>
</tr>
<tr>
<td>2</td>
<td>Managed</td>
<td>Managed on the project level. Projects are planned, performed, measured, and controlled.</td>
</tr>
<tr>
<td>1</td>
<td>Initial</td>
<td>Unpredictable and reactive. Work gets completed but is often delayed and over budget.</td>
</tr>
</tbody>
</table>

Overall Assessment & Objective

Significantly Improving Valley Metro Over the Next Two Years

Security Roadmap (NIST-CSF)
Maturity Improvements By Calendar Year
Assessment by Domain

Focusing on Stronger Identification and Protection Controls

Security Roadmap (NIST-CSF)
Maturity Improvements by Year

Next Steps

Focusing on Stronger Identification and Protection Controls

Valley Metro’s IS roadmap plans improvements over 2 years but will be annually reviewed and continuously improved.

The next 12 months will focus in improving Identification and Protection:

- OCTAVE Risk Assessment – uses a national model to ID risks and mitigate them
- 3rd Party Penetration Test – will identify vulnerabilities for proactive mitigation.
- IS Program Reassessment – will identify progress and gaps to update the plan.
Questions?
DATE
April 15, 2021

SUBJECT
Travel, Expenditures and Solicitations

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

Non-essential travel has been suspended at this time.

BACKGROUND | DISCUSSION | CONSIDERATION
None

COST AND BUDGET
None

COMMITTEE PROCESS
None

RECOMMENDATION
This item is presented for information only.

CONTACT
Paul Hodgins
Chief Financial Officer
602-262-7433
phodgins@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
<table>
<thead>
<tr>
<th>Document Number</th>
<th>Name</th>
<th>Transaction Description</th>
<th>Effective Date</th>
<th>Transaction Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>50393</td>
<td>Transdev Services, Inc</td>
<td>Jan. 2021 Regional Paratransit Services</td>
<td>3/5/2021</td>
<td>992,833.54</td>
</tr>
<tr>
<td>040478</td>
<td>ADP, LLC</td>
<td>PPE 2/21/21 Wages Payable-Reverse Wire</td>
<td>2/26/2021</td>
<td>657,995.05</td>
</tr>
<tr>
<td>50396</td>
<td>ADP, LLC</td>
<td>PPE 3/7/21 Wages Payable-Reverse Wire</td>
<td>3/12/2021</td>
<td>634,099.67</td>
</tr>
<tr>
<td>50433</td>
<td>Cigna Health and Life Insurance Company</td>
<td>March 2021 Health Ins Prem and Adj, Motivate me Reward Card Billing</td>
<td>3/19/2021</td>
<td>398,808.33</td>
</tr>
<tr>
<td>50434</td>
<td>Complete Coach Works</td>
<td>42 Barriers Installed in Buses 2/1-2/13/21</td>
<td>3/19/2021</td>
<td>271,093.62</td>
</tr>
<tr>
<td>040478</td>
<td>ADP, LLC</td>
<td>PPE 2-21-21 Federal, State, SS/Med EE/ER Tax - ACH</td>
<td>2/26/2021</td>
<td>266,681.89</td>
</tr>
<tr>
<td>50396</td>
<td>ADP, LLC</td>
<td>PPE 3/7/21 Federal, State, SS/Med EE/ER Tax- ACH</td>
<td>3/12/2021</td>
<td>252,486.70</td>
</tr>
<tr>
<td>040480</td>
<td>American Logistics Company, LLC</td>
<td>Dec. 2020 ALC/RideChoice Program</td>
<td>2/26/2021</td>
<td>217,400.29</td>
</tr>
<tr>
<td>50379</td>
<td>Denovo Ventures, LLC</td>
<td>Milestone #4 Completed</td>
<td>3/5/2021</td>
<td>176,890.00</td>
</tr>
<tr>
<td>040510</td>
<td>Westmatic Corporation</td>
<td>Jan. 2021 Bus Wash Replacement - Equip Installation</td>
<td>2/26/2021</td>
<td>125,388.00</td>
</tr>
<tr>
<td>040483</td>
<td>ASRS</td>
<td>PPE 2/21/21 ASRS Contributions Employee</td>
<td>2/26/2021</td>
<td>122,498.48</td>
</tr>
<tr>
<td>040483</td>
<td>ASRS</td>
<td>PPE 2/21/21 ASRS Contributions Employee</td>
<td>2/26/2021</td>
<td>122,498.48</td>
</tr>
<tr>
<td>50399</td>
<td>ASRS</td>
<td>PPE 3/7/21 ASRS Contributions Employee</td>
<td>3/12/2021</td>
<td>120,640.88</td>
</tr>
<tr>
<td>50399</td>
<td>ASRS</td>
<td>PPE 3/7/21 ASRS Contributions Employee</td>
<td>3/12/2021</td>
<td>120,640.88</td>
</tr>
<tr>
<td>50378</td>
<td>Complete Coach Works</td>
<td>Instillation of 12 Driver Barriers on Buses</td>
<td>3/5/2021</td>
<td>77,455.32</td>
</tr>
<tr>
<td>50419</td>
<td>Second Generation, Inc, dba Ajo Transportation</td>
<td>Feb. 2021 Rural Connector Route</td>
<td>3/12/2021</td>
<td>63,426.27</td>
</tr>
<tr>
<td>040510</td>
<td>Westmatic Corporation</td>
<td>Jan. 2021 Bus Wash Replacement - Delivery and Sales Tax</td>
<td>2/26/2021</td>
<td>61,378.20</td>
</tr>
<tr>
<td>R20210228W002</td>
<td>City of Mesa</td>
<td>February 2021 Utilities</td>
<td>2/28/2021</td>
<td>57,632.10</td>
</tr>
<tr>
<td>040487</td>
<td>CopperPoint Insurance Company</td>
<td>March 2021 Mobility Center and Call Center Rents</td>
<td>2/26/2021</td>
<td>55,018.35</td>
</tr>
<tr>
<td>50417</td>
<td>QCM Technologies, Inc.</td>
<td>Feb. 2021 Consulting Install/Implementation</td>
<td>3/12/2021</td>
<td>42,721.43</td>
</tr>
<tr>
<td>20210315W014</td>
<td>Wells Fargo Bank</td>
<td>February 2021 Credit Card Transactions</td>
<td>3/15/2021</td>
<td>41,939.32</td>
</tr>
<tr>
<td>040493</td>
<td>Govig &amp; Associates, Inc.</td>
<td>Placement Fee</td>
<td>2/26/2021</td>
<td>36,250.00</td>
</tr>
<tr>
<td>50412</td>
<td>Mosaic451, LLC</td>
<td>Jan. 2021 Ongoing Managed Security Services</td>
<td>3/12/2021</td>
<td>34,600.00</td>
</tr>
<tr>
<td>50378</td>
<td>Complete Coach Works</td>
<td>Installation of 5 Driver Barriers on Buses</td>
<td>3/5/2021</td>
<td>32,324.49</td>
</tr>
<tr>
<td>50404</td>
<td>Eno Transportation Foundation</td>
<td>2021 Eno Membership-Group Renewal</td>
<td>3/12/2021</td>
<td>29,500.00</td>
</tr>
<tr>
<td>50434</td>
<td>Complete Coach Works</td>
<td>4 Driver Barriers Installed in Buses</td>
<td>3/19/2021</td>
<td>25,818.44</td>
</tr>
</tbody>
</table>

**Total Transaction Amount:** $6,429,440.81
## Valley Metro Rail, Inc.
### Monthly AP Payments over $25,000
#### February 21, 2021 to March 20, 2021

<table>
<thead>
<tr>
<th>Document Number</th>
<th>Name</th>
<th>Transaction Description</th>
<th>Effective Date</th>
<th>Transaction Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>040673</td>
<td>Kiewit Infrastructure West Co.</td>
<td>Dec 2020 S Central Extension</td>
<td>3/19/2021</td>
<td>12,442,517.70</td>
</tr>
<tr>
<td>040587</td>
<td>Hensel Phelps Construction Co</td>
<td>Jan 2021 OMC Expansion Project</td>
<td>3/5/2021</td>
<td>3,987,953.00</td>
</tr>
<tr>
<td>040674</td>
<td>Kiewit-McCarthy, a Joint Venture (NWE2)</td>
<td>July-Sept 2020 NW Extension 2 Project</td>
<td>3/19/2021</td>
<td>3,823,739.68</td>
</tr>
<tr>
<td>040627</td>
<td>Hill International, Inc.</td>
<td>Dec 2020 Program Management</td>
<td>3/12/2021</td>
<td>1,082,939.82</td>
</tr>
<tr>
<td>040607</td>
<td>Alternate Concepts Inc.</td>
<td>Jan 2021 Transportation Services</td>
<td>3/12/2021</td>
<td>920,355.52</td>
</tr>
<tr>
<td>040626</td>
<td>HDR Engineering, Inc.</td>
<td>Dec 2020 Planning and Community Relations</td>
<td>3/12/2021</td>
<td>780,989.50</td>
</tr>
<tr>
<td>040556</td>
<td>Salt River Project</td>
<td>NW Extension Phase 2 Utilities</td>
<td>2/26/2021</td>
<td>666,403.37</td>
</tr>
<tr>
<td>040572</td>
<td>Allied Universal Security Services</td>
<td>Dec 2020 Fare Inspection and Security Services</td>
<td>3/5/2021</td>
<td>643,502.70</td>
</tr>
<tr>
<td>040642</td>
<td>Southwest Gas</td>
<td>S Central Extension 3rd Party Utilities</td>
<td>3/12/2021</td>
<td>587,065.44</td>
</tr>
<tr>
<td>040672</td>
<td>Jacobs Engineering</td>
<td>Dec 2020 NW Extension 2 Project</td>
<td>3/19/2021</td>
<td>435,001.07</td>
</tr>
<tr>
<td>040597</td>
<td>Stacy and Witbeck, Inc.</td>
<td>Dec 2020 Tempe Streetcare Project</td>
<td>3/5/2021</td>
<td>397,993.33</td>
</tr>
<tr>
<td>040574</td>
<td>Arizona Public Service Company</td>
<td>S Central Extension Non Prior Right Utilities</td>
<td>3/5/2021</td>
<td>318,220.14</td>
</tr>
<tr>
<td>040640</td>
<td>Salt River Project</td>
<td>NW Extension Phase 2 Utilities</td>
<td>3/12/2021</td>
<td>290,602.68</td>
</tr>
<tr>
<td>040639</td>
<td>Salt River Project</td>
<td>NW Extension Phase 2 Utilities</td>
<td>3/12/2021</td>
<td>269,249.19</td>
</tr>
<tr>
<td>040618</td>
<td>DMS - Facility Services, Inc.</td>
<td>Jan 2021 Facilities and LRV Cleaning Services</td>
<td>3/12/2021</td>
<td>215,746.58</td>
</tr>
<tr>
<td>040569</td>
<td>AECOM Technical Services, Inc.</td>
<td>Dec 2020 S Central Extension Project</td>
<td>3/5/2021</td>
<td>167,121.84</td>
</tr>
<tr>
<td>040512</td>
<td>101 North First Ave LLC</td>
<td>March 2021 101 Building Rent</td>
<td>2/26/2021</td>
<td>165,832.12</td>
</tr>
<tr>
<td>040553</td>
<td>Salt River Project</td>
<td>NW Extension 2 Utilities</td>
<td>2/26/2021</td>
<td>164,830.21</td>
</tr>
<tr>
<td>V20210228W</td>
<td>APS</td>
<td>February 2021 Utilities</td>
<td>2/28/2021</td>
<td>143,328.51</td>
</tr>
<tr>
<td>040618</td>
<td>DMS - Facility Services, Inc.</td>
<td>Jan 2021 Facilities and LRV Disinfection and PPE Services</td>
<td>3/12/2021</td>
<td>140,506.91</td>
</tr>
<tr>
<td>040652</td>
<td>ARCADIS</td>
<td>Dec 2020 Jan 2021 Consulting Support services</td>
<td>3/19/2021</td>
<td>134,825.87</td>
</tr>
<tr>
<td>040547</td>
<td>PGH Wong Engineering, Inc.</td>
<td>Dec 2020 S Central Extension Systems Design</td>
<td>2/26/2021</td>
<td>108,005.41</td>
</tr>
<tr>
<td>040547</td>
<td>PGH Wong Engineering, Inc.</td>
<td>Dec 2020 Northwest Extension 2</td>
<td>2/26/2021</td>
<td>94,895.84</td>
</tr>
<tr>
<td>040558</td>
<td>SDB Contracting Services</td>
<td>Jan 2021 Construction Services - JOC</td>
<td>2/26/2021</td>
<td>88,941.70</td>
</tr>
<tr>
<td>040552</td>
<td>Salt River Project</td>
<td>S Central Extension Non Prior Right Utilities</td>
<td>2/26/2021</td>
<td>87,933.04</td>
</tr>
<tr>
<td>040629</td>
<td>Knorr Brake Corporation (KBC)</td>
<td>LRV Friction Brake Overhaul</td>
<td>3/12/2021</td>
<td>84,653.94</td>
</tr>
<tr>
<td>040559</td>
<td>Stacy and Witbeck, Inc.</td>
<td>Ballast Track at Fishhook - OMC</td>
<td>2/26/2021</td>
<td>82,250.00</td>
</tr>
<tr>
<td>040655</td>
<td>B &amp; C Transit, Inc.</td>
<td>Year 3 SCADA Maintenance</td>
<td>3/19/2021</td>
<td>78,155.00</td>
</tr>
<tr>
<td>V20210228W2021</td>
<td>SRP</td>
<td>February 2021 Utilities</td>
<td>2/28/2021</td>
<td>73,755.31</td>
</tr>
<tr>
<td>040618</td>
<td>DMS - Facility Services, Inc.</td>
<td>Jan 2021 Facility Maintenance Services</td>
<td>3/12/2021</td>
<td>68,766.47</td>
</tr>
<tr>
<td>040613</td>
<td>Brookville Equipment Corp</td>
<td>Tempe SC Acquisition Program Milestone B</td>
<td>3/12/2021</td>
<td>60,627.84</td>
</tr>
<tr>
<td>Document Number</td>
<td>Name</td>
<td>Transaction Description</td>
<td>Effective Date</td>
<td>Transaction Amount</td>
</tr>
<tr>
<td>-----------------</td>
<td>-------------------------------------------</td>
<td>-------------------------------------------------</td>
<td>----------------</td>
<td>--------------------</td>
</tr>
<tr>
<td>040636</td>
<td>Penn Machine Company, LLC</td>
<td>Gearbox/Axle Overhaul</td>
<td>3/12/2021</td>
<td>51,930.00</td>
</tr>
<tr>
<td>040617</td>
<td>Dellner Inc.</td>
<td>LRV Coupler Overhaul</td>
<td>3/12/2021</td>
<td>45,096.00</td>
</tr>
<tr>
<td>040668</td>
<td>Hye Tech Network &amp; Security Solutions LLC</td>
<td>Network Equipment</td>
<td>3/19/2021</td>
<td>44,437.07</td>
</tr>
<tr>
<td>040600</td>
<td>URW, LLC</td>
<td>Jan 2021 Landscape Maintenance Services</td>
<td>3/5/2021</td>
<td>43,081.79</td>
</tr>
<tr>
<td>040663</td>
<td>Dellner Inc.</td>
<td>LRV Coupler Overhaul</td>
<td>3/19/2021</td>
<td>42,996.00</td>
</tr>
<tr>
<td>040524</td>
<td>City of Phoenix</td>
<td>Jan 2021 Fare Handling Fee</td>
<td>2/26/2021</td>
<td>38,217.00</td>
</tr>
<tr>
<td>040555</td>
<td>Salt River Project</td>
<td>T3020204, T3149942 TPSS and Service</td>
<td>2/26/2021</td>
<td>34,464.44</td>
</tr>
<tr>
<td>040544</td>
<td>National Corrosion</td>
<td>Corrosion Control Services</td>
<td>2/26/2021</td>
<td>33,250.00</td>
</tr>
<tr>
<td>040559</td>
<td>Stacy and Witbeck, Inc.</td>
<td>Tempe SC CAB Disbursement #8</td>
<td>2/26/2021</td>
<td>30,000.00</td>
</tr>
<tr>
<td>040527</td>
<td>Dell Marketing L.P.</td>
<td>Servers and Computer Hardware</td>
<td>2/26/2021</td>
<td>29,667.48</td>
</tr>
<tr>
<td>040608</td>
<td>Award Winning Restorations</td>
<td>LRV 123 Change Paint Scheme</td>
<td>3/12/2021</td>
<td>28,636.35</td>
</tr>
<tr>
<td>040616</td>
<td>City of Phoenix</td>
<td>Dec 2020 Regional Wireless Billing</td>
<td>3/12/2021</td>
<td>27,623.32</td>
</tr>
<tr>
<td>040686</td>
<td>TransTech of South Carolina Inc.</td>
<td>Single Arm Pantograph</td>
<td>3/19/2021</td>
<td>27,551.00</td>
</tr>
<tr>
<td>040657</td>
<td>Builders Guild, Inc.</td>
<td>Jan 2021 Stray Current Testing</td>
<td>3/19/2021</td>
<td>25,369.03</td>
</tr>
</tbody>
</table>

29,140,742.18
## Procurement Report for April Board Month

### RECENTLY COMPLETED PROCUREMENTS

<table>
<thead>
<tr>
<th>Contract Administrator</th>
<th>Agency</th>
<th>Procurement Type</th>
<th>Procurement Title</th>
<th>FTA Funding</th>
<th>Release Date</th>
<th>Proposal Due Date</th>
<th>Targeted Board Award Date</th>
<th>Estimated Contract Value</th>
<th>Term of Contract</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Barb H</td>
<td>VMR</td>
<td>IFB</td>
<td>Portable Lift System</td>
<td>No</td>
<td>June 2021</td>
<td>N/A</td>
<td>N/A</td>
<td>$146,869.68</td>
<td>1 year</td>
<td>Initiating Documents</td>
</tr>
<tr>
<td>Sheila H</td>
<td>VMR</td>
<td>RFP</td>
<td>Small Business Financial Assistance Program</td>
<td>No</td>
<td>December, 2020</td>
<td>December, 2020</td>
<td>January, 2021</td>
<td>$145.00</td>
<td>1 year + 3 year</td>
<td>Executed</td>
</tr>
<tr>
<td>Ed N</td>
<td>VMR</td>
<td>COOP</td>
<td>Aconex contract &amp; introduce archiving</td>
<td>Yes</td>
<td>July 2020</td>
<td>August 2020</td>
<td>September 2020</td>
<td>$1,136,423.00</td>
<td>3 year + 2 options</td>
<td>Executed</td>
</tr>
</tbody>
</table>

### ACTIVE PROCUREMENTS

<table>
<thead>
<tr>
<th>Contract Administrator</th>
<th>Agency</th>
<th>Procurement Type</th>
<th>Procurement Title</th>
<th>FTA Funding</th>
<th>Release Date</th>
<th>Proposal Due Date</th>
<th>Targeted Board Award Date</th>
<th>Estimated Contract Value</th>
<th>Term of Contract</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sheila H</td>
<td>VMR</td>
<td>Sole Source</td>
<td>CPU Power Conversion</td>
<td>No</td>
<td>March, 2021</td>
<td>N/A</td>
<td>May, 2021</td>
<td>$260.00</td>
<td>1 year</td>
<td>Initiating Documents</td>
</tr>
<tr>
<td>Barb H/Kianie K</td>
<td>VMR</td>
<td>Sole Source</td>
<td>OMC Parts Inventory</td>
<td>No</td>
<td>February, 2021</td>
<td>March 2021</td>
<td>May 2021</td>
<td>TBD</td>
<td>5 years</td>
<td>Solicitation Issued</td>
</tr>
<tr>
<td>Barb H</td>
<td>VMR</td>
<td>IFB</td>
<td>Uninterruptible Power Supply (UPS) Replacements</td>
<td>No</td>
<td>November 2020</td>
<td>December 2020</td>
<td>March 2021</td>
<td>$196,000.00</td>
<td>2 years</td>
<td>Pending Board Approval</td>
</tr>
<tr>
<td>Barb H</td>
<td>VMR</td>
<td>IFB</td>
<td>Traction Power Substation Batteries</td>
<td>No</td>
<td>December 2020</td>
<td>January 2021</td>
<td>March 2021</td>
<td>$336,856.00</td>
<td>4 years</td>
<td>Pending Board Approval</td>
</tr>
<tr>
<td>Barb H</td>
<td>VMR</td>
<td>Sole Source</td>
<td>LRV Hoist Nut Replacement</td>
<td>No</td>
<td>December 2020</td>
<td>January 2021</td>
<td>March 2021</td>
<td>$259,094.00</td>
<td>2 years</td>
<td>Pending Board Approval</td>
</tr>
<tr>
<td>Ed N</td>
<td>Joint</td>
<td>RFP</td>
<td>Retail Sales Networks for Fare Collection and Customer Service</td>
<td>No</td>
<td>February 2020</td>
<td>May 2020</td>
<td>March 2021</td>
<td>$34,383,000.00</td>
<td>5 years + 3 yr + 2 yr</td>
<td>Pending Board Approval</td>
</tr>
<tr>
<td>Rick W</td>
<td>RPTA</td>
<td>RFP</td>
<td>CNG Facility Maintenance</td>
<td>No</td>
<td>November 2020</td>
<td>January 2021</td>
<td>April 2021</td>
<td>$2,300,000.00</td>
<td>5 year + 2 options</td>
<td>Pending Board Approval</td>
</tr>
<tr>
<td>Rick W</td>
<td>Joint</td>
<td>RFP</td>
<td>Fare Inspection and Security Services</td>
<td>No</td>
<td>October 2020</td>
<td>December 2020</td>
<td>April 2021</td>
<td>$56,113,000.00</td>
<td>3 year + 2 options</td>
<td>Pending Board Approval</td>
</tr>
<tr>
<td>Christian J</td>
<td>Joint</td>
<td>COOP</td>
<td>Telecom and Networking equipment - WWT</td>
<td>No</td>
<td>N/A</td>
<td>N/A</td>
<td>March 2021</td>
<td>$304,000.00</td>
<td>5 years</td>
<td>Pending Board Approval</td>
</tr>
<tr>
<td>Christian J</td>
<td>Joint</td>
<td>COOP</td>
<td>Business Intelligence Software Subscription - CDW-G</td>
<td>No</td>
<td>N/A</td>
<td>N/A</td>
<td>March 2021</td>
<td>$316,800.00</td>
<td>3 years</td>
<td>Pending Board Approval</td>
</tr>
<tr>
<td>Christian J</td>
<td>Joint</td>
<td>COOP</td>
<td>Replacement Vehicles for Paratransit Svs. Qty-26</td>
<td>Yes</td>
<td>N/A</td>
<td>N/A</td>
<td>March 2021</td>
<td>$1,755,286.00</td>
<td>1 year</td>
<td>Pending Board Approval</td>
</tr>
<tr>
<td>Christian J</td>
<td>Joint</td>
<td>COOP</td>
<td>IT Security Operations Center Services (SOCsS)</td>
<td>No</td>
<td>N/A</td>
<td>N/A</td>
<td>March 2021</td>
<td>$1,281,700.00</td>
<td>5 years</td>
<td>Pending Board Approval</td>
</tr>
<tr>
<td>Kianie K</td>
<td>Joint</td>
<td>COOP</td>
<td>Accountant Consulting Services</td>
<td>No</td>
<td>N/A</td>
<td>N/A</td>
<td>March 2021</td>
<td>$112,400.00</td>
<td>2 years</td>
<td>Pending Board Approval</td>
</tr>
</tbody>
</table>

### FUTURE PROCUREMENTS

<table>
<thead>
<tr>
<th>Contract Administrator</th>
<th>Agency</th>
<th>Procurement Type</th>
<th>Procurement Title</th>
<th>FTA Funding</th>
<th>Release Date</th>
<th>Proposal Due Date</th>
<th>Targeted Board Award Date</th>
<th>Estimated Contract Value</th>
<th>Term of Contract</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Barb H</td>
<td>VMR</td>
<td>Sole Source</td>
<td>SCV Managed Inventory Program</td>
<td>No</td>
<td>N/A</td>
<td>N/A</td>
<td>TBD</td>
<td>TBD</td>
<td>5 years</td>
<td>SOW Development</td>
</tr>
<tr>
<td>Barb H</td>
<td>VMR</td>
<td>Sole Source</td>
<td>Delta Electric Traction Motor Repair</td>
<td>No</td>
<td>March 2021</td>
<td>April 2021</td>
<td>June 2021</td>
<td>TBD</td>
<td>5 years</td>
<td>SOW Development</td>
</tr>
<tr>
<td>Barb H/Sheila H</td>
<td>VMR</td>
<td>IFB</td>
<td>OMC Midlife Flooring Replacement</td>
<td>No</td>
<td>April 2021</td>
<td>May 2021</td>
<td>August 2021</td>
<td>TBD</td>
<td>TBD</td>
<td>SOW Development</td>
</tr>
<tr>
<td>Kianie K</td>
<td>Joint</td>
<td>RFP</td>
<td>Printing Services</td>
<td>No</td>
<td>April 2021</td>
<td>May 2021</td>
<td>August 2021</td>
<td>TBD</td>
<td>3 year + 2 options</td>
<td>SOW Development</td>
</tr>
<tr>
<td>Sheila H</td>
<td>VMR</td>
<td>TBD</td>
<td>Rail Testing</td>
<td>TBD</td>
<td>TBD</td>
<td>TBD</td>
<td>TBD</td>
<td>TBD</td>
<td>TBD</td>
<td>SOW Development</td>
</tr>
<tr>
<td>Susanita</td>
<td>Joint</td>
<td>RFP</td>
<td>Regional ADA Paratransit Services Operations &amp; Maintenance</td>
<td>Yes</td>
<td>July 2021</td>
<td>TBD</td>
<td>July 2022</td>
<td>TBD</td>
<td>TBD</td>
<td>SOW Development</td>
</tr>
<tr>
<td>Susanita</td>
<td>Joint</td>
<td>RFP</td>
<td>Centralized Call Center for Regional ADA Paratransit Services &amp; RideChoice</td>
<td>TBD</td>
<td>July 2021</td>
<td>TBD</td>
<td>July 2022</td>
<td>TBD</td>
<td>TBD</td>
<td>SOW Development</td>
</tr>
</tbody>
</table>
Information Summary

DATE
April 15, 2021

AGENDA ITEM 8

SUBJECT
Future Agenda Items Request and Report on Current Events

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

COST AND BUDGET
None

RECOMMENDATION
This item is presented for information only.

BACKGROUND/DISCUSSION/CONSIDERATION
None

COMMITTEE PROCESS
None

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

ATTACHMENT
None.

Pending Items Request

<table>
<thead>
<tr>
<th>Item Requested</th>
<th>Date Requested</th>
<th>Planned Follow-up Date</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Valley Metro | 101 N. 1st Ave. Phoenix, AZ 85003 602.262.7433
Agenda
April 15, 2021

Board of Directors
Thursday, April 22, 2021
Webex/Phone
11:15 a.m.

Action Recommended

1. Public Comment

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

2. Minutes

Minutes from the March 18, 2021 Board meeting are presented for approval.

CONSENT AGENDA

3A. Contract Award for Compressed Natural Gas (CNG) Facility Maintenance

Staff recommends that the Board of Directors authorize the CEO to execute a contract with Clean Energy Fuels Corporation to provide CNG facility maintenance at the Mesa Bus Operations and Maintenance Facility effective July 1, 2021 for a total term of 7 years (5-year base contract plus one two-year renewal option). For the total term of the contract, the award amount is $1,611,200.

3B. Purchase of Diesel and Unleaded Fuel

Staff recommends that the Board of Directors authorize the CEO to execute a cooperative agreement purchase order with Senergy Petroleum LLC under Arizona State Contract for diesel and unleaded fuel for a not-to-exceed amount of $13,770,000 over a five-year period.
REGULAR AGENDA

4. **Proposed October 2021 Service Changes**
   
   Staff will provide an update on the proposed October 2021 transit service changes and community outreach plan.

5. **Valley Metro RPTA Fixed Route Bus Advertising**
   
   Staff will provide an informational update on the placement of advertising on RPTA-operated buses, focusing on the history, opportunities and challenges.

6. **Future Agenda Items Request and Report on Current Events**
   
   Chair Edwards will request future agenda items from members, and members may provide a report on current events.

7. **Next Meeting**
   
   The next Board meeting is scheduled for **Thursday, May 20, 2021 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](http://www.valleymetro.org)
AGENDA ITEM 1
DATE
April 15, 2021

SUBJECT
Public Comment

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

COST AND BUDGET
None

RECOMMENDATION
This item is presented for information.

BACKGROUND | DISCUSSION | CONSIDERATION
None

COMMITTEE PROCESS
None

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

ATTACHMENT
None
Minutes
April 15, 2021

AGENDA ITEM 2

Board of Directors
March 18, 2021
Via Webex/Phone
11:15 a.m.

RPTA Meeting Participants
Councilmember Jon Edwards, City of Peoria (Chair) (phone)
Councilmember Francisco Heredia, City of Mesa (Vice Chair) (phone)
Mayor Kate Gallego, City of Phoenix (Treasurer) (phone)
Vice Mayor Veronica Malone, City of Avondale (phone)
Councilmember Clay Goodman, City of Buckeye
Mayor Kevin Hartke, City of Chandler (phone)
Mayor Ginny Dickey for Councilmember Mike Scharnow, Town of Fountain Hills (phone)
Councilmember Lauren Tolmachoff, City of Glendale (phone)
Councilmember Jared L. Taylor, Town of Gilbert (phone)
Vice Mayor Bill Stipp, City of Goodyear (phone)
Supervisor Jack Sellers, Maricopa County (phone)
Councilmember Jon Edwards, City of Peoria (phone)
City of Scottsdale, Mayor David Ortega (phone)
Councilmember Roland F. Winters Jr., City of Surprise (phone)
Councilmember Robin Arredondo-Savage, City of Tempe (phone)
Councilmember Linda Laborin, City of Tolleson (phone)
Mayor Michael LeVault, Town of Youngtown (phone)
Mayor Rui Pereira, Town of Wickenburg (phone)

Members Not Present
Mayor Alexis Hermosillo, City of El Mirage
Councilmember Jeff Brown, Town of Queen Creek

Chair Edwards called the RPTA meeting to order at 12:21 p.m.

1. Public Comment

Written public comment submitted.

William Charles "Blu" Crowley, III, this is for the Valley Metro Board of Directors and it will be dealing with the agenda items Operating and Capital Budget. And also the document of the Regional Transportation Plan 2006 - 2026, Issue 5 and what it said that you all were going to be doing at this time.

For the super bus thread, where is the 99th Avenue from Bell Road to Buckeye?
Where is the Buckeye to the light rail transit station from Litchfield Road to there?
Where is the Dunlap, Olive bus running from Litchfield to Metrocenter? And for this
year, are you going to be doing the Greenfield Road? And are you having anything in the planning for the 83rd Avenue and 75th Avenue routes?

When it comes to the amount of funding that you are doing, using, and crying about, when we asked for the Wickenburg route to be there, it wasn't to be funded by the State. It was a part of all the projects. So, when you eliminated that because the State decided, well, it wasn't rural enough or used enough. And, also, when you do it again this time, I would like and appreciate that you consider basing it out of the northwestern Maricopa County rather than in the city. Driving it out there and then starting the route.

And other than that, I appreciate you all's participation, but why is the transit part on second page of things rather than the dominant that it was supposed to be? Because when you combined instead of staying bifurcated, it was to make things for the bus better. Well, it doesn't seem that you have done that.

2. Minutes

Chair Edwards said minutes from the January 21, 2021 Board meeting are presented for approval.

**IT WAS MOVED BY MAYOR PEREIRA, SECOND BY COUNCILMEMBER WINTERS AND UNANIMOUSLY CARRIED TO APPROVE THE JANUARY 21, 2021 BOARD MEETING MINUTES.**

3. Consent Agenda

Chair Edwards said the Consent Agenda is presented for action. Are there any members that have any items that need to be removed for discussion? Seeing none. Can I request a motion and a second to approve the Consent Agenda.

**IT WAS MOVED BY COUNCILMEMBER WINTERS, SECOND BY COUNCILMEMBER TOLMACHOFF AND UNANIMOUSLY CARRIED TO APPROVE THE CONSENT AGENDA.**

4. Valley Metro RPTA Fiscal Year 2022 (FY22) Preliminary Operating and Capital Budget

Chair Edwards said Mr. Smith.

Mr. Smith said thank you, Mr. Chair. And sensing that you had not had nearly enough fun today, we put this on the agenda so Paul Hodgins could have a conversation with you about the budget. So, I will turn it over to Paul.
Mr. Hodgins said thank you, Scott, Mr. Chair, members of the Board. I have a high-level overview of our preliminary budget. Just to remind you how -- where we have gone so far. We, typically, start this budget process pretty, early. We start with key assumptions back in September and I will talk a little bit about this, but one of the key assumptions or really one of the uncertainties was what was going to happen to revenues. Back in August, September, we were still somewhat at the beginning of the pandemic and so we have put together several options that we are working on that I will talk to a little bit.

In October, we present a preliminary operations budget which really reflects the service that the cities purchase from Valley Metro so that that can help the cities with their own budgeting process. That is one of the reasons we start so early. We continue to refine that and then present updated key assumptions through our Financial Working Group and through our Audit and Finance Subcommittee and then this month, we are presenting the preliminary budget. This is for information and discussion only. We will take your comments and the comments from Management Committee and from your staff and provide updates and we will be back hopefully in May for approval. If there is not comfort in May then we still have until June, so we try to give ourselves a little bit of a buffer there.

So, late last or last fall or last summer, I guess, really there was still a lot of uncertainty -- about the revenues and how the pandemic was going to impact revenues. So, we developed internally three different scenarios for alternative forecasts for our Prop 400 funds. That is in addition to ADOT’s official forecast that we typically use. So, ADOT developed their forecast late September of last year. So, we have really had four forecasts we have been looking at. Our scenario 1, slightly more conservative than ADOT’s official forecast. Our scenario 2, we really modelled after what happened post-911 with revenues where they flattened out and then continued to grow. And the scenario 3 was a little more catastrophic, if you will, much like the great recession where, actually, had years of declining revenues before we actually saw some growth.

So, what we decided with the Financial Working Group and with the Audit and Finance Subcommittee was to be a little more conservative back in September, August, September and to use that scenario 1 as our base revenue forecast to develop the budget.

So, you can see for fiscal ’22, it is about a $4.5 million difference from the ADOT forecast, for scenario 1, we are about a $5 million difference for the current fiscal year. And so, what we agreed to do, what we said we would do is really track our revenues this year against that fiscal ’21 number, present a budget in March for discussion, but then make a decision about which scenario really matches the revenue trends properly and so how we are going to move forward with the final proposed budget, and which forecast we would use.
So, if you could go to the next slide. Tracking our revenues, we now have our February revenues. They are not on this chart, but you can see that month to month our fiscal '21 actuals have been consistently higher than fiscal '20 actuals and that through January, we are about $8.2 million above budget and including February, we are about $8.8 million above budget. So, that trend has really been positive for our Prop 400 revenues.

And so, given that trend, given the new American Rescue Plan that will provide additional stimulus, the budget we present today, as I mentioned, is based on that scenario 1, a little more conservative, but for our final budget, we have made the decision to pivot that to the slightly higher ADOT official forecast. And so, we will talk a little bit about -- I will talk a little bit more about that as we go through this slide. But that is the decision that we have made based on trends and the approval of the ARP.

As you can see, if the trends continue through the rest of this year, we would well -- we would surpass all of the four forecasts that we have by quite a bit. We are on track to be about $14 or $15 million above budget for the end of the fiscal year.

So, as I said, just looking at those different forecasts, the budget you are going to see today is based on scenario 1 which is a little more conservative, but we are going to pivot to the higher official forecast for the final budget that we bring forward in May.

Going to the next slide. We do have contingency plans in place. The scenario 1 plan is kind of what is reflected in our base budget today, but that will become a contingency as we move to the official ADOT forecast. We will have plans set aside that are ready to go should our revenues -- should the revenue trend not continue for each of these scenarios. So, we will be able to quickly move to address any revenue shortfalls, but as I mentioned, given the trend today, we do not plan to have any of this in the base budget we bring for adoption.

Mr. Smith said and, Paul, if I could?

Mr. Hodgins said yes.

Mr. Smith said remember, also, this is where the ARP kicks in too in these scenarios. We also have not only our local, our Prop 400, revenues, but the Federal Recovery Act funds that are meant to cover this very situation.

Mr. Hodgins said thank you. As Scott mentioned earlier, a lot of the revenue -- a lot of the service that we provide is funded locally. Probably, 40 - 50% of the service Valley Metro operates is funded by the cities so we are tracking how some of the cities across the Valley, how their revenues look. And as you can see, some of the cities, Glendale, Phoenix, Mesa have seen positive, growth. Tempe is a little bit flat so not the decrease they had anticipated, but certainly, not seeing the type of growth that other cities and the region is seeing. So, some differences across the Valley, but in general, more positive than had been budgeted.
So, some of the key assumptions that we have included in this budget, again, a little bit more conservative approach for this base budget based on scenario 1. We got some feedback that there is, definitely, concern about ridership and how that may recover through the pandemic and what fare revenue we may have so we have pulled back a little bit on our ridership and fare revenue assumptions. So, for fiscal ’22, we have only assumed fare revenues back to about a third of pre-COVID levels.

We do have the CRRSAA funds identified in this budget, in this preliminary budget. We have not yet, obviously, programmed any of the ARP, the ARP funds, since that is relatively new, but we anticipate about $20 million of the CRRSAA funds available to RPTA in this budget. We do also anticipate returning to front-door boardings at some point. We expect all of the permanent operator barriers to be installed, it says June, it may be in July. I think our supplier is having some issues with the supply of the barriers, but by summertime, we should be able to return to our front-door boarding.

Just very quickly on base service levels, as I mentioned, quite a lot of service is locally or city-funded about -- a lot of circulator service, a little bit of express and local. The regionally funded PTF service, express, and a fair amount of local service, 14.3 revenue miles anticipated.

Just very quickly, through kind of a summary of our baseline assumptions. You can see passenger boardings at the top there. We do anticipate getting some boardings back, but not nearly back to the pre-COVID levels. As you can see, about $11 million in fiscal ’20. We are looking at about $5.5 million for our bus operations next year with fare revenues at $2.8 million well below our pre-COVID levels.

In terms of paratransit operations, slight decrease in our budget, budgeted number of trips. Still higher than fiscal ’20, we do anticipate seeing some growth from our -- in our paratransit operation. I will note that in fiscal ’21 we are considerably under budget, under the number of trips so really it is growth from what we are seeing today, not from the budget with about $49 a trip with about a $4 average fare.

On our RideChoice services, kind of a similar story, we are under budget this year on the number of trips but do anticipate getting some of that back to about 191,000 next year, about a $3.28 average fare with an $18.45 cost per trip.

That is just a quick look at some of our baseline assumption on operations. An overall look at our operating and capital, you can see nearly half of our budget is dedicated to services. That is our bus service, paratransit, van pool service. Capital activities is the next largest category with some of our fiscal administration and regional services.

On the sources side, the largest source, obviously, is our Prop 400 or public transportation funds. You will see that in two different slices of the pie. One is 34% which comes to the bus program and then an additional 17% which is available for passing through to Valley Metro Rail for light rail construction and planning activities.
Federal funds is also significant portion. Transit service reimbursements which is really funding from the cities for service about 11% of the overall budget.

Looking at some of the details, uses of funds at a higher level. Fixed route operations orbus service about a 3% increase from fiscal '21. Demand service 33% increase. This is a little bit misleading because some of those costs are budgeted net, particularly net of CARES Act funds so the fiscal '21 numbers really it is artificially low because of the CARES Act. So, the increase in demand service is really because of the lower amount of federal support. Van pool basically flat, but our planning, administration, and finance and regional services, some of those internal costs that we have, wanting to be a little bit more conservative, overall, it is about a $1 million decrease in those areas just to be a little bit more conservative. So overall, about $170 million operating budget.

On the sources, I will point out, again, fare revenue quite low about $4.7 million overall about half of what we would normally see pre-COVID. And then the other thing I would point out, the federal CARES Act, we did program using all of that in fiscal '21. We have CRRSAA in at about $18 million so that difference there then has to be made up by local funds, primarily, you will see the increase in public transportation funds and also the transit service agreements.

On the capital side, the RPTA's capital program is largely made up of our fleet replacement program so you can see that. That is about $38 million next year with debt service being the next largest so $74 million in capital which is a little bit of a decrease from fiscal '21. The sources for those, primarily, federal and our Prop 400 funds both with some current revenues and then also the use of some fund balance which is programmed out through our transit lifecycle program.

The other category I will mention is what we call passthrough funds. These are funds that we manage really on behalf of the region or on behalf of others. Arizona Lottery funds, we receive money from the lottery and disburse those out to the cities and towns in the county to support public transportation. The Valley Metro Rail, that is salaries, fringe, and overhead that RPTA provides on behalf of Valley Metro Rail and then the rail program disbursements, again, for planning and funding of capital extensions.

The sources for those primarily public transportation funds. Again, I mentioned the lottery funds, the VMR reimbursements. Those are reimbursement directly from rail for those salary, fringe, and overhead costs that we provide.

So, looking at our staffing, we do have -- we did have a couple of midyear additions, changes. Those are IT staff that we had initially hired consultants and converted those to full time equivalents, converted those to staff positions to -- and that is, actually, a savings over what we are paying as contractors. And then we have four positions or portions of four positions, another IT position that is a contractor conversion to staff which will, again, save some money. A couple of operations, maintenance staff to
support oversight of our services and then one additional safety and security staff member to support some of the additional federal requirements that we have for safety and security.

Lastly, just a recap of where we are. This is for information. I would be happy to answer any questions, take any feedback you have. We will go back and take a look, make some adjustments. We have made some -- we have already presented our five-year plan to the Financial Working Group. We will present that preliminary plan through the Audit and Finance Subcommittee next month and then come back in May, potentially June if we need it for approval. And with that, Mr. Chair, I would be happy to answer any questions.

Mr. Chair said thank you, Paul. Does anyone have any comments or questions?

Mr. Winters said yes, Mr. Chair. If the passengers are loaded from the rear of the bus, how are they collecting the fare?

Mr. Hodgins said currently, there is still a requirement for passengers to have fares. We are collecting some fares as they buy passes, but clearly, since they are not boarding through the front door, we are not capturing any cash fares and we are not asking them to swipe their card. So, that is one of the key reasons that our fare revenue is down considerably this year, but we do expect to get some back as we move back to the front-door boarding.

Mr. Chair said okay. Thank you, Mr. Winters. Anybody else?

Councilmember Tolmachoff said yeah, Mr. Chair, it is Lauren. I just want to say and we talked about this in AFS, but I -- and after a lot of discussion in AFS about the fare revenue projections, I am pleased to see, you know, the lower forecast because I just -- and I know I was not alone in thinking that the projections were a little bit unrealistic and that, you know, there is going to be a lot more work from home. And so, I think -- I am glad to see that we are using conservative numbers there, you know, rather underproject then over project and then fall short. So, thank you guys for making those adjustments.

Councilmember Arredondo-Savage said I just -- All right. Cool. Thank you very much. Just a couple things, I want to back up and first, thank you, Paul for mentioning the AFS. For some reason, we got left off the agenda. I am, usually, able to give an AFS update and see I can see Pat's face like oh, dang so my bad too, I should have caught it. I know there is a lot of stuff on this agenda and things that we have been talking about within AFS so, Paul, I appreciate you pointing out some of those things. And I just want to remind the Board that, you know, I am really, thankful for the AFS because they do a lot of really good work and we do a lot of deep dives and ask a lot of really hard questions and Lauren mentioned that a little bit. So, I just want to reiterate one of the things that we did after, like Paul mentioned, was to agree with utilizing the ADOT financial forecast. So, Paul, thank you for bringing that to our attention.
But like Lauren mentioned also too was there is still really a lot of concerns and things that we have talked about in AFS, in regards to the increased percentages of operations and how the increase percentage of operations is a little bit -- is starting to outpace, youknow, individual local tax revenues. So, something that we definitely wanted to keep our eye on and I think, Roland, you brought it up too in regard -- regarding fare recovery. How important it is when we return to -- get back into better ridership and do front-door boarding that we make sure that we have enforcement consistencies throughout the region. So, that is something that AFS has been talking about and knows it is really, important that we need to make sure that we are maximizing all of our revenues. And, you know, we have such a really, large, large investment with our new fare collections plan that we want to make sure that we were doing everything that we can to ensure that we are maximizing and being as efficient as we possibly can too.

And another thing I would like to ask, Chair Edwards, too is I just want to ensure and ask the Board, you know, I am not really, sure how we can do this and maybe it is through a survey process, is that you are getting the right information from the AFS and that we are doing everything that the Board expects us to do by taking a deep dive, asking the hard questions, and that we are able to relay that information to the Board in a useful, helpful way. And I do not know what that looks like, but if the Board is okay with that, we would just like to make sure that the communication and the information that we are digging deep on is being utilized to the best of our ability I think as a Board and as a region. If that would be okay.

Chair Edwards said this was an item for presentation only. So, obviously, more to come. If there are any questions or concerns with this later on, please make sure you reach out to Scott and his staff with your concerns.

5. Future Agenda Items Request and Report on Current Events

Chair Edwards said is there any members that have any items that they would like to put on a future agenda?

Councilmember Tolmachoff said Mr. Chair, it is Lauren. I would just like to echo Robin's comments though. I, you know, as a member of AFS, it is important to us that we are meeting the expectations of the Board so it is not necessarily an agenda, but it is a comment that I would like, really like for the feedback, I know that we all would, to the Board to make sure that we are meeting their expectations with the work that we are doing on AFS. So, I just like to echo, second Robin's request.

Mr. Chair said okay. You know what? I am going to reach out to the two of you later this afternoon and see if, you know, come up with some way to get a poll from the other members. Okay?
Vice Mayor Stipp said I was not fast enough on my unmute button at the end of the first meeting. I do -- I think coming up in the future as we get ready to -- because it is already going to be April, May. Aren't we supposed to be hearing from a consultant or something about the appraisals that are due midyear this year? I would like to know where we stand on that if we can get that in some sort of an update or if that belongs on the next agenda, I do not know. But I think we are behind, you know, we should be somewhere on this.

Mr. Chair said Mr. Smith, can we get that on the next agenda item for an update?

Ms. Kinsey said Mr. Chairman, Vice Mayor Stipp, this is Alexis. I just wanted to give you an update that we have been working with the consultant who is pulling together a number of different items, but I anticipate information including a survey is going to be hitting your inboxes if not Friday evening, it will be to you by Monday morning. So, we are at that process and we can share more information if you like in the future. Some of that information is maybe, possibly executive session information, but I know for certain you will be getting some follow up from the consultant I would say within the next four to five days.

Vice Mayor Stipp said okay. If we have established what the process is, I think we ought to know about it. Because this is brand new territory for all of us. So, if it is -- if we have a schedule of this is going to happen and then this is going to happen and then -- that would be very, very helpful because right now, we are all in the dark.

Ms. Kinsey said Mr. Chairman, Vice Mayor Stipp, that is the information you are about to receive.

Vice Mayor Stipp said okay.

Mr. Chair said thank you, Bill. Okay. Does anybody else have any other future agenda items? Okay.

6. Next Meeting

Next meeting is Thursday, April 22, 2020, at 11:15 a.m.

With no further discussion the meeting adjourned at 12:46 p.m.
DATE
April 15, 2021

SUBJECT
Contract Award for Compressed Natural Gas (CNG) Facility Maintenance

PURPOSE
To request authorization for the Chief Executive Officer (CEO) to execute a contract with Clean Energy Fuels Corporation to provide CNG facility maintenance at the Mesa Bus Operations and Maintenance Facility effective July 1, 2021 for a total term of 7 years (5-year base contract plus one two-year renewal option). For the total term of the contract, the award amount is $1,611,200.

RECOMMENDATION
Staff recommends that the Board of Directors authorize the CEO to execute a contract with Clean Energy Fuels Corporation to provide CNG facility maintenance at the Mesa Bus Operations and Maintenance Facility effective July 1, 2021 for a total term of 7 years (5-year base contract plus one two-year renewal option). For the total term of the contract, the award amount is $1,611,200.

BACKGROUND | DISCUSSION | CONSIDERATION
Valley Metro’s current contract for CNG facility maintenance services expires June 30, 2021. Valley Metro continues to have a need for CNG facility maintenance services that includes preventative and corrective repair maintenance services on Valley Metro’s natural gas compression and vehicle fueling equipment located at the Mesa Bus Operations and Maintenance Facility. These services will include all scheduled and unscheduled repairs, as well as all maintenance, consumables, parts, and labor as required to maintain the performance of the equipment.

In November 2020, Valley Metro issued a Request for Proposals for this contract. Proposals were evaluated based on the following criteria: (1) Firm Qualifications & Experience, (2) Personnel Qualifications & Experience, (3) Understanding / Approach to the Scope of Services and (4) Price. Four contractors’ submitted proposals as follows:

1. Trillium Transportation Fuels, LLC
2. Clean Energy Fuels Corp.
3. Zeitenergy, LLC
4. TruStar Energy

A selection committee comprised of staff from Valley Metro evaluated technical proposals. The selection committee has finalized its evaluations of each firm’s technical proposal, and the agency has finalized evaluation of each firm’s price proposal. The
Selection Committee ranked proposals and arrived at its award recommendation using a “Best Value” process which allows for a contract award based on a combination of technical and cost factors. Based on this process, the selection committee has selected Clean Energy Fuels Corporation as the firm whose proposal offers the “best value” to the agency.

The following table shows the technical, cost, and combined scores for the four proposers:

<table>
<thead>
<tr>
<th>Rank and Firm</th>
<th>Technical Score</th>
<th>Price Score</th>
<th>Combined Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Clean Energy Fuels Corp.</td>
<td>717</td>
<td>144</td>
<td>861</td>
</tr>
<tr>
<td>2. Trillium Transportation Fuels, LLC</td>
<td>605</td>
<td>200</td>
<td>805</td>
</tr>
<tr>
<td>3. Zeitenergy, LLC</td>
<td>495</td>
<td>124</td>
<td>619</td>
</tr>
<tr>
<td>4. TruStar Energy</td>
<td>470</td>
<td>71</td>
<td>541</td>
</tr>
</tbody>
</table>

A cost estimate was prepared prior to soliciting to assist with preplanning and with the evaluation review process. Additionally, the cost estimate in coordination with the price analysis assisted in the determination of fair and reasonable for this procurement.

COST AND BUDGET
The CNG facility maintenance services for approval has a total term of 7 years (5-year base contract plus one two-year option). For the total term of the contract, the total contract value is $1,611,200 with funding as follows:

<table>
<thead>
<tr>
<th>Year 1</th>
<th>Year 2</th>
<th>Year 3</th>
<th>Year 4</th>
<th>Year 5</th>
<th>Option Years</th>
</tr>
</thead>
<tbody>
<tr>
<td>$218,500</td>
<td>$222,300</td>
<td>$226,100</td>
<td>$229,900</td>
<td>$233,700</td>
<td>$237,500</td>
</tr>
</tbody>
</table>

For the first year of the contract, the contract obligation is $218,500, which is funded within the Valley Metro RPTA Proposed FY22 Operating and Capital Budget. Contract Obligations beyond FY22 are incorporated into the Valley Metro RPTA Five-Year Operating Forecast and Capital Program (FY2022 thru FY2026). The cost submitted by Clean Energy will result in a reduction for FY22 as the current annual cost of the CNG facility maintenance services is $248,000.
STRATEGIC PLAN ALIGNMENT
This item relates to the following goals and strategies in the Five-Year Strategic Plan FY 2016 – 2020:
• Goal 1: Advance performance-based operations

COMMITTEE PROCESS
RTAG: March 16, 2021 for information
TMC: April 7, 2021 approved
Board of Directors: April 22, 2021 for action

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

ATTACHMENT
None
Information Summary

DATE     AGENDA ITEM 3B
April 15, 2021

SUBJECT
Purchase of Diesel and Unleaded Fuel

PURPOSE
To request authorization for the Chief Executive Officer (CEO) to execute a cooperative agreement purchase order with Senergy Petroleum LLC under Arizona State Contract for diesel and unleaded fuel for a not-to-exceed amount of $13,770,000 over a five-year period.

RECOMMENDATION
Staff recommends that the Board of Directors authorize the CEO to execute a cooperative agreement purchase order with Senergy Petroleum LLC under Arizona State Contract for diesel and unleaded fuel for a not-to-exceed amount of $13,770,000 over a five-year period.

BACKGROUND | DISCUSSION | CONSIDERATION
Cooperative Agreements are contracts that are solicited and awarded by other public entities and whose cooperative language allows Valley Metro to utilize these contracts for goods and services it requires. This cooperative contract for diesel and unleaded fuel was procured via the State of Arizona Procurement Office of the Department of Administration and is currently awarded to, Synergy Petroleum LLC. Valley Metro uses this contract to fulfill its diesel and unleaded fuel purchase needs. Valley Metro is looking for approval of a five-year term.

COST AND BUDGET
The diesel and unleaded fuel usage over five years has a total estimated value of $13,770,000. The five-year forecast for diesel and unleaded fuel for Mesa bus operations, West Valley bus operations, and Paratransit¹ operations is in the chart below.

¹ The Board approved Valley Metro’s direct purchase of bulk fuel for paratransit on March 12, 2020. Paratransit fuel was previously purchased by the contractor and reimbursed by Valley Metro. The direct purchase of bulk fuel is anticipated to result in an annual savings of approximately $120,000 once service levels return to pre-pandemic levels.
<table>
<thead>
<tr>
<th></th>
<th>FY 22</th>
<th>FY 23</th>
<th>FY 24</th>
<th>FY 25</th>
<th>FY 26</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mesa Diesel</td>
<td>$390,000</td>
<td>$400,000</td>
<td>$410,000</td>
<td>$420,000</td>
<td>$440,000</td>
<td>$2,060,000</td>
</tr>
<tr>
<td>West Valley Diesel</td>
<td>$750,000</td>
<td>$780,000</td>
<td>$800,000</td>
<td>$820,000</td>
<td>$850,000</td>
<td>$4,000,000</td>
</tr>
<tr>
<td>West Valley Unleaded</td>
<td>$130,000</td>
<td>$134,000</td>
<td>$138,000</td>
<td>$142,000</td>
<td>$146,000</td>
<td>$690,000</td>
</tr>
<tr>
<td>Paratransit Unleaded</td>
<td>$1,322,000</td>
<td>$1,362,000</td>
<td>$1,403,000</td>
<td>$1,445,000</td>
<td>$1,488,000</td>
<td>$7,020,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$2,592,000</strong></td>
<td><strong>$2,676,000</strong></td>
<td><strong>$2,751,000</strong></td>
<td><strong>$2,827,000</strong></td>
<td><strong>$2,924,000</strong></td>
<td><strong>$13,770,000</strong></td>
</tr>
</tbody>
</table>

For FY22 the Valley Metro Mesa Bus Operations and Maintenance Facility needs are estimated to be $390,000, the West Valley Bus Operation and Maintenance Facility needs are estimated to be $880,000 and the Paratransit East Valley Facility needs are estimated to be $1,322,000. The total FY22 contract obligation is estimated to be $2,592,000 and is included in the RPTA Proposed FY22 Operating and Capital Budget. Contract obligations beyond FY22 are incorporated into the Proposed RPTA Five-Year Operating Forecast and Capital Program (FY2022 thru FY2026).

**STRATEGIC PLAN ALIGNMENT**
This item relates to the following goals and strategies in the Five-Year Strategic Plan FY 2016 – 2020:
- Goal 1: Advance performance-based operations

**COMMITTEE PROCESS**
RTAG: March 16, 2021 for information
TMC: April 7, 2021 approved
Board of Directors: April 22, 2021 for action

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

**ATTACHMENT**
None
Information Summary

DATE
April 15, 2021

AGENDA ITEM 4

SUBJECT
Proposed October 2021 Service Changes

PURPOSE
To provide an update on the proposed October 2021 transit service changes and community outreach plan.

RECOMMENDATION
This item is for information only.

BACKGROUND | DISCUSSION | CONSIDERATION
Transit service changes are scheduled twice each year in April and October. In preparation for these service change dates, Valley Metro staff works closely with the Service Planning Working Group (SPWG), comprising representatives from Valley Metro member cities, to determine needed changes and to coordinate across jurisdictions. The SPWG meets monthly. The changes work in coordination with the five-year Short Range Transit Program (SRTP) as well as the Board-adopted Transit Standards and Performance Measures (TSPM) performance quartiles.

Changes have been proposed and continue to be discussed with the SPWG. Valley Metro staff is analyzing the proposed route changes in terms of the Board-adopted TSPM, Title VI impacts, defining possible fleet needs and all costs involved. The following is a list of all changes to be presented to the public for comment. Included are changes proposed to Valley Metro operated and/or funded services and those operated and/or funded by other jurisdictions. More information about each potential route change will be provided on the Valley Metro website throughout the public outreach process. Overall, the proposed changes include route modifications, service increases, service reductions, and a new route. As a part of the public outreach process, impacts to paratransit service caused by fixed route changes will also be communicated to the public to solicit comments.

Proposed Route and Schedule Changes:
- Route 0A—South Central Shuttle: Reduce frequency to every 30 minutes on weekdays with additional short trips between Van Buren Rd & Baseline Rd that would result in a bus every 15 minutes between 6am and 9:30 pm.
- Route 7—7th St: Eliminate Route 7 service to Ed Pastor Transit Center and add frequency south of Van Buren Rd.
- Route 8—7th Ave: Eliminate Route 8 service to Ed Pastor Transit Center and extend route to Central and Baseline to connect with Route 0A.
- Route 30—University Dr: Reduce hours of service to 5 a.m.-11 p.m. on weekdays and Saturdays in Tempe.
• Route 45—Broadway Rd: Reduce hours of service to 5 a.m.-11 p.m. on weekdays and Saturdays in Tempe. In Mesa, expand Saturday service to 30-minute frequency and implement Sunday service at 30-minute frequency.
• Route 48—49th St/Rio Salado Pkwy: Reduce hours of service to 5 a.m.-11 p.m. on weekdays and Saturdays in Tempe.
• Route 52—Roeser Rd: Eliminate Route 52 service to Ed Pastor Transit Center.
• Route 56—Priest Dr: Reduce hours of service to 5 a.m.-11 p.m. on weekdays and Saturdays in Tempe.
• Route 61—Southern Ave: Reduce hours of service to 5 a.m.-11 p.m. on weekdays and Saturdays in Tempe.
• Route 62—Hardy Dr: Reduce hours of service to 5 a.m.-11 p.m. on weekdays and Saturdays. Modify route to travel along Kyrene Rd. and continue along Hardy Dr. instead of Guadalupe Rd.
• Route 65—Mill Ave: Either eliminate this route and provide increased frequency along Route 66, or reduce span of service in Tempe.
• Route 66—Mill Ave: Reduce span of service, and potentially increase frequency to replace route 65 service.
• Route 72—Scottsdale/ Rural Rd: Reduce hours of service to 5 a.m.-11 p.m. on weekdays and Saturdays in Tempe.
• Route 77—Baseline Rd: Reduce hours of service to 5 a.m.-11 p.m. on weekdays and Saturdays in Tempe.
• Route 81—Hayden/McClintock Dr: Reduce hours of service to 5 a.m.-11 p.m. on weekdays and Saturdays in Tempe.
• Route 108—Elliot Rd: Reduce hours of service to 5 a.m.-11 p.m. on weekdays and Saturdays in Tempe.
• Route 120—Mesa Dr: In Mesa, increase weekday span to 5 a.m. to 10 p.m. Increase Saturday service span to 6 a.m. to 9 p.m. and frequency to 30 minutes. Add Sunday service to match Saturday.
• Route 156—Chandler Blvd: In Gilbert, change routing at Gilbert Mercy Hospital to accommodate construction activities and serve hospital more effectively. Instead of running bidirectionally on Val Vista Dr to Mercy Rd, the route would run clockwise from Val Vista Dr to Pecos Rd to Mercy Rd.
• Peoria on the Go (POGO): Resume POGO service with three new pilot routes to run Friday through Sunday, 10 a.m. to 10 p.m., serving activity centers. Route will no longer run Monday - Thursdays.
• Tempe Orbit Mercury: Reduce Frequency from 10 to 15 minutes on weekdays.
• Tempe Orbit Saturn: Route modification or potential elimination.
• Fountain Hills-Mesa Connector: Add new Express route service connecting Fountain Hills Park-and-Ride with the Gilbert Rd/McDowell Rd Park-and-Ride.
• Route 514—Fountain Hills/Scottsdale Express: Modify route to start and end at Mustang Transit Center. Service to Fountain Hills will be replaced by Fountain Hills-Mesa Connector.
Public Outreach
Valley Metro is conducting community outreach beginning in May to notify the public and solicit input on the proposed service changes. Comments will be accepted from 5/3/2021-6/4/2021. Customers can provide feedback through the following channels:
- On-site region-wide information sessions (based on service change impacts)
- Webinar/Public Hearing (May 19, 2021)
- Social media
- Via email at input@valleymetro.org

Valley Metro communicates these input opportunities through newspaper advertising (30 days in advance of the public hearing date – English and Spanish publications), news release(s), website, email, social media, city publications and targeted outreach at key locations.

Following the public review process and final review by the Service Planning Working Group, proposed service changes operated and/or funded by Valley Metro will be brought before the Board for action. This will include any actions necessary to adjust affected transit service operating contracts and Intergovernmental Agreements with member agencies.

STRATEGIC PLAN ALIGNMENT
This item addresses two goals in Valley Metro’s draft Strategic Plan:
- Enhance lives through regional mobility – current system
- Excellent Rider Experience

COMMITTEE PROCESS
RTAG: March 16, 2021 for information
TMC: April 7, 2021 for information
Board of Directors: April 22, 2021 for information

ATTACHMENT
None

CONTACT
Jim Hillyard
Chief Administrative Officer
602-322-4420
jhilliard@valleymetro.org
Information Summary

DATE AGENDA ITEM 5
April 15, 2021

SUBJECT
Valley Metro RPTA Fixed Route Bus Advertising

PURPOSE
To provide an informational update on the placement of advertising on RPTA-operated buses, focusing on the history, opportunities and challenges.

RECOMMENDATION
This item is being presented for information and discussion.

BACKGROUND | DISCUSSION | CONSIDERATION
Since public agencies took over private transit operations and began operating them as a public service, there has been an ongoing debate over the placement of commercial advertising on transit vehicles. Today, many public transit agencies utilize advertising, with the primary reason of revenue generation to offset operating costs or possibly expand service. On the other hand, many public transit agencies do not allow advertisements on their vehicles, forgoing the revenue potential. The reasons for allowing or not allowing advertising are varied. Some believe advertising on public property is inappropriate or are concerned about problems should an offensive ad be placed on a public asset, such as a bus. Others feel that ads distract from the transit agency brand or create safety issues. However, attitudes have evolved with the successful use of advertising in many cities and the desire for additional revenue. As such, many agencies are taking a fresh look at their advertising policies believing that the benefit of revenue could possibly outweigh any challenges. Valley Metro RPTA is no different. During recent budget discussions, the RPTA Audit and Finance Subcommittee raised the issue with staff and requested an analysis and update on bus advertising.

The discussion of bus advertising is not new for Valley Metro RPTA. Over the years, the Valley Metro RPTA Board has taken a somewhat conservative view regarding advertising. The Board has taken two formal actions – in 1994 and 2000 – to prohibit ads on RPTA buses. Records show the Board based these actions largely on concerns related to negative impacts on system identity/image and the belief that ads were inappropriate on a public service. RPTA’s formal policy is also consistent with ordinances in some RPTA member cities that prohibit commercial advertising on public assets and/or within their communities. The current RPTA “no advertising” policy does create a natural conflict in the region as Valley Metro Rail and City of Phoenix Public Transit both allow advertising on some or all of their Valley Metro-branded vehicles.
This memo will discuss in some detail the region’s history with advertising, the costs and benefits of advertising in a transit environment and will analyze how our peers manage bus advertising within their communities. Staff will also provide information on the revenue potential, costs and considerations associated with the potential of expanding the advertising program.

In presenting this information, staff recommends proceeding with caution and evaluating all aspects and impacts that an expanded advertising program could create. The long-term impact of a change in policy could be significant and there are different options that could and should be evaluated. If the Board wishes to consider a bus advertising program, staff recommends exploring a program that balances brand/safety/customer experience along with revenue generation.

For the first time, Valley Metro and the City of Phoenix have agreed upon a common branding and paint scheme for new buses in the region. This branding philosophy is also being applied to Valley Metro Rail vehicles: the new Siemens light rail vehicles, Brookville streetcars as well as the re-painting of our existing 50-car light rail fleet. With these significant changes in regional branding, now is an ideal time to evaluate the future of advertising that could be placed on Valley Metro-operated vehicles.

**History of Transit Advertising in Metro Phoenix**

Primary bus advertising milestones and decision points:

- **1981** – City of Phoenix begins advertising on their bus benches
- **1994** – Valley Metro RPTA Board defers adoption of an advertising policy citing “image” and “clutter” concerns; City of Phoenix begins advertising on their buses
- **2000** – Valley Metro RPTA Board denies exterior advertising on buses citing sign ordinances, “system identity” and “safety” concerns as well as a lack of personal preference
- Several municipalities in the East and West Valleys initiate bus stop advertising programs in their communities
- Other communities continue to have sign ordinances that prohibit this type of advertising

Primary rail advertising milestones and decision points:

- **2003** – Valley Metro Rail (VMR) Board adopts the Light Rail System Advertising Policy that states that advertising opportunities should be built into system, but that no advertising should be allowed at this time
- **2008** – VMR Board approves of an advertising trial period, consisting of train and station advertising, for the 2009 NBA All-Star Game hosted in downtown Phoenix
- **2009** – VMR Board amends Advertising Policy to allow limited advertising on trains and at stations in Phoenix and Mesa (Tempe’s ordinance prohibits ads in
their city); approves Advertising Sales Services contract with CBS Outdoor, now OUTFRONT Media

- **2010 – 2014** – VMR Board progressively opens up Advertising Policy to allow more inventory and a less restrictive standard with regard to alcohol; extends contract with OUTFRONT Media to take advantage of Super Bowl 2015 hosted in metro Phoenix
- **2015** – VMR Board approves contract with incumbent, OUTFRONT Media, for continued Advertising Sales Services support
- Staff is preparing for future Board review potential expansion into new areas of the rail system (i.e. streetcar), while recommending to curtail the number of and exterior space available on the light rail fleet, due to safety concerns and branding emphasis with recent investments made in re-painting the existing fleet and with new fleet coming on board

**Challenges with Transit Advertising**

The challenges with transit advertising vary from being very tangible to intangible—from mitigating paint damage and coordinating access to secured facilities through third party contractors to system branding and customer safety and sentiment. One of the biggest balancing acts being that a bus or a train is a publicly-funded asset, built with the primary mission of service to the people of metro Phoenix, not as an advertising “vehicle.”

Breaking down a few of these elements, let’s dive into branding. At the Board and Management Committee’s urging, staff, at both Valley Metro and City of Phoenix, has worked collectively to build a regional brand for our fleet, bus and rail. This brand helps the public understand and appreciate the investment it’s making in transit and keeps the system looking in a state of cohesion and of high-quality. A clean, well-maintained and welcoming vehicle is one that passengers and even non-users want to board and ride and also recommend to their friends and colleagues. This could be especially important as regional voters will, once again, be asked to continue investing in our public transit system in just a few short years. Advertising clutters a vehicle, hides paint schemes and can be a detractor to the brand program. So, if choosing to pursue advertising, it’s an issue that needs to be carefully considered when developing the program.

As for maintenance issues, on the Valley Metro Rail side, we have experienced some damage to our fleet and stations from placing advertisements. While the contract language is clear that our Advertising Sales Service contractor is responsible for returning the vehicle and station platform infrastructure to its original condition and responsible for any associated costs, there is additional wear and tear on our assets. OUTFRONT has been responsive to these requests of the past; yet it is a cumbersome process and can generate labor hours to manage.
Another complexity that should be considered is the contract management and oversight as well on-site coordination at our operating facilities. Today, to manage the VMR Advertising Sales Program, we involve a project manager, contracts specialist and vehicle maintenance supervisory staff. The bulk of the coordination happens at the rail operations facility to coordinate the availability and scheduling of fleet – based on fleet maintenance schedules – and allocated, safe spaces in the shop for the installers to perform their work, as well as pre- and post-vehicle inspections. For the potential of bus advertising, some of this role would be performed by our contracted service provider(s), which would require updates and additional costs to their contract(s).

Last, but not least, are concerns about safety and rider comfort caused by covering vehicle windows from full-body advertising wraps. Law enforcement and emergency responders have voiced their concerns about advertising that covers windows and restricts sight lines from outside into the vehicle; particularly problematic during daylight hours when it’s lighter outside than inside. Passengers have also complained about the reduction in light and views on wrapped rail cars. We would expect the same issues with wraps on buses. This concern has historically been mitigated by a higher level of perforation on the window vinyl material to allow for more visibility. However, the concerns persist; and on the rail side, staff is pursuing advertising wrap options that cover less windows, such as center-section wraps. Safety should be another consideration if bus advertising is, in fact, pursued.

**Opportunities with Transit Advertising**

In FY19, pre-pandemic, the VMR advertising program generated $1.82 million, which was used to offset individual member city contributions for rail operating expenses. VMR’s contract with OUTFRONT Media is set up as a minimum annual (revenue) guarantee (or MAG) of $1.1 million or 65% of net advertising revenues, whichever is greater. During the pandemic, naturally, advertising sales have dropped. In FY20, we maintained our MAG; however, for FY21, the program has generated $227,500 through December 2020.

In CY19, the City of Phoenix bus advertising program generated $1.67 million. Phoenix also generates a significant amount from their transit furniture advertising program, totaling $2.25 million for the same period.

Staff asked OUTFRONT Media to prepare a proposal to illustrate what could be generated by the RPTA-operated fleet. The proposal reflects a conservative forecast due to the downward market and considering the timeline to ramp up interest in a new advertising program (~12 months). Please note: These are gross costs and do not include any additional expenses associated with maintenance, coordination and oversight (as noted above) to manage this program.
### Assumptions

<table>
<thead>
<tr>
<th>Assumption</th>
<th>Total Annual RPTA Revenue Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>• OUTFRONT estimate based on standard access to RPTA-operated fleet</td>
<td>$865,000</td>
</tr>
</tbody>
</table>

Other benefits of advertising have been the ability to push our own messages through bus and train advertising messages and the creation of interesting partnerships that build ridership or support community goodwill, including Rail Ride with PHX Arena, Polar Express and Farm Express mobile produce market.

### Peer Agency Research

Of our six primary agency peers, most conduct bus advertising, interior and exterior. The range of revenue and products widely vary by agency.

<table>
<thead>
<tr>
<th>Peer City</th>
<th>Bus Advertising Y/N</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dallas (DART)</td>
<td>Y</td>
</tr>
<tr>
<td>Denver (RTD)</td>
<td>Y</td>
</tr>
<tr>
<td>Houston (Metro)*</td>
<td>N</td>
</tr>
<tr>
<td>Portland (TriMet)</td>
<td>Y</td>
</tr>
<tr>
<td>San Diego (MTS)</td>
<td>Y</td>
</tr>
<tr>
<td>Salt Lake City (UTA)</td>
<td>Y</td>
</tr>
</tbody>
</table>

*Metro – Houston City Council passed an ordinance called “Keep Houston Beautiful” where they do not allow visual “clutter” such as moving billboards on buses and trains. However, they do have partnerships with large events, e.g. Super Bowl, where wraps are allowed. They must be bright and have minimal copy. They also do “tails” on buses, however, all messaging is transit service related.*
Future Considerations

If the Valley Metro RPTA Board were to pursue fixed route bus advertising, staff would seek to develop an advertising approach that would balance the concerns raised in this memo with the opportunity of additional revenue. Importantly, necessary policy changes would also need to be considered. RPTA's current “no advertising” policy would need to be repealed and an advertising policy would need to be created and adopted. The same standards that are used in the Valley Metro Rail (attached) and the City of Phoenix advertising policies would be used to develop the RPTA policy, so that advertising content is approved consistently across the region.

In addition, Valley Metro currently has a contract with OUTFRONT Media, LLC for Advertising Sale Services. This contract award was competitive and evaluated on both Valley Metro Rail fleet and the potential scope additions for Bus and Vanpool. Per our contractual relationship with OUTFRONT Media, LLC, a change order would need to be negotiated and exercised to include the addition in scope.

Lastly, any advertising on RPTA-operated fleet would need to conform with applicable municipal sign and/or advertising ordinances within the cities Valley Metro operates fixed route bus service. Thus far, in our research, the city sign ordinances brought to our attention would not preclude this type of advertising.

COST AND BUDGET
OUTFRONT Media estimates bus advertising on RPTA-operated fleet could potentially generate between $800,000 – $900,000/year in revenue. This is a forecast commensurate with the current advertising marketing and does not reflect any added costs associated with contract/program management.

COMMITTEE ACTION
AFS: February 4, 2021 for information
RTAG: February 16, 2021 for information
TMC/RMC: April 7, 2021 for information
AFS: April 8, 2021 for information
Boards of Directors: April 22, 2021 for information

CONTACT
Hillary Foose
Director, Communications & Strategic Initiatives
602-322-4468
hfoose@valleymetro.org

ATTACHMENT
Valley Metro Rail’s Advertising Policy
RPTA Bus Advertising
History | Opportunities | Challenges
April 2021

Advertising Question

- Historically & nationally
- Locally with RPTA Board actions in 1994 & 2000
  - “Image,” “safety” concerns
  - Yet, RPTA policy runs in conflict with VMR & Phoenix Transit
- Today’s discussion:
  - History
  - Challenges/concerns
  - Opportunities/revenue forecast
  - Peer research
  - Potential next steps
Transit Vehicle Advertising History

**Bus Milestones**
- 1994 – RPTA defers advertising citing “image” & “clutter;” COP advances bus advertising
- 2000 – RPTA denies advertising citing sign ordinances, “system identity” & “safety”

**Rail Milestones**
- 2003 – VMR adopts policy, but not allowed at that time
- 2008 – VMR approves of trial period for NBA All-Star Game
- 2009 – VMR amends policy to advertise on trains and at select stations; approves contract with CBS Outdoor
- 2010 – 2014 – VMR progressively opens up policy
- 2015 – VMR approves contract with incumbent, OUTFRONT Media

Challenges | Concerns

- **Public asset vs. advertising “vehicle”**
  - Potential concerns with content
- **High-quality, regional branding**
  - First time, unified paint scheme
  - Supports “Excellent rider experience”
- **Maintenance/wear and tear**
  - Labor to manage scheduling/repairs
  - Future: Effort borne by our contractor(s)
- **Public safety concerns**
  - Lack of visibility presents risks and first responder concerns
Opportunity | Revenue Estimate

<table>
<thead>
<tr>
<th>Assumptions</th>
<th>Total Annual RPTA Revenue Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>• OUTFRONT estimate based on standard access to RPTA-operated fleet</td>
<td>$865,000*</td>
</tr>
</tbody>
</table>

* Would require a ramp-up period to establish a new program
* Doesn’t include any additional costs associated with contract/program management

Peer Agency Research

• 5 out of 6 peers surveyed utilize bus advertising
  • Full range of products

• Houston Metro is exception
  • “Keep Houston Beautiful” ordinance

• UTA balances ads with branding
  • All ads must be designed around logo
Considering history, context, revenue potential and costs…

Should we advertise?
On the RPTA-operated fleet

If So, Next Steps?

• Develop advertising approach:
  • Seek to balance brand, costs and safety concerns with revenue potential
  • Use same Advertising Standards as VMR and COP
• Coordinate with bus contractor(s)
• Return to Board for action(s)
Thank You
ADVERTISING POLICY

Valley Metro Rail, Inc. (VMR) believes that advertising on the light rail system is best performed using a standard set of established criteria. Therefore, the following criteria are established for advertising:

Vehicle Advertising
Advertising on the exterior of the articulated sections of the vehicle includes the entire fleet. Full exterior wraps are limited to a maximum of 25 vehicles; however, VMR staff has the flexibility to allow additional full wraps when advantageous to agency. VMR also reserves the right to wrap four (4) additional vehicles for the Community Train Wrap program.

Advertising on the interior of the vehicle includes ceiling decals. VMR staff will monitor the number of ceiling decals so as to avoid visual clutter.

Advertising on the interior of the vehicle also allows for the installation of LCD-TV in vehicles.

Station Advertising
Station advertising is limited to wraps and display case posters.

Station wrap advertising occurs in participating cities only and is limited to backdrop banners, vertical banners and wrapped beams; no floor decals. Any advertising at stations cannot be attached to, or obscure, station art.

Station display case advertising occurs in participating cities only and is limited to no more than 50% of the display cases at any given station.

Advertising at station platforms also allows for the installation of electronic or standard kiosks.

Advertising Standards
Any future VMR advertising policy will be consistent with the City of Phoenix Public Transit Department’s policy that establishes the following standard:

The subject matter of Valley Metro Rail, Inc. system advertising is limited to speech that proposes a commercial transaction.
VMR policy prohibits the display of advertising copy or graphics that:

1. Are false, misleading, or deceptive
2. Relate to an illegal activity
3. Advertise or depict the use of tobacco or smoking products
4. Represent, by language or graphics, violence or anti-social behavior
5. Advertise or depict language, gestures, conduct or graphical representations that are obscene, pornographic, vulgar, profane or scatological
6. Represent, by language or graphics, a “nude” or “seminude” person, as those terms are defined in Section 11-811, Arizona Revised Statutes, or the exposed buttocks of any person
7. Depict, relate to or reference a website or other medium that relates to “specified sexual activities” or “specified anatomical areas” as those terms are identified in Section 11-811, Arizona Revised Statutes

Alcohol content is permitted on vehicles and at stations not within 600 feet of a church, or similar structure of worship, or school building.

All advertising is subject to approval by VMR and/or its designated representatives.

*Adopted by Valley Metro Rail Board of Directors on October 17, 2013.*
DATE
April 15, 2021

AGENDA ITEM 6

SUBJECT
Future Agenda Items Request and Report on Current Events

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

COST AND BUDGET
None

RECOMMENDATION
This item is presented for information only.

BACKGROUND | DISCUSSION | CONSIDERATION
None

STRATEGIC PLAN ALIGNMENT
None

COMMITTEE PROCESS
None

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

ATTACHMENT
None

Pending Items Request

<table>
<thead>
<tr>
<th>Item Requested</th>
<th>Date Requested</th>
<th>Planned Follow-up Date</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Board of Directors
Thursday, April 22, 2021
Via Webex/Phone
11:15 a.m.

Action Recommended

1. For Information

1. Public Comment

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

2. Minutes

Minutes from the March 18, 2021 Board meeting are presented for approval.

CONSENT AGENDA

3A. Central Processing Unit (CPU) Replacements Purchase

Staff recommends that the Board of Directors authorize the CEO to execute a purchase order with Graymatter Systems, LLC over a two-year period for the supply of Central Processing Unit (CPU) replacements for traction power substations, signal houses, and communication cabinets at light rail passenger stations in an amount not to exceed $224,838.

3B. Sycamore/Main St Station Point of Interest Name

Staff recommends that the Board of Directors approve the “Asian District” as the new Point of Interest name for the Sycamore/Main St light rail station.
REGULAR AGENDA

4. Future Agenda Items Request and Report on Current Events

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

5. Next Meeting

The next meeting of the Board is scheduled for Thursday, May 20, 2021 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
AGENDA ITEM 1

DATE
April 15, 2021

SUBJECT
Public Comment

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

COST AND BUDGET
None

RECOMMENDATION
This item is presented for information only.

BACKGROUND | DISCUSSION | CONSIDERATION
None

COMMITTEE PROCESS
None

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

ATTACHMENT
None
Board of Directors
Thursday, March 18, 2021
Webex/Phone
11:15 a.m.

Meeting Participants
Councilmember Francisco Heredia, City of Mesa (Chair) (phone)
Mayor Kate Gallego, City of Phoenix, (Vice Chair) (phone)
Mayor Kevin Hartke, City of Chandler (phone)
Councilmember Robin Arredondo-Savage, City of Tempe (phone)

Chair Heredia called the meeting to order at 12:47 p.m.

1. Public Comment

Written public comment submitted.

This is William Charles "Blu" Crowley, III and I am commenting on the Valley Metro Rail. I would like that you guys upgrade the system and make it MAG LEV. I would also like to know what happened with that accident yesterday. Was the man speeding? Was it a equipment failure? Or whatever? All I know is that I heard on the TV, you guys first said, oh, it involved a car. And then retracted that statement, but wouldn't let us know what was going on. I did request from Hillary to get in touch with me and that did not happen.

Also, what is there in your mindset that you can't consider working with the new Prop 500 monies? And, also, using heavy rail as a part of the equation? It only goes to all 28 of the MAG communities. What's the problem? Oh, it's a lack of planning and foresight. Well, I'd like you to get that.

2. Minutes

Chair Heredia said minutes from January 21, 2021, board meeting are being presented for approval.

IT WAS MOVED BY MAYOR GALLEGO, SECONDED BY COUNCILMEMBER ARREDONDO-SAVAGE AND UNANIMOUSLY CARRIED TO APPROVE THE JANUARY 21, 2021 BOARD MEETING MINUTES.
3. **Consent Agenda**

Chair Heredia said items are presented on the consent agenda for approval. Are there any questions? Hearing none I will take a motion to approve the consent agenda.

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

4. **Valley Metro Rail, Inc. Fiscal Year 2022 (FY22) Preliminary Operating and Capital Budget**

Chair Heredia said I will send it to Scott. You want to present this or have somebody, Paul, present this item, Scott.

Mr. Smith said yeah, Mr. Chair, thank you. I will turn it over to Paul.

Mr. Hodgins said thank you, Scott. Thank you, Mr. Chair, members of the Board. Again, as with RPTA, just a brief overview. Some of the slides are duplicative so I will run through those quickly to try to save a little bit of time.

So, the budget process, again, this is for information today. We have gone through an extensive process to get here.

If you could just go to the next slide, some of the key assumptions similar to the RPTA, you know, we heard some concerns about the ridership and the fare revenue, so we have pulled back a little. Fare revenues we have assumed for VMR to be about a quarter of pre-COVID levels. And then, of course, we have included the CRRSAF funds, but obviously, not yet. Have not yet included the ARP funds. And so, we are looking at approximately $20 million for VMR. We still have not fixed that to say VMR, but it is not RPTA. Trust me. It is $20 million for VMR.

Mr. Smith said and, Paul, if you could just to remind. Once again, fare revenues are the things that we are a great loss, but the ARP funds are how much for Valley Metro? Just so they know what it is for rail. It is about $50 million.

Mr. Hodgins said well, we are -- yeah. We are estimating about $50 million, but those final amounts are determined by MAG not by us so.

Mr. Smith said right.

Mr. Hodgins said that is just our estimate.

Mr. Smith said just to keep it in context, you have the CRRSAF funds that are in this budget, but just around $50 million that will be available through ARP. And it is the
same thing on RPTA about -- just shy of $50 million that will be available to cover those fare loss -- fare revenue losses.

Mr. Hodgins said so looking at some of our base assumptions. Passenger boardings, again, we do anticipate getting some recovery in boardings, but certainly, about half of what we saw in fiscal '20 so a little bit conservative there and fare revenues about $2.5 million. We are running well under budget in fiscal '21 probably about half that budget so a little bit of additional recovery from actuals, but less than the fiscal '21 budget.

We do anticipate starting the streetcar next year. It was in the fiscal '21 budget as May. Obviously, that is not going to happen. We are -- for budget purposes, we have assumed an October 1 start so nine months of service looking at about 300,000 boardings and just under a $5 million operating cost that does assume a 10-minute headway. We are still in discussions with Tempe about what service level to provide, but this is kind of the not to exceed amount if you will that includes those 10-minutes headways.

Looking at kind of the overall uses of funds. Clearly, the capital activities is the largest component with the significant extensions that are under construction right now.

Passenger service about 12%. Planning and administration about the other 3%.

On the sources side. Unlike RPTA, member city contributions, city funds fund 100% of light rail and streetcar operating costs. Those are not eligible for Prop 400 funds so as you can see, well over 50% of funding for the budget it comes from those member city funds. Federal funds providing another significant amount of the contribution. PTF will support planning and also some of the construction activities.

Looking at some of the uses. Our light rail operations and maintenance about a $3 million change which is 6%. I will note that a large part of that almost $1.1 million almost a third of the increase is directly a result of the increased insurance premiums. Light rail security about $9.6 million. It is a little bit of an increase from '21, but we had some additional contingency built in since we are re-procuring that contract. That will be coming to the Board, I believe, next month. And we have, actually, negotiated a much better rate than what you see in here so that number will come down for our final budget. So, we are happy to see that. Streetcar operations about $4.3 million with $700,000 for security. About a $12 million planning budget and about $2.1 million for our agency operating.

Down on the sources side. You can see that difference between the CARES and the CRRSAA. We will be adding some of those ARP funds as we move forward, but that difference that reduction in the federal funds supporting operations really explains that significant increase in those member city contributions.
Advertising, we are still unsure. We have estimated conservatively not back to pre-COVID levels as we are really not sure how the advertising market will rebound for us. So, about $81 million overall.

On the capital side. Again, this is largely extensive construction and expansion, South Central and Northwest Phase II. We are wrapping up the Tempe Streetcar and the OMC Expansion. Those should be completed this calendar year. Gilbert Road Extension is still in the budget. That is primarily for funding the three Siemens vehicles that we are in the midst of receiving and putting into service. So, about a $483 million capital budget.

On the sources side. Significant amount of federal. I will note the fiscal ’21 federal amount is a little bit of an anomaly because we signed that full funding grant agreement with South Central which allows us to get reimbursed for previous fiscal year expenses going back to when the project started in July of 2017. So, the $171 million we would see as more of a normal amount moving forward. Significant amount of member city contributions and some public transportation funds supporting the program.

For the staff changes, we did not have any midyear additions. No changes there. We do see two new positions in fiscal ’22. One is a deputy director level to support the operations and the continued expansion of the system. And one for safety and security, again, to address some of the additional requirements from FTA as they expand some of the safety requirements and the State safety oversight that we are subject to.

So, it was a very, high level, actually, you can go to next slide. Our budgets are online if you would like to look at a lot of the detail. We would be happy to take any questions, comments today. We would like comments back from you and your staff by mid-April so we can make adjustments as we come back through the May process, hopefully, for adoption. And with that Mr. Chair, I would be happy to answer any questions.

Mr. Chair said perfect. Thank you, Paul. Any questions or comments? All right. Robin? Do you have a question?

Councilmember Arredondo-Savage said no. Not a question. Just really a comment. Paul, I just wanted to say thank you to that. I think one of the things I think that you know, worries us from the City of Tempe perspective in bringing on the streetcar as exciting and everything that it is is the operating costs. So, I definitely do appreciate the fact that you had mentioned, you know, working with the City of Tempe and really trying to understand what our operating scenarios are going to be, so we do not have such a wow factor when it comes to the operating cost. And that is going to be really important to us moving forward. So, I just wanted to tell Paul, you know, thank you for continuing to just acknowledge that this is an estimate and we really have not gotten anything set in stone yet. Thank you, Chair.
Mr. Chair said all right. Again, this item was being presented for information. I am not sure if there is any other comments. Hearing none. We will move forward.

5. Future Agenda Items Request and Report on Current Events

Chair Heredia said do any members have any agenda items for future meetings? Or anything they want to inform folks about?

Mayor Gallego said and, I guess, also on the last item I will keep my comments on the budget until after we get a report, we are going to have at the next AFS subcommittee so looking forward to that.

I would love it if this Board could see an update on our business partners, our small business spend and our diverse business partners and just get a sense of who we are contracting with and how much of our community we are touching with it.

Mr. Smith said Mayor, are you, specifically, talking about the business assistance program that?

Mayor Gallego said no. Just understanding our consultants. I have been following some of the other things other transit agencies are doing to make sure they support small businesses and that they are spending locally and so this would be --

Mr. Hodgins said all right. We can have our Chief Procurement Officer look at some of the contracts we have and --

Mr. Smith said yeah. Okay.

Mr. Hodgins said -- and how it affects small business and disadvantage business. Absolutely.

Mayor Gallego said it is Women’s History Month. It is always good to highlight some of our women-owned business partners.

Mr. Smith said and we will have --

Councilmember Arredondo-Savage said and Mayor Gallego, I certainly support and agree with that so if that helps at all, I think that is really good information to have.

Mr. Smith said yeah. We will have Pattie give you a report on what we are doing on that front so we will do that.

Mr. Chair said perfect. Thank you, Mayor.
I also have an agenda item. I would like to see if Valley Metro Rail can put as an agenda item a change in a point of interest sign that we have at our Sycamore/Main Street location in Mesa. We have it as a Tri-City Mall location, but if anyone knows that Tri-City is no longer there or the mall, portion, piece. And we recently before COVID had gone into a rebranding of the location just next to it our Dobson and Main Street location into an Asian District branding process. And, of course, COVID stopped that from moving forward, but we are, currently, again, we are bringing that up as far as branding that location -- that area as we have over 80 plus Asian businesses that have come along in the last ten years in about a mile location from Main Street along Dobson to Southern. And so, would like to request a brand -- a change of the point of interest sign to the Asian District for that location.

Mr. Smith said okay, Mr. Chair. We will make sure that we complete all -- work with your staff to complete all of the paperwork so that it will be an action item in next month’s agenda.

Mr. Chair said perfect. Thank you. Anyone else? All right.

6. Next Meeting

Next meeting is Thursday, April 22, 2021, at 11:15 am.

With no further discussion the meeting adjourned at 1:05 p.m.
Information Summary

DATE
April 15, 2021

AGENDA ITEM 3A

SUBJECT
Central Processing Unit (CPU) Replacements Purchase

PURPOSE
To request authorization for the Chief Executive Officer (CEO) to execute a purchase order with Graymatter Systems, LLC over a two-year period for the supply of Central Processing Unit (CPU) replacements for traction power substations, signal houses, and communication cabinets at light rail passenger stations in an amount not to exceed $204,338 plus a contingency of $20,500, for a total of $224,838.

RECOMMENDATION
Staff recommends that the Board of Directors authorize the CEO to execute a purchase order with Graymatter Systems, LLC over a two-year period for the supply of Central Processing Unit (CPU) replacements for traction power substations, signal houses, and communication cabinets at light rail passenger stations in an amount not to exceed $224,838.

BACKGROUND | DISCUSSION | CONSIDERATION
Valley Metro Rail’s 28-mile light rail line is primarily street running and includes 43 passenger stations, 22 sub-stations, and park and ride lots. The CPU units are in need of replacement due to being the end of life with no factory support, need for security updates, and compatibility with the newer rail extensions. The CPU units will be replaced on the original 20-mile light rail alignment in the traction power substations, signal houses, and communication cabinets at light rail passenger stations. The CPU’s are used extensively on our light rail system. Collectively, these devices monitor over 1500 points and report back to our SCADA system monitored at OCC (Operations Control Center). Examples are:

- ECB (Emergency Call Box) activation.
- Network equipment.
- PAVMS (Public Address Video Messaging System) components.
- Wayside building, and cabinet intrusion alarms.
- Wayside building fire alarms.
- CCTV cameras (loss of video, tamper detection).

Upgrades are necessary for the following reasons:

1. Component End of Life - Our existing CPU’s on CPEV (Montebello to Sycamore) no longer have factory support.
2. Security - Because of the discontinuation of support, security updates are no longer available.
3. Compatibility - All extensions (CME, NWX, and GRE, as well as future projects) use the Emerson family of CPU's. Upgrading CPEV will ensure compatibility for ease of spare parts and training.

The contractor will provide the supply of CPU units over a two year period. All labor for the installation will be done in house by Valley Metro Rail staff.

Valley Metro is issuing a sole source purchase order with Graymatter Systems, LLC for the supply of CPU's. There are no approved aftermarket suppliers that were able to provide information or solutions for this need. Another manufacturer part may not fit or work with the same design as the Emerson equipment. There were no other manufacturer that could provide like, similar or substitutions for Valley Metro to consider for replacement of the equipment.

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 cost for the supply of CPU replacements over the two years is in an amount not to exceed $224,838 which includes a $20,500 contingency for any unanticipated costs that may occur during the repairs. The cost for the supply of CPU replacements is included in the Valley Metro Rail Adopted FY 2021 Operating and Capital Budget. Contract obligations beyond FY 2021 are incorporated into the Valley Metro Rail Five-Year Operating Forecast and Capital Program (FY2021 thru FY2025).

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

- Goal 2: Advance performance-based operation

COMMITTEE PROCESS
RTAG: March 16, 2021 for information
RMC: April 7, 2021 approved
Board of Directors: April 22, 2021 for action

CONTACT
Ray Abraham
Chief Operations Officer
rabraham@valleymetro.org

ATTACHMENT
None
Information Summary

DATE
April 15, 2021

AGENDA ITEM 3B

SUBJECT
Sycamore/Main St Station Point of Interest Name

PURPOSE
To request authorization to modify the Sycamore/Main St Station Point of Interest name from “Tri-City” to “Asian District.”

RECOMMENDATION
Staff recommends that the Board of Directors approve “Asian District” as the new Point of Interest name for the Sycamore/Main St light rail station.

BACKGROUND | DISCUSSION | CONSIDERATION
At the March 18, 2021 Valley Metro Rail Board meeting, Board Chair and Mesa Councilmember Francisco Heredia asked for this agenda item to be added to the next Board meeting for discussion and action.

In January 2020, the city of Mesa unveiled a new brand for the Asian District, which is comprised of more than 70 Asian-themed restaurants, grocery stores and other retail businesses along a two-mile stretch of Dobson Road in west Mesa. The Sycamore/Main St light rail station is the closest point along the rail system where passengers can access the Asian District, making it the most relevant Point of Interest to highlight at that station location. The current Point of Interest for the station is “Tri-City” in reference to the former Tri-City Mall, which is no longer.

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

COST AND BUDGET
Costs and labor associated with changing out the name plates are nominal and within the Valley Metro Rail Adopted FY21 Operating and Capital Budget. The sources of funding are federal and member city contributions.
STRATEGIC PLAN ALIGNMENT
This item relates to the following goals and strategies in the Board adopted FY16 – 20 Strategic Plan:

- Goal 1: Increase customer focus
  - Tactic A: Improve customer satisfaction
  - Tactic C: Enhance customer service to member cities
- Goal 3: Grow transit ridership
  - Tactic D: Partner with the business community to provide transit services to support their economic growth and attract new businesses

COMMITTEE PROCESS
RMC: April 7, 2021 approved
Board of Directors: April 22, 2021 for action

CONTACT
Hillary Foose
Director, Communications & Strategic Initiatives
602-322-4468
hfoose@valleymetro.org

ATTACHMENTS
VMR Station Naming Policy
STATION NAMING POLICY
(Revised - September 29, 2004)

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

Rail stations shall be named using the following standard criteria:

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

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

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

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

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

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

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

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

• Such names shall be simple so as to be clearly understood by the user;
• All point of interest names shall be of facilities or institutions that have been built with significant public participation or of defined areas that have been designated by City Council action,

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

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

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

Also, point of interest names shall be subject to ratification by the Valley Metro Rail Board of Directors.
### DRAFT STOP NAMES – TEMPE STREETCAR

<table>
<thead>
<tr>
<th>FULL STOP NAMES</th>
<th>ABBREVIATED NAME</th>
<th>POINT OF INTEREST (POI)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dorsey Lane/Apache Boulevard</td>
<td>Dorsey Ln/Apache</td>
<td></td>
</tr>
<tr>
<td>Rural Road/Apache Boulevard</td>
<td>Rural/Apache</td>
<td></td>
</tr>
<tr>
<td>Paseo Del Saber/Apache Boulevard</td>
<td>Paseo Del Saber/Apache</td>
<td></td>
</tr>
<tr>
<td>College Avenue/Apache Boulevard</td>
<td>College Ave/Apache</td>
<td></td>
</tr>
<tr>
<td>Eleventh Street/Mill Avenue</td>
<td>Eleventh St/Mill</td>
<td></td>
</tr>
<tr>
<td>Ninth Street/Mill Avenue</td>
<td>Ninth St/Mill</td>
<td></td>
</tr>
<tr>
<td>Sixth Street/Mill Avenue</td>
<td>Sixth St/Mill</td>
<td></td>
</tr>
<tr>
<td>Third Street/Mill Avenue</td>
<td>Third St/Mill</td>
<td></td>
</tr>
<tr>
<td>University Drive/Ash Avenue</td>
<td>University Dr/Ash</td>
<td></td>
</tr>
<tr>
<td>Fifth Street/Ash Avenue</td>
<td>Fifth St/Ash</td>
<td></td>
</tr>
<tr>
<td>Third Street/Ash Avenue</td>
<td>Third St/Ash</td>
<td></td>
</tr>
<tr>
<td>Tempe Beach Park/Rio Salado Parkway</td>
<td>Tempe Beach Park/Rio Salado</td>
<td></td>
</tr>
<tr>
<td>Hayden Ferry/Rio Salado Parkway</td>
<td>Hayden Ferry/Rio Salado</td>
<td></td>
</tr>
<tr>
<td>Marina Heights/Rio Salado Parkway</td>
<td>Marina Heights/Rio Salado</td>
<td></td>
</tr>
</tbody>
</table>
Station Names
Valley Metro Rail, Inc. believes that the naming of rail stations and facilities along the light rail corridor is best performed using a standard set of established criteria. Therefore, the following criteria are established in the determination of station names and facilities.

Rail stations shall be named using the following standard criteria:

- Rail stations should be named with the maximum benefit and convenience of the user in mind and to assist patrons in navigating the system;
- All names shall identify as closely as possible the geographic location of the station (e.g. cross streets at the station location);
- Rail stations shall not be named after individuals -- either living or deceased;

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

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

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

Therefore, the following criteria are established in the determination of point of interest designations:
• Points of interest must be major civic or public educational facilities/areas that are easily recognized by the public as a desirable destination;

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

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

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

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

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

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

Adopted by Valley Metro Rail Board of Directors on September 29, 2004.
Information Summary

DATE
April 15, 2021

AGENDA ITEM 4

SUBJECT
Future Agenda Items Request and Report on Current Events

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

COST AND BUDGET
None

RECOMMENDATION
This item is presented for information only.

BACKGROUND/DISCUSSION/CONSIDERATION
None

COMMITTEE ACTION
None

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

ATTACHMENT
None

Pending Items Request

<table>
<thead>
<tr>
<th>Item Requested</th>
<th>DateRequested</th>
<th>PlannedFollow-up Date</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>