



MEETINGS OF THE

Boards of Directors

Joint Meeting of Valley Metro RPTA and Valley Metro Rail	Valley Metro RPTA	Valley Metro Rail
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Date:
September 22, 2022

Starting Time
11:15 a.m.

Meetings to occur sequentially

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

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



Agenda

September 15, 2022

Joint Meeting Agenda

Valley Metro RPTA

And

Valley Metro Rail

Thursday, September 22, 2022

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

Boardroom/Webex

11:15 a.m.

Action Recommended

1. Public Comment

1. For Information

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

2. Chief Executive Officer's Report

2. For information

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

3. Audit and Finance Subcommittee Update

3. For information

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

CONSENT AGENDA

4A. Minutes

4A. For action

Minutes from the August 18, 2022 Joint Board meeting are presented for approval.

4B. Non-Revenue Vehicle Purchases

4B. For action

Staff recommends that the Boards of Directors authorize the CEO to purchase non-revenue vehicles through an AZ State cooperative agreement from Sanderson Ford for an amount not to exceed \$302,618.



REGULAR AGENDA

- 5. Allied Universal Security Services Contract Change Order – Wage Rates 5. For action

Staff recommends the Boards of Directors authorize the CEO to execute a contract change order with Allied Universal Security Services for operations security services in an amount not to exceed \$2,649,391 for the period October 1, 2022, to June 30, 2026, and recommend the Boards of Directors approve the corresponding FY 2023 mid-year year budget adjustment to fund the implementation of the change order.

- 6. Community Relations Support Services On-call Contract Awards 6. For action

Staff recommends that the Boards of Directors authorize the CEO to execute three-year contracts with two, one-year extensions with 11 firms for on-call services that provide Community Relations Support Services, including community relations coordination, business assistance program development and support, special event planning, crisis communications and other related services in an amount not to exceed \$6.5 million over the up to five-year period.

- 7. Travel, Expenditures and Solicitations 7. For information

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

- 8. Report on Current Events and Suggested Future Agenda Items 8. For information

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

- 9. Next Meeting 9. For information

The next meeting of the Boards of Directors is scheduled for **Thursday, October 27, 2022 at 11:15 a.m.**

Qualified sign language interpreters are available with 72 hours notice. Materials in alternative formats (large print or flash drive) are available upon request. For further



information, please call Valley Metro at 602-262-7433 or TTY at 602-251-2039. To attend this meeting via teleconference, contact the receptionist at 602-262-7433 for the dial-in-information. The supporting information for this agenda can be found on our web site at www.valleymetro.org.



Information Summary

DATE

September 22, 2022

AGENDA ITEM 1**SUBJECT**

Public Comment

PURPOSE

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

COST AND BUDGET

None

RECOMMENDATION

This item is presented for information only.

BACKGROUND | DISCUSSION | CONSIDERATION

None

COMMITTEE PROCESS

None

CONTACT

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

ATTACHMENT

None



Information Summary

DATE

September 22, 2022

AGENDA ITEM 2**SUBJECT**

Chief Executive Officer's Report

PURPOSE

Jessica Mefford-Miller, Chief Executive Officer, will brief the Joint Boards of Directors on current issues.

COST AND BUDGET

None

RECOMMENDATION

This item is presented for information only.

BACKGROUND | DISCUSSION | CONSIDERATION

None

COMMITTEE PROCESS

None

CONTACT

Jessica Mefford-Miller
Chief Executive Officer

602-262-7433

jmeffordmiller@valleymetro.org

ATTACHMENT

None



Information Summary

DATE

September 15, 2022

AGENDA ITEM 3**SUBJECT**

Audit and Finance Subcommittee (AFS) Update

PURPOSE

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

BACKGROUND | DISCUSSION | CONSIDERATION

The draft minutes from the September 8, 2022 AFS meeting are attached for further details of the meeting.

COST AND BUDGET

None

COMMITTEE PROCESS

None

RECOMMENDATION

This item is presented for information only.

CONTACT

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

ATTACHMENT

Draft September 8, 2022 AFS meeting minutes



Minutes

September 15, 2022

AGENDA ITEM 3

Audit and Finance Subcommittee
Thursday, August 4, 2022
Via WebEx/Phone
12:00 p.m.

Meeting Participants

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

Chair Stipp called the meeting to order at 12:01 p.m.

Chair Stipp said we'll go ahead and call to order the Audit and Finance Subcommittee meeting of Thursday, September 8. I do not see Councilmember Heredia yet on the call, but he is expected so we'll go ahead and proceed and go through that so. Oh, first thing before we get started, I would like to welcome Mayor Peterson.

Mayor Peterson said thank you, Councilmember Stipp.

1. Public Comment

Chair Stipp said the public is provided an opportunity to address the Committee on non-agenda items and on action items. You have up to three minutes to provide per speaker. I assume Mr. Crowley didn't just come here to say, hi.

Ms. Dillon said yes, sir, he is here to provide public comment.

Chair Stipp said good afternoon, Blue. Good, sir. How are you?

Mr. Crowley said in mourning since my service animal passed away two weeks ago. Hey, she gave me 15 years and waited until I got back from a doctor's appointment to pass away. As in, I came in, she was still breathing, I petted her, gave her a little water and she passed. But like I said, she gave me 15 good years and if you want, I'll give you the story of me finding out that she was the smartest dog in the world. The first day I had her when she crawled up on the bed and said, I need to go at 3 in the morning.

I have the regional strategic infrastructure investment plan. That's what MAG gave to the legislature. It's the document I've been asking about what input, you know, we're doing and getting, et cetera and there's some wonderful things in here. My favorite is that the Valley Metro, City of Phoenix and other operators will implement the Transit Plan. And



then when it goes to high capacity, it's talking about bus rapid transit and according to your staff, there's no such animal that exists in the system today. And it would be taking a big chunk of money, but then I then go to -- in further and it says that the only commuter bus routes originating outside the City of Phoenix will be eligible for regional funds and that the regional transportation set aside support items will be funded by the regional set aside.

These include safety and security, the regional call center. Now, is it going to operate that call center when the system is operating or are we going to do it the way it's done today, and it gets stopped at 8:00 and we both know that the rail runs until after midnight and starts at 4:00 in the morning and they don't open up in the morning until after 8:00 so. How are you doing it and doing it correctly?

And then it says, based on, my favorite part here, the supergrid. That's on page 4. And I look at the supergrid document that I have from '06 and see all the flaws in it and wonder when is that going to get up to speed and have all of it filled in? And where is the Bell Road bus that's supposed to be going out to the 303? Because right now, it stops at Arrowhead.

I also don't see where in here it's important to me that we get the whole infrastructure of the system up to speed. And that means that according to industry standards, that's stops every quarter mile. And because we kill people here without having shade every single one of those stops needs to be covered and done. And I don't see it in here saying that we need to get that part of the infrastructure.

What I do see in there is that it says that MAG will make the decision where your Park and Ride lots are going to go, but you'll be funding it with them, but they're the ones that have the jurisdiction over that. And after the meeting, I'd like to go over some of this stuff with you, sir, and find out what we can do to make it more sensitive to our needs in that sense. When it got vetoed, that meant that this got flushed. They have to start anew so when they start anew how about let's have it to where it's more sensitive to the riding public.

Chair Stipp said thank you, Mr. Crowley. Any other speaker cards? Okay.

2. Chief Financial Officer's Update

Mr. Hillyard said good afternoon, Mr. Chairman, members. Just one thing to share with you this morning. Since our last meeting, our Comptroller Liz Roselle decided to pursue another opportunity so while we were sad to see Liz go, we're fortunate to have a strong accounting team and so the manager of our Grant and Reporting unit, Michael Matthews, one of our senior accountants has agreed to step in at the acting comptroller.

He's doing a great job and so, we're going to stage the recruitment of the comptroller to coordinate with the new CFO position that is in recruitment right now and we hope to bring a resolution in the weeks or months to come. So wanted to make you aware of that personnel change. We don't anticipate at this point it having significant impacts. It may



delay the issuance of RPTA's financials just a little as we've going Michael wearing more than one hat right now, but we don't think that will have an impact operationally on either us or the cities. Thanks.

Chair Stipp said okay. That was very easy. Thank you for that.

3. Minutes

Chair Stipp said the minutes from the August 4, 2022, Audit and Finance Subcommittee meeting are presented for approval.

It was moved by Vice Mayor Pastor, seconded by Councilmember Goodman and carried to approve the August 4, 2022 AFS meeting minutes. Mayor Peterson abstained.

4. Chief Financial Officer (CFO) Recruitment Process Update

Ms. Medford-Miller said good afternoon, Chair Stipp. Good afternoon, AFS councilmembers. Just a brief update on our CFO recruitment process and I'd to give you just a glimpse into the larger backdrop of the Finance team since today.

Our CFO recruitment process is well underway. We've engaged the assistance of executive recruiting firm Krauthamer & Associates whom we've worked with previously. We anticipate that we would conduct early first-round interviews in the month of September and then final round interviews in the month of October. We anticipate that those first-round interviews would include member city staff and that the final round interviews would consist of members of this Committee including Chair Stipp, Vice Mayor Pastor, Councilmember Heredia and Councilmember Goodman and myself. It is our hope that we would fill this CFO position in the month of November.

It's important to note that the CFO is one critical piece of our overall Finance team and as Mr. Hillyard mentioned earlier, we have a number of other critical vacancies within Finance. I want to commend staff for the work that they're doing in view of the shortage in this area especially Mr. Hillyard for his leadership, Tyler Olson, Michael Matthews and Susanna Hernandez who are working to shore up budget, accounting and procurement respectively. As soon as we're nearing the end of our CFO recruitment process, we'll also launch a search for a Chief Procurement Officer. Soon thereafter, we'll launch a search for our Controller. These are three critical positions that we must put in place. It is my hope to have them in place and here at work by the end of the calendar.

Any questions about the CFO and the Finance team recruitment process? Thank you.

5. Annual Review of Internal Audit Charter

Ms. Beckstrom said thank you, Mr. Chair, members of the Committee. As Mr. Stipp said, I'm bringing the Internal Audit Charter for -- to you for review and re-approval. I have



reviewed the charter against applicable audit standards and found no necessary changes at this time. However, I did want to make the Committee aware that the standards that govern our practice of internal auditing published by the Institute of Internal Auditors is currently under review. The Institute anticipates completion of this update in mid-2023 to early 2024 and as a result, we may see some changes to our charter necessary in the future.

So with that, are there any questions?

Chair Stipp said the one thing I do just want to remind everybody about that is in this part of the charter that is really, critical to the audit function is that there is that very clear separation between the auditor and the CEO. That remains -- that's an industry standard. It's part of what we do here and allows us to keep those functions separate so that remains and I appreciate the update.

So with that, I will accept a motion to approve the Internal Audit Charter without changes.

IT WAS MOVED BY VICE MAYOR PASTOR, SECONDED BY COUNCILMEMBER GOODMAN AND UNANIMOUSLY CARRIED TO APPROVE THE INTERNAL AUDIT CHARTER AS PRESENTED.

6. Internal Audit Fiscal Year 2022 Audit Report

Ms. Beckstrom said thank you, Mr. Chair. And the Internal Audit department is continually looking for ways to improve our practices and as part of this continuous improvement effort, I've updated the annual report pretty, significantly this year.

This fiscal year '22 annual report not only provides information on the work we completed last year as was presented in previous annual reports, but also includes some information about the profession of Internal Audit and our Audit department. Specifically, the report now includes information about the standards we follow, our mission, Audit and Finance Subcommittee activities, background info on our team, Internal Audit activities including a diagram of our audit process, types of audits we complete, audit information from the last fiscal year and our annual ETA station that the Internal Audit division remains independent, and that Internal Audit staff have signed off on their annual Internal Audit code of ethics.

With that, are there any questions on the Audit Report?

Chair Stipp said again, for the new members of the Audit Committee, this is a great summary of everything that has occurred with the definitions that have been used. If you haven't reviewed it, I'd strongly suggest that you do. Otherwise, this information was presented for -- this item was presented for information only so there is no Board action. Pending any questions, we'll move on to Item number 7.



7. Internal Audit Update

Ms. Beckstrom said thank you, Mr. Chair. We have two audits that are currently in fieldwork. We have a Travel Expenses audit and our annual Credit Card Transactions first. These are both cyclical, so we'll have more than one this year. These two audits are in process, and we will likely have these for report out in the October Audit and Finance Subcommittee meeting.

We also have three audits in our planning stages. A CEO-requested audit of Operator Certifications and a Fare Collections Process and Controls and Reduced Fare audits that were on the annual audit plan.

I was also able to meet with the American Public Transit Association Committee of Audit Professionals last month to discuss audit trends in the industry. One area that we're looking at pretty, closely and we have on our audit plan as well is the area of cybersecurity. This area also came up in the APTA peer review which was conducted for Valley Metro's Operations area two weeks ago. And as a result, I was able to connect with the Federal Cybersecurity and Infrastructure Security Agency recently and am working with our internal technology professionals to bring a representative from CISA as they're called to Valley Metro to conduct a cybersecurity resilience review in mid-October. We're also working to schedule more in-depth reviews of cyber security with CISA in the next year and these services are free to any public entity for critical infrastructure.

And then the last update that I have is we have two outstanding recommendations that we're monitoring this month. Let's see. One was related to the last Credit Card audit encompassing cardholder annual agreements. That is currently being reviewed as part of our Credit Card audit that will be completed in October. So that will close out once we've completed our test work for the new audit.

The other recommendation was to create a standard operating procedure for accounts payable contractor payments processes to ensure that contractors are paid in a timely manner. The Accounting department had initially asked for an extension to complete this work by the end of August, however, with the recent staffing changes that Mr. Hillyard mentioned and some end-of-year requirements that the Accounting department are working to complete, we've extended this deadline to the end of November anticipating that we'll be able to present the close-out information to the Audit and Finance Subcommittee in December. This extension was granted because we do -- we have information from the Accounting department that the procedures that we're looking for have been implemented. It's just that that canonized document hasn't been written yet so it's a -- it's reduced the risk significantly. And -- but we still would like the document to be written to ensure the consistency in the process going forward.

With that, are there any questions on the update?

Chair Stipp said that sounds like the precursor to a question.



Mayor Peterson said Not a question just a statement. Boy, you're busy. That's a lot to report on, Sebrina, thank you for all of that information and for the work that you're doing Really appreciate it.

Vice Mayor Pastor said Sebrina, it says audits and planning and scoping reduce fare review. Can you give me some background?

Ms. Beckstrom said we are looking into that as well as the fare collections process. The reduced fare review is -- we're scoping that to look at what processes we have in place to guide that collections of the reduced fare to ensure that those that are supposed to have -- to receive the reduced fare are receiving the reduced fare and it's not, you know, just like me going to the store getting a reduced fare ticket.

Vice Mayor Pastor said okay. The reason why I was asking is because the reduced -- I guess, I -- what's happening at the City and being requested is no fares. And so, I don't know how -- I don't know. This would be a question to you of the finances on our side. We're being asked to at least no fares for elementary students that take a bus or light rail, high school, I know we have a reduced fare for high school. Possibly, veterans. And so, I don't know where I would make that request. What the finances would look like if that happened?

Chair Stipp said we can do that. Sorry. We can do that under suggested future agenda item.

Vice Mayor Pastor: Okay. All right.

Chair Stipp said Sebrina, I do have a couple of questions. Going to your colored chart. The schedule of prior audit findings and recommendations. On the first page, there are two high severity issue items. One that was supposed to be completed July 31st or that is scheduled to be completed July 31st of 2023 and the other one is January 31st of '23. With these being high priority, are we -- are we protected with that and the July 31st of '23 seems like a pretty extended timeline which is unusual. These caught my eye this month. You may have presented it last month.

They're under the IT Identify and Access Control Management Audit which we did -- ended in July.

Then work with HR to include this assessment into existing annual performance review process. Is that why this is taking a year?

Ms. Beckstrom said yes.

Ms. Davis said that process occurs in June and that will give us a chance to complete and validate.



Chair Stipp said okay. But we might -- my ultimate question is: We're -- we're not at risk. We've identified the problem; we're moving forward so the timeline is not a risk issue for us. Is that? That's what I'm asking.

Ms. Beckstrom said yes. The timeline because the issue has been identified and they're working toward resolution. The time to fully complete it being at the end of the year when the annual reviews happen is -- is acceptable.

Chair Stipp said so if you look at this just on paper, you're like holy smokes, we have this high thing, but we're not -- we're going to take it year out to get it. So I think, getting it in the record is really important. So there may be -- may be a way to rectify that as we move on kind of think through step one, step two, maybe in these processes that we've identified and cured the problem. Now, we're going to see to it through resolution by this date. You know, maybe there's a two-date thing.

Because my other questions are similar, but in reverse. On the last page under the Contract Management audit for the FGS, CS and the PCRSS, those both appear with dates that have already passed so should those be closed and no longer on here?

Ms. Davis said those are ones that are pending updates to the procurement manual, and we extended it out so in the narrative, in the green box below those, it should have some details about how specific procedure had been issued at the time of the dates, but that we had extended until the end of the year to try to get appropriate staff on board.

Ms. Mefford-Miller said Valley Metro team members, I'll ask to approach the -- either the desk or the podium so that our audience can join us virtually.

Chair Stipp said I think, yeah, let's do that. I heard you, but I don't know that Councilmember Heredia did or Goodman.

Ms. Davis said good afternoon, Jennifer from Internal Audit. Those items that you had asked about were -- will be incorporated into the new procurement manual and we had offered -- we had agreed to extend the Finance due date to that until the end of the year. So that specific procedures and processes were put into place, but that we didn't want to close those items that risk that we would fall off the radar until we actually saw it canonized in the procurement manual which is due toward the end of the year once we get appropriate personnel on board.

Chair Stipp said I guess, to me it was not clear in reading the green box because that was the first place I checked, but -- so that's good to know as well.

I just want to make sure that -- we've gotten really good about tightening the timelines and moving forward so I was just -- I was just trying to keep track of that emotionally, I guess.



Ms. Beckstrom said we can update the green boxes to provide a little more information as well next month.

Chair Stipp said I think if we're pushing those dates out. It makes complete sense and, again, we're not at risk, but I think that clarity helps the non-user read it. Because these will be in the minutes for the Board so if the Board sees it and they're not as intimately -- and they're not matching up minutes to the document, et cetera so. Thank you.

That's all my questions. Anybody have anything else? And, again, this item is presented for information only.

8. Fiscal Year 2024 Budget Development Timeline

Mr. Olson said good afternoon, Chair Stipp, members of the AFS. I'm with you on that. I can't believe it's here already. We just finished the '23 so we are now kicking off our '24 budget development cycle. I wanted to share with you a quick overview of the deliverables and the timeline for the process this year. We've included the full slide deck with the extra details for those that may be newer, however, we were asked to present an abbreviated version of this. We did share the full presentation with your city staff at Financial Working Group last month.

Starting with deliverables, each year we really kick off the process with focusing on transit services. You know, these are the services that your city's fund through your IGA process. We know that your process starts early just like ours so that's our focus identifying those service levels, working with your cities to ensure that we have everything in there and it's really intended as a not to exceed amount. We try to put, you know, the most amount of risk. It's very early in the process as you can appreciate, a lot of unknowns out there at that point in time so we deliver that by October 31st and I'll share some of those dates on the next slide.

But after that, previous slide, thank you. We focus on our annual budget, so this is not just the transit services, this is the entire comprehensive operating and capital budget. So in between October and later in the year, we're refining those numbers, continuing to work with, you know, Service Planning Working Group, you know, our contractors, make sure that we have identified the risk in there and refined those numbers further. And then after that, we'll share a five-year forecast both operating and capital.

The important dates, our focus right now since we're so early in the process, we're working on our key assumptions. So really those primary budget drivers you know, what do we know about right now and let's keep an eye on that, you know, let's keep an eye on those assumptions as we move further into the process, update those accordingly with our focus of delivering that prelim budget to your cities by October 31st.

And then we'll come back with the full annual comprehensive budget, as I mentioned, in March. That would be for information. And then, again, in May, we would present any



refinements, you know, based on member city input throughout the process and share our five-year operating forecast at that time as well. This does create some flexibility so if the Board was to choose not to take action in May, we do have the month of June to discuss further.

With that, that concludes my update. I'd be happy to answer any questions that the Subcommittee may have.

Chair Stipp said thank you, Tyler. Does anybody have kind of questions? This is the first look, if you will, at the schedule in September. The only -- if there are none, the only observation that I have in this is I did not see the TLCP. Is that going to come up this year or are we done talking about that until we have a decision on Prop 400? And the only thing I can do is laugh because otherwise, I'll start crying.

Ms. Mefford-Miller for the duration of the existing Proposition 400, we will carry TLCP forward and so this will be part of our budget discussion. We're having ongoing conversations with MAG because the disposition with respect to TLCP and the unexpended PTF funds, it looks very different today than it did a few months ago so we'll continue to iterate that.

Chair Stipp said and that will be weaving its way into this process and this timeline as we move forward?

Ms. Medford- Miller said yes, it will.

Chair Stipp said that was all I had. Anybody else? Follow-ups? Nothing. All right. Awesome.

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

Chair Stipp said Item 9 is presented for information only in your packet. It's the Intergovernmental Agreements, Contract Change Orders, Amendments and Awards. That information is in the packet. If the AFS members have any questions, we encourage you to contact the staff prior to the Board meeting. This is our first glance at it. We don't -- we have not been doing presentations on each one of these items and just kind of moving this through the process so if you've got anything, please get it to the staff early, you know, moving forward. And usually, that's me that has questions so we're good to go.

10. Report on Current Events and Suggested Future Agenda Items

Chair Stipp said Vice Mayor Pastor.

Vice Mayor Pastor said may I ask for a report or a possibly to look at if we were to offer free fare. I'm assuming it would have to be -- I know they're asking Phoenix, but it would



eventually impact all the other cities so I'm not sure what that looks like. I do know Tempe does offer that, but they subsidize it. So I just want to be able to have all the information.

Ms. Medford-Miller: Yeah. Perhaps it's worthwhile, Vice Mayor, to host a study session (indiscernible) beginning with a backdrop of our current fare policy and pricing and then introducing some of the potential options that you referenced and what that revenue offset could look like across the region. I think as we think about our regional public transportation system, having a consistent and singular fare policy and pricing strategy that allows customers to move throughout the region regardless of jurisdictional boundaries is essential so we're happy to consider that and bring to the Board information for your consideration.

Vice Mayor Pastor said thank you.

Chair Stipp said do you want that here or for the full board? You said study session. Generally, those are full board only.

Ms. Mefford-Miller said I would recommend this as the full board just because the geographic scope of the AFS Committee is somewhat limited. I think a balanced regional discussion at the full board level would be productive as the fare policy is approved at that level.

Chair Stipp said I absolutely agree. I just wanted to make sure everybody was on the same page so.

Vice Mayor Pastor said thank you.

Chair Stipp said any other requests for future agenda items or any other reports? The next meeting of the Audit and Finance Subcommittee is scheduled for October 13, 2022 at 12:00 p.m.

I will not be here. I will be in the middle of the ocean somewhere so I would ask Vice Mayor if she would chair the meeting.

Vice Mayor Pastor: All right.

The meeting was adjourned.

With no further discussion the meeting adjourned at 12:33 p.m.



Minutes

September 15, 2022

AGENDA ITEM 4A

Joint Boards of Directors
Thursday, August 18, 2022
Lake Powell Conference Room/Webex
101 N. 1st Avenue, 10th Floor
11:15 a.m.

RPTA Meeting Participants

Vice Mayor Laura Pastor, City of Phoenix - **Chair**
Councilmember Bill Stipp, City of Goodyear – **Vice Chair**
Mayor Kevin Hartke, City of Chandler - **Treasurer** (phone)
Vice Mayor Veronica Malone, City of Avondale (phone)
Councilmember Clay Goodman, City of Buckeye (phone)
Vice Mayor Monica Dorcey, City of El Mirage (phone)
Mayor Brigette Peterson, Town of Gilbert
Councilmember Lauren Tolmachoff, City of Glendale
Supervisor Jack Sellers, Maricopa County
Councilmember Francisco Heredia, City of Mesa
Councilmember Jon Edwards, City of Peoria (phone)
Councilmember Leah Martineau, Town of Queen Creek (phone)
Councilmember Kathy Littlefield, City of Scottsdale
Councilmember Chris Judd City of Surprise
Vice Mayor Jennifer Adams, City of Tempe
Mayor Michael LeVault, Town of Youngtown (phone)

Members Not Present

Councilmember Mike Scharnow, Town of Fountain Hills
Councilmember Aldofo Gamez, City of Tolleson
Mayor Rui Pereira, Town of Wickenburg

Valley Metro Rail Participants

Vice Mayor Laura Pastor, City of Phoenix - **Vice Chair**
Mayor Kevin Hartke, City of Chandler (phone)
Councilmember Francisco Heredia, City of Mesa (phone)
Vice Mayor Jennifer Adams, City of Tempe

Chair Pastor called the meeting to order at 11:19 a.m. Thank you, Pat. We will convene the meeting and welcome members to the August meeting. Pat, can you take roll, please.



Ms. Dillon said good morning, everyone.

City of Avondale, Vice Mayor Veronica Malone?
City of Buckeye, Councilmember Clay Goodman?
City of Chandler, Mayor Kevin Hartke? Here.
City of El Mirage, Vice Mayor Monica Dorsey? I'm here.
Town of Fountain Hills, Councilmember Mike Scharnow?
Town of Gilbert, Mayor Brigette Peterson? Here.
City of Glendale, Councilmember Lauren Tolmachoff? Here.
City of Goodyear, Councilmember Bill Stipp? Present.
Maricopa County, Supervisor Jack Sellers?
City of Mesa, Councilmember Francisco Heredia? Here.
City of Peoria, Councilmember Jon Edwards? Here.
City of Phoenix, Vice Mayor Laura Pastor? Present.
Town of Queen Creek, Councilmember Leah Martineau? I'm here.
City of Scottsdale, Councilmember Kathy Littlefield?
City of Surprise, Councilmember Chris Judd? Here.
City of Tempe, Vice Mayor Jennifer Adams? Present.
City of Tolleson, Councilmember Adolfo Gomez?
Town of Wickenburg, Mayor Rui Pereira?
Town of Youngtown, Mayor Michael LeVault? Yes, Pat, I'm here.

Chair Pastor said thank you, Pat. If a committee member would like to ask a question or make a comment during the meeting, those that are on Zoom, please type your comment in the box and it will be read aloud and answered. All meeting attendees, please mute your computer microphone or phone. That's a good reminder for me.

1. Public Comment

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

Pat, do we have any public comment?

Ms. Dillon said yes. Mr. Blue Crowley.

Mr. Crowley said document I'll be discussing is the minutes for a couple months ago when I stood up here and asked some serious questions in my own mind of what were the marching orders for the 33 hundred or \$30 million that you had given the lobbyist and also to High Ground to do whatever and specifically asked and always thought that when I'm asking a specific question for information that I'd get it. And what that was is:



What was the marching orders for those people and how were they doing the plan?
And you guys, nothing. Staff, nothing.

And then what happens? Governor Ducey vetoes legislation which was what? Oh, the entire plan. What part of it was the RPTA? Well, all it said in the article was 40% of the funding was going to go to you guys. Well, I've been trying to input that you do it right if you're planning and getting it done that we need to be putting the system out there according to traffic patterns, getting people on the bus, also distance, and that for the rural routes that if we're having them and establishing more -- establishing the buses start there, that we store them at the extension of it so that it's a better functioning system, that with the \$37 million you did for -- put forward you know how many bus books you're printing? Zero. Is the customer service operating when the buses do? And the rail? No, it does not. But we're putting \$37 million ahead because you're within budget rather than doing what you were supposed to be doing.

And when I look at the minutes and the questions I asked, specific, I wish that Jack was here to because what is he? He's the Chairman of that MAG Transportation Committee so when I asked what is it that MAG has, you know, developed and that it would have been nice if he would have instructed his MAG staff to get me that documentation. Let me know what it is that it is going on and doing.

As I said in the July minutes, that when we put the system together for what you were supposed to do -- Hey, Jack. Been talking about you. In fact, I'd like -- could I get an extra 30 seconds so that I can relate to him about the need for the MAG people to --

Chair Pastor said just continue and then I will ask Jack later to speak with you.

Mr. Crowley said all right. Well, just wasting that 16 seconds, I'll just run it over this way that when I'm asking for the documentation and that, I was the one that wrote the bus part a long time ago. It only took you 25 years to get to getting it done and doing it. I want the expand on it and make the system what it's supposed to be. Being paid for by all of the citizenry in this area and also getting use from it from the circulators to the rural routes to an actual system that function and works and that you're responsible for and that when you're doing things you do it for --

Ms. Dillon said Mr. Crowley, your time is up.

Mr. Crowley said -- the customer not for the system.

Chair Pastor said thank you, Mr. Crowley. May I suggest that we provide the information to Mr. Crowley that he asked for. It is public record and in the information that he's asking for. And if we can respond to him and if it cannot be -- it's something that we can't respond to please provide that communication.



Ms. Mefford-Miller said yes, Chair. Thank you.

Chair Pastor said thank you.

2. Chief Executive Officer's Report

Ms. Mefford-Miller said good morning, Board members, staff and guests. I have a few items I'd like to provide you an update on this morning including our capital programs. We have made significant progress of late on the South Central Extension project. July marked a critical milestone. We hit our 50% completion mark. We also laid the track work in the downtown area that will form the basis of our now two-line system. I commend staff from our planning, our construction teams, our communications and community engagement team who have been working with our customers as we moved through several months of single tracks in downtown from day to day where to board and which station was going in which direction and was changing a little bit and they did a remarkable job of making sure our customers were informed.

Our operations team also kept our trains running as close to schedule as possible and they did a fantastic job of that. We're moving through a little bit of growing pains. We're working with the communities to minimize the impact of our construction activities. We've had a lot of discussion of late on the South Central Corridor about how we can do a better job supporting those communities and we're making great progress.

Meanwhile, on our -- on the Northwest Extension Phase II, we're also making significant progress. This project like South Central is moving on time and within budget. We have much of the bridge work done. You can see the beginnings of the station. This is the Dunlap station. I had the opportunity to visit this project yesterday. It looks fantastic and we look forward to delivering that, again, on time and within budget to the community.

I want to continue to keep you posted on a monthly basis about our workforce shortage and the actions Valley Metro and our partner are taking. You received our monthly workforce update this morning in an email from Ms. Dillon.

We have progress. We had a strong turnout at a Valley Metro job fair that we actually hosted in partnership with the City of Phoenix and our contractors and several others that happened in downtown on July 20th. We extended several offers of employment, 39 of those offers were accepted on the spot today. We're making some changes to how we hire employees. We're now hiring employees starting every week so that we can get them in the door, get them trained for a number of positions as soon as possible. Our contractors have adopted the same approach.

We and they are offering attendance incentives, retention incentives, and sign-on bonuses. We are focused not just on recruitment, but on retention of the existing skilled



professionals who keep us moving every day. We still have a long way to go because while we're recruiting, we're continuing to lose employees to attrition. We'll keep this conversation moving.

Another exciting development is a focus on introducing zero tailpipe emissions vehicles to the Valley Metro fleet. Later next month, we anticipate awarding a task order to a firm associated with our planning on-call services to create what we call a fleet transition plan. Think of that as the blueprint for transitioning our existing fleet of revenue and non-revenue vehicles which today are compressed natural gas, diesel and gasoline to zero tailpipe emissions. You have to take a long view. When we purchase vehicles, we typically keep those revenue buses for about 12 years. These are long-term purchases. We also have to design our facilities and our operations and maintenance programs around the fleet that we purchase. We don't have a fleet transition plan today and this is actually something the Federal Transit Administration now requires to qualify for low or no emissions vehicle competitive awards. FTA just announced a record number of low or no emissions vehicle awards earlier this week and this week will T us up so, at the next low/no cycle, Valley Metro will be poised to compete for that funding and to begin to transition our fleet.

Chair Pastor said I want to say that Flagstaff is right now testing a fleet out.

Ms. Mefford-Miller said yes. Flagstaff and Tucson also has a fleet so some of our peer agencies across the state. Yes.

With respect to Operations and Maintenance, part of what we're doing here as an organization overall is taking a look at how we do business, how we perform our services, and looking for opportunities to do better. One of those areas is taking a deep dive look at our Operations and Maintenance and that's our core business here at Valley Metro is delivering mobility services across the region.

We've invited a group of our transit industry peers organized by the American Public Transit Association to come and spend a week with us, they actually arrive on Sunday, doing a deep dive and looking at our team, our structure, our functions, our capacity, our operations and maintenance contract content, our management of those contracts to help us develop a plan for improvement in our performance. This is an opportunity for us to take a step back from the day-to-day business that we do and really focus on how we can do better moving forward. The APTA peer review process itself often covers a number of different disciplines. I participated as a reviewer and as a reviewee in the past and it is a great opportunity to re-think how we operate. We are engaging member city staff and on Tuesday, a number of city staff members will interview with that APTA peer panel. We'll have a final report from APTA at the end of September.

I want talk just a little bit about Prop 400 Extension. Our last communication was after the Governor's recent veto of the enabling legislation. While we're all disappointed in



that, there are a few pieces of content I want to ensure that this Board is aware of. You know, first and foremost, Proposition 400 has given us so many successes across the region. Prop 400 has allowed us to construct the tremendous rail infrastructure that we have today. It is the primary source of funding for our -- the operation of all of our regional bus routes and it is the source of funding for our paratransit programs and support some of our Ride Choice programs across the Valley.

If we take a look -- next slide, please -- at the regional impact of -- of Proposition 400, I want to show you the routes that we operate that are supported by Prop 400, so these are our regional express routes that are shown in red. The source of funding is Prop 400.

And then our local routes. Some of the routes are locally funded, those are shown in grey. Those routes that are funded with public transportation funds which is Prop 400 are shown in red. I haven't shown you all of our paratransit trips across our 525 square mile service area, but we are serving communities across the Valley. Prop 400 is the single source of funding that allows us to put out those vans every single day.

For our capital programs, Prop 400 is not only the local match to secure big federal investments in projects like light rail and streetcar, but it also enables the continuance of all capital programs. So think of that as purchasing vans which we're going to talk about today, purchasing buses, purchasing equipment as well as our facilities. In order to avail ourselves of the once-in-a-generation opportunities included in the bipartisan infrastructure law, we have to have a local source of funding to attract those federal funds. Our local source of funding is Proposition 400 and the forthcoming Proposition 400 E.

In addition to those projects under construction right now, we have large capital programs T'd up for planning and design including Cap EX and I-10 West, the City of Phoenix has a bus rapid transit study underway. We also have the Rio Salado streetcar extension. All of those planning, design, construction would be supported by presumed Proposition 400 Extension.

We should remember the great successes we've had and also the coalition that it took across this region, the leadership, the consensus to create the plan that's the framework for Prop 400 E. Now, more than ever, it is essential that we all pull together that we speak with one voice about transportation infrastructure and transit infrastructure and service across the Valley. I want to try to push that service part to the fore of our discussion because for a lot of the non-transit elements of Prop 400 E, it's capital and its infrastructure, but here in Valley Metro, Prop 400 E is what keeps us moving every day.



Okay. So a look ahead. We've got a lot on the agenda today after a July board recess, our next scheduled Board meeting will be September 22 and then October 27, looking ahead.

That is all the reports from me. Thank you, Chair.

Chair Pastor said thank you. Appreciate it.

3. Audit and Finance Subcommittee Update

Councilmember Stipp said thank you, Chair. I'll try to be brief as well. After our July break, we had a very long meeting focused very much on all the audits. We received and approved the IT Identity and Access Control Management Audit, the Federal Grant Compliance Bus Purchase Audit, and the continuous monitoring of contract change orders and those are all available on the website, the Valley Metro website.

We also approved the FY23 Audit Plan and received the Internal Audit Update.

Tyler provided us with the 4th Quarter Budget Variance report to kind of give us an idea of how we ended the FY22.

Brief update from the CEO on the Chief Financial Officer recruitment and the meeting ended that way. So pending any questions, that ends my report.

Chair Pastor said are there any exciting questions? No? Okay. Thank you. Thank you for your report.

4. Consent Agenda

Chair Pastor said the Consent Agenda is present for action. Are there any questions on the Consent Agenda or would like to remove an item? I don't hear anything.

May I have a motion and a second to approve the Consent Agenda?

Motion by Councilmember Tolmachoff, second by Vice Mayor Adams.
All those in favor, please say aye. Any nays? The motion passes. Thank you.

IT WAS MOVED BY COUNCILMEMBER TOLMACHOFF, SECONDED BY VICE MAYOR ADAMS AND UNANIMOUSLY CARRIED TO APPROVE CONSENT AGENDA ITEMS 4A-C.



5. Marketing and Advertising Support Services Contract Awards

Ms. Mefford-Miller said thank you. I'd like to invite Mick Webber of our Marketing team to address this item.

Mr. Webber said thank you, Jessica. Good morning, Madam Chair and Board members. I am Mick Webber the Marketing Manager. Staff recommends that the Boards of Directors authorize the CEO to execute one-year contracts with two one-year extensions with Hackett Advertising Public Relations Interactive also know as HAPI, MJM Advertising -- Heart and Soul Marketing, Magnetry and ON Advertising for marketing and advertising support services in an amount not to exceed \$2,250,000 over the three-year period.

The current year expenditure level is estimated at \$750,000 and is included in the Valley Metro adopted fiscal year '23 budget. Contract obligations in fiscal year '24 and fiscal year '25 are estimated at up to \$1.5 million and those will be reflected in the future budget. The total contract value for up to three years is estimated at the \$2, 250,000 with the RPTA portion being \$1,240,000 and the VMR portion totaling \$1,010,000.

At this point, the four agencies being recommended are smaller, local agencies and be open for any questions or comments.

Chair Pastor said are there any questions? I don't see any. There's one.

Vice Mayor Adams said I do have a question, Chairwoman.

Chair Pastor said go ahead.

Vice Mayor Adams said thank you. I didn't get to hear exactly what is the marketing going toward -- what are we marketing towards? Is it just to inform more people about the transit and what's going on? So I just would like a little bit more information in exactly what you're -- what you're advertising and marketing for here.

Chair Pastor said thank you for your question and I believe what the whole question is all about what's the purpose.

Mr. Webber said yes. Yes. And this was actually outlined very well during the entire budget process. On the memo, we talk about marketing our transit services, especially during the final or the following campaigns, Super Bowl and NCAA Final Four which are both coming up, ridership recovery promotional efforts, Respect the Ride educational campaign, driver and pedestrian safety, new fare system, the fare collection system modernization - education and promotion. We do have the two-line rail system that we are working on currently with the track that has been laid. We will be starting the



promotion of that as well as Commute Solutions and travel reduction program that we will be also helping with.

Vice Mayor Adams said all right. Thank you.

Chair Pastor said no further questions? Anybody else? Can I have a motion and a second on this item?

Motion by Councilmember Stipp, second by Councilmember Heredia.

All those in favor, say aye. Any nays? Nay by Councilmember Martineau.

There is one nay. The majority passes.

Mr. Webber said thank you.

IT WAS MOVED BY COUNCILMEMBER STIPP, SECONDED BY COUNCILMEMBER HEREDIA AND UNANIMOUSLY CARRIED TO APPROVE THE MARKETING AND ADVERTISING SUPPORT SERVICES CONTRACT AWARDS.

6. Operations Cleaning Services Contract Change Order

Ms. Mefford-Miller said good morning again. I'd like to invite our Chief Operating Officer Ray Abraham to the podium to address the operating cost change order with DMS which is our cleaning services contractor that supports Valley Metro Rail as well as regional bus service. Mr. Abraham.

Mr. Abraham said thank you, Jessica. Madam Chair, members of the Board. This is coming before you it is a change order with DMS who is our cleaning contractor. They're responsible for cleaning all of our stations along the light rail system, all of our facilities, the OMC, Mesa facility, and also for cleaning the LRVs in the evening when they come in from service.

Over the last year or so we've been working with this contractor, they've been struggling to acquire staff, to maintain staff, and today as we speak, our -- their staffing level is approximately 45%. So obviously, our stations and our trains are not being cleaned to our standards and we've worked with them, and they've worked on their own. They've gone to job fairs, they've advertised throughout all the job hiring entities, they have increased salaries on their own a couple percent, but we don't seem to be able to attract the staff.

We at Valley Metro did a little study of our own. We looked at some analytical sites that talk about jobs within the area. The average janitorial job in Phoenix right now is between \$15 and like, \$16.50, \$17 an hour, but those are your typical janitorial jobs.



Our folks are out there in inclement weather, the hot weather, they're out on the platforms, they're cleaning trains, they're cleaning bio. And then the night shift that cleans our LRVs, it's a hectic environment because as the trains come in, they all have to be cleaned every day, every night. The hours are not appealing by no means. So we feel the only way we're going to increase this staff and maintain this staff is to increase the wages. So that's what you see before you today, it's, basically, a change order to go to DMS to increase the wages of their employees and hopefully, they'll be able to fill their staffing needs.

And I would be happy to answer any questions.

Chair Pastor said and it is not to exceed?

Mr. Abraham said it's a not to exceed \$2,686,749.

Chair Pastor said thank you.

Mr. Abraham said you're welcome.

Chair Pastor said for the period of September 1st, 2022 to December 31st, 2025. Am I correct? Yes.

Mr. Abraham said yes. 2025,

Chair Pastor said thank you. I need a request of a motion and a second on this item.

Motion by Councilmember Tolmachoff, second by Mayor Peterson.

Thank you and that's not to exceed the \$2,686,749 for the period of September 1st, 2022 to December 31st, 2025. Thank you.

Mr. Abraham said thank you.

Chair Pastor said all those in favor? Oh, okay. We have a question. Sorry. Mr. Stipp.

Councilmember Stipp said Ray, what did we end up moving the hourly rate to?

Mr. Abraham said we are recommending -- it is in the memo, Mr. Stipp. We are recommending \$17.50 for the alignment cleaners, \$17.50 daylight shift, \$18 night shift.

Councilmember Stipp said thank you. I know it was in the memo, but for anyone who happens to be watching this not reading it.

Mr. Abraham said okay. Understand.



Councilmember Stipp said we talked about the hourly rate, I just wanted to get it out into the into the minutes so thank you.

Mr. Abraham said okay. Yeah. And that's for the bulk of the cleaners and there's other positions that are going to be slightly adjusted.

Councilmember Stipp said thank you.

Chair Pastor said thank you. Are there any other questions? Do you see any on Zoom? I don't. Okay. We're ready to vote.

All those in favor, please say aye. Those not in favor, please say nay. Motion carries.

IT WAS MOVED BY COUNCILMEMBER TOLMACHOFF, SECONDED BY MAYOR PETERSON AND UNANIMOUSLY CARRIED TO AUTHORIZE THE CEO TO EXECUTE A CONTRACT CHANGE ORDER WITH DMS FACILITY SERVICES FOR OPERATIONS CLEANING SERVICES IN AN AMOUNT NOT TO EXCEED \$2,686,749 FOR THE PERIOD SEPTEMBER 1, 2022 TO DECEMBER 31, 2025.

7. Quarterly Reports

Chair Pastor said this is an information only. Anybody want information?

Ms. Mefford-Miller said if I may, Chair, may I make a comment?

Chair Pastor said go ahead.

Ms. Mefford-Miller said -- on this item?

Chair Pastor said sure.

Ms. Mefford-Miller said you received the detailed Quarterly Report in your board packet today. Staff has been working to produce a format that is a bit more condensed and really tells the narrative about our performance, our strengths, our areas where we've got to focus on improving performance. You'll see a first version of that draft. It's in your email this morning, it came from Ms. Dillon, it looks like this, and I encourage you when you have the opportunity to thumb through that Quarterly Report Summary. We'll continue to provide the detailed information which includes our performance metrics in your board packet as well as the summary which we'll also be sharing with our other communities including RTAG and TMC, RMC. Thank you.

Chair Pastor said okay. Thank you. Any questions? Go ahead.



Councilmember Stipp said Madam Chair? I do have question about the quarterly contract authority monitoring report. I think this is the -- I want to say the first time we've seen it in this format, so it does not include any numbers. Just talks about the contract description, the anticipated or the cause, executed change order date. I -- when I first saw this, this was the likely to prematurely exhaust report. I think we need more than a table format on this since it created such an issue for us going forward so I think the either future versions or even this particular report, I think we need a little bit more background information since we're going to exceed contract authority, more than just a table format if we can.

Ms. Mefford-Miller said thank you, Councilmember Stipp. I'll work with the procurement team to provide the detailed information on this report for the month of July and then we'll include that in all Quarterly Reports thereafter or -- I'm sorry, not for the month of July, but for the quarter and we'll include that moving forward.

Councilmember Stipp said thank you.

Ms. Mefford-Miller said thank you.

Chair Pastor said do you want something in between?

Councilmember Stipp said nope.

Chair Pastor said okay. All right. Thank you. Thank you for making the adjustment. Any other questions, comments? Well, thank you. This is for information only and no action is required.

8. Travel, Expenditures and Solicitations

Chair Pastor said this is for information only. Anybody have any questions? All right. Any questions? No.

9. Report on Current Events and Suggested Future Agenda Items

Chair Pastor said nope.

I do want to say something. I want to thank Valley Metro, Kiewit and the City of Phoenix in hearing community concerns in the South Central light rail. There were concerns regarding shade and as the light rail is being built and so three -- these three entities came together and have developed a solution for that, so I want to commend everybody who were solution-oriented in this process. And my understanding, that will be rolling out next Monday. I did have the opportunity to see what was happening in the yard and it does work, and it does provide the shade that is needed so thank you.



I also want to give kudos out to Valley Metro and the artist regarding the tiles. I was able to participate this weekend, the last weekend being able to create my tile for South Central light rail where some of the artwork is going to be so I'm very happy to know that I will leave a -- my handprint or my footprint in South Phoenix on one of the artist pieces. And so I hadn't done it. I decided last minute to go do it. What I did enjoy the most about it was being with community in creating this and the fact that the pride that was there in the participation and that they were going to leave a little token of their families within that area, and it was being nice to be with generations of families. So I do want to thank you for doing that for the community and also providing that experience for me.

10. Next Meeting

The next meeting of the Joint Boards is scheduled for Thursday, September 22, 2022, at 11:15 a.m.

The meeting was adjourned.

With no further discussion the meeting adjourned at 11:51 a.m.



Information Summary

DATE

September 15, 2022

AGENDA ITEM 4B**SUBJECT**

Non-Revenue Vehicle Purchases

PURPOSE

To request authorization for the Chief Executive Officer (CEO) to purchase expansion and non-revenue replacement vehicles through a cooperative agreement from Sanderson Ford in an amount not to exceed \$302,618.

RECOMMENDATION

Staff recommends that the Boards of Directors authorize the CEO to purchase non-revenue vehicles through an AZ State cooperative agreement from Sanderson Ford for an amount not to exceed \$302,618.

BACKGROUND | DISCUSSION | CONSIDERATION

Valley Metro’s non-revenue vehicles are used to support operations and maintenance activities for the 28-mile light rail alignment and the three-mile Streetcar alignment. Valley Metro is in need of expansion and replacement vehicles that will provide for efficient use of resources to perform operations and maintenance tasks on the alignments.

Below is a description of the type of vehicles being purchased.

	Qty.	Reason	Total Cost
Ford Explorers	2	Replacement	\$70,460
Ford Explorers	3	New Expansion	\$105,690
Ford Escapes	2	New Expansion	\$63,232
Ford Escape	1	Replacements	\$31,618
Ford Escape	1	New Bus Security FTE	\$31,618
Total	9		\$302,618

Eight of the vehicles will be added to the operations fleet pool for support along the current LRV and Streetcar alignments.



The five expansion vehicles will be used for support of system operations that includes customer experience coordinators (CECs), ACI support for field supervisors on the Tempe streetcar alignment and support staff at the OMC. The three replacement vehicles have mileage exceeding 150,000 miles and are over their useful life.

One Ford Escape is sought for the Safety, Security and Quality Assurance division for use by the Bus Safety Specialist position added by the FY 2022 budget. Filling this position has been delayed by the current workforce shortage. As a result, the vehicle purchase was also deferred. The Bus Safety Specialist is required to respond to incidents on a 24/7 basis.¹

Sanderson Ford is a vendor on the State of Arizona Cooperative Contracts. Cooperative Agreements are competitive contracts solicited and awarded by other public entities and whose cooperative language allows Valley Metro to utilize these contracts for its requirements.

COST AND BUDGET

The purchase of the vehicles will be a not to exceed amount of \$302,618, \$271,000 for VMR and \$31,618 for RPTA. The cost includes extended warranties and sales taxes. All vehicles are included in the Valley Metro Rail and RPTA adopted FY23 Operating and Capital budgets.

Funding Sources is a combination of Federal, PTF, and member cities.

COMMITTEE PROCESS

RTAG: August 16, 2022 for information

RMC: September 7, 2022 approved

Board of Directors: September 22, 2022 for action

CONTACT

Ray Abraham

Chief Operations Officer

602-652-5054

rabraham@valleymetro.org

ATTACHMENTS

None

¹ The vehicle for the new Bus Safety Specialist was added to this memo after the September TMC/RMC meeting. SSQA initially intended to purchase the vehicle later in the year but recognized that including it in this request made better use of the Board's time.



Information Summary

DATE

September 15, 2022

AGENDA ITEM 5

SUBJECT

Allied Universal Security Services Contract Change Order – Wage Rates

PURPOSE

To request authorization for the Chief Executive Officer (CEO) to execute a contract change order with Allied Universal Security Services (AUS) to address wage rate challenges in the regional labor market for operations security services in an amount not to exceed \$2,649,391 for the period October 1, 2022, to June 30, 2026, including a corresponding FY 2023 mid-year budget adjustment to fund the implementation of the change order.

RECOMMENDATION

Staff recommends that the Boards of Directors authorize the CEO to execute a contract change order with Allied Universal Security Services for operations security services in an amount not to exceed \$2,649,391 for the period October 1, 2022, to June 30, 2026, and recommend the Boards of Directors approve the corresponding FY 2023 mid-year year budget adjustment to fund the implementation of the change order.

BACKGROUND | DISCUSSION | CONSIDERATION

On June 16, 2022, the Board of Directors approved the Valley Metro RPTA and Valley Metro Rail fiscal year 2023 Operating and Capital budgets. During the budget approval process, Valley Metro was directed to work with contractors to address labor shortages and to bring to the Board for approval any contact and corresponding budget change needed to maintain services.

In November 2020 the Board of Directors authorized a contract award to Allied Universal Security Services, Inc. to provide Security services for a total term of five years (three-year base contract plus one two-year option). For the total term of the contract, the award amount was \$52,332,000. Under the terms of the contract which commenced on July 1, 2021, the contractor provides all necessary labor, vehicles, tools, supplies, materials, and other related equipment required to perform a full range of Security services related to light rail summarized below:

- Valley Metro Mesa Bus Operations and Maintenance Facility (OMF)
- Valley Metro Operations and Maintenance Center (OMC)
- Light rail park-and-ride lots and security kiosks



- Light rail passenger stations along the LRV alignment
- Light rail operator facilities at end-of-line stations
- All traction and power stations and signal buildings
- Inspection of passenger fare
- Issuing civil citations
- Special event support
- Streetcar passenger stations along the alignment

Recent changes in the labor market have made the contractor's labor rates uncompetitive. Average base wage for a Security Officer position in the Phoenix market is currently \$17.00 (Indeed Analytics/April), and we are commonly seeing entry-level positions advertised at the \$17.00 - \$18.50 range. These positions are typically entry-level crew-based roles in indoor environments with low risk of physical confrontation (not regular civil enforcement).

The requirements for most Security Officers on the Valley Metro contract differ from many standard Security Officer position and include the following:

- Working in an outside environment
- Working around an active rail system
- Working with the public in hostile situations
- Medical responses and standby
- Ability to interact with rail communications
- Addressing passengers experiencing quality of life issues and mental health situations
- Addressing passengers under the influence of drugs and alcohol
- Ability to adapt to unforeseen hazards involving public interaction, bio spills etc.

During the last eighteen months Allied Universal has failed to maintain the required staffing levels and their performance reflects the staffing shortage. Currently there are 114 budgeted Field Security Officers positions and only 67 of those positions are filled (59% vacancy rate). Allied Universal has communicated their efforts to hire staff but have been unsuccessful in achieving full staffing with the current contract wage levels. Those efforts to date have included:

- AUS has authorized a \$1,000 sign on bonus for active guard card holders.
- AUS has authorized a \$500 bonus for new hires without a guard card
- AUS is paying for all guard cards for applicants at a cost of \$72.00 per card
- AUS implemented a referral program by which the referring and new employee are paid \$500.
- AUS launched a system called RPM (Retention Performance Management) to create a communication channel directly between AUS employees and branch leadership. Employees are surveyed 15, 30 and 60 days after hire. Managers are notified of employee concerns and directed to work with the employee to



remediate issues within 48 hours. If employee issues are not resolved with 48 hours, the General Manager is instructed to act.

COST AND BUDGET

Allied Universal Security Services has been navigating the new labor market with their customers in multiple markets. Based on their vacancy rate and the significant increase in wage rates in the Phoenix labor market, AUS has proposed wage increases on Valley Metro’s contract as follows:

Position	Wage Rate	% Increase	Bill Rate	% Increase
Field Security Officer (FSO)	\$19.47	18.2%	\$27.78	16.5%
FSO Fixed Post	\$16.72	8.7%	\$23.99	7.4%
Trainer	\$21.65	0.0%	\$30.85	*0.04%
Field Supervisor	\$20.40	15.4%	\$29.10	14.2%
Shift Supervisor	\$22.05	13.2%	\$31.29	11.8%
Dispatcher (PAA)	\$18.02	9.4%	\$25.80	8.2%
Asst. Account Mgr.	\$26.01	0.0%	\$34.46	*0.02%
Recruiter	\$17.85	0.9%	\$25.62	3%

*Minimal increase

The cost of the change order to the Security services contract with Allied Universal Security Services over the remaining period of the contract is an amount not to exceed \$2,649,391. The table below illustrates the amount of change order by fiscal year.

Agency	FY 2023 (9 Months)	FY 2024	FY 2025	FY2026	Total	FY22 Underrun	Contract Authority Requested Increase
RPTA	\$16,800	\$21,300	\$20,300	\$19,600	\$78,000	- \$24,000	\$54,000
VMR	\$883,347	\$1,075,802	\$1,152,190	\$1,409,051*	\$4,520,391	- \$1,925,000	\$2,595,391
Total	\$900,147	\$1,097,102	\$1,172,490	\$1,428,651	\$4,598,391	- \$1,949,000	\$2,649,391

*SCEDH and NWEII

For FY 2023, this change will cost \$883,347 to VMR and \$16,800 for RPTA. The FY 2023 IGAs provided to cities include funding sufficient to cover this adjustment. However, the contingency for wage adjustments was eliminated from Valley Metro’s FY



2023 budgets. Therefore, mid-year adjustments in the amounts above are needed to allow Valley Metro to implement the contract change. Contract Obligations beyond FY 2023 will be incorporated into the VMR and RPTA Five-Year Operating Forecast and Capital Program (FY 2023 thru FY 2027).

COMMITTEE ACTION

TMC/RMC: September 7, 2022, for approved
Boards of Directors: September 22, 2022 for action

CONTACT

Adrian Ruiz
Director, Safety Security & Quality Assurance
602-652-5054
aruiz@valleymetro.org

ATTACHMENT

None



Information Summary

DATE

September 15, 2022

AGENDA ITEM 6

SUBJECT

Community Relations Support Services (CRSS) On-call Contract Awards

PURPOSE

To request Board authorization for the Chief Executive Officer (CEO) to execute three-year contracts with two, one-year extensions with 11 firms for on-call services that provide Community Relations Support Services, including community relations coordination, business assistance program development and support, special event planning, crisis communications and other related services in an amount not to exceed \$6.5 million over the up to five-year period. The VMR portion will not exceed \$5.5 million and the RPTA portion will not exceed \$1 million.

RECOMMENDATION

Staff recommends that the Boards of Directors authorize the CEO to execute three-year contracts with two, one-year extensions with 11 firms for on-call services that provide Community Relations Support Services, including community relations coordination, business assistance program development and support, special event planning, crisis communications and other related services in an amount not to exceed \$6.5 million over the up to five-year period.

BACKGROUND | DISCUSSION | CONSIDERATION

Valley Metro has and continues to utilize community relations consultant resources as part of its ongoing business model in order to augment internal staff, provide specialized expertise as well as aid the agency in scaling up/down and being responsive to the community engagement needs of the region and member cities. The consultant staff, at the direction of Valley Metro, have been embedded in capital projects since the development of the light rail starter line, assist, as needed, with service changes and studies and help with special agency initiatives, such as the upcoming outreach necessary for the Fare Collection System Modernization.

The CRSS contracts provide consultant staff who coordinate with Valley Metro staff to conduct community outreach, including:

- Coordinating with key community residents and businesses to facilitate two-way communication;
- Developing, implementing and monitoring business assistance programs;
- Executing specialized outreach programs including community events, hosting in virtual environments and tailoring public involvement plans to meet specific community and project objectives;
- Providing specialized public relations/crisis communications support as the need(s) arise;



- Conducting demographic research to ensure efforts meet local communities where they are;
- Supporting the community relations group with administrative and scheduling support;
- Supporting graphic needs;
- And other activities as necessary to effectively connect with communities.

Consultant staff from the CRSS contract will supplement Valley Metro staff by providing specific expertise on an as needed basis. The specialized expertise that the CRSS contract consultants will support includes creating digital and virtual environments for gathering public opinion, determining data and analysis for a given geography to direct how to effectively conduct community outreach, supporting special events, to create custom graphics including videos and simulations to assist with outreach efforts, providing dedicated support for communicating during a crisis and creating and executing business assistance programs. These are areas in which it is not efficient to retain full-time in-house staff for important but periodic needs. The CRSS contract allows Valley Metro the flexibility to quickly scale up and down for projects and initiatives as regional needs fluctuate.

Currently, VMR and RPTA have a Planning and Community Relations Support Services (PCRSS) contract with HDR Engineering, Inc. In June 2016, following a competitive procurement, the CEO was authorized to execute a contract with HDR Engineering, Inc. for an amount not to exceed \$35 million for an initial five-year term. The contract included an option to extend work up to three additional years. In November 2020, the Boards of Directors authorized the CEO to exercise the first of the three, one-year extensions through June 2022 and amend the contract to add up to \$9 million for the extension. Finally, in May 2022, the Boards of Directors authorized the CEO to amend the PCRSS contract to add up to \$5.1 million for an additional eight-month extension to allow a successful transition from the PCRSS contract to the CRSS on-call contract.

In August 2021, the Boards of Directors authorized the CEO to issue a competitive solicitation for Planning Support Services (PSS) and Community Relations Support Services (CRSS) separately in order to garner greater competition. It was also determined and Board approved that these future solicitations would be structured as “on-call,” meaning interested firms could apply for some or all categories within the scope and multiple awards, in each category, would be made. Staff would then issue task orders with the firm(s) annually or as needed to support the various projects, studies and member city needs.

In January 2022, Valley Metro issued a request for qualifications (RFQ) for on-call contracts to provide CRSS in the below categories. The solicitation was subsequently cancelled and re-solicited in June 2022 to allow for greater small business outreach and to clarify the purpose and structure of this RFQ. It was emphasized that Valley Metro seeks to identify a pool of consultants to support the varying needs of the Community Relations Department and that proposers had the opportunity to submit qualifications on any or all categories that best fit their business model. Below are the categories within the scope of work that could be bid on in full or in part:



1. Community Relations Coordination
2. Virtual and Digital Outreach
3. Business Assistance Program Development and Support
4. Specialized Public Relations/Crisis Communications Support
5. Special Event Planning and Support
6. Research Tasks
7. Graphics and Visualization Support
8. Administrative and Scheduling Support

Robust small business outreach was conducted to promote competition and interest from diverse companies of varying sizes, backgrounds and expertise. A selection committee consisting of Valley Metro staff and a representative each from the cities of Phoenix and Mesa evaluated the proposals on a set of pre-defined evaluation criteria:

1. Understanding/Approach to the Scope of Services (Maximum 300 points)
2. Organizational Capabilities & Experience (Maximum 300 points)
3. Personnel Qualifications & Experience (Maximum 300 points)

The selection committee reviewed the Statements of Qualifications from the following 11 offerors:

- AlphaVu, LLC
- The Colibri Collective
- HDR Engineering, Inc.
- Highnoon
- The Lavidge Company
- OH Partners
- ON Advertising, Inc.
- RIESTER Sonoran, LLC
- Spiral Creative Services
- Torres Multicultural Communications, LLC
- WSP USA, Inc.

The firms were evaluated and scored in the categories in which they responded, based on their qualification statements and demonstrated expertise in those categories.

Table 1 lists all 11 firms, the categories of submittal and their scores. The selection committee recommends issuing on-call contracts with the firms whose scores are shown in **bold text** in order to support the upcoming project needs within each category.



Table 1: Recommended Consultant Firms for the CRSS On-Call Contracts

	CR Coor.	Virtual/ Digital	Business Assist	Special. PR/Crisis	Special Events	Research Tasks	Graphics Support	Admin.
AlphaVu						907		
Colibri				871			875	
HDR	915	934	901		902	899	902	919
Highnoon	761			847	857		823	
Lavidge				935				
OH Partners	838	853	780	876	853	846	834	742
ON Adv.	791	808	753	787	815	778	793	
RIESTER Sonoran		889		913		889	848	
Spiral							814	
TMC	915	871	874	868	902	886	851	851
WSP	865	896	866	860	887	856	861	835

COST AND BUDGET

The current year expenditure level is estimated at \$1 million (\$850,000 for VMR and \$150,000 for RPTA) and included in the Valley Metro Adopted FY23 Operating and Capital Budget. The total contract value for up to five years will not exceed \$6.5 million (\$5.5 million for VMR and \$1 million for RPTA). Contract obligations beyond FY23 will be reflected in the annual budgets and are included in the five-year program. The projects supported by the CRSS consultants are funded by a mix of federal, regional and local dollars.

Across the prior two fiscal years (FY20 and FY21), Valley Metro spent an average of \$1,505,405 annually with its Community Relation Support Services firm, HDR, as part of the PCRSS contract.

COMMITTEE ACTION

RTAG: August 16, 2022 for information
 TMC/RMC: September 7, 2022 approved
 Boards of Directors: September 22, 2022 for action

CONTACT

Hillary Foose
 Director, Communications & Strategic Initiatives
Hfoose@valleymetro.org

ATTACHMENT

None



Information Summary

DATE

September 22, 2022

AGENDA ITEM 7

SUBJECT

Travel, Expenditures and Solicitations

PURPOSE

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

Non-essential travel has been suspended at this time.

RECOMMENDATION

This item is presented for information only.

BACKGROUND | DISCUSSION | CONSIDERATION

None

COST AND BUDGET

None

COMMITTEE PROCESS

None

CONTACT

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

ATTACHMENTS

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

Valley Metro
Travel Reimbursement Report
 For Travel Completion Dates
 7/1/22 through 7/31/22

Job Title	Purpose of Travel	Location	Dates Traveled	Total Travel Cost	Airfare	Other Transport	Lodging	Meals	Misc.
Chief Maintenance Engineer	Brookville Visit	Pittsburgh, PA	6/15/22 - 6/17/22	\$1,810.68	\$1,404.68	-	\$246.00	\$160.00	-
Program Control Specialist	AACE International Conference & Expo	San Antonio, TX	6/25/22 - 6/29/22	\$1,324.72	\$355.19	\$89.21	\$592.32	\$288.00	-
Deputy Director Maintenance	Brookville Visit	Pittsburgh, PA	6/15/22 - 6/17/22	\$2,087.47	\$1,404.68	\$276.79	\$246.00	\$160.00	-
Deputy Director, Service Planning	Rail-Volution Committee	St Paul, MN	7/12/22 - 7/15/22	\$1,303.84	\$494.20	\$64.57	\$444.57	\$240.50	\$60.00

Total this reporting period \$6,526.71

Year to Date **\$6,526.71**

Report reflects Out of State (AZ) Travel

Valley Metro Regional Public Transportation Authority

Monthly AP Payments over \$25,000

July 2022

Payment Number	Date	Supplier or Party Name	Transaction Description	Amount
10000735	7/21/2022	First Transit Inc	June 2022 Transit Services	5,784,623.33
10000705	7/14/2022	First Transit Inc	May 2022 Transit Services	5,409,040.77
90000095	7/29/2022	ADP LLC	PPE 7/10/2022 + 7/24/2022 Payroll Liabilities	2,197,603.24
10000696	7/1/2022	City of Tempe	Jan-Mar 2022 EVBOM Lease Agreement - O&M + Fuel	1,711,354.25
10000714	7/14/2022	Transdev Services Inc	May 2022 General Paratransit Service	1,528,911.34
10000746	7/21/2022	Motor Coach Industries Inc	Over the Road Transit Coach	1,399,121.16
10000688	7/1/2022	Hill International Inc	VMR - PMCM Services	1,076,232.36
10000741	7/21/2022	Total Transit Enterprises LLC	May + June 2022 West Valley Contracted Fixed Route	1,013,175.79
10000720	7/14/2022	Motor Coach Industries Inc	Over the Road Transit Coach	699,560.58
10000697	7/8/2022	Allied Universal Security Services	VMR - June 2022 Fare Inspection and Security Services	604,523.42
10000753	7/29/2022	HDR Engineering Inc	VMR - May 2022 PCRS Services	582,831.38
10000725	7/14/2022	Denovo Ventures LLC	ERP-EAM System Software Implementation	571,296.75
90000094	7/29/2022	ASRS	PPE 07/10/22 + 07/24/22 ASRS Contributions & LTD	564,060.24
90000093	7/21/2022	Cigna Health and Life Insurance Company	July 2022 Health Insurance Premiums	466,721.20
10000724	7/14/2022	Creative Software Solutions LLC	Ridechoice Mgmt Svcs + EZT SetupImplementation Fee	406,434.17
10000733	7/21/2022	DMS Facility Services Inc	VMR - Facilities Maintenance Services	405,882.90
10000707	7/14/2022	HDR Engineering Inc	VMR - Apr 2022 PCRS Services	383,766.75
10000687	7/1/2022	HDR Engineering Inc	VMR - Mar 2022 PCRS Services	338,391.72
10000749	7/29/2022	101 North First Ave LLC	Aug 2022 Rent + Storage Room Leases	183,791.01
10000729	7/21/2022	101 North First Ave LLC	Jul 2022 Rent + Storage Room Leases	172,661.85
90000097	7/31/2022	Surepays	RPTA July 2022 Utility	153,536.29
10000722	7/14/2022	ARCADIS	VMR - Apr + May 2022 Consulting Support Services	141,681.06
10000738	7/21/2022	Medical Transportation Management Inc	June 2022 Paratransit Eligibility Assessment and Fixed-Route Travel Training Services	96,644.34
10000689	7/1/2022	Medical Transportation Management Inc	May 2022 Paratransit Eligibility Assessment and Fixed-Route Travel Training Services	92,998.90
10000694	7/1/2022	Senergy Petroleum LLC	Bulk Fuel	87,868.35
10000712	7/14/2022	Second Generation Inc, dba Ajo Transpor	June 2022 Rural Connector Services	71,055.27
10000718	7/14/2022	Dell Marketing LP	Computer Hardware + Equipment	67,564.47
10000719	7/14/2022	Senergy Petroleum LLC	Bulk Fuel	63,384.82
1000793	7/15/2022	CopperPoint Insurance Company	Jul 2022 Rent for Mobility, Call Center and Parking	61,107.41
1000812	7/29/2022	CopperPoint Insurance Company	Aug 2022 Rent for Mobility, Call Center and Parking	61,107.41
10000715	7/14/2022	URW LLC	Landscape Maintenance Services	54,755.95
1000757	7/1/2022	QCM Technologies Inc	May 2022 Information Technology Solutions & Services	44,768.48
100121	7/29/2022	AzTA (Arizona Transit Association)	AzTA Annual Membership Dues - July 2022 - June 2023	44,300.00
10000734	7/21/2022	Enterprise Rideshare	Van Pool Services	42,157.23

10000684	7/1/2022 Enterprise Rideshare	Van Pool Services	42,093.48
1000768	7/8/2022 WEX Bank	Fleet Card Services	41,287.73
10000711	7/14/2022 OH Partners	Marketing and Advertising Support Services	31,643.68
10000702	7/8/2022 Guidesoft Inc	Managed Services Provider	31,475.04
1000780	7/14/2022 QCM Technologies Inc	June 2022 Information Technology Solutions & Services	29,801.00
10000736	7/21/2022 Guidesoft Inc	Managed Services Provider	28,947.68
10000730	7/21/2022 Allied Universal Security Services	VMR - June 2022 Fare Inspection and Security Services	28,507.60
<hr/>			26,816,670.40

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

Payment Number	Date	Supplier or Party Name	Transaction Description	Amount
50000580	7/1/2022	Kiewit Infrastructure West Company	Apr 2022 CMAR Services for South Central-Downtown Hub	19,563,392.66
50000604	7/14/2022	Kiewit Infrastructure West Company	May 2022 CMAR Services for South Central-Downtown Hub	14,812,264.09
50000623	7/21/2022	Kiewit-McCarthy, a Joint Venture	May 2022 CMAR Services for Northwest Phase II	7,719,827.07
50000617	7/21/2022	Alternate Concepts Inc	May + June 2022 Transportation Services	1,957,681.87
50000609	7/14/2022	Stacy and Witbeck Inc	May 2022 CMAR Services for Tempe Street Car	611,546.99
90000013	7/31/2022	Surepays	VMR July 2022 Utility	389,762.77
50000607	7/14/2022	PGH Wong Engineering Inc	System Design Services	309,746.05
50000633	7/29/2022	Stacy and Witbeck Inc	Jun 2022 CMAR Services for Tempe Street Car	308,250.90
50000626	7/29/2022	AECOM Technical Services Inc	May 2022 Design Services	256,316.95
50000616	7/21/2022	AECOM Technical Services Inc	June 2022 Design Services	211,649.80
50000631	7/29/2022	PGH Wong Engineering Inc	AECOM Technical Services Inc	188,819.10
5000975	7/29/2022	Jenco Inc	MOE Train Rail Strip Fixtures	148,999.00
50000611	7/14/2022	Westinghouse Air Brake Technologies Cor	Relays	136,239.42
5000908	7/14/2022	Most Dependable Fountains Inc	Hose Bibs and Fountain Shells	133,760.00
50000591	7/8/2022	Jacobs Engineering	Apr 2022 Design Services for Northwest Phase II	118,011.41
50000612	7/14/2022	Whiting Services Inc	Truck Hoist Repairs	117,678.60
5000922	7/14/2022	Wholesale Floors LLC	Update Flooring - MOE + MOW	99,939.67
5000961	7/29/2022	DiscountCell Inc	5G Gateways, Antennas	92,623.50
50000627	7/29/2022	ARCADIS	Consulting Support Services	85,164.92
50000588	7/8/2022	Builders Guild Inc	JOC Services	70,139.48
5000907	7/8/2022	ITT Industries Holdings Inc	Articulation Dampler	66,207.30
5000947	7/21/2022	Creative Machines Inc	SCE Public Art - Fabrication / Install	55,250.00
5000927	7/14/2022	Sunland Asphalt & Construction LLC	OMC Seal and Striping	49,821.88
50000594	7/8/2022	Prestamos CDFI LLC	May 2022 SBFAP	49,000.00
5000960	7/29/2022	Zayo Group LLC	Dec 2021 NWEII Utilities	46,116.09
5000905	7/8/2022	Alpine Power Systems Inc	LaMarche Chargers	38,733.22
50000581	7/1/2022	Microelettrica USA LLC	Contactors	36,813.18
50000629	7/29/2022	Dellner Inc	Bumper Energy Absorber Units	31,947.69
50000577	7/1/2022	Award Winning Restorations	Light Rail Vehicle Painting	31,234.79
5000891	7/1/2022	Courtesy Chevrolet	Vehicles, New Purchases-2022 Chevrolet Equinox	26,788.83
5000911	7/14/2022	NASG Holdings LLC	LRV Windshield Glass	26,170.20
50000582	7/1/2022	Scheidt & Bachmann USA Inc	3-Track Terminals	26,166.95
5000886	7/1/2022	NASG Holdings LLC	LRV Windshield Glass	26,060.20
				47,842,124.58



**Procurement Report
for September Board Month**

RECENTLY COMPLETED PROCUREMENTS										
Contract Administrator	Agency	Procurement Type	Procurement Title	FTA Funding	Release Date	Proposal Due Date	Targeted Board Award Date	Estimated Contract Value	Term of Contract	Comments
Rick W	RPTA	RFP	Rural Connector Service	Yes	January 2022	February 2022	June 2022	\$9,000,000.00	5 years + 3 options	Routed for Signature
ACTIVE PROCUREMENTS										
Contract Administrator	Agency	Procurement Type	Procurement Title	FTA Funding	Release Date	Proposal Due Date	Targeted Board Award Date	Estimated Contract Value	Term of Contract	Comments
Susanna H	Joint	RFP	Community Relations Support Services	Yes	January 2022	June 2022	September 2022	\$6,500,000.00	3 years + 2 options	In Evaluation
Christian J	RPTA	RFP	RideChoice Management Services	Yes	March 2022	April 2022	August 2022	\$10,804,731.00	1 year + 1 option	Pending Board Approval
Christian J	Joint	RFP	Non-Revenue Fleet Maintenance Services	No	March 2022	April 2022	August 2022	\$700,000.00	5 years	Pending Board Approval
Jennifer H	RPTA	COOP	Transalation Services for Customer Service Operators	No	TBD	TBD	TBD	\$35,000.00	1 year	Evaluating the potential use of a co-operative contract
Jennifer H	RPTA	RFP	2023 Origin and Destination Survey	No	August 2022	September 2022	November 2022	\$800,000.00	2 years	Initiating Documents
Christian J	RPTA	RFP	Administrative Call and Control Center	Yes	August 2022	September 2022	February 2023	\$39,213,600.00	5 years + 3 options	SOW Development
Christian J	RPTA	RFP	Regional ADA Paratransit Services Operations & Maintenance	Yes	August 2022	September 2022	February 2023	\$94,235,746.00	3 years + 3 options	SOW Development
Christian J	RPTA	COOP	Paratransit cutaway Vans - QTY:54	Yes	N/A	N/A	August 2022	\$6,519,505.00	1 time purchase	Pending Board Approval
FUTURE PROCUREMENTS										
Contract Administrator	Agency	Procurement Type	Procurement Title	FTA Funding	Release Date	Proposal Due Date	Targeted Board Award Date	Estimated Contract Value	Term of Contract	Comments
Rick W	VMR	RFP	East Valley Fixed Route Bus Services	Yes	TBD	TBD	TBD	\$400,000,000.00	5 yrs + 3yr/2yr opt	SOW Development
Chris B	VMR	RFP	LRV Electronic Repairs	Yes	July 2022	TBD	September 2022	\$210,000.00	3 years + 1 option	Initiating Documents
Chris B	VMR	Sole Source	SCV Sole Source Parts	Yes	TBD	N/A	TBD	TBD	TBD	Initiating Documents
Chris B	VMR	Purchase Order	Emergency Phones	Yes	N/A	N/A	N/A	\$114,563.05	N/A	Evaluating the potential use of a co-operative contract
Chris B	VMR	Sole Source	Railpod Equipment	Yes	TBD	N/A	TBD	\$575,000.00	TBD	Initiating Documents
Jennifer H	RPTA	RFP	Autonomous Vehicle Research	Yes	TBD	TBD	TBD	\$250,000.00	5 years	SOW Development
Christian J	RPTA	COOP	Electric Vehicles - Vans	No	TBD	TBD	TBD	TBD	1	Evaluating the potential use of a co-operative contract
Susanna H	Joint	COOP	Managed Services Provider - Accessible Coordinator	No	April 2022	TBD	TBD	\$700,000.00	5 years	Initiating Documents
Lori N	Joint	RFP	Federal Legislative Consulting Services	No	TBD	TBD	November 2022	TBD	2 years	SOW Development
Lori N	Joint	RFP	State Legislative Consulting Services	No	TBD	TBD	November 2022	TBD	2 years	SOW Development

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



Information Summary

DATE

September 22, 2022

AGENDA ITEM 8**SUBJECT**

Report on Current Events and Suggested Future Agenda Items

PURPOSE

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

COST AND BUDGET

None

RECOMMENDATION

This item is presented for information only.

BACKGROUND/DISCUSSION/CONSIDERATION

None

COMMITTEE PROCESS

None

CONTACT

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

ATTACHMENT

None.

Pending Items Request

Item Requested	Date Requested	Planned Follow-up Date



Agenda

September 15, 2022

Valley Metro RPTA
Thursday, September 22, 2022
Boardroom/Webex
Valley Metro, 101 N. 1st Avenue, 10th Floor
11:15 a.m.

	<u>Action Recommended</u>
1. <u>Public Comment</u>	1. For Information
<p>The public will be provided with an opportunity at this time to address the committees on non-agenda items and all action agenda items. Up to three minutes will be provided per speaker unless the Chair allows more at his/her discretion. A total of 15 minutes for all speakers will be provided.</p>	
2. <u>Minutes</u>	2. For action
<p>Minutes from the August 18, 2022 Board meeting are presented for approval.</p>	
3. <u>Regional Paratransit Service Replacement Vehicles Purchase</u>	3. For action
<p>Staff recommends that the Board of Directors authorize the CEO to purchase up to 26 BraunAbility vans from Creative Bus Sales under the Arizona Department of Administration (ADOA) Contract at a combined federal and local cost not to exceed \$1,701,730.</p>	
4. <u>Trapeze Pass Additional Modules - Accessible Transit</u>	4. For action
<p>Staff recommends that the Board of Directors authorize the CEO to procure additional software modules and professional services for Trapeze. The period of authorization is FY 2023 – FY 2025, in an amount not to exceed \$689,000 plus a 5% contingency of \$35,000, for a total not-to-exceed authorization amount of \$724,000.</p>	



5. Report on Current Events and Suggested Future Agenda Items

5. For information

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

6. Next Meeting

6. For information

The next Board meeting is scheduled for **Thursday, October 27, 2022 at 11:15 a.m.**

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



Information Summary

DATE

September 15, 2022

AGENDA ITEM 1**SUBJECT**

Public Comment

PURPOSE

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

COST AND BUDGET

None

RECOMMENDATION

This item is presented for information.

BACKGROUND | DISCUSSION | CONSIDERATION

None

COMMITTEE PROCESS

None

CONTACT

Jessica Mefford-Miller

Chief Executive Officer

602-262-7433

jmeffordmiller@valleymetro.org

ATTACHMENT

None



Minutes

September 15, 2022

AGENDA ITEM 2A

Board of Directors

August 18, 2022
Boardroom/Webex
11:15 a.m.

RPTA Meeting Participants

Vice Mayor Laura Pastor, City of Phoenix - **Chair**
Councilmember Bill Stipp, City of Goodyear – **Vice Chair**
Mayor Kevin Hartke, City of Chandler - **Treasurer** (phone)
Vice Mayor Veronica Malone, City of Avondale (phone)
Councilmember Clay Goodman, City of Buckeye (phone)
Vice Mayor Monica Dorcey, City of El Mirage (phone)
Mayor Brigitte Peterson, Town of Gilbert
Councilmember Lauren Tolmachoff, City of Glendale
Supervisor Jack Sellers, Maricopa County
Councilmember Francisco Heredia, City of Mesa
Councilmember Jon Edwards, City of Peoria (phone)
Councilmember Leah Martineau, Town of Queen Creek (phone)
Councilmember Kathy Littlefield, City of Scottsdale
Councilmember Chris Judd City of Surprise
Vice Mayor Jennifer Adams, City of Tempe
Mayor Michael LeVault, Town of Youngtown (phone)

Members Not Present

Councilmember Mike Scharnow, Town of Fountain Hills
Councilmember Aldofo Gamez, City of Tolleson
Mayor Rui Pereira, Town of Wickenburg

Chair Pastor called the meeting to order at 11:51 a.m.

Chair Pastor said Valley Metro RPTA, Thursday, August 18, 2022. Convene the meeting and welcome members to the August meeting.

1. Public Comment

Chair Pastor said public comment will be provided with the opportunity at this time to address the Committees on non-agenda items and all action agenda items. Up to three minutes will be provided per speaker unless the Chair allows more at her discretion. A total of 15 minutes for all speakers will be provided.

Do we have any public comments?

Ms. Dillon said yes, Chair, Mr. Crowley.



Chair Pastor said thank you.

Mr. Crowley said one of the things you just passed was the miscellaneous construction projects in your dual meeting and one of things it has in there is install bus stops and shelters. I'd sure like you guys to get up to industry standard and have a bus shelter every quarter mile because that's the way it's supposed to be. And in that new plan, would that be in there so that we have a more effective and efficient system being that we don't protect from the rain here, we protect them from dying from the heat. And if you don't have the shade there, how is that done? And one of the shade things I don't see in here as one of the construction projects is the drinking fountains on the rail. Just a thought.

But then when it comes to the rail and bus, you guys paid, what was it, \$30 million for planning and \$600,000 was for the bus part for the rail and buses to be matured and while don't understand the term multi-modal because there's what? Six or eight stops that don't have the connectivity. In fact, one of them said, well, 12th Street's only three blocks from 15th Avenue and you're in a wheelchair and it's 117 in the shade. That's the system working for you, right? No. What that is is the rail having it's way because of both the amount you've put in it and its importance.

When I see the amount of input for your change of routing and such, I don't see in there where it also have the acquisition for things like that Litchfield which was one of the roads you're supposed to be doing in that super grid. And also, it says, input opportunities virtual public hearing, online current cards, emails and social media. Standing up here I thought was also a place where that happens and it's not something that you guys advertise saying, hey, the public can input to us the Board to let us know what's happening and what's needed, but instead the system says we go out of our way to get it done.

And then back to what I had been communicating about Jack is that when I was up here two months ago and asked about what was the plan and got silence from the Board and then, I didn't know that you were the one that had all that information. And I would like your staff to, please, get that information to me. What is the transit part of it? And what are you doing? Are you going to be expanding the rural connectors? Are you going to be having the buses there to do that as in a correct way to do it? What about the bicycle facility going across I-17 at Osborn in the short-range plan. Where is that?

Like I said, I wish you guys could do more.

Ms. Dillon said Mr. Crowley, your time is up.

Mr. Crowley said I understand that, ma'am. I was picking up my stuff and saying goodbye. Was there a reason you had to interrupt?

Chair Pastor said Mr. Crowley. Mr. Crowley. Thank you.



Mr. Crowley said thank you, ma'am.

Chair Pastor said appreciate it.

2. Consent Agenda

Chair Pastor said the Consent Agenda is presented for action. May I have a motion?

Motion by Vice Mayor Adams, second by Councilmember Tolmachoff.

Any questions? Any discussion? See, you're missing everything. All right.

All those in favor, please say aye. Any nays? Motion carries. Thank you.

IT WAS MOVED BY VICE MAYOR ADAMS, SECONDED BY COUNCILMEMBER TOLMACHOFF AND UNANIMOUSLY CARRIED TO APPROVE THE CONSENT AGENDA.

3. ADA Paratransit Contract Amendment – Labor Rates

Ms. Mefford-Miller said thank you, Chair. We have three paratransit items on the agenda today. I'd like to invite Tom Young our Manager of Accessible Transportation Services to the podium.

Each item is related. The first is the continuance and support of our existing paratransit service and the other two items are the beginning of shifting some of our operation and Tom is going to talk about that on the second of the three paratransit items. Mr. Young, please.

Mr. Young said thank you, Jessica. Madam Chair, members of the Board. The request in front of you today is to give the CEO the authority to increase rates associated with increased staff wages and subcontractor inflationary increases based on current economic realities and to implement corresponding mid-year budget adjustment of \$400,000 to fund these adjustments.

ADA-complimentary paratransit is currently provided by TransDev via a direct operations of 70% of the service and the other 30% of the service is subcontracted to local taxi companies. The reimbursement of the subcontractors is a direct passthrough to Valley Metro.

To assist with driver recruitment, TransDev implemented an across the board \$2 an hour increase for their drivers' wages and implemented a \$1500 signing bonus. So with that \$2 per hour, their starting wage for the operators is \$15 an hour now.

Beginning July '22, TransDev subcontractors submitted a cost increase to TransDev for their increased wages and other economic issues such as fuel, parts, lubricants. The



contract we have with TransDev requires them to submit any of those requests directly to Valley Metro for evaluation and approval. We have reviewed and analyzed the request and agree the proposed rates are reasonable although we are not actually approving what they initially submitted, but we negotiated them down.

Part of what we've initiated with the subcontractors is a fuel surcharge so instead of them just giving us a rate to increase, we negotiated a fuel surcharge based off current rates of fuel. If fuels drop, we will not be committed to the higher cost. So this item right here is to increase the rates for TransDev for the ADA paratransit to accommodate not only their wage increase, but the subcontractors increase of cost and a mid-year budget adjustment of \$400,000 to pay for those increases.

I can answer any questions.

Chair Pastor said any questions? Questions? There are no questions. May I have motion and a second?

Motion by Councilmember Stipp, second by Vice Mayor Adams. Any discussion?

All those in favor, please say aye. Any nays? Motion carries.

IT WAS MOVED BY COUNCILMEMBER STIPP, SECONDED BY MASYOR ADAMS AND CARRIED TO APPROVE THE ADA PARATRANSIT CONTRACT AMENDMENT – LABOR RATES.

4. RideChoice Management Services Contract Award

Ms. Mefford-Miller said again, I'll ask Mr. Young to address this item.

Mr. Young said thank you, Jessica. Madam Chair, members of the Board. The request in front of you is to give the CEO authority to execute a contract with MJM Innovations for the RideChoice management services for a period of one year with the ability to extend up to one year. On March 19th of this year, the Board authorized the CEO to issue an RFP for RideChoice management services to allow the appropriate time for Valley Metro to procure a contractor for the combined reservation and scheduling function for regional ADA paratransit and RideChoice program.

Three firms submitted proposals. Two of those three firms were deemed responsive in their proposals. We had a working team representing the City of Mesa, the City of Chandler, Surprise and Tempe on the evaluation and we had the highest degree of confidence and foresaw the fewest risks with MJM Innovations who is our current RideChoice broker.

So the request in front of you, again, is to give the CEO authority to execute the contract with MJM Innovations for RideChoice management services. The period is a one-year



contract with the ability to extend up to an additional year in an amount not to exceed \$14,864,550.

Chair Pastor said any questions? May I have a motion and a second on this item?

Motion by Mayor Peterson, second by Councilmember Tolmachoff.

Any discussion? We're ready to vote. All those in favor, please say aye. Any nays? Motion carries. Thank you.

IT WAS MOVED BY MAYOR PETERSON, SECONDED BY COUNCILMEMBER TOLMACHOFF AND UNANIMOUSLY CARRIED TO APPROVE THE RIDECHOICE MANAGEMENT SERVICES CONTRACT AWARD.

5. Regional Paratransit Service Replacement Vehicles Purchase

Chair Pastor said I have you for one more time.

Mr. Young said okay. Thank you, Madam Chair, members. The request in front of you is to give the CEO authority to make a change in the current vehicle order of 54 cutaway vehicles from a one-ton Ford chassis to a one-ton General Motors chassis on current chassis availabilities.

So to provide some history, back in March of 2021 so 17 months ago, the Board approved a purchase of 26 Ford Transit vans, however, due to the impact of the pandemic on manufacturing, Valley Metro had to change those chassis to a Ford E-series chassis. This order of vehicles have not had chassis assigned yet and are still outstanding after 17 months on order. In January of '22, the Board authorized the purchase of 54 cutaway Ford E-50 series one-ton vehicles to replace the remaining ADA paratransit fleet which is currently owned by TransDev. This brought our total order to 80 vehicles.

Now, prior to ordering these vehicles, Valley Metro did analyze the current ridership trends prior to COVID, and we determined we did not need a vehicle the size that would carry three wheelchairs at the same time as we very rarely carried that many vehicles. So we actually did downsize the vehicles that we had ordered from the past.

In June of this year, Creative Bus contacted us who is the bus sales company that were purchasing these from to let us know that they still did not have any of the AD chassis available for bus builds and that the last 54 that we ordered would have price increases of approximately 40.5% or up to about \$32,000 per vehicle.

The current position Valley Metro is experiencing is the AD TransDev-owned vehicles that are planned to be replaced are well beyond their useful life of either 100,000 miles or 150,000, most of them having in excess of 200,000 miles on them. In addition, TransDev's base contract expires at the end of September this year. We're currently



working with a one-year extension again to give us the time to do the joint procurement of reservations and scheduling, however, if, in fact, we're not successful or at the end of that one-year extension, if we don't have these AD vehicles in our possession, we're going to be faced with having 25 vehicles to operate all of the regional paratransit service with. This would definitely have a major impact on some of our most vulnerable adults in this community.

So based on the above information and the unknown status of the current Ford chassis, I immediately started looking at potential alternatives to the Ford chassis since we still don't know when they're going to be available. The first vehicle I looked at is called a BraunAbility minivan. It actually is on a Chrysler Voyager LX chassis and is a small vehicle that holds up to 2 ambulatory individuals and 1 wheelchair. If we have a customer using a wheelchair, it has room for one other additional ambulatory person.

Although this vehicle will work for some of the service that we have on the road, we found out the vehicles that were available did not meet Buy America and once again, if we were to have them built to where they built -- did meet Buy America that we had no idea when the chassis would be available.

The second vehicle I did find was the GM chassis through a sales company Schetky Northwest. They are on the state contract. They actually found 54 General Motors chassis and the manufacturer has those 54 chassis on hold for Valley Metro right now pending Board approval.

So part of this recommendation is based on the fact that 54 General Motor chassis are currently available and it is still unknown when the Ford chassis will be available for the bus builds.

The second part is the urgency -- is the current age of the fleet TransDev owns and the fact that their contract is coming to an end and we need to get those AD vehicles replaced so that as we do the next procurement whoever the successful proposer is we'll have vehicles to operate.

As I stated earlier, the first 26 vehicles after 17 months have not had chassis assigned. If they were assigned today, there would be another 6 months of bus builds before we would get them delivered so we're really starting to push up against that September 20, 2023 date.

So kind of as a side note, I'm continuing to work on this BraunAbility minivan right now and if we can get beyond the Buy America barrier and find chassis available, I will probably be back in front of you asking for the initial 26 vehicles to be changed over to the BraunAbility, but we need to get beyond those barriers to begin with.

So today, I'm recommending that the Board authorize the CEO to change the current vehicle order from a one-ton Ford chassis to a one-ton General Motors chassis, same



type of vehicle that is on order -- or that we have on order today. So I am hoping for questions at this time.

Chair Pastor said Vice Mayor Adams.

Vice Mayor Adams said yes. Thank you for your presentation. I'm just wondering if you can look at the vehicles that have the most miles on them and start with those and kind of do a step approach because of the, you know, the supply chain issues? And perhaps in a year that, you know, they'll get better. But I just am thinking that might be another way to get around it if it's possible. I -- so the vehicles over 250,000 -- vehicles over whatever 100 -- 150,000 and we start with those and baby steps more and not the whole thing at once just to try to save some money and --

Mr. Young said great question and I can guarantee the minute we start -- get the vehicles built, the first ones that we'll be replacing are the ones that have the highest maintenance costs, highest miles so we will get the most expensive to maintain out of service first.

Vice Mayor Adams said okay. Great. Thank you.

Chair Pastor said yes. Any other questions? Councilmember Heredia.

Councilmember Heredia said you mentioned as far as stats on usage, trips and so, what does it look like as far as needing to have such a large vehicle based on those trips that you're -- that you're looking at that data that we need the cutouts for. My question just having -- if the data supports that we need such a large -- the cutaways, I think, if the data doesn't support that, like, finding -- I know you have issues on finding vehicles, but as we move forward, looking at that data and right-sizing the trips that we do make to the vehicle that might cost less so that we are more efficient and effective with both the customers, but also, our resources at Valley Metro. So I'm just curious on that data as far as trips, what does that look like that we need such a large vehicle moving forward?

Other than we can't find any vehicles right now, but it -- after this, this purchase, are we -- how can we, you know, schedule that piece or understand that piece better and order in advance moving forward?

Mr. Young said great comments, Councilmember Heredia. One of the things that I consistently look at is -- is what size of vehicle do we need to accommodate. If you look at any system whether it be paratransit, fixed route, you know, the highest cost item is that driver in the back of the seat. The size of the paratransit vehicles right now, I agree we could probably use a large portion of the fleet smaller, but it's going to take a mix of smaller and larger vehicles. One of the perfect examples is from dialysis centers. Dialysis have pretty firm schedules and this was part of my issue with going from a three-wheelchair vehicle to a two-wheelchair vehicle was the dialysis centers. I



sometimes may have to pull in an additional vehicle if there's three individuals using a wheelchair ready at the same time.

So we're going to continually assess this. As we put together the new model with the joint administration of the two programs, one of the areas that I've developed the RFP on is to actually increase shared rides and trips per revenue hour of the service provider. So right now, and I'll give an example of some of our far-out communities.

We're running a vehicle with one person at 9:00 and 30 minutes later a second vehicle. We want to set up ways to make sure both those persons are on the same vehicle at the same time. So once we implement the new system, we'll do a complete full analysis and make sure that the fleet matches the community needs.

Ms. Mefford-Miller said if I may, Chair, add one point. So the current vehicle order is for 80 vehicles. We only have, if the Board approves this contract today, 54 chassis so that leaves us still with a deficit of 26 vehicles. And so, one of the items that we're looking at is a smaller vehicle like the BraunAbility which is shown here on the schematic and Tom reviewed earlier the capacity of that. This could be an important tool in our toolkit as we move forward with joint dispatch of RideChoice and paratransit services and that's what that software in the last agenda item is going to help us do.

In order to secure those vehicles though, we either have to find a vehicle that meets Buy American standards which is required by Federal Transit Administration. FTA is also at this time contemplating a Buy America waiver specifically for paratransit vehicles because the industry has been so plagued by a shortage and our vehicles are now way beyond their useful life. This is a problem facing Valley Metro and our peers across the country. We're following along and also working with our lobbyists to share our experience with lack of paratransit vehicles so if we get a waiver or a vehicle with a Buy America qualification then those 26 additional vehicles could be purchased, and we can try the smaller coach out.

Councilmember Tolmachoff said Madam Chair?

Chair Pastor said any other questions? Yes.

Councilmember Tolmachoff said Madam Chair. I think it's great to be flexible. I mean, the economy that we're dealing with -- I mean, we need to have maximum flexibility on - - we have a service we need to provide, but what is the net difference in the original chassis that were ordered, the cost net, and the -- of the Ford chassis to the General Motors chassis? It's a -- I believe it's a new positive, but what is the actual difference in cost?

Mr. Young said the difference is approximately \$7,000 per vehicle from the increase of the \$32,000 that we got on the Fords.

Councilmember Tolmachoff said okay. Very good. Thank you.



Chair Pastor said any other questions? It doesn't look like it. May I have a motion on the staff recommendation on the regional paratransit service replacement vehicle purchase.

Motion by Councilmember Stipp, second by Councilmember Judd.

All those in favor, please say aye. Any nays? Motion carries.

IT WAS MOVED BY COUNCILMEMBER STIPP, SECONDED BY COUNCILMEMBER JUDD AND UNANIMOUSLY CARRIED TO APPROVE THE REGIONAL PARATRANSIT SERVICE REPLACEMENT VEHICLES PURCHASE.

6. East Valley Bus Operations and Maintenance Contract Extension Option

Ms. Mefford-Miller said good morning, Chair and Board members. We do have a slide presentation that I would like to review with you briefly. I believe copies of the slides were at your chairs, if like me you have a hard time reading the information on the screen.

The item before us this morning is a request for the Board's to approve a contract extension with First Transit, Inc. for a six-month period to provide revenue service, operations, and engine and transmission rebuilds for a not to exceed amount of \$44,830,400. That's for the period of performance from July 1, 2023 through December 31, 2023. We take this contract extension and having to bring this item to you very seriously. As such, I'd like to spend just a few minutes reviewing the background, how we got to this point, the decision path before us today and some of the decisions that we together as a region will need to make in the coming months.

So as a matter of background, we've got a couple of things happening here. Next slide, please. We have at once a desire to make some adjustments to our operations and maintenance contracts and management of those contracts as I mentioned earlier today. We also received relatively recent notification from the City of Tempe that they intend to release their own request for proposals for performance of bus service within Tempe. I'll walk us up to what our history looks like and then what those decisions that we'll have to make together moving forward. And I'll do my best to make sure I'm segmenting the item before us today versus those items that we're going to have to tackle in the next two months.

So as a matter of background, the East Valley bus operations and maintenance contract as it exists today was formed in 2013. Previously, the City of Tempe directly operated their bus service. They came to join RPTA for bus service through a relatively comprehensive program and study that resulted in what's called the Scout Program. That was trial period for a three-year term in which City of Tempe together with their subregional partners in the East valley chose to begin contracting through Valley Metro RPTA for that service.



The idea was the first two years would be the trial. That third year Tempe would either issue their own RFP or remain within the RPTA contract. They chose to remain within the RPTA contract. In addition to that three-year base, we together as valley Metro -- as a Valley Metro Board authorized subsequent contract extensions to First Transit for the performance of this service.

That contract which is the execution of the last available option years is scheduled to expire on June 30th of 2023. The procurement process and the preparation to transition from one contractor to another on a contract of this magnitude is 12 months. So it's six months for procurement and then six months to transition from one operator to another.

So at the time in 2013, I mentioned a little bit of the background, but a couple of points that I want to make. At that time, the request for proposals that Valley Metro RPTA actually issued was a request for three separate proposals. One was for the East Valley service as it existed with RPTA prior to 2013 so that service that primarily serves the communities of Mesa, Gilbert, Chandler, City of Phoenix, City of Scottsdale, and there are some other smaller elements in there. We also issued a request for proposals for just the Tempe-operated service which is primarily local routes and circulators. And then we also issued a proposal for joint operation of service. This allowed the region to contemplate the cost, the benefits and the requirements of each of those options. The regional partners at that time chose to select a joint regional operation. The cost of that in 2013 dollars over that three-year initial period was a savings of about \$3.7 million that was relative to First Transit which is the bar graph shown on the left. First Transit's proposal for regional service versus First Transit's proposal for two separate contracts. So that is what is decided and then that is what we've been operating under more or less since 2013. We've had two extensions since that time.

So the unification included a few components, it's important to note what those are because if now we disentangle, we'll have to move through the reverse of these decisions. So this includes the transference of assets, assets in this instance, namely buses, parts and operating facilities. RPTA has since 2013 been leasing space at the East valley bus operations and maintenance center from the City of Tempe. We have a number of intergovernmental agreements with the City of Tempe for use of this space and use of the vehicles. We executed two subsequent extensions as I mentioned, together those decisions were made in 2016 and 2018.

Okay. So fast forward to present day. Next slide, please. So here's where we're at and here's how we arrive at needing to extend the contract. The City of Tempe for a little more than a year has contemplated resuming to direct operation or direct contracting I should say of service as they did prior to 2013. In 2020 when Tempe hired a consultant firm to help them with an assessment and make a decision on whether to remain with RPTA or to pursue another option such as Tempe direct contracting. That began in May of 2021. I arrived in April 2022. We began meeting with Tempe to review the work that was created by Nelson\Nygaard and City of Tempe staff. We had, I think, a couple



of very good meetings about our options moving forward and Nelson\Nygaard and Tempe really put forth two different paths. One would be City of Tempe remaining within RPTA. They did have a set of requirements. If they were to remain within RPTA regarding contract terms, contract performance, engagement between City of Tempe staff, Valley Metro RPTA staff, and the contractors. We were in agreement on each of those items and agree that we can do better at delivery service across East Valley.

In May or late April of 2022, City of Tempe indicated that they wished to issue their own RFP. And so, since June at a subregional level, staff has been working to tackle some of the difficult questions about disentangling service. We presented this item to TMC, RMC on August 4th. Since then, we've had a couple of focused meetings at the staff level about critical path discussions including what provider would operate what service recognizing some routes are local within -- encompassed totally within a given jurisdiction. Most of our routes across the Valley are regional that means they transfer between different jurisdictions.

We have these decision points. At this point, I want to bring this to this Board to make you aware. Our next step would be to have this conversation at the city manager level. Previously, it's been at the RTAG or really the technical staff level.

Fast forward today. Today, we're here before you to request authorization of this contract extension so we can move through this process. And our intergovernmental agreement with Tempe and our contract for First Transit currently expires June 30th, 2023. And the City of Tempe has expressed a willingness to consider remaining within that RPTA contract for the six-month period to allow us time to move through the scope development process.

Let's take a look at scope development. So staff actually presented to this Board in January of 2022, a request to issue an RFP for operations and maintenance of East Valley bus service. That was approved by this Board. Staff subsequently worked to develop that scope; however, we need to develop a revised scope of work at this time. Our initial timeline proposed does not allow us to have the very important conversations that we need because one of those critical items for scope is what's in the scope? What service is actually being operated. So that potential bidders can be responsive.

So in March, Valley Metro staff did provide member cities with a draft scope of work, but again, that doesn't include any potential changes. So moving forward we've got a few key scope focus items that we'll have to decide. With respect to performance so ignoring geography and who operates what for a moment, items that we're working through are role definition between contractor and contract agency so Valley Metro, City of Tempe. Performance management, really working to tighten performance criteria included in the O&M contract and then our management and execution of that performance criteria. Recall my mention earlier of my APTA peer review. This is focused on just that as well as identification of a set of performance standards or KPIs and a continuous improvement process for being responsive to those KPIs. Also, we've really got to codify and improve upon our communication and collaboration between the



contracting entity in this case Valley Metro RPTA and the member cities with whom we're doing business.

Now, with respect to geography specifically, we have to determine who operates what and we call this route assignment. So that's which provider, but then we also have to take it a step further and I don't want to get too into the weeds today, but we have to decide which best routes come out of which facilities. In East Valley, we currently operate bus service out of the Mesa Greenfield facility and the Tempe East Valley bus operations and maintenance facility. One of the advantages or economies of scale we achieved back in 2013 was leveraging the then underutilized Tempe EVBOM and then alleviating some of the large volume that we had at the Mesa Greenfield facility. It also helps us minimize what we call deadhead time. That's just the time it takes from a bus to get from the garage to the beginning of its revenue service. I like the strategic position of those two facilities, one being southwest, the other being further northeast. So we would have to look at that route assignment.

This discussion actually happened just yesterday between our technical teams. And then, again, performance standards, continuous improvement processes. And then we have to consider the financial impact for member cities, but I do need to tell you I'm not equipped to provide a cost estimate today or what your service costs would look like under the various provider scenarios. We don't have that information until and unless we actually have proposals from contractors. I shared the 2013 information with you as a matter of backdrop. That's the best that we have to draw from.

So this is a revised timeline that we have prepared. Six months is the longest period of time we can extend the RPTA East Valley bus operations and maintenance contract without losing federal funds. So this has to be a federally-compliant contract. On an annual basis, we have about \$7.3 million of federal vehicle maintenance funds involved in this contract so we can't take it out a year. What we can do is backload those federal formula funds so that there's no harm done to the member cities. We don't want this to cost anybody anymore while we move through -- than is necessary while we move through this extension period.

So in order to have Board approval for a contract in June of 2023 which seems like a long way out, but it really is not, we have to have a final scope inclusive of all of the necessary elements: procurement standards, independent cost estimate by around October 18th. That is two months from today. It then goes through the City of Phoenix's procurement team for review and then we would actually advertise the RFP around a Thanksgiving timeline with proposals due at the beginning of March. These proposals as you can imagine are quite detailed. They involve developing collective bargaining agreements with labor identifying the staff and the vehicle equipment resources necessary so that is why it seems like a long time, but it really is not. This is the most aggressively we can move.

Okay. That was back drop and information. I want to give you the full landscape. Now, I want to take you to the action item at hand today and that's that six-month extension.



So the cost of the six-month extension is laid out before you. For the six-month period of time, the proposed cost -- this came to us from our vendor First Transit. We are currently negotiating with First Transit and reviewing their detailed cost proposal. It is \$42,279,745 plus a 5% contingency. That's \$2.1 million. That contingency if tapped into would be for items like additional revenue service such as service expansion if a member city chooses to expand their service offering, enhanced service for special events so think if we were running shuttles to a Super Bowl or something like that and then bus bridges as necessary.

This is that six-month period and then after that point, we would have to replace this with a new contract. The total is that \$44 million I referenced at the top of our conversation. \$44,830,400 for operations, maintenance and heavy-duty maintenance because the vehicles now need some midlife repairs. That's that transmission replacement and engine overhaul I mentioned earlier that just weren't programmed within the period.

So that's the recommendation and then I've got another slide if we need to go back to those future discussion points as reference, but I want to pause here and turn it back to you, Chair.

Chair Pastor said are there any questions? Go ahead, Councilman Stipp. Okay. I'll go to Councilmember Stipp, Councilmember Hartke, Councilmember Heredia. Oh, Mayor. I'm sorry. Mayor Hartke. I didn't want to say Kevin, but Mayor.

Councilmember Stipp said just real brief. The \$44 million extension is paid for how? RPTA? Member city contribution? Combination of both?

Ms. Mefford-Miller said combination of both. Yeah. Thank you, Councilmember.

Councilmember Stipp said Thank you.

Ms. Mefford-Miller said so we have intergovernmental agreements with each of our member cities and they outline the use of funds which are for this type of contract. They are local funds and they are PTF, Public Transportation Funds. We would have to have new intergovernmental agreements with the member cities to support this contract extension.

Councilmember Stipp said thanks.

Chair Pastor said Mayor Hartke.

Mayor Hartke said thank you. Hey, I have some questions and maybe I'd like to make a recommendation as part of this. Is there any way that as part of this motion or recommendation that we can encourage the City of Tempe to work with Valley Metro to build their own RFP or separate RFPs to issue a joint RFP so that there can be a true



comparison of costs for the City of Tempe and their council? I -- I'm a little concerned that not only with them. There was a reason that we went to this procedure before and I just would like to -- issue a joint RFP. This here obviously has some pretty big impacts on Chandler with routes 56, 66, 72 and 81 that we -- in terms of our ability to control some busing within our city. So what would it take to add the consideration of a joint RFP to be part of this process?

Mr. Wawro said Mayor, hi, this is Michael Wawro. I'll go ahead and take that question. The motion that comes before the Board can be crafted by the member that's making it. We have to remember though that we can invite a party to enter into an agreement, but we, certainly, can't bind them with the Board's motion at this time, it would be just authorization to be able to explore that option.

Mayor Hartke said I understand. I would just recommend that we do so. Just, we gained efficiencies once we went this direction in 2013 and I'm concerned that were not only going to lose efficiencies, but the regional movement at a time when we're also looking at -- at the hard work in front of us with Prop 400 to kind of start separating, to me, doesn't send the message that we want to as well. So I just would recommend that -- that we present this to the City of Tempe. We cannot control them or certainly, have any desire to do so, but it would seem to be in the best interest of the region that we maintain a regional front and regional operations at this time.

Mr. Wawro said Chair, if I can add an additional comment to that. Mayor Hartke, I think you're also referring to -- there's already been RFP authorization back from January of this year. That RFP hasn't been developed yet and so it doesn't exist yet and it will -- it will be developed and how it looks, I think, is really what we're here about today to get that extension so that we can develop that RFP and I think that that's probably where that's best developed.

Mayor Hartke said I accept that. I just want to make sure that Tempe is going before they make a decision at a council level that they're going to have all the information and I think, a joint RFP would be important for them to have as they look at their own RFP.

Chair Pastor said thank you. Vice Mayor Adams.

Vice Mayor Adams said yes. Thank you, Mayor Hartke, for your response. The City of Tempe just wants to focus on the extension right now of the contract, however, we are open to continuing our conversations and our main purpose for wanting to go solo is my understanding is that we had some customer service issues and we do have a new CEO now and we're going to prepare to meet with her with our council and discuss some things and not make a decision on it at this point.

Chair Pastor said Councilmember Heredia.

Councilmember Heredia said just want to echo. Thank you, Vice Mayor Adams. Just echo Mayor Hartke's concerns. You know for Mesa, we -- we intend to work on a



regional solution for transit and want to keep that and hopefully, communications keep evolving and with all parties involved here so that we can all work on a system that works for everybody and I do have a question on the timeline again. So this six-month extension, you said October, and RFP will be sent out?

Ms. Mefford-Miller said Councilmember Heredia, in October, around October 18th, if you want to reverse, Stephanie, to that timeline, is when we would have to finalize the content of the RFP inclusive of the supporting documentation, evaluation criteria, independent cost estimate. Then RFPs go through City of Phoenix who is the federal -- the Federal Transit Administration designated recipient and then it would be released around November 23 to potential vendors.

So there's a few week process there of administration to support it.

Councilmember Heredia said do you think give us enough time to work with City of Tempe and all Valley Metro to maybe come to a solution or figure out?

Ms. Mefford-Miller said I think so. It's aggressive, but we've been working together. We're not strangers to one another and we have such strong, I think, collaborative relationships within our teams. Those relationships, I believe, have strengthened of late, I'm confident that while it's pressure, it can be some healthy pressure and we can move through this and rise to the challenge.

Councilmember Heredia said perfect. Thank you.

Councilmember Tolmachoff said thank you, Madam Chair. I think this kind of a warning too. I have heard some rumblings from other cities that are contemplating this type of action also and just to understand how complicated this system is and that it is designed to be a regional system and trying to unplug pieces from something that's, you know, like, a whole system is incredibly complicated and could be detrimental to the -- to the people who use the service. So just a warning to any -- anybody who may be contemplating this, but I did want to ask because there's so much uncertainty on the extension of the PTF funds and what kind of parameters there may be included in an extension of that on how are we going to be interweaving those conversations into this here? Because we wouldn't want to make any kind of long-term commitments. I mean, I know some of the proposals were, you know, fixed route service off the top and things like that so how would that interplay? I'm sure that's part of the conversation, but how does that work with the conversations between -- at this time, between your staff and the staff at Tempe?

Ms. Mefford-Miller said sure. So at this moment for service operation including RideChoice, bus services especially, we have to move forward with an assumption that we will see the continuance of Proposition 400. Without that and there will be clauses in the request for proposals and in our contract for a re-evaluation of costs. The contractor would essentially have to rebid service if we had to reduce it. And I want to be clear, if we don't see an extension of Proposition 400, I can't imagine a future in



which our member cities would have the capacity to tax themselves locally to support the level of operating and capital programs that we're planning for at this time. And so, we've got to -- to sum it up, we've got to assume Prop 400 is extended. And the avenue if it's not extended would be a large service reduction and renegotiation of costs. When we're reducing costs, the cost per mile will go up. There's an inverse relationship between cost and service level there so we would be providing less service at a higher rate which really results in a cascading spiral of less revenue, more cuts.

Councilmember Tolmachoff said if I could. None of us at this point really know what the final version hopefully that goes before voters is going to be, but I know there were some of these costs that were going to be considered off the top of the regional pot of money. And so that may or may not complicate things too because off the top is much simpler, I think, when you're talking regional than when you're, you know, divvying things up between, you know, jurisdictional boundaries within cities. So it's just -- I mean, there's so much uncertainty right now it's really hard to know what things are going to look like in 2026, '27 and as we move forward because we don't really know, you know, what the -- is there going to be a special session? Is the -- you know, what are the results of the election in November going to look like? Are we going to be able to be successful next session? I mean, there's just so much uncertainty about where we are right now with, you know, funding for transit that it's -- it's pretty frightening really.

Ms. Mefford-Miller said it is. So the Transit Lifecycle Program which is encapsulated in the Regional Transit Plan does account for levels of service moving forward. They're projections, right? We're looking out at a 25-year horizon so we have to do some measure of projection so there's enough uncertainty and complication I have found as I'm still four months in and navigating the matrix of funding sources and -- and different entities. If we upset it, we have to -- we have to readjust. And so, the TLCP, the Transit Lifecycle Program, would also have to be readjusted.

Chair Pastor said Mayor Peterson.

Mayor Peterson said thank you, Chair. I just wanted to really back up my friends in Mesa and Chandler, Mayor Hartke and Councilmember Heredia. Transportation in this Valley really sets this region apart due to our regional cooperation and I think that changes like these could really impact our cities specifically, my town and their cities specifically, but I'm very encouraged by the comments of Vice Mayor Adams that she just made about the City of Tempe. And I think with the past two years and everything that we've seen and faced, we've seen so many changes in service and the way things have done, and I think, Jessica, just the way you talk about this system after being here only four months, it's like you know so many aspects of it that you've got your hands around already and I'm so impressed by that. And I'm hoping that that helps ease the minds of our friends in Tempe too and brings us back around to a really logical solution for all of us. So thanks for all you're doing. Thank you to Tempe for those comments and let's work this out. Thanks, Jessica.



Chair Pastor said Supervisor Sellers.

Supervisor Sellers said yeah. This is just a comment. I want to remind everyone -- I think everyone knows this, but I want to remind everyone that Maricopa County is the only county in Arizona that has to have the legislature approve us having our voters tell us what they would like. We really need to find a way to fix that.

Chair Pastor said there's agreement. What I would like to say is that we are in a complicated place and there are reasons why we're in this -- we're facing this at this moment. I don't know the past because I wasn't part of the past to understand how we got here and I think it would -- and what I'm understanding it's due to customer service.

So if there's a way that we can work on those elements and pieces and also have the conversations which I know are happening with Valley Metro and Tempe on resolving why we got here, I think we could continue and will continue as a regional piece. It's all dependent on Tempe --

Regardless, in the end where we land, the outcome should be where regional transit -- regardless of who's operating or what city is managing their operations, we have to be seamless. And so, those are kind of the -- the -- I say the sticky pieces because when it's not one whole system and you're operating -- it's a different dynamic that happens in a room with multiple voices and wanting to get to that outcome.

So I appreciate Vice Mayor Adams in taking on this lead and taking this role, but I do have the faith that we will get there and I also have -- know that the right people are in those discussions.

I believe, Jessica, you bring a fresh voice and as able to say and deliver in a way that everybody can hear even if you tell us, no, but we can hear and we understand why it's a no. So I appreciate it -- appreciate that in the conversation.

Mayor Hartke -- your hands not. Okay. Do you have any questions, Mayor Hartke? All right. Yeah.

Ms. Mefford-Miller said if I may make one comment. I don't think I emphasized this enough during the presentation so we're coming to this Board today with hat in hand. When I first arrived here and started meeting with Tempe staff who are in the audience today, they had a number of concerns. Primarily, about customer service and our service performance and I listened and looked at the numbers and four months later, I'm in agreement with those very real concerns. This is an opportunity for us to rethink how we are designing, delivering, and contracting for service so regardless of the outcome and the who operates what, those concerns about service performance are going to be reflected in our path forward.

Chair Pastor said thank you. Does anybody have a motion?



Motion by Mayor Peterson, second by Councilmember Tolmachoff.

All those in favor -- any discussion? I remembered. Any discussion? No discussion.
All those in favor, please say aye. Any nays? Motion carries.

IT WAS MOVED BY MAYOR PETERSON, SECONDED BY COUNCILMEMBER TOLMACHOFF AND UNANIMOUSLY CARRIED TO APPROVE THE EAST VALLEY BUS OPERATIONS AND MAINTENANCE CONTRACT EXTENSION OPTION.

7. Audit and Finance Subcommittee Election

Chair Pastor said I request a motion and a second to elect Mayor Brigette Peterson to the Audit and Finance Subcommittee for a two-year term.

Motion by Councilmember Stipp, second by Mayor Adams.

Chair Pastor said all those in favor, please say aye. Any nays? No nays. Okay.
Motion carries. Welcome.

IT WAS MOVED BY COUNCILMEMBER STIPP, SECONDED BY VICE MAYOR ADAMS AND UNANIMOUSLY CARRIED TO ELECT MAYOR PETERSON TO THE AUDIT AND FINANCE SUBCOMMITTEE FOR A TWO-YEAR TERM.

8. Report on Current Events and Suggested Future Agenda Items

Chair Pastor said there are none.

9. Next Meeting

The next Board meeting is scheduled for Thursday, September 22, 2022 at 11:15 a.m.

With no further discussion the meeting adjourned at 12:49 p.m.



Information Summary

DATE

September 22, 2022

AGENDA ITEM 3

SUBJECT

Regional Paratransit Service Replacement Vehicles Purchase

PURPOSE

To request authorization for the Chief Executive Officer (CEO) to purchase up to 26 paratransit BraunAbility vans from Creative Bus Sales under the Arizona Department of Administration (ADOA) Contract CTR054848 at combined federal and local cost not to exceed \$1,701,730 for the Valley Metro regional paratransit service.

RECOMMENDATION

Staff recommends that the Board of Directors authorize the CEO to purchase up to 26 BraunAbility vans from Creative Bus Sales under the Arizona Department of Administration (ADOA) Contract CTR054848 at a combined federal and local cost not to exceed \$1,701,730.

BACKGROUND | DISCUSSION | CONSIDERATION

Since July 2012, Valley Metro has required paratransit contract operators to provide the paratransit fleet. When purchased by the contractor, the amortized cost of the paratransit fleet is included in the contractors per trip rate and paid for entirely by the cities through their paratransit IGAs. In 2018, to reduce paratransit costs, Valley Metro amended its contract for paratransit operations so that Valley Metro took over the replacement of paratransit vehicles. Doing so made the vehicles' purchase eligible for 85% federal funding and shifted the remaining 15% to regional PTF, eliminating the passing through of vehicle costs to the cities and saving an estimated \$6.1 million over the full fleet replacement.

Currently, Valley Metro has two separate orders for Regional Paratransit Vehicles, 26 Ford E-350 cutaway vehicles and 54 GMC 1-ton cutaway vehicles. The 26 Ford E-350 vehicles have been on order since March of 2021. However, due to the impact of the pandemic on manufacturing, Valley Metro had to change to a Ford E-Series Chassis. This order of vehicles has not had Chassis assigned after 17-months on order. On January 20, 2022, the Board of Directors approved an increase to the contract authorization to complete the purchase of 26 vans (along with the 54 mentioned above) approved in March 2021 at a combined federal and local cost not to exceed \$4,543,514.

Board action in August 2022 approved a change to the 54 from Ford to GMC 1-ton chassis based on current chassis availability. Pursuant the conversation during the board meeting on smaller vehicles, staff has found 26 Chrysler Voyager LX Chassis for a smaller vehicle manufactured by BraunAbility. The capacity for the vehicle includes two wheelchair positions and 3 ambulatory seating, or up to 7 ambulatory seating when



not transporting individuals using a wheelchair.

The cost of the BraunAbility vehicles is approximately 17 % less than the Board approved purchase price of the Ford E-350 vehicles (\$13,290 each). Because a delivery date for the 26 vehicles currently on order could not be estimated or guaranteed and recognizing the vehicles scheduled to be replaced are well beyond their useful life, and the new solicitation for a service provider is in progress, it is imperative Valley Metro receives the replacement vehicles to ensure Regional ADA Paratransit service is not negatively impacted.

On August 23, 2022, Valley Metro staff met with Creative Bus Sales based on their current state contract for mobility vehicles and their follow-up the same day identified 26 chassis that meet Buy America are currently available. The vehicles could be built and delivered to Valley Metro in the second quarter of FY 2023.

This purchase will utilize the state of Arizona's competitively procured cooperative contract for Mobility Vehicles and Vehicle Conversion Services. The state's contract was procured for the purchase of large quantities of vehicles, and therefore provides more competitive pricing than Valley Metro could secure on its own.

COST AND BUDGET

Paratransit vehicles are eligible for 85% federal funding. The remaining 15% is funded by regional Public Transportation Fund (PTF) rather than from any specific jurisdiction's PTF allocation. For the contract authority addressed in this request, this results in \$1,446,470 of federal funding, which has been identified, and \$255,260 of PTF funds.

COMMITTEE PROCESS

TMC: September 7, 2022 for approved

Board of Directors: September 22, 2022 for action

CONTACT

Tom Young

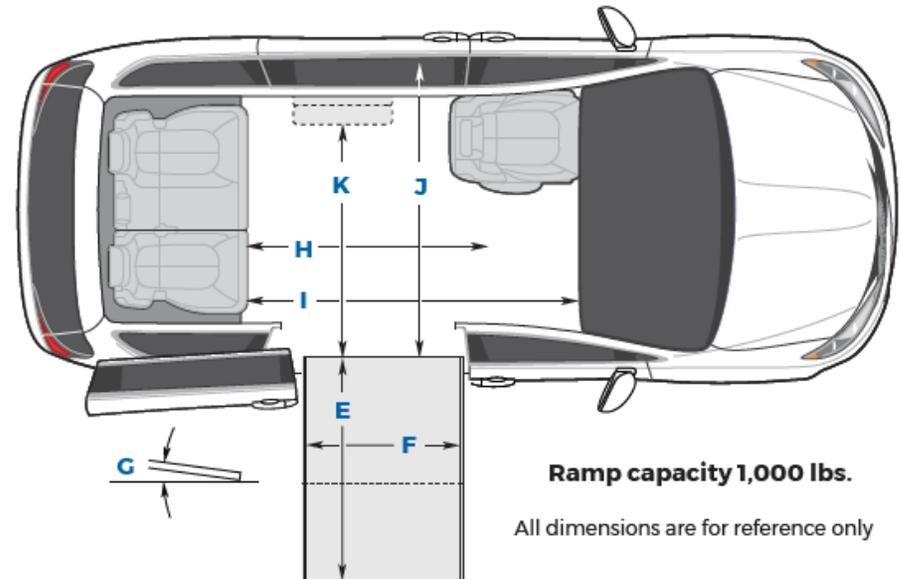
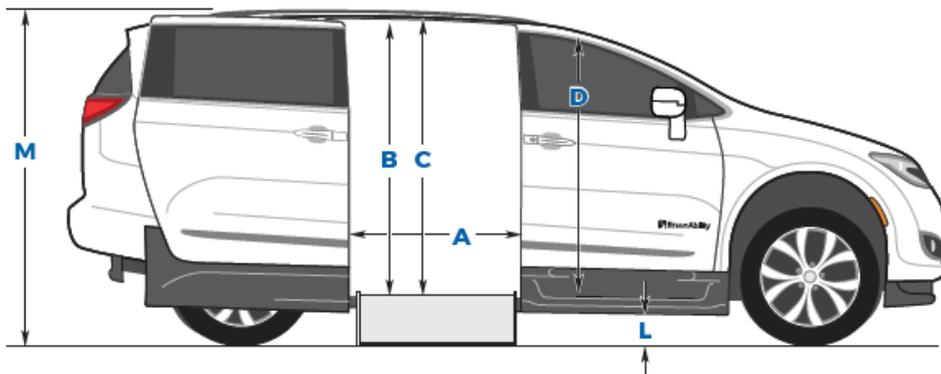
Accessible Transit Services Manager

tyoung@valleymetro.org

ATTACHMENT

Vehicle drawings

BraunAbility Vans





Information Summary

DATE

September 15, 2022

AGENDA ITEM 4

SUBJECT

Trapeze Pass Additional Modules - Accessible Transit

PURPOSE

To request authorization for the Chief Executive Officer (CEO) to procure additional software modules and professional services to support Valley Metro's ADA Paratransit and RideChoice services.

RECOMMENDATION

Staff recommends that the Board of Directors authorize the CEO to procure additional software modules and professional services for Trapeze. The period of authorization is FY 2023 – FY 2025, in an amount not to exceed \$689,000 plus a 5% contingency of \$35,000, for a total not-to-exceed authorization amount of \$724,000.

BACKGROUND | DISCUSSION | CONSIDERATION

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

As part of the system today, Transdev uses a third-party provider to connect to the Trapeze scheduling and dispatching system to notify customers of upcoming rides. This system will send voice or text messages to customers the night before they have a scheduled trip and remind them of the trip. It also gives the customer the opportunity to confirm or cancel the trip. In addition, the system will send a voice or text message 30-minutes prior to a vehicle arriving for pick-up the day of the trip.

After evaluating the third-party system Transdev uses, we also requested information from Trapeze on their notification system. After review, ATS staff, working with Valley Metro IT staff, determined the Trapeze product provided the necessary functionality of Transdev's current system and would eliminate the need to have a third-party vendor involved. Implementing Trapeze Pass Notification system will ensure consistency in



services for our customers as we implement the combined administration of the ADA Paratransit and RideChoice program.

To increase customer facing payment options and prepare for the joint administration of the ADA Paratransit and RideChoice programs, we are also proposing to procure three additional Trapeze modules, PASS-Web, EZ-Wallet, and PASS Mobile Application. The PASS-Web and EZ-Wallet modules will ensure RideChoice customers have the same access to their accounts and the ability to make electronic payments as they do today. PASS-Web will enhance customer-facing by allowing trip reservations to be made by the customer, online, without having to make a phone call to the reservation's office. Adding the PASS Mobile Application will allow customers, ADA Paratransit and RideChoice, to manage and track their rides through electronic means without having to call into the reservations and/or dispatch office and monitor their trips on their mobile device when in the community. These software enhancements will also prepare for the management of additional demand response programs including microtransit.

Item	One-Time	Annual	Total
Notifications	\$119,000	\$18,000	\$137,000
PASS App	\$84,000	\$7,000	\$91,000
PASS-Web	\$103,000	\$11,000	\$114,000
EZ-Wallet	\$155,000	\$19,000	\$174,000
Voice/SMS Fees <i>(Estimated)</i>	---	\$15,000	\$15,000
Year One Subtotal:	\$461,000	\$70,000	\$531,000
Maintenance	---	\$58,000	\$58,000
Voice/SMS Fees <i>(Estimated)</i>	---	\$18,000	\$18,000
Year Two Subtotal:	---	\$76,000	\$76,000
Maintenance	---	\$61,000	\$61,000
Voice/SMS Fees <i>(Estimated)</i>	---	\$21,000	\$21,000
Year Three Subtotal:	---	\$82,000	\$82,000
Total:	\$461,000	\$228,000	\$689,000

COST AND BUDGET

The funds for the software and professional services outlined in this memo are already included in the adopted RPTA FY 2023 Operating and Capital Budgets as part of the RideChoice & ADA Paratransit Administrative Broker Services initiative. The currently requested authorization is not to exceed \$724,000 through FY 2025.

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



COMMITTEE ACTION

RTAG: August 16, 2022 for information

TMC: September 7, 2022 approved

Board of Directors: September 22, 2022 for action

CONTACT

Phil Ozlin

Chief Information Officer

pozlin@valleymetro.org

ATTACHMENT

None



Information Summary

DATE

September 15, 2022

AGENDA ITEM 5**SUBJECT**

Report on Current Events and Suggested Future Agenda Items

PURPOSE

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

COST AND BUDGET

None

RECOMMENDATION

This item is presented for information only.

BACKGROUND | DISCUSSION | CONSIDERATION

None

STRATEGIC PLAN ALIGNMENT

None

COMMITTEE PROCESS

None

CONTACT

Jessica Mefford-Miller

Chief Executive Officer

602-262-7433

jmeffordmiller@valleymetro.org

ATTACHMENT

None

Pending Items Request

Item Requested	Date Requested	Planned Follow-up Date



Agenda

September 15, 2022

Valley Metro Rail
Thursday, September 22, 2022
Boardroom/Webex
Valley Metro, 101 N. 1st Avenue, 10th Floor
11:15 a.m.

Action Recommended

1. Public Comment

1. For Information

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

2. Minutes

2. For action

Minutes from the August 18, 2022 Board meeting are presented for approval.

3. Settlement of Claim(s), Jackson v. Hinson, et al.

3. For action

Staff recommends that the Board of Directors approve and authorize the Interim General Counsel to issue settlement to Alfretha Jackson not to exceed \$200,000 and authorize the CEO to execute a settlement agreement approved by the Interim General Counsel.

4. Report on Current Events and Suggested Future Agenda Items

4. For information

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



5. Next Meeting

5. For information

The next meeting of the Board is scheduled for **Thursday, October 27, 2022 at 11:15 a.m.**

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



Information Summary

DATE

September 15, 2022

AGENDA ITEM 1**SUBJECT**

Public Comment

PURPOSE

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

COST AND BUDGET

None

RECOMMENDATION

This item is presented for information only.

BACKGROUND | DISCUSSION | CONSIDERATION

None

COMMITTEE PROCESS

None

CONTACT

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

ATTACHMENT

None



Minutes

September 15, 2022

AGENDA ITEM 2A

Board of Directors

August 18, 2022
Boardroom/Webex
11:15 a.m.

Valley Metro Rail Participants

Vice Mayor Laura Pastor, City of Phoenix - **Vice Chair**
Mayor Kevin Hartke, City of Chandler (phone)
Councilmember Francisco Heredia, City of Mesa (phone)
Vice Mayor Jennifer Adams, City of Tempe

Chair Pastor called the meeting to order at 12:54 p.m.

Chair Pastor said all right. I am convening the meeting and welcome members to the August meeting.

1. Public Comment

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

Pat.

Ms. Dillon said Mr. Crowley.

Mr. Crowley said all righty. And what I have to say is that how come Rail you have no concept of multi-modal? Now, I understand from the Chair you're going to be looking back at those stops and that, but when you spend \$30 million for somebody to design stuff and you also say that you're paying them to work the bus stops, why isn't it multi-modal? Were they not instructed that? Is that not the awareness of air quality? And also, when you don't have the stops blended your most vulnerable clients are subject to what? As I said, with that one stop being a 12th to 15th, 3/8ths of a mile, if the person is in a chair that's one thing, but what if they're minimally ambulatory? You're causing, what? To design the system for who? The machine? Why aren't you designing it for your clientele?

Also, you've got the Northwest Extension and naming on that, and back in the '70s when they were building Metrocenter, I would sit on the porch at my farm at Dunlap and the freeway. It ran from the freeway to 25th from Dunlap to the canal. And if you want you can name that station after me, but that's just a thing there. But when I see that you're going -- because you said the Dunlap station, I don't see that as Dunlap and 25th. I see that station as being in the Metrocenter Parkway and the Metrocenter area



so when you're saying Dunlap, you're what, almost a mile away from where that is and what it would be doing.

So back to the arrogance of the Rail. You need to be more multi-modal. You need to be doing it correctly and when it comes to that new extension and such, I believe you're being delusional that you think that it's going to pass in that the legislature moved to the right. So why would they even be bringing it up over the next two years.

The reason for the hostility, ask Pat. Mr. Dubalsky (phonetic) and the rest of it. That each one of you were enemies against each other. You need to cooperate. You need to start working for us and get the job done right. That is to instruct it to be multi-modal and also, you remember the thing about the drinking fountains. Is there anything today of you guys saying, hey, we need to get all of those drinking fountains on the rail covered? No. Just a thought.

Sorry for the 17 extra.

Chair Pastor said thank you, Blue.

2. Consent Agenda

Chair Pastor said the Consent Agenda is presented for action. Are there any questions on the Consent Agenda? If none, may I have a motion and a second?

Motion by Vice Mayor Adams Speaker, second by Mayor Hartke.

All those in favor, please say aye. All those, please say nay. Motion carries.

IT WAS MOVED BY VICE MAYOR ADAMS, SECONDED BY MAYOR HARTKE AND UNANIMOUSLY CARRIED TO APPROVE THE CONSENT AGENDA.

3. Board Officer Election

Chair Pastor said I request a motion and a second to elect Vice Mayor Jennifer Adams as the Chair of the Valley Metro Rail for fiscal year 2023. Do I hear a motion?

Motion by Councilmember Heredia, second by Mayor Hartke.

Any discussion? All those in favor, please say aye. All those not in favor, please say nay. Motion carries.

IT WAS MOVED BY COUNCILMEMBER HEREDIA, SECONDED MAYOR HARTKE AND UNANIMOUSLY CARRIED TO ELECT VICE MAYOR ADAMS AS CHAIR OF THE VALLEY METRO RAIL BOARD OF DIRECTORS FOR FISCAL YEAR 2023.



4. Report on Current Events and Suggested Future Agenda Items

Chair Pastor said nothing. I don't hear anything.

5. Next Meeting

The next meeting of the Board is scheduled for Thursday, September 22, 2022 at 11:15 a.m.

6. Executive Session

Chair Pastor said I request a motion and a second to enter into Exec session as outlined on the agenda. May I have a motion?

Motion by Councilmember Heredia, second by Vice Mayor Adams.

All those in favor, please say aye. Any nays? Motion carries.

IT WAS MOVED BY COUNCILMEMBER HEREDIA, SECONDED VICE MAYOR ADAMS AND UNANIMOUSLY CARRIED TO ADJOURN REGULAR MEETING AND CONVENE TO EXECUTIVE SESSION.

The regular meeting of the VMR adjourned and entered into Executive Session.

With no further discussion the meeting adjourned at 1:00 p.m.



Information Summary

DATE

September 15, 2022

AGENDA ITEM 3**SUBJECT**

Settlement of Claim(s), *Jackson v. Hinson, et al.*

PURPOSE

To request authorization for Valley Metro Rail, Inc. ("VMR") to settle all claims in *Jackson v. Hinson, et al.*, for an amount not to exceed \$200,000 and authorize the CEO to execute a settlement agreement approved by the Interim General Counsel.

RECOMMENDATION

Staff recommends that the Board of Directors approve and authorize the Interim General Counsel to issue settlement to Alfretha Jackson not to exceed \$200,000 and authorize the CEO to execute a settlement agreement approved by the Interim General Counsel.

BACKGROUND/DISCUSSION/CONSIDERATION

On January 12, 2020, Alfretha Jackson fell and suffered injuries when a Valley Metro light rail vehicle accelerated before she was seated. Following a notice of claim, a lawsuit was filed in the Maricopa County Superior Court. After an initial period of litigation, mediation was scheduled and occurred on August 23, 2022. The VMR Board met in executive session for the purposes of discussing the litigation on August 18th and gave VMR's attorney direction regarding the case.

Mediation was successful and the case has conditionally settled. If the Board approves and authorizes settlement, VMR will immediately proceed with executing settlement documents and making payment.

COST AND BUDGET

For FY 2023, this change will cost \$200,000.00 to VMR. This expense was not anticipated when the budget was developed. Therefore, a mid-year budget adjustment in the amount of \$200,000 will be needed to allow Valley Metro Rail to process the settlement amount which will be funded from local member city contributions.

COMMITTEE PROCESS

Board of Directors: Executive Session August 18, 2022

Board of Directors September 22, 2022 for action

CONTACT

Michael Wawro

Interim General Counsel, Legal Division

mwawro@valleymetro.org



Information Summary

DATE

September 15, 2022

AGENDA ITEM 4**SUBJECT**

Report on Current Events and Suggested Future Agenda Items

PURPOSE

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

COST AND BUDGET

None

RECOMMENDATION

This item is presented for information only.

BACKGROUND/DISCUSSION/CONSIDERATION

None

COMMITTEE ACTION

None

CONTACT

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

ATTACHMENT

None

Pending Items Request

Item Requested	Date Requested	Planned Follow-up Date