MEETINGS OF THE

Management Committees

TMC/RMC Joint Meeting	Transit Management Committee (TMC)	Rail Management Committee (RMC)

Date:
February 2, 2022

Starting Time
11:00 a.m.

Meetings to occur sequentially

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

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

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

Agenda

January 26, 2022

Joint Meeting Agenda
Transit Management Committee
And
Rail Management Committee
Wednesday, February 2, 2022
Valley Metro, 101 N. 1st Avenue, 10th Floor
Boardroom/Webex
11:00 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
	Scott Smith, CEO, will brief the TMC/RMC on current issues.	

CONSENT AGENDA

3A.	Minutes	3A. For action
	Minutes from the January 5, 2022 TMC/RMC meeting are presented for approval.	
3B.	2022 Valley Metro Federal Public Transportation Agenda	3B. For action
	Staff recommends that the TMC/RMC forward to the Boards of Directors approval of the 2022 Federal Public Transportation Agenda.	

3C. City of Phoenix Grant Pass-Through Intergovernmental Agreement Change Orders — 3C. For action

Staff recommends that the TMC/RMC forward to the Boards of Directors authorize the CEO to execute IGAs and change orders with the City of Phoenix for the listed grants.

REGULAR AGENDA

4. Transit Asset Management Program Update — 4. For information

Staff will update the TMC/RMC on the use of Transit Asset Management (TAM) to understand long-term asset needs, costs, and the impact of Valley Metro's transition from a new to mature system.

5. Quarterly Reports — 5. For information

Fiscal Year 2022 Quarterly Reports are presented for information.

6. Travel, Expenditures and Solicitations — 6. For information

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

7. Report on Current Events and Suggested Future Agenda Items — 7. For information

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

8. Next Meeting — 8. For information

The next meeting of the TMC/RMC is scheduled for **Wednesday, March 2, 2022 at 11:00 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
January 26, 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
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ATTACHMENT
None

Information Summary

DATE **AGENDA ITEM 2**
January 26, 2022

SUBJECT
Chief Executive Officer's Report

PURPOSE
Scott Smith, Chief Executive Officer, will brief the TMC/RMC on current issues.

COST AND BUDGET
None

RECOMMENDATION
This item is presented for information only.

BACKGROUND | DISCUSSION | CONSIDERATION
None

COMMITTEE PROCESS
None

CONTACT
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ssmith@valleymetro.org

ATTACHMENT
None

Minutes

DATE **AGENDA ITEM 3A**

January 27, 2022

Joint Meeting of
Transit Management Committee
and
Rail Management Committee
Wednesday, January 5, 2022
Via Webex/Phone
11:00 a.m.

TMC Meeting Participants

Chris Brady, City of Mesa, (Chair), phone
Roger Klingler, City of Buckeye, phone
Ryan Peters for Josh Wright, City of Chandler, phone
Dave Trimble, Fountain Hills, phone
Rob Bohr for Mary Goodman, Town of Gilbert, phone
Kevin Link for Kevin Phelps, City of Glendale, phone
Julie Karins, City of Goodyear (phone)
Cameron Doelling for Jacqueline Edwards, Maricopa County, phone
Eric Strunk, City of Peoria, phone
Mario Paniagua, City of Phoenix, phone
Bruce Gardner, Town of Queen Creek
Mark Melnychenko, City of Scottsdale, phone
Mike Gent, City of Surprise, phone
Steven Methvin, City of Tempe, phone
Shatawn Reed, ADOT

Members Not Present

Cherlene Penilla, City of Avondale
Autumn Grooms, City of El Mirage

RMC Meeting Participants

Chris Brady, City of Mesa, (Chair), phone
Ryan Peters for Josh Wright, City of Chandler, phone
Mario Paniagua, City of Phoenix, phone
Steven Methvin, City of Tempe, phone

Chair Brady called the meeting to order at 11:05 a.m.

1. Public Comment

Mr. Chair 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 his or her discretion. A total of 15 minutes for all speakers will be provided.

Mr. Crowley said thank you. I'd already done that. I have a document here that I got last year. And it's from your meeting of January the 6th. So being that COVID was rampant at that time, I got to multitask because I got to hear you guys from home. And at the same time, watch the attempted coup and insurrection of my country. In a way, thank you for allowing me to have been a witness to it and, again, wonder why it was happening because my coming up here, it's a family thing with me. You know, participation with the system and making things go the way they're suppose to by inputting, et cetera.

I was one of the ones that wrote Prop 400. So back to the realities of what we have to discuss here today, your agenda Item 3C. It's hire a vacant IT position. Well, like I said, I also have your agenda from a year ago, and it has IT Project Consulting Services. And it was to hire them. Are these two interconnected? And what happens that that didn't work correctly and right? With the rail and this being the joint meeting, having it's alignment for the possible stuff going to west Phoenix, what is the reason you're not multimodal in your planning? Is there a reason that you don't do every single one of the bus routes that's crossing it? Are you trying to facilitate things in such a negative way, as in when I look at what was the Central Station where the one case of actual multimodal system had other than out there in Mesa. What can I say?

It's saying that with this document that 27th Avenue and 43rd Avenue don't get a stop, and on 43rd, I really wanted a stop to be there because when they were digging the freeway, right away -- I'm going to be about 15 seconds long. When they dug the freeway, right away they found ancient turtles, prehistoric turtles, that are now up at NAU. And I was hoping that that sensitivity to what had happened there in its history, would be a part of the 43rd Avenue Station. But when I look at the agenda, no 43rd. How come? Not multimodal. How come? Doesn't work for air cleanliness. How come?

Chair Brady said does that conclude the comments, Pat. All right. So we'll move on to Item Number 2.

2. Chief Executive Officer's Report

Chair Brady said we'll hear from Scott Smith from his report of Chief Executive Officer

Report. Mr. Smith?

Mr. Smith said thank you, Mr. Brady. I apologize, I'm not in the boardroom. I'm sequestered in the world basement headquarters giving this report with a very big head cold, so. Wanted to -- I guess, my ailment is a little indicative as to -- well, we're going on to this first.

OMC Expansion. We had the privilege of showing off our OMC Expansion, which has basically been completed, to the media on December 8th. We did this for a couple reasons. Number one, to celebrate that opening; but number two, we want to give the public a look on the inside of what it takes to run a transit system on a given day. So we invited the media in. Chairman Francisco Heredia from Mesa, also spoke. I would like to say that we had a very, very positive experience, a lot of good press, lot of broadcast, and also some lead stories and evening news. Thank you to Dan Filipino and Rod Rosenburg, our two Deputy Directors of Operation over Operations and Maintenance, who lead the media on a tour.

Just to give you a little bit of information, the OMC expansion was basically over two buildings and a lot of track. 35,000 square feet; basically, an acre under roof was added to the maintenance equipment building.
About 25,000 square feet was added to the maintenance of way. We almost doubled the amount of storage track we had.

The reason for this is not only to take care of what we have now but the planning for future expansion of our rail and streetcar system. Which by 2024, from the day we opened, we'll almost have doubled the number of amount of track that we have. So very, very good day. Thanks to Valley Metro staff, Hillary Foose and her staff for making this possible.

For the fourth year, five years since we have started it, we had a very successful Mesa Santa Express. Where we crossed two weekends of December, Valley Metro and City of Mesa hosted the Mesa Santa Express. We gave over 3500 families a free holiday experience, positive interaction with our trains. We have been doing this since 2017. It's become a tradition, holiday tradition for families in Mesa and the east valley. Last year we didn't do it because of COVID. This year we did it in a different way and hope that we created a safe situation. But thanks to our team of volunteers, operation security staff, those volunteers and from ACI, our light rail contractor, that made this successful. Look forward to doing it again next year.

Before we get on to this, I want to go over a little bit of a challenge that we're having and give you an update on our operational issues. Like I think everybody in the world, we have been impacted by COVID and by staffing. We have been extremely fortunate,

knock on wood, in the two years that we have been operating under COVID protocols. We've had limited impact on our personnel. We have been able to put service out. Thank heavens, from a health standpoint, our staff has avoided widespread infections and disruptions.

And this has been begun with the Omicron variant. And just to give you an idea, this will have the one area that we get impacted when we have staffing issues is in the amount of service we put out. Obviously, if we don't have operators and maintenance people to be able to make our vehicles, both on the bus and rail side, they're not there to man the spots, the only option we have is to not put the bus or train out on the street.

To give you an example, in the first nine months of January, from January to September of 2021, we averaged around 70,000 trips, bus trips, per month. 70,000. And we averaged a little over 20 missed trips per month of that 70,000. So really a miniscule amount of trips that we were unable to complete for a variety of reasons.

In October and November, we saw marked increase in the amount of trips we could not complete. Almost exclusively caused by staff shortages. In October and November, it jumped from over 400, and in November over 700. That's still a very small percentage. About one-tenth of one percent of the 70,000 that we do a month, but obviously those 700 missed trips affect our riders. And we are having difficulties, as I've said, as everybody is, in attracting and holding new hires.

We are finding ourselves about 10, 15 percent short on the number of operators that we would like to have. Same thing with supervisors and our customer service and mechanics. We are short. We are working with our contractors to be very aggressive in our recruitment efforts. Offering up to $3,000 in signing bonuses. We have increased wages for entry-level workers to what we believe is a competitive wage. We are doing what we can to truly respond to these challenges, but we are -- I just want to let you know that we are still facing difficulties, and we anticipate that until this virus, this variant, at least slows down or somehow passes, that we will continue to have these kind of disruptions.

So I just want to let you know that. We're keeping your staff appraised and involved in these ongoing discussions. And just let you know that it has begun to affect us. Looking forward, we have meetings of the Audit Finance Sub Committee, Board of Directors, and in February, our next meeting will be on February 2nd. So, Chair Brady, that is my report.

Chair Brady said thank you, Mr. Smith.

3. Consent Agenda

Chair Brady said we'll now move to the Consent Agenda. The Consent Agenda presented for action. Are there any Committee members that have any questions or items that need to be pulled for separate discussion at this time? If not, we'll request a motion and a second to approve the Consent Agenda and forward it to the Board of Directors for approval.

We'll also have a new process for voting. Pat, correct? We will do a roll call vote. First a motion, and a second. And then do a roll call vote.

It was moved by Roger Klingler, seconded by Mike Gent to forward the consent agenda items to the Boards of Directors for approval.

Chair Brady said we have a motion and a second for approval. Pat will take a roll call now.

Ms. Dillon: City of Avondale? City of Buckeye? Aye.
Ms. Dillon: City of Chandler? Yes.
Ms. Dillon: City of El Mirage?
Ms. Dillon: Town of Fountain Hills?
Ms. Dillon: Town of Gilbert?
Ms. Dillon: City of Glendale? Aye.
Ms. Dillon: City of Goodyear? Aye.
Ms. Dillon: Maricopa County? Aye.
Ms. Dillon: City of Mesa? Aye.
Ms. Dillon: City of Peoria? Yes.
Ms. Dillon: City of Phoenix? Aye.
Ms. Dillon: Town of Queen Creek? Aye.
Ms. Dillon: City of Scottsdale? Aye.
Ms. Dillon: City of Surprise? Yes.
Ms. Dillon: City of Tempe? Yes.

Ms. Dillon said Chair, the motion passes.

Chair Brady said thank you, Pat. Thank you for the roll call. We will now move to Item 4.

4. Travel, Expenditures and Solicitations

Chair Brady said this item is presented for information.

5. Future Agenda Items Request and Report on Current Events

Chair Brady said are there any future agenda items that a Committee member would like to place on the agenda?

6. Next Meeting

The next meeting of the TMC/RMC is scheduled for Wednesday, February 2, 2022, at 11:00 a.m.

With no further discussion the meeting adjourned at 11:26 a.m.

Information Summary

DATE **AGENDA ITEM 3B**
January 26, 2022

SUBJECT
2022 Valley Metro Federal Public Transportation Agenda

PURPOSE
To request approval of the 2022 Valley Metro Federal Public Transportation Agenda.

COST AND BUDGET
None

RECOMMENDATION
Staff recommends that the TMC/RMC forward to the Boards of Directors approval of the 2022 Federal Public Transportation Agenda.

BACKGROUND/DISCUSSION
To meet strategic funding objectives, each year Valley Metro works with its federal consultants to develop a federal public transportation legislative agenda. The agenda provides information to member cities and regional stakeholders to bring to attention the importance of federal funding and transit investments to the Phoenix metropolitan region. This includes the development of public transit priorities and goals, critical strategy, guidance and coordination in securing discretionary grants from U.S. Department of Transportation (USDOT) and the Federal Transit Administration (FTA), including but not limited to, the Buses and Bus Facilities discretionary grant, Rebuilding American Infrastructure with Sustainability and Equity (RAISE) transportation grant, Low or No Emission (Low-No) Vehicle & Infrastructure program, Capital Investment Grants (CIG), Integrated Mobility Innovation, Transit Oriented Development and other competitive grant programs as they become available and in the maximum amount possible.

In November 2021, Congress passed, and President Biden signed into law the bipartisan Infrastructure and Investment Jobs Act (IIJA). Included in the law was a long-awaited renewal of the Fixing America's Surface Transportation (FAST) Act, which is a five-year reauthorization of surface transportation programs and funding levels for FY 2022 through FY 2026.

Staff has developed the attached federal agenda for 2022 with goals to:

- Encourage Congress to support additional transit funding, federal funds flexibility and emergency mitigation strategies to support transit operations through the ongoing pandemic;
- Encourage Congress to support budget and appropriations bills that fully fund authorized amounts for public transportation in the bipartisan Infrastructure Investment and Jobs Act;
- Extend or increase tax provisions and related financing mechanisms to benefit public transportation, but not at the expense of overall federal funding; and

- Maintain authorized funding levels for the Capital Investment Grant (CIG) program and increase the federal share of project funding to continue funding rail projects in the pipeline that include South Central Extension/Downtown Hub, Northwest Phase II Extension, Tempe Streetcar and State Capitol and I-10 West Extensions.

Valley Metro staff and contract lobbyists will continue to monitor these developments, and additional opportunities as they become available, to advocate and advance our region's federal funding and policy priorities.

COMMITTEE ACTION
RTAG: January 18, 2022 for information
TMC/RMC: February 2, 2022 for action
Boards of Directors: February 17, 2022 for action

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ATTACHMENT
2022 Valley Metro Federal Public Transportation Agenda

2022 Federal Public Transportation Agenda

Valley Metro continued to move forward while facing unprecedented challenges presented by the COVID-19 pandemic over the past two years. Thanks to significant federal support in the form of operating funds and full funding grant agreements for major projects, Valley Metro has been able to successfully advance its mission of "Connecting Communities and Enhancing Lives" by providing critical transportation services and public transit options in the Metro Phoenix region. We anticipate further challenges that will require building on the close relationships we have established with our federal partners at the U.S. Department of Transportation and the Federal Transit Administration. With the likelihood of ongoing reductions in farebox revenue, it will be critical that federal funding opportunities continue and offer maximum flexibility.

The Valley Metro Boards of Directors thanks our Arizona Congressional delegation for their efforts in the passage of a new five-year Surface Transportation authorization as part of the bipartisan Infrastructure Investment and Jobs Act (IIJA) signed into law by President Biden on November 15, 2021. The long-awaited renewal of the FAST Act provides us with the funding certainty needed to invest and advance critical regional transit projects as well as the expansion of the light rail system.

The Valley Metro Board of Directors encourages Congress to:

Continue to support public transit during the COVID-19 pandemic.

- Valley Metro supports continued federal funds flexibility in allowing reimbursement for operating costs to maintain service, purchase of personal protective equipment, and paying for administrative leave of operations personnel due to any reductions in service and CDC-recommended quarantine periods after potential exposure to COVID–19.
- Valley Metro supports FTA continuing the federal share for Transportation Infrastructure Grants, at the option of the recipient, up to 100 percent for all eligible expenses.
- Valley Metro urges USDOT to continue to utilize the emergency docket to mitigate challenging FTA administrative and statutory requirements because of COVID-19 impacts to grantees.

Support budget and appropriations bills that fully fund authorized amounts in the Infrastructure Investment and Jobs Act – investing in transportation infrastructure results in higher economic growth.

Implementation of new legislation – Familiarize the region with new policy and funding priorities of the Biden-Harris Administration and pursue grants for local projects as feasible.

- The Infrastructure Investment and Jobs Act provides increased funding levels and amendments to existing programs, as well as the creation of new discretionary and formula grant programs for public transit systems. Pending legislation may provide further funding opportunities to advance capital projects. Valley Metro will ensure the region is well versed in these new opportunities to advance priority projects.

Pursue federal funding opportunities –The region will seek federal grant opportunities, including but not limited to the Buses and Bus Facilities discretionary grant, Rebuilding American Infrastructure with Sustainability and Equity (RAISE) transportation grant, Low or

No Emission (Low-No) Vehicle & Infrastructure program, Capital Investment Grants (CIG), Integrated Mobility Innovation, Transit Oriented Development and other competitive grant programs as they become available.

Maintain authorized funding levels for the Capital Investment Grant (CIG) program – Valley Metro light rail system provides significant economic development opportunities along the corridor. Despite the pandemic, Valley Metro continued construction on nearly $1.5 billion in infrastructure projects providing much needed employment and economic activity. Several extensions of this system are in various stages of development and construction, which include the following:

- **South Central Light Rail Extension/Downtown Hub** – A 5.5-mile extension from downtown Phoenix on Central Avenue to Baseline Road. FTA awarded a Full Funding Grant Agreement to Valley Metro for $529 million of the total $1.3 billion project in January 2021. An additional $81.3 million was allocated to the project as part of the American Rescue Plan Act of 2021.
- **Northwest Extension Phase II** – A 1.6-mile extension from the current end of line in Phoenix, from 19th Avenue and Dunlap across I-17 to the former Metrocenter Mall complex. The project entered engineering in March 2020 and $100M has been set-aside from FTA's budget. A $158M full funding grant agreement was signed by USDOT Secretary Pete Buttigieg in a ceremony held on November 19, 2021.
- **Tempe Streetcar** – Construction for this the $192 million project, which is scheduled to open for service in Spring 2022. A $75M federal grant agreement was awarded to Valley Metro in September 2019. An additional $17.4 million was allocated to the project as part of the American Rescue Plan Act in 2021.
- **Capitol and I-10 West Extensions** – Connect existing light rail service in downtown Phoenix to the State Capitol area and the West Valley. Further analysis and coordination with stakeholders are occurring on the alignment, and it is expected that environmental and preliminary engineering work will continue in 2022.

Tax Law – Extend or increase tax provisions and related financing mechanisms to benefit public transportation. However, do not replace federal funding with financing.

- Extend the alternative fuels tax credit that encourages investment in low/no emissions vehicles.
- Tax Credit Bonds or Private Activity Bonds – Authorize Qualified Tax Credit Bonds and enhance the availability of PABs for transit.
- Municipal Bonds and Advanced Refunding – Reinstate the ability for local governments to issue tax-exempt advanced refunding bonds.
- Federal Tax Credits for Special Taxing Districts/ Tax Increment Financing – Provide tax incentives for private equity investments in transit that conform with state law.

Support legislative efforts of the American Public Transportation Association (APTA), Bus Coalition, Capital Investment Grant (CIG) Working Group, Community Streetcar Coalition, and other affiliated organizations.

Valley Metro appreciates our federal partnership and looks forward to working at all levels to maintain and build upon transit in the region for our customers and the overall economy.

Information Summary

DATE
January 26, 2022

AGENDA ITEM 3C

SUBJECT
City of Phoenix Grant Pass-Through Intergovernmental Agreement Change Orders

PURPOSE
To request Board authorization for the Chief Executive Officer (CEO) to execute change orders with City of Phoenix extending the term of grant pass-through IGAs.

RECOMMENDATION
Staff recommends that the TMC/RMC forward to the Boards of Directors authorization for the CEO to execute IGAs and change orders with the City of Phoenix for the listed grants.

BACKGROUND | DISCUSSION | CONSIDERATION
Valley Metro has requested extensions to the pass-through IGAs for AZ-2018-009, AZ-2018-014, AZ-2018-025, and AZ-2019-015. The extensions are needed to allow additional time to complete the project identified in the grant. The table below summarizes the requested changes:

Grant	Source	Extension
AZ-2018-009	Section 5307 Capital Funds	31-Mar-23
AZ-2018-014	Section CMAQ	31-Mar-23
AZ-2018-025	Section STP FLEX (Vans)	30-Jun-24
AZ-2019-015	Section 5307 Operating Funds	31-Mar-23

Grant AZ-2018-009 has $2,698,822 of funding remaining from the original award amount of $28,817,725. The funding will be used to pay for one replacement bus and seven replacement 40-foot articulated buses. The grant award expired on 31-Dec-21. An extension until 31-Mar-23 is needed for additional time to purchase replacement buses.

Grant AZ-2018-014 has $4,586,664 of funding remaining from the original award amount of $9,647,484. The funding will be used to pay for nine 40-foot expansion buses. The grant award expired on 31-Dec-21. An extension until 31-Mar-23 is needed because expansion plans were delayed in response to the COVID-19 pandemic.

Grant AZ-2018-025 has $124,301 of funding remaining from the original award amount of $9,647,484. The funding will be used to pay for the Price Corridor study costs and for replacement paratransit vans. The grant award expired on 9-Dec-21. An extension until 30-Jun-24 is needed as City of Chandler would like to delay the start of the study to gather more data from the Price FlexTransit study and to provide time for paratransit van purchases.

AZ-2019-015 has $781,162 of funding remaining from the original award amount of $2,590,625. The funding will be used to pay for operating cost assistance and 40-foot bus replacements. This grant award expired on 20-Nov-2021. An extension until 31-Mar-23 is needed because federal COVID-19 emergency relief funding was utilized in lieu of operating assistance and to provide time for replacement bus purchases.

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

COST AND BUDGET
The change orders will not result in changes in cost and budget.

COMMITTEE PROCESS
RTAG: January 18, 2022 for information
TMC: February 2, 2022 for action
AFS: February 3, 2022 for action
Board: February 17, 2022 for action

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ATTACHMENT
None

Information Summary

DATE **AGENDA ITEM 4**
January 26, 2022

SUBJECT
Transit Asset Management Program Update

PURPOSE
To update the TMC/RMC and the Boards of Directors with the use of Transit Asset Management (TAM) to understand long-term asset needs, costs, and the impact of Valley Metro's transition from a new to mature system.

COST AND BUDGET
TAM analysis and forecasting informs long-term financial planning. No immediate funding is sought.

RECOMMENDATION
This item is presented for information.

BACKGROUND | DISCUSSION | CONSIDERATION
In 2016, Federal Transit Administration finalized it regulation requiring federally funded transit agencies to have a TAM program. The purpose of TAM is:

- To minimize the total cost of ownership of transit assets by understanding and proactively managing the lifecycle of each asset.
- To ensure safety and customer service by identifying the resources needed to maintain the transit system's state of good repair.
- To facilitate financial planning by making long-term capital and asset maintenance cost clear.

This presentation introduces TAM by first highlighting the process for forecasting capital and asset maintenance needs and performance, levels, the key variables analyzed, and the data sources used. Next, it illustrates the TAM process by sharing the current TAM analysis for both light rail vehicles and busses. Finally, it highlights the implications of these analyses and makes recommendations for improvement.

COMMITTEE PROCESS
RTAG: January 18, 2022 for information
TMC/RMC: February 2, 2022 for information
Boards of Directors: February 17, 2022 for information

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ATTACHMENT
Presentation: “20 Year Asset Cost and Funding Analysis”

Valley Metro Transit Authority

VALLEY METRO

20-Year Asset Cost and Funding Analysis

January 2022

DYE MANAGEMENT GROUP, INC.

CAMBRIDGE SYSTEMATICS

1

Agenda

- Purpose
- Process
- Results
- Conclusions
- Q&A
- Appendix

2

Purpose

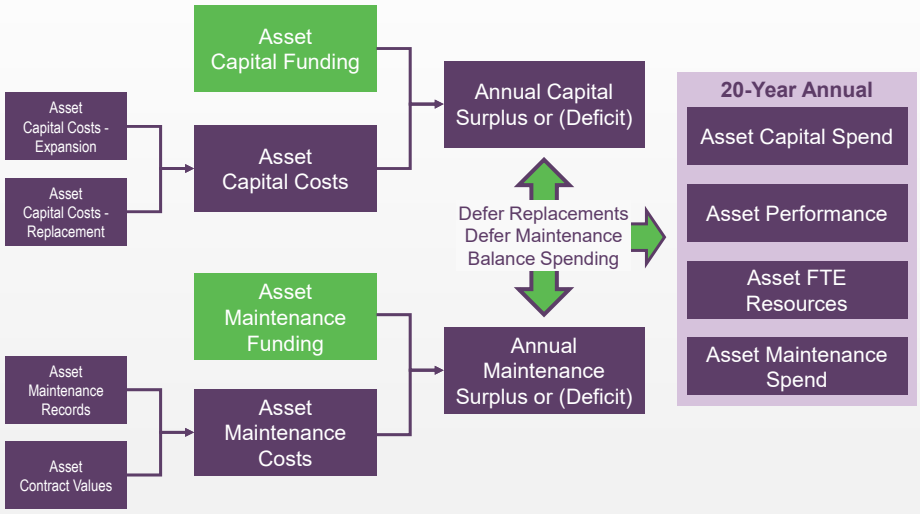
- Familiarize Valley Metro leaders with system asset requirements and long-term costs
- Understand how Valley Metro transitions from a new to a mature system
- Highlight the role of local funding in supporting the system long-term

3

Process

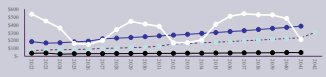
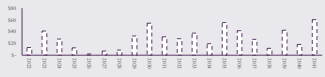
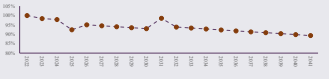
4

Overview



5

Key Variables

Forecast	Description	Typical Output
Asset Capital and Maintenance Funding	*Use historical funding trends and baseline assumptions to forecast future funding*	
Asset Capital Costs	*Use current asset inventory and planned expansions to forecast future asset purchase and replacement costs*	
Asset Maintenance Costs	*Use historical maintenance records to identify "per-asset" maintenance costs to forecast future needs*	
Asset Performance (State of Good Repair)	Balance capital and operating needs against available funding to calculate system performance on a 0% to 100% scale	
Asset FTE Resources	Use historical staffing records to identify "per-asset" staffing requirements and forecast future FTE needs	

6

Existing Data Sources

Forecast	Description
Asset Capital Costs	• *Finance and planning data forecasts (CIP, CRRP, budget books)* • *Expected replacement year and overhaul costs based on asset class' useful life*
Asset Maintenance Costs	• *Ellipse maintenance data and offline asset class data records* • *VMR and RPTA annual budgets, 5-year forecasts, and contracts*
Capital and Operating Funding	• *Historical and projected future Federal and State funding* • *Historical and future local operating budgets and financial plans*

Asset Performance (State of Good Repair)	• *FTA TAM performance measures:*
	  • *Percent of assets beyond Useful Life (Vehicles and Equipment)*
	  • *TERM asset condition ratings (Facilities and Infrastructure)*

Resources	• *Staffing hour and labor rate tables*

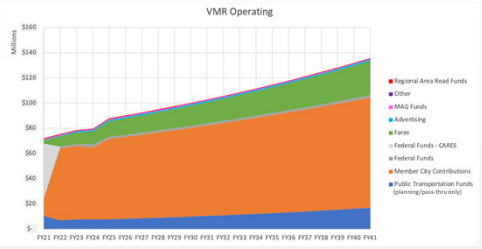
7

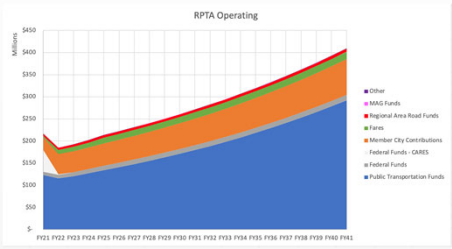
Forecast Assumptions

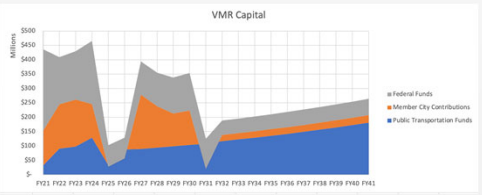
- **General Assumptions**
  - No expansion of bus fleet beyond known short term purchases
  - Renewal of PTF / Prop 400
  - Asset funding reserve carries from year to year to fund SGR gaps
  - 4% annual cost inflation rate
- **Asset Capital and Operating Funding Annual Growth Rates**
  - Federal: 1%
  - PTF: 5%
  - Member Cities:
    - RPTA: 3%
    - VMR: Based on VMR Forecasts
  - Fares: 5% (VMR) / 1.5% (RPTA)
  - Other Sources: no change
- **Asset Capital and Maintenance Costs**
  - Capital replacement costs based on asset useful life benchmarks
  - Maintenance costs based on historical unit costs and asset age and condition
- **Asset Performance (SGR)**
  - Deferred maintenance or replacement degrades asset condition, which degrades asset performance
  - Standard industry lifecycle curves for asset condition and performance
- **Asset Personnel (FTEs)**
  - Historical FTE counts from FY18-FY22 budget books to create projection baseline
  - Annual growth rates to based on FTE per unit asset

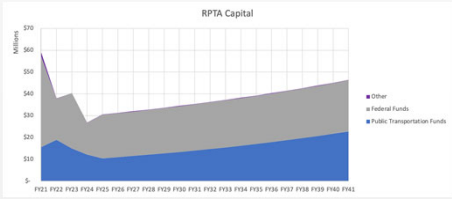
8

Baseline Funding Profiles









9

Results

10

VMR Case Study: Light Rail Vehicles

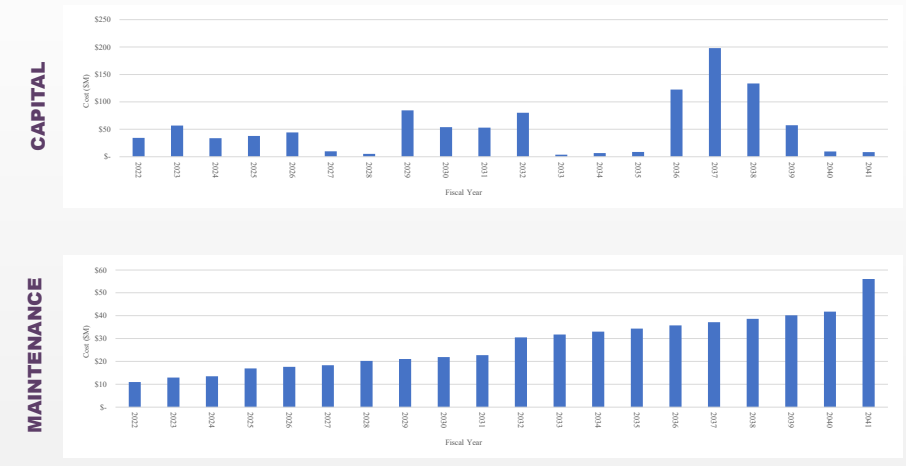
Define standard LRV cost profiles and apply to expected LRV Inventory

- **LRV Expansion/Replacement**: $6.5M (FY 2019) per LRV, purchased over a 4-year duration with [33%, 19%, 19%, 29%] cashflow or values provided by Rail Model

Project	Quantity	In Service	Dispose/Replace	Asset Type
CPEV	50	2009	2037-2040	Kinkyshario
GRE	3	2022	2050-2053	Siemens
System Expansion	8	2023	2051-2054	Siemens
Tempe Streetcar	6	2022	2050-2053	Streetcars
I-10 1	5	2028	2056-2059	Siemens
So Central	14	2025	2053-2056	Siemens
I-10 2	25	2032	2060-2063	Siemens

- **Component Overhaul**: Create profile using component overhaul schedule: activity, unit cost, frequency, duration, quantity
- **Maintenance**:
  - Use maintenance records to calculate average unit preventive and corrective maintenance
  - Cross check values against annual budget and adjust unit cost based on known data issues
  - 0.93 markup factor to go from direct maintenance costs to direct + indirect maintenance operating costs
- **Performance:** % Assets > 2.5 on TERM 1-5 condition scale

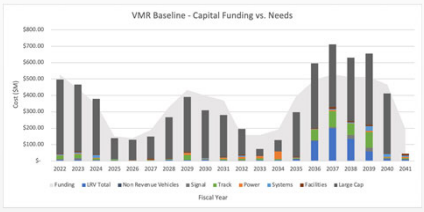
VMR Case Study: LRV Results



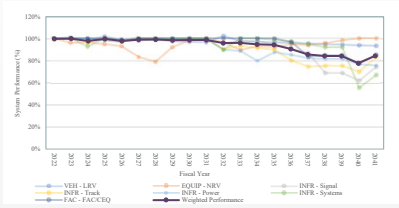
VMR Summary

- Capital funding loses pace with capital needs in out years as LRV and Infrastructure renewals come due
- Maintenance need slightly outpaces funding in most years
- Aging assets and deferred maintenance/replacement lead to performance decreases in out years

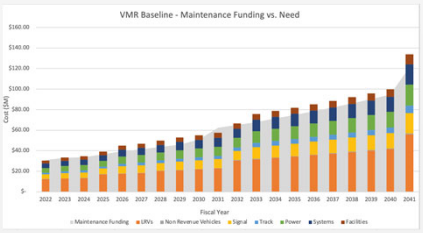
CAPITAL



PERFORMANCE



MAINTENANCE



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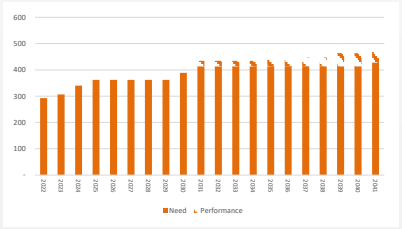

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RPTA Case Study: Buses

- **Replacement Model**:
  - Use asset id, manufacture year, replacement cost, useful life benchmark (ULB) to forecast need
  - Constrain costs against annual budgets with oldest vehicles replaced first
  - Performance calculated as % assets that have met or exceeded their ULB
- **Mid-life Overhaul:** Mid-life expenses overlayed to realize vehicle ULB
- **Maintenance:**
  - Sum and forecast baseline contracts for Total Transit, Ajo, First Transit
  - Historical NTD trends show ~23.91% of contracts attributed towards Vehicle Maintenance

Type	ULB	Replacement Cost	Midlife ULB	Midlife Overhaul
Bus 40 Ft	12	$550,000	6	$40,000
Bus 60 Ft	12	$930,000	6	$40,000
BRT Coach	18	$850,000	9	$40,000
Bus 30 Ft	12	$530,000	6	$40,000
Bus 30 Ft	12	$470,000	6	$40,000
Cutaway	5	$225,000	N/A	N/A
Cutaway	10	$440,000	N/A	N/A
Cutaway	7	$130,000	N/A	N/A

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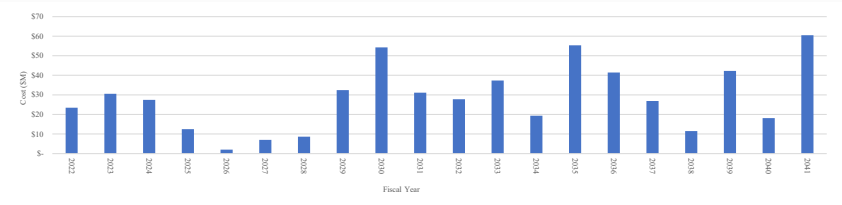
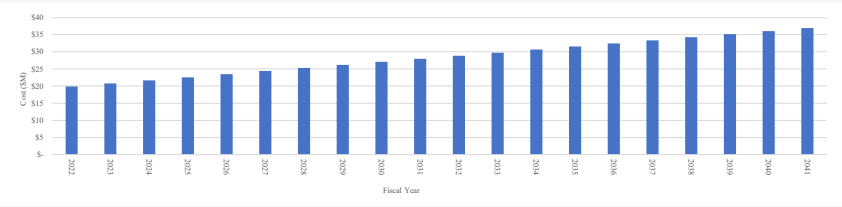
RPTA Case Study: Buses Results

CAPITAL



MAINTENANCE



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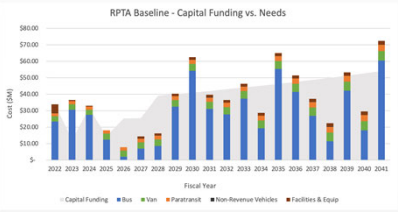
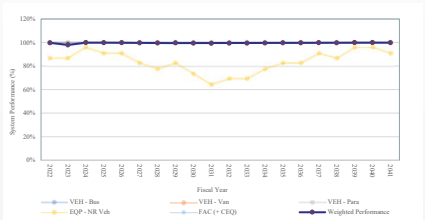
RPTA Summary

- Capital needs arrive in waves based on inventory fleet composition. Future funding will need to be programmed accordingly
- Reliance on contracting services creates uncertainty for cost of future contracts
- Contracting services limits visibility to data to assess asset cost and performance

CAPITAL



PERFORMANCE



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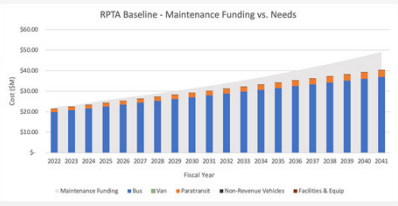

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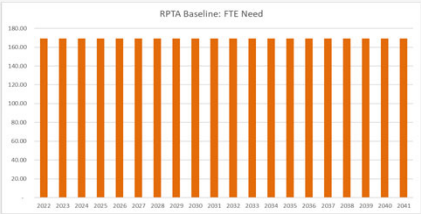

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Conclusions

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Conclusions

- Current asset performance is outstanding despite some observed challenges in filling and retaining key positions
- Funding in place to build out rail system and maintain existing bus and rail services **if** Prop 400 is renewed and member city contributions remain stable
- VMR: Funding will not keep pace as maintenance needs increase and existing LRV and Infrastructure come due for replacement, leading to lower asset performance over time
- VMR: Future FTE needs are likely understated: currently analysis maintains asset/FTE ratio, does not address service needs for aging assets, overtime practices, or staff turnover/retention
- RPTA: Performance should remain strong and stable at current service levels. Low visibility to asset needs and better funding alignment for replacements needed in out years

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Recommendations

- Build flexibility for PTF spending on asset capital or maintenance over time
- Establish and fund a flexible SGR reserve to mitigate uncertainty and prepare for rail capital replacements in out years
- Integrate asset performance metrics and analysis into annual budgeting process
- Consider a more robust analysis of FTE to account for turnover, training, overtime, and aging assets
- Consider future investment in detailed and predictive analysis to increase the effectiveness of asset maintenance and reduce costs for future assets

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Questions?

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Appendix

VMR Asset Class Case Studies

RPTA Asset Class Case Studies

Process Details

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VMR Case Studies

LRV, Infrastructure, Facilities and Equipment, Non-Revenue Vehicles, Expansion

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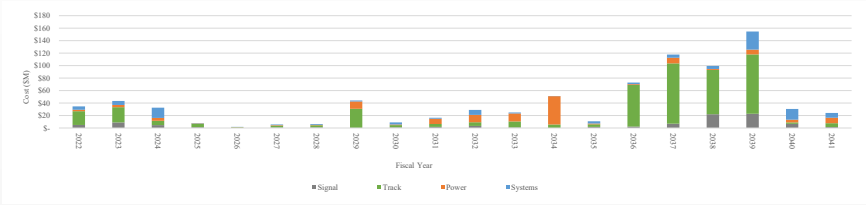
VMR Infrastructure

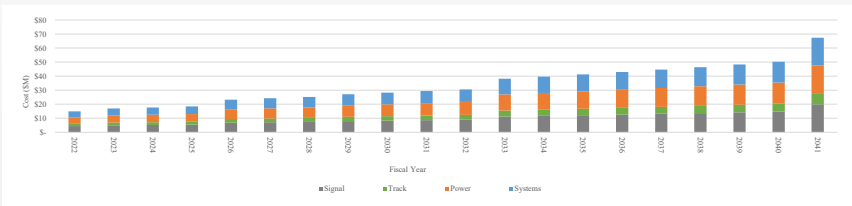
- **Capital Renewal and Replacement:**
  - Use Capital Renewal and Replacement (CRRP) spreadsheet as primary data source for forecasting asset capital needs
  - Convert replacement/renewal projects into tabular format and assign asset category and class
  - Apply typical project duration and cashflow to each project
  - Roll-up capital needs based on fiscal year and and asset type
- **Maintenance**:
  - Use 2014-2020 ellipse work order data to review historical maintenance needs
  - Assign asset classifications to each work order and calculate "per asset" maintenance need
  - Forecast future maintenance need using "per asset" cost and expected asset quantities.
- **Maintenance Markup:** 2.90 markup factor to go from direct maintenance costs to direct + indirect maintenance operating costs
- **Performance:** % Asset > 2.5 on TERM 1-5 condition scale

VMR Infrastructure

CAPITAL



MAINTENANCE



VMR Facilities & Equipment

- **Capital Renewal and Replacement:**
  - Use Capital Renewal and Replacement (CRRP) spreadsheet as primary data source for expected asset capital needs
  - Convert replacement/renewal projects into tabular format and assign asset category and class
  - Apply typical project duration and cashflow to each project
  - Roll-up capital needs based on fiscal year and and asset type
- **Maintenance**:
  - Use 2014-2020 ellipse work order data to review historical maintenance needs and assign asset category and class.
  - Assign asset classifications to each work order and calculate "per asset" maintenance need
  - Forecast future maintenance need using "per asset" maintenance cost and expected asset quantities.
- **Maintenance Markup:** 2.90 markup factor to go from direct maintenance costs to direct + indirect maintenance operating costs
- **Performance:** % Asset > 2.5 on TERM 1-5 condition scale

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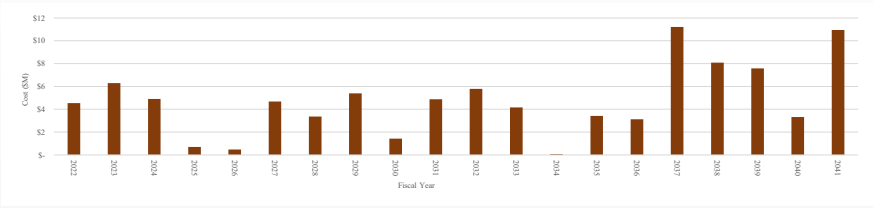
VMR Facilities & Equipment

CAPITAL



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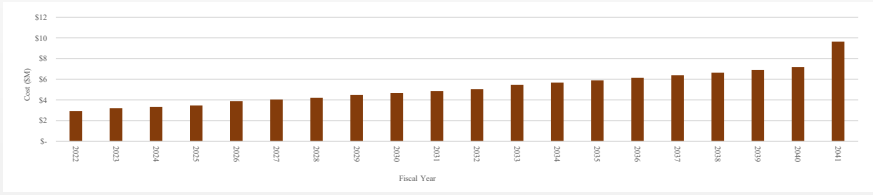

26

VMR Non-Revenue Vehicles

- **Background:** VMR does not adhere to a strict useful life and feels comfortable maintaining vehicles past useful life and replacing on as-needed basis. For analysis purpose, use TAM Plan approved ULBs
- **Replacement Model**:
  - Use asset id, manufacture year, replacement cost, useful life benchmark (ULB) to forecast replacement
  - Constrain need against annual budget with oldest vehicles replaced first
  - Performance metric is % of assets that have met or exceeded their ULB
- **Maintenance:**
  - Use maintenance records to compute average annual maintenance cost per asset of each asset type
  - Calculate total annual maintenance cost using asset quantity
  - 0.93 markup factor to go from direct maintenance costs to direct + indirect maintenance operating costs

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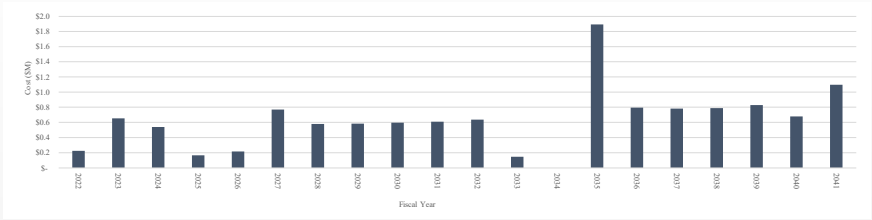
VMR Non-Revenue Vehicles

CAPITAL



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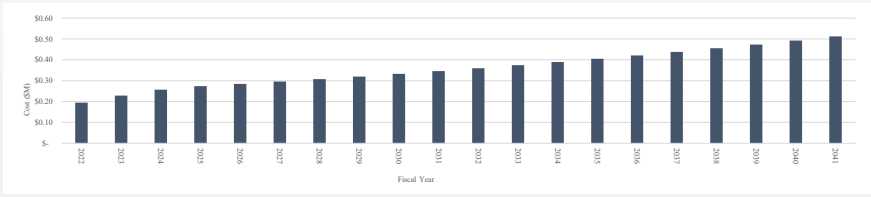

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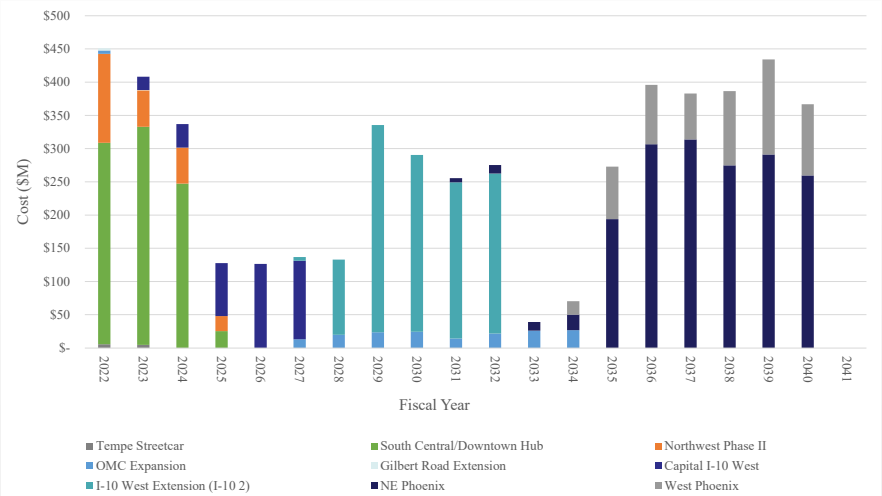
VMR Large Projects



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VMR Expansions

Project	Description
Tempe Streetcar	3.0-mile alignment extending southward along Mill Avenue in downtown Tempe from Rio Salado Parkway to the Dorsey Lane/Apache Boulevard light rail station.
South Central/Downtown Hub	5.5-mile extension of the existing Valley Metro light rail line along Central and 1st avenues in central and south Phoenix.
Northwest Phase II	A 1.6-mile extension which will extend west on Dunlap Avenue, north on 25th Avenue and across I-17 near Mountain View Rd. with a terminus on the west side of the freeway near Metrocenter Mall.
OMC Expansion	The expansion is necessary to maintain the streetcar fleet and expanding rail operations.
Gilbert Road Extension	1.9-mile alignment extending from terminus of Central Mesa Extension eastbound to Gilbert Road.
Capital I-10 West Phase I	1.5-mile alignment from Phoenix City Hall westward to the vicinity of the State Capitol complex.
Systemwide Improvements	Includes eight additional light rail vehicles, fare technology improvements, capital replacements necessary to maintain the system in a state of good repair, and small capital improvement elements which benefit the entire LRT system.
I-10 West Extension (I-10 2)	The Northwest Extension Phase II project will connect Valley Metro's light rail system from 19th and Dunlap avenues and extend it 1.6 miles to the former Metrocenter Mall area in Phoenix. The project also includes new stations, including the system's first elevated station, and public art.

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RPTA Case Studies

Bus, Vans, Paratransit, Facilities & Equipment, NRV

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RPTA Vans

- **Background:** Pandemic significantly impacted demand for Vanpool program.
  - Individuals no longer commuting returned vans. October 2020 inventory showed 30 vehicles put to auction
- **Replacement Model**:
  - Use asset id, manufacture year, replacement cost, useful life benchmark (ULB) to forecast replacement
  - Constrain need against annual budget with oldest vehicles replaced first
  - Performance calculated as % assets that have met or exceeded their ULB
- **Maintenance:** N/A as maintenance costs are passed onto vanpool program participants
- **Assumptions:**
  - ULB: Variable based on age (4-10 years) and mileage (100-150k)
    - Assigned ULB per asset by forecasting mileage to determine age when it surpassed 125k miles.
  - Replacement Cost: $45,000 (FY 2020)
  - COVID-19 Recovery: Re-introduce 5 new vans per year starting in FY 2023 – FY FY 2027 for 30 total vans

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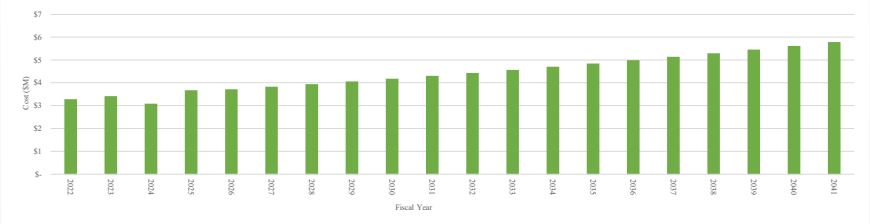
RPTA Vans

CAPITAL



MAINTENANCE

33

RPTA Paratransit

- **Background:** Current paratransit inventory owned by TransDev. RPTA in the process of purchasing replacement vehicles for contractors use but RPTA will own.
- **Replacement Model**:
  - Use asset id, manufacture year, replacement cost, useful life benchmark (ULB) to forecast replacement
  - Constrain need against annual budget with oldest vehicles replaced first
  - Performance calculated as % of assets that have met or exceeded their ULB
- **Maintenance:**
  - Calculate annual maintenance cost using historical average mileage and $0.32 per mile maintenance cost including wages, benefits of in-house staff, parts, and lubricants
- **Assumptions:**
  - ULB: 4 Years
  - Replacement Cost: $67,511 (FY 2020)
  - RPTA expects paratransit inventory of 100 vehicles, purchased at 25 vehicles per year

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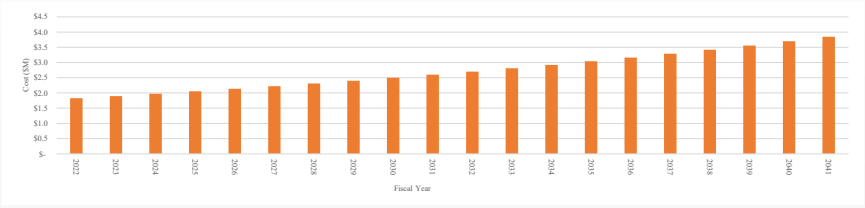
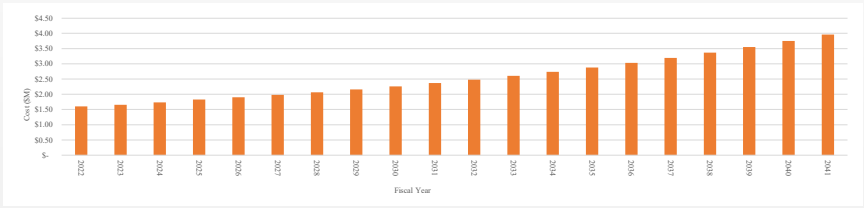
RPTA Paratransit

CAPITAL



MAINTENANCE



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RPTA Facilities and Equipment

- **Capital Renewal and Replacement:**
  - Capital Renewal and Replacement spreadsheet did not include RPTA facility and equipment data
  - Use CIP to identify FY 2022 to FY 2025 needs and CIP 5 year average to FY 2026+
- **Maintenance**:
  - Use 2014-2020 ellipse work order data to review historical maintenance needs and assign asset category and class.
  - Assign asset classifications to each work order and calculate “per asset” maintenance need
  - Forecast future maintenance need using ”per asset” maintenance cost and expected asset quantities.
- **Maintenance Markup:** 2.90 markup factor to go from direct maintenance costs to direct + indirect maintenance operating costs
- **Performance:** % Asset > 2.5 on TERM 1-5 condition scale

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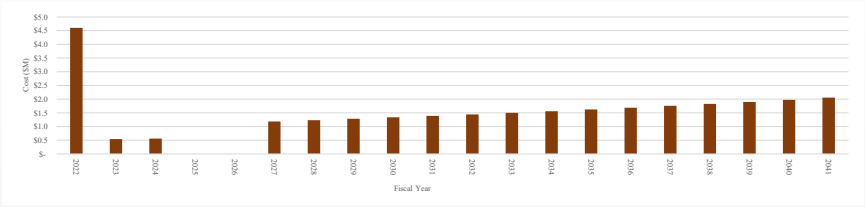
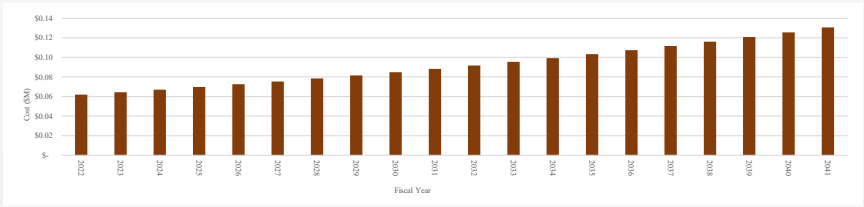
RPTA Facilities and Equipment

CAPITAL



MAINTENANCE



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RPTA Non-Revenue Vehicles

- **Background:** RPTA does not adhere to a strict useful life and feels comfortable maintaining vehicles past useful life and replacing on as-needed basis. For analysis purpose, uses TAM Plan approved ULBs
- **Replacement Model**:
  - Use asset id, manufacture year, replacement cost, useful life benchmark (ULB) to forecast replacement
  - Constrain need against annual budget with oldest vehicles replaced first
  - Performance metric is % of assets that have met or exceeded their ULB
- **Maintenance:**
  - Use maintenance records to compute average annual maintenance cost per asset of each asset type
  - Calculate total annual maintenance cost using asset quantity
  - 0.93 markup factor to go from direct maintenance costs to direct + indirect maintenance operating costs

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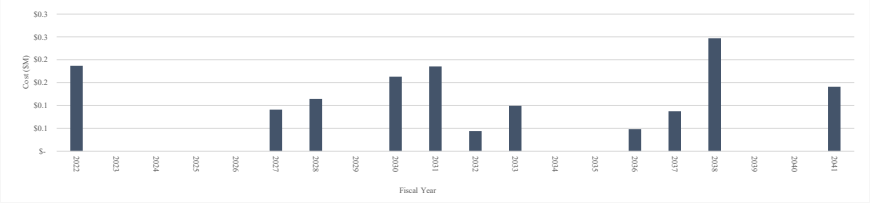
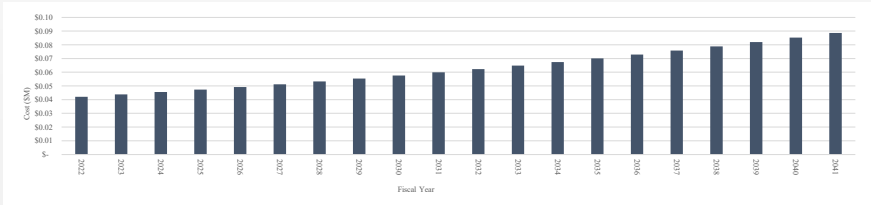
RPTA Non-Revenue Vehicles

CAPITAL



MAINTENANCE



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Process Details

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Measuring Asset Performance

Asset Type	Metric	Definition
Non-Rev Vehicles	% Within ULB	The percentage of vehicles that are within their useful life benchmark (ULB)
Bus		
Vans		
Paratransit		
LRVs	% > TERM 2.5	The percentage of assets of a given type that are greater than 2.5 on 1-5 TERM scale
Signal		
Track		
Power		
Systems		
Facilities	% > TERM 3	The percentage of facilities with a condition greater than 3 on 1-5 TERM scale

Surpassing ULB or TERM threshold does not mean an asset is unsafe for use. It does mean the asset may be less reliable, incur higher maintenance costs, and likely trigger a safety risk assessment.

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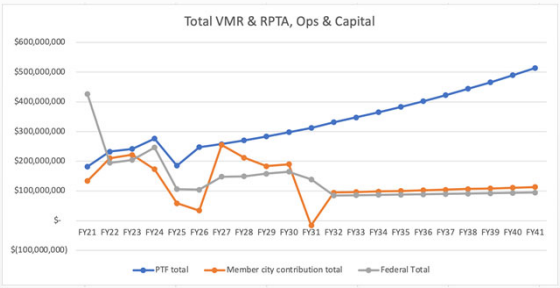
Baseline Funding Profiles



Summary	BASELINE Total ($Bn) FY22-FY41
VMR Operating	$ 2.099
RPTA Operating	$ 5.698
VMR Capital	$ 5.344
RPTA Capital	$ 0.746
Total Total	**$ 13.888**

Funding Source	Baseline
PTF	FY21-25: As-is FY26-41: +5%
Federal Funds	FY 21-25: As-Is FY 26-41: +1%
Member Cities	FY 21-25: As-Is FY 26-41: VMR: +2% RPTA: +3%
Fares	FY 22-23: Recover 100% of FY19 FY 24-41: VMR: +5% RPTA: +1.5%
Other Sources	MAG Funds, Regional Area Road Funds, Advertising, and Other Miscellaneous Sources have no change across all scenarios

*VMR Capital: Federal, Member City, PTF funds from 2026-2031 are from VMR Capital Revenues and Costs from Rail Model 11-24-2020.xlsx

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FTE Analysis Assumptions

Used historical FTE counts from FY18-FY22 VMR budget books for both VMR and RPTA to create projection baseline

VMR

- Assumed planned network expansions for number of facilities, LRVs, and track miles over the next 20 years
- Calculated FTEs per unit of expansion to project needs

RPTA

- Assumed no expansions to current network
- Utilized current FTE levels to project needs

FTE Analysis Assumptions (Forecast)

Used historical FTE counts from FY18-FY22 VMR budget books for both VMR and RPTA to create projection baseline

VMR

- Assumed planned network expansions for number of facilities, LRVs, and track miles over the next 20 years
- Calculated FTEs per unit of expansion to project needs
- Applied annual growth rates to project forecasts. Assumed salary/fringe will grow in proportion to total budget projections.

RPTA

- Assumed no expansions to current network
- Utilized current FTE levels to project needs
- Applied annual growth rates to project forecasts. Assumed salary/fringe will grow in proportion to total budget projections.

Information Summary

DATE
January 26, 2022

AGENDA ITEM 6

SUBJECT
Quarterly Reports

PURPOSE
To provide an informational update of activities at Valley Metro.

COST AND BUDGET
None

RECOMMENDATION
This item is presented for information only.

BACKGROUND | DISCUSSION | CONSIDERATION
Quarterly Reports are provided as an informational update of Valley Metro activities

- Operations
- Safety and Security
- Finance
- Capital and Service Development
- Communication & Strategic Initiatives
- Accessible Transit Services

COMMITTEE PROCESS
TMC/RMC: February 2, 2022 for information
Boards of Directors: February 17, 2022 for information

CONTACT

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Fiscal Year 2022
2nd Quarter Reports

February 2022

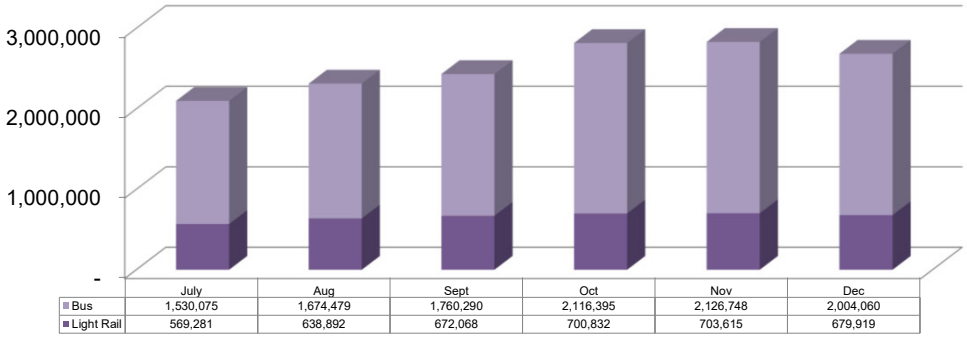
1

Operations

February 2022

2

Regional Ridership



	FY22 Q1	FY21 Q2	FY22 Q2
Bus	4,964,844	5,532,001	6,247,203
Light Rail	1,880,241	1,541,169	2,084,366
Total	**6,845,085**	**7,073,170**	**8,331,569**

3

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Fixed Route Bus – East Valley

Performance Indicator	Target	FY22 Q1	FY21 Q2	FY22 Q2
On-Time Performance	≥ 92%*	85%	89%	84%
Complaints Per 100,000 Boardings	≤ 45	93	61	61
Mechanical Failures Per 100,000 Revenue Miles	≤ 12	6.6	3.8	5.8
Revenue Service Completed	≥ 99.85%	99.88%	99.96%	98.57%
Preventable Accidents per 100,000 Miles	≤ 0.90	0.57	0.95	1.14
Ridership	--	1,210,810	1,458,783	1,658,774

**** The on-time performance target is currently being re-evaluated to more align with the new Clever/CAD system parameters.***

4

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Fixed Route Bus – West Valley

Performance Indicator	Target	FY22 Q1	FY21 Q2	FY22 Q2
On-Time Performance	≥ 92%*	86%	88%	89%
Valid Complaints Per 1,000 Boardings	≤ 0.25	0.40	0.44	0.52
Mechanical Failures Per 10,000 Revenue Miles	≤ 1.2	0.44	0.63	0.50
Revenue Service Completed	≥ 99.85%	99.85%	99.66%	99.39%
Preventable Accidents per 100,000 Miles	≤ 1.50	0.58	1.40	1.33
Ridership	--	37,121	36,025	42,421

** The on-time performance target is currently being re-evaluated to more align with the new Clever/CAD system parameters.*

5

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Light Rail

Performance Indicator	Target	FY22 Q1	FY21 Q2	FY22 Q2
On-Time Performance	≥ 95%	84%	93%	73%
Complaints Per 100,000 Boardings	≤ 3.0	1.01	0.71	1.10
Preventative Maintenance Inspections - % On-Time (LRV)	≥ 80%	100%	98%	99%
Preventative Maintenance Inspections - % On-Time (Systems)	≥ 80%	97%	98%	94%
Preventable Accidents per 100,000 Miles	≤ 0.90	0.00	0.13	0.27
# of Employee Injuries - Lost Time (MOE & MOW)	0	1	0	3
Ridership	--	1,880,241	1,541,169	2,084,366

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Customer Service – Call Center

Performance Indicator	Target	FY22 Q1	FY21 Q2	FY22 Q2
Calls Received	--	182,800	162,195	176,761
Complaints Processed	--	6,587	4,911	6,728
NextRide Inquiries Handled by Interactive Voice Response (IVR)	--	155,963	129,702	135,074
NextRide Inquiries Handled by Text Messaging	--	382,850	388,171	322,131
Average Talk Time	--	2:19	2:10	2:30
Average Speed of Answer	≤ 1.00	:40	:23	:48

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Customer Experience Coordinators (CEC)

Location	Cust. Cont.	Cust. Ast.	RTR Ed.	Fac. Ast.	Sec. Ast.	Ops. Ast.	Drinks Addr.	Animals Addr.	Platforms Visited	TVM Issues	Complaints	Observations: Total Animals	Observations: Total Drinks
Central Phoenix	18,281	3,616	1,839	4,570	60	70	688	64	1,140	101	1	124	922
East/Mesa	11,824	4,664	1,523	3,673	61	96	528	36	673	76	1	72	804
East/Tempe	8,590	2,107	766	1,803	41	76	294	27	604	64	-	44	407
West Phoenix	7,872	1,343	365	1,213	53	38	235	24	316	37	-	33	271
Grand Total	**46,567**	**11,730**	**4,493**	**11,259**	**215**	**280**	**1,745**	**151**	**2,733**	**278**	**2**	**273**	**2,404**

Locations:
Central Phoenix - Roosevelt to Airport
East/Mesa - Sycamore and East
East/Tempe - 50th Street to Price/Apache
West Phoenix - McDowell to Dunlap

Definitions:
Cust. Cont. - Any verbal interaction with customer from CEC (ex: Hello, Good Morning, Thanks for riding, etc.)
Cust. Ast. - When a customer asks for assistance or has a question for the CEC
RTR Ed. - Education on "Respect the Ride"
Fac. Ast. - Pick-up trash on platforms and trains
Sec. Ast. - Assist Security with customer needs
Ops. Ast. - Assisting Operator/Operations
Drinks Addr. - Drinks that don't meet Valley Metro's policy addressed by CEC
Animals Addr. - Animals addressed by CEC on whether they are considered service animals
Platforms Visited - Number of platforms visited by CEC
TVM Issues - Observed TVM not working
Complaints - Customer files a complaint with CEC
Total Animals - Service or unknown service animals observed
Drinks - Doesn't meet Valley Metro's policy (Only spill proof cups)

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Safety, Security & Quality Assurance

February 2022

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Safety – Rail (VMR)

Agency Safety Plan Metrics

CY 2021 | October through December

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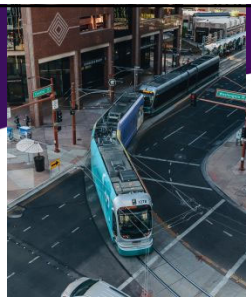

Rail Safety Performance Targets

Rail	
Injuries	5% reduction in both number of events and rate per 100,000 revenue miles from CY2020
Employee Injuries	Below OSHA industry average
Passenger Falls on LRVs	5% reduction in both number and rate per 100,000 passenger boarding's from CY2020 (falls with no impairment noted)
Fatalities	Zero
Safety Events	5% reduction in both number of events and rate per 100,000 revenue miles from CY2020
System Reliability	According to manufacturer's established performance standards
Red Signal Overruns (Unauthorized)	10% reduction from CY2020

VALLEY METRO RAIL | VALLEY METRO

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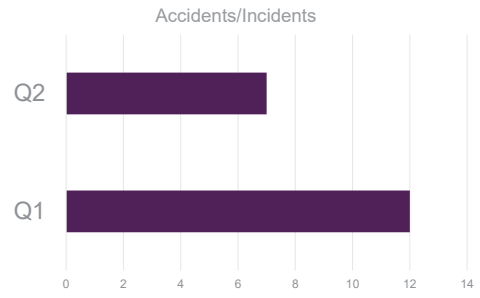
Safety Events

VALLEY METRO RAIL | VALLEY METRO

Total number of reportable accidents/incidents, and red signal overruns.

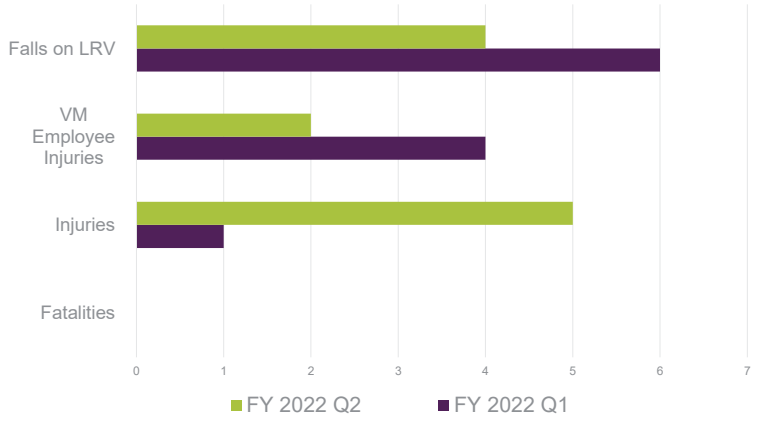


CY 2022 Q1	CY 2022 Q2
12	7

12

12

Falls on LRV, Employee Injuries, Customer Injuries & Fatalities



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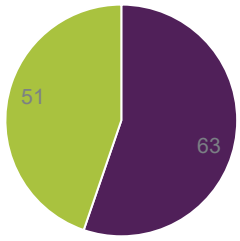
System Reliability

The National Transit Database defines a major mechanical system failure as a failure of some mechanical element of the revenue vehicle that prevents the vehicle from completing a scheduled revenue trip or starting the next scheduled revenue trip because vehicle movement is limited or due to safety concerns.

National average for major mechanical failures is 17,576

VMR incurs a major mechanical failure every: **19,090 miles.**



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Safety – Bus (RPTA)

Agency Safety Plan Metrics

CY 2021 | October through December

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Bus Safety Performance Targets

	Bus
Injuries	5% reduction in both number of events and rate per 100,000 revenue miles from CY2020
Employee Injuries	Below OSHA industry average
Passenger Falls	5% reduction in both number and rate per 100,000 passenger boarding's from CY2020 (falls with no impairment noted)
Safety Events	5% reduction in both number of events and rate per 100,000 revenue miles from CY2020
Fatalities	Zero
Operator Assaults	10% reduction from CY2020 in both number and rate of injury per hours worked
System Reliability	According to manufacturer's established performance standards

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Bus Safety - Injuries, Employee Injuries,& Falls on bus

Injuries		Employee Injuries		Falls on bus	
Target	Actual	Target	Actual	Target	Actual
< 5	5	< 6.7	4	< 20	8

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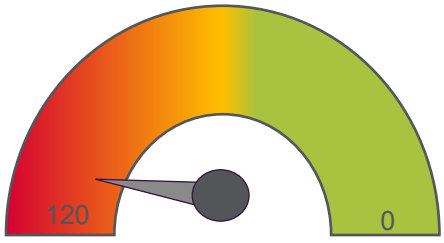
Bus Safety Events

Total number of reportable events (accidents, incidents) per total bus revenue miles

Target: 5% reduction in number of events from CY2021

CY 2021 Data October Through December	
Number of Events	Revenue Miles
120	8,436

CY 2022 Targets	
Events	< 345



Possible Contributing Factors:

- Increase in motor vehicle traffic when compared to CY2021
- Challenges attracting and retaining bus operators. Skilled workforce

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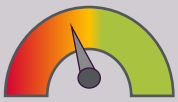
Safety Bus - Fatalities, Operator Assaults, & System Reliability

Fatalities		System Reliability	Operator Assaults	
				
Target	Actual	Mean distance between major mechanical failures	Target	Actual
0	1	8,436 miles	< 44	2

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Security – Rail (VMR)

Fiscal Year 2022 – 2nd Quarter

Metrics

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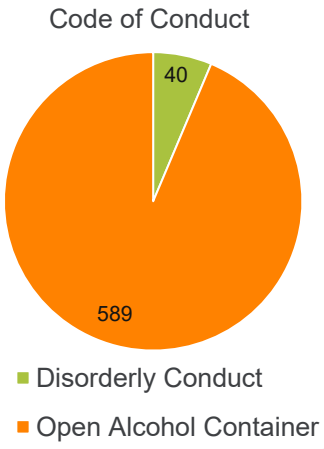
Coronavirus Mitigations-Environment

Incidents - Rail



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Coronavirus Mitigations-Environment

Activity

Activity		FY22 Q1	FY22 Q2
Property Crimes	System	8	6
Crimes Against Persons	System	22	25
Code of Conduct	System	371	629
Activity		FY22 Q1	FY22 Q2
Medical Responses	System	195	142

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Incident Table – Current Quarter

Coronavirus Mitigations-Environment

	City Jurisdiction		
	Phoenix	Tempe	Mesa
Crimes Against Persons	15	3	7
Property Crime	5	1	0
Code of Conduct	512	71	46
Grand Total	**532**	**75**	**53**

Platform Activity						
City	Phoenix		Tempe		Mesa	
Total Platforms Per City	**27**		**10**		**7**	
Crimes Against Persons	19DL	3	VWCL	2	GIMN	3
	19CB	2	UNRR	1	CCMN	2
	10 stations with 1 each	1			ASMN	1
					MEMN	1
Property Crimes	19DL	1	PCAP	1		
	NO19	1				
	GL19	1				
	CNCB	1				
	ISCN	1				
Code of Conduct	19DL	181	ML3	13	GIMN	18
	24WA	41	PRWA	11	ASMN	8
	GL19	35	MCAP, DOAP	10	SYMN	7
	44WA	26	UNRR	9	CCMN, STMN	4
	MO19	25	PCAP	7	CEMN	3

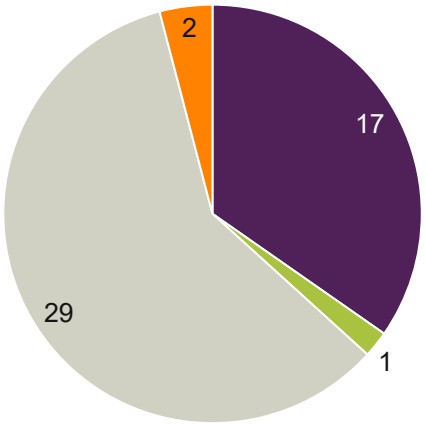
Security – Bus (RPTA)

Fiscal Year 2022 – 2nd Quarter

Metrics

Coronavirus Mitigations-Environment

Incidents - Bus



- Criminal Damage
  29% reduction (25 last quarter)
- Assaults on Passengers
  80% reduction (5 last quarter)
- Disorderly Conduct
  16% increase (25 last quarter)
- Assaults on Operators
  78% reduction (9 last quarter)

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Finance

February 2022

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Valley Metro RPTA Operating Results – Q2

RPTA Budget vs. Actual Report

For the quarter ending December 31, 2022

$ Millions

	2nd Quarter			Year to Date		
Operations Expenditures	**Budget**	**Actual**	**Variance (Unfav.)**	**Budget**	**Actual**	**Variance (Unfav.)**
Fixed Route Bus	26.9	23.8	3.2	53.9	47.9	6.0
Paratransit	9.5	9.6	(0.1)	18.9	11.3	7.6
Vanpool	0.3	0.2	0.1	0.5	0.4	0.1
Regional Services	3.6	3.3	0.3	7.1	5.9	1.2
Planning	0.5	0.5	0.0	1.0	1.0	0.0
Administration	1.0	0.8	0.2	2.0	1.5	0.5
METRO Rail (Salary, Fringe, OH)	7.7	7.2	0.5	15.3	13.0	2.3
Total Operations Expenditures	**49.5**	**45.3**	**4.1**	**98.7**	**81.0**	**17.7**

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Valley Metro RPTA Capital Results – Q2

RPTA Budget vs. Actual Report

For the quarter ending December 31, 2022

$ Millions

	2nd Quarter			Year to Date		
Capital Expenditures	**Budget**	**Actual**	**Variance (Unfav.)**	**Budget**	**Actual**	**Variance (Unfav.)**
Bus Purchases						
Valley Metro	8.2	0.0	8.2	16.3	0.0	16.3
Lead Agency	0.9	0.0	0.9	1.9	0.0	1.9
Paratransit Vehicles						
Lead Agency	0.6	0.0	0.6	1.1	0.0	1.1
Vanpool Vehicles	0.8	0.0	0.8	1.6	0.0	1.6
Other Capital	1.8	1.1	0.7	3.6	2.0	1.6
METRO Rail	14.7	12.9	1.8	29.4	28.2	1.2
Total Capital Expenditures	**27.0**	**14.0**	**13.0**	**53.9**	**30.2**	**23.7**

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Valley Metro Rail Operating Results – Q2

VMR Budget vs. Actual Report

For the quarter ending December 31, 2022 $ Millions

	2nd Quarter			Year to Date		
Operations Expenditures	**Budget**	**Actual**	**Variance (Unfav.)**	**Budget**	**Actual**	**Variance (Unfav.)**
Rail Operations/Security	15.1	14.7	0.4	30.3	25.6	4.7
Future Project Development	3.0	2.1	0.9	6.0	2.9	3.1
Agency Operating	0.5	0.5	0.0	1.0	0.8	0.2
Total Operating Activities	**18.6**	**17.3**	**1.3**	**37.3**	**29.3**	**8.0**

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Valley Metro Rail Capital Results – Q2

VMR Budget vs. Actual Report

For the quarter ending December 31, 2022 $ Millions

	2nd Quarter			Year to Date		
Capital Expenditures	**Budget**	**Actual**	**Variance (Unfav.)**	**Budget**	**Actual**	**Variance (Unfav.)**
Rail Projects						
Tempe Streetcar	1.9	3.0	(1.1)	3.6	4.6	(1.0)
Gilbert Rd	1.1	0.6	0.5	1.7	1.1	0.6
South Central	75.2	45.4	29.8	149.7	70.2	79.5
Northwest Phase II	36.3	20.4	15.9	57.1	34.3	22.8
OMC Expansion	2.9	3.0	(0.1)	5.2	3.5	1.7
System-wide Improvements	6.2	2.4	3.8	9.4	4.2	5.2
State of Good Repair	3.2	0.9	2.3	6.4	1.4	5.0
Total Capital	**126.8**	**75.9**	**50.9**	**233.0**	**119.3**	**113.6**

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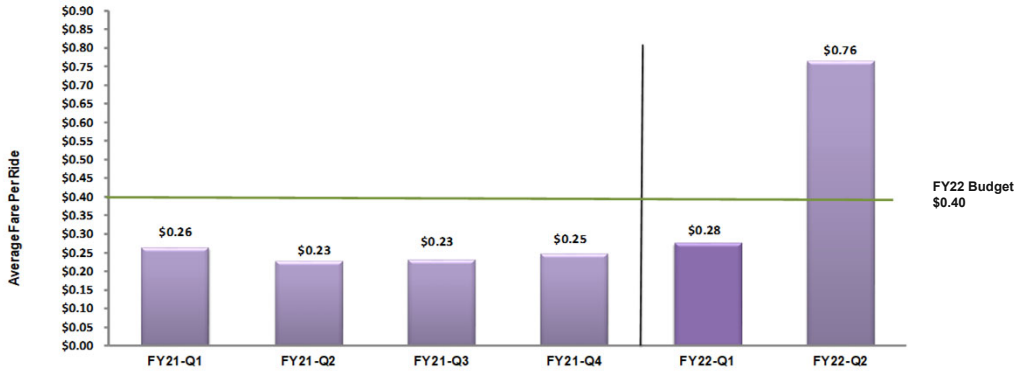
Rail - Average Fare
FY21 History / FY22 2nd Quarter
Average Fare – by Quarter



	Q2
Fare Revenue Budget	$630,250
Fare Revenue Collected	$1,593,469
Variance	$963,219

	Q2
Fare Recovery Budget	4.2%
Fare Recovery Actual	13.4%

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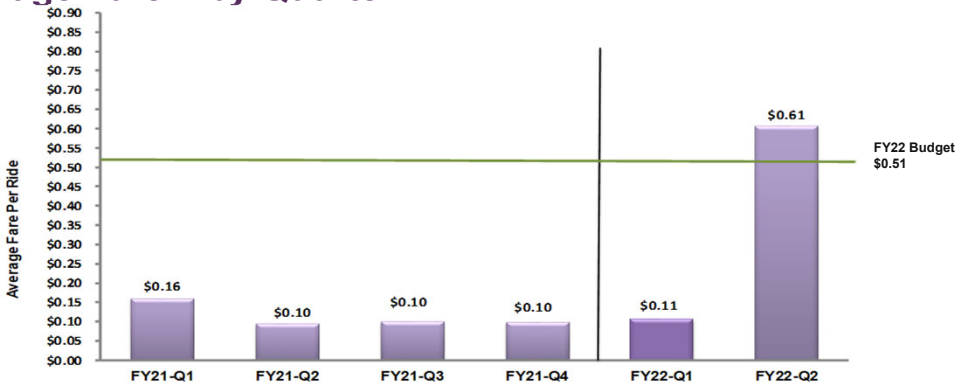
Bus - Average Fare
FY21 History / FY22 2nd Quarter
Average Fare – by Quarter



	Q2
Fare Revenue Budget	$707,175
Fare Revenue Collected	$1,032,456
Variance	$325,281

	Q2
Fare Recovery Budget	3.1%
Fare Recovery Actual	4.7%

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Capital and Service Development

February 2022

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Transit Planning Projects

Name	Completion Date	Status
Gilbert Transit Planning Study	Spring 2022	• Drafted outreach materials for January-February 2022 outreach period. • Compiled finance information and held monthly project management meetings.
Transit Stop Inventory Reconciliation and Bus Stop Database	Spring 2022	• Finalized software application and began gathering final input from city partners before rolling out to the full system.
Short Range Transit Program (SRTP) Update	Summer 2022	• Held regular subregional meetings to manage proposed service changes and communicate financial situations. • Received minor adjustments from cities on short-term requests.
Ridership and COVID Response	Summer 2022	• Coordinated with other divisions for agencywide response. • Monitoring ridership data and provided regular ridership updates.

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Transit Planning Projects

Name	Completion Date	Status
Climate Action Plan	Spring 2022	• Completed draft of plan. • Began internal engagement in January (ongoing through March 2022).
Quality of Life Update	Spring 2022	• Completed substantial data collection. • Coordination with Marketing and Communications is underway to design the Quality of Life website.
West Valley Flex Transit Study	2023	• Finalized scope of work. • Held kickoff meeting mid-December 2021. • Collected preliminary existing conditions data.
Transit Mitigation Opportunities for the Broadway Curve Project	2024	• Coordinating with MAG to provide $400,000 in Broadway Curve-specific support for Commute Solutions. • Valley Metro will provide additional information for mitigation strategies as requested.

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Corridor and Facilities Planning

Name	Project Complete	Current Phase	Phase Complete	Status
Price Road Flexible Transit Study	Fall 2021	Service Planning	Fall 2021	• Finalized report and presented to Chandler Transportation Commission. • Coordinating rollout of recommended service after city was awarded $2M grant for microtransit.
Capitol Extension	TBD	Preliminary Engineering	Spring 2023	• Revised route approved by Phoenix City Council and Valley Metro Rail Board in November 2021. • Completed the Survey and continued Subsurface Utility Engineering. • Began drafting typical road cross-sections. • Continued stakeholder engagement.
I-10 West Extension	TBD	Planning	Summer 2022	• Revised route passed by Phoenix City Council in November 2021 and Valley Metro Rail Board in January 2022. • Continued additional planning activities to develop a refined conceptual design, cost estimates, funding analysis and implementation plan. • Continued stakeholder engagement.

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Corridor and Facilities Planning

Name	Project Complete	Current Phase	Phase Complete	Status
West Phoenix High-capacity Transit Alternatives Analysis	TBD	Alternatives Analysis	TBD	• Phoenix City Council approved initiation of study in November 2021. • Submitted two federal grant applications, Areas of Persistent Poverty (AoPP) and Route Planning Restoration grant, to help fund the study.
Rio East/Dobson Streetcar Extension	TBD	Alternatives Analysis	TBD	• Finalizing budget and scope of work to begin study.

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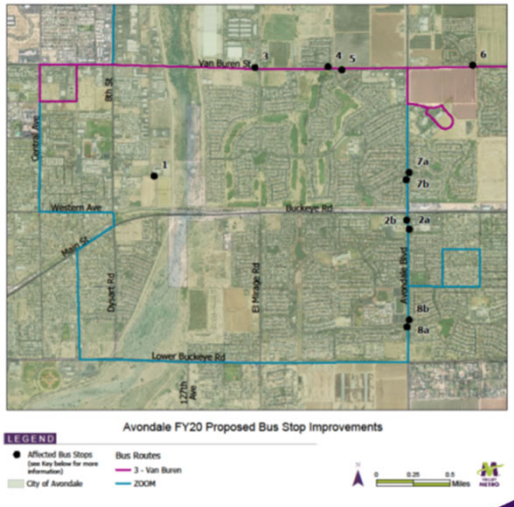
Avondale Bus Stop Improvements

Project Complete	Current Phase	Phase Complete
Summer 2022	Design/ Construction	TBD

Status
• Approximately half of the $500,000 budget used. • Highest priority stop (Riley/10th St) has been completed. • Two bus stops have been selected to advance toward construction for project close-out. • Redesign underway for one bus stop (Van Buren/Links Dr EB) requested.



Avondale FY20 Proposed Bus Stop Improvements

Avondale
Aspiring. Achieving. Accelerating.

Data as of December 2021.

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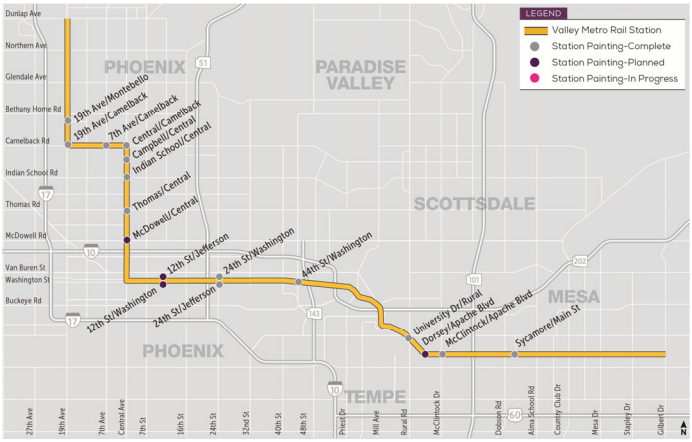
Light Rail Station Painting



Project Complete	Current Phase	Phase Complete
Summer 2023	Construction	Summer 2023

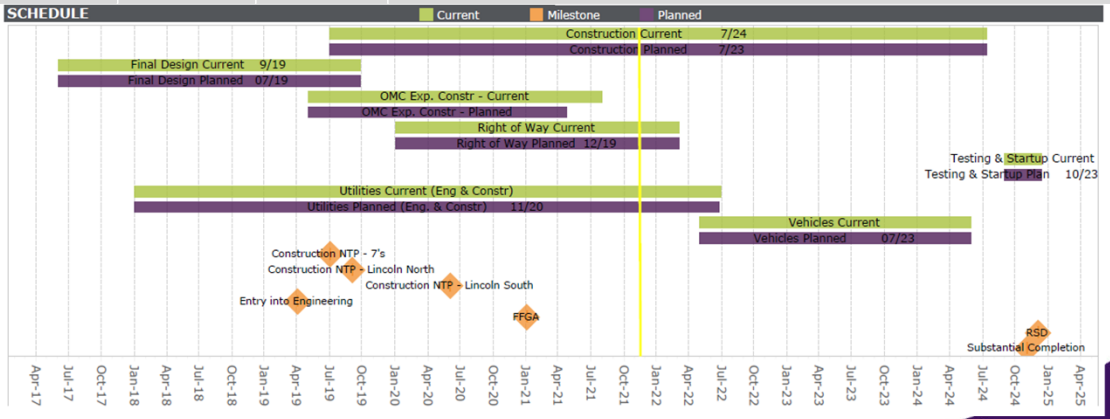
Status

- Thirteen station platforms completed.
- One station planned for FY22 (Dorsey/Apache Blvd)
- Three remaining to be performed in FY2023.

Data as of January 2022.

South Central Extension/ Downtown Hub

Project Complete	Current Phase	Phase Complete	Status
2024	Construction	2024	• Construction continues in downtown Phoenix and south of Lincoln Street. • Completed replacement of CityScape Bridge.



Data as of September 2021. Schedule re-baselined at FFGA Award.

South Central Extension/ Downtown Hub

Expenditures to Date

Description	Expended ($M)	Budget ($M)
Contracted Services	$314.5	$986.2
Light Rail Vehicles	$25.7	$75.8
Right of Way	$16.8	$52.8
Professional Services	$102.3	$230.3
Total	**$459.3**	**$1,345.1**

Contingency Utilization

Description	Dollars ($M)
Total Contingency	$151.3
Executed Change Orders & Budget Transfers	$(6.3)
Total Project Contingency Remaining	**$145.0**

Data as of December 2021.

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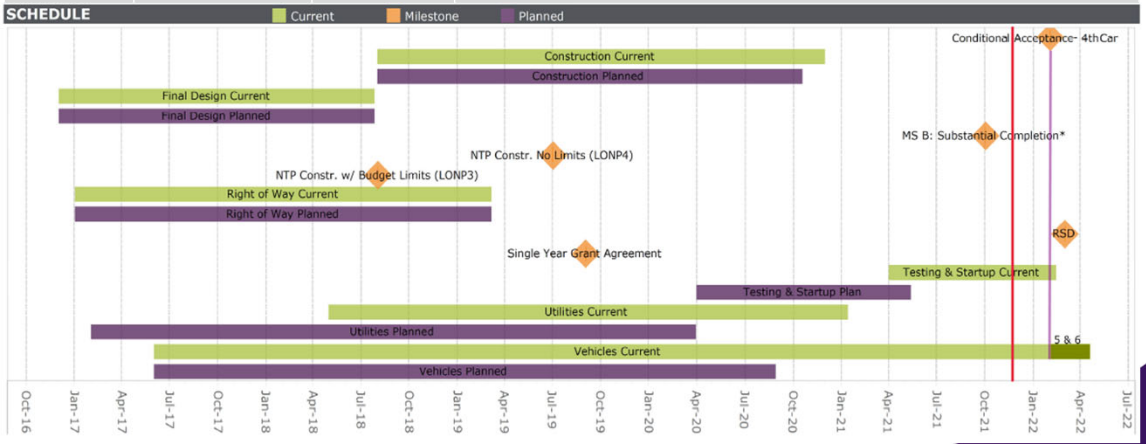
Tempe Streetcar

Project Complete	Current Phase	Phase Complete	Status
2021	Integrated Testing (65% complete)	Spring 2022	• Continue traction Power substation (TPSS) screen wall construction. • Vehicle deliveries and testing underway.



Data as of December 2021.

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Tempe Streetcar

Expenditures to Date

Description	Expended ($M)	Budget ($M)
Contracted Services	$112.9	$117.9
Streetcar Vehicles	$30.5	$38.4
Right of Way	$0.5	$1.9
Professional Services	$33.9	$34.2
Total (including contingency)	**$173.5**	**$192.4**

Contingency Utilization

Description	Dollars ($M)
Total Contingency	$37.5
Executed Change Orders & Budget Transfers	$(31.3)
Total Project Contingency Remaining	**$6.2**

Data as of December 2021.

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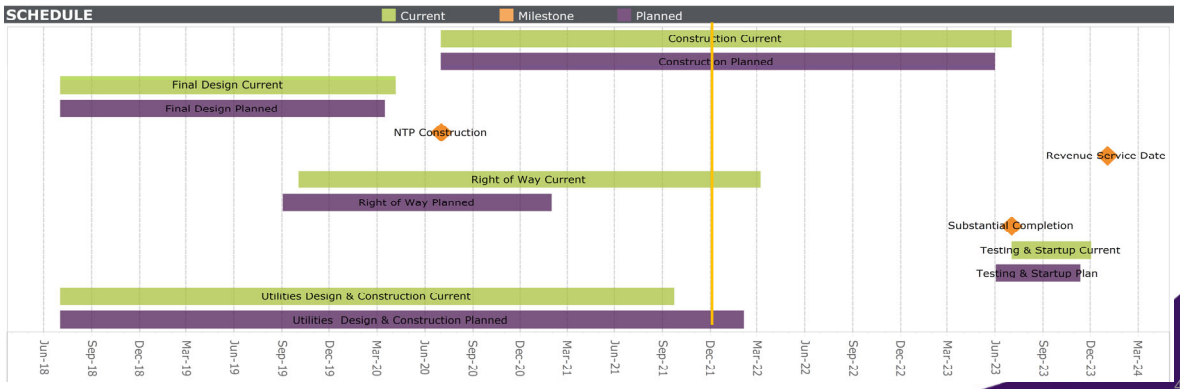
Northwest Extension Phase II

Project Complete	Current Phase	Phase Complete	Status
2024	Construction	2024	• Full Funding Grant Agreement (FFGA) Awarded. • I-17 Bridge steel tub girders set over I-17. • Arizona Canal Diversion Channel Bridge under construction.



Data as of December 2021.

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Northwest Extension Phase II

Expenditures to Date

Description	Expended ($M)	Budget ($M)
Contracted Services	$77.8	$254.9
Third Party Utilities	$4.2	$19.6
Right of Way	$9.2	$28.0
Professional Services	$36.2	$98.8
Total (including contingency)	**$127.4**	**$401.3**

Contingency Utilization

Description	Dollars ($M)
Total Contingency	$49.9
Executed Change Orders & Budget Transfers	$(0.7)
Total Project Contingency Remaining	**$49.2**

Data as of December 2021.

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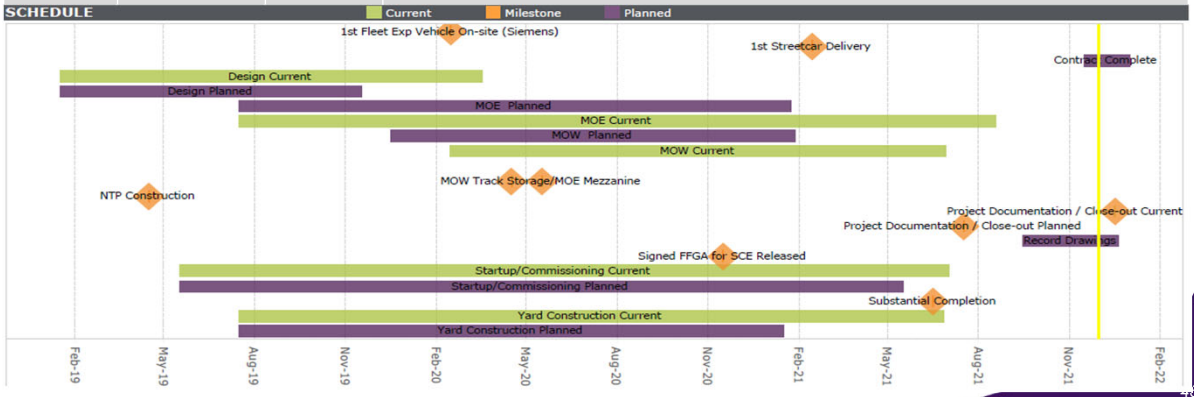
Operations & Maintenance Center (OMC) Expansion

Project Complete	Current Phase	Phase Complete	Status
2022	Design/ Construction	Jan 2022	• Substantial completion milestone met on September 28th. • Completing construction punch list items and submittals. • Contract completion is January 25th.



Data as of December 2021. For more details, visit valleymetro.org

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OMC Expansion

Expenditures to Date

Description	Expended ($M)	Budget ($M)
Contracted Services	$87.8	$87.8
Professional Services	$5.5	$7.1
Total	**$93.3**	**$94.9**

Contingency Utilization

Description	Dollars ($M)
Total Contingency	$9.6
Executed Change Orders & Budget Transfers	$(7.5)
Total Project Contingency Remaining	**$2.1**

Data as of December 2021.

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Communications & Strategic Initiatives

February 2022

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Communications Update

- Provided media relations support for the NWEII federal funding event on Nov. 19
- Celebrated the Rail OMC Expansion with a tour and media day on Dec. 8
  - Covered by broadcast stations 3/5, 10, 12, 15 and Arizona Republic generating 889,000 views
- Promoted return of Coors Light Free Rides on New Year's Eve for bus, rail and paratransit
- Inside the Ride blog averages 1,400 unique visitors/month
- Actively monitoring AlertVM safety and security app
  - 9,480 total downloads
  - Responded to 630 reports in Q2

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Community Relations Update

- Organized event for NWEII full funding grant agreement on Nov. 19
  - Featuring USDOT, FTA, U.S. and local leaders
- CAPEX/10WEST: Received City Council approval
- Completed Cool Transit STUFF 3rd Grade Art Contest with 393 entries from 32 schools
- Agency Outreach:
  - October & April service changes
  - Mesa Santa Express logistics & volunteers
- Business Assistance:
  - Mailed "shop local" coupons to 52,000+ households along NWEII, SCE/DH and TSC
  - SBFAP: 59 businesses funded at $333k+
  - Held two Friends of Transit-sponsored lunch events
  - Tabled at ASU and Tempe events for TSC businesses

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Commute Solutions Update

- Hosted 34th Annual Clean Air Campaign Awards & Luncheon on Oct. 29
  - Recognized 17 awardees with nearly 200 in limited attendance at the Heard Museum
- Initiated the South Tempe Transportation Management Association (TMA) quarterly meeting on Dec. 7
  - 24 individuals participated
  - Shared Broadway Curve Project and related information
- Conducted quarterly survey of downtown Phoenix employers to monitor return to work plans
  - 70% of employers responding intend to return to work in 3-6 months
- Increased ShareTheRide.com registered users by 30% to 18,018

TRANSPORTATION MANAGEMENT ASSOCIATION TEMPE

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Marketing Update

- Launched media campaign for return to front door boarding on Oct. 11
- Developed the annual holiday bus & train wraps
  - Including staff-led effort to decorate interiors
- Designed materials & provided marketing support for:
  - Artsline Artist Jerome Fleming
  - Clean Air Campaign Luncheon
  - October Service Changes Outreach
  - 2022 Transit Education Calendar
  - Holiday mailers for NWEII & SCEDH businesses

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Accessible Transit Services

February 2022

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Paratransit

Performance Indicator	Target	FY22 Q1	FY21 Q2	FY22 Q2
One-Way Trips	--	72,062	58,987	71,051
On-Time Performance	≥ 95%	89.6%*	93.6%	85.3%*
Complaints Per 1,000 Trips	≤ 1.5	2.5	1.5	3.0
Gross Cost Per Trip Fully Allocated at Contractor Level **	--	$54.60	$57.97	$54.65

** Challenges with Driver recruitment and trip demand increases impacting the on-time performance*
*** Includes Fixed Costs, Fuel and LDs. Agency OH is not included.*

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RideChoice

Performance Indicator	FY22 Q1	FY21 Q2	FY22 Q2
One-Way Trips	39,357	33,042	40,781
On-Time Performance	95.6%	95.0%	92.3%
Complaints Per 1,000 Trips	2.0	2.2	1.8
Gross Cost Per Trip	$21.66	$22.67	$23.04

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Other Accessibility Services

Performance Indicator	FY22 Q1	FY21 Q2	FY22 Q2
Travel Training	32	17	57
Platinum Pass Trips	4,887	5,304	49,414
Cost Per Trip	$1.03	$0.93	$0.70
ADA Applicants	520	734	573
Unconditional	67%	72%	68%
Conditional	30%	21%	27%
Temporary	3%	7%	5%
Denials	<1%	<1%	<1%

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ATS Highlights

- 26 Replacement Paratransit Vehicles (ordered March 2021) Changing Chassis
- Call And Control Center (Broker) RFP
  - RFP released September 3, 2021
  - Pre-Proposal Conference September 22, 2021
  - Proposal's submittals due October 20, 2021
  - Evaluation Committee recommended cancellation of award
  - Alternative strategy forthcoming
- Operations and Maintenance RFP
  - City of Phoenix review – TBD – Alternative Strategy forthcoming
  - RFP release date – TBD
  - Pre-proposal conference – TBD
  - Proposals due – TBD
  - Recommendation of award - TBD
- Paratransit scheduling and dispatch software
  - Trapeze being moved from Transdev to Valley Metro IT servers
  - Working with Trapeze to implement new modules for RideChoice management

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ATS Highlights

- **Valley Metro Accessibility Advisory Group (VMAAG) Activity**
  - April 2022 Fixed Route Service Change
  - Fixed Route / Light Rail Customer Comment review
  - RideChoice and Paratransit service update
  - Proposed changes to VMAAG structure
    - Steering Committee
    - Member Chair and Co-Chair

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Information Summary

DATE
January 26, 2022

AGENDA ITEM 6

SUBJECT
Travel, Expenditures and Solicitations

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

Non-essential travel has been suspended at this time.

BACKGROUND | DISCUSSION | CONSIDERATION
None

COST AND BUDGET
None

COMMITTEE PROCESS
None

RECOMMENDATION
This item is presented for information only.

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

Valley Metro
Travel Reimbursement Report
For Travel Completion Dates
12/1/21 through 12/31/21

Job Title	Purpose of Travel	Location	Dates Traveled	Total Travel Cost	Airfare	Other Transport	Lodging	Meals	Misc.
Chief Administrative Officer	APTA TRANSform Conference	Orlando, FL	11/7/21-11/9/21	$1,313.42	$520.80	$54.26	$565.86	$172.50	$0.00
Labor Compliance Specialist	Ignite LCP Tracker Conference	San Diego, CA	11/15/21-11/17/21	$1,391.07	$154.79	$323.09	$765.69	$147.50	$0.00
Total this reporting period				$2,704.49					
Year to Date				**$10,337.66**					

Report reflects Out of State (AZ) Travel

Valley Metro Regional Public Transportation Authority
Monthly AP Payments over $25,000
December 2021

Payment Number	Date	Supplier or Party Name	Transaction Description	Amount
10000218	12/3/2021	First Transit Inc	Oct 2021 Transit Services + Preventative Maintenance for East Valley Routes	5,822,332.48
10000275	12/29/2021	First Transit Inc	Nov 2021 Transit Services + Preventative Maintenance for East Valley Routes	5,587,537.35
10000278	12/29/2021	Hill International Inc	VMR - Aug, Sept + Oct 2021 PMCM Services: SCE, TSC, TSCE, NWE	2,763,071.51
10000239	12/10/2021	Transdev Services Inc	Oct 2021 General Paratransit Service	1,172,264.57
90000026	12/3/2021	ADP LLC	PPE 11/28/21 Payroll Liabilities	1,122,072.15
10000229	12/10/2021	Allied Universal Security Services	VMR - Sept + Oct 2021 Fare Inspection and Security Services	1,028,068.99
10000258	12/17/2021	Total Transit Enterprises LLC	Oct 2021 West Valley Contracted Fixed Route and Maintenance Services	1,016,336.95
90000038	12/29/2021	ADP LLC	PPE 12/26/21 Payroll Liabilities	1,014,458.28
90000035	12/17/2021	ADP LLC	PPE 12/12/21 Payroll Liabilities	918,254.12
10000268	12/22/2021	Hill International Inc	VMR - Jul 2021 PMCM Services: SCE, TSC, TSCE, NWE	866,472.50
10000225	12/3/2021	City of Phoenix	Nov 2021 FR Bus Service, DAR, FR Svc Op Supp	715,311.83
10000232	12/10/2021	Denovo Ventures LLC	ERP-EAM System Software Implementation	683,075.75
10000284	12/29/2021	City of Phoenix	Dec 2021 FR Bus Service, DAR, FR Svc Op Supp	570,959.02
10000277	12/29/2021	HDR Engineering Inc	VMR - Sept 2021 PCRS Services	509,950.11
90000034	12/17/2021	Cigna Health and Life Insurance Company	Dec 2021 Health Insurance Premiums	442,361.37
1000314	12/10/2021	American Logistics Company LLC	Oct 2021 RideChoice Management Services	311,991.08
10000220	12/3/2021	HDR Engineering Inc	VMR - Aug 2021 PCRS Services	309,427.22
1000340	12/29/2021	American Logistics Company LLC	Nov 2021 RideChoice Management Services	270,241.44
90000036	12/29/2021	ASRS	PPE 12/26/21 ASRS Contributions & LTD	266,655.80
90000025	12/3/2021	ASRS	PPE 11/28/21 ASRS Contributions & LTD	264,606.62
90000033	12/17/2021	ASRS	PPE 12/12/21 ASRS Contributions & LTD	255,336.57
1000305	12/3/2021	Hye Tech Network & Security Solutions	Cisco Security Products Enterprise Agreement-Subscription Costs	229,425.16
10000231	12/10/2021	Creative Software Solutions LLC	Ridechoice Mgmt Svcs + EZT Setup Implementation Fee	184,000.00
10000251	12/17/2021	DMS Facility Services Inc	VMR - Oct + Nov 2021 Facilities Maintenance Services	140,185.90
10000270	12/29/2021	ARCADIS	VMR - Jul + Aug 2021 Consulting Support Services	130,708.76
90000039	12/31/2021	Surepays	RPTA Dec 2021 Utilities	114,474.10
10000236	12/10/2021	Medical Transportation Management Inc	Oct 2021 Paratransit Eligibility Assessment and Fixed-Route Travel Training Services	96,750.11
10000280	12/29/2021	Medical Transportation Management Inc	Nov 2021 Paratransit Eligibility Assessment and Fixed-Route Travel Training Services	95,414.37
10000244	12/10/2021	Senergy Petroleum LLC	Bulk Fuel	88,661.26
10000274	12/29/2021	Environmental Systems Research Institut	ArcGIS Enterprise License Agreement Annual Renewal	82,355.69

10000238	12/10/2021	Second Generation Inc, dba Ajo Transpor	Nov 2021 Rural Connector Services	56,742.22
10000286	12/29/2021	Senergy Petroleum LLC	Bulk Fuel	56,147.86
1000343	12/29/2021	CopperPoint Insurance Company	Jan 2022 Rent for Mobility, Call Center and Parking	56,067.93
1000332	12/17/2021	QCM Technologies Inc	Dec 2021 Information Technology Solutions + Services	53,331.98
10000227	12/3/2021	Senergy Petroleum LLC	Bulk Fuel	52,042.81
10000246	12/17/2021	Allied Universal Security Services	VMR - Oct 2021 Fare Inspection and Security Services	51,828.70
90000032	12/10/2021	Wells Fargo Bank	Nov 2021 Credit Card Charges	48,080.65
10000267	12/22/2021	ARCADIS	VMR - Sept 2021 Consulting Support Services	47,253.36
10000252	12/17/2021	Enterprise Rideshare	Oct 2021 Contract Year 9-Van Pool Services for FY22	47,049.64
10000219	12/3/2021	Guidesoft Inc	Dec 2021 Managed Services Provider	46,377.60
10000250	12/17/2021	DLT Solutions LLC	Aug - Nov 2021 Oracle Products + Services-Subscription Costs - ERP Cloud Fusion	45,026.94
10000240	12/10/2021	URW LLC	Nov 2021 Landscape Maintenance Services - Rail Stations/MBOM/Mesa Transit Center	39,203.94
1000322	12/10/2021	CopperPoint Insurance Company	December 2021 Workers Comp	30,479.00
1000325	12/17/2021	Bentley Systems Inc	ProcureWare Annual renewal	28,779.00
10000266	12/17/2021	Senergy Petroleum LLC	Bulk Fuel	27,653.48
				27,758,826.17

Valley Metro Rail, Inc
Monthly AP Payments over $25,000
December 2021

Payment Number	Date	Supplier or Party Name	Transaction Description	Amount
50000183	12/10/2021	Kiewit-McCarthy, a Joint Venture	Oct 2021 CMAR Services for South Central-Downtown Hub	7,006,335.29
50000172	12/3/2021	Kiewit-McCarthy, a Joint Venture	Sept 2021 CMAR Services for South Central-Downtown Hub	5,904,587.81
50000192	12/10/2021	Siemens Mobility	Light Rail Vehicles	1,175,028.00
50000205	12/17/2021	Siemens Mobility	Light Rail Vehicles	1,057,123.55
50000179	12/10/2021	Brookville Equipment Corp	Street Car Vehicles	981,705.60
50000182	12/10/2021	Jacobs Engineering	Sept + Oct 2021 Design Services for Northwest Phase II	364,610.90
50000191	12/10/2021	SRP	Jul-Aug-Sept 2021 NWEII + SCE Transmission Utility Relocation	350,530.64
90000006	12/31/2021	Surepays	VMR Dec 2021 Utilities	320,920.26
5000360	12/29/2021	PGH Wong Engineering Inc	Oct 2021 System Design Services	219,984.73
50000169	12/3/2021	CDW Government LLC	Ethernet Switches	179,925.09
50000207	12/29/2021	101 North First Ave LLC	Jan 2022 Rent + Storage Room Leases	170,214.56
50000167	12/3/2021	101 North First Ave LLC	Dec 2021 Rent	168,846.92
50000187	12/10/2021	Stacy and Witbeck Inc	Sept 2021 CMAR Services for Tempe Street Car	159,338.22
50000204	12/17/2021	Stacy and Witbeck Inc	Oct 2021 CMAR Services for Tempe Street Car	153,726.16
50000174	12/3/2021	Penn Machine Company LLC	Truck Tire Mounting Kits	100,402.80
50000202	12/17/2021	Penn Machine Company LLC	Gearbox/Axle Overhaul - IGW	87,734.00
50000197	12/17/2021	DLT Solutions LLC	Aconex Project Control System (02/26/2021 to 12/31/2023)	77,306.10
50000203	12/17/2021	Scheidt & Bachmann USA Inc	Year 3 Service Desk Hardware and Software Support	65,328.32
50000195	12/17/2021	Award Winning Restorations	Light Rail Vehicle Painting	50,147.43
50000200	12/17/2021	Hensel Phelps Construction Co	Nov 2021 OMC Expansion-Deisgn Build Services	39,742.00
50000211	12/29/2021	Knorr Brake Corporation	LRV Friction Brake Equipment	28,000.00
5000369	12/29/2021	Moon Valley Country Club Inc	NWEII Water reimbursement from Intake Line Relocation	26,789.36
				18,688,327.74

VALLEY METRO

Procurement Report
for February Board Month

RECENTLY COMPLETED PROCUREMENTS										
Contract Administrator	**Agency**	**Procurement Type**	**Procurement Title**	**FTA Funding**	**Release Date**	**Proposal Due Date**	**Targeted Board Award Date**	**Estimated Contract Value**	**Term of Contract**	**Comments**
Barb H	VMR	Sole Source	LRV Midlife Overhaul Parts (Transit Design Group)	Yes	December 2021	N/A	N/A	$115,455.00	1 year + 1 option	In Negotiation
Kianie K	Joint	RFP	Printing Services	No	May 2021	June 2021	October 2021	$1,324,000.00	3 year + 2 options	Routed for Signature
Christian J	RPTA	RFP	Centralized Call Center for Regional ADA Paratransit Services & RideChoice	Yes	September 2021	October 2021	February 2022	$41,519,762.00	5 years + 3 options	Cancelled
Rick W	VMR	RFP	Rail Testing	No	August 2021	September 2021	November 2021	$300,000.00	3 years + 2 opt yrs	Executed
ACTIVE PROCUREMENTS										
Contract Administrator	**Agency**	**Procurement Type**	**Procurement Title**	**FTA Funding**	**Release Date**	**Proposal Due Date**	**Targeted Board Award Date**	**Estimated Contract Value**	**Term of Contract**	**Comments**
Barb H	VMR	Sole Source	Water Fountain Covers	No	January 2022	January 2022	N/A	$133,760.00	1 year	Initiating Documents
Barb H	VMR	RFP	LRV Electrical Component Repair	Yes	February 2022	March 2022	May 2022	$300,000.00	3 years + 2 options	SOW Development
Susanna H	Joint	RFP	Community Relations Support Services	Yes	January 2022	February 2022	July 2022	$6,500,000.00	3 years + 2 options	SOW Development
Ed N	Joint	RFQ	Planning Support Services	Yes	December 2021	February 2022	June 2022	$30,000,000.00	3 years + 2 options	Solicitation Issued
Rick W	RPTA	RFP	CNG Gas Detection System	No	November 2021	January 2022	March 2022	$200,000.00	one time purchase	Solicitation Issued
Christian J	RPTA	COOP	Paratransit Vehicles	Yes	N/A	N/A	January 2022	$4,594,814.00	one time purchase	Initiating Documents
FUTURE PROCUREMENTS										
Contract Administrator	**Agency**	**Procurement Type**	**Procurement Title**	**FTA Funding**	**Release Date**	**Proposal Due Date**	**Targeted Board Award Date**	**Estimated Contract Value**	**Term of Contract**	**Comments**
Barb H	VMR	RFP	East Valley Fixed Route Bus Services	Yes	May 2022	August 2022	November 2022	$400,000,000.00	5 yrs + 3yr/2yr opt	SOW Development
Barb H	RPTA	RFP	Autonomous Vehicle Research	Yes	May 2022	TBD	TBD	$250,000.00	5 years	SOW Development
Barb H	VMR	Sole Source	SCV Managed Inventory Program	No	July 2022	N/A	November 2022	TBD	5 years	SOW Development
Christian J	Joint	RFP	Regional ADA Paratransit Services Operations & Maintenance	Yes	January 2022	TBD	July 2022	TBD	TBD	SOW Development
Rick W	RPTA	RFP	Rural Connector Service	Yes	January 2022	TBD	TBD	TBD	TBD	SOW Development
Christian J	VMR	COOP	Time Management Solution	No	April 2022	N/A	TBD	$65,000.00	5 years	SOW Development
Ed N	RPTA	Sole Source	Cash Only Fareboxes	Yes	February 2022	N/A	March 2022	$15,000,000.00	2 years	Initiating Documents
Christian J	Joint	RFP	Agency Owned Vehicle Fleet Maintenance Services	No	April 2022	TBD	TBD	$700,000.00	5 years	Initiating Documents

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

Information Summary

DATE
January 26, 2022

AGENDA ITEM 7

SUBJECT
Report on Current Events and Suggested Future Agenda Items

PURPOSE
Chair Brady 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
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ssmith@valleymetro.org

ATTACHMENT
None.

Pending Items Request

Item Requested	Date Requested	Planned Follow-up Date

Agenda

January 26, 2022

Transit Management Committee
Wednesday, February 2, 2022
Boardroom/Webex
Valley Metro, 101 N. 1st Avenue, 10th Floor
11:00 a.m.

		Action Recommended
1.	Public Comment	1. For Information

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

CONSENT AGENDA

2.	Minutes	2A. For action

Minutes from the January 5, 2022 TMC meeting are presented for approval.

2B.	New Regional Fare Collection System Cash-only Bus Fareboxes	2B. For action

Staff recommends that the TMC forward to the Board of Directors authorization for the CEO to execute a two-year contract with Scheidt & Bachmann for new regional cash-only fareboxes for the entire regional fleet of buses with a not-to-exceed amount of $15,454,000 (contract value of $14,049,000 with a 10% contingency of $1,405,000).

REGULAR AGENDA

3.	Report on Current Events and Suggested Future Agenda Items	3. For information

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

4.	Next Meeting	4. For information

The next TMC meeting is scheduled for **Wednesday, March 2, 2022 at 11:00 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
January 26, 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
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ssmith@valleymetro.org

ATTACHMENT
None

Minutes

January 26, 2022 **AGENDA ITEM 2A**

Transit Management Committee
Wednesday, January 5, 2022
Via Webex/Phone
11:00 a.m.

TMC Meeting Participants
Chris Brady, City of Mesa, (Chair), phone
Roger Klingler, City of Buckeye, phone
Ryan Peters for Josh Wright, City of Chandler, phone
Dave Trimble, Fountain Hills, phone
Rob Bohr for Mary Goodman, Town of Gilbert, phone
Kevin Link for Kevin Phelps, City of Glendale, phone
Julie Karins, City of Goodyear (phone)
Cameron Doelling for Jacqueline Edwards, Maricopa County, phone
Eric Strunk, City of Peoria, phone
Mario Paniagua, City of Phoenix, phone
Bruce Gardner, Town of Queen Creek
Mark Melnychenko, City of Scottsdale, phone
Mike Gent, City of Surprise, phone
Steven Methvin, City of Tempe, phone
Shatawn Reed, ADOT

Members Not Present
Cherlene Penilla, City of Avondale
Autumn Grooms, City of El Mirage

Chair Brady called the meeting to order at 11:20 a.m.

1. Public Comment

Chair Brady said welcome all members to the meeting. The public will be provided an opportunity at this time to address the Committee on non-agenda items and all action 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 anyone from public comment?

Ms. Dillon said Mr. Crowley.

Chair Brady said Mr. Crowley, please continue.

Mr. Crowley said thank you. On your agenda Item 2D, it's recommended service changes and it's got ZOOM Circulator in here. And the last vote, it was -- I noticed there were some of the communities that weren't saying anything. Well, if Fountain Hills would have known that in Prop 400, Fountain Hills was supposed to have a circulator way a long time ago and a connecter into the system. Now, I know his participation now is to help move those things along, but they were curbed 15, 20 years ago. But that is then, and this is now.

And you've also got B, East Valley fixed-route bus service. I note that on the mixed use of the Tempe Trolly, they're saying, hey, let's extend out to Sloan Park. And I go, oh my God, they would want to put a trolly there where they don't even have a bus yet? Even though, seeing that the trolly is something that should be doing and happening, and the expansions and the recommended service changes and that's not what is happening.

When I see you say you're having to go do everything always within budget, and that back in, what did you say, Mr. Smith, '09, oh we changed everything up because it wasn't going to be happening, the expansions of service to make the grid happen, which the public had put together or what?

As I stated about Fountain Hills, a long, long time ago, you were supposed to have connecting bus service to the multiple of communities. It was to go from your place to downtown, not just down into the East Valley. Why these things don't happen, I don't understand. I also look at Lincoln and Glendale Avenue. Connects Scottsdale all the way to Luke Air Force Base. But does bus service along that corridor go all the way? No. The community of Fountain Hills says we don't want buses here. So the system has another major hole. I wish you people would work together to be more proactive rather than reactive and be a part of the democracy that we are doing and using today.

Chair Brady said all right. Pat, do we have any other public comment? Okay. So now we'll move to Item 2.

2. Consent Agenda

Chair Brady said the consent agenda is presented for action. Is there anybody on the Committee that have any questions or wish that items be pulled for separate discussion? If not, we'll request a motion and a second to approve the Consent Agenda and forward to the Board of Directors for approval. Do I have a motion?

IT WAS MOVED BY JULIE KARINS, SECONDED BY ERIK STRUNK TO FORWARD THE CONSENT AGENDA TO THE BOARD OF DIRECTORS FOR APPROVAL.

We'll ask Pat to take a roll call vote. Pat?

Ms. Dillon: City of Avondale? City of Buckeye? Aye.
Ms. Dillon: City of Chandler? Aye.
Ms. Dillon: City of El Mirage?
Ms. Dillon: Town of Fountain Hills? Aye.
Ms. Dillon: Town of Gilbert?
Ms. Dillon: City of Glendale? Aye.
Ms. Dillon: City of Goodyear? Aye.
Ms. Dillon: Maricopa County? Aye.
Ms. Dillon: City of Mesa? Aye.
Ms. Dillon: City of Peoria? Yes.
Ms. Dillon: City of Phoenix? Aye.
Ms. Dillon: Town of Queen Creek? Aye.
Ms. Dillon: City of Scottsdale? Aye.
Ms. Dillon: City of Surprise? Yes.
Ms. Dillon: City of Tempe? Yes.

Ms. Dillon said the motion passes, Chair.

Chair Brady said thank you, Pat. Thank you, everyone. Now, we'll move to Item 3.

3. Future Agenda Items Request and Report on Current Events

Mr. Chair said are there any agenda items for future meetings or any information that the Board members would like to bring forward in the future? All right. Very good.

4. Next Meeting

The next TMC meeting is scheduled for Wednesday, February 2, 2022, at 11:00 a.m.

With no further discussion the meeting adjourned at 11:27 a.m.

Information Summary

DATE **AGENDA ITEM 2B**
January 26, 2022

SUBJECT
New Regional Fare Collection System Cash-only Bus Fareboxes

PURPOSE
To request authorization for the Chief Executive Officer (CEO) to execute a two-year sole source contract with Scheidt & Bachmann for new regional cash-only fareboxes for the entire regional fleet of buses. The total capital cost for the fareboxes and installation will not exceed $15,454,000 (contract value of $14,049,000 with a 10% contingency of $1,405,000) and will be complete by FY2024.

RECOMMENDATION
Staff recommends that the TMC forward to the Board of Directors authorization for the CEO to execute a two-year contract with Scheidt & Bachmann for new regional cash-only fareboxes for the entire regional fleet of buses with a not-to-exceed amount of $15,454,000 (contract value of $14,049,000 with a 10% contingency of $1,405,000).

BACKGROUND | DISCUSSION | CONSIDERATION
The Valley Metro region has been working on a multi-phase Fare Collection System Modernization (FCSM) project since 2015 when Valley Metro retained the services of a fare collection consultant to aid the region in assessing options, writing detailed specifications, and guiding us through the procurement and contract processes.

The main elements of the modernization project include implementing a cloud-hosted new mobile ticketing application and reloadable smartcard program to include reduced fare registration ID, a robust retail network for the smartcard program, and a call center for customer service for the mobile ticketing application and reloadable smartcards. The City of Phoenix procured the contract for the mobile ticketing application and the reloadable smartcard program – Vix Technologies is the vendor. Valley Metro procured the contracts for the retail network and the call center – InComm is the retail network vendor and Vix Technologies is the call center vendor.

The three contracts are intricately connected and require both agencies to work together to order to successfully launch all the elements. The mobile ticketing application and its customer service call center are tentatively schedule for a December 2022 launch, in time for the Super Bowl. The reloadable smartcard program and its associated retail network are projected to go live in August 2023.

While the implementation of the mobile ticketing application and the reloadable smartcard system will offer significant improvements over the current fare purchasing

options resulting in fewer riders using cash on the bus, there will always be a need to take cash fares on the buses. The current fareboxes were implemented in 2006 and, while still functional, are approaching the end of their useful life and use an outdated design with problematic bill acceptors/cash validators that require frequent maintenance and delay bus boarding. The current fareboxes allow the use of cash, the magnetic stripe media along with Platinum Pass cards. As a result, the final phase of the modernization project upgrades the farebox back office (fare tariff and ridership data) and provides new fareboxes with improved hardware to be more reliable that will be solely for cash fares.

The initial plan for the new fare collection system assumed the City of Phoenix would procure the new fare boxes and associated software. However, as the implementation of the new system has progressed, both agencies determined it made more sense for these regional products to be procured by Valley Metro. Due to current supply chain issues, Valley Metro will need to place farebox orders in the spring of 2022. Installation will be complete in FY 2024. Valley Metro and the City of Phoenix will establish separate contracts for the ongoing maintenance of the fareboxes and associated software.

Valley Metro and the City of Phoenix both recommend the new cash-only fare boxes be procured via a sole source contract with Scheidt & Bachmann. This recommendation is driven by three factors:

1. Avoidance of $1 million in cash vault replacement costs -- The region has six operating bus garages (three for Phoenix; three for RPTA) with a total of 13 cash handling vaults. Cash vaults are robust stainless-steel devices built into secure rooms at each garage. Each farebox includes a cash box into which fare revenues are collected. At the end of each operating day when the bus returns to the garage, the cash box is removed from the farebox and inserted into the vault receiver. The cash is then automatically transferred from the cash box to the vault without human cash handling to ensure the integrity of the process. These vaults are in good to excellent condition. The cash boxes and vaults are also proprietary. As a result, while new Scheidt & Bachmann fare boxes will continue to work with the existing vault infrastructure, the use of any other company's fareboxes (and their associated cash boxes) would require their replacement. The City of Phoenix estimates the cost to purchase and install new vaults at approximately $1 million. This includes capital improvement projects at each garage to retrofit buildings for new cash handling vaults.

2. Meeting the region's current and future requirements – The City of Phoenix hosts the farebox back-office software. In 2020, potential cybersecurity vulnerabilities and software end-of-life support issues required the City of Phoenix to upgrade to Scheidt & Bachmann's fare box back-office software. This upgrade is in its final

months and moves the fare collection back office to an open architecture platform that Vix Technologies, the vendor for mobile app and smartcard systems, has confirmed readily integrates with its systems. As a result, the continued use of this platform will ensure a single database for all fare revenue and ridership data.

Over the 15 years of using the current fareboxes, agency staff have provided critical, constructive feedback to Scheidt & Bachmann. That feedback has been incorporated into the design of the new cash-only farebox. The improvements include bill acceptance, cashbox design, and interior improvements for ease of access. The City of Phoenix and RPTA have participated in farebox demonstrations (hands on) for the new model and believes it addresses the shortcomings of the current model and will be easier and more cost efficient to maintain over time. The new bill acceptor/validator design includes a highly reliable and commercially available bill acceptor/validator (not proprietary) that has been in service across numerous vendors and is thus industry-proven. The new Scheidt & Bachmann farebox design has placed more emphasis on commercial-off-the-shelf parts.

3. Competitive Pricing – in preparation for procuring new cash-only fareboxes, the City of Phoenix's fare collection consultants developed an independent cost estimate (ICE) based on recent market data from other transit systems. The ICE provides a range of expected farebox costs, depending on options selected and quantities, to vary between $11,000 and $14,000 per farebox. The Scheidt & Bachmann proposal indicates a price of $12,320 per farebox,

   Installation costs for the fareboxes has a range of $163 to $288 per farebox. The Scheidt & Bachmann proposal has an installation cost of $225 per farebox. Other project costs – farebox software integration into Vix backoffice, farebox testing, old farebox removal, unpacking of new fareboxes, disposal of old fareboxes, and optional equipment are part of the project and separate from installation.

   Overall, the ICE indicates a total project cost range of $12,814,800 to $15,909,900. As noted above, Scheidt & Bachmann's pricing, $14,049,000, is well within this estimate. All amounts are inclusive of sales tax. As a result, the Scheidt & Bachmann cost proposal has been determined to be fair and reasonable.

The use of a sole source contract is currently being reviewed and must approved by the City of Phoenix before Valley Metro will proceed.

COST AND BUDGET
The sole source contract with Scheidt & Bachmann is for the manufacturing and installation of new, cash-only fareboxes will not exceed $15,454,000 (contract value of $14,049,000 with a 10% contingency of $1,405,000). Of this amount, 80% ($12,636,000) will be funded by Federal Transit Administration funding. The remaining 20% ($3,091,000) will be funded by regional Public Transportation Fund (PTF) funds.

COMMITTEE ACTION
RTAG: January 18, 2022 for information
TMC/RMC: February 2, 2022 for action
Board of Directors: February 17, 2022 for action

CONTACT
Jim Hillyard
Chief Administrative Officer and Acting Chief Financial Officer
jhillyard@valleymetro.org

ATTACHMENT
None

Information Summary

DATE
January 26, 2022

AGENDA ITEM 3

SUBJECT
Report on Current Events and Suggested Future Agenda Items

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

COST AND BUDGET
None

RECOMMENDATION
This item is presented for information only.

BACKGROUND | DISCUSSION | CONSIDERATION
None

STRATEGIC PLAN ALIGNMENT
None

COMMITTEE PROCESS
None

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

ATTACHMENT
None

Pending Items Request

Item Requested	Date Requested	Planned Follow-up Date

Agenda

January 26, 2022

Rail Management Committee
Wednesday, February 2, 2022
Boardroom/Webex
Valley Metro, 101 N. 1st Avenue, 10th Floor
11:00 a.m.

	Action Recommended
1. Public Comment The public will be provided with an opportunity at this time to address the committees on **non-agenda items and all action agenda items.** Up to three minutes will be provided per speaker unless the Chair allows more at his/her discretion. A total of 15 minutes for all speakers will be provided.	1. For Information

CONSENT AGENDA

2A. Minutes Minutes from the January 5, 2022 RMC meeting are presented for approval.	2A. For action
2B. Portable Lift System Contract Change Order Staff recommends that the RMC forward to the Board of Directors authorization for the CEO to execute a contract change order with SEFAC USA, Inc. for the LRV portable lift system in an amount not to exceed $20,000 and to extend the contract term for an additional year from March 23, 2022 to March 22, 2023.	2B. For action
2C. Northwest Extension Phase II Grant Pass-Through Agreement with the City of Phoenix Staff recommends that the RMC forward to the Board of Directors authorization the CEO to execute the IGA with the City of Phoenix for the Northwest Extension Phase II Grant.	2C. For action

REGULAR AGENDA

3.	Rail Transportation Services Contract Change Order Staff recommends that the RMC forward to the Board of Directors authorization for the CEO to execute a contract change order with Alternate Concepts, Inc. (ACI) for the 3-year option period beginning July 1, 2022, in an amount not to exceed $50,318,335 for the provision of Rail Transportation Services.	3. For action
4.	Report on Current Events and Suggested Future Agenda Items Chair Brady will provide members the opportunity to report on current events and suggest future agenda items for consideration.	4. For information
5.	Next Meeting The next meeting of the RMC is scheduled for **Wednesday, March 2, 2022 at 11:00 a.m.**	5. For information

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
January 26, 2022

AGENDA ITEM 1

SUBJECT
Public Comment

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

COST AND BUDGET
None

RECOMMENDATION
This item is presented for information only.

BACKGROUND | DISCUSSION | CONSIDERATION
None

COMMITTEE PROCESS
None

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

ATTACHMENT
None

Minutes

January 26, 2022 **AGENDA ITEM 2**

Rail Transit Management Committee
Wednesday, January 5, 2021
Boardroom/Webex
11:00 a.m.

Meeting Participants
Chris Brady, City of Mesa, **(Chair),** phone
Ryan Peters for Josh Wright, City of Chandler, phone
Mario Paniagua, City of Phoenix, phone
Steven Methvin, City of Tempe, phone

Chair Brady called the meeting to order at 11:27 a.m.

1. Public Comment

CHAIR BRADY: Welcome, all members, to the January meeting. The public will be provided an opportunity at this time to address the committee 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. Total of 15 minutes for all speakers will be provided.

Pat, do we have anyone signed up for public comment?

Ms. Dillon said Blue Crowley in the boardroom.

Chair Brady said go ahead, Mr. Crowley.

Mr. Crowley said thank you. If you would check out Agenda Item 3 in your packets. On the first page, you'll notice that 27th Avenue, 43rd Avenue don't have a connecter to the bus. In fact, I don't see where the ones that you do have, where the bus stop would be a part, an integral part of making it multimodal when you do set the thing up that a bus stop would be a part of it.

If you look at Page 2, same thing. As I stated before, when you were doing the other part for the Capitol, where's the 15th Avenue stop? Well, we're making sure that we're not in that much conflict with the roadway and with the wishes of those inside of that corridor. Well, you mean anybody that was using that 15th Avenue bus didn't want to be able to connect to the light rail or conveniently? And we'll say people walking, et cetera.

Well, yeah, anytime you get off the rail, what you have to be is a pedestrian first. And the thing you want to do is make it inconvenient for your ridership? Why aren't these a part of what you are doing? Why weren't they a part of you doing stuff for your

ridership? When I see things like that, facial recognition system that our security people got put in, I keep on scratching my head and saying, how does that help me as a rider? Especially when there's so much other things that you are lacking in doing.

And on the 21st, one of your stations has an art project in it. And on the 21st of every month, that art project does something. What it does is it's a series of holes and sculptures that light up a medallion. They have been taken and not replaced. But the way your rules are, that its destination, am I going to have a problem going to that? Am I going to have one of Allied Barton's people saying, you can't be here? Hell, it's one of the dos and don'ts. And I'm still requesting a copy of the things you can and can't do on the light rail. And since I'm having such a hard time getting it, when you see the stuff that it says the security people have done, and it's 350 have been stopped for code violations, where's a copy of the code so we can know that a menstruating woman or a baby defecating in its diaper can be kicked off because those things are unacceptable. Have a pleasant.

Chair Brady said Pat, do we have any other speakers? We'll now move to the Consent Agenda.

2. Consent Agenda

Chair Brady said the Consent Agenda is presented for action. Are there any questions or items that need to be pulled for separate discussion for the consent? If not, we'll request a motion and a second to approve the Consent Agenda and forward the items to the Board of Directors for approval.

Do I have a motion for approval?

It was moved by Mario Paniagua and seconded by Ryan Peters to forward the consent agenda to the Board for approval.

Chair Brady said all right. We have a motion and second for approval.

I'll ask Pat to take a roll call vote. Pat?

Ms. Dillon: City of Chandler? Yes.
Ms. Dillon: City of Mesa? Yes.
Ms. Dillon: City of Phoenix? Yes.
Ms. Dillon: City of Tempe? Yes.

Ms. Dillon said the motion passes.

3. I-10 West Extension Amended Locally Preferred Alternative and Transit Type

Chair Brady said Mr. Smith, you're presenting this item?

Mr. Smith said Josh Matthews, Project Manager, will making this presentation.

Mr. Matthews said good morning, Chair, Members of the Committee, Scott, Henry, and Omar. Thank you for the opportunity to speak today on the I-10 West Extension regarding the revised alignment and transit type recommendation. As everyone said that my name is Joshua Matthews, and I'm the Project Manager for the I-10 West Extension.

I think everyone is familiar with our regional high-capacity transit system. But just to provide as a reference point, we're talking about the I-10 West Extension, which is identified in our regional transportation plan serving the west valley and west Phoenix area along the Interstate 10 corridor.

The I-10 West Extension has a very unique purpose when compared to our other high-capacity transit projects. I think a lot of us are familiar with the current vehicle congestion along the Interstate 10 corridor, especially west of downtown Phoenix. We really see an opportunity with this project to provide an alternative mode of transportation for these riders. We also see this project as providing more reliable travel times. You know, the typical travel time along this corridor is about 40 minutes from downtown Phoenix to 79th Avenue for a car or for an Express bus. But that can be very unreliable and obviously with accidents and other issues can cause big fluctuation in that travel time. We see this project as being able to provide a shorter and much more reliable travel time for many riders.

In 2012, Phoenix City Council and Valley Metro Board of Directors approved a locally preferred alternative for what was then known as the Capitol I-10 West Extension Phase I and Phase II. As we did go to this body and Valley Metro's Board, as well City Council in the last few months, it was noted that these projects were split in two and are no longer called Phase I and Phase II.

We have the Capitol Extension going from downtown Phoenix out to the State Capitol Complex. And then the I-10 West portion going from the State Capitol out to 79th Avenue. Phoenix City Council did update the LPA in November of 2021. That is the item we're going to be discussing today.

In April of 2019, Valley Metro staff and Phoenix City staff received a directive from City Council asking us to look at a number of items regarding I-10 West Extension. They asked to us reengaged the public, to look at extending the LPA for Desert Sky Transit Center, look at other transit modes for this corridor, look at options to accelerate this project, look at funding, as well as engage our west valley cities.

The items we're going to be talking about today are going to be the first three bullet points. I just wanted to note that the last three will be items that we will address after today and after the action that is taken.

Over the last couple years, we have engaged both the public and our stakeholders along the I-10 West corridor. We went through a pretty robust outreach process that was requested by City Council starting in the middle of 2019 and really the formal process going until the end of 2020 but continued engagement since then.

In January of 2020, we hosted three public meetings that were in reference to both the Capitol Extension and I-10 West Extension. These public meetings were held at various locations along the corridor. This was right before the COVID 19 pandemic. So it was our last in-person public meeting. During those meetings we presented on the rich and diverse history of this project, the current status, and what we are trying to look at, as well as talk about the potential extension to Desert Sky Transit Center, as well as options to advance the completion of the project.

As I said, COVID 19 hit in March of 2020. We had to pivot from in-person engagement to virtual engagement. In the summer of 2020, we went back to the public. We had an online website that the public could access for over a month. We also, for residents who did not have access to the Internet, we hosted two live call-in sessions where people could call in and ask questions, and we could provide them with information. Again, during this month, we provided history of the project, the status. We also talked about the transit type analysis, and we talked about the extension to Desert Sky Transit Center.

So as I go through the technical analysis here, I'll also mention the results of that public outreach and what we heard from the community. For the first part, we'll talk about the extension to Desert Sky Transit Center. As you see here on the map, the current 2012 LPA end-of-line was at the existing 79th Avenue Park and Ride, which is just south of McDowell on 79th Avenue, just north of the I-10. So we are looking to extended the alignment north, approximately a mile, up to the existing Desert Sky Transit Center.

And so the technical team, the project team, performed a technical analysis to look at the viability and feasibility of this extension. And we saw a lot of positive results. First and foremost, we saw almost 20 percent more riders being attracted to the project because we have engaged closer to the community assets. We also, in discussions with the Maryvale community, saw this was a priority for them. It's identified in the Maryvale Village Core Urban Design Plan to extended project north along 79th Avenue and to their core and to connect them to these activity centers that are located along 79th Avenue, including Desert Sky Mall, Ak-Chin Pavilion, as well as a number of schools, new developments and apartment complexes.

And lastly, Desert Sky Transit Center provides a robust connection to existing bus services, as well as what Phoenix is looking into right now, a possible extension or possible establishment of BRT line that would serve Desert Sky Transit Center. So it

provides a lot of opportunities for multimodal connections within the Maryvale community.

And so the community input. The community input, like I mentioned earlier, in January of 2020 and May and June of 2020, we asked the residents what they thought of this extension, presented the technical analysis, and asked what they thought. As you can see, we received almost 400 responses on this question with approximately 80 percent of those total responses being in favor of this extension. So an overwhelmingly positive response from the community.

Based on that technical analysis and the community response, the project team is recommending we extend the LPA north, a mile to Desert Sky Transit Center.

The second component that we looked at was the transit type analysis as requested by Phoenix City Council. The 2012 LPA identified light rail as preferred mode or transit type for the project, and as part of that council request, we wanted to both look back at that question from a light rail perspective, but also do a comparative analysis for another high-capacity transit option, which is bus rapid transit or exclusive bus way.

This technical analysis was very robust. It was a comparative analysis looking at the cost and benefits of both of these options. We looked at ridership potential, capital and operating cost, constructability, operational characteristics, consistency with local plans and policies, economic develop potential, and community input. I won't get into every one of the results. I just wanted to highlight some of the key things the technical team saw as we went through our analysis.

Light rail is a bigger attracter from our modeling. Approximately 50 percent more riders are attracted to light rail than BRT along the same corridor. However, BRT has a lower upfront cost in order to build, and it has fewer construction challenges. The comparison between putting in a light rail guideway versus an asphalt bus way. But operationally, we saw the light rail as being able to feed into the Capitol Extension and the overall existing light rail system being able to provide that one-seat ride from the west valley through downtown Phoenix, downtown Tempe, downtown Mesa and out into the east valley as being a really big benefit for light rail.

Looking at the local plans and policies that have been in place over the last ten years, we saw that the light rail was preferred and has been identified in a number of those plans and policies. Light rail also has a higher development potential, as it is seen as being more attractive and more fixed and more noticeable. And then lastly -- and I'll get into this on the next slide -- there was a strong community preference for light rail when asked the question.

But that second engagement during in the summer of 2020, we asked the question to the public whether they would prefer light rail or bus rapid transit. As you can see, three quarters of the 150 people that responded preferred light rail, with another 8 percent

saying they had no preference whatsoever. So, again, an overwhelming response and preference for light rail.

So based on those technical analysis, as well as the input that we received from the community and from our stakeholders, we are recommending that this be the new LPA map for 10 West and that light rail be the transit type for this project.

The formal recommendation that we're requesting today, staff recommends that the RMC forward to the Board of Directors approval of the extension to Desert Sky Transit Center and reaffirm light rail as the transit type for the 10 West amended locally preferred alternative.

Thank you, again, for the opportunity to speak. And I'm happy to answer any questions or hear any comments that the committee has.

Chair Brady said thank you, Josh. Any questions?

Mr. Paniagua said just got a few comments. Thank you, Chair Brady. Thank you, Josh for the presentation. Just want to let everyone know that Phoenix is very excited to be moving this forward and glad to confirm that light rail is the appropriate transit mode to move forward here. We're excited for the opportunity to extend to the Desert Sky Transit Center, also right next to the Desert Sky Mall. Especially now after seeing what the future light rail at the Metro Center is going to do for redevelopment at that, what used to be the Metro Center Mall.

So it's really exciting for us. We appreciate the work that Valley Metro did, working with the City of Phoenix on the community input process, and as you saw, there was a great deal of community support for this recommendation. We know that west valley residents and commuters are going to be very pleased with this once it gets operating. So I will be very enthusiastically making a motion for staff's recommendation for approval.

Chair Brady thank you, Mario. Hey, Mario and Josh, just a quick question. When you did the input on the community outreach, is there a way to determine how many of them are coming from businesses that are going to be impacted by the light rail construction because I know Mesa went through this, south Phoenix went through this. Everybody was really excited about it, and then we started construction and the businesses go, wait a minute, what are you doing to me?

I'm just curious, is there a way to parse through those responses or gauge where the business is, what kind of input we got from the those? I think it's a great idea. I just think sometimes it's good to know early on what you're going to have to deal with, if there's going to be challenges from the local businesses that might be affected by construction.

Mr. Matthews said thank you, Chair, for the question. I'll take the first crack at it, but happy to let Mario and others answer. There is, and our community relations team, as we engage the public, do track both who the stakeholders are and who they represent. Whether it be themselves, as local residents, or businesses, the school districts, as well as ADOT and the other key stakeholders that have significant property.

I'll note one of the benefits of this project and one of the big differences versus our other high-capacity transit projects, is we are generally following ADOT property most for this alignment. And the other big portion, 79th Avenue, we have engaged significantly with all of the property owners along 79th Avenue, as well as businesses and school districts that are along there. So we have received robust input over the last six months from those entities.

Chair Brady said Good. Okay. I want to make sure everybody knows what's happening. That's good.

It was moved by Mario Paniagua and seconded by Steven Methvin to forward to the Board of Directors approval of the extension to Desert Sky Transit Center and reaffirm light rail as the transit type for the 10WEST amended Locally Preferred Alternative.

Chair Brady said thanks, Steve. So, we have a motion, a second for approval for Item 3. Pat will take a roll call vote.

Ms. Dillon: City of Chandler? Yes.
Ms. Dillon: City of Mesa? Yes.
Ms. Dillon: City of Phoenix? Yes.
Ms. Dillon: City of Tempe? Yes.

Ms. Dillon said motion approved, Chair.

Chair Brady said thank you, Pat. We'll now move to Item 4.

4. Valley Metro Rail Fiscal Year 2022 Midyear Budget Adjustment

Chair Brady said Mr. Smith.

Mr. Smith said Chair Brady, thank you. I'm going to turn it over to Tyler Olson, who I know is in the boardroom there, and he will handle this. Tyler.

Mr. Olson said yes. Thank you, Scott. Good afternoon, Chair, members of the Rail Management Committee. I will be presenting our request for midyear budget adjustment to the Valley Metro Rail FY22 Annual Operating Capital Budget. As you know, we develop our annual budget 9 months ahead of the fiscal year start, using our best assumptions at that time. The adjustments I'm about to present are really just a true-up of the those assumptions and timing of some of our capital construction

activities ensuring that we have enough annual authority to cover those costs. These adjustments were presented to your city staff through the financial working group, as well as provided to the RTAG group.

On the operating side of things, annual expenditures for light rail operations have increased based on the recent commercial property and liability insurance renewal. If you remember, that was approved by committees and boards during joint meeting in November of '21. The overall premium increase really is a function of multiple factors, including the increased exposure associated with expanding transportation network for light rail. Some of the rail vehicle incidents and loss history, as well as, you know, what you all have seen at your cities around the hardening of the insurance market, limited opportunities for transit risk coverage because of the declining number of insurers willingly to offer coverage to transit providers and public entities. So that's an adjustment of $1 million dollars, just over.

On the sources of funds, the entire $1.1 million is programed to be funded with member city contributions. Although, I want to note that we do anticipate keeping your cities within your approved IGA amounts for the fiscal year. We know that we do have some year-to-date savings in transportation, particularly our transportation contractor and propulsion power, primarily due to operating 15-minute headways while planning to -- we budgeted 12-minute headways. So definitely have some savings there, and we will continue to look for savings to keep you all within the budget. We're purely adding this amount, just in case we need it. Increase of one percent. Again, $1.1 million, one percent.

Moving on to the Capital Construction Projects. It's important to note these projects cover multiple years, really just trueing up the amount to spend for the remainder of this fiscal year based on the timing of the construction activities. These projects are still within their overall multiyear project budgets.

Tempe Streetcar increase by $10.6 million. Primarily due to realigning vehicle milestone payments for the new fleet, for the Brookville fleet, to more accurately reflect the updated delivery schedule. The remainder of the increase is due to various project enhancements, including signals, drainage, safety, operational improvements that will be funded with the Capital Improvement grant money from the American Rescue Plan Act that will supplant the PTF funding that was allocated to the project.

The South Central Project, almost $27 million increase. It's really primarily due to work that construction contractors completing, increased utility work, additional archeological support, and really working faster than planned for the fiscal year. The remainder of the Capitol Adjustment is for Northwest Phase Two. Just over $7 million. That's really primarily a result of received updated cash-flow forecast from our contractor, as well as to address quantity differences in the finalized design. But, again, you know, all projects are still within the control budget for the multiple years.

So for sources of funds, really primarily funded with federal funding. $19.4 million in additional COVID relief money in 3.1, and really pulling those funds down a bit sooner than planned; however, still overall within the plan. And so on the expense side of things, asking for another $44.7 million as a result of those timing differences. So 10 percent increase to the Capital Budget.

With that, staff recommends that the RMC forward to the Board of Directors authorization for the midyear budget adjustment update to the Valley Metro Rail and Operating Capital Budget for FY22. That does conclude my presentation. I'll be happy to answer any questions that you may have.

Chair Brady said do you have any questions? If not, I'll entertain a motion for approval for Item 4.

It was moved by Mario Paniagua and seconded by Steven Methvin to forward to the Board of Directors approval of the FY22 Mid-Year Operating Capital Budget.

Chair Brady said thank you. We have a motion and a second. Pat, will you provide a roll call vote please.

Ms. Dillon: City of Chandler? Aye.
Ms. Dillon: City of Mesa? Yes.
Ms. Dillon: City of Phoenix? Yes.
Ms. Dillon: City of Tempe? Yes.

Ms. Dillon said the motion passes.

5. Future Agenda Items Request and Update on Current Events

Chair Brady said do we have any items that need be brought before the board? If not, the next meeting will be for the RMC.

6. Next Meeting

Chair Brady said the next meeting is schedule for Wednesday, February 2, 2022, 11:00 a.m. Thank you, everybody. Thank you, Pat. Have a good day.

The meeting is adjourned.

With no further discussion the meeting adjourned at 11:55 a.m.

Information Summary

DATE **AGENDA ITEM 2B**
January 26, 2022

SUBJECT
Portable Lift System Contract Change Order

PURPOSE
To request authorization for the Chief Executive Officer (CEO) to execute a contract change order with SEFAC USA, Inc. for the LRV portable lift system in an amount not to exceed $20,000 and to extend the contract term for an additional year from March 23, 2022 to March 22, 2023.

RECOMMENDATION
Staff recommends that the RMC forward to the Board of Directors authorization for the CEO to execute a contract change order with SEFAC USA, Inc. for the LRV portable lift system in an amount not to exceed $20,000 and to extend the contract term for an additional year from March 23, 2022 to March 22, 2023.

BACKGROUND | DISCUSSION | CONSIDERATION
In January 2021, Valley Metro issued a competitive invitation for bid solicitation. In March 2021, Valley Metro issued a contract award under the CEO's authority to SEFAC USA, Inc. to provide a portable lift system for light rail vehicles for a one year term in an amount not to exceed $146,870. The one year term began March 23, 2021 and ends March 22, 2022. The portable lift system is being manufactured in France and freight costs were included in the above not to exceed amount.

The portable lift system requires the shipping of a 350 pound mobile control console and twelve jacks each approximately 1100 pounds for a combined weight of 13,550 pounds. This system will be sealed in one 40 foot shipping container and shipped across international waters. Once the shipment arrives in port, the container will be delivered by semi-trailer truck. The Contractor notified Valley Metro of the increased shipping cost plus the shortage of shipping containers and truck drivers due to the worldwide pandemic issues.

A change order to this contract is an exception as transportation costs have increased substantially after the contract execution and during the COVID pandemic. Therefore, an additional $20,000 is needed to cover the increase in freight costs from France. The revised contract will not exceed $166,870. The change order amount will exceed the CEO's spending authority and therefore requires Board approval. Also, there is a current worldwide shortage of electronic parts and components. Due to this supply shortage, the delivery of the portable lift system will not be delivered during the initial

term of the contract that ends March 22, 2022. This change order will extend the term for an additional year beginning March 23, 2022. Valley Metro still expects the delivery of the portable lift system by the end of the fiscal year, June 30, 2022.

This contract's Exhibit D. General Terms and Conditions contains a change clause for an equitable adjustment. The increased freight cost and delivery delays could not have been anticipated at the contract's March 2021 execution.

COST AND BUDGET
The cost of the change order to the portable lift system contract with SEFAC USA, Inc. is an amount not to exceed $20,000. The cost of the change order is included in the Rail Adopted FY22 Operating and Capital Budget. Contract Obligations beyond FY22 are incorporated into the Adopted Valley Metro Rail Five-Year Operating Forecast and Capital Program (FY2022 thru FY2026).

The source of funding is from member cities.

COMMITTEE PROCESS
RTAG: January 18, 2022 for information
RMC: February 2, 2022 for action
Board of Directors: February 17, 2022 for action

CONTACT
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ATTACHMENTS
None

Information Summary

DATE **AGENDA ITEM 2C**
January 26, 2022

SUBJECT
Northwest Extension Phase II Grant Pass-Through Agreement with the City of Phoenix

PURPOSE
To request authorization for the Chief Executive Officer (CEO) to execute an Intergovernmental Agreement (IGA) with the City of Phoenix to allow Valley Metro to be reimbursed for eligible activities.

RECOMMENDATION
Staff recommends that the RMC forward to the Board of Directors authorization the CEO to execute the IGA with the City of Phoenix for the Northwest Extension Phase II Grant.

BACKGROUND | DISCUSSION | CONSIDERATION
The Northwest Extension Phase II consists of an approximately 1.6-mile-long extension of the existing light rail line west on Dunlap Avenue from 19th Avenue, then north on 25th Avenue, and across the I-17 freeway on Mountain View Road with a terminus on the west side of the freeway near the former site of Metrocenter Mall. The project also includes new stations, including the system's first elevated station, and public art.

The cost estimate for the project is $401.3 million. Funding is programmed through a combination of regional Public Transportation Fund (PTF), local Proposition 104 funds (T-2050), and federal funding (FTA Capital Investment Grant New Starts). The following table summarizes the funding for the project:

Source	Amount
CIG - New Starts	$158,121,969
T-2050	$213,202,825
PTF	$30,000,000
Total	*$401,324,794*

On November 19, 2021, the Federal Transit Administration (FTA) signed a Full Funding Grant Agreement (FFGA) for $158.1 million in Capital Investment Grant (CIG) funding for the project. Of the $158.1 million, the FTA has allocated $100 million for the project thus far. Valley Metro anticipates that FTA will allocate an additional $50 million and $8.1 million in federal fiscal years 2022 and 2023, respectively.

The City of Phoenix is the designated grant recipient and this IGA is required to allow Phoenix to pass the funds to Valley Metro to reimburse for eligible expenses.

COST AND BUDGET
All expenses are included in the FY22 Operating and Capital Budget. Obligations beyond FY22 are incorporated into the Valley Metro Five-Year Operating Forecast and Capital Program (FY2022 thru FY2026). The grant funds will offset expenses, reducing the net cost to the Public Transportation Fund and member agency budgets.

COMMITTEE PROCESS
RMC: February 2, 2022 or action
Board of Directors: February 17, 2022 for action

CONTACT
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ATTACHMENT
None

Information Summary

DATE **AGENDA ITEM 3**

January 26, 2022

SUBJECT

Rail Transportation Services Contract Change Order

PURPOSE

To request authorization for the Chief Executive Officer (CEO) to execute a contract change order with Alternate Concepts, Inc. (ACI) for the 3-year option period beginning July 1, 2022, in an amount not to exceed $48,318,335 for the provision of Rail Transportation Services plus a contingency of $2,000,000 for a total not to exceed amount of $50,318,335.

RECOMMENDATION

Staff recommends that the RMC forward to the Board of Directors authorization for the CEO to execute a contract change order with Alternate Concepts, Inc. (ACI) for the 3-year option period beginning July 1, 2022, in an amount not to exceed $50,318,335 for the provision of Rail Transportation Services.

BACKGROUND | DISCUSSION | CONSIDERATION

Rail Transportation Services are currently provided to Valley Metro under a 5-year base contract plus one 3-year option and one 2-year option with ACI. In March 2017, the Board of Directors authorized the CEO to execute a contract with ACI to provide rail transportation services from January 1, 2017 to June 30, 2027. The award amount was $56,140,384 for the 5-year base term of the contract. The contract includes rail transportation services for the original 20-mile rail alignment, Central Mesa Extension, and the Northwest Extension.

In June 2019, the Board of Directors authorized the CEO to execute a change order to the contract for the Gilbert Road Extension (GRE) for $2,509,838 and in January 2020, for additional staffing in the amount of $2,018,794.

ACI manages, coordinates and controls all activities necessary for light rail operations. Work being performed under this contract includes: providing qualified Light Rail Vehicle (LRV) operators, managers, supervisors, administrative and support staff, and Operations Control Center (OCC) staffing. Other activities under the contract include initial and continual training for personnel; assisting Valley Metro with start-up and light rail extension activities; coordination of special events and activities along the light rail alignment; management and mitigation of any situation impacting light rail operations; and accident investigation and reporting.

This request for a change order to the Rail Transportation Services contract is to exercise the 3-year option period beginning July 1, 2022. This change order includes costs to operate the current 28-mile rail alignment and the Tempe Streetcar alignment. Valley Metro will come back to the Board for an additional change order in FY24 to include the Northwest Extension II and the South Central extension once the staffing needs are determined.

COST AND BUDGET
The cost of the change order with ACI over the 3-year option period of the contract is for an amount not to exceed $48,318,335 and is detailed in the chart below:

	FY 23	FY 24	FY 25	Total
3-Year Option	$15,087,003	$16,076,172	$17,155,160	**$48,318,335**

A contract contingency not to exceed $2,000,000 is established for additional costs associated with future light rail extensions and any unanticipated changes. The cost for the 3-year optopn period is included within the VMR Proposed FY 2023 Operating and Capital Budget. Contract obligations beyond FY 2023 are incorporated into the Valley Metro Rail Five-Year Operating Forecast and Capital Program (FY2023 thru FY2027).

The source of funding is from member cities.

COMMITTEE PROCESS
RTAG: January 18, 2022 for information
RMC: February 2, 2022 for action
Board of Directors: February 17, 2022 for action

CONTACT
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ATTACHMENTS
None

Information Summary

DATE **AGENDA ITEM 4**
January 26, 2022

SUBJECT
Report on Current Events and Suggested Future Agenda Items

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

COST AND BUDGET
None

RECOMMENDATION
This item is presented for information only.

BACKGROUND/DISCUSSION/CONSIDERATION
None

COMMITTEE ACTION
None

CONTACT
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ATTACHMENT
None

Pending Items Request

Item Requested	Date Requested	Planned Follow-up Date