



BOARD OF DIRECTORS MEETING

DECEMBER 9, 2009
9:30 A.M.

101 NORTH FIRST AVENUE
13TH FLOOR – BOARD ROOM
PHOENIX, AZ 85003





BOARD AGENDA

December 3, 2009

To: Chairman Simplot and Members of the METRO Board of Directors

From: Richard J. Simonetta, Chief Executive Officer

Date: December 9, 2009

Time: 9:30 a.m.

Location: METRO
101 North First Avenue, 13th Floor
Phoenix, AZ 85003

Please park in the garage in the US Bank Building (enter from Adams Street) and bring your parking ticket to the meeting as parking will be validated. Transit passes will be provided to those using transit. For those using bicycles, please lock your bicycle in the bike rack located on the 2nd level of the parking garage across from the ticket handler booth. METRO Board (Board) members may attend the meeting by teleconference. If you have any questions or need additional information regarding attendance by teleconference, please contact Gina Frackiewicz at (602) 322-4455.

Item	Action Requested
1. Call to Order	
2. Call to the Audience A 15-minute opportunity will be provided to members of the public at the beginning of the meeting to address the METRO Board on all agenda items. The Chairman may recognize members of the public during the meeting at his/her discretion. Up to three minutes will be provided per speaker.	Information
3. Minutes Summary minutes from the October 21, November 3, 9, and 18, 2009 Board meetings are presented for review and approval.	Action

Item	Action Requested
<p>4. Chief Executive Officer's (CEO) Report</p> <p>Rick Simonetta will brief the Board on current light rail issues.</p>	<p>Information</p>
<p>Regular Agenda</p>	
<p>5. American Recovery and Reinvestment Act Park-n-Ride Expansion and Shade Canopies Design Build Contract</p> <p>Staff is requesting that the Board authorize the CEO to execute a contract between METRO and Hunter Contracting/Jacobs Engineering for RFP No. LRT-10-135-DBPNR – Park-n-Ride Expansion at Central Camelback and Shade Canopies for Park-n-Ride. Please see information attached for Agenda Item 5 for additional information.</p>	<p>Action</p>
<p>6. Arizona Avenue Bus Rapid Transit Construction Management</p> <p>Staff is providing information on the joint project management for the Arizona Avenue Bus Rapid Transit Project between METRO and Valley Metro/RPTA. Please see information attached for Agenda Item 6 for additional information.</p>	<p>Information</p>
<p>7. Federal Legislative Update</p> <p>Staff is providing information on the METRO priorities for federal legislation related to the Fiscal Year (FY) 2011 Federal Appropriations Request for METRO projects, as well as projects and policies related to the reauthorization of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU). Please see information attached for Agenda Item 7 for additional information.</p>	<p>Information</p>
<p>8. Executive Session</p> <p>The Board may vote to enter into Executive Session according to A.R.S. 38-431.03(A)(1) to discuss and consider the employment of the Chief Executive Officer.</p>	<p>Possible Action</p>
<p>9. Hiring of a Chief Executive Officer</p> <p>The Board may take action related to the hiring of a Chief Executive Officer as a result of Agenda Item 8.</p>	<p>Possible Action</p>

Item	Action Requested
10. Future METRO Board Agenda Items	Information
The Board may request consideration of future agenda items. No additional information is attached.	

11. Adjournment	Action
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AGENDA ITEM 3

Minutes



BOARD MEETING MINUTES

October 21, 2009
101 North First Avenue
13th Floor – Board Room
Phoenix, Arizona

Board Members Present

Vice Mayor Tom Simplot, City of Phoenix - Chair
Mayor Hugh Hallman, City of Tempe
Vice Mayor Kyle Jones, City of Mesa
Craig Tindall, City of Glendale
Mayor Boyd Dunn, and Patrice Kraus, City of Chandler
Councilmember Ron Aames, City of Peoria

Others Present

Dave Boggs, RPTA
Sara Christopherson, Strand Assoc.
Scott Friedson, ADOT
Pat Fuller, PB
Kammy Horne, URS
Maria Hyatt, City of Phoenix
Bryan Jungwirth, RPTA

Stephanie Pinson, GTA
Albert Santana, City of Phoenix
Fred Tallarico, Jacobs
Alex Tosi, GTA
Rose Unruh, Gallagher
Tom Wolf, Stantec

1. Call to Order

Chairman Simplot called the meeting to order at 9:47 a.m.

2. Call to the Audience

There were no requests to address the Board.

3. Minutes

IT WAS MOVED BY VICE MAYOR JONES AND SECONDED BY MAYOR HALLMAN AND UNANIMOUSLY CARRIED TO APPROVE THE SEPTEMBER 16, 2009 MEETING MINUTES.

4. Chief Executive Officer's (CEO) Report

Arts and Culture Ride Guide: The Arts and Culture Ride Guide was a joint project between METRO and the Phoenix, Tempe, and Mesa arts and culture offices. Printing was made possible through SRP. The guide is available at 39 arts venues

and 50 hotels along the line, and will be sent to 200 hotel concierges in AZ, as well as travel and tourism information centers.

Ridership/Revenue: September ridership exceeded one million riders, the highest month thus far. Average weekday totaled 40,772 – 50 percent above the daily forecast. Saturday and Sunday ridership numbers are very robust.

Fiscal Year 2010 First Quarter Rail Operations Report:

FY 2010 Rail Operations	PRELIMINARY				
	7/31/2009	8/31/2009	9/30/2009	Q1 Actual	Q1 Budget
Ridership:					
Average Boardings Weekday	26,554	33,111	40,772		
Average Boardings Saturday	18,120	22,575	28,612		
Average Boardings Sunday/Holiday	18,939	14,823	16,726		
Total Rides	750,551	882,326	1,054,286	2,687,163	2,485,000
Fare Revenue	\$ 680,241	\$ 629,774	\$ 782,457	\$ 2,092,472	\$ 2,037,700
Average Fare per Ride	\$ 0.91	\$ 0.71	\$ 0.74	\$ 0.78	\$ 0.82
Operating Costs Incurred *	\$ 2,697,762	\$ 2,974,027	\$ 2,602,115	\$ 8,273,904	\$ 8,528,311
Cost per Rider				\$ 3.08	\$ 3.43
Fare Recovery				25%	24%

Chairman Simplot asked if there is a ridership by time of day report, particularly after hours. Mr. Simonetta stated that METRO tracks ridership information in various ways including by time of day and by station. Daily and late night ridership data was shared with the Board last month which was part of the recent intercept survey. The survey indicates almost no variation in ridership between the hours of 6 a.m. to 7 p.m.

Vice Mayor Jones thanked Chairman Simplot for a fine job that he and his staff did on cleaning the Sycamore and Main Station. Chairman Simplot and Vice Mayor Jones engaged in a friendly wager at the August Board Meeting of where METRO actually starts. The winner was determined by the highest number of boardings during the month of September. The Mesa end of line had the highest number of boardings in September.

Regular Agenda

5. Consent Agenda

5a. Northwest Extension Contract Change Order

IT WAS MOVED BY MAYOR HALLMAN AND SECONDED BY COUNCILMEMBER AAMES AND UNANIMOUSLY CARRIED TO AUTHORIZE THE CEO TO EXECUTE A CHANGE ORDER BETWEEN THE SSWJV AND METRO FOR \$763,453.65 IN ADDITIONAL COSTS DUE TO THE SUSPENSION OF CONSTRUCTION OF THE NORTHWEST EXTENSION. THE COSTS ARE COLLECTED ENTIRELY FROM THE CITY OF PHOENIX.

5b. Design Criteria and Standards Update Consultant Contract

IT WAS MOVED BY MAYOR HALLMAN AND SECONDED BY COUNCILMEMBER AAMES AND UNANIMOUSLY CARRIED TO AUTHORIZE THE CEO TO EXECUTE A CONTRACT WITH STANTEC IN THE AMOUNT OF \$179,985.00.

ADDITIONALLY, A CONTINGENCY IN THE AMOUNT OF \$5,000 WAS AUTHORIZED FOR USE BY METRO IN THE EVENT OF UNANTICIPATED CHANGES IN THE CONTRACT SCOPE.

5c. Safety and Security Audit Program Contract

IT WAS MOVED BY MAYOR HALLMAN AND SECONDED BY COUNCILMEMBER AAMES AND UNANIMOUSLY CARRIED TO AUTHORIZE THE CEO TO AWARD THE WORK OF IMPLEMENTING THE INTERNAL SAFETY AND SECURITY AUDIT PLAN AND TO ISSUE A TASK ORDER TO BOOZ ALLEN HAMILTON IN THE AMOUNT OF \$415,840.00 FOR A THREE-YEAR TERM.

Regular Agenda

6. Section 5309 Project Budget Adjustments

Mr. Simonetta stated that staff is prepared to present information related to this item. The Board agreed to forego a presentation. Mayor Hallman stated that in voting on this agenda item, Tempe has a standing condition given that there are still issues that need to be worked out on the final share of revenues from the federal government and asked for assurance that this action would not preempt that possibility. Mr. McCormack stated that this action maintains that possibility.

IT WAS MOVED BY VICE MAYOR JONES AND SECONDED BY MAYOR HALLMAN AND UNANIMOUSLY CARRIED TO AUTHORIZE THE FOLLOWING CHANGES TO THE SECTION 5309 PROJECT BUDGETS:

- **DECREASE THE LINE SECTION 2 BUDGET BY \$850,000 TO \$54,025,526;**
- **INCREASE THE LINE SECTION 3 BUDGET BY \$2,200,000 TO \$105,096,850;**
- **DECREASE THE LIGHT RAIL VEHICLES BUDGET BY \$1,440,000 TO \$116,982,565;**
- **INCREASE THE RIGHT OF WAY BUDGET BY \$650,000 TO \$133,750,000;**
- **DECREASE THE FINANCING COSTS BY \$1,420,298 TO \$110,897,702;**
- **INCREASE THE PROJECT RESERVE BY \$860,298 TO \$1,341,369.**

7. Essential Near-Term Structural Improvements on Proposed CityScape Parking Garage

Mr. Simonetta stated that staff is prepared to present information related to this item. The Board agreed to forego a presentation.

Mayor Hallman stated that long-term planning and considering economic development along future corridors are important. He hopes that there are lessons learned from past projects (i.e., 3rd Street/Mill Avenue and McClintock/Apache Park-and-Ride) which will assist in an exemplary completion of the CityScape project.

Vice Mayor Jones asked about the funding source for this project. Mr. Wulf Grote, Director of Project Development, stated that this project is funded with regional Public Transportation Funds designated for this project.

IT WAS MOVED BY MAYOR HALLMAN AND SECONDED BY VICE MAYOR JONES AND UNANIMOUSLY CARRIED TO AUTHORIZE THE CEO TO ENTER INTO A CONSTRUCTION CONTRACT FOR ESSENTIAL NEAR-TERM STRUCTURAL IMPROVEMENTS ON CENTRAL AVENUE BETWEEN JEFFERSON AND WASHINGTON STREETS. THE BOARD ALSO AGREED TO SUPPORT FOR A FY2010 METRO BUDGET AMENDMENT TO USE REGIONAL PTF FUNDS NOT TO EXCEED \$400,000 FOR THIS PURPOSE.

8. Feasibility and Funding Analysis Consultant for the Glendale High Capacity / Light Rail Transit Corridor

Mr. Simonetta stated that staff is prepared to present information related to this item, The Board agreed to forego a presentation.

IT WAS MOVED BY MAYOR HALLMAN AND SECONDED BY CRAIG TINDALL AND UNANIMOUSLY CARRIED TO AUTHORIZE THE CEO TO EXECUTE A CONTRACT AMENDMENT WITH URS CORPORATION TO IMPLEMENT PHASE 1 SCOPE OF WORK OF THE STUDY, FOR PLANNING, CONCEPTUAL ENGINEERING, AND ENVIRONMENTAL STUDIES FOR THE GLENDALE HIGH CAPACITY/LIGHT RAIL TRANSIT CORRIDOR WITH A NOT TO EXCEED AMOUNT OF \$878,156.

FUTURE BOARD APPROVAL WILL BE SOUGHT FOR FUTURE PROJECT PHASES FOR THE ALTERNATIVES ANALYSIS / DRAFT ENVIRONMENTAL IMPACT STATEMENT FOR THE GLENDALE CORRIDOR; AND TO PERFORM THE FINAL ENVIRONMENTAL IMPACT STATEMENT FOR THE I-10 WEST CORRIDOR.

Mr. Tindall thanked staff for their valuable input and the City of Glendale looks forward to working with METRO staff.

9. FY 2010 Operations and Maintenance Budget Review

Mr. Simonetta entertained to provide additional information regarding the agenda item. There were no requests for further discussion by the Board Members. This item was presented for information only.

10. Executive Session

AT 9:58 A.M. IT WAS MOVED BY MAYOR HALLMAN AND SECONDED BY VICE MAYOR JONES AND UNANIMOUSLY CARRIED TO ENTER INTO EXECUTIVE SESSION ACCORDING TO A.R.S. 38-431.03(A)(1), A.R.S. 38-431.03(A)(2) REGARDING PERSONNEL ISSUES WITH THE HIRING OF THE CHIEF EXECUTIVE OFFICER AND A.R.S. 38-431.03(A)(4) TO OBTAIN LEGAL COUNSEL RELATED TO POTENTIAL LITIGATION AND CONTRACTUAL ISSUES.

The Board reconvened at 11:45 a.m.

11. Hiring of a Chief Executive Officer

There was no action taken by the Board.

12. Future METRO Board Agenda Items

There were no recommended agenda items.

13. Adjournment

The meeting adjourned at 11:46 a.m.



BOARD MEETING MINUTES

November 3, 2009
101 North First Avenue
13th Floor – Board Room
Phoenix, Arizona

Board Members Present

Vice Mayor Tom Simplot, City of Phoenix - Chair
Mayor Hugh Hallman, City of Tempe
Vice Mayor Kyle Jones, City of Mesa
Craig Tindall, City of Glendale
Patrice Kraus, City of Chandler
Councilmember Ron Aames, City of Peoria

1. Call to Order

Chairman Simplot called the meeting to order at 9:00 a.m.

2. Call to the Audience

There were no requests to address the Board.

3. Executive Session

At 9:03 a.m. the Board entered into an Executive Session to discuss and consider the employment of and conduct interviews for the Chief Executive Officer position.

4. Adjournment

The meeting adjourned at 4:00 p.m.



BOARD MEETING MINUTES

November 9, 2009
101 North First Avenue
13th Floor – Board Room
Phoenix, Arizona

Board Members Present

Vice Mayor Tom Simplot, City of Phoenix - Chair
Mayor Hugh Hallman, City of Tempe
Vice Mayor Kyle Jones, City of Mesa
Craig Tindall, City of Glendale
Patrice Kraus, City of Chandler
Councilmember Ron Aames, City of Peoria

1. Call to Order

Chairman Simplot called the meeting to order at 3:00 p.m.

2. Call to the Audience

There were no requests to address the Board.

Chairman Simplot signed a resolution in appreciation of dedication to Phoenix City Manager Frank Fairbanks for his services as the Chairman of the METRO Rail Management Committee. The resolution will be presented to Mr. Fairbanks at the November 4 Phoenix City Council Meeting.

The Board unanimously accepted the resolution for Phoenix City Manager Frank Fairbanks.

3. Executive Session

At 3:02 p.m. the Board entered into an Executive Session to discuss and consider the employment of and conduct interviews for the Chief Executive Officer position.

4. Adjournment

The meeting adjourned at 4:40 p.m.



BOARD MEETING MINUTES

November 18, 2009
101 North First Avenue
13th Floor – Board Room
Phoenix, Arizona

Board Members Present

Vice Mayor Tom Simplot, City of Phoenix - Chair
Mayor Hugh Hallman, City of Tempe
Vice Mayor Kyle Jones, City of Mesa
Craig Tindall, City of Glendale
Patrice Kraus, City of Chandler
Councilmember Ron Aames, City of Peoria

1. Call to Order

Chairman Simplot called the meeting to order at 8:44 a.m.

2. Call to the Audience

There were no requests to address the Board.

3. Executive Session

At 8:45 a.m. the Board entered into an Executive Session to discuss and consider the employment of and conduct interviews for the Chief Executive Officer position.

4. Adjournment

The meeting adjourned at 12:00 p.m.

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AGENDA ITEM 5

ARRA Park-n-Ride Expansion and Shade Canopies Design Build Contract



BOARD MEMO

AGENDA ITEM 5

To: Chairman Simplot and Members of the METRO Board of Directors

Through: Richard J. Simonetta, Chief Executive Officer

From: Brian Buchanan, Director of Design and Construction

Date: December 3, 2009

Re: American Recovery and Reinvestment Act Park-n-Ride Expansion and Shade Canopies Design Build Contract

PURPOSE

The purpose of this item is to request that the METRO Board (Board) authorize the Chief Executive Officer (CEO) to execute a contract between METRO and Hunter Contracting/Jacobs Engineering for RFP No. LRT-10-135-DBPNR – Park-n-Ride Expansion at Central Camelback and Shade Canopies for Park-n-Ride.

BACKGROUND/DISCUSSION

METRO solicited proposals for a qualified contractor to provide Design/Build (D/B) Services for the Central/Camelback Park-n-Ride (PNR) expansion and the construction of shade canopies within the City of Phoenix. The scope of work for the D/B Team includes the completion of the design and construction of the expansion of the Central/Camelback PNR from the western limits of the existing parking facility at 3rd Avenue to 7th Avenue along the south side of Camelback Road. Additionally, the D/B Team will be responsible for furnishing and installing shade canopies at various light rail parking facilities within the City of Phoenix. The approximate number of shade canopies to be constructed under this contract is shown below.

3rd Ave – 7th Ave & Camelback	150 Spaces
19th Ave/Camelback Park & Ride	140 Spaces
Central/Camelback Park & Ride	120 Spaces
Montebello Park & Ride	80 Spaces
Total	490 Spaces

The procurement process consisted of two steps:

- Step 1 – Solicit for a Request for Qualifications (RFQ) to determine which Proposers demonstrate the highest qualifications successfully to deliver the project. After evaluation of all the RFQ submittals received, no more than five of the Proposers were to be selected (short-listed) to submit Step 2.
 - On August 17, 2009, METRO issued RFQ No. LRT-10-135-DBPNR.
 - Twelve (12) firms were found to be responsive and responsible, and one firm was deemed non-responsive.
 - The selection committee members included representation from Phoenix and METRO staff. Based on the selection criteria established in the RFQ, the selection panel selected three firms to submit on Phase 2 (RFP).

- Step 2 - Request for Proposal (RFP), which required a detailed package of the proposed design solution, additional team information, and cost to complete the project.
 - On October 12, 2009, METRO issued RFP No. LRT-10-135-DBPNR.
 - Based on the selection criteria established in the RFP the selection panel selected one firm, Hunter/Jacobs, as the most qualified firm.

FISCAL IMPACT


Total price for the PNR expansion at Central/Camelback plus shade canopies spaces is \$3,499,000. This project is funded by American Recovery and Reinvestment Act grants.

RAIL MANAGEMENT COMMITTEE CONSIDERATION

At its December 2, 2009 Rail Management Committee (RMC) meeting, the RMC recommended that the METRO Board authorize the CEO to execute a contract between Hunter/Jacobs and METRO for the Design/Build expansion of the Park-n-Ride from the eastern limits of the existing parking facility at 3rd Avenue to 7th Avenue along the south side of Camelback Road.

RECOMMENDATION

Staff is requesting that the Board authorize the CEO to execute a contract between Hunter/Jacobs and METRO for the Design/Build expansion of the Park-n-Ride from the eastern limits of the existing parking facility at 3rd Avenue to 7th Avenue along the south side of Camelback Road at a contract value of \$3,499,000.



AGENDA ITEM 6

**Arizona Avenue Bus Rapid Transit
Construction Management**



BOARD MEMO

AGENDA ITEM 6

To: Chairman Simplot and Members of the METRO Board of Directors

Through: Richard J. Simonetta, Chief Executive Officer

From: Brian Buchanan, Director of Design and Construction

Date: December 3, 2009

Re: Arizona Avenue Bus Rapid Transit Construction Management

PURPOSE

The purpose of this item is to update the METRO Board (Board) on the joint project management for the Arizona Avenue Bus Rapid Transit Project between METRO and the Regional Public Transportation Authority (RPTA). This joint project management approach takes advantage of existing design and construction staffing expertise for a regional construction project.

BACKGROUND/DISCUSSION

The Regional Transportation Plan (RTP) includes a Bus Rapid Transit (BRT) project on Arizona Avenue in the cities of Mesa, Chandler, and Gilbert. The project consists of twenty (20) bus stop improvements including utility relocation, curb and gutter, bus shelter and landscaping construction elements. Funding for this project is from a combination of Proposition 400 and American Recovery and Reinvestment Act (ARRA).

Valley Metro/RPTA is responsible for the implementation of the Arizona Avenue BRT project. Valley Metro/RPTA has an existing contract with designers and recently issued an Invitation for Bid for construction. Bids were received on September 2, 2009 and a construction contract is close to being awarded at a bid price of \$3.9 million.

Due to the funding climate resulting from the current economic times, efforts to advance light rail/high capacity extensions have been delayed. METRO and RPTA reached the conclusion that METRO's Design and Construction division would be appropriate to manage the construction of the Arizona Avenue BRT project. Significant expertise has been developed within METRO staff during construction of the Central Phoenix/East Valley light rail project and these resources are available for the Arizona Avenue BRT project. Historically, RPTA has relied on consultants to perform this function.

METRO submitted a scope of work and cost proposal to RPTA. The cost proposal was agreed upon and METRO is currently managing the construction start-up in anticipation of heightened construction activity during the first half of next year with a tentative completion of July 2010.

FISCAL IMPACT

It is estimated that METRO will perform approximately \$250,000 of services to RPTA for its role on this project. The funding is a combination of Proposition 400 funds and ARRA funding.

RAIL MANAGEMENT COMMITTEE CONSIDERATION

At its December 2, 2009 Rail Management Committee (RMC) meeting, staff presented information regarding the joint project management for the Arizona Avenue Bus Rapid Transit Project between METRO and the Regional Public Transportation Authority (RPTA).

RECOMMENDATION

This item is for information only. No action is requested.



AGENDA ITEM 7
Federal Legislative Update



BOARD MEMO

AGENDA ITEM 7

To: Chairman Simplot and Members of the METRO Board of Directors

Through: Richard J. Simonetta, Chief Executive Officer

From: John Farry, Director of Community and Government Relations

Date: December 3, 2009

Re: Federal Legislative Update

PURPOSE

This memo provides information on the METRO priorities for federal legislation related to the Fiscal Year (FY) 2011 Federal Appropriations process, as well as projects and policies related to the reauthorization of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU).

BACKGROUND/DISCUSSION

METRO staff has coordinated with member cities to develop a federal agenda for the upcoming calendar year. Specifically, staff has developed priorities for both the FY 2011 federal appropriations and SAFETEA-LU reauthorization processes.

FY 2011 Appropriations Request

Each fiscal year, staff develops an appropriation request for the Arizona Congressional delegation related to the METRO system. For FY 2011, staff will be submitting a request that is summarized in the following table and explained below. It is noteworthy that final payment for the Full Funding Grant Agreement (FFGA) was included in the FY 2010 legislation and will not be included in the request for FY 2011.

FY 2011 Federal Appropriations Request		
	Funding Type	Amount
Tempe South AA/DEIS	Section 5339	\$876,000
Phoenix West Alternative Analysis/Draft Environmental Impact Study (AA/DEIS)	Section 5339	\$2.0 million
Glendale AA/DEIS	Section 5339	\$4.5 million
Central Mesa Preliminary Engineering	Section 5309	\$8.5 million
Tempe South Preliminary Engineering	Section 5309	\$6.4 million

Federally funded projects require that Alternative Analysis (AA) be completed prior to beginning of Preliminary Engineering (PE). Section 5339 was established within SAFETEA-LU to provide federal funding for these study efforts. METRO will request a total of \$7.376 million in Section 5339 funding for AA studies for the Tempe South, Phoenix West, and Glendale projects as part of the FY 2011 appropriations process. Details associated with those requests are identified in the following table.

SECTION 5339 NEW STARTS PROGRAM			
FY 2011 Alternative Analysis Requests* (millions)			
Project	Project Need	Local Share	Federal Request
Tempe South	\$1.095	\$0.219	\$0.876
Phoenix West	\$2.5	\$0.5	\$2.0
Glendale	\$5.6	\$1.1	\$4.5
* Projects are not listed in any order of priority.			

Section 5309 funding is established to fund design and construction of New Starts projects. A request has been submitted to the Federal Transit Administration (FTA) to move the Central Mesa project into the New Starts pipeline for project development (design). It is anticipated that a request will also be submitted to FTA to advance the Tempe South project into the project development phase during the coming year. METRO will request a total of \$14.9 million in Section 5309 funding for these projects. Details associated with those requests are identified in the following table.

SECTION 5309 NEW STARTS PROGRAM			
FY 2011 Project Development Requests* (millions)			
Project	Project Need	Local Share	Federal Request
Central Mesa	\$17.0	\$8.5	\$8.5
Tempe South	\$12.8	\$6.4	\$6.4
* Projects are not listed in any order of priority.			

Both the Central Mesa and Tempe South projects are planned to fall within the Small Starts category of the Section 5309 program. According to SAFETEA-LU, the maximum project cost threshold is \$250 million and the maximum federal share is \$75 million. If appropriated, the amounts identified in the table above will be included in the total federal share.

SAFETEA-LU Reauthorization Request Update

Based on a reauthorization term that would occur from 2010 to 2015, it is possible that several of the high capacity/light rail extensions adopted as part of the regionally adopted transportation plan would request federal funding over the life of the legislation. METRO and its member cities are requesting that projects be authorized for funding as follows.

Request One

Authorize the “Central Phoenix/East Valley Light Rail Transit Project Extensions” (CP/EV Extensions) as identified in the Regional Transportation Plan to receive federal funding and advance through the New/Small Starts project development process. This authorization would include the following extensions:

- Central Mesa LRT Extension
- Tempe South Extension
- Glendale Extension
- Northwest Extension
- Phoenix West Extension
- Northeast Extension

Request Two

Authorize the “Central Mesa LRT Extension” and the “Tempe South Extension” as identified in the Regional Transportation Plan to receive federal funding and advance through the Small Starts project development process. This authorization would include \$75 million for each project for a total federal participation of \$150 million on the two projects.

Reauthorization Policy Priorities

Several policy issues related to the New Starts program are of interest to METRO and its member cities. Generally, we recommend to federal policymakers all of the reauthorization recommendations of the American Public Transportation Association (APTA) and the New Starts Working Group. As an example, METRO supports:

- A simplified and streamlined review, rating and approval process for all New Start and Small Start projects.
- Major reforms to the new starts rating standard. The current standard does not adequately take into account all of the benefits of New Starts projects, especially land use, economic development and environmental benefits. The CP/EV Project cost \$1.4 billion. Total development along the project that has been completed, is under construction, or is planned represents a total investment of \$7.4 billion.
- The New Starts cost calculation should only consider the federal project cost -- local sponsors should be able to add project features at their own expense without harming their cost-effectiveness rating.
- Rescission of the 2005 Dear Colleague letter related to the requirement of a medium rating on cost effectiveness for New Starts projects.

Specifically related to the METRO system, we recommend bill language related to the following:

CP/EV Extensions Local Match. Include language in the legislation that authorizes projects that are funded entirely with local/regional funding to be considered as local match for other federally funded CP/EV Extensions.

Phoenix West Extension Request Addendum. The location selected for a significant portion of the Phoenix West high capacity/light rail extension is within the median of I-10. The Arizona Department of Transportation (ADOT) is currently programmed to add lanes to the same corridor. In an effort to minimize impacts to the driving public and freight movement along I-10 and to attain economies of scale related to construction costs, the Phoenix West project should be authorized to be a joint Federal Highway Administration and Federal Transit Administration project that would allow METRO and ADOT to coordinate construction efforts within the corridor.

METRO Interrelated Program of Projects. Should the legislation create the authority to establish an "Interrelated Program of Projects", authorize the METRO system program of projects that includes the CP/EV Extensions listed in Request One. The language would establish that the region is to work with the Federal Transit Administration to determine FFGA funding levels for projects up to 80 percent federal participation by allowing other extensions that do not include any federal funding to be considered as local match.

Modern Streetcar Justification Criteria. A separate program and evaluation tools for modern streetcar projects should be developed. The New Starts evaluation criteria are not designed to assess the viability of streetcar projects. While ridership evaluation and economic development potential are still important, travel timesavings is not typically an important goal for a streetcar project.

FISCAL IMPACT

Federal funding for the design and construction of light rail that is included in the METRO Light Rail/High Capacity Transit Life Cycle Program identifies federal funding levels consistent with appropriations requests identified above.

RAIL MANAGEMENT COMMITTEE CONSIDERATION

At its December 2, 2009 Rail Management Committee (RMC) meeting, staff presented information on the METRO priorities for federal legislation related to the Fiscal Year (FY) 2011 Federal Appropriations process, as well as projects and policies related to the reauthorization of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU).

RECOMMENDATION

This item is for information only. No action is requested. The FY 2011 Appropriations requests will be forwarded to Valley Metro/RPTA for inclusion in the regional public transportation request to be considered by their Board.