



Board of Directors Meeting Packet

NEXT MEETING OF THE **Board of Directors**

MEETING DATE	February 19, 2009
TIME	12:45 p.m.
LOCATION	MAG Saguaro Room 302 N. 1 st Avenue Suite 200 Phoenix



Regional Public Transportation Authority

302 N. First Avenue, Suite 700, Phoenix, Arizona 85003

602-262-7433, Fax 602-495-0411

February 11, 2009

TO: Members of the Valley Metro RPTA Board of Directors

FROM: David Boggs
Executive Director

RE: February 19, 2009 Board Packet Notes

Attached is the February 19, 2009 Board Meeting agenda and supporting information. The meeting is scheduled to begin at 12:45 p.m. and will be held at MAG in the Saguaro Room at 302 N. 1st Avenue, Suite 200. This meeting can be attended via teleconference, please contact Rosalia Lopez (602-262-7433) for the call-in information.

If you have any questions regarding the information in this packet, please let me know.



Regional Public Transportation Authority

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February 11, 2009

**Board of Directors
MAG – Saguaro Room
302 N. 1st Avenue, Suite 200
Thursday, February 19, 2009
12:45 p.m.**

	<u>Action Recommended</u>
1. <u>Public Comment</u>	1. For information
An opportunity for general public comment on issues related to Valley Metro RPTA. Up to three (3) minutes will be provided for each speaker.	
2. <u>Consent Agenda</u>	2. For action
The Board will consider items A through E on consent.	
A. <u>Summary Minutes</u>	A. For action
Summary minutes from the January 22, 2009 Board meeting are presented for approval.	
B. <u>Interactive Voice Response (IVR) System for East Valley Dial-a-Ride Contract Award</u>	B. For action
Staff will request the Board approval for the contract award to Trapeze for an IVR System for the East Valley Dial-a-Ride for an amount not to exceed \$142,616.	
This item was approved by the TMC on February 4, 2009.	
C. <u>2007 Origins and Destinations Study</u>	C. For action
Staff will request the Board to accept the 2007 Origins and Destinations Study.	
This item was approved by the TMC on February 4, 2009.	

D. City of Mesa Intergovernmental Agreement

D. For action

Staff will request Board approval of the Intergovernmental Agreement with the City of Mesa for reimbursement of right-of-way acquisition for the Mesa Main Street Bus Rapid Transit project.

This item was approved by the TMC on February 4, 2009.

E. Transit Management Committee Chair and Vice Chair Appointments

E. For action

Chairman Ecton will announce his appointments for the Chair and Vice Chair of the Transit Management Committee for 2009.

3. Regional Fare Policy Program

3. For information

David Boggs, Executive Director, will introduce Mario Diaz, Chief Marketing Officer, who will summarize input from the fare policy public hearings and present information regarding the City of Phoenix Council action taken on February 3, 2009 as it relates to the fare policy as part of the City of Phoenix budget.

4. American Recovery and Reinvestment Act (Economic Stimulus)

4. For information and possible action

David Boggs, Executive Director, will introduce Bryan Jungwirth, Chief of Staff, who will provide an update on the current status of the Act, funding estimates for the region, draft project prioritization criteria, and the process for project selection.

5. Authorization of the Federal Surface Transportation Program (STP) Funding Requests and Guiding Principles

5. For action

David Boggs, Executive Director, will introduce Bryan Jungwirth, Chief of Staff, who will request the Board to approve the Authorization of the Federal STP Funding Requests and Guiding Principles.

This item was approved by the TMC on February 4, 2009.

6. Transit Life Cycle Program (TLCP) Policy Issues and Recommendations 6. For action

David Boggs, Executive Director, will introduce Paul Hodgins, Manager of Capital Programming, who will lead a discussion with the Board on the TLCP policy issues and recommendations and solicit comments from the Board.

7. Executive Directors Report 7. For information

David Boggs, Executive Director, will brief the Board on current issues. Bryan Jungwirth will also report on the American Recovery and Reinvestment Act.

8. Future Board Agenda Items Request and Report on Current on Events 8. For information

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

9. Next Meeting 9. For information

The next meeting of the TMC is scheduled for **March 19, 2009 at** 12:45 p.m. at MAG in the Saguaro Room.

Qualified sign language interpreters are available with 72 hours notice. Materials in alternative formats (large print, audio cassette or computer diskette) are available upon request. For further information, please call Nichole Myers, Valley Metro at 602-262-7433 or TDD at 602-495-0936.



Regional Public Transportation Authority
302 N. First Avenue, Suite 700, Phoenix, Arizona 85003
602-262-7433, Fax 602-495-0411

Board of Directors

Information Summary

Agenda Item #1

Date

February 11, 2009

Subject

Public Comment

Summary

This item provides an opportunity for general public comment on issues related to Valley Metro RPTA. Up to three (3) minutes will be provided for each speaker.

Fiscal Impact

None

Considerations

None

Prior Committee Action

None

Recommendation

None

Contact Person

None

Attachments

None



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Board of Directors Information Summary

Agenda Item #2

Date

February 11, 2009

Subject

Consent Agenda

Summary

The Board will consider items A through E on consent.

Fiscal Impact

Please refer to individual items for this information.

Considerations

Please refer to individual items for this information.

Prior Committee Action

Please refer to individual items for this information.

Recommendation

It is recommended that the Board approve the items listed on the consent agenda.

Contact Person

David Boggs
Executive Director

Attachments

None



Regional Public Transportation Authority
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602-262-7433, Fax 602-495-0411

Board of Directors Information Summary

Agenda Item #A

Date

February 11, 2009

Subject

Summary Minutes

Summary

Minutes from the January 22, 2009 Board meeting are presented for review and approval.

Fiscal Impact

None

Considerations

None

Committee Action Process

None

Recommendation

It is recommended that the Valley Metro RPTA Board of Directors approve the minutes from the January 22, 2009 Board meeting.

Contact Person

David Boggs
Executive Director
602-262-7433

Attachments

January 22, 2009 Board Meeting Minutes Summary



Regional Public Transportation Authority

302 N. First Avenue, Suite 700, Phoenix, Arizona 85003

602-262-7433, Fax 602-495-0411

MINUTES OF THE
VALLEY METRO RPTA
BOARD OF DIRECTORS
Thursday, January 22, 2009
12:45 p.m.

Meeting Participants

Mayor Elaine Scruggs, Chair, City of Glendale
Councilmember Wayne Ecton, Vice Chair, City of Scottsdale
Councilmember Michael Johnson, Treasurer, City of Phoenix
Vice Mayor Shana Ellis, Secretary, City of Tempe
Mayor Marie Rogers, City of Avondale
Councilmember Trinity Donovan, City of Chandler
Mayor Fred Waterman, City of El Mirage
Councilmember Les Presmyk, Town of Gilbert
Councilmember Scott Somers, City of Mesa
Councilmember Ron Aames, City of Peoria
Councilmember Frank Cavalier, City of Goodyear
Councilmember Joe Johnson, City of Surprise
Mayor Art Sanders, Town of Queen Creek
Mayor Jackie Meck, Town of Buckeye

Not Present

Supervisor Mary Rose Wilcox, Maricopa County

Chairwoman Scruggs called the meeting to order at 12:53 p.m.

Mayor Scruggs welcomed Mayor Jackie Mack from the Town of Buckeye as a new member to Valley Metro RPTA.

1. Consent Agenda:

The following items were presented on the consent agenda.

- A. Summary Minutes from the November 20, 2008 Board meeting
- B. Local Government Investment Pool
- C. FY 2007/08 Comprehensive Annual Financial Report and Single Audit Act Report
- D. Annual Transit Performance Report
- E. City of Chandler Intergovernmental Agreement
- F. Contract Award for Marketing, Advertising and Public Relations (PR) Services

- G. FFY 2010 Congressional Appropriations Request
- H. Transit Life Cycle Program (TLCP) Process and Schedule of the TLCP

Vice Mayor Ellis asked a policy question on item number G, the congressional appropriations request. She asked if these items had gone to the rail board since, a lot of these have to do with rail and if not when will they be going there. Mr. Boggs said staff always coordinates with rail. Bryan Jungwirth, Chief of Staff, said the projects were confirmed with rail however, the timing of the board meetings didn't work so rail will bring this item through the Rail Board for action in February. Mr. Jungwirth said there is a deadline of the end of February to get all these requests in for both the annual appropriations as well as the reauthorization funding request to the congressional delegation staff by the end of February.

Vice Mayor Ellis said if rail was to make any changes to the request the Board would then be notified; correct? Mr. Boggs said yes, changes would be brought back to the Board. Vice Mayor Ellis asked if RPTA has to affirm or vote again on rail's action that rail sends to us. She asked if the normal process is for Rail to act first and then the RPTA Board takes action. Mr. Boggs said that was correct.

IT WAS MOVED BY COUNCILMAN PRESMYK, SECONDED BY COUNCILMAN SOMERS AND UNANIMOUSLY CARRIED TO APPROVE THE CONSENT AGENDA.

2. ADA Paratransit Eligibility Determination Program Recommendation and Request for Public Hearings

Mr. Boggs said this item has been through our entire staff committee process. He said the Board accepted the Regional Paratransit study in April of 2008 and asked that staff create a Regional Paratransit Technical Advisory Committee and for staff to come back to the Board with incremental steps with the various items to implement the ADA paratransit program.

Mr. Boggs said in-person eligibility assessments, rather than our current paper assessments, are done by our peers nationwide. He said a stakeholders meeting of the users of the system was recently held and out of 30 people attending only one person objected to the concept of the in-person assessment and their message was to hurry up and get this done.

Mr. Boggs said the Board's action today is only to authorize public hearings on the concept that was presented.

IT WAS MOVED BY COUCILMAN RON AAMES, SECONED BY COUNCILMAN SCOTT SOMERS AND UNANIMOUSLY CARRIED TO AUTHORIZE PUBLIC HEARINGS ON THE RECOMMENDATIONS AS DESCRIBED IN THE ATTACHED PAPER: *RECOMMENDED REGIONAL ELIGIBILITY DETERMINATION PROCESS FOR VALLEY METRO ADA PARATRANSIT SERVICE.*

3. Bus Stop Improvement Program Funding Allocation

Mr. Boggs said the Board approved this program in March 2008 and a Technical

Advisory Committee was to develop and approve guidelines for implementing the bus stop improvement program as part of Prop. 400. Mr. Boggs said the Board is being asked to authorize distribution of approximately \$5.5 million in the bus stop funds which began in 2006 and has not been distributed through the current fiscal year. He said this is part of the \$40.5 million dollar estimated for this program in Prop. 400 and this would be the first distribution. Mr. Boggs said it is consistent with agency policies and direction the Board has adopted.

IT WAS MOVED BY COUNCILMAN LES PRESMYK, SECONDED BY COUNCILMAN WAYNE ECTON AND UNANIMOUSLY CARRIED TO AUTHORIZE THE ALLOCATION OF THE CURRENT AVAILABLE FUNDING TO ALL PRIORITY 1 AND PRIORITY 2 BUS STOPS AT THE INFLATED FUNDING AMOUNTS PRESCRIBED IN THE RPTA BUS STOP PROGRAM AND STANDARDS – FINAL REPORT BUT WITH A REDUCED FUNDING AMOUNT FOR A LEVEL 4 TREATMENT FROM \$25,338 TO \$23,363.

4. Election of Officers

Mayor Scruggs asked Councilman Presmyk, head of the Board nominating committee, to introduce this item.

Councilman Presmyk said on behalf of the nominating committee, we would like to provide the following slate of board officers for consideration for calendar year 2009.

- Chair Councilman Wayne Ecton, Scottsdale
- Vice Chair Councilman Michael Johnson, Phoenix
- Treasurer Vice Mayor Shanna Ellis, Tempe
- Secretary Councilman Joe Johnson, Surprise

IT WAS MOVED COUNCILMAN PRESMYK, SECONDED BY COUNCILMAN SOMERS AND UNANIMOUSLY CARRIED TO APPROVE THE FOLLOWING BOARD OFFICERS FOR CALENDAR YEAR 2009:

- **CHAIR COUNCILMAN WAYNE ECTON, SCOTTSDALE**
- **VICE CHAIR COUNCILMAN MICHAEL JOHNSON, PHOENIX**
- **TREASURER VICE MAYOR SHANNA ELLIS, TEMPE**
- **SECRETARY VICE MAYOR JOE JOHNSON, SURPRISE**

5. Transit Life Cycle Program (TLCP) Policy Issues

Mr. Boggs said staff has been working on the Transit Life Cycle Program (TLCP). He said this year is a little bit different because we added three months to the process for policies discussion as suggested by Mayor Scruggs and Councilman Ecton

Mr. Boggs introduced Paul Hodgins, Manager, Capital Programming, who will go over the presentation that was presented to the Budget and Finance Subcommittee. Mr. Boggs said this item was for information and the Board will be asked to take action in March.

Mr. Hodgins said the Budget and Finance Subcommittee is taking the lead on this and reviewed the presentation this morning, had a very good discussion. Mr. Hodgins said It is basically a four-stage process. The first step was to identify the issues. We identified 12, discussed and framed them, to make sure we understood them and, prioritized them down to six that we needed to look at fairly quickly.

Step 2 is to look at alternatives for those policies. We took those through the subcommittee, talked to all of the staff committees, and we're basically at the end of step 2. Now we are ready to move forward to recommend some alternatives. Those recommendations will be brought through the committee process to get approval on the changes, then update the Transit Life Cycle Program financial model and look for approval from the Board on the updated model.

Mr. Hodgins said the presentation is really broken into three categories of recommendations: changes to adopted policies or new policies; guidance for updating the Transit Life Cycle Program; and then some additional work that needs to happen.

The first category is policy changes and there are two specific policy recommendations that have come out so far. The first has to do with the inflation policy. The current inflation policy basically uses the CPI. The regional transportation plan was developed in 2002 dollars, so the policy says that we'll use the CPI to bring those up to current dollars and to forecast for future dollars. There is some concern over the last couple years that having one rate and using an average long term rate wasn't adequate and didn't reflect our needs, so the recommended policy is to break inflation into pieces and to have different categories of inflation. There would be categories for transit vehicles, a category for capital facilities construction, a category for operating costs, and anything that doesn't fit.

Those that do not fit would keep the CPI, so there would be four different categories. For the forecasted inflation, we'd actually break it into a short term, for the next three years and we'd use a more precise forecast of those different categories. Beyond the three years we would just go back to our long term rate. We found in looking at the long term rates for the different industries indices, they all tend to trend close to the same number, but we felt that a short term, three year division among those categories would give us a better idea of what we believe is happening in those categories with the expenditures.

Mr. Hodgins said the second recommended policy change would actually be a new policy. Presently, we don't have a policy regarding federal revenues. We have some projects in the life cycle program that are programmed at 100 percent Public Transportation Funds (PTF) without any federal. But because the capital program is so dependent on federal revenues, the more projects we complete with 100 percent PTF projects puts into jeopardy the capital projects towards the end of the plan. We are recommending adding a policy that requires a certain level of federal participation before we begin a capital project and it depends on the size of the project. For under a million dollars there would be no requirement; a million to \$20 million, which is a typical size for a park and ride or transit center, would require a minimum of 50 percent federal participation; and then for large projects over \$20 million, such as a maintenance facility, we typically don't expect more than 50 percent in total, so our expectation to

start the project would be a minimum of 25 percent. This would help to ensure that the projects have some federal money in them, would help to ensure that projects in the future can be built, and protecting the regional funds. Those are the two specific policy recommendations that if we get some concurrence, we'd come back to the board next month for approval.

The next category is guidance. Mr. Hodgins provided some clarification on some current policies and some guidance on how to move forward because we have a large deficit in our sales tax forecast.

The first one has to do with contract rates. We have not finished the analysis on this issue. We are completing an audit of contract rates valleywide to ensure or to try to ensure that we're doing apples-to-apples comparisons. The only guidance we're looking for right now is to actually take RPTA's rate and split it. Mr. Hodgins said right now we use an average rate is used for fixed route and express service. Phoenix and Tempe have both gone to a split rate and we're recommending doing that as well where we separate express costs from local costs and use a separate rate because express really is a different type of service and it's more expensive because of all the additional deadhead involved.

Mr. Hodgins said addressing the revenue short falls, there are several steps and we've listed them in priority order. He said the recommendation is to look at fares. We have a fare policy proposal in a public hearing process, however, we don't yet have an idea or recommendation back on exactly what the proposed fare increase will be. He said once that recommendation comes back, we'll look at how it impacts the TLCP financial model, adjust the fare revenues accordingly in the model and see how much that might help our revenue shortfall.

He said the second step would be to look at some of the costs for planning and administration for regional services, items that RPTA controls. Mr. Hodgins said the agency has already cut back on planning and administration costs. He said there has been a small cut back in the regional services cost, especially in the marketing, and for the modeling we're going to take the reduced amounts and use those as the base and simply increase them by inflation

Mr. Hodgins said the third item is to limit scope of service improvements. Right now in the model for route improvements in the first year they're planned to be improved, we basically program full service, whatever the full amount is. What we're recommending is to phase in the improvements, so if it's programmed for 15 minute peak 30 and minute off peak we would program the initial implementation maybe at the 30 minute all day, and then three years later we would program the full service and the default would not be full service. The default would then be phased-in and, of course, if a route were to out-perform our expectations we could always make adjustments, but what we program in the future would be the phased approach and it would become essentially the default.

Mr. Hodgins said the next step for us would be to look at capital projects. This recommendation is worded a little unclear, but we would basically look at what the needs are out there and, what the available resources are in the transit life cycle program. There are some proposals such as the economic stimulus package that's

coming forward. We're not sure how that's going to impact our capital program, so we purposely left it open, but the next step in looking at the model would be to do a review of the capital and ensure that the regional funds are funding the programs or the projects that are really needed.

He said the last step we would do if still needed would be to actually delay service. We differentiate the between the two types of service. Currently there are existing routes that get converted to supergrid and then there are brand new routes. For the existing routes we would assume the funding of existing services on the current schedule so that we weren't forcing costs back to the cities, but we would delay improvements. New routes would be delayed, but we would delay the minimum amount possible to make the program work. These are the kind of priorities for looking at the revenue shortfalls as we've recommended them.

Mr. Hodgins said there are different alternatives for financing. He said staff is not going to suggest or recommend changing the policy right now, but it is an interactive process. As we make some other changes to the model, we'll bring that back to the budget and finance subcommittee and review what the financing needs would be for that model and evaluate whether it is really worth the cost or if we need to make some adjustments or perhaps bond more and get some projects done if we feel that inflation will make projects cost more. It is more of an interactive process, and there is no current recommendation.

He said the last category is additional work. Regional Services is one issue that we looked at and we weren't comfortable making a recommendation yet. We're doing more analysis, especially on the call center side. It makes up about 40 percent of regional services and so we're getting a presentation together from our customer services manager that looks at how he identifies funding for the call center, what their performance measures are and how he determines what his staffing needs are so we can get a better understanding of what is really needed in terms of a call center. We will bring that back through to the subcommittee for their review.

Then moving forward we're going to take these recommendations that were discussed this morning at the Budget and Finance Subcommittee, back through our committee process for some input and try to finalize some recommendations. If we can get agreement on a couple of policy issues, they'll be back to the Board next month for action; otherwise, it will be probably the month after that.

Mayor Scruggs said there was a lot of information and suggested going back to the beginning and section by section or recommendation page by recommendation page and we could ask our questions

Councilman Ecton said before we start, he wanted to go back in history just a little bit. He said what we're doing today is what we promised to do that we would bring things to the committees, and the Board and then all of that input would go back again through the committees and to the BFS before we make a final recommendation. He said he wanted to let everybody know that we're doing what we promised.

Mayor Scruggs said if there are any of these recommended changes that would affect cities to where we would need to take action at our local council's will you please flag those for us as we go through because some can have effects on our service and our rates too.

Mayor Scruggs said inflation is a complicated scenario you have set up with the four different rates and then we have the short term ones, and asked if that would be the closest to reality. Mr. Hodgins said yes. He said in discussing it with all the staff committees everybody is fairly comfortable with three to five categories, and then the short versus long term discussion actually came through the committee process.

He said there was a concern if you look at a short term rates for construction costs and apply it to a 20 year program, it's hard to do because we don't really know what's going to happen with construction over 20 years, but using those separate rates for a short period was appropriate, but over the long term we would go back to our long term average.

Councilman Ecton made one clarification, he noted that this will change every year. The three years when we do this next year, we'll be three years again, so we'll be moving it forward as we go year-to-year, so it's not that we're casting in concrete 3 percent for the rest of the life of the program and we could review it next year and say, well, the economy is improving so much and things are calming down that maybe we only want to do this -- maybe we don't want to do it at all, maybe we want to go to the current inflation rate or you do it two more years and then the long term. It's flexible in part and this is just the recommendation in the policy currently that we're establishing.

Councilman Aames said in the Budget and Finance Subcommittee meeting and the other committees we looked at a number of options and agreed this is good. He said the BFS didn't want to make it too complicated by having 10 indices, and we focused on key ones and the idea of short versus long term is good because like in transit the fuel prices that was something that hit us in a short time frame, and then it kind of drops off. You don't want to carry that or project forward from something that's maybe too high and then you do move and when you get to that fourth year at any point in time back to the CPI. He asked Mr. Hodgins to explain the difference you see in the various rates here and why it makes sense then to go back to the CPI for the longer term.

Mr. Hodgins said in terms of the long term we have four different indices or inflation rates we're proposing. In terms of looking back on those, the CPI, the consumer price Index, over the last 20 years has averaged just about 3 percent, he said the current CPI is 3.05. The Producer Price index has averaged about 2.7 percent. The construction costs index for facilities has averaged about 3.2. And our operating costs for the region which are actual costs for us have averaged just about 3 percent. It's in the short term that the variations really happen. The CPI for the last three years has been only about 3.3 percent, which is close to the long term average, but the producer price index has been almost 5.3. More than almost double what the long term average is. The construction cost index has been about 3.7 which is a little bit higher, but our operating costs -- our operating rates have gone up 5.8 percent which again is almost double with what the long term average is, so that's where we get these discrepancies over the short period. So using short term forecasts may better reflect what we expect the

expenditures to be, but long term they'd all tend towards the same or similar average rate, so it didn't make sense to differentiate them for the long period.

Councilman Cavalier said when he attended the Budget and Finance Subcommittee meeting, his feeling was we should take it 10 years and maybe go back historically because these last years, especially this last year, with such an odd off beat year, that if we wanted to look at percentages to get something that was more even, we'd take ten years out of the late 90s or something, but with Paul saying that this is the way you know with the three year and revising it every year, looking at each year and taking the three years again next year and then pulling -- in other words, you're pulling two of the years with you each time. I think it's probably a better way to do it, so I think he's on the right track.

Mayor Scruggs asked if the Board members were comfortable then with giving direction to proceed with this policy change recommendation? The Board agreed.

Mr. Hodgins said the next one would be a new policy. We don't currently have a policy regarding federal revenues, but it sets up some minimums before we would begin a project. It really only affects the next five years in the TLCP because we program federal revenues in the transportation improvement program, which is a five year program, so when we look at projects in the first year and the second year and available federal money, we start assigning the funds to projects. If we get to a project that doesn't meet the minimum, we would delay it until there was a minimum amount of federal revenue that we could put into the project and that would prevent us from allocating 100 percent PTF. It might delay projects, but it would protect projects at the end of the program, from being deleted due to lack of funds.

Councilman Aames said he thought it was communicated this morning as being somewhat conservative, but indicating that we do need some federal funds to move ahead. We don't necessarily have to move ahead if we only get 25 percent, we may decide not to, but we're looking for at least that so we don't project out on projects that we can't really do because we do need some federal funding.

Mr. Hodgins added, there was a suggestion that a city could pledge some funds if we didn't have enough federal rather than delay the project. If a city provided some local funds to make up the difference, we could still proceed with that, but that would be at a city's option.

Mayor Scruggs asked if all the projects qualify for federal funds, and if they all qualify for federal funds why are we doing some of them at 100 percent PTF funds? What and who makes that decision? Mr. Hodgins said all the projects could qualify for federal funds. There are requirements that the FTA has, such as, environmental and other things that if we follow the process for every project, every project would be eligible. In programming the funds we could look at the projects that are scheduled for implementation and we allocate this many federal funds available. Maybe it's 70 percent of the total projects and just allocate those funds to each project rather than doing the maximum for some and none for other projects. So if we can do an 80/20, 80 percent federal money, 20 percent local, that's what we've been programming assigning federal revenues at the maximum percentage we can for projects and then what's left

over would get the 100 percent PTF. Assigning federal funds to every project at a lesser percentage is another option, something that we could look at.

Mayor Scruggs said she was trying to get a sense of why it wasn't done this way from the beginning. Was it trying to get more projects through faster, or what was the reason because I can see where this makes sense in that it allows the PTF money to be used for everybody versus being used up in greater amounts in the beginning and then nothing left over for the end, so why were we not doing it this way to begin with?

Mr. Hodgins said it was to keep projects on schedule. We had an implementation schedule that we started with and rather than delay projects, we went ahead with these decisions that were made when revenues were increasing, but we decided to go ahead with the implementation schedule rather than delay it to find federal funds. It looks like maybe it wasn't the best idea, so the suggestion now is for projects moving to ensure there is federal funds

Mayor Rogers asked are the matches implemented in other authorities, other regions, do they use this as part of their policy that you're aware? Mr. Hodgins said he didn't know but would find out. Mayor Rogers said it would be interesting to see if they're using it or not, so if we could get that information at some point as it goes through -- the south western region would be interested to see what that would be like as it goes through the process.

Councilman Somers said this board and staff work pretty hard to take a look at projects and identify them and prioritize them based on local need. What are the potential unintended consequences or are there unintended consequences that federal priorities could somehow, because of this requirement subvert the local preferences that we establish as a board. We could to proceed out of order, that is the lower priority projects proceed in advance of something more central to that and perhaps even more pressing because the federal government just doesn't select it. So how do we make sure that our local priorities stay local and that those local priorities may move forward and not something that the feds tweak.

Mr. Hodgins said there are two answers to that because there are two major streams of federal funds and they act differently. The first, under the urbanized area formula program funds we get a certain amount of funds that come to the region through a formula and we assign the priorities on where to spend them through the TIP process. So we look at the federal funds that are available, we look at the projects, we go through a prioritization process and we identify which projects get the funds, and that comes to the Board and then to MAG for approval and inclusion in the TIP. The other major source of funds is the discretionary program under the earmarking program and that is where congress has some decision making. We typically take a slate of projects forward, we look for the congressional delegation to help us get some earmarking funds and they may pick and choose the projects they like. They may not be the ones that we would prefer, but certainly any federal funds that come to the region even if they are not for these programs help overall. If Mesa were to get some federal discretionary funds for a project that's not necessarily a regional priority but it's a local priority, then that may free up some local funds that you could help supplement on a regional project in Mesa. So it's really prioritization process, on our part for the one, but then it is a local

process.

Councilman Somers asked how many of the RPTA projects that we have prioritized have been identified for congressional earmarks, and what percentage of those were just funding that came to the region? Do you know that? Mr. Hodgins said he didn't know the percentage offhand. He said it depends on the projects, but on average about \$8 million in the discretionary funds and that's just an average. Our formula program is somewhere around \$46 million, so most of the projects really get programmed through the TIP, through the formula program.

Mayor Scruggs said when she first heard this her thoughts were going along the lines of Councilman Summer's, and listening to you present it today, this is how I see and hear it in my mind and you tell me if it's correct or not. We get approximately \$40 million from the federal government, it goes into a checking account. And then here the checks will be drawn against that account for the projects that we have programmed in the order we have programmed them using that formula for how much money is taken out of the checking account; am I right so far? Mr. Hodgins said yes. She said and then the discretionary funds is icing on the cake, that's something we don't count on necessarily, but if we get it, isn't that great because now we have more money. Mr. Hodgins said that was correct.

Mayor Scruggs said she was concerned about this because if something didn't qualify for the federal funds, but you answer everything does qualify, everything we do qualifies. Mr. Hodgins said yes as long as we follow the process.

Mayor Scruggs said as long as the process is followed the money comes in and then we use it on the projects in the order in which we have them staged and what it ends up doing is leaving more of the PTF funds for those projects that are left at the end; whereas if we continue to try to accelerate, do more things 100 percent PTF, we may use it all up. Mr. Hodgins said yes.

Councilman Ecton said it's kind of ironic, this question all came about because I asked the question one time the forecasting of federal revenues and as they got to thinking about it, it got more important and we realize that there needed to be policy because if we put in our TLCP program assuming that we're going to get all the money for all the projects, then we're out of balance. We know we're not going to get all of the money, so this was a way to get that under control, but it generated even a more important question which they're trying to present here, so that's just a little history of how we got to where we are.

Mayor Scruggs asked the members of the Board if they were comfortable with moving this recommended policy change forward through the process?

Councilman Johnson said his only issue is to make sure that something is in the policy as it moves forward as you previously stated which does not prevent cities from putting in funding to make that match.

Mr. Hodgins said when it goes through the staff committee process we're going to put that in or he will ensure that's in there for discussion.

Mayor Scruggs said the next item is contract rates and said the situation we're looking at now is the difference between express and local, but this is the same area where there is a disparity between some contract rates and other contract rates because some have senior drivers and some don't have senior drivers and so the labor rates are different.

Mr. Hodgins said yes and clarified that we are doing an audit or a review of the cost per mile methodologies, the way the different agencies do that and it's not quite done. We don't have a final report yet, so we only felt comfortable moving forward with this recommendation now, but there will be more coming once the review is completed.

Mayor Scruggs said this is an item that she is nervous about and I would imagine Phoenix is too because we would hope that our system would attract stability in its workers, the drivers, but then we end up with some cities penalized because they happen to have the contract with the people who have been driving longer versus those that decide to take it up as a career because the other career went away or whatever happens. There shouldn't be a penalty because that's not something that we can control. It's not like we're trying to take something extra, and Glendale is very concerned. Glendale has already been penalized big time and I do not expect any more penalties due to the fact that the longevity of the drivers and the contract for the bus system that goes into Phoenix and Glendale is greater than it is someplace else.

She said if you take money away from one because the rates are higher now, well, on down the road, everybody else's are going to get higher as their drivers have more longevity, but they're already fixed with an extra share of revenue -- of miles, so this one has me very on edge.

Councilman Aames said his understanding from the subcommittee is that we're not really looking to make those kinds of decisions. We're looking at this point to be able to look at different contract rates on an apples-to-apples basis so that we're measuring them the same, and if there are differences it's not because they are being measured differently. Mr. Hodgins said that was correct and that is the goal of our cost per mile audit or review. We want to ensure that we know what goes into each rate because when you say one is a lot higher than another, there may be valid reasons. There may be other things included, in the rate that maybe other agencies don't include, so we want to make sure as a first step that we understand what is included and then perhaps there will be recommendations on how to make the rates at least measured in the same way so that we can have a better comparison.

Mayor Scruggs said in the past this was a way to take service away from certain jurisdictions and give it to other jurisdictions. So what you're telling me is that is not what we're doing at this time; right? Mr. Hodgins said that is not our goal, Madam Chair, that's correct.

Councilman Ecton said it was not his goal either. He said he told the budget committee this morning it's probably unfortunate that my background first in Alcoa was cost

accounting, and it was my job to compare costs at all the producing locations that had the same product to make sure that the elements that go into that cost are all being done the same way, and that's where the focus is at the moment is to make sure. We're not trying to criticize anybody; we're not trying to penalize, but we want to be sure that they're constructed in the same manner with the same cost. Now, but I think the mayor makes a good point about. It's something that needs to be discussed in terms of should we, could we, somehow regulate what the rates are. I don't know if that's possible or not. I don't see an answer, but it is certainly something that should be discussed and at least in our final recommendation there should be some mention of why that's practical, or not practical, and there may be other things that are similar to this that need to be included in that. And that's the purpose of talking about it here today and sending all of this back to the committee and then to come back again.

The Board agreed to continue to move forward with this suggestion.

Mr. Hodgins said revenue shortfalls is probably the most complicated one. He said that that staff has identified these may be in priority or at least in a progress. We'll do these in order to try to identify revenue shortfalls. First would be to look at increasing fares, increase the forecast for fares, if it's appropriate on whatever the fare policy hearing is, and then look at measures that reduce our expenditures. And we've tried to structure those to, first of all, not penalize the cities, not simply pass the cost on to the cities to save us money. We've tried to limit the impact on implementation dates so that we don't keep pushing new service out.

The first one in terms of service is a recommendation to program a phased approach so that the cities that don't have service or the routes that don't exist today, we can still implement something, but it's maybe not the full service that's planned, but we can put something out. Because what we heard a lot through the committee process is we would rather have something than nothing. So we want to program into something with the full service a few years later or when it is appropriate based on performance. The last option would be to actually delay the implementation dates.

Mayor Scruggs said the option to eliminate regional funding for certain capital projects, and regional funds should only be provided for capital projects that are integral to providing service and/or directly service passengers. What are we using regional funding for? What types of capital projects are we using regional funding for now that are not either integral to providing service and/or directly servicing passengers?

Mr. Hodgins said the one that jumps to mind offhand would be constructing a maintenance facility for the east Valley dial a ride. It is subregional in nature but we can provide that service in another way. If we didn't build that facility, we could have a contractor provide it, we could continue to operate out of the Mesa facility as we do now, although it is starting to get a little crowded, but there are other ways to do it other than building a new facility. So I would say it's not integral; it would be better to have it, but it's not necessary. We can continue to provide the east Valley dial-a-ride service in another way, so it's the type of thing that we're looking at. If we have to cut a project, we would rather cut something that doesn't really hurt the passengers or hurt our ability to provide service, but also we want to look at the capital projects, all the projects in general especially in light of the stimulus package and other things that are going on.

There may be opportunities to divert or to use some additional federal funds to help us in the life cycle project, so it's worded unclearly, but hopefully it will get some clarity as we move forward.

Mayor Rogers said the delay of service and improvements should be as a last resort. She said her concern with limiting scope of service improvements is new routes should be implemented in 30 minute head ways. She said from her perspective all routes should be implemented with 30 minute head ways, and then if those cities want to have service at different intervals, then that would be on them.

Mayor Scruggs said the only reason why anybody gets anything more than 30 minutes is because the demand is there. If we are trying to establish transit as transportation of choice we can't fit everybody in the bus if it only comes every 30 minutes, why would we not go to a 15 minute head way or 10 minute or whatever is needed. She said the goal of this agency is to someday be the provider of all transit services that there is one regional provider, but that can't happen because the money is not there for that to happen, so you have all of us cities that have money that are contributing and we spend a heck of a lot in Glendale, we have a transportation tax and Phoenix does and Tempe and some other cities, so in some ways it looks like there is an idea to push some costs back to the member agencies which, of course, delays the goal of one regional system. I find those two things in conflict. You want -- certain people want RPTA to be a regional system, one system runs the whole thing, but then you want to push costs to cities, and I'm concerned because there is great disparity as there is. There are some cities that put in nothing and get transit and other cities put in a little bit and get transit and others put in a whole heck of a lot and get transit, so it's an unequal system every which way you look at it.

Mr. Hodgins said at one of the previous budget and finance subcommittee meeting that very specific item was brought up and that if anything that goes through for approval on the life cycle program and there is a push to the city, and that's not our intent, but we would have to make sure that was very, very clear. I believe it was Councilman Johnson that made that very clear to us that if you're going to push back with the delay that wasn't the intent. I believe what we were trying to do is limit the scope to maybe start with 30 minutes -- if it's programmed at 15, we maybe start at 30, see what happens and then go to 15. The intent wasn't to move it to the cities. But we have very clear direction of making sure that we do not push anything to the cities without it being very clearly known and I believe our budget and finance subcommittee would echo that and we've been given that message already and we'll be very, very careful with that.

Councilman Ecton said going forward to the next item, actually another way of stating that first one, I think, or it could even be included in it, maybe it's not just another way of stating, there is outsourcing. There are other methods to solve some of these problems and we need to constantly be thinking about outsourcing that we can. That can turn out good, that can turn out bad. I realize that. But I think that's part of the puzzle.

Mayor Scruggs said after listening to Mr. Hodgins it's not eliminating the particular capital project or whatever is trying to be accomplished, but instead of going from gee, let's do the top of the line on everything, looking at ways that the same goal can be achieved at less expense to the program; is that correct? Mr. Hodgins said yes

Councilman Aames said going through all of these is the idea that if we spend everything up front then the projects that are suppose to occur later in the life cycle program won't occur, so this is a way of protecting that. Isn't that kind of the main thread running through here?

Mr. Hodgins said that was one of our goals which is to share the pain kind of idea, so that the phasing where we phase everything or the delays we delay everything a little bit instead of the last few projects a lot.

Mayor Scruggs said right, and to leave service on the streets that's there. The worst thing is removing service that people have come to rely on. And to delay implementation of new routes and I'm sure my friend Councilman Ecton is going to push for this, but, you know, in the cities when we look at building something new, a facility that then has ongoing costs because of personnel, because of maintenance, because you have to turn the lights on or whatever, we always look to make sure that we can afford the operating costs, not just the next year, but we do, I'm sure, you all do the five year capital budget, to be sure we know that we can cover this for the next five years and I don't know that we've always looked at things that way here at RPTA and I think we really have to. Not just can we pay for the contract next year, but using this short term inflation factor forecasting that you're talking about can we pay for it for the next immediate future and I think that's really important; otherwise, we shouldn't be putting that service on the streets because when we do it we ask people to change their lifestyles. That's really what we do. We ask them to conduct their lives in a different way using public transportation and so once they make that change we have to leave that public transportation there for them.

Mayor Scruggs asked if the Board members were comfortable with this guidance for the model update? The Board agreed to move forward.

Mr. Hodgins said the financing issue is not so much guidance. It's really just we're going to play it by ear, we'll see how it turns out, discuss it with the subcommittee, and tweak it if we have to. It's more flexible and we'll do what we think is appropriate at the time and after a discussion with the subcommittee and the staff committees.

Mr. Hodgins said the next issue is regional services. He said staff is taking a closer look at how we identify those costs, especially employees, how we look at the FTEs and trying to decide when we need new FTEs and when to ask when is the right time. It's really based on the performance measures that they use in the call center, and the customer service manager is going to put together a whole presentation on that for the subcommittee for the board to look at.

Councilman Aames said he was just going to say one of the things that they need to look at as they do this analysis is that right now there is quite a heavy call load because of the opening of light rail. You have to take into account that there is kind of initial questions people have and in the long run they won't have that high level of calling.

6. Executive Director's Report

Mr. Boggs thanked Mayor Scruggs for Scruggs for leading us into a tremendous year this last year and thanked the entire board for all of their support.

Mr. Boggs provided an update on the following items:

- FY 2009 Appropriations
- Economic Stimulus
- Congressional Staff Luncheon, Washington D.C. - March 16, 2009

Mr. Boggs announced that there will be a Chandler park and ride ribbon cutting on January 28th at 3:00 p.m.

Mr. Boggs reviewed the upcoming agenda items for February which include:

1. Summary Minutes from January 22, 2009 - for action
2. Interactive Voice Response (IVR) System for East Valley Dial-a-Ride Contract Award – for action
3. Origin and Destination Study – for acceptance
4. Regional Fare Policy – for action
5. Transit Life Cycle Program Policy Considerations – for action

Councilman Ecton thanked Mayor Scruggs for her service on the Board and highlighted her accomplishments as Chair.

- ✓ The Glendale park and ride facility
- ✓ The purchase of the Valley Metro Mesa operations maintenance facility
- ✓ In 2007 important contributor to the agency's strategic plan and the development of division goals and objectives. Putting that plan into action emphasizing our strategic objective to regionalize
- ✓ Accepted the regional paratransit study, the first step of that objective. You directed us to focus on the significance of Prop 400 and its annual update.
- ✓ The agency launched the Valley's first arterial street bus rapid transit service, Valley Metro Link, a Prop. 400 funded service.

Mayor Scruggs thanked the Board for being engaged and for taking on some weighty issues and I think we made a lot of progress.

The Board members thanked Mayor Scruggs for her service.

7. Future Board Agenda Items

None.

8. Public Comment

Marvin Rochelle said I want to first compliment you on your hard work and everything that you've done. I've seen you in your own city council. I'm so happy that you stood

up for what you thought was right. Secondly, I hope and pray that we continue to go forward with the regional transit for which I have waited for the last 17 years and that's all I have to say.

With no further discussion the meeting adjourned at 2:06 p.m. meeting is adjourned.



Board of Directors Information Summary

Agenda Item #B

Date

February 11, 2009

Subject

Interactive Voice Response (IVR) System for East Valley Dial-a-Ride Contract Award

Summary

An IVR System will provide East Valley Dial-a-Ride users with communication access 24 hours a day, seven days a week. The IVR will reduce phone hold and wait times by enabling the caller to confirm, cancel and check on pick-up times using any touchtone phone. During call center hours, the caller may be transferred to a reservationist with one keypad entry. Outbound reminder calls can be made the night before a planned trip. Additional reminders can be made just before the van arrives to pick-up the passenger.

In response to a solicitation for an IVR System, RPTA received three proposals. The companies that submitted proposals included Logic Tree, Ontira and Trapeze. A proposal review team consisting of representatives from RPTA, Veolia Transportation, and the cities of Mesa and Scottsdale was formed to evaluate the proposals. Based on the initial evaluation, all three proposers were invited for presentations/interviews that were held on December 18, 2008. Following the presentations/interviews, the panel deliberated and unanimously recommended that Trapeze be awarded the IVR contract.

Fiscal Impact

The IVR System cost for the base year is \$142,616 which will be paid with 80 percent (\$114,093) federal funds from a 2007 New Freedom Grant. The local match of 20 percent (\$28,523) will be paid by the municipalities of Chandler, Gilbert, Mesa, Scottsdale and Tempe.

It is the intent of RPTA to enter into a one (1) year agreement with four (4) one (1) year options. Option years provide for maintenance and upgrades of the software, which is critical for utilizing the software beyond the initial year of the agreement and the corresponding New Freedom Grant. The FTA requires the analysis and consideration

of option pricing during the proposal evaluation stage. Options can not be exercised, per FTA Circular 4220.1F, if they are not evaluated and considered prior to award.

Trapeze offered the best value as a measure of lowest dollars per evaluation point. In essence, this can be considered as “getting the biggest bang for the buck”. Additionally, Trapeze received the highest number of points and submitted the lowest overall price. The potential total price of the contract that is recommended to be awarded to Trapeze, over a five year term is \$208,319. Table I below details the points received, purchase and five-year maintenance cost, and cost per point for each proposer.

TABLE I

	Points	Price	\$/pt
Trapeze	6006.00	\$208,319	\$34.685
Ontira	4995.70	\$288,663	\$57.782
Logic Tree	4583.20	\$228,298	\$49.811

The total maintenance fees for years two through five will be \$65,703. Therefore, an annual cost of \$16,425.75 will be included in the East Valley Dial-a-Ride’s budget for IVR maintenance.

Considerations

IVR Systems have been shown to improve overall productivity and on-time service performance through better passenger communication. Passenger no-shows are decreased and customer satisfaction is improved with 24/7 access. In addition to improved system productivity, several paratransit systems reported the ability to maintain level call center staffing while passenger demand for service grew.

Committee Action Process

VMOCC: January 20, 2009 – approved
TMC: February 4, 2009 – approved
Board of Directors: February 19, 2009 – for action

Recommendation

It is recommended the Board approve the contract award to Trapeze for an IVR System for the East Valley Dial-a-Ride for an amount not to exceed \$142,616.

Contact Person

Jim Wright
Acting Deputy Executive Director of Operations
480-287-5980

Attachments

None



Board of Directors Information Summary

Agenda Item #C

Date

February 11, 2009

Subject

2007 Origins and Destinations Survey

Summary

In the Fall of 2007, the Valley Metro Regional Public Transportation Authority (RPTA), with consultant support (Nustats Inc), conducted an Origins and Destinations (O/D) survey (also known as the Transit On-board Study) of Valley Metro transit riders. The self-administered surveys were conducted among riders of fixed-route bus service (i.e. Local, Circulator, Limited, Rural, Express, and RAPID bus routes) during weekdays in the morning, midday and evening. Data collection was performed from October 8 through December 18, 2007. A total of 7,600 completed and usable surveys, as included in the final data files, were collected.

The study project included survey instrument design; sampling plan development; collection, processing, and geocoding the acquired data; data weighting and expansion; data analysis; comparison with the results of the 2001 O/D survey data; and development of a final report.

Throughout the survey process, the 2007 Transit On-Board Survey was guided by a Technical Advisory Group that was chaired by the Valley Metro RPTA project manager and included representatives of MAG, METRO, the cities of Phoenix, Glendale, Scottsdale, Tempe, and other Valley Metro RPTA member agencies.

The objectives for this study were as follows:

- Collect data on transit ridership and transit service levels for the Before and After Study as required by the Federal Transit Administration (FTA) on New Starts Major Capital Investments (such as the METRO Rail project)
- Update travel patterns for the Regional Travel Demand Model.
- Target transit markets that have been underrepresented in the previous surveys.
- Improve the quality of data collected for valid Origin and Destination Pairs

Fiscal Impact

The cost for this study was \$484,829, with 80 percent funded by the FTA and 20 percent funded by Regional Area Road Fund (RARF) monies.

Considerations

The data from this study will be used to calibrate and validate the Regional Transportation Model. This recalibration will enhance the model's ability to accurately predict mode splits and projected ridership on the region's transit networks. Accurate ridership projections are a critical part of making the case when seeking New Starts or Small Starts federal funding of new transit investments. An O/D survey is typically conducted about every 5 years. The timing of this survey was altered to coincide with the timing needed for a "before" and "after" study connected with the opening of light rail. We will be doing another survey of this type (the "after" survey) in FY 2010.

The current Regional Transportation Model does not effectively capture drive to transit behavior. This weakness is the result of the current 2001 O/D Survey based calibration which occurred during a period when walk to transit was the predominate form of access. Subsequent to the 2001 survey, the City of Phoenix implemented the RAPID express bus system which represented a major departure from previous express service models. Where previous express service drew riders from curbside stops before entering the regional freeway system, RAPID draws its ridership from regional park and ride lots and then immediately accesses the freeway network. The benefits of this approach are shorter travel times than can be accomplished under the old express service format. New express services that are being implemented under Proposition 400 follow the RAPID model with riders collected from regional park and rides rather than curbside stops. The ability to model drive to transit behavior is critical to accurately projecting future transit ridership.

Committee Action Process

VMOCC – January 27, 2009, approved

TMC – February 4, 2009, approved

Board – February 19, 2009, for action

Recommendation

It is recommended the Board accept the 2007 Origins and Destinations Study.

Contact Person

Carol Ketcherside

Deputy Executive Director of Planning

602-534-0733

Attachments

PowerPoint Presentation

Executive Summary from Draft Origins and Destinations Report – the full report is available upon request.

Valley Metro Regional Public Transportation Authority (RPTA)

2007 Origin and Destination Survey *Draft Final Report*

December 2008



206 Wild Basin Rd., Suite A-300
Austin, Texas 78746
Contact: Jesse Casas, Project Director
(512) 306-9065
Fax (512) 306-9077
www.nustats.com

Executive Summary

In the Fall of 2007, the Valley Metro Regional Public Transportation Authority (RPTA), with consultant support, conducted an Origin/Destination (O/D) survey of the Valley Metro riders. The self-administered surveys were conducted among riders of fixed-route bus service: Local, Circulator, Limited, Rural, Express, and RAPID bus. Data collection was performed from October 8 through December 18, 2007. A total of 7,600 valid completed surveys, as included in the final data files, were collected. The study project involved designing the survey instrument; developing a sampling plan; collecting, processing, and geocoding the collected data; weighting and expanding the data; analyzing the data; comparing the results with 2001 O/D survey data; and reporting the results. This report documents these tasks.

Key Findings

The objectives of the 2007 O/D survey analysis were two-fold: (1) Examine the demographics, and (2) Examine the travel behavior characteristics of Valley Metro riders. The survey data used for this analysis was appropriately weighted and expanded to represent the unlinked trips made by Valley Metro riders. Some important findings from the analysis of the Valley Metro riders are summarized below:

- Transit Riders are more likely to be from low-income households. Almost three in four riders belong to households earning less than \$35,000.
- About half of all transit riders are transit-dependent, i.e., they belong to households that do not own any vehicles.
- Two out of every three riders are employed.
- Riders are primarily in the 25 to 54 years of age; young riders in the age range of 18-24 form the second largest group.
- The majority of trips made by riders originate or end at home or work; 44% of riders make home-based work trips using transit, while 40% make home-based non-work trips.
- Walking is the dominant access and egress mode for all riders; more than three-fourths of the riders walk access and egress.
- Nearly two-third of riders make at least one transfer to complete their one-way trip.
- In the absence of transit service, almost one-third of the riders report that they would not make the trip.
- Bus Book is the primary source of bus schedule information used by two-third of the riders.

Further, the demographic characteristics of Valley Metro riders were compared with the general population residing in the Maricopa County. The general population statistics were obtained from 2007 American Community Survey data. The important findings from this comparison are as follows:

- Transit riders are more likely to be from larger, low-income, and zero-vehicle households.
- Riders are more likely to be employed.
- Riders are more likely to be 18 to 54 years of age.

In addition, the transit market was segmented by service type into three categories: Local, Express, and RAPID bus riders; and the demographics and travel behavior characteristics were compared across the three market segments. The key findings are summarized below:




- Compared to RAPID and Express bus riders, Local bus riders are more likely to:

- Be from larger households with five or more members.
- Be from lower income households, with an annual income less than \$35,000.
- Own fewer vehicles.
- Be employed part-time or to not be in the labor force.
- Be less than 25 years of age.
- Use transit to travel to/from destinations other than work in the AM and PM Peak period.
- Walk, rather than drive, to access the bus stop in the AM Peak period.
- Either not make the trip; or walk/bicycle, or drive with someone else to make the trip, if transit service is unavailable.
- Use the Bus Book, rather than the Valley Metro website, for schedule information.

Finally, the 2007 O/D survey data was compared with data collected on weekday trips during the first quarter of 2001. In order to compare the two surveys, only weekday trips from the 2007 O/D survey were selected for analysis. The 2001 data were appropriately weighted and expanded to represent "unlinked" trips. At the same time, the 2007 ACS data for the general population residing in Maricopa County were compared to 2000 Census to gain insights into the demographic shifts in the general population during this time period. Some important findings from the analysis of the Valley Metro riders are summarized below:





- Riders are more transit-dependent in 2007 than in 2001 as indicated by:
 - Decline in vehicle ownership.
 - Use of transit to and from a wider variety of locations in addition to home and work.
 - Increase in number of transfers per trip.
 - Increase in the riders reporting that would not have made their trip if the bus had not been available.
- Riders rely more on Valley Metro website; reliance on the Bus Book has decreased.
- Contrary to the demographic shifts in the transit rider population, there has not been any significant shift in the distribution of household size, vehicle ownership, employment status and age of the general population residing in Maricopa County since 2000, with the exception of an increase in households with an annual income of \$60,000 or higher.

The overall response rate for this study is 17.2%. Express and RAPID bus routes have a higher response rate of 42.4% and 37.1% respectively. Local bus routes, on the other hand, have a lower response rate of 15.6%.



2007 Origins and Destinations Study


February 19, 2009



Study Timeline

- Project Start: August 2007
- Pilot Study: August 21- August 24, 2007
- Main Study: October 8 - December 18, 2007
- Process Survey Results w/Trip Tables and draft final report
January - September 2008
- Final Report: January 2009

2



Goals

- Collect data on transit ridership and transit service levels for the Before and After Study as required by Federal Transit Administration (FTA) on New Starts Major Capital Investments (such as the METRO Rail project)
- Update travel patterns for the Regional Travel Demand Model
- Target transit markets that have been underrepresented in the previous surveys
- Improve the quality of data collected for valid Origin and Destination Pairs


3



Composition of the Technical Advisory Committee (TAC)

- RPTA
- Metro
- MAG
- City of Glendale
- City of Phoenix
- City of Tempe
- City of Scottsdale
- Other Member agencies


4



Study Details

- The study project involved:
 - Design of survey instrument
 - Development of sampling plan
 - Processing and geo-coding the acquired data
 - Data weighting and expansion
 - Data analysis
 - Comparison with the results of the 2001 O/D survey data
 - Development of final report
- The self-administered surveys were conducted among riders of fixed-route bus service: Local, Circulator, Limited, Rural, Express, and RAPID bus


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Study Details

- The initial sampling goal was to collect 9700 valid surveys
- A total of 7,600 valid surveys were collected
- The overall response rate for this study is 17.2%
- Express and RAPID bus routes have a higher response rate of 42.4% and 37.1% respectively
- Local bus routes have a lower response rate of 15.6%


6



Key Findings

- Transit Riders are more likely to be from low-income households. Almost three in four riders belong to households earning less than \$35,000.
- About half of all transit riders are transit-dependent, i.e., they belong to households that do not own any vehicles.
- Two out of every three riders are employed.
- Riders are primarily in the 25 to 54 years of age; young riders in the age range of 18-24 form the second largest group.
- The majority of trips made by riders originate or end at home or work; 44% of riders make home-based work trips using transit, while 40% make home-based non-work trips.


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Key Findings

- Walking is the dominant access and egress mode for all riders; more than three-fourths of the riders walk access and egress.
- Nearly two-third of riders make at least one transfer to complete their one-way trip.
- In the absence of transit service, almost one-third of the riders report that they would not make the trip.
- Bus Book is the primary source of bus schedule information used by two-third of the riders.

8



Valley Metro
Smartmove.

Questions?

9



Regional Public Transportation Authority

302 N. First Avenue, Suite 700, Phoenix, Arizona 85003

602-262-7433, Fax 602-495-0411

Board of Directors Information Summary

Agenda Item #D

Date

February 11, 2009

Subject

City of Mesa Intergovernmental Agreement

Summary

The Transit Life Cycle Program (TLCP) policies require that project agreements be developed for all projects for which RPTA is not the Lead Agency. A new intergovernmental agreement has been developed for right-of-way acquisition for the Mesa Main Street Bus Rapid Transit project.

Attached is the agreement for the City of Mesa Main Street Bus Rapid Transit Project.

Fiscal Impact

The amount in the agreement is consistent with the approved TLCP financial model, and for FY 08/09 is consistent with the approved RPTA operating and capital budget. It is anticipated that reimbursements will not exceed the approved budgeted amounts.

Considerations

Without an approved agreement, the City of Mesa cannot be reimbursed for any expenses. The City of Mesa is responsible for acquiring right-of-way on RPTA's behalf for the project. This project is included in the Regional Transportation Plan (RTP), the approved Transit Life Cycle Program (TLCP), the Transportation Improvement Program (TIP), and the RPTA Capital Budget. This is the only agreement with the City of Mesa for this project, even though the project design dates back to 2007.

Prior Committee Action

Valley Metro Operations and Capital Committee October 17, 2007 - approved
Transit Management Committee – February 4, 2009 – approved
Board of Directors – February 19, 2009

Recommendation

It is recommended that the Board approve the Intergovernmental Agreement with the City of Mesa for reimbursement of expenses for right-of-way acquisition.

Contact Person

Paul Hodgins
Manager, Capital Programming
602-262-7433

Attachments

IGA – Main Street Bus Rapid Transit

INTERGOVERNMENTAL AGREEMENT
FOR THE
MESA MAIN STREET BUS RAPID TRANSIT PROJECT
BETWEEN
THE REGIONAL PUBLIC TRANSPORTATION AUTHORITY
AND
CITY OF MESA

AGREEMENT NO. 145-41-2009

This Agreement is entered into by and between the Regional Public Transportation Authority (“RPTA”) of Maricopa County, a political subdivision of the State of Arizona, acting by and through its Board of Directors, and the City of Mesa (“CITY”), a municipal corporation under the laws of the State of Arizona acting by and through its City Council and Public Transportation Department. RPTA and the CITY may be referred to collectively as “PARTIES” and individually as “PARTY.”

This Agreement shall become effective as of the date executed by all Parties.

AUTHORIZATION

1. RPTA is authorized, pursuant to A.R.S. § 11-951, et seq., and A.R.S. § 48-5101, et seq., to operate and maintain public transportation services, property and facilities, and to enter into agreements with other government entities to provide such public transit services. RPTA has been authorized by its Board of Directors to enter into this Agreement.
2. CITY is authorized, pursuant to A.R.S. § 11-951, et seq., Mesa City Charter, Article 1, § 101 and Article X, § 1007, to acquire, provide, operate and maintain public transit services, property and facilities, and to enter into agreements with other government entities to provide such public transit services. CITY has been authorized by the Mesa City Council to enter into this Agreement. (See, Mesa City Council Resolution No. _____ attached as Exhibit A.)

BACKGROUND

1. As part of the Regional Transportation Plan for the area, which consists of alternative approaches to meeting the region’s transportation needs, RPTA and CITY desire to jointly design and construct a bus rapid transit (“BRT”) route (“PROJECT”).
2. Because RPTA cannot purchase right-of-way utilizing eminent domain, CITY will do so for the benefit of the project.

3. The Project consists of an arterial BRT route with twenty-eight (28) stops connecting Superstition Springs Transit Center to the Sycamore Light Rail Transit (LRT) Center. (See Project Description and Project diagram, attached as Exhibit B.)
4. The route or corridor will extend east on Main Street from the Sycamore Transit Center to Power Road where it will turn south to connect with the Superstition Springs Center at U.S. Highway 60 (Superstition Freeway).
5. This Project is funded 100% by Public Transportation Funds under the Regional Transportation Plan (RTP) as approved for RPTA in the Transit Life Cycle Plan. It is anticipated that the total cost of the Project, including design, right of way acquisition and construction, will be approximately \$15 million.
6. Sums payable pursuant to this Agreement are subject to the RPTA's Board of Directors' annual approval.
7. Construction conducted by utility companies and contractors for RPTA will occur between April 1, 2008 and June 20, 2009. All utility companies and contractors shall obtain any and all necessary permits from CITY.

PURPOSE OF THE AGREEMENT

The purpose of this Agreement is to identify and define the responsibilities of RPTA and CITY for funding, design, right-of-way acquisition, construction, construction management, and operation and maintenance of the PROJECT.

TERMS OF THE AGREEMENT

1. RPTA and CITY shall:

1.1 Good Faith. The Parties agree to fully cooperate and work together in all phases of the approval process, property acquisition, and as otherwise required to fulfill the terms of this Agreement.

1.2 Time. Time is of the essence and the Parties shall each make their best efforts to expedite the approval process and property acquisition in order to make the BRT operational as quickly as possible.

1.3 Limitation of Liability. Neither Party shall be liable to the other for damages to the extent caused or contributed to by matters beyond the respective Party's reasonable control or by the other Party.

1.4 Compliance with Law. In performing its obligations under this Agreement, the Parties shall comply in all material respects with all applicable federal, state and local laws, regulations, ordinances, and rulings, including but not limited to, those pertaining to health, safety, employment and environmental matters.

1.5 Dispute Resolution. The Parties shall use all reasonable efforts to resolve any dispute or claim through good faith negotiations. If the parties are unable to resolve the dispute or claim through negotiations, upon the written request of either Party, Mesa's Public Transit Department Director, or designee, and RPTA's Deputy Executive Director, or designee, will attempt to resolve the matter within fifteen (15) calendar days of the date the matter was referred to them, or within any other time period mutually agreed upon by the Parties. If the matter is still not resolved, the matter will be immediately referred to Mesa's Deputy City Manager, or designee, and RPTA's Executive Director, or designee. If the matter is still not resolved within fifteen (15) calendar days, the Parties agree that the dispute or claim shall be decided by binding arbitration to be held at a mutually agreeable location. The arbitration shall be conducted in accordance with the rules of the American Arbitration Association. The Parties shall select a mutually acceptable arbitrator within fifteen (15) days after notice that a Party desires to resolve a dispute by arbitration. If the Parties cannot agree on a specific arbitrator within such fifteen (15) days period, the American Arbitration Association shall appoint the arbitrator. The arbitrator shall control discovery and award to the prevailing Party its attorney's fees, expert witness fees, and all other dispute-related costs.

1.6 Entire Agreement. Modification (No Oral Modification). This Agreement, and any Exhibits, Attachments, or Schedules attached hereto, constitute the full and complete understanding and agreement of the Parties. It supersedes and replaces any and all previous representations, understandings, and agreements, written or oral, relating to its subject matter. This Agreement, and its terms, may not be modified or changed except in writing signed by both Parties. There shall be no oral alteration or modification of this Agreement.

1.7 Invalidity of Any Provisions. This Agreement shall remain in full force and effect even if one or more of its terms or provisions have been held to be invalid or unenforceable. Such a holding shall result in the offending term or provision being ineffective to the extent of its invalidity or unenforceability without invalidating the remaining terms and provisions hereof; this Agreement shall thereafter be construed as though the invalid or unenforceable term or provision were not contained herein.

1.8 Applicable Law. This Agreement shall be governed by, and construed in accordance with the laws of the State of Arizona.

1.9 Conflicts of Interest. All parties hereto acknowledge that this Agreement is subject to cancellation pursuant to the provisions of A.R.S. § 38-511.

1.10 Non-waiver. Should either party fail or delay in exercising or enforcing any right, power, privilege or remedy under this Agreement, such failure or delay shall not be deemed a waiver, release or modification of the requirements of this Agreement or of any of its terms or provisions.

1.11 Assignment. Neither Party shall have the right to assign its rights or obligations under this Agreement without obtaining the prior written consent of the other Party (consent not to be unreasonably withheld), nor any attempted assignment without such prior written consent shall be void. Permitted assigns and successors in interest shall have the benefit of, and shall be bound by, all terms and conditions of this Agreement.

1.12 Headings. The headings in this Agreement are for convenience and reference only, and shall not affect the interpretation of this Agreement.

1.13 No Joint Venture. CITY and RPTA, and their respective contractors shall perform the duties pursuant to this Agreement as independent agencies. This Agreement shall not create the relationship of employer and employee, partnership, joint venture or other association between the Parties.

1.14 Notice. Any notice, consent, or other communication (“NOTICE”) required or permitted under this Agreement shall be in writing and either delivered in person, sent by facsimile transmission, deposited in the United States mail, postage prepaid, registered or certified mail, return receipt requested, or deposited with any commercial air courier or express service addressed as follows:

David Boggs, Executive Director
Regional Public Transportation Authority
302 North First Avenue, Suite 700
Phoenix, AZ 85003

Christopher J. Brady, City Manager
City of Mesa
20 E. Main Street
Mesa, AZ 85211

With a copy to:

Attn: Mike James,
Deputy Trans. Director, Planning & Transit
300 East Sixth Street
P.O. Box 1466
Mesa, AZ 85211-1466

NOTICE shall be deemed received at the time it is personally served or, on the day it is sent by facsimile transmission, on the second day after its deposit with any commercial air courier or express service or, if mailed, ten (10) days after the notice is deposited in the United States mail as above provided. Any time period stated in a NOTICE shall be computed from the time the notice is deemed received. Either Party may change its mailing address, FAX number, or the person to receive notice by notifying the other Party as provided in this section. NOTICE sent by facsimile transmission shall also be sent by regular mail to the recipient at the above address. This requirement for duplicate NOTICE is not intended to change the effective date of the NOTICE sent by facsimile transmission.

1.15 Waiver. No waiver by either Party of any one or more defaults by the other in the performance of any provision of this Agreement shall operate or be construed as a waiver of any default or defaults, whether of a like or different character. No waiver or modification of this Agreement shall occur as the result of any course of performance or usage of trade unless agreed to by each Party in writing.

1.16 Force Majeure. Force Majeure is a circumstance beyond a Party's control, including but not limited to, fire, flood, labor dispute, or acts of God that excuse the Party from performing its obligations under this Agreement during the period of such disability. The Party claiming Force Majeure shall promptly notify the other when it learns of the existence of a Force Majeure condition and shall similarly notify the other within two (2) days, excluding weekends and holidays, after the Party claiming Force Majeure believes the Force Majeure condition has terminated.

1.17 Indemnification. To the extent permitted by law, the PARTIES agree to defend, indemnify and hold harmless each other and their agents, officers, members, employees or directors from and against any and all claims, liabilities and causes of action attributable, directly or indirectly to the extent caused by reason of the negligence, error, omission or intentional acts of the indemnifying Party or any of its agents, officers, or employees in connection with the performance of this Agreement. The applicable Party shall cause any contractor providing materials or service in connection with the Project to agree to indemnify each of the Parties pursuant to a form of indemnity in the substantial form of this Section 1.17.

1.18 Insurance. The contractor for RPTA shall obtain insurance fully indemnifying and holding RPTA and CITY harmless in such amounts as may be required by CITY and with the interests of CITY and RPTA endorsed on the insurance policy as an additional insured.

1.19 Ownership and Maintenance Upon completion of the Project, bus stop facilities will be the property of CITY, and CITY shall own and maintain such facilities. CITY shall comply with all applicable laws, ordinances, regulations and codes of federal,

state and local governments. In performing hereunder, CITY shall adhere to RPTA's Transit Life Cycle Program and its approved policies, as the Transit Life Cycle Program or policies may be amended from time to time, (collectively referred to as the "TLCP"), including but not limited to a right of first refusal granted the RPTA by a member city owning any project funded in whole or part by the RPTA pursuant to the TLCP.

1.20 Duration. The term of this Agreement shall commence on the date it is fully executed by the Parties and properly filed and/or recorded. It expires on whichever of the following shall first occur: (a) completion, acceptance and full payment of all sums due; or, (b) by amendment canceling the Project and the obligations hereunder. This agreement may be extended for up to four (4) one (1) year options periods.

1.21 Termination. This Agreement is terminable only upon the termination or completion of the Project. RPTA's payment obligation shall persist until whichever of the following shall first occur: (a) completion, acceptance and full payment of all sums due as and for the Project's funding; (b) by amendment canceling the Project and RPTA's obligations hereunder; or (c) upon the failure of the RPTA Board of Directors to appropriate funds, pursuant to Section 1.22.

1.22 Non-Appropriations. This Agreement is subject to the availability of funding. The RPTA's obligation hereunder is contingent upon the availability of appropriated funds from which payment for the Agreement purposes can be made available to the RPTA Deputy Executive Director of Finance for this Agreement and until the City receives notice of such availability, to be confirmed in writing by the Deputy Executive Director of Finance. Any award of Agreement hereunder will be conditioned upon said availability of funds for the Agreement.

2. CITY shall:

2.1 Acquire all necessary rights-of-way and easements required for the improvements by purchase, dedication, donation or through eminent domain, if necessary. A resolution of the Mesa City Council shall suffice to allow acquisition by eminent domain. City is entitled to reimbursement from RPTA for all costs and expenses incurred regarding acquisition of all necessary rights-of-way and easements from RPTA Board approved funds pursuant to the Transit Life Cycle Program. Attached hereto, and by this reference incorporated herein, is the following Exhibit to be used by City in seeking reimbursement:

Exhibit C RPTA Reimbursement Request Form

2.2 Not less than once a month, submit to RPTA a request for reimbursement on RPTA's Reimbursement Request Form (Exhibit C to this Agreement) and provide a report summarizing Project progress made on the dates referenced in the reimbursement

request. This report and form shall be submitted electronically to the staff designated by RPTA, in writing, as their authorized recipient.

2.3 Keep and maintain for a period of five (5) years after PROJECT completion all books and records reasonably necessary to support the reimbursement sought from RPTA. If requested by RPTA, such records shall be made available to RPTA for annual audit, upon not less than fourteen (14) calendar days prior written notice to CITY. RPTA shall be solely responsible for any and all costs associated with such audits.

2.4 Shall comply with all applicable laws, ordinances, regulations and codes of federal, state and local governments. Further, CITY shall be solely responsible for obtaining all approvals and permits necessary. RPTA shall be solely responsible for any and all costs associated with obtaining such approvals and permits from RPTA Board approved funds pursuant to the Transit Life Cycle Program.

2.5 In performing hereunder, CITY will look to the TLCP for guidance and direction.

2.6 Either through its own funds or through other funding sources be responsible for all Project costs above the allocated amounts set forth in Exhibit "B" unless a change in the TLCP is requested and approved, and as the procuring entity, be responsible for all aspects of the Capital Projects described herein.

2.7 CITY shall provide quarterly reports to the RPTA summarizing the previous quarter's activities. The quarterly reports shall be due to RPTA 15 days after the end of the quarter. Quarters shall be Jan-March, April-June, July-September and October-December.

2.8 In addition to the indemnity obligations of Section 1.17, the CITY shall indemnify, defend, save and hold harmless RPTA (as "indemnitee") from and against any and all claims, losses, liability, costs, or expenses (including reasonable attorney's fees) (hereinafter collectively referred to as "Claims") arising solely out of its providing funding to CITY under this Agreement. CITY's indemnification under this Agreement extends to the bodily injury of any person (including death) or property damage, to the extent, but only to the extent, that such Claims result in vicarious/derivative liability to the Indemnitee and are caused by the act, omission, negligence, misconduct, or other fault of the Indemnitor, its officers, officials, agents employees, or volunteers

2.9 The City of Mesa will be responsible for securing the sole source software needed for the Transit Signal Priority system. The RPTA will reimburse the City of Mesa upon receipt of the vendor invoice.

2.10 The City of Mesa will secure demolition services for the Superstition Springs park and ride modifications required to allow bus circulation from the Superstition Freeway frontage road to the Superstition Springs mall ring road. The RPTA will reimburse the City of Mesa upon receipt of an invoice for this activity.

3. RPTA shall:

3.1 Serve as the lead agency for the design, construction and construction management of the PROJECT.

3.2 Provide to CITY in a timely manner submittals of all plans and specifications for review and comment, and work to resolve and/or incorporate such comments into the final design plans and specifications.

3.3 Coordinate with CITY for the relocation of utilities within the acquired rights-of-way without prior rights, prior to construction of the PROJECT. Utilities with prior rights shall be relocated and included in the PROJECT cost.

3.4 Disburse PTF funds to CITY, as approved in the Transit Life Cycle Plan and in RPTA's annual budget to fund the obligations set forth in this Agreement, but the amount funded shall not exceed the amount set forth below.

FY 2007-08 to 2008-09	\$1,000,000.00
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To the extent practicable, and as supported by actual expenditures, disbursements shall be made monthly after receipt of a completed Reimbursement Request Form, attached as Exhibit C; provided, however: (1) expenditures eligible for reimbursement in excess of the amount authorized for that year's reimbursement shall be carried forward to future years until either reimbursement shall have been made or until all allocated sums have been disbursed; and, (2) authorized but unexpended reimbursements shall be carried forward to future years until all allocated sums have been disbursed.

3.5 Be solely responsible for any and all costs associated with audits of CITY expenditures as specified in Section 2.3, above.

3.6 RPTA shall act as Lead City Agency (as that term is defined in the TLCP policies) and fulfill lead Agency responsibilities.

3.7 RPTA shall ensure that Design Concept Report (Exhibit B) is completed and approved through the RPTA committee process prior to start of construction.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the _____ day of _____ 2008.

City of Mesa

Regional Public Transportation Authority (RPTA)

By:

By:

Christopher J. Brady
City Manager

David A. Boggs
Executive Director

ATTEST:

ATTEST:

Mesa City Clerk

Jon Medwin
Manager of Contracts and Procurement

Approved as to Form:

ATTEST:

James W. Fritz
Assistant City Attorney
Mesa City Attorney's Office

Michael Taylor
Acting Deputy Executive Director
Finance

Approved as to Form:

William J. Sims III
Attorney for RPTA

EXHIBIT A
MESA CITY COUNCIL RESOLUTION

EXHIBIT B DESIGN CONCEPT

Design Concept Report

Project Description

Project Name	Mesa Main Street BRT
Facility Type	Right-of-Way Improvements
MAG Project #	
RTP Phase	1
Year Open for Service	FY 2009
Advancement or Deferral?	
PAR Preparer	Paul Hodgins
Preparation Date	8/8/2007
Last Update	8/8/2007
Proposed Schedule (FY)	
Pre-Design	2007
Design	2008
Land	2008
Construction	2009
Project Objective	Site, design, purchase and construct right-of-way improvements for BRT service.

Design

	Quantity\Size	Standard or Enhanced \Comments
Project Elements		
Total Station Locations	TBD	TBD
Pullouts	TBD	TBD
Site Lighting Fixtures	TBD	TBD
Security Cameras	TBD	TBD
Passenger Platforms	TBD	TBD
Passenger Shelters	TBD	TBD
Drinking Fountains	TBD	TBD
Passenger Information Kiosks	TBD	TBD
Security\Passenger Buildings	TBD	TBD
Landscaping (acreage)	TBD	TBD
Signage	TBD	TBD
Special Features	TBD	TBD

Project Budget

Programmed Budget (year of expenditure)	Total	PTF	Federal
Pre-Design (FY 2007)	\$123,070	\$123,070	\$0
Design (FY 2008)	\$250,000	\$250,000	\$0
Land (FY 2008)	\$1,000,000	\$1,000,000	\$0
Construction (FY 2008)	\$6,477,289	\$6,477,289	\$0
Construction (FY 2009)	\$7,328,537	\$7,328,537	\$0
Total	\$15,178,896	\$15,178,896	\$0

Preliminary Design Cost Estimate

Site Preparation	TBD
Irrigation	TBD
Landscaping	TBD
Site Features\Amenities including constructi	TBD
Traffic Control Devices	TBD
Overhead Costs (permits, insurance, etc.)	TBD
Total	TBD

Final Design Cost Estimate

Site Preparation	TBD
Irrigation	TBD
Landscaping	TBD
Site Features\Amenities including constructi	TBD
Traffic Control Devices	TBD
Overhead Costs (permits, insurance, etc.)	TBD
Total	TBD

**EXHIBIT C
REIMBURSEMENT REQUEST FORM**

Regional Public Transportation Authority PTF Expenditure Reimbursement Request					
The information provided will be used by the Regional Public Transportation Authority (RPTA) to monitor designated lead agency cash flow to ensure compliance with ARS 48-5103. No further monies may be paid out under this program unless this report is completed and filed as required.					
RECIPIENT ORGANIZATION NAME AND ADDRESS			PROJECT AGREEMENT NUMBER		REQUEST NO.
			REPORTING PERIOD (Dates)		
			FROM:		TO:
			TOTAL		PTF SHARE
TOTAL ELIGIBLE COSTS			\$	-	\$ -
TOTAL PREVIOUS PAYMENTS			\$	-	\$ -
CURRENT PAYMENT REQUESTED			\$	-	\$ -
REMAINING FUNDING			\$	-	\$ -
REQUIRED SIGNATURE					
This document must be signed by the recipient's Chief Financial Officer or their designated representative.					
CERTIFICATION					
I certify the financial expenditures submitted for reimbursement with this report, including supporting documentation, are eligible and allowable expenditures consistent with the project goals and requirements, have not been previously requested, and that payment is due. I also certify that all matching requirements have been met and sufficient documentation exists in our files and are available upon request or in the event of an audit.					
SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL				DATE REQUEST SUBMITTED	
TYPED OR PRINTED NAME AND TITLE				TELEPHONE	
Instructions					
1. Keep a copy of everything submitted.					
2. All project records, including financial records, must be maintained for 3 years beyond project completion.					
<i>For RPTA use only</i>					
Date request received:			Life cycle compliance review (signature/date)		
Approved for funds availability (signature/date)			Date of funds transfer (signature/date)		
Comments					
Project	WBS	Phase	Activity	GL Account (Finance Only)	Amount
			7901		
			7901		
			7901		
			7901		



Board of Directors Information Summary

Agenda Item #E

Date

February 11, 2009

Subject

Transit Management Committee Officer Appointments

Summary

The Transit Management Committee (TMC) was established by the Board in June 2003 and the original document allowed for the annual election of a Chair and Vice Chair for the TMC.

In February 2008, it was agreed that the Chair and Vice Chair of the TMC should mirror the Board's Chair and Vice Chair for process and communications purposes (i.e., if a City of Phoenix representative is the Chair of the Board, then the Chair of the TMC has been from Phoenix. Likewise, if the Vice Chair is from Gilbert, then the Vice Chair of the TMC is from Gilbert).

Thus, elections of TMC officers are no longer held or required. Instead, the Chairman of the Board now appoints the Chair and Vice Chair for the TMC for a one-year term.

If a member agency does not want to hold a TMC officer position, the RPTA Board Chair can appoint a different TMC member to serve in that capacity.

Therefore, the proposed TMC officer appointments for calendar year 2009 are:

Chair – City of Scottsdale, David Meinhart

Vice Chair – City of Phoenix designee

Fiscal Impact

None

Considerations

Approval of the TMC appointments will provide for continuity of operations.

Committee Process

None

Recommendation

It is recommended that the Chair of the Transit Management Committee be David Meinhart, City of Scottsdale and the Vice Chair be a designee from the City of Phoenix for the next year.

Contact Person

David Boggs
Executive Director
(602) 262-7433

Attachments

None



Board of Directors Information Summary

Agenda Item #3

Date

February 11, 2009

Subject

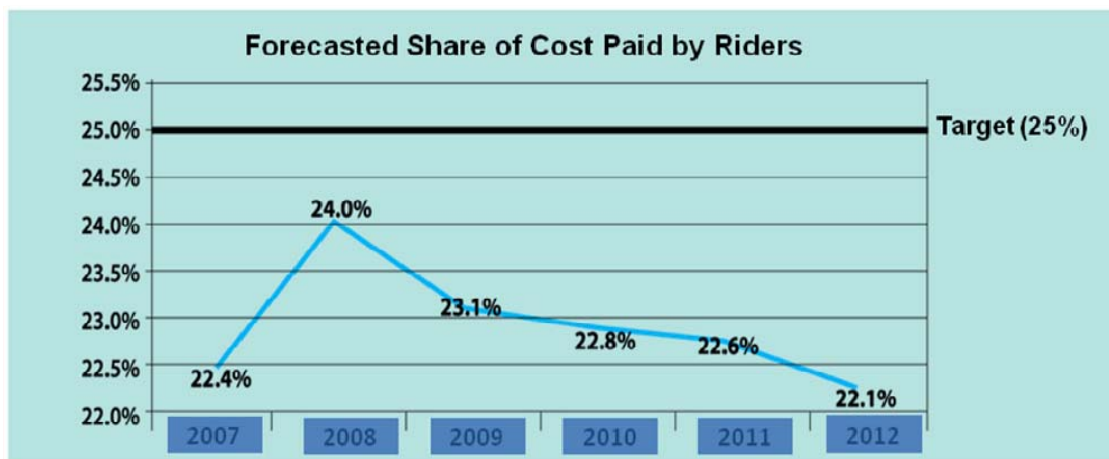
Regional Fare Policy Program

Summary

Sales taxes in Maricopa County subsidize operating expenses for Valley Metro public transit services. With the economic slowdown, tax revenues used to subsidize transit service have declined. That has resulted in an operating deficit for Valley Metro services. This sales tax shortfall has prompted a proposal to restructure the fare policy to help alleviate the budget challenges.

Although the base Valley Metro fare is \$1.25 for 1-ride on a local bus or light rail, fares paid by Valley Metro customers covers just 24 percent of the cost of a ride. The other 76 percent is subsidized by tax revenues. The base fare for local bus service has remained \$1.25 since 1994 and in 2007 the 1 day pass price was reduced from \$3.60 to \$2.50.

Valley Metro is required to maintain fare revenues at a 25% target and the portion paid by riders does not currently meet the target. Over time the forecasted share paid by riders will continue to decline. In the next few years as the cost of providing transit increases the portion that riders currently pay will be less. If the current fares remain in place the forecasted fare revenue by the year 2012 will drop to about 22%.



We have been fortunate that sales tax revenues have supported most of the cost to use transit however the decline has reduced funds available to continue to operate the service at its current level. Without the restructuring of the fare policy, Valley Metro or its members may be forced to continue to cut service to help offset the budget shortfall.

In addition to the fare policy restructuring, the new light rail service presents opportunities to consider fare policies to attract additional riders to both bus and rail while providing benefits for Valley Metro and METRO light rail operations. Valley Metro RPTA's purpose in undertaking this study was to evaluate and recommend fare policies (including pricing) to streamline transit use by developing:

- A policy for large volume users (e.g., universities/colleges/technical schools, employers, and conventions)
- A program for major sports/cultural events along the rail line
- A policy that will meet the Board approved 25% farebox revenue recovery target

Booz Allen Hamilton, a third party consultant, has been contracted to work with Valley Metro to identify and recommend fare policies that achieve these objectives. The Booz Allen proposed scope of work, staffing, schedule and budget was presented to the Valley Metro Operations and Capital Committee (VMOCC) for informational purposes on September 16, 2008.

RPTA worked with the Valley Metro Fare Policy Committee to discuss proposed fare changes and to obtain their input on the alternatives to be modeled. This meeting took place on October 14. Based on the committee input, the recommended fare policies and pricing strategies were presented to the VMOCC and Finance Oversight Advisory Committee (FOAC) for consideration. The FOAC recommended moving forward the Fare Policy Program proposal to the Transit Management Committee (TMC) with several modifications.

The TMC and Board reviewed the revised program proposals and made additional modifications to reflect comments by several members. In November 2008, the Valley Metro Board approved taking the proposal through the public hearing process in January 2009. The public hearing process has taken place and the results are now available for review.

The following outlines the schedule and process to implement a fare change (if adopted) by July 2009 or earlier.

1. RPTA and City of Phoenix staff jointly develop proposed fare policy scenarios – early October
2. RPTA convenes the Regional Fare Policy Committee to discuss proposed alternatives – October 14, 2008
3. Booz Allen to run fare policy model scenarios based on input from the Regional Fare Policy Committee – October 15-20, 2008
4. Valley Metro Operations and Capital Committee (VMOCC) and FOAC considers recommended fare policy scenario – October 21, 2008

5. Valley Metro Transit Management Committee considers recommended fare policy scenario – November 5, 2008
6. Valley Metro Board considers the regional fare policy scenario and directs staff to conduct public meetings on the proposed fare policy – November 20, 2008
7. Public hearing process – January 2009 (The Federal Transit Administration requires 30-day advance public notice prior to convening the public hearings)
8. VMOCC is apprised of public hearing process input – January 27, 2009
9. Valley Metro Transit Management Committee considers public hearing input on proposed fare policy – February 4, 2009
10. Valley Metro Board of Directors considers public hearing input on proposed fare policy – February 19, 2009
11. Fare Policy Committee – February 2009 reviews the fare policy recommendation based on action taken by the City of Phoenix Council
12. VMOCC for action on the recommended fare policy February 17, 2009
13. TMC for action on the recommended fare policy March 4, 2009
14. Board for action on the recommended fare policy March 19, 2009
15. Scheidt Bachman, a regional fare system vendor, re-programs the fare tariff – February thru May 2009
16. Conduct public information campaign and order new fare media if required
17. Implementation of new fare policy – July 2009 or earlier

The Regional Fare Policy Proposal

The following proposed regional fare policy proposal was approved by the Valley Metro Board for public input.

Adjustments to the fare policy which impacts:

- Local bus and light rail service
- Express bus service
- Rural route service
- ADA paratransit (Dial-A-Ride)
 - o City of Phoenix - Phoenix also provides paratransit service (Dial-a-Ride) to Avondale, Goodyear, Tolleson, and Litchfield Park.
 - o East Valley including Chandler, Gilbert, Mesa, Scottsdale, Tempe, Paradise Valley, Guadalupe and parts of Maricopa County.

Key elements of the proposed fare policy include:

- ▶ Multiple base fare options, including:
 - Increasing the base fare by up to \$0.50 in July 2009
 - An increase to the base fare again in July 2010, by up to \$0.50, but not to exceed \$1.00 over two years

- ▶ Express fare premium increased from \$0.50 to \$1.00
- ▶ Reduced fare discounts remain at 50%
- ▶ Passes priced at multiples of base fare:
 - 1-Day Pass at 3.0 x base fare
 - 3 and 7-Day Passes at 2.5 x base fare x number of days of validity (i.e., 3 or 7 day)
 - 31-Day Pass at 31-33 x base fare
- ▶ Adopt the recommended changes to the ADA paratransit fares for Phoenix and East Valley Dial-a-Ride programs
- ▶ Adopt the recommended changes to rural route fares

The following chart summarizes the proposed pricing scenarios based on the modified structure.

Fare Type	Current	\$0.50	\$0.75	\$1.00
LOCAL				
Cash	\$1.25	\$1.75	\$2.00	\$2.25
1-Day On-Board	\$2.50	\$5.00	\$6.00	\$6.75
1-Day Off-Board	\$2.50	\$4.25	\$5.25	\$6.00
3-Day	\$7.50	\$13.00	\$16.00	\$18.00
7-Day	\$17.50	\$30.50	\$37.00	\$42.00
31-Day	\$45.00	\$55.00	\$63.00	\$70.00
EXPRESS				
Cash	\$1.75	\$2.75	\$3.00	\$3.25
1-Day On-Board	\$3.50	\$7.00	\$8.00	\$8.75
1-Day Off-Board	\$3.50	\$6.25	\$7.25	\$8.00
31-Day	\$68.00	\$85.00	\$93.00	\$100.00
REDUCED				
Cash	\$0.60	\$0.85	\$1.00	\$1.10
1-Day On-Board	\$1.25	\$2.50	\$3.00	\$3.25
1-Day Off-Board	\$1.25	\$2.00	\$2.50	\$2.75
3-Day	\$3.75	\$6.50	\$8.00	\$9.00
7-Day	\$8.75	\$15.25	\$18.50	\$21.00
31-Day	\$22.50	\$27.00	\$31.00	\$35.00
SEMESTER PASS				
Spring/Fall	\$160.00	\$195.00	\$222.00	\$245.00
Reduced Spring/Fall	\$80.00	\$97.50	\$110.00	\$122.50
Summer	\$105.00	\$125.00	\$145.00	\$160.00
Reduced Summer	\$52.50	\$62.50	\$72.50	\$80.00

The proposed fare policy scenarios include an “off bus purchase discount”. The reason the purpose for the discount is to encourage customers to purchase their passes at sales locations throughout the Valley. When passes are purchased on a bus, it slows down the bus to a point where it adds to the operating costs of the service due to delays. 1-day passes purchased off the bus can be discounted up to \$0.75.

The following proposed fare increase scenarios to the one-ride local bus and light rail fares were presented to the public:

\$0.50 increase: \$1.75 one-ride local fare - \$5.00 all day pass
May provide revenue to maintain current service and/or minimize service reductions
\$0.75 increase: \$2.00 one-ride local fare - \$6.00 all day pass
More likely to provide revenue to maintain current service
\$1.00 increase: \$2.25 one-ride local fare - \$6.75 all day pass
Most likely to provide revenue to maintain current service
May provide revenue to restore recently eliminated service
May provide revenue for future service enhancements

Proposed Rural Route Fares

The Valley Metro Fare Policy proposal includes changes to Rural Route fares. Two rural routes connect the cities of Ajo/Gila Bend and Wickenburg to the Phoenix metropolitan area.

Fares have remained the same since the inception of the routes while service has been added and costs have increased. The increased fares help to maintain the service. All of the proposed fare changes are in blue.

Route 685- Gila Bend/Ajo Fare Structure - Current fare (Proposed fares in blue)

	Ajo	Gila Bend	Buckeye	Avondale	Goodyear	Tolleson	Phoenix
Ajo	----	\$3.00	\$5.00 (\$6.00)	\$6.00 (\$7.00)	\$6.00 (\$7.00)	\$7.00 (\$8.00)	\$7.00 (\$8.00)
Gila Bend	\$3.00	----	\$2.00 (\$3.00)	\$3.00 (\$4.00)	\$3.00 (\$4.00)	\$4.00 (\$5.00)	\$4.00 (\$5.00)
Buckeye	\$5.00 (\$6.00)	\$2.00 (\$3.00)	----	\$1.25 (\$2.00)	\$1.25 (\$2.00)	\$2.00 (\$3.00)	\$2.00 (\$3.00)
Avondale	\$6.00 (\$7.00)	\$3.00 (\$4.00)	\$1.25 (\$2.00)	----	\$1.25 (\$2.00)	\$1.25 (\$2.00)	\$1.25 (\$2.00)
Goodyear	\$6.00 (\$7.00)	\$3.00 (\$4.00)	\$1.25 (\$2.00)	\$1.25 (\$2.00)	----	\$1.25 (\$2.00)	\$1.25 (\$2.00)
Tolleson	\$7.00 (\$8.00)	\$3.00 (\$5.00)	\$2.00 (\$3.00)	\$1.25 (\$2.00)	\$1.25 (\$2.00)	----	\$1.25 (\$2.00)
Phoenix	\$7.00 (\$8.00)	\$4.00 (\$5.00)	\$2.00 (\$3.00)	\$1.25 (\$2.00)	\$1.25 (\$2.00)	\$1.25 (\$2.00)	----

Route 660- Wickenburg Fare Structure - Current fare (Proposed fares in blue)

	Wickenburg	Surprise	Glendale
Wickenburg	-----	\$3.00 (\$4.00)	\$3.00 (\$4.00)
Surprise	\$3.00 (\$4.00)	-----	\$1.25 (\$2.00)
Glendale	\$3.00 (\$4.00)	\$1.25 (\$2.00)	-----

Proposed ADA Paratransit Fares (Dial-a-Ride)

The proposed fare policy changes for ADA paratransit fares (Dial-a-Ride) include the city of Phoenix and the East Valley. The East Valley includes Chandler, Gilbert, Mesa, Scottsdale, Tempe, Paradise Valley, Guadalupe and parts of Maricopa County.

Phoenix provides ADA paratransit service (Dial-a-Ride) to the Southwest Valley. This includes Avondale, Goodyear, Tolleson, and Litchfield Park.

	Current Paratransit Fare (DAR)	Current Fixed Route Bus Fare	ADA Fare /Cash Fare Policy	Proposed Fare Policy
East Valley	\$2.00	\$1.25	1.6 x Local Fare	2.0 x Local
Phoenix	\$2.50	\$1.25	2.0 x Local Fare	2.0 x Local

The proposed change to the ADA paratransit (Dial-a-Ride) fare is to maintain pricing at two times the local bus fare.

The city of Phoenix is also proposing changes to the Phoenix monthly ADA Dial-a-Ride pass which includes two options:

- Option 1 is to increase to monthly pass to 20 times the 1-ride ADA paratransit fare.
- Option 2 is to eliminate the monthly ADA paratransit pass.

Fare Increase Scenarios	\$0.50	\$0.75	\$1.00
One Way Local Bus and Rail Fare	\$1.75	\$2.00	\$2.25
ADA Fare (one way) - Scheduled trip (1)	\$3.50	\$4.00	\$4.50
Phoenix ADA Monthly Pass (2)	\$70.00	\$80.00	\$90.00

The monthly ADA Dial-a-Ride pass is only available to Phoenix residents. The Phoenix City Council will make the final decision on either adopting a fare change to twenty times the local fare for the monthly pass or eliminating it.

Proposed Phoenix Non ADA Paratransit Fares (Dial-a-Ride)

The city of Phoenix is also proposing changes to their Non ADA paratransit fares (Dial-a-Ride). This includes adjusting the Non ADA fares based on the local bus and light rail cash fare.

Fare Increase Scenarios	\$0.50	\$0.75	\$1.00
One ride Local Bus and Rail Fare	\$1.75	\$2.00	\$2.25
Full fare - Same Day First Zone	\$4.00	\$4.50	\$5.00
Full fare - Same Day Each Additional Zone	\$2.00	\$2.50	\$3.00
Reduced – Same day First Zone	\$2.00	\$2.25	\$2.50
Reduced – Same day Each Additional Zone	\$1.00	\$1.25	\$1.25

Public Awareness and Involvement

Public notices were provided via mail, on buses, Valleymetro.org, and in local newspaper advertisements and press releases have been made available to local media.

Most of the local media have been promoting the hearings and carrying the information on their web sites.

The public had the following options to comment on the fares.

- Mail their comments to Valley Metro
- Email their comment to fares@valleymetro.org
- Phone in comments to Customer Service
- Fill out a survey and provide comments at ValleyMetro.org
- 7 Public Hearings (Avondale, Glendale, Mesa, 3 in Phoenix, and Tempe)
- 1 Webinar. The Webinar was recorded and made available on ValleyMetro.org with the opportunity to provide comment via an electronic survey
- Business community via Transportation Coordinator Meetings and outreach by Valley Metro Business Services Representatives

The following is a summary of public awareness campaign conducted December 2008 through January 23, 2009.

- 2.1 million people reached via Public Relations and Media: Covered 25 times by 9 media outlets
- 1.2 million readers via 6 advertisements (AZ Republic, AZ Informant, La Prensa, La Voz)
- 10,000 mailers delivered to libraries, transit centers and park-and-ride lots
- 3,000 visitors to fare policy page on ValleyMetro.org
- 2000+ calls to customer service
- 1,300 mailers mailed to Maricopa Association of Governments public involvement database

- 951 Transportation Coordinators - Employer outreach included meetings, newsletters, webinars, etc.
- 900 buses – posted public notice posters
- 235 comments emailed to fares@ValleyMetro.org
- 84 people attended public hearing held via webinar
- 7 public hearings throughout the Valley (Avondale, Glendale, Mesa, Phoenix, Tempe)

Public Input Summary

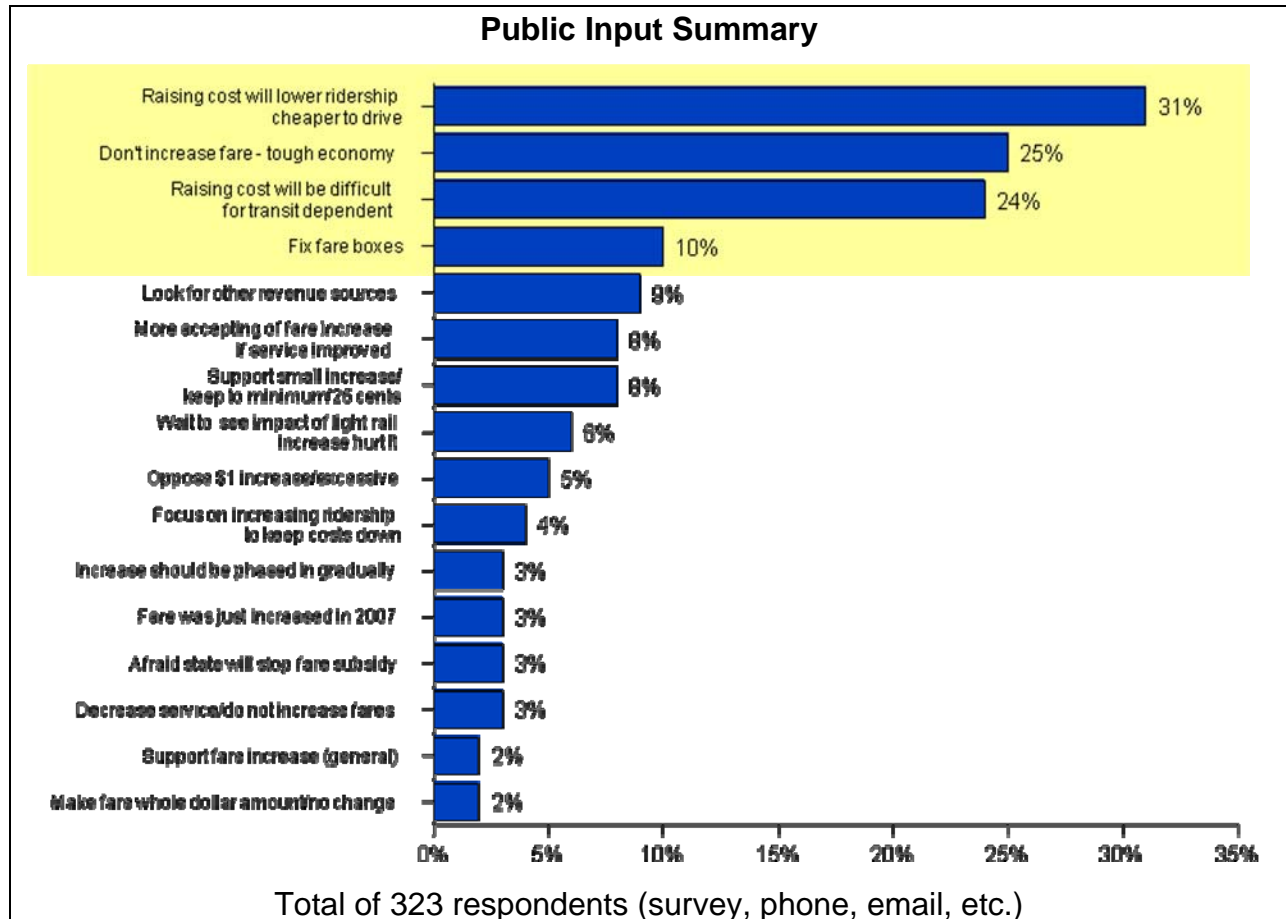
The following represents a summary of the public input from both individuals, groups, and organizations.

Public input from Groups and Organizations

- Friends of Transit: Adopt lowest possible fare structure.
- State of Arizona and Maricopa County: Adopt lowest possible fare structure to minimize impact to transit subsidies offered to employees.
 - Platinum Pass Program may be too expensive for both the employer and employees.
- East Valley Chambers of Commerce Alliance: Against any fare increase.
 - Arizona's largest chamber of commerce with 7,500 members in Ahwatukee, Apache Junction, Chandler, Gilbert, Mesa, Queen Creek, Scottsdale and Tempe.
- Tempe Chamber of Commerce: Against any fare increase.
- Southwest Chamber of Commerce: Will support Valley Metro's recommendation.
- Other Organizations: Voiced concerns and impacts.
 - Tumbleweed Drop-in Center (youth), New Arid Club (homeless), ECAL Justice Center (Seniors), Lodestar Day Resource Center, Scottsdale Healthcare, Southwest Rail Corridor Coalition, East Valley National Foundation of Blind

Public input from individuals

The following table includes input from comments at the 7 public hearings, Valley Metro customer service phone line, email, online public hearings, and employer related meetings.



One of the important items to note is the general perception that the fareboxes on some of the buses do not work properly creating situations with people riding for free.

Public Input Conclusions

Based upon the public input, the following conclusions are being considered in the development of a final regional recommendation.

- Ideally no fare increase. However if a fare increase must occur a \$0.50 increase garnered the most support.
- A strategy to improve the fare collection process on the bus, smart cards and a retail outlet strategy must be considered as part of any recommendation.
- The cost to use public transit was slightly more important to respondents than the level of service available.
- With any increase, the public expects service to improve. Setting public expectations regarding service will be critical.
- A significant increase may force discretionary riders to drive rather than use transit.

- Employers are concerned about the impact to the Platinum Pass program. Consider a daily cap and a minimal increase to the monthly pass.

Fiscal Impact

The investment to conduct the study and recommendations to implement a policy for large volume users (e.g., universities/colleges/technical schools, employers, and conventions) and a ticketing program for major sports/cultural events along the rail line is \$49,999. The costs are to be paid evenly by METRO and RPTA.

The cost to model and recommend fare pricing changes is not to exceed \$22,900. RPTA budgeted funds will be transferred from the remaining consultant funds for the financial system to Regional Marketing. This will be funded with Regional Area Road Funds (RARF).

Considerations

Due to large increases in operating costs and the significant reduction of sales tax revenue which fund transit services, Valley Metro service providers are evaluating service reductions and fare increases. Without the fare increase, Valley Metro service providers may be forced to continue to implement service reductions. Although a fare increase will reduce the level of service reductions, it may not eliminate the need to reduce service.

Committee Action Process

- VMOCC tabled the original proposal – June 25, 2008
- VMOCC informational presentation – September 16, 2008
- Fare Policy Committee review and input – October 14, 2008
- VMOCC: On October 21, 2008, the VMOCC motioned to recommend the fare policy change scenario and to forward the item to the TMC. The motion failed with a vote of 5 in favor and 7 against.
- FOAC: On October 21, 2008, the FOAC motioned to recommend the fare policy change scenario and to forward the item to the TMC with changes. The motion was approved by a vote of 7 in favor and 6 against. The changes were:
 - Exclude recommendations for ASU, Special Events and Conventions
 - Increase 31-day pass to \$50 for local and \$76 for express
- TMC: On November 5, 2008 the TMC motioned to recommend the fare policy change scenario and to forward the item to the Board with changes. The motion was approved by a vote of 7 in favor and 6 against. The changes were:
 - Implement the first phase adjustment July 2009 or earlier. Monitor conditions and implement the second phase if necessary.
 - ADA paratransit strategies remain within each jurisdiction.
- Board: On November 20, 2008 the Board approved the recommended fare policy change scenario only for the purpose of authorizing the Executive Director to hold public hearings regarding the fare policy change. The public comments will be returned for Board consideration in advance of any approved fare change.
- FOAC and VMOCC apprised of public input – January 27, 2009
- Fare Policy Committee reviews the public input – January 29, 2009
- Phoenix City Council for consideration – February 3, 2009. The council adopted a budget predicated on an increase up to \$.050 on the local cash fare.
- TMC for information – February 4, 2009.

- Board for information – February 19, 2009
- Fare Policy Committee – February 2009 reviews the fare policy recommendation based on action taken by the City of Phoenix Council
- VMOCC for action on the recommended fare policy February 24, 2009
- TMC for action on the recommended fare policy March 4, 2009
- Board for action on the recommended fare policy March 19, 2009

Committee Input and Next Steps

The following summarizes the input received from the various committees.

- Phoenix has adopted a budget predicated on the income from a \$0.50 fare increase
- Tempe does not require a fare increase
- METRO light rail is concerned with the pricing of the 1-day pass and its impact to ridership which could jeopardize future federal funding
- Several Valley Metro member cities would like to see a less expensive 1-day pass and multiple day passes (3, 7, 31) than the current proposal
- All members agree an off-bus 1-day pass purchase discount will help improve bus “on-time” performance and recommend implementation of an “off-bus fare purchase discount” strategy

RPTA is working with all member cities to finalize a recommendation and implement any adopted changes by July 1, 2009. This includes the following:

February

- Garner Valley Metro committee input to develop a recommendation
- Public input review by the Valley Metro and METRO Boards
- Fare Policy Committee to finalize regional recommendation
- Consideration by the Operations and Capital Committee
- March
 - Consideration by the Transit Management Committee
 - Consideration by the Valley Metro Board, with potential adoption of the new fare structure
- March – June
 - Program and test new fare tariff – bus fareboxes, fare vending machines, etc.
- July
 - If adopted, the new fare structure begins

Recommendation

This item is for information. Staff will present a summary of the preliminary input from the public hearings.

Contact Person

Mario Diaz
Chief Marketing Officer, 602-534-7391

Attachments

Regional Fare Policy Program Update presentation



Regional Fare Policy Program Update Valley Metro Board of Directors

February 19, 2009

Public Awareness Campaign

- December 2008 through January 23, 2009
- 2.1 million people reached via Public Relations and Media: Covered 25 times by 9 media outlets
- 1.2 million readers via 6 advertisements (AZ Republic, AZ Informant, La Prensa, La Voz)
- 10,000 mailers delivered to libraries, transit centers and park-and-ride lots
- 3,000 visitors to fare policy page on ValleyMetro.org
- 2000+ calls to customer service
- 1,300 mailers mailed to Maricopa Association of Governments public involvement database
- 951 Transportation Coordinators - Employer outreach included meetings, newsletters, webinars, etc.
- 900 buses – posted public notice posters
- 235 comments emailed to fares@ValleyMetro.org
- 84 people attended public hearing held via webinar
- 7 public hearings throughout the Valley (Avondale, Glendale, Mesa, Phoenix, Tempe)

Proposed fare increase scenarios (Bus and Light Rail)

\$0.50 increase: \$1.75 one-ride local fare - \$5.00 all day pass

May provide revenue to maintain current service or minimize service reductions

\$0.75 increase: \$2.00 one-ride local fare - \$6.00 all day pass

More likely to provide revenue to maintain current service

\$1.00 increase: \$2.25 one-ride local fare - \$6.75 all day pass

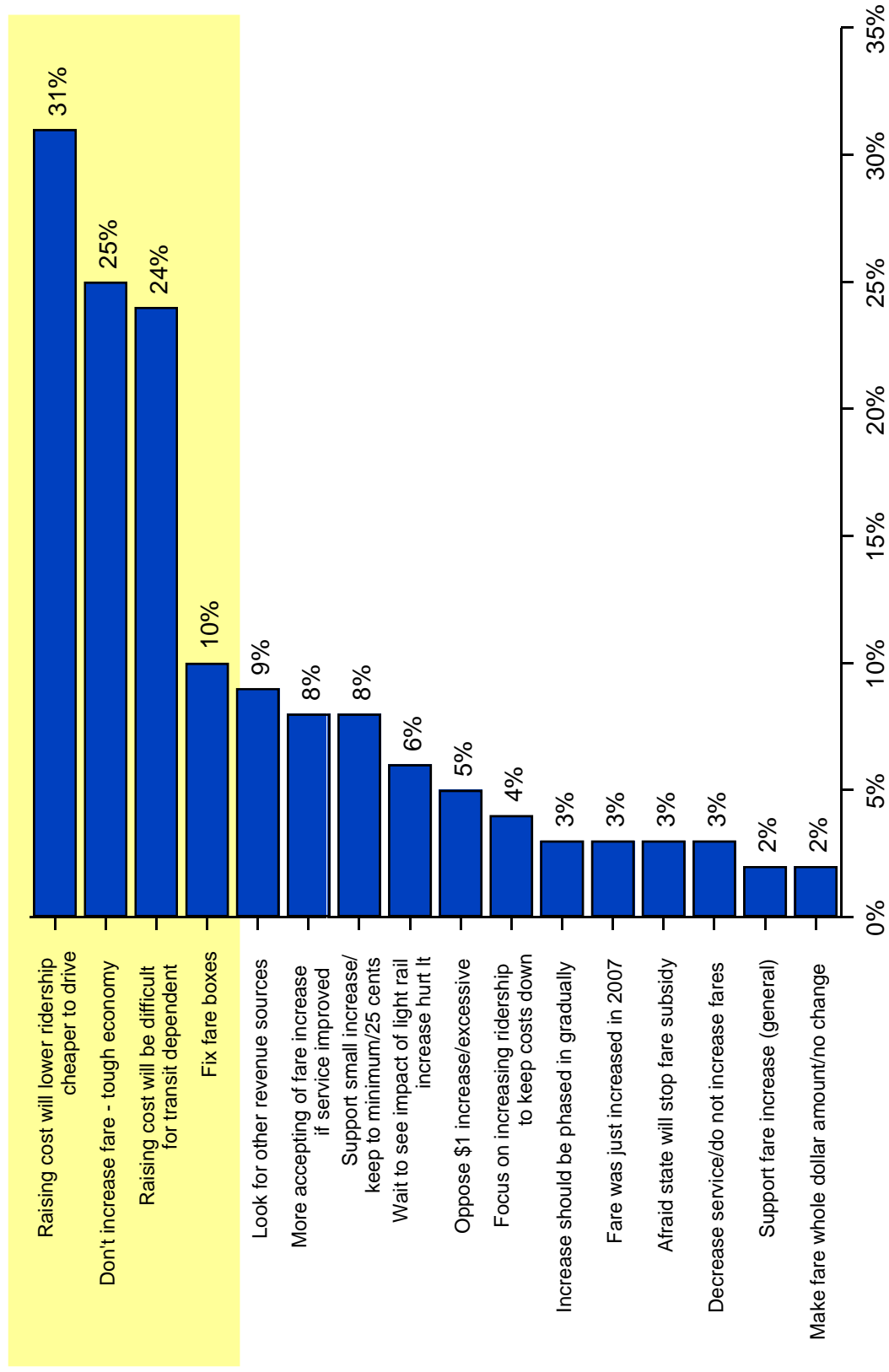
Most likely to provide revenue to maintain current service

May provide revenue to restore recently eliminated service

May provide revenue for future service enhancements

- Local bus or light rail one ride fare is currently \$1.25 and the all day pass is \$2.50.
- Assumes economic conditions stabilize and costs do not significantly increase.

Public comment summary*



* Survey included opportunity for open ended comments
 Total of 323 respondents (survey, phone, email, etc.)

Input from organizations

- Friends of Transit: Adopt lowest possible fare structure.
- State of Arizona and Maricopa County: Adopt lowest possible fare structure to minimize impact to transit subsidies offered to employees.
 - Platinum Pass Program may be too expensive for both the employer and employees.
- East Valley Chambers of Commerce Alliance: Against any fare increase.
 - Arizona's largest chamber of commerce with 7,500 members in Ahwatukee, Apache Junction, Chandler, Gilbert, Mesa, Queen Creek, Scottsdale and Tempe.
- Tempe Chamber of Commerce: Against any fare increase.
- Southwest Chamber of Commerce: Will support Valley Metro's recommendation.
- Other Organizations: Voiced concerns and impacts.
 - Tumbleweed Drop-in Center (youth), New Arid Club (homeless), ECAL Justice Center (Seniors), Lodestar Day Resource Center, Scottsdale Healthcare, Southwest Rail Corridor Coalition, East Valley National Foundation of Blind

Conclusions

- Ideally no fare increase. However if a fare increase must occur a \$0.50 increase garnered the most support.
- A strategy to improve the fare collection process on the bus, smart cards and a retail outlet strategy must be considered as part of any recommendation.
- The cost to use public transit was slightly more important to respondents than the level of service available.
- With any increase, the public expects service to improve. Setting public expectations regarding service will be critical.
- A significant increase may force discretionary riders to drive rather than use transit.
- Employers are concerned about the impact to the Platinum Pass program. Consider a daily cap and a minimal increase to the monthly pass.

Bus Rider Demographics

- 75% of bus riders belong to households earning less than \$35,000.
- 50% are transit-dependent (do not own a vehicle).

Source: Valley Metro Origins/Destinations Study, 12/07



Seven peers have increased fares since 2006, or plan increases in 2009 – two have done both

Agency	Fixed Route Services	Fare in Dec-06	Fare Change since 2006	Current Cash Fare	Planned Fare Change/s
DART (Dallas, TX)	Bus, Light Rail	\$1.25	\$0.25	\$1.50	
LACMTA (Los Angeles, CA)	Bus, Light Rail	\$1.25		\$1.25	
Metro Transit (Minneapolis/St. Paul, MN)	Bus, Light Rail	\$1.50	\$0.75	\$2.25	
MTS (San Diego, CA)	Bus, Light Rail	\$2.25		\$2.25	
RT (Sacramento, CA)	Bus, Light Rail	\$1.75	\$0.50	\$2.00	\$2.25*
RTC (Las Vegas, NV)	Bus	\$1.25		\$1.75	\$2.00
RTC (Reno, NV)	Bus	\$2.00		\$2.00	
RTD (Denver, CO)	Bus, Light Rail	\$1.25	\$0.75	\$1.75	\$2.00*
SCVTA (San Jose, CA)	Bus, Light Rail	\$1.75		\$1.75	
Tri-Met (Portland, OR)	Bus, Light Rail	\$1.70	\$0.30	\$2.00	
UTA (Salt Lake City, UT)	Bus, Light Rail	\$1.50	\$0.75	\$2.25	
Valley Metro (Phoenix, AZ)	Bus	\$1.25		\$1.25	\$1.75

* Implemented January 2009

Input received via committee process

- Phoenix adopted a budget predicated on the income from a \$0.50 fare increase
- Tempe does not require a fare increase
- METRO light rail is concerned with the pricing of the 1-day pass and its impact to ridership which could jeopardize future federal funding
- Several Valley Metro member cities would like to see a less expensive 1-day pass and multiple day passes (3, 7, 31) than the current proposal
- All agree an off-board discount will help improve bus “on-time” performance and recommend implementation of an “off-bus fare purchase discount” strategy

Next steps

- **February**
 - Garner Valley Metro committee input to develop a recommendation
 - Public input review by the Valley Metro and METRO Boards
 - Fare Policy Committee to finalize regional recommendation
 - Consideration by the Operations and Capital Committee
- **March**
 - Consideration by the Transit Management Committee
 - Consideration by the Valley Metro Board, with potential adoption of the new fare structure
- **March – June**
 - Program and test new fare tariff – bus fareboxes, fare vending machines, etc.
- **July**
 - If adopted, the new fare structure begins



Regional Public Transportation Authority
302 N. First Avenue, Suite 700, Phoenix, Arizona 85003
602-262-7433, Fax 602-495-0411

Board of Directors Information Summary

Date

February 11, 2009

Agenda Item #4

Subject

American Recovery and Reinvestment Act (Economic Stimulus)

Summary

The House of Representatives passed its version of the American Recovery and Reinvestment Act on January 29. The Senate passed its version of the Act on February 10. The bill will be sent to conference committee very quickly and may be to the President for signature prior to the Board meeting.

Transit funding in the House and Senate bills will be allocated to the region through established urbanized area formulas and it is estimated that the region could receive between \$79M and \$83M.

The final bill likely will require that funding will be for capital projects that can begin quickly. While there is no local match requirement to the federal grants, there is no waiver of any federal process requirements. It is required that the region obligate at least fifty percent of the funding within 90-180 days (the two bills differ on this requirement) and the remaining amount within one year. "Obligate" in this sense for transit projects may mean grant approval by the Federal Transit Administration. Thus, it is important that the region react quickly to obligate funds. Funds that are not obligated will be lost and redistributed to other regions. Recipients may not supplant existing funded transportation projects but are allowed to use planned funding for another transportation project planned within the same time frame.

Staff has met with member agencies and developed draft project prioritization criteria for allocation of stimulus funding. The draft prioritization criteria, in order are:

Criteria for Economic Recovery Package Projects—DRAFT

- Construction Projects or Projects that generate significant local jobs -- First Priority (JOBS)
 - Quantify jobs created
- Ready to go projects (timing)
 - AA or BA project rating for TIP and NEPA Approvals respectively
 - Construction ready
- Project size (larger is better) – fewer projects may make obligating funds quicker
- Projects that may not qualify for federal funds
- TLCP projects that generate jobs and allow other TLCP projects to be funded
 - Define and quantify what other projects may then be federally funded
- Projects that typically receive less federal funding
- Transit vehicle purchases if funding cannot be utilized

Projects submitted by jurisdictions have been coded and sorted by their overall readiness, National Environment Policy Act (NEPA) code, and Transportation Improvement Program (TIP) code. The total project requests for funding include:

- ✓ Short Term - \$296.1M (AA and BA)
- ✓ Medium Term - \$1,189.7M (AB and BB)
- ✓ Long Term - \$290.2M (Any C project)

Staff is continuing to refine the project prioritization criteria with member agencies. Once completed, projects will be prioritized for funding and the member agencies will attend an ad-hoc meeting to approve a project submittal to the Maricopa Association of Governments that obligates a minimum of 50 percent of the estimated funding we are to receive. MAG plans to bring the multimodal project list to the Regional Council for approval at its February 25 meeting including amendments needed to the TIP.

Fiscal Impact

Receipt of federal economic stimulus funding will benefit local and/or regional transportation projects and could help increase funding to the Transit Life Cycle Program financial plan.

Considerations

The goal for this federal funding is to move quickly to create jobs and improve the nation's infrastructure. Since the dates required to obligate the funding occur within 90-180 days of appropriation and TIP amendments may be required for some projects, committee and member agency reviews may need to occur on an expedited, ad-hoc basis.

Committee Action Process

None. This is a Board update only although an ad-hoc committee has met to develop project prioritization criteria and another meeting will be scheduled.

Recommendation

This item is for information and possible action. The Board may provide direction to the Executive Director including, but not limited to, potential action on the project prioritization criteria.

Contact Person

Bryan Jungwirth, Chief of Staff

Paul Hodgins, Capital Programming Manager

Attachments

None. Due to continual changes on this subject at the federal level, staff will provide a PowerPoint presentation at the Board meeting to capture the latest developments.



Board of Directors Information Summary

Agenda Item #5

Date

February 11, 2009

Subject

Authorization of the Federal Surface Transportation Program (STP) Funding Requests and Guiding Principles

Summary

Valley Metro staff, in collaboration with METRO and member agency staff, and Federal legislative counsel, has prepared Guiding Principles for the authorization of the Federal Surface Transportation Program (STP) related to federal transit policies. Staff has also prepared a funding request to be sent to the Arizona Congressional Delegation to be included in the Authorization bill. This is the one time, every six years, where authorizers can become appropriators by earmarking transportation projects in the authorization bill. In addition to the funding requests attached, it is also recommended that authorization for extensions to the 20-mile Minimum Operating Segment of the METRO light rail system (as defined in the Regional Transportation Plan) are pursued. While this bill may be characterized as a Reauthorization of the STP, many industry groups advocate referring to the Reauthorization as an Authorization since the bill has the ability to chart a new direction for transportation policy in the U.S.

The authorization of this program and specific projects can be critical to receiving federal funding over the six-year period. For instance, when Congress passed the Transportation Efficiency Act (TEA-21) in 1998, the legislation included specific project earmarks totaling approximately one-half of the authorized bus and bus facility projects over the first two years of the legislation. Similarly, when Congress passed the Safe, Accountable, Flexible, Efficient, Transportation Equity Act - a legacy for users (SAFETEA-LU) bill in 2005, approximately 50 percent of the bus and bus facility funding was earmarked over a four year period. Inclusion of specific projects in the authorization solidifies the federal funding for those projects. To that end, staff has prepared multi-year funding requests by project type for consideration. Also at the suggestion of the Valley Metro Operations and Capital Committee, staff has placed FY 2010 Appropriations projects and economic stimulus project requests into the authorization funding request.

Fiscal Impact

There is no fiscal impact or budgetary impact to Valley Metro RPTA for the authorization of the STP.

Considerations

Approximately every six years, a new transportation bill is considered by Congress to authorize the surface transportation program and expenditures thereto. The current legislation (SAFETEA-LU) expires on September 30, 2009. Over the next year or two, Congress will consider the authorization of the STP. Based on the dates of the last three authorization bills, this authorization may not actually be passed by Congress prior to 2011.

Valley Metro, in collaboration with METRO and its member agencies, and federal legislative counsel, has developed draft guiding principles for this authorization (see attachment) which we seek Board endorsement. The guiding principles may need to be revised as Congress considers the bill and staff will seek Board approval if future changes become needed.

It is important for Valley Metro and its member agencies to be actively engaged as Congress deliberates the funding and policy priorities for this bill.

Committee Action

December 16, 2008: VMOCC, approved
January 7, 2009: TMC, tabled this item
February 4, 2009: TMC approved
February 19, 2009: Board of Directors, for action

Recommendation

It is recommended that the Board approve the Authorization Guiding Principles and project funding requests for action.

Contact Person

Bryan Jungwirth
Chief of Staff

Attachments

Federal Transit Authorization Guiding Principles
Authorization Funding Requests



Federal Transit Authorization Guiding Principles

Expanding the availability of public transportation is the heart of the answer to congestion in the Phoenix area. It also serves the goals of reducing dependence on foreign oil, improving air quality, reducing greenhouse gases and promoting livable communities.

Residents of our region will use their cars less if they are offered appealing transit options. The federal government should be a partner with local communities in expanding such transit options.

We support a **significant increase in the size of the federal public transportation program**. The American Public Transportation Association estimates that a total federal investment of at least \$123 billion over the next six years would meet at least 50% of the nation's transit capital needs in that period and would support the goal of doubling transit ridership over the next 20 years. Meeting our nation's transit capital needs should be an integral part of a national effort to restore and improve our nation's entire infrastructure.

We support **maintaining the current basic federal transit funding structure**: a separate Mass Transit Account (MTA) within the Highway Trust Fund, crediting the MTA with at least 20 percent of motor fuel taxes, and preserving the current 20 percent General Fund contribution to the MTA.

We support new and enhanced incentives for bus systems to purchase and operate **clean fuel vehicles**.

Section 3038 of SAFETEA-LU (49 USC 5340) was supposed to benefit fast-growing states by distributing some bus funds by 2015 population projections instead of 2000 census numbers. In practice, this section has had the opposite effect, resulting in less bus funding for fast-growing states. **49 USC 5340 should be repealed and replaced by a program that truly benefits fast-growing states.**

Federal law allows urbanized area formula grants to be spent on operating expenses only in urbanized areas with less than 200,000 population, but Section 3009(c)(2) of SAFETEA-LU provided for a **transition period for urbanized areas that cross the 200,000 threshold**. We support a similar provision in the new reauthorization bill. In addition, public transportation systems in urbanized areas of more than 200,000 population **which operate less than 100 buses in peak operation** should be authorized to use FTA urbanized area formula funds for operating purposes.

We support a **simplified and streamlined review, rating and approval process for all new start and small start projects**. Projects are currently strangled in red tape, which unnecessarily delays project construction and increases project costs.

We support **major reforms to the new starts rating standard**. The current standard, as implemented by FTA, does not adequately take into account all of the benefits of new starts projects, especially land use, economic development and environmental benefits. In addition, the 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.

The Program of Interrelated Projects in ISTEA should be re-established. Local sponsors should be able to advance multiple projects simultaneously in such a program in order to reduce costs. They should be able to use only local funds on some of those projects and then use those local funds as local match for other projects in the program.

We support **developing new or diversified funding sources** to support public transit.

We support **retaining SAFETEA-LU Section 11113 that provides for a excise tax credit for use of alternative fuels**.

We support **expansion of mode-flexible funding directly to metropolitan regions for congestion reduction** for use on transit or highway projects subject to the same rating standards.

We support **strengthening the public transportation role in regional decision-making**.

We support federal measures to **encourage transit-supportive land use practices**.

We support **equalizing federal tax benefits for public transportation and parking**.

Finally, we recommend to federal policymakers for their consideration all of the **reauthorization recommendations of the American Public Transportation Association and the New Starts Working Group**.

Reauthorization Request-Discretionary Funding Plan - Bus/Bus Facilities

DRAFT

Buses	2010			2011			2012			2013		
	Federal	Local	Total	Federal	Local	Total	Federal	Local	Total	Federal	Local	Total
	Regional fixed route buses	\$60,620,000	\$15,155,000	\$75,775,000	\$56,224,800	\$14,056,200	\$70,281,000	\$45,899,200	\$11,474,800	\$57,374,000	\$48,580,000	\$12,145,000
Regional paratransit buses	\$2,036,800	\$509,200	\$2,546,000	\$4,629,600	\$1,157,400	\$5,787,000	\$4,917,600	\$1,229,400	\$6,147,000	\$5,372,000	\$1,343,000	\$6,715,000
Regional vanpool vans	\$1,890,800	\$472,700	\$2,363,500	\$1,947,600	\$486,900	\$2,434,500	\$2,006,000	\$501,500	\$2,507,500	\$2,066,000	\$516,500	\$2,582,500
subtotal	\$64,547,600	\$16,136,900	\$80,684,500	\$62,802,000	\$15,700,500	\$78,502,500	\$52,822,800	\$13,205,700	\$66,028,500	\$56,018,000	\$14,004,500	\$70,022,500

Facilities	2010			2011			2012			2013		
	Federal	Local	Total	Federal	Local	Total	Federal	Local	Total	Federal	Local	Total
	Phoenix upgrade (South O&M)										\$741,600	\$185,400
Mesa upgrade (O&M)										\$741,600	\$185,400	\$927,000
Phoenix Heavy Maintenance							\$30,453,200	\$7,613,300	\$38,066,500	\$13,687,200	\$3,421,800	\$17,109,000
East Buckeye park-and-ride	\$4,000,000	\$1,000,000	\$5,000,000									
Downtown Chandler transit center	\$400,000	\$100,000	\$500,000	\$800,000	\$200,000	\$1,000,000	\$1,200,000	\$300,000	\$1,500,000			
South Chandler transit center	\$400,000	\$100,000	\$500,000	\$800,000	\$200,000	\$1,000,000	\$1,200,000	\$300,000	\$1,500,000			
Glendale/Grand transit center	\$400,000	\$100,000	\$500,000	\$1,200,000	\$300,000	\$1,500,000	\$1,920,000	\$480,000	\$2,400,000			
Arrowhead Towne Center	\$800,000	\$200,000	\$1,000,000	\$8,000,000	\$2,000,000	\$10,000,000	\$8,000,000	\$2,000,000	\$10,000,000	\$7,200,000	\$1,800,000	\$9,000,000
Glendale/Grand park-and-ride	\$9,200,000	\$2,300,000	\$11,500,000				\$800,000	\$200,000	\$1,000,000	\$3,600,000	\$900,000	\$4,500,000
I-10/Litchfield Rd park-and-ride												
I-10/Avondale Blvd park-and-ride										\$176,000	\$44,000	\$220,000
Downtown Mesa transit center	\$2,400,000	\$600,000	\$3,000,000	\$400,000	\$100,000	\$500,000	\$1,200,000	\$300,000	\$1,500,000	\$800,000	\$200,000	\$1,000,000
US 60/Country Club park-and-ride				\$5,440,000	\$1,360,000	\$6,800,000						
Gilbert/L202 (RM) park-and-ride				\$800,000	\$200,000	\$1,000,000	\$2,400,000	\$600,000	\$3,000,000	\$5,600,000	\$1,400,000	\$7,000,000
Power/L202 (RM) park-and-ride				\$800,000	\$200,000	\$1,000,000	\$2,400,000	\$600,000	\$3,000,000	\$5,600,000	\$1,400,000	\$7,000,000
Peoria/Grand park-and-ride							\$800,000	\$200,000	\$1,000,000	\$3,600,000	\$900,000	\$4,500,000
Peoria/Grand transit center												
Bell Rd/SR-51 park-and-ride	\$480,000	\$120,000	\$600,000									
Deer Valley/Tatum park-and-ride	\$5,600,000	\$1,400,000	\$7,000,000									
Central Station	\$2,800,000	\$700,000	\$3,500,000									
Pecos/40th St park-and-ride	\$2,880,000	\$720,000	\$3,600,000									
Happy Valley/I-17 park-and-ride	\$1,840,000	\$460,000	\$2,300,000									
South Central BRT	\$1,600,000	\$400,000	\$2,000,000	\$11,200,000	\$2,800,000	\$14,000,000	\$20,000,000	\$5,000,000	\$25,000,000	\$28,000,000	\$7,000,000	\$35,000,000
Elliott/I-10 park-and-ride										\$800,000	\$200,000	\$1,000,000
Laveen/59th Ave park-and-ride							\$800,000	\$200,000	\$1,000,000	\$4,800,000	\$1,200,000	\$6,000,000
Camelback/L101 park-and-ride							\$800,000	\$200,000	\$1,000,000	\$4,000,000	\$1,000,000	\$5,000,000
Regional paratransit call center	\$1,600,000	\$400,000	\$2,000,000									
Regional bus communications system	\$3,200,000	\$800,000	\$4,000,000	\$4,000,000	\$1,000,000	\$5,000,000	\$4,000,000	\$1,000,000	\$5,000,000			
Arizona Avenue BRT	\$28,000,000	\$7,000,000	\$35,000,000	\$40,000,000	\$10,000,000	\$50,000,000	\$28,000,000	\$7,000,000	\$35,000,000	\$40,000,000	\$10,000,000	\$50,000,000
Scottsdale/Rural BRT	\$3,200,000	\$800,000	\$4,000,000	\$14,400,000	\$3,600,000	\$18,000,000	\$40,000,000	\$10,000,000	\$50,000,000	\$40,000,000	\$10,000,000	\$50,000,000
EVDAR O&M Facility							\$800,000	\$200,000	\$1,000,000	\$4,000,000	\$1,000,000	\$5,000,000
Scottsdale/L101 park-and-ride	\$4,800,000	\$1,200,000	\$6,000,000	\$4,000,000	\$1,000,000	\$5,000,000	\$2,240,000	\$560,000	\$2,800,000			
Airpark transit center												
Grand/Bell park-and-ride												
South Tempe transit center	\$4,000,000	\$1,000,000	\$5,000,000	\$5,600,000	\$1,400,000	\$7,000,000	\$2,240,000	\$560,000	\$2,800,000			
EVBOB upgrade (O&M)	\$800,000	\$200,000	\$1,000,000	\$4,960,000	\$1,240,000	\$6,200,000						
Goodyear park-and-ride	\$78,400,000	\$19,600,000	\$98,000,000	\$102,400,000	\$25,600,000	\$128,000,000	\$149,253,200	\$37,313,300	\$186,566,500	\$123,346,400	\$30,836,600	\$154,183,000
subtotal												

TOTAL	Federal	Local	Total	Federal	Local	Total	Federal	Local	Total	Federal	Local	Total
	\$142,947,600	\$35,736,900	\$178,684,500	\$165,202,000	\$41,300,500	\$206,502,500	\$202,076,000	\$50,519,000	\$252,595,000	\$179,364,400	\$44,841,100	\$224,205,500

Buses	2014			2015			TOTAL			
	Federal	Local	Total	Federal	Local	Total	Federal	Local	Total	
Regional fixed route buses	\$16,214,800	\$4,053,700	\$20,268,500	\$54,618,000	\$13,654,500	\$68,272,500	\$282,156,800	\$70,539,200	\$352,696,000	88%
Regional paratransit buses	\$4,742,800	\$1,185,700	\$5,928,500	\$4,966,400	\$1,241,600	\$6,208,000	\$26,665,200	\$6,666,300	\$33,331,500	8%
Regional vanpool vans	\$2,128,000	\$532,000	\$2,660,000	\$2,192,000	\$548,000	\$2,740,000	\$12,230,400	\$3,057,600	\$15,288,000	4%
subtotal	\$23,085,600	\$5,771,400	\$28,857,000	\$61,776,400	\$15,444,100	\$77,220,500	\$321,062,400	\$80,263,100	\$401,315,500	100%

Facilities	2014			2015			TOTAL			
	Federal	Local	Total	Federal	Local	Total	Federal	Local	Total	
Phoenix upgrade (South O&M)	\$8,811,200	\$2,202,800	\$11,014,000				\$ 9,552,800	\$ 2,388,200	\$ 11,941,000	2%
Mesa upgrade (O&M)	\$8,811,200	\$2,202,800	\$11,014,000				\$ 9,552,800	\$ 2,388,200	\$ 11,941,000	2%
Phoenix Heavy Maintenance							\$ 44,140,400	\$ 11,035,100	\$ 55,175,500	7%
East Buckeye park-and-ride							\$ 4,000,000	\$ 1,000,000	\$ 5,000,000	1%
Downtown Chandler transit center							\$ 2,400,000	\$ 600,000	\$ 3,000,000	0%
South Chandler transit center							\$ 2,400,000	\$ 600,000	\$ 3,000,000	0%
Glendale/Grand transit center							\$ 3,520,000	\$ 880,000	\$ 4,400,000	1%
Arrowhead Towne Center							\$ 24,000,000	\$ 6,000,000	\$ 30,000,000	4%
Glendale/Grand park-and-ride	\$3,760,000	\$940,000	\$4,700,000				\$ 8,160,000	\$ 2,040,000	\$ 10,200,000	1%
I-10/Litchfield Rd park-and-ride							\$ 9,200,000	\$ 2,300,000	\$ 11,500,000	1%
1-10/Avondale Blvd park-and-ride	\$3,344,000	\$836,000	\$4,180,000	\$5,280,000	\$1,320,000	\$6,600,000	\$ 8,800,000	\$ 2,200,000	\$ 11,000,000	1%
Downtown Mesa transit center							\$ 2,400,000	\$ 600,000	\$ 3,000,000	0%
US 60/Country Club park-and-ride							\$ 7,840,000	\$ 1,960,000	\$ 9,800,000	1%
Gilbert/L202 (RM) park-and-ride							\$ 8,800,000	\$ 2,200,000	\$ 11,000,000	1%
Power/L202 (RM) park-and-ride							\$ 8,800,000	\$ 2,200,000	\$ 11,000,000	1%
Peoria/Grand park-and-ride	\$3,760,000	\$940,000	\$4,700,000				\$ 8,160,000	\$ 2,040,000	\$ 10,200,000	1%
Peoria/Grand transit center	\$1,600,000	\$400,000	\$2,000,000	\$2,080,000	\$520,000	\$2,600,000	\$ 3,680,000	\$ 920,000	\$ 4,600,000	1%
Bell Rd/SR-51 park-and-ride							\$ 480,000	\$ 120,000	\$ 600,000	0%
Deer Valley/Tatum park-and-ride							\$ 5,600,000	\$ 1,400,000	\$ 7,000,000	1%
Central Station							\$ 2,800,000	\$ 700,000	\$ 3,500,000	0%
Pecos/40th St park-and-ride							\$ 2,880,000	\$ 720,000	\$ 3,600,000	0%
Happy Valley/I-17 park-and-ride							\$ 1,840,000	\$ 460,000	\$ 2,300,000	0%
South Central BRT	\$20,000,000	\$5,000,000	\$25,000,000	\$19,200,000	\$4,800,000	\$24,000,000	\$ 100,000,000	\$ 25,000,000	\$ 125,000,000	16%
Elliot/I-10 park-and-ride	\$3,200,000	\$800,000	\$4,000,000	\$4,960,000	\$1,240,000	\$6,200,000	\$ 8,960,000	\$ 2,240,000	\$ 11,200,000	1%
Laveen/59th Ave park-and-ride	\$3,680,000	\$920,000	\$4,600,000				\$ 9,280,000	\$ 2,320,000	\$ 11,600,000	1%
Camelback/L101 park-and-ride	\$4,000,000	\$1,000,000	\$5,000,000				\$ 8,800,000	\$ 2,200,000	\$ 11,000,000	1%
Regional paratransit call center							\$ 1,600,000	\$ 400,000	\$ 2,000,000	0%
Regional bus communications system							\$ 11,200,000	\$ 2,800,000	\$ 14,000,000	2%
Arizona Avenue BRT	\$49,600,000	\$12,400,000	\$62,000,000				\$ 96,000,000	\$ 24,000,000	\$ 120,000,000	15%
Scottsdale/Rural BRT	\$3,200,000	\$800,000	\$4,000,000	\$4,000,000	\$1,000,000	\$5,000,000	\$ 147,200,000	\$ 36,800,000	\$ 184,000,000	23%
EVDAR O&M Facility							\$ 12,000,000	\$ 3,000,000	\$ 15,000,000	2%
Scottsdale/L101 park-and-ride							\$ 11,040,000	\$ 2,760,000	\$ 13,800,000	2%
Airpark transit center	\$2,000,000	\$500,000	\$2,500,000	\$3,520,000	\$880,000	\$4,400,000	\$ 5,520,000	\$ 1,380,000	\$ 6,900,000	1%
Grand/Bell park-and-ride	\$3,600,000	\$900,000	\$4,500,000	\$3,600,000	\$900,000	\$4,500,000	\$ 7,200,000	\$ 1,800,000	\$ 9,000,000	1%
South Tempe transit center							\$ 11,840,000	\$ 2,960,000	\$ 14,800,000	2%
EVBOV upgrade (O&M)							\$ 5,760,000	\$ 1,440,000	\$ 7,200,000	1%
Goodyear park-and-ride	\$800,000	\$200,000	\$1,000,000	\$14,960,000	\$3,740,000	\$18,700,000	\$ 15,760,000	\$ 3,940,000	\$ 19,700,000	2%
subtotal	\$120,166,400	\$30,041,600	\$150,208,000	\$57,600,000	\$14,400,000	\$72,000,000	\$ 631,166,000	\$ 157,791,500	\$ 788,957,500	100%

TOTAL	Federal	Local	Total	Federal	Local	Total	Federal	Local	Total
	\$143,252,000	\$35,813,000	\$179,065,000	\$119,376,400	\$29,844,100	\$149,220,500	\$ 952,218,400	\$ 238,054,600	\$ 1,190,273,000



Board of Directors Information Summary

Agenda Item #6

Date

February 11, 2009

Subject

Transit Life Cycle Program (TLCP) Issues

Summary

The Budget and Finance Subcommittee has recommended a policy change and approved guidance for updating the TLCP financial model for 2009.

Considerations

The policy recommendations and guidance were discussed with the Valley Metro Operations and Capital Committee and the Finance Oversight Advisory Committee on January 27 and by the Transit Management Committee on February 4.

The recommended policy change regarding inflation was well received. There was little discussion and any comments were generally in favor of proceeding with this policy. Approval of the revised policy will close the "Inflation" policy issue.

The recommended new policy regarding federal revenues generated much more discussion. There was a recognition that a policy, or at least some policy guidance, was needed to ensure that regional funds available for capital were not all taken by projects early on, forcing later projects to require more federal or local funds to complete. However, as worded, many felt that the policy was too restrictive. The policy forces federal funds into every project and lengthens the time to complete and adds some costs. Some members preferred to keep the flexibility and evaluate the need for federal funds on a project by project basis. Most members agreed that we should seek federal funds for all projects, but that if a project didn't meet the criteria for federal funding that shouldn't eliminate the project from the plan. Given the concerns raised, this policy needs some further refinement and discussion.

There were questions about the guidance for the TLCP update, but generally not any concern regarding the approach. Members generally were curious about the dollar impact of each of the steps and about the extent of each. For instance, they were interested in knowing the impact of phasing services for one year rather than two or

three. When updating the model, staff will track the savings generated by each step and within each step if there are multiple options. Approval of the model update guidance will close the “Revenue Shortfalls” policy issue.

Some members were concerned that any changes should reflect jurisdictional equity and that no member should have a disproportionate share of cuts in expenditures. The expenditure distribution by city will be calculated and presented through the update process.

With closure of some items and guidance on the model update given, staff can begin discussions on the next policy issues while continuing discussion on open issues. The remaining issues for discussion are: Contingencies, Jurisdictional Equity, Plan Flexibility, RPTA Staffing, Office Space and Lead Agency Commitments. Staff recommended to the Subcommittee that the next issues for discussion be Jurisdictional Equity and Plan Flexibility.

The Budget and Finance Subcommittee voted in favor of forwarding the inflation policy (Attachment A) to the Board of Directors for approval and to direct staff to update the TLCP financial model using the guidance outlined in Attachment B.

Committee Action Process

Budget and Finance Subcommittee February 5, 2009 for action
Board of Directors February 19, 2009 for action

Recommendation

It is recommended that the inflation policy included in Attachment A be approved.

Contact Person

Paul Hodgins
Manager, Capital Programming

Attachments

Attachment A – Inflation Policy
Attachment B – TLCP Model Update Guidance
Powerpoint presentation

Attachment A

The TLCP Policy on inflation, Guiding Principle 3, policy d), is revised as follows:

- d) Inflation will occur throughout the TLCP. The original project budgets listed in the 2003 approved RTP were expressed in 2002 dollars. The annual update of the TLCP will require that the project budgets be adjusted to account for the past year's inflation.
 1. The regional funding specified in the original RTP for a project will be adjusted annually for inflation based on the All Goods United States Consumer Price Index (CPI) except for the following categories.
 - a. Transit vehicle costs will be adjusted using the Producer Price Index, Total Manufacturing Industries
 - b. Capital facilities costs will be adjusted using the Engineering News Record Construction Cost Index
 2. Forecasted inflation for future costs will be differentiated between short term (3 years) and long term rates.
 - a. Short term rates will use the following categories and be based on recent experience and/or published forecasts:
 - i. Transit vehicles
 - ii. Capital facilities construction
 - iii. Operating costs
 - iv. Other costs
 - b. Long term rates will be used for all categories beginning in the fourth year of planned expenditures and will be based on Consumer Price Index history.

Attachment B

TLCP Model Update Guidance

The TLCP Model Update will proceed using the following steps to ensure that revenues and expenditures can be balanced:

Fares - Adjust the average fare recovery up, the amount depending on the result of the fare increase process.

Limit administrative costs – Limit RPTA's planning and administration costs and regional services costs to inflationary increases based on the current reduced budget amount.

Limit scope of service improvements – Service improvements should be phased in. New routes should be implemented at 30 minute headways and improved only after demand is demonstrated. Existing routes should be implemented at existing headways unless demand is high enough to warrant better headways, up to the maximum revenue miles allocated in the TLCP.

Eliminate regional funding for certain capital projects – Regional funds should only be provided for capital projects that are integral to providing service and/or directly serve passengers.

Delay service improvements – Assume funding of existing service according to the original schedule, but delay any improvements to the service and delay implementation of new routes.



Regional Public Transportation Authority
302 N. First Avenue, Suite 700, Phoenix, Arizona 85003
602-262-7433, Fax 602-495-0411

Board of Directors Information Summary

Agenda Item #7

Date

February 11, 2009

Subject

Executive Director's Report

Summary

David Boggs, Executive Director, will provide an update on agency issues. Additional staff may provide updates as referenced in the agenda.

Fiscal Impact

None

Considerations

None

Committee Action Process

None

Recommendation

No formal action is required

Contact Person

David Boggs
Executive Director
602-262-7433

Attachments

None



Regional Public Transportation Authority
302 N. First Avenue, Suite 700, Phoenix, Arizona 85003
602-262-7433, Fax 602-495-0411

Board of Directors Information Summary

Agenda Item #8

Date

February 11, 2009

Subject

Future Board Agenda Items Request and Report on Current on Events

Summary

Chairman Ecton will request future Board agenda items and reports on current events from Board members.

Fiscal Impact

None

Considerations

None

Prior Committee Action

None

Recommendation

None

Contact Person

David Boggs
602-262-7433

Attachments

None