

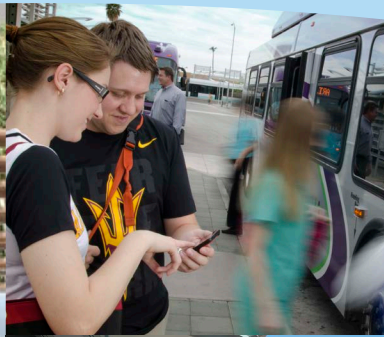
Valley Metro Rail, Inc.

# Adopted Operating and Capital Budget

FY 2015

# Adopted Five Year Operating Forecast and Capital Program

FY 2015 - 2019





# **Valley Metro Rail, Inc.**

Phoenix, Arizona

**Adopted Operating and Capital Budget**  
Fiscal Year 2015  
(July 1, 2014 through June 30, 2015)

**Five-Year Operating Forecast and Capital Program**  
FY 2015 through FY 2019  
(July 1, 2014 through June 30, 2019)

## **Board of Directors**

Chair – Councilmember Shana Ellis, Tempe  
Vice Chair – Councilmember Dennis Kavanaugh, Mesa  
Vice Mayor Rick Heumann, Chandler  
Mayor Jerry Weiers, Glendale  
Councilmember Thelda Williams, Phoenix

## **Executive Management Team**

Stephen R. Banta, Chief Executive Officer  
Jyme Sue McLaren, Chief of Staff  
Raymond Abraham, Chief Operations Officer  
Rick Brown, Chief Engineer  
Hillary Foose, Communication & Marketing Director  
Wulf Grote, Planning & Development Director  
Carol Ketcherside, Administration & Organizational Development Director  
Mike Ladino, General Counsel  
John McCormack, Chief Financial Officer  
Gardner Tabon, Chief of Safety and Security



---

## Annual Budget Table of Contents

<b>METRO Organization</b> .....	1
<b>METRO Vision</b> .....	2
<b>FY 2014 Accomplishments</b> .....	2
<b>Rail Operations Service Plan</b> .....	5
<b>Total Financial Program</b> .....	6
Budget Analysis .....	8
<b>Organizational Staffing</b> .....	10
<b>FY 2015 Budgets:</b>	
<b>Operating Budget</b>	
Revenue Operations Budget.....	12
Future Project Development Budget.....	13
Agency Operating Budget.....	14
Agency Overhead Allocation.....	15
<b>Capital Budget</b>	
Northwest Extension Phase I Budget .....	16
Central Mesa LRT Extension Budget.....	17
Gilbert Road Extension Budget.....	18
Tempe Streetcar Capital Project Budget.....	19
Capitol / I-10 West Project Budget.....	20
Non-Prior Rights Utilities Relocation Budget.....	20
Systemwide Improvements.....	21
<b>Funds Flow FY 2015</b> .....	22



## 5 Year Plan Table of Contents

### 1. Executive Summary

METRO Services .....	24
• Operations & Maintenance .....	25
• Planning & Development .....	25
• Design & Construction .....	26
Five-Year Plan Summary .....	27

### 2. Five-Year Operating Forecast

Uses & Sources of Funds .....	30
Operations & Maintenance Cost Estimate FY 2015 - 2019 .....	33
Five Year Fares, Costs and Member City Funding.....	34
Project Development Planning .....	35

### 3. Five-Year Capital Program

All Projects.....	36
High Capacity Transit Projects .....	39
Northwest Extension.....	40
Central Mesa Extension .....	42
Tempe Streetcar.....	44
I-10 West Extension .....	45
Gilbert Road Extension.....	47
Systemwide Improvements.....	49
Five-Year Staffing Plan.....	50

### 4. Appendix

A-Budget Process.....	56
B-Glossary of Terms and Acronyms.....	58

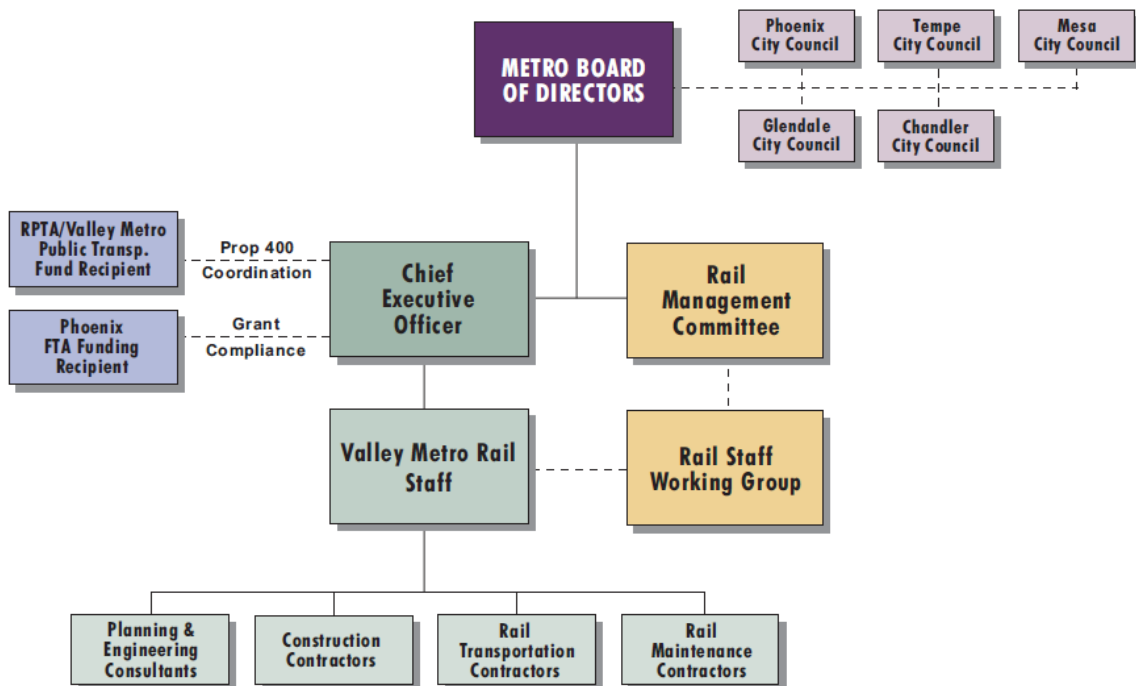


## METRO ORGANIZATION

Valley Metro Rail, Inc. (METRO) is a public non-profit corporation whose members are the cities of Chandler, Glendale, Mesa, Phoenix, and Tempe. METRO was created to manage the design, construction, and operation of the Light Rail Transit (LRT) System within the Metropolitan Area. The Board of Directors includes the mayors of the member cities or their designated representatives. The Board of Directors establishes overall policies and provides general oversight of the METRO agency and its responsibilities.

The Chief Executive Officer (CEO) is responsible for implementing the agency vision and the day-to-day management of the organization. The CEO plans, coordinates, and directs the activities of the Management staff in carrying out the organization’s responsibilities. The METRO Staff includes employees managing operations, performing maintenance, directing planning, design and construction of new rail lines. METRO staff are supported by contracted personnel with specialized experience in light rail planning, design, construction, and operations. The following chart depicts the policy organization for METRO and the relationships to key stakeholders.

### METRO Policy Organization



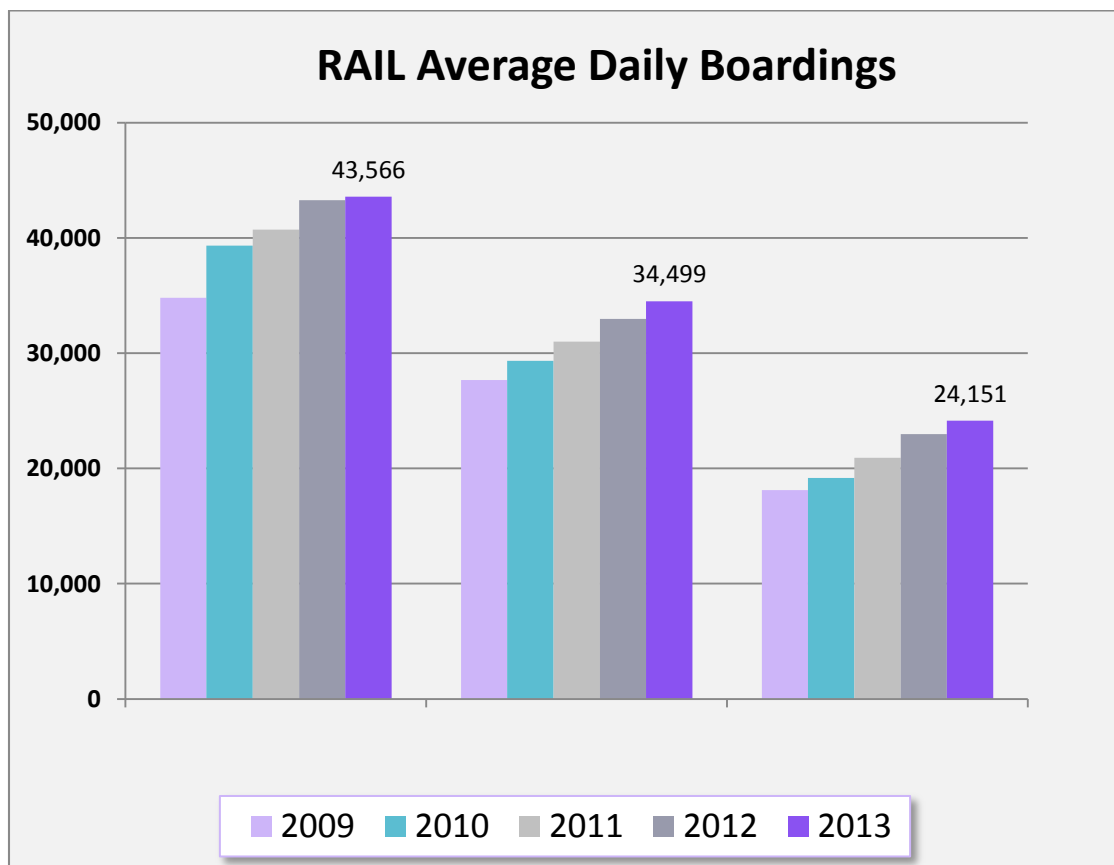


## METRO VISION

METRO will be recognized as a trusted and respected community partner and visionary leader that provides a premier regional rail transit system with a commitment to customer service, quality and safety, which enhances quality of life and is a point of pride for our community.

## FY 2014 ACCOMPLISHMENTS

- METRO ridership continues to increase, serving 14.2 million riders in CY 2013, 1.3% percent more than in CY 2012.





- Delivered passenger service achieving the following results:

Benchmark	FY13 Target	FY13 Actual
On Time Performance	95%	94.7%
Cost per Boarding	\$2.63	\$2.01
Average Fare	\$0.84	\$0.90

- The Valley Metro Shop On Campaign receives first place marketing and campaign award from South West Transit Association
- Valley Metro, with the support of Phoenix Mayor Greg Stanton, Councilmember and Valley Metro Rail Board member Thelda Williams, Mesa Councilmember Dave Richins, Phoenix Transit Bureau Lt. Paula Veach and Tumbleweed CEO Cynthia Schuler, declared all 28 light rail stations as Safe Place locations during a press conference. Teens and youth can utilize the emergency call boxes at rail stations any time of day to connect to shelter, counseling and family reunification services. Media coverage of the event included news stories on television, print and radio.
- In September 2013, Valley Metro Rail Board approves APS Solar Renewable Energy Credit Purchase Agreement paving the way for solar panel installation at the Operations and Maintenance facility
- In November 2013, Valley Metro received the Finding of No Significant Impact (or FONSI) from the Federal Transit Administration (FTA) for the 1.9-mile Gilbert Road light rail extension. This approval comes following the submittal of the project's Environmental Assessment, required to understand the extension's effect on its neighboring environment and to continue to receive federal funds.
- On Saturday, Dec. 7, 2013, light rail reached a historic ridership record with 65,773 boardings! An average Saturday ridership in December 2012 was 33,964 boardings. It was the highest ridership day since light rail began operating in December 2008. Previous ridership record was on Thursday, October 18, 2012 serving an ASU football game with 65,088 boardings. On Dec. 7, light rail served many well-attended events: ASU Pac 12 Championship football game, Tempe Festival of the Arts, APS Electric Light Parade and the Beyoncé concert at US Airways Center. The next highest ridership on Valley Metro Rail occurred on Thursday, October 18, 2012 serving an ASU football game with 65,088 boardings.



- 
- A gingerbread-themed holiday wrapped train was placed into revenue service until January 1. The wrap included a message about the December 15 Teens in Need Holiday Drive. All items collected in the drive were donated to Tumbleweed Center for Youth Development, the non-profit agency responsible for managing the Safe Place program introduced at all Valley Metro Rail stations in September. The holiday light rail wrap was sponsored by CBS Outdoor, BP Graphics and 3M.
  - Rider appreciation and safe rides is the focus of the Coors Light Free Rides program on New Year's Eve. This is the first regional free rides event that was kicked-off as a partnership with Miller Coors, Crescent Crown, Mayor Stanton, Mayor Mitchell and VM Vice-Chair Trinity Donovan. Free rides will occur beginning at 7 p.m. on bus, light rail and ADA Dial-a-Ride service through 2 a.m.
  - The next steps for installing rail on the Central Mesa light rail extension begins with an important milestone, marking the construction half-way point. A community celebration, with an official rail welding ceremony, was held on Saturday, February 8, 2014.
  - Valley Metro CEO Steve Banta elected as Vice President of South West Transit Association (SWTA) in February 2014
  - Valley Metro and Open Door Fellowship Church are hosted a "Love Our Community" event for the Northwest Extension of light rail to show Valentine's Day appreciation for local businesses on 19th Avenue. This family-friendly celebration was open to the public and showcased small businesses in the light rail construction zone as well as encouraged local shopping.



## RAIL OPERATIONS SERVICE PLAN

### Service Frequency FY 2015 Plan:

Weekday trains will run with two cars at 12 minute intervals during peak hours and 15 to 20 minute intervals off peak. Weekends do not require peak service trains and will operate with one or two cars at 15 to 20 minute headways. Service headways and train lengths will be adjusted over time to accommodate growth and service patterns. No change from FY14.

Time of Day	Service Frequency
Monday - Friday 4:40 am to 7:30 am	<b>20 minutes</b>
Monday - Friday 7:30 am to 6:30 pm	<b>12 minutes</b>
Monday - Thursday 6:30 pm to 11:00 pm	<b>20 minutes</b>
Friday - 6:30 pm to 2:00 am	<b>20 minutes</b>
Saturday - 5:00 am to 7:00 pm	<b>15 minutes</b>
Saturday - 7:00 pm to 2:00 am	<b>20 minutes</b>
Sunday - 5:00 am to 11:00 pm	<b>20 minutes</b>

Nine weekdays are currently scheduled for holiday schedule frequency (Sunday schedule).

### Ridership and Fare Revenue:

Total Ridership is forecasted at 14.2 million passengers for the year with fare revenues generating \$13.4 million. Over the course of the fiscal year 2015, average weekday boardings are forecasted at 43,639 while Saturday and Sunday average ridership are forecasted at 33,205 and 24,464 per day respectively.

Total Rides	Average	Annual Ridership/Fares		
		Fare Assumption		
Weekday	43,639	10,997,055	\$ 0.94	\$ 10,337,232
Saturday	33,205	1,726,679	\$ 0.94	\$ 1,623,078
Sunday	24,464	1,492,326	\$ 0.94	\$ 1,402,787
<b>Total Ridership and Fare Revenue</b>		14,216,060		\$ 13,363,096

Average fare per ride is forecasted at \$0.94 cents per ride. The FY 2015 ridership forecast is 8.1% higher than the FY 2014 plan.



## TOTAL FINANCIAL PROGRAM

The FY 2015 Operating and Capital Budget has been prepared with the goal of delivering a fiscally prudent, balanced budget. Last year, the Board approved a total of \$248.8 million (\*) for the amended FY 2014 Budget. Total expenditures for FY 2015 are estimated to be \$219.0 million. The unexpended balance for FY 2014 capital expenditures has been reprogrammed into the project cash flows for expenditure in FY15 and future years.

**Uses of Funds** - The FY 2015 Budget includes anticipated operating and capital expenditures in the amount of approximately \$219.0 million to support program elements during the period of July 1, 2014 through June 30, 2015, as follows:

<b>Uses of Funds</b>	<b>(\$,000)</b>			<b>Budget Analysis Note #</b>
	<b>FY15 Adopted</b>	<b>FY14 Amended</b>	<b>Change</b>	
<b>Operating Activities:</b>				
Revenue Operations	33,155	32,560	595	1
Future Project Development	8,444	10,152	(1,708)	2
Agency Operating Budget	928	842	86	
	42,527	43,554	(1,027)	
<b>Capital Projects:</b>				
Northwest Extension	75,493	77,789	(2,296)	3
Central Mesa Extension	58,448	77,390	(18,942)	4
Gilbert Road Capital Project	10,131	1,800	8,331	5
Tempe Streetcar Extension	5,257	511	4,746	6
Phoenix West Extension	415	-	415	
Non-Prior Rights Utilities Relocations	13,755	13,982	(226)	
CNPAs - Mesa Extension	2,045	3,165	(1,120)	4
CNPAs - Northwest Extension	4,011	1,500	2,511	3
Systemwide Improvements	6,898	5,699	1,199	7
14 LRV's Interest	-	15,897	(15,897)	8
Subtotal Capital before Debt Service	176,453	197,733	(21,280)	
<b>Total Uses of Funds</b>	<b>218,980</b>	<b>241,287</b>	<b>(22,307)</b>	
<b>Capital Project Debt Service:</b>				
Debt Service - Interest	8,120	4,508	3,612	
Debt Service - Principal	11,241	2,980	8,261	
	19,361	7,488	11,873	
<b>Total Uses with Debt Service</b>	<b>238,341</b>	<b>248,775</b>	<b>(10,434)</b>	

Note: See pages 8 and 9 for budget analysis notes.

(\*) In FY15, the agency has changed budgetary reporting of Debt Service. Any Debt Service related to PTF bonds are reported on the VM RPTA CAFR and budget documents. Obligations of VM RPTA and VMR related to debt service will be reported on a memorandum basis in FY15 and future rail budgets.



**Sources of Funds** - The FY 2015 Operating and Capital Budget will be funded with a combination of Fare Revenues, Member City contributions, Public Transportation Funds, Federal 5309 New Starts, 5307 and Fixed Guideway Preventative Maintenance, Congestion Mitigation and Air Quality funds (CMAQ), and other local funding. The FY 2015 Budget includes anticipated capital and operating sources of funds in the amount of approximately \$219.0 million(\*), as follows:

<b>Sources of Funds</b>	<b>(\$,000)</b>			<b>Budget Analysis Note #</b>
	<b>FY15 Adopted</b>	<b>FY14 Amended</b>	<b>Change</b>	
<b>Operating Activities:</b>				
Fare Revenue	13,363	12,621	742	9
Advertising Revenue	850	600	250	10
Federal 5307 PM	2,147	4,270	(2,123)	11
Federal FG PM	-	1,830	(1,830)	12
Federal 5339 AA	13	560	(547)	13
Federal CMAQ	-	240	(240)	
Member Cities	17,726	14,726	2,999	14
MAG / RPTA (RARF)	1,000	1,150	(150)	
PTF Sales Tax Revenue	7,428	7,557	(129)	
	42,527	43,554	(1,027)	
<b>Capital Projects:</b>				
FTA - Section 5309	28,168	32,189	(4,021)	15
Federal CMAQ	29,321	15,221	14,100	16
Federal 5337 SOGR	340	-	340	17
TPAN	8,000	-	8,000	18
TIGGER Federal Grant	2,555	2,715	(160)	
Member Cities	6,291	14,668	(8,377)	19
PTF Bond Revenue	53,190	87,789	(34,599)	20
PTF Sales Tax Revenue	48,589	45,152	3,437	21
	176,453	197,733	(21,280)	
<b>Total Sources of Funds</b>	<b>218,980</b>	<b>241,287</b>	<b>(22,307)</b>	
<b>Capital Project Debt Service:</b>				
PTF Sales Tax Revenue	19,361	7,488	11,873	
	19,361	7,488	11,873	
<b>Total Sources with Debt Service</b>	<b>238,341</b>	<b>248,775</b>	<b>(10,434)</b>	

Note: See pages 8 and 9 for budget analysis notes.

(\*) In FY15, the agency has changed budgetary reporting of Debt Service. Any Debt Service related to PTF bonds are reported on the VM RPTA CAFR and budget documents. Obligations of VM RPTA and VMR related to debt service will be reported on a memorandum basis in FY15 and future rail budgets.



## BUDGET ANALYSIS

The following is an analysis of the major changes in the FY 2015 Adopted Budget versus the FY 2014 Amended Budget. The number in the "Note" column corresponds to the "Note" column in the "Uses of Funds" and "Sources of Funds" tables located in the Total Financial Program. See Pages 6 and 7.

Note	Budget Analysis
1	FY 15 rail operating costs increase by 2% over FY14 levels. Base service levels will remain constant, however additional LRV 3 car trains may be deployed to accommodate peak service loads. Preventative maintenance activities continue to increase as the system components mature. Safety & Security level of effort and ridership advertising campaigns are increasing over FY14.
2	Project Development costs are down by \$1.7 million. Reduction in planning activities as capital projects move from environmental analysis to design and construction phase. Consulting costs have been reduced.
3	Northwest Extension Phase I base project costs down \$2.3M while CNPA related activities are up by \$2.5M. Overall project costs are not changed. Changes are due to flow of construction work between fiscal year periods.
4	Central Mesa Extension base project costs down \$18.9M while CNPA related activities are down by \$1.1M. Overall project costs are not changed. Changes are due to flow of construction work between fiscal year periods.
5	Gilbert Road LRT Extension design and real estate acquisition commences. Annual expenditures forecasted at \$10.1M.
6	Tempe Streetcar design and pre-construction activities commence in early 2015, pending federal grant approval. Annual expenditures forecasted at \$5.3M.
7	System-wide Improvements include \$3.6M OMC Solar Project, Station railing & TVM improvements \$0.8M, IT systems life cycle replacements \$.9M, Rail Switch improvements \$0.3M, OMC backup generator \$0.3M, and Maintenance platform truck \$0.4M.
8	In FY14, Interest of \$15.9M was the finance cost portion of final payment to City of Phoenix for 14 light rail vehicles due in June of 2014. Original Capital Lease principal was \$42M, with annual principal payments of \$10.0 M each paid in FY11, FY12 and FY13. Final principal payment in FY14 was \$12.2M. All financing costs related to the 14 LRVs were fully paid in FY14.
9	Fare revenue increases from \$12.6 million to \$13.4 million; assumes 14.2 million rides at \$.94 cents per ride generating a fare recovery ratio of 40.3%. This increase is forecasted based on actual experience of the recent March 1, 2013 Fare Increase.
10	Advertising revenue increases based on additional train wraps.



Note	Budget Analysis
11	Federal 5307 Preventive Maintenance Funding forecasted to be \$2.1M, returning to normal levels. Last year, an unusually large amount of Federal PM Funding became available after the 2012 CMAQ close-out process.
12	Last Year, Federal Fixed Guideway Preventive Maintenance Funding became available after the 2012 CMAQ close-out process. No funds are currently planned for FY15.
13	A reduction in 5339 Funding in FY15 to \$13K, due to completion of federally funded portion of Glendale and Phoenix West alternatives analysis projects.
14	Member City contributions are up by \$3.0 M from FY 14 primarily due reductions in Federal Preventive Maintenance funding this year. See notes 11 and 12 above.
15	Federal 5309 funds are reduced from \$32.2 M to \$28.2 M due to forecasted reductions in grant draws required for the Central Mesa Extension project during the coming year. Overall the CME project 5309 funding remains at \$75.0M.
16	Federal CMAQ Capital funds are increased from \$15.2M to \$29.3M due to increasing activities for Central Mesa, Gilbert Road, and Tempe Streetcar Projects.
17	Federal State of Good Repair funding is available in FY15 and is a new program under MAP21.
18	The Gilbert Road Extension Light Rail Project is to be funded mostly using Transportation Project Advancement Notes (TPANS). The anticipated expenditures in FY15 are \$10.1 million as the project moves into Design and Pre-construction activities.
19	Member City contributions are down from \$14.7M in FY14 to \$6.3 M in FY 15 primarily due to reductions in City of Phoenix contributions required for the Northwest Extension Phase I Capital Project.
20	PTF Bonds to fund \$43.8M of Northwest Extension construction and \$9.4M to continue construction on the Central Mesa LRT Extension.
21	PTF Sales Tax to fund \$31.7M of Northwest Extension construction, \$1.1M for Tempe Streetcar, \$83K for Phoenix West, \$11.8 million for Non Prior Rights Utilities relocations, \$4.0M Systemwide Improvements



## Organizational Staffing

With the agency integration, the RPTA and VMR budgets are developed with a unified staff plan, with department managers planning the level of effort required to meet the bus and rail activities. Salary and overhead charges to bus and rail projects are based on actual time worked on each project. For FY 15 there are 296 employees budgeted in the integrated agency, with 131 FTE's budgeted to RPTA activities and 165 budgeted to VMR activities.

Compensation and fringe benefit assumptions for FY 15 include:

- Compensation budget based on 3% increase. For staff salary changes, merit increases are evaluated based on employee performance; departmental level control to manage total costs within budget.
- The Arizona State Retirement System (ASRS) contribution will increase 0.06 percent on July 1, 2014.
- Agency health care costs will increase. Program design is anticipated to hold total agency fringe benefit cost increases to within 3% of FY 14 levels.
- All VMR staff related costs are reimbursed in full by Valley METRO Rail, Inc.

### Staffing cost analysis

		FY 15	FY 14	change	pct change
	\$ million				
FTE		296	288	8	3%
Salaries		\$ 17.8	\$ 17.4	\$ 0.4	2%
Fringe Benefits		\$ 7.1	\$ 7.1	\$ 0.0	1%
<b>Total Salary and Fringe Benefits</b>		<b>\$ 24.9</b>	<b>\$ 24.5</b>	<b>\$ 0.4</b>	<b>2%</b>

### Analysis of changes

	Salary	Fringe	Total
Base Compensation FY14	\$ 17.4	\$ 7.1	\$ 24.5
Less Allowance for Unfilled	\$ (0.6)	\$ (0.1)	\$ (0.7)
Base increase	\$ 0.5	\$ 0.2	\$ 0.7
Fringe Benefit Adjustment		\$ (0.3)	\$ (0.3)
New Positions	\$ 0.5	\$ 0.2	\$ 0.7
<b>New Base Compensation FY15</b>	<b>\$ 17.8</b>	<b>\$ 7.1</b>	<b>\$ 24.9</b>

**FY15 Adopted Budget vs. FY14 Adopted Budget** \$ 0.4

The FTE Count by Pay Grades and Ranges can be found on Page 52. Pay ranges are currently under review for adjustment. Valley Metro is conducting a comprehensive survey of positions and pay grades with regional governmental agencies as well as transit peer cities located in the Western US. It is anticipated that pay grades may increase in response to inflation trends which have occurred since last changes to pay grades made effective in July of 2011.



---

## **FIVE-YEAR OPERATING AND CAPITAL PROGRAM**

The By-Laws of the Corporation call for the Board of Directors to approve a Five-Year Operating and Capital Program annually, which identifies anticipated operating costs, capital projects and costs, and the associated funding sources. The FY 2015 – FY 2019 Five-Year Operating and Capital Program (page 23) will be completed and submitted to the Board of Directors for approval along with the FY 2015 Operating and Capital Budget.



*FY15 Adopted METRO Revenue Operations Budget*

	<b>FY15 Adopted Budget</b>	<b>FY14 Amended Budget</b>	<b>Amount Increase/ (Decrease)</b>
<b>Sources of Funds</b>			
Mesa Fare Revenue	\$ 1,180,460	\$ 1,165,481	\$ 14,979
Phoenix Fare Revenue	8,336,017	7,763,900	572,118
Tempe Fare Revenue	3,846,620	3,691,630	154,990
Federal 5307 PM	2,146,533	4,270,000	(2,123,467)
Federal Fixed Guideway Preventative Maintenance	-	1,830,000	(1,830,000)
Mesa Advertising	41,565	29,340	12,225
Phoenix Advertising	570,180	402,480	167,700
Tempe Advertising	238,255	168,180	70,075
Mesa Base Cost Contributions	267,644	73,044	194,600
Phoenix Base Cost Contributions	11,528,766	9,225,929	2,302,836
Tempe Base Cost Contributions	4,454,064	3,407,728	1,046,336
Mesa Local Security	71,609	69,862	1,747
Tempe Local Security	472,798	462,901	9,897
	<u>\$ 33,154,510</u>	<u>\$ 32,560,475</u>	<u>\$ 594,035</u>
<b>Expenditures</b>			
Salaries and Fringe Benefits	\$ 8,210,707	\$ 7,830,377	\$ 380,330
RPTA Overhead	455,555	409,096	46,459
Transportation Contractors Labor & Materials	9,056,792	9,106,513	(49,721)
Fare Inspection & Security	3,018,516	2,871,528	146,988
Propulsion Power	2,282,812	2,155,120	127,692
Vehicle Maintenance Contractor Labor & Materials	1,184,549	1,269,112	(84,563)
Systems & Facilities Maintenance Contractors	1,811,530	1,724,315	87,215
SFM Material / Supplies / Other Direct Costs	771,443	1,083,410	(311,967)
Utilities	1,379,606	1,313,828	65,778
General & Administrative Costs	2,382,264	2,081,983	300,281
Consultants	270,650	234,022	36,628
Liability Insurance	1,724,609	1,732,224	(7,615)
Contingency Reserve	432,077	345,847	86,230
LRT project capital outlay	173,400	403,100	(229,700)
	<u>\$ 33,154,510</u>	<u>\$ 32,560,475</u>	<u>\$ 594,035</u>
<b>Allocation of Operating Costs</b>			
Phoenix			
Base Costs	\$ 20,215,225	\$ 19,865,035	\$ 350,189
Regional Security	1,659,632	1,619,154	40,479
	65.979%	21,874,857	21,484,189
Less Fares,Advertising & Fed PM Distributed	(10,346,092)	(12,258,260)	1,912,168
<b>Phoenix Net Contribution</b>	<b>\$ 11,528,765</b>	<b>\$ 9,225,929</b>	<b>\$ 2,302,836</b>
Tempe			
Base Costs	\$ 8,447,119	\$ 8,300,789	\$ 146,330
Regional Security	693,493	676,578	16,914
Local Security	472,798	462,901	9,897
	28.996%	9,613,410	9,440,268
Less Fares,Advertising & Fed PM Distributed	(4,686,548)	(5,569,640)	883,092
<b>Tempe Net Contribution</b>	<b>\$ 4,926,862</b>	<b>\$ 3,870,629</b>	<b>\$ 1,056,233</b>
Mesa			
Base Costs	\$ 1,473,650	\$ 1,448,122	\$ 25,528
Regional Security	120,984	118,033	2,951
Local Security	71,609	69,862	1,747
	5.026%	1,666,243	1,636,017
Less Fares,Advertising & Fed PM Distributed	(1,326,990)	(1,493,111)	166,121
<b>Mesa Net Contribution</b>	<b>\$ 339,253</b>	<b>\$ 142,907</b>	<b>\$ 196,346</b>
<b>Total Operating Costs</b>	<b>\$ 33,154,510</b>	<b>\$ 32,560,475</b>	<b>\$ 594,035</b>



*FY15 Adopted Future Project Development Budget*

	<b>FY15 Adopted Budget</b>	<b>FY14 Amended Budget</b>	<b>Amount Increase/ (Decrease)</b>
<b>Sources of Funds</b>			
FTA - Section 5339 AA	\$ 13,000	\$ 560,000	\$ (547,000)
Peoria	-	55,000	(55,000)
Phoenix	3,000	140,000	(137,000)
Mesa	-	450,000	(450,000)
MAG	500,000	500,000	-
RPTA (RARF/Other)	500,000	650,000	(150,000)
PTF Revenue Sales Tax	7,427,752	7,556,771	(129,019)
CMAQ	-	240,000	(240,000)
	<u>\$ 8,443,752</u>	<u>\$ 10,151,771</u>	<u>\$ (1,708,019)</u>
<b>Expenditures</b>			
Salaries and Fringe Benefits	\$ 2,246,955	\$ 2,406,604	\$ (159,649)
RPTA Overhead	192,187	125,970	66,217
Consulting COP Liaison	125,000	75,000	50,000
Consultants - PM/CM	75,000	350,000	(275,000)
Consultants - Planning Support	2,445,000	2,535,000	(90,000)
Consultants - Design & Construction Support	-	200,000	(200,000)
Consultants - Other	123,797	323,040	(199,243)
Consultants - Planning/Environmental	1,700,000	2,725,000	(1,025,000)
Advertising	1,000	11,500	(10,500)
Printing	31,250	31,750	(500)
Postage	31,000	38,500	(7,500)
Public meetings & information	18,000	21,000	(3,000)
Other direct expenditures	21,500	10,250	11,250
Local meetings & mileage	2,700	4,000	(1,300)
Business Travel	24,900	24,700	200
LRT project capital outlay	5,000	47,550	(42,550)
Agency Overhead Allocation	1,400,463	1,221,907	178,556
	<u>\$ 8,443,752</u>	<u>\$ 10,151,771</u>	<u>\$ (1,708,019)</u>

\* West Phoenix/Glendale Corridor Alternatives Analysis is anticipated to be funded with PTF (\$700,000)

\* Capital I-10 West Environmental Assessment to be funded with PTF (\$1M)

\* Northeast Corridor feasibility study to be funded with by PTF (\$300,000)

\* Tempe Streetcar EA/PE to be funded with PTF (\$1M)

Note: Future Project Development includes expenditures funded by the Public Transportation Fund for the development of capital projects as listed in the Regional Transportation Plan. These expenditures include environmental and alternatives analysis studies necessary to qualify the capital projects for federal funding.



*FY15 Adopted Agency Operating Budget*

	<b>FY15 Adopted Budget</b>	<b>FY14 Amended Budget</b>	<b>Amount Increase/ (Decrease)</b>
<b>Sources of Funds</b>			
Chandler	\$ 27,834	\$ 25,257	\$ 2,577
Glendale	27,834	25,257	2,577
Mesa	129,893	105,239	24,654
Phoenix	463,902	420,956	42,946
Tempe	278,341	265,202	13,139
	<u>\$ 927,804</u>	<u>\$ 841,911</u>	<u>\$ 85,893</u>
<b>Expenditures</b>			
Salaries and Fringe Benefits	\$ 358,567	\$ 338,795	\$ 19,772
RPTA Overhead	28,635	17,733	10,902
Consultants - Other	130,000	130,000	-
Conferences	12,825	11,000	1,825
Business Travel	33,200	20,000	13,200
Advertising	250	250	-
Printing	1,500	4,000	(2,500)
Postage	-	4,250	(4,250)
Public meetings & information	64,317	62,500	1,817
Other direct expenditures	53,850	44,550	9,300
LRT audit and accounting costs	36,000	36,000	-
Agency Overhead Allocation	208,660	172,833	35,827
	<u>\$ 927,804</u>	<u>\$ 841,911</u>	<u>\$ 85,893</u>

Note: The Cities of Chandler and Glendale contribute \$50,000 each annually to METRO. \$27,834 is applied to Agency Operating funds and the balance of the funds are held by METRO for future project studies to be used when requested by the Member City.



*FY15 Adopted Agency Overhead Allocation*

	<b>FY15 Adopted Budget</b>	<b>FY14 Amended Budget</b>	<b>Amount Increase/ (Decrease)</b>
<b>Allocation of Costs</b>			
Agency Overhead Allocation:			
Revenue Operations	\$ 610,604	\$ 454,108	\$ 156,496
Northwest Extension	346,944	379,755	(32,811)
Central Mesa	300,864	304,064	(3,200)
Tempe South	190,238	155,555	34,683
Gilbert Road	255,963	96,477	159,486
Agency Operating	208,660	172,833	35,827
Future Projects	1,400,463	1,221,907	178,556
NPR Utilities	25,728	17,858	7,870
Systemwide Improvements	62,299	36,799	25,500
	<u>\$ 3,515,134</u>	<u>\$ 2,839,356</u>	<u>\$ 675,778</u>
<b>Expenditures</b>			
Salaries & Fringes	\$ 1,068,792	\$ 912,267	\$ 156,525
RPTA Overhead	92,568	47,751	44,817
Relocation Expenses	5,000	-	5,000
Building Rent	1,481,538	1,447,125	34,413
Building Rent Sublease	(622,246)	(581,450)	(40,796)
IT Services and Consultants	179,120	22,988	156,132
Equipment Leases	45,181	55,594	(10,413)
Equipment Maintenance	24,576	30,241	(5,664)
Office Supplies	65,832	81,005	(15,173)
Telecommunication Services	36,701	45,160	(8,459)
Employee Development	273,550	191,525	82,025
Vehicle Related	12,250	19,250	(7,000)
Other Office Expense	24,800	4,000	20,800
LRT project capital outlay	827,472	563,900	263,572
	<u>\$ 3,515,134</u>	<u>\$ 2,839,356</u>	<u>\$ 675,778</u>



*FY15 Adopted Northwest Extension Phase I Budget*

	<b>FY15 Adopted Budget</b>	<b>FY14 Amended Budget</b>	<b>Amount Increase/ (Decrease)</b>
<b>Sources of Funds</b>			
PTF Revenue Bonds	\$ 43,792,667	\$ 55,703,190	\$ (11,910,522)
PTF Revenue Sales Tax	31,700,000	-	31,700,000
Phoenix NWX Advance	-	22,085,481	(22,085,481)
	<u>\$ 75,492,667</u>	<u>\$ 77,788,670</u>	<u>\$ (2,296,003)</u>
<b>Expenditures</b>			
Salaries and Fringe Benefits	\$ 590,095	\$ 785,118	\$ (195,023)
RPTA Overhead	51,108	41,095	10,013
Consulting COP Liaison	25,000	50,000	(25,000)
Consultants - PM/CM	2,162,507	2,063,109	99,398
Consultants - Planning Support	54,000	25,000	29,000
Consultants - Design & Construction Support	50,000	-	50,000
Contractor - CM At Risk	57,181,225	55,866,846	1,314,379
City management & administration	4,000,000	7,282,089	(3,282,089)
Consultants - Engineering	900,000	1,143,062	(243,062)
Consultants - Art Design	441,373	741,891	(300,518)
Consultants - Other	394,640	505,189	(110,549)
Business Assistance	150,000	67,758	82,242
Real estate acquisition	5,420,311	6,000,000	(579,689)
Community Advisory Board	120,000	120,000	-
Advertising	1,000	46,492	(45,492)
Printing	30,400	47,000	(16,600)
Postage	8,185	7,500	685
Public meetings & information	8,000	10,000	(2,000)
Other direct expenditures	62,468	18,612	43,856
LRT project office expense	29,200	22,200	7,000
Local meetings & mileage	3,511	12,500	(8,989)
LRT project capital outlay	62,700	161,500	(98,800)
Agency Overhead Allocation	346,944	379,755	(32,811)
	<u>\$ 75,492,667</u>	<u>\$ 77,788,670</u>	<u>\$ (2,296,003)</u>

*FY15 Northwest Extension - Concurrent Non-Project Activities (CNPA) Budget*

	<b>FY15 Adopted Budget</b>	<b>FY14 Amended Budget</b>	<b>Amount Increase/ (Decrease)</b>
<b>Sources of Funds</b>			
Phoenix-WSD	\$ 4,011,480	\$ 1,500,000	\$ 2,511,480
	<u>\$ 4,011,480</u>	<u>\$ 1,500,000</u>	<u>\$ 2,511,480</u>
<b>Expenditures</b>			
Contractor - Design Build	\$ 4,011,480	\$ 1,500,000	\$ 2,511,480
	<u>\$ 4,011,480</u>	<u>\$ 1,500,000</u>	<u>\$ 2,511,480</u>



*FY15 Adopted Central Mesa HCT Capital Project*

	<b>FY15 Adopted Budget</b>	<b>FY14 Amended Budget</b>	<b>Amount Increase/ (Decrease)</b>
<b>Sources of Funds</b>			
PTF Revenue Bonds	\$ 9,397,238	\$ 32,085,599	\$ (22,688,361)
FTA Section 5309	28,168,000	32,188,699	(4,020,699)
CMAQ	20,883,000	13,115,872	7,767,128
	<u>\$ 58,448,238</u>	<u>\$ 77,390,171</u>	<u>\$ (18,941,933)</u>
<b>Expenditures</b>			
Salaries and Fringe Benefits	\$ 549,754	\$ 665,011	\$ (115,257)
Consultants - PM/CM	2,802,136	2,730,984	71,152
Consultants - Planning Support	29,000	-	29,000
Consultants - Design & Construction Support	136,000	321,878	(185,878)
Contractor - Design Build	48,665,853	53,066,970	(4,401,117)
City management & administration	1,277,034	1,104,734	172,300
Consultants - General/Final Engineering	170,000	1,144,180	(974,180)
Consultants - Art Design	187,870	837,500	(649,630)
Real estate acquisition	-	13,390,834	(13,390,834)
Business Assistance	150,000	70,720	79,280
Advertising	3,193	48,530	(45,337)
Printing	9,876	8,000	1,876
Postage	6,000	8,000	(2,000)
Public meetings & information	4,000	5,000	(1,000)
Other direct expenditures	36,505	17,700	18,805
LRT project office expense	146,080	125,180	20,900
Local meetings & mileage	5,950	4,000	1,950
Business Travel	5,200	-	5,200
Vehicle Related Expense	15,000	7,500	7,500
LRT project capital outlay	18,000	36,700	(18,700)
Agency Overhead Allocation	300,864	304,064	(3,200)
	<u>\$ 58,448,238</u>	<u>\$ 77,390,171</u>	<u>\$ (18,941,933)</u>

*FY15 Mesa Extension - Concurrent Non-Project  
Activities (CNPA) Budget*

	<b>FY15 Adopted Budget</b>	<b>FY14 Amended Budget</b>	<b>Amount Increase/ (Decrease)</b>
<b>Sources of Funds</b>			
Mesa	\$ 2,045,216	\$ 3,165,248	\$ (1,120,032)
	<u>\$ 2,045,216</u>	<u>\$ 3,165,248</u>	<u>\$ (1,120,032)</u>
<b>Expenditures</b>			
Contractor - Design Build	\$ 2,045,216	\$ 3,165,248	\$ (1,120,032)
	<u>\$ 2,045,216</u>	<u>\$ 3,165,248</u>	<u>\$ (1,120,032)</u>



*FY15 Adopted Gilbert Road Capital Project*

	<b>FY15 Adopted Budget</b>	<b>FY14 Amended Budget</b>	<b>Amount Increase/ (Decrease)</b>
<b>Sources of Funds</b>			
Trans Project Advance Notes	\$ 5,996,075	\$ -	\$ 5,996,075
Mesa	235,000	102,617	132,383
CMAQ	3,900,000	1,697,684	2,202,316
	<u>\$ 10,131,075</u>	<u>\$ 1,800,301</u>	<u>\$ 8,330,774</u>
<b>Expenditures</b>			
Salaries and Fringe Benefits	\$ 411,944	\$ 78,799	\$ 333,145
RPTA Overhead	35,678	4,125	31,553
Consultants - PM/CM	1,000,000	250,000	750,000
Consultants - Planning Support	75,000	-	75,000
Consultants - Design & Construction Support	4,000,000	291,667	3,708,333
City management & administration	200,000	83,333	116,667
Consultants - Art Design	160,000	66,667	93,333
Consultants - Other	524,390	47,795	476,595
Real estate acquisition	1,450,000	604,167	845,833
Business Assistance	150,000	-	150,000
Light Rail Vehicles	1,550,000	-	1,550,000
Community Advisory Board	100,000	-	100,000
Advertising	2,000	4,167	(2,167)
Printing	19,000	20,833	(1,833)
Postage	11,500	7,292	4,208
Public meetings & information	6,000	2,917	3,083
Other direct expenditures	2,400	167,188	(164,788)
LRT project office expense	100,000	41,667	58,333
Local meetings & mileage	5,300	1,458	3,842
Business Travel	5,200	1,667	3,533
LRT project capital outlay	66,700	30,083	36,617
Agency Overhead Allocation	255,963	96,477	159,486
	<u>\$ 10,131,075</u>	<u>\$ 1,800,301</u>	<u>\$ 8,330,774</u>



*FY15 Adopted Tempe Streetcar HCT Capital Project*

	<b>FY15 Adopted Budget</b>	<b>FY14 Amended Budget</b>	<b>Amount Increase/ (Decrease)</b>
<b>Sources of Funds</b>			
PTF Revenue Sales Tax	\$ 1,051,390	\$ 102,179	\$ 949,210
CMAQ	4,205,559	408,718	3,796,841
	<u>\$ 5,256,949</u>	<u>\$ 510,897</u>	<u>\$ 4,746,052</u>
<b>Expenditures</b>			
Salaries and Fringe Benefits	\$ 357,015	\$ 252,573	\$ 104,442
RPTA Overhead	30,921	15,736	15,185
Consultants - PM/CM	1,212,000	-	1,212,000
Consultants - Design & Construction Support	360,000	-	360,000
Contractor - Design Build	1,005,125	-	1,005,125
City management & administration	200,000	-	200,000
Consultants - Art Design	75,000	-	75,000
Consultants - Other (7200)	256,000	87,033	168,967
Consultants - Planning/Environmental/PE	775,000	-	775,000
Real estate acquisition	250,000	-	250,000
Business Assistance	150,000	-	150,000
Community Advisory Board	100,000	-	100,000
Business Travel	1,200	-	1,200
Other direct expenditures	294,450	-	294,450
Agency Overhead Allocation	190,238	155,555	34,683
	<u>\$ 5,256,949</u>	<u>\$ 510,897</u>	<u>\$ 4,746,052</u>



*FY15 Adopted Phoenix West Capital Project*

	<b>FY15 Adopted Budget</b>	<b>FY14 Amended Budget</b>	<b>Amount Increase/ (Decrease)</b>
<b>Sources of Funds</b>			
PTF Revenue Sales Tax	\$ 83,050	\$ -	\$ 83,050
CMAQ	332,201	-	332,201
	<u>\$ 415,252</u>	<u>\$ -</u>	<u>\$ 332,201</u>
<b>Expenditures</b>			
Salaries and Fringe Benefits	\$ 197,569	\$ -	\$ 197,569
RPTA Overhead	17,111	-	17,111
Consultants - Other	75,000	-	75,000
Printing	3,000	-	3,000
Postage	4,000	-	4,000
Public meetings & information	4,000	-	4,000
Local meetings & mileage	1,200	-	1,200
Agency Overhead Allocation	113,372	-	113,372
	<u>\$ 415,252</u>	<u>\$ -</u>	<u>\$ 415,252</u>

*FY 2015 Adopted Non-Prior Rights Utilities Relocation Budget*

	<b>FY15 Adopted Budget</b>	<b>FY14 Amended Budget</b>	<b>Amount Increase/ (Decrease)</b>
<b>Sources of Funds</b>			
TPAN	\$ 2,004,000	\$ -	\$ 2,004,000
PTF Revenue Sales Tax	11,751,152	13,981,644	(2,230,492)
	<u>\$ 13,755,152</u>	<u>\$ 13,981,644</u>	<u>\$ (226,492)</u>
<b>Expenditures</b>			
Salaries and Fringe Benefits	\$ 40,766	\$ 35,006	\$ 5,760
RPTA Overhead	3,530	1,833	1,697
Tempe Streetcar NPR Utilities	1,500,000	999,500	500,500
Mesa Extension NPR Utilities	5,016,000	2,594,226	2,421,774
Northwest Extension NPR Utilities	5,165,128	10,333,221	(5,168,093)
Gilbert Rd Extension NPR Utilities	2,004,000	-	2,004,000
Agency Overhead Allocation	25,728	17,858	7,870
	<u>\$ 13,755,152</u>	<u>\$ 13,981,644</u>	<u>\$ (226,492)</u>



*FY 2015 Adopted Systemwide Improvements*

	<b>FY15 Adopted Budget</b>	<b>FY14 Amended Budget</b>	<b>Amount Increase/ (Decrease)</b>
<b>Sources of Funds</b>			
City of Phoenix T 2000	\$ -	\$ (12,185,572)	\$ 12,185,572
Federal 5337 SOGR	340,000	-	340,000
PTF Revenue Sales Tax	4,002,930	31,066,786	(27,063,856)
TIGGER Federal Grant	2,555,000	2,715,000	(160,000)
	<u>\$ 6,897,930</u>	<u>\$ 21,596,214</u>	<u>\$ (14,698,284)</u>
<b>Expenditures</b>			
Salaries and Fringe Benefits	\$ 159,920	\$ 131,035	\$ 28,885
RPTA Overhead	13,851	6,859	6,992
Consultants - Planning Support	-	25,000	(25,000)
Consultants - Design & Construction Support	-	125,000	(125,000)
Solar Canopy Project	3,420,000	3,332,106	87,894
Consultants - Other	9,500	-	9,500
14 Light Rail Vehicles - Interest	-	15,897,405	(15,897,405)
Systemwide Capital	3,232,360	2,042,010	1,190,350
Agency Overhead Allocation	62,299	36,799	25,500
	<u>\$ 6,897,930</u>	<u>\$ 21,596,214</u>	<u>\$ (14,698,284)</u>

*FY 2015 Adopted Scheduled Capital Debt Service*

	<b>FY15 Adopted Budget</b>	<b>FY14 Amended Budget</b>	<b>Amount Increase/ (Decrease)</b>
<b>Sources of Funds</b>			
PTF Revenue Sales Tax	\$ 19,361,105	\$ 7,488,221	\$ 11,872,884
	<u>\$ 19,361,105</u>	<u>\$ 7,488,221</u>	<u>\$ 11,872,884</u>
<b>Expenditures</b>			
Debt Service - Interest	\$ 8,119,661	\$ 4,508,221	\$ 3,611,440
Debt Service -Principal	11,241,444	2,980,000	8,261,444
	<u>\$ 19,361,105</u>	<u>\$ 7,488,221</u>	<u>\$ 11,872,884</u>

\*Debt Service is shown in the METRO budget for information only. The Debt Service budget is developed and included within the RPTA budget. The table above represents the combined interest and principal amounts due for PTF Bond issuance to support Capital Rail projects.



**Funds Flow Fiscal Year 2015**

**\$Thousands**

	Adopted Funds Flow - Fiscal Year 2015 (\$ Thousands)							
<b>Funding Sources</b>	<b>Central Mesa</b>	<b>Northwest Extension</b>	<b>Tempe Streetcar</b>	<b>Gilbert Road</b>	<b>Phoenix West</b>	<b>Other Capital</b>	<b>Operations &amp; Proj. Dev.</b>	<b>Total Funding</b>
Fare Revenue:								
Phoenix	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,336	\$ 8,336
Tempe							3,847	\$ 3,847
Mesa							1,180	\$ 1,180
Advertising Revenue:								
Phoenix							570	\$ 570
Tempe							238	\$ 238
Mesa							42	\$ 42
Phoenix						4,011	11,996	\$ 16,007
Tempe							5,205	\$ 5,205
Mesa				235		2,045	469	\$ 2,749
Glendale							28	\$ 28
Chandler							28	\$ 28
Trans Project Advance Notes				5,996		2,004		\$ 8,000
Federal 5309	28,168							\$ 28,168
Federal 5337 SOGR						340		\$ 340
Federal 5339							13	\$ 13
Federal CMAQ	20,883		4,206	3,900	332			\$ 29,321
Federal 5307 PM							2,147	\$ 2,147
Federal TIGGER						2,555		\$ 2,555
Regional PTF Sales Tax		31,700				83	15,754	\$ 54,965
Regional PTF Revenue Bonds	9,397	43,793	1,051					\$ 54,241
RPTA							500	\$ 500
MAG Arranged Funding							500	\$ 500
<b>TOTAL FUNDING</b>	<b>\$ 58,448</b>	<b>\$ 75,493</b>	<b>\$ 5,257</b>	<b>\$ 10,131</b>	<b>\$ 415</b>	<b>\$ 26,709</b>	<b>\$ 42,527</b>	<b>\$ 218,980</b>



**Five – Year Operating Forecast and Capital Program**

**FY 2015 – FY 2019**

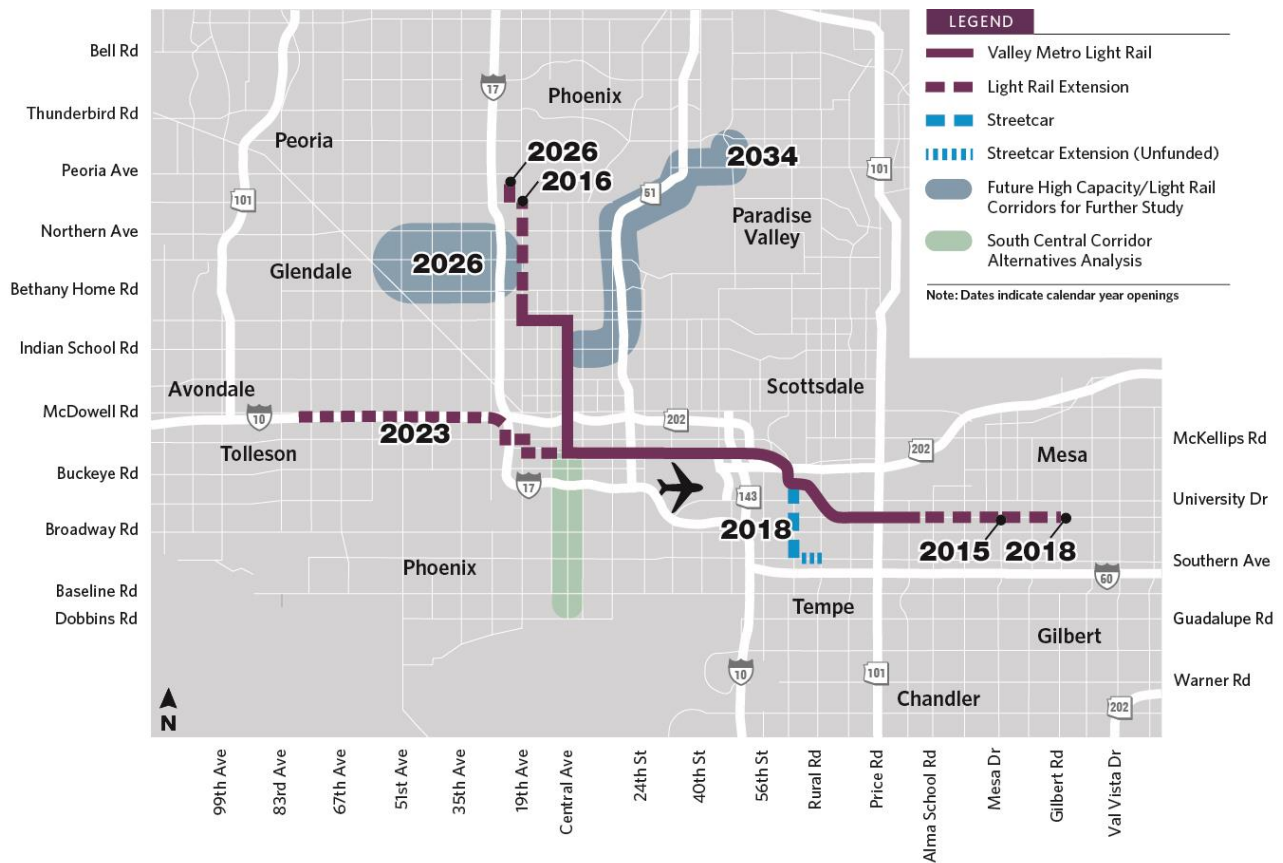


## METRO SERVICES

METRO was formed to plan, design, construct, and operate the METRO Light Rail Transit System. The Approved Light Rail Alignment (the initial 20-mile segment) was completed on time and commenced serving passengers in Phoenix, Tempe, and Mesa in December 2008. An additional 40 miles of High Capacity Transit, to be funded by local taxes, Proposition 400 revenues, and Federal Funds, is planned for future years. See “Future Projects” for further information.

## TRANSIT CORRIDORS

### HIGH CAPACITY/LIGHT RAIL





## **METRO SERVICES (continued)**

**Operations & Maintenance:** METRO is responsible for overseeing the day-to-day operations of the METRO system with the ultimate goal of providing a safe, reliable and customer focused transit system.

In December of 2008, revenue operations began and METRO commenced comprehensive management of rail passenger services including safety, security, public information and marketing, risk management, fare collection, finance, transportation service delivery and LRT systems maintenance. METRO is self-performing core systems maintenance including track, power, signals and communication systems.

During FY 2011, METRO staff analyzed the delivery of maintenance and transportation services to ensure they are being delivered in a way that focuses on the customer and is efficient from a cost perspective. As a result of that analysis, METRO has transitioned performance of vehicle maintenance from contracted to in-house staff. METRO will continue to manage contracted services for transportation operations and facilities maintenance, while maintaining system maintenance in-house. The transition of vehicle maintenance began in January 2012.

**Planning and Development:** The proposed high capacity/light rail transit system will include over 60 miles of service in four cities within the next 17 years. Before any specific transit corridor is initiated, METRO will study and configure the system to better understand how corridors connect, determine facility requirements, and define operating parameters. System planning is the first step in developing the high capacity transit network. It is followed by the corridor planning for individual corridors. Once technologies and alignments are determined in each corridor, proposed engineering is engaged.

A key objective during project development is to define all aspects of each high capacity transit corridor project, identify the appropriate transit technology, the alignment, stations, park-and-rides, maintenance facilities, traction power substations, and bus interface. METRO staff is committed to working closely with policy makers, public agencies, businesses, community stakeholders, utility companies to assure an early and complete understanding of their needs and issues, before design begins. METRO is responsible to assure that adequate funding is in place to implement, maintain and operate the light rail program. METRO staff works closely with federal, state, regional and local agencies that provide present and future funding for the light rail system. METRO, in coordination with all affected agencies, annually updates the HCT element of the Transit Life Cycle Program, which defines light rail projects, funding, and schedule.



Finally, METRO assists with light rail station area planning by actively engaging to support member cities' efforts to facilitate Transit Oriented Development (TOD).

**Design and Construction:** METRO is responsible for the design and construction of the regional rail transit system. Efforts include design for guideway, passenger stations, LRV traction power, signals and communications systems and maintenance facilities. METRO coordinates right-of-way acquisitions and public and private utility relocations to make way for construction.

Construction contract specifications are developed and competitive procurements executed. Construction is managed to meet planned budget and schedule requirements. Emphasis is placed on delivering a high quality product focused on meeting the long-term needs to operate and maintain systems for rail passenger services.



## Five-Year Plan Summary

### Uses of Funds:

The cumulative uses of funds, FY 2015 through FY 2019, are summarized as follows:

<b><u>Uses of Funds Five Year Total</u></b>	<b><u>(\$,000)</u></b>
LRT Operations & Maintenance	\$ 203,283
Project Development Planning	34,712
Agency Operating Budget	4,916
<b>Subtotal - Operations and Project Development</b>	<b>242,911</b>
Northwest Extension Phase 1	101,667
Central Mesa	64,685
Gilbert Rd	139,856
Tempe Streetcar	126,194
Phx West	170,626
CNPA Projects	8,794
Non-Prior Rights Utilities	56,670
Systemwide Improvements	23,711
<b>Subtotal - Capital</b>	<b>692,204</b>
<b>Total Uses</b>	<b>\$ 935,115</b>



**Sources of Funds:**

The cumulative sources of funds, FY 2015 through FY 2019, are summarized as follows:

<b><u>Sources of Funds Five Year Total</u></b>	<b><u>(\$,000)</u></b>
LRT Fares	\$ 81,878
Advertising	4,513
Member City Contributions:	
Phoenix	15,540
Tempe	28,455
Mesa	19,972
Glendale	137
Chandler	137
Regional Funding:	
MAG / RPTA	5,000
PTF Sales Tax Revenue	193,963
PTF (Reserve) / Borrowing	129,167
State Funding:	
TPAN	143,654
Federal Funding:	
FTA Section 5309	185,276
FTA Section 5339 AA	486
CMAQ	113,553
Federal 5307 PM	6,716
Federal 5337 SOGR	4,112
Other Federal	2,555
<b>Total Sources</b>	<b>\$ 935,115</b>



**Table 1–Five-Year Capital Program and Operating Forecast Summary (\$000)**

	2015	2016	2017	2018	2019	Cumulative 2015 - 2019
<b>USES OF FUNDS</b>						
LRT Operations & Maintenance	\$ 33,155	\$ 36,287	\$ 41,495	\$ 43,153	\$ 49,194	\$ 203,283
Project Development Planning	8,444	7,690	5,758	6,687	6,134	34,712
Agency Operating Budget	928	954	982	1,011	1,041	4,916
<b>Subtotal - Operations and Proj Dev</b>	<b>42,527</b>	<b>44,931</b>	<b>48,235</b>	<b>50,851</b>	<b>56,369</b>	<b>242,911</b>
Northwest Extension Phase 1	75,493	24,067	2,107	-	-	101,667
Central Mesa	58,448	6,237	-	-	-	64,685
Gilbert Rd	10,131	49,611	40,939	39,175	-	139,856
Tempe Streetcar	5,257	40,117	63,482	17,338	-	126,194
Phx West	415	8,708	33,985	43,240	84,278	170,626
CNPA Projects	6,056	2,738	-	-	-	8,794
Non-Prior Rights Utilities	13,755	10,368	2,616	12,622	17,309	56,670
Systemwide Improvements	6,898	5,467	3,725	4,144	3,478	23,711
<b>Subtotal - Capital</b>	<b>176,453</b>	<b>147,313</b>	<b>146,854</b>	<b>116,519</b>	<b>105,065</b>	<b>692,204</b>
<b>Total Uses</b>	<b>\$ 218,980</b>	<b>\$ 192,244</b>	<b>\$ 195,089</b>	<b>\$ 167,370</b>	<b>\$ 161,434</b>	<b>\$ 935,115</b>
<b>SOURCES OF FUNDS</b>						
Phoenix	\$ 16,007	\$ 15,077	\$ (45,744)	\$ 15,429	\$ 14,771	\$ 15,540
Tempe	5,205	5,210	4,888	5,288	7,864	28,455
Mesa	2,749	3,003	3,547	3,837	6,836	19,972
Glendale	28	29	29	30	21	137
Chandler	28	29	29	30	21	137
MAG / RPTA	1,000	1,000	1,000	1,000	1,000	5,000
<b>Subtotal</b>	<b>25,017</b>	<b>24,348</b>	<b>(36,250)</b>	<b>25,615</b>	<b>30,513</b>	<b>69,241</b>
PTF Sales Tax Revenue	43,458	43,591	32,282	36,165	38,467	193,963
PTF (Reserve) / Borrowing	65,749	15,038	78,207	(8,422)	(21,405)	129,167
TPAN Funds	8,000	54,899	41,580	39,175	-	143,654
LRT Fares	13,363	14,625	17,714	17,509	18,667	81,878
Advertising	850	876	902	929	957	4,514
FTA Section 5309	28,168	20,677	27,230	35,768	73,433	185,276
FTA Section 5339 AA	13	44	129	122	178	486
CMAQ	29,321	16,675	31,821	19,036	16,700	113,553
Federal 5307 PM	2,147	1,143	1,143	1,142	1,142	6,717
Federal 5337 SOGR	340	330	330	330	2,782	4,112
Other Federal	2,555	-	-	-	-	2,555
<b>Subtotal</b>	<b>62,543</b>	<b>38,869</b>	<b>60,653</b>	<b>56,399</b>	<b>94,235</b>	<b>312,699</b>
<b>Total Sources</b>	<b>\$ 218,980</b>	<b>\$ 192,244</b>	<b>\$ 195,089</b>	<b>\$ 167,370</b>	<b>\$ 161,434</b>	<b>\$ 935,115</b>

Note: Negative sources of funds reflect reimbursements to City of Phoenix for the Northwest Extension Advance (source of funding is Public Transportation Fund).



## Five-Year Operating Forecast

The **Operations & Maintenance** (O&M) costs are projected based on current cost history with a general inflation escalation factor of 3.0%. Anticipated structural changes to staffing, contract and materials expenses are forecasted to meet customer demand and maintain the system in a state of good repair.

System-wide and specific corridor LRT **Project Development Planning** activities are included in the operating budget. Once a project has been approved for proposed engineering, the costs are thereafter capital in nature.

**Agency Operating** costs include those costs not directly allocable to capital projects or to passenger operations. Included are costs of annual audit, federal and state legislative representation, and memberships to transportation related organizations.

**Five-Year Operating Uses and Sources of Funds:** Operating costs and funding planned for the FY 2015 through FY 2019 planning horizon are summarized as follows (See Table 2, Five-Year Operating Forecast):

<b>Uses of Funds - Operating Budget</b>	<b>(\$,000)</b>
Operations & Maintenance	\$ 203,283
Project Development Planning Support	34,712
Agency Operating Budget	4,916
<b>Total Uses</b>	<b>\$ 242,911</b>
<b>Sources of Funds - Operating Budget</b>	<b>(\$,000)</b>
Fare Revenues	\$ 81,877
Advertising	4,513
Member Support	
Phoenix	68,791
Tempe	28,455
Mesa	17,692
Glendale	137
Chandler	137
<b>Subtotal</b>	<b>115,212</b>
Capital Planning Funds - PTF	29,105
Federal 5307 PM	6,718
FTA 5339 AA	486
RPTA/MAG/ CMAQ / STP	5,000
<b>Total Sources</b>	<b>\$ 242,911</b>



**Table 2 – Five-Year Operating Forecast**

-----Year of Expenditure (\$,000) -----

	2015	2016	2017	2018	2019	TOTAL
<b>USES OF FUNDS</b>						
Operations and Maintenance	\$ 33,155	\$ 36,287	\$ 41,495	\$ 43,153	\$ 49,194	\$ 203,283
Project Development Planning Support	8,444	7,690	5,758	6,687	6,134	34,712
Agency Operating Budget	928	954	982	1,011	1,041	4,916
<b>Total Uses</b>	<b>42,527</b>	<b>44,931</b>	<b>48,235</b>	<b>50,851</b>	<b>56,369</b>	<b>242,911</b>
<b>SOURCES OF FUNDS</b>						
<b>LRT Fares:</b>						
Phoenix	8,336	8,823	11,192	11,062	11,226	50,638
Tempe	3,847	3,687	3,776	3,732	4,556	19,597
Mesa	1,180	2,115	2,747	2,715	2,885	11,642
<b>Subtotal Fares</b>	<b>13,363</b>	<b>14,625</b>	<b>17,714</b>	<b>17,509</b>	<b>18,667</b>	<b>81,877</b>
<b>Other Revenues:</b>						
Phoenix	11,996	12,339	14,256	15,429	14,771	68,791
Tempe	5,205	5,210	4,888	5,288	7,864	28,455
Mesa	469	3,003	3,547	3,837	6,836	17,692
Glendale	28	29	29	30	21	137
Chandler	28	29	29	30	21	137
Advertising	850	876	902	929	957	4,513
<b>Subtotal Local Revenues</b>	<b>18,576</b>	<b>21,485</b>	<b>23,652</b>	<b>25,543</b>	<b>30,470</b>	<b>119,725</b>
<b>Capital Planning Funds - PTF</b>	<b>7,428</b>	<b>6,635</b>	<b>4,597</b>	<b>5,534</b>	<b>4,912</b>	<b>29,105</b>
MAG	500	500	500	500	500	2,500
RPTA	500	500	500	500	500	2,500
Federal 5307 PM	2,147	1,143	1,143	1,142	1,142	6,718
FTA 5339 AA	13	44	129	122	178	486
<b>Total Sources</b>	<b>\$ 42,527</b>	<b>\$ 44,931</b>	<b>\$ 48,235</b>	<b>\$ 50,851</b>	<b>\$ 56,369</b>	<b>\$ 242,911</b>

**5-Year Operating Assumptions:**

- Central Mesa Extension opens revenue service in October 2015
- Northwest Phase I opens revenue service in July 2016
- Gilbert Rd opens revenue service in October 2018
- Tempe Streetcar opens revenue service in July 2018





**Table 3 – Rail Operations and Maintenance Cost Forecast FY 2015 through 2019**

-----Year of Expenditure Dollars -----

Annual Cost Projection	Extended Cost	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
<b>Transportation</b>						
Labor and Materials	\$ 9,056,792					
Labor - Fare Inspection & Security	3,018,516					
Propulsion Power	2,282,812					
Emergency Contingency (Bus Bridges, etc.)	-					
<b>Transportation Total</b>		\$ 14,358,119	\$ 16,116,873	\$ 18,880,130	\$ 19,446,534	\$ 23,440,881
<b>Vehicle Maintenance</b>						
METRO LRVN Labor	\$ 4,237,179		4,569,549	5,058,988	5,210,757	5,367,080
LRVN Parts and Materials	1,005,025		1,159,397	1,407,425	1,449,648	1,493,138
Major PM Activities-Non-Capital	509,524		97,779	204,500	570,141	260,730
Maintenance Other / Insurance - Accident Recoveries	(330,000)		(380,688)	(462,128)	(475,992)	(490,272)
<b>Vehicle Maintenance Total</b>		\$ 5,421,729	\$ 5,446,037	\$ 6,208,785	\$ 6,754,554	\$ 7,202,963
<b>Systems and Facilities Maintenance</b>						
Track/Station/Facility Maintenance	\$ 2,437,728					
Traction Power System Maintenance Labor	1,093,446					
Signals/Communications/TVMs Labor	1,438,078					
Material Control/Supplies/Other Direct Costs	1,188,090					
Utilities	1,379,606					
Fare Collection Material & Armored Car	269,520					
Less Transfer TVM Billing to RPTA	(107,971)					
Fare Revenue Handling Fee	283,420					
<b>Systems and Facilities Maintenance Total</b>		\$ 7,981,916	\$ 8,873,512	\$ 9,872,222	\$ 10,222,638	\$ 11,238,930
<b>Administration</b>						
Property and General Liability Insurance	\$ 1,724,609					
VMR Management	1,638,280					
General & Administrative Costs	2,002,780					
Credit for Unfilled Positions	(405,000)					
Contingency Reserve	432,077					
<b>Administration Total</b>		\$ 5,392,746	\$ 5,850,312	\$ 6,533,581	\$ 6,729,589	\$ 7,311,057
<b>TOTAL OPERATING COSTS</b>		\$ 33,154,510	\$ 36,286,733	\$ 41,494,718	\$ 43,153,315	\$ 49,193,831

In FY17, significant cost increases to perform preventative maintenance are scheduled.

In fiscal year 2016 the Central Mesa alignment is forecasted to commence revenue operations (October 2015). The total \$36.2 million operating cost forecast in FY16 is composed of the following components:

- Base 20 mile system \$ 33.9 M
- Central Mesa Extension ( 9 months) \$ 2.4 M

The total \$41.5 million operating cost forecast in FY 17 is composed of the following components:

- Base 20 mile system \$ 34.9 M
- Northwest Extension \$ 3.3 M
- Central Mesa Extension \$ 3.3 M

The total \$43.1 million operating cost forecast in FY 18 is composed of the following components:

- Base 20 mile system \$ 36.3 M
- Northwest Extension \$ 3.4 M
- Central Mesa Extension \$ 3.4 M



The total \$49.2 million operating cost forecast in FY 19 is composed of the following components:

- Base 20 mile system \$ 37.0 M
- Northwest Extension \$ 3.5 M
- Central Mesa Extension \$ 3.5 M
- Gilbert Rd Extension \$ 1.9 M
- Tempe Streetcar \$ 3.3 M

**Table 4 – Rail Operations Fares and Member City Funding FY 2015 to FY 2019**

Fiscal Year	FY 2015 Annual Ridership / Fares			FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
<b>RIDERSHIP</b>				<b>14,216,060</b>	<b>15,557,714</b>	<b>16,530,825</b>	<b>16,338,821</b>	<b>17,419,449</b>
AVG Fare				<b>0.94</b>	<b>0.94</b>	<b>1.07</b>	<b>1.07</b>	<b>1.07</b>
<b>Baseline Rides</b>	<b>Fare Assumption</b>							
Weekday	10,997,055	\$ 0.94	\$ 10,337,232	\$ 10,337,232	\$ 11,312,818	\$ 13,703,275	\$ 13,544,113	\$ 14,439,903
Saturday	1,726,679	0.94	1,623,078	1,623,078	1,776,258	2,151,590	2,126,600	2,267,250
Sunday	1,492,326	0.94	1,402,787	1,402,787	1,535,176	1,859,567	1,837,968	1,959,529
<b>Total Baseline Rides</b>	<b>14,216,060</b>	<b>\$ 0.94</b>	<b>\$ 13,363,096</b>	<b>\$ 13,363,096</b>	<b>\$ 14,624,251</b>	<b>\$ 17,714,432</b>	<b>\$ 17,508,680</b>	<b>\$ 18,666,682</b>
<b>OPERATING REVENUES</b>				<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>
<b>Fare Revenues</b>								
Phoenix	62.38%			\$ 8,336,017	\$ 8,822,583	\$ 11,191,749	\$ 11,061,758	\$ 11,226,068
Tempe	28.79%			3,846,620	3,686,598	3,775,936	3,732,078	4,555,914
Mesa	8.83%			1,180,460	2,115,070	2,746,747	2,714,844	2,884,700
<b>Total Fare Revenues</b>				<b>\$ 13,363,096</b>	<b>\$ 14,624,251</b>	<b>\$ 17,714,432</b>	<b>\$ 17,508,680</b>	<b>\$ 18,666,682</b>
<i>Fare Recovery Ratio</i>				40%	40%	43%	41%	38%
<b>Advertising Revenue</b>								
Phoenix	67.0800%			\$ 850,000	\$ 875,500	\$ 901,765	\$ 928,818	\$ 956,682
Tempe	28.0300%			570,180	528,176	569,723	586,815	575,345
Mesa	4.8900%			238,255	220,703	192,217	197,983	233,494
<b>Federal 5307 PM</b>								
Phoenix	67.0800%			\$ 2,146,533	\$ 1,142,800	\$ 1,142,800	\$ 1,142,800	\$ 1,142,800
Tempe	28.0300%			1,439,894	689,433	722,006	722,006	687,275
Mesa	4.8900%			601,673	288,086	243,595	243,595	278,919
<b>Gross Operating Costs</b>								
Phoenix	64.0593%			\$ 21,874,857	\$ 21,891,221	\$ 26,215,826	\$ 27,263,707	\$ 26,695,102
Tempe	28.0794%			9,613,410	9,147,450	8,844,844	9,198,383	12,661,989
Mesa	4.8677%			1,666,243	5,248,063	6,434,048	6,691,225	9,836,740
<b>Total Operating Costs</b>				<b>\$ 33,154,510</b>	<b>\$ 36,286,733</b>	<b>\$ 41,494,718</b>	<b>\$ 43,153,315</b>	<b>\$ 49,193,831</b>
<b>Member City Funding</b>								
Phoenix				\$ 11,528,766	\$ 11,851,029	\$ 13,732,347	\$ 14,893,127	\$ 14,206,414
Tempe				4,926,862	4,952,062	4,633,097	5,024,728	7,593,662
Mesa				339,253	2,841,091	3,370,276	3,655,162	6,627,592
<b>Total Member City Funding</b>				<b>\$ 16,794,881</b>	<b>\$ 19,644,182</b>	<b>\$ 21,735,721</b>	<b>\$ 23,573,017</b>	<b>\$ 28,427,667</b>
<b>TOTAL OPERATING REVENUE</b>				<b>\$ 33,154,510</b>	<b>\$ 36,286,733</b>	<b>\$ 41,494,718</b>	<b>\$ 43,153,315</b>	<b>\$ 49,193,831</b>

Fare revenue is forecasted to grow from FY 15 through FY 19 with a combination of increased ridership and increased fare structure. Baseline ridership is forecasted to grow by 1% per year. Additional passenger rides are developed in FY 16 through FY 19 with the addition of the Central Mesa, Northwest, Gilbert Road and Tempe Streetcar Extensions.



## Project Development Planning

Project development planning consists of the following subcategories of System Planning and Corridor Planning activities:

- Light rail/high capacity transit system planning.
- Alternatives analysis, environmental analysis, and conceptual engineering for future light rail/high capacity transit corridors.
- Developing and updating LRT design criteria, standards and specification
- Working with the Maricopa Association of Governments and the Regional Public Transportation Authority to participate in their regional transit planning studies and to update regional project programming documents.
- Support of Transit Oriented Development initiatives by Member Cities.
- Development of a comprehensive Geographic Information System (GIS) for the agency.

The projected uses and sources of funds in connection with Capital Project Development over the next five years are summarized as follows:

**Table 5 – Capital Project Development FY 2015 to FY 2019**

----- (YOE \$,000) -----

	2015	2016	2017	2018	2019	Total
<b>USES OF FUNDS</b>						
CPDA	\$ 1,336	\$ 1,376	\$ 1,417	\$ 1,460	\$ 1,504	\$ 7,093
Tempe Streetcar AA / DEA / CE / PD (Pre-NEPA)	1,250	250	-	-	-	1,500
Phoenix West AA / DEIS / CE / Early Action	1,000	1,200	650	300	-	3,150
West Phoenix/Glendale Corridor AA	729	347	138	1,300	850	3,364
Northeast Phoenix AA / DEIS / CE	300	1,000	-	-	-	1,300
South Central	16	55	161	153	222	607
Northwest Phase II	109	-	-	-	-	109
Systems Planning & Project Development	3,704	3,412	3,342	3,424	3,508	17,389
Design Criteria	-	50	50	50	50	200
<b>Total Uses</b>	<b>\$ 8,444</b>	<b>\$ 7,690</b>	<b>\$ 5,758</b>	<b>\$ 6,687</b>	<b>\$ 6,134</b>	<b>\$ 34,712</b>
<b>SOURCES OF FUNDS</b>						
Phoenix	\$ 3	\$ 11	\$ 32	\$ 31	\$ 44	\$ 121
FTA 5339 AA	13	44	129	122	178	486
PTF	7,428	6,635	4,597	5,534	4,912	29,105
RPTA	500	500	500	500	500	2,500
MAG	500	500	500	500	500	2,500
<b>Total Sources</b>	<b>\$ 8,444</b>	<b>\$ 7,690</b>	<b>\$ 5,758</b>	<b>\$ 6,687</b>	<b>\$ 6,134</b>	<b>\$ 34,712</b>



## FIVE-YEAR CAPITAL PROGRAM – FY 2015 THROUGH FY 2019

Capital projects included in the five year program include:

- Northwest Extension – 5 mile alignment in Phoenix with 3.2 mile Phase I proceeding north and terminating in the vicinity of Dunlap and 19<sup>th</sup> Avenue.
- Central Mesa – 3.1 mile alignment extending eastbound to downtown Mesa.
- Gilbert Road Extension- 1.9 mile alignment extending from terminus of Central Mesa extension eastbound to Gilbert Road.
- Tempe Streetcar – 2.6 mile alignment extending southward along Mill Avenue in downtown Tempe from Rio Salado to Southern. (Final alignment pending).
- Capitol / I-10 West – 11 mile alignment from downtown Phoenix westward to the vicinity of 79th Avenue.
- Systemwide Improvements – Includes system component overhauls to maintain a state of good repair and small capital improvement elements which benefit the entire LRT system.

The Capital Program report is a multiple year (five fiscal years) forecast of the capital projects managed by METRO. Costs and revenues are reported on an accrual basis. Actual cash flow impacts may lag pending receipt of contractor billings and receipt of federal funding.





**All Capital Projects -- Uses of Funds:** METRO currently has a number of transit projects in various stages of planning, design or construction. The overall uses of funds associated with these projects and activities are projected to be \$692 million through the five-year planning horizon. These uses of funds are summarized as follows:

**FY 2015 THROUGH FY 2019**

<b>Uses of Funds - Capital Projects</b>	<b>(\$,000)</b>
NW Ext Phase 1	\$ 101,667
Central Mesa	64,685
Gilbert Rd	139,856
Tempe Streetcar	126,194
Phx West	170,626
CNPA	8,794
NPR Utilities	56,670
Systemwide Improvements	23,712
<b>Total Capital Costs</b>	<b>\$ 692,204</b>

**All Capital Projects -- Sources of Funds:** Funding is derived from two primary sources: Regional Sales Taxes (Public Transportation Fund), and Federal Grants. These sources of funds are summarized as follows (see also Table 6, Five-Year Capital Program / All Projects):

**FY 2015 THROUGH FY 2019**

<b>Sources of Funds - Capital Projects</b>	<b>(\$,000)</b>
Phoenix	\$ (53,251)
Mesa	2,280
Public Transportation Funds	294,028
TPAN	143,654
Federal Revenues:	
FTA Sec 5309	189,388
CMAQ	113,550
Other Federal	2,555
<b>Total Capital Revenues</b>	<b>\$ 692,204</b>

Note: Negative sources of funds reflect reimbursements to City of Phoenix for the Northwest Extension Advance (source of funding is Public Transportation Fund).



**Table 6 – Five-Year Capital Program / All Projects (\$000)**

	2015	2016	2017	2018	2019	FY 2015-19
<b>USES OF FUNDS</b>						
Northwest Extension Phase 1	\$ 75,493	\$ 24,067	\$ 2,107	\$ -	\$ -	\$ 101,667
Central Mesa	58,448	6,237	-	-	-	64,685
Gilbert Rd	10,131	49,611	40,939	39,175	-	139,856
Tempe Streetcar	5,257	40,117	63,482	17,338	-	126,194
Phx West	415	8,708	33,985	43,240	84,278	170,626
Subtotal HCT Corridors	149,744	128,740	140,513	99,753	84,278	603,028
CNPA Projects	6,056	2,738	-	-	-	8,794
Non-Prior Rights Utilities	13,755	10,368	2,616	12,622	17,309	56,670
Systemwide Improvements	6,898	5,467	3,725	4,144	3,478	23,712
<b>Total Capital Costs</b>	<b>\$ 176,453</b>	<b>\$ 147,313</b>	<b>\$ 146,854</b>	<b>\$ 116,519</b>	<b>\$ 105,065</b>	<b>\$ 692,204</b>
<b>SOURCES OF FUNDS</b>						
Phoenix	\$ 4,011	\$ 2,738	\$ (60,000)	\$ -	\$ -	\$ (53,251)
Mesa	2,280	-	-	-	-	2,280
Subtotal	6,291	2,738	(60,000)	-	-	(50,971)
Public Transportation Funds	101,781	51,994	105,893	22,210	12,150	294,028
Sales Tax Proceeds	36,030	36,956	27,686	30,632	33,555	164,859
Bond Proceeds	65,751	15,038	78,207	(8,422)	(21,405)	129,169
State Funding:						
TPAN	8,000	54,899	41,580	39,175	-	143,654
Federal Revenues:						
FTA	28,508	21,007	27,560	36,098	76,215	189,388
CMAQ	29,318	16,675	31,821	19,036	16,700	113,550
Other Federal	2,555	-	-	-	-	2,555
Subtotal Federal	60,381	37,682	59,381	55,134	92,915	305,493
<b>Total Revenues</b>	<b>\$ 176,453</b>	<b>\$ 147,313</b>	<b>\$ 146,854</b>	<b>\$ 116,519</b>	<b>\$ 105,065</b>	<b>\$ 692,204</b>

Transportation Excise Tax Revenue Bond issues by the Regional Public Transit Authority (RPTA) in support of the rail capital program are anticipated as follows:

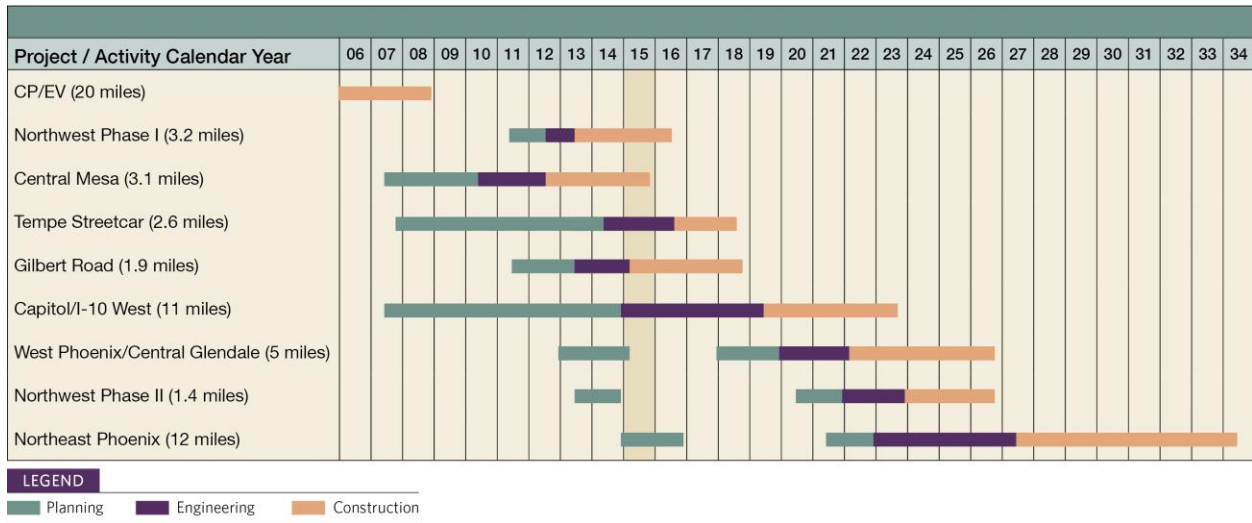
- FY 2016 \$116 million

The bonds are funded by the Public Transportation Fund sales tax proceeds over the 9 years remaining of the Prop 400 initiative.



**High Capacity Transit Projects:** The Regional Transportation Plan (RTP), adopted by the Maricopa Association of Governments (MAG) and financed under the one-half cent sales tax extension, identifies 60 miles of major high capacity/ light rail transit corridors to be implemented by 2031. Currently the 3.2 mile Phase I extension to serve the Northwest area of Phoenix final design is complete and construction is ongoing. Under the plan additional service areas are identified; a 3.1-mile light rail extension east into downtown Mesa which is in construction, 2.6-miles into south Tempe, 5-miles west into Glendale, 11-miles into west Phoenix, an additional 1.9 miles in Mesa to Gilbert Rd., and 12-miles into northeast Phoenix. METRO is the agency charged with planning, designing, building and operating the light rail transit (LRT) system in the area.

The timing of the projects in the program is depicted on the following schedule shown below:



Funding for future projects has two phases:

- 1) Planning Budget Phase: Alternative Analysis and the draft environmental document are funded from Federal Section 5339 funds, Member City contributions, and PTF.
- 2.) Capital Budget Phase: After entry into Project Development, costs are included in the capital budget and funded by Federal, regional, and local sources.



**Northwest Extension** -- The Northwest area is a major employment and activity center located in northwest Phoenix. The corridor continues to experience significant growth in population with an expected growth of 24 percent by 2025. Along with this growth, Vehicle Miles of Travel (VMT) is expected to increase by 21 percent. Traffic congestion and capacity deficiencies are expected to increase despite planned transportation improvements. Inadequate transit service has hampered access to this area and to other Valley destinations.



A Locally Preferred Alternative (LPA) was adopted by the Phoenix City Council and METRO Board of Directors in 2005. On March 6, 2007, the Council approved the Northwest Corridor Light Rail Transit (LRT) Extension as a phased project; the first 3.2-mile phase, along 19<sup>th</sup> Avenue from Montebello Avenue to Dunlap Avenue, to be funded from a combination of both PTF and local funds.



The City of Phoenix provided advances totaling \$60.0 million in FY 13 and FY 14. The Public Transportation Fund will reimburse Phoenix in FY 17. In consideration for PTF funding of the Northwest Extension, the City of Phoenix will provide a portion of the local capital funding for the Capitol/I-10 West Extension.

**Northwest Extension Sources and Uses of Funds:** The total capital cost of the Northwest Extension project over the FY 2005 to FY 2017 period is budgeted to be approximately \$326.6 million, excluding financing costs.

----- (\$,000) -----

Northwest Extension	Pre-2015	2015	2016	2017	2018	2019	TOTAL
<b>CAPITAL COSTS</b>							
NPR Utilities	\$ 22,900	\$ 5,210	\$ -	\$ -	\$ -	\$ -	\$ 28,110
Project Costs	198,316	75,493	24,067	607	-	-	298,483
Financing Costs	-	-	-	1,500	-	-	1,500
<b>Total Capital Costs</b>	<b>\$ 221,216</b>	<b>\$ 80,703</b>	<b>\$ 24,067</b>	<b>\$ 2,107</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 328,093</b>
<b>CAPITAL REVENUES</b>							
Phoenix NWX Advance	\$ 60,000	\$ -	\$ -	\$ (60,000)	\$ -	\$ -	\$ -
Phoenix T 2000 Transit Tax	89,690	-	-	-	-	-	89,690
PTF Revenue	71,526	80,703	24,067	62,107	-	-	238,403
Total Local	221,216	80,703	24,067	2,107	-	-	328,093
<b>Total Capital Revenue</b>	<b>\$ 221,216</b>	<b>\$ 80,703</b>	<b>\$ 24,067</b>	<b>\$ 2,107</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 328,093</b>

**Concurrent Non-Project Activities Related to Northwest Extension:**

----- (\$,000) -----

CNPA	Pre-2015	2015	2016	2017	2018	2019	TOTAL
<b>Total CNPA Costs - WSD</b>	<b>\$ 1,500</b>	<b>\$ 4,011</b>	<b>\$ 2,738</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 8,249</b>
<b>REVENUES</b>							
Phoenix	\$ 1,500	\$ 4,011	\$ 2,738	\$ -	\$ -	\$ -	\$ 8,249



**Central Mesa LRT Extension** -- The Central Mesa LRT Extension will improve mobility and provide additional capacity in the Main Street corridor in Mesa. In addition, the project will connect the Central Mesa corridor with major activity and employment centers located east and west of the project corridor, such as Downtown Phoenix, Downtown Tempe, Sky Harbor International Airport, Arizona State University, the proposed Mesa Gateway Area, and the ASU East Polytechnic campus. The project will also enhance connectivity to the Mesa Link BRT (with in-street mixed traffic operations) that currently operates as a feeder to the end-of-line Sycamore LRT station in Mesa and serves East Mesa including the Superstition Springs Mall.

Planning for the Central Mesa corridor began spring 2007 with an Alternatives Analysis (AA). The AA gathered technical data and community input to help determine which route and transit technology would best serve Mesa. Eight transit options were evaluated. Through analysis, the locally preferred alternative (LPA) was identified.

The recommended alternative is to extend light rail on Main Street to Gilbert Road. Phase I implementation is to extend light rail east of Mesa Drive to LeSueur by 2016. Phase II is to extend to Gilbert Road at a future date. Currently, the extension to Gilbert Road is not financed or programmed in the Proposition 400 plan. The LPA was approved by the Mesa City Council, METRO Board of Directors and the Maricopa Association of Governments in mid 2009.

This extension is part of the Regional Transportation Plan and funded by Proposition 400 regional sales tax and a federal grant that has been applied for by METRO. Design for the Central Mesa LRT Extension began in FY 2011. The Central Mesa LRT extension is scheduled to commence passenger operations in the second half of calendar year 2015.

### Central Mesa LRT Extension Alignment





**Central Mesa Extension Sources and Uses of Funds:** The capital cost of the Central Mesa Extension project through FY 2016 is budgeted to be approximately \$199.0 million. CNPA costs related to the project total \$7.5 million.

----- (\$,000) -----

Central Mesa Extension	Pre-2015	2015	2016	2017	2018	2019	TOTAL
<b>CAPITAL COSTS</b>							
NPR Utilities	\$ 2,649	\$ 5,041	\$ -	\$ -	\$ -	\$ -	\$ 7,690
Project Costs	118,418	58,448	6,237	-	-	-	183,103
Financing Costs	3,836	2,739	1,631				8,207
<b>Total Capital Costs</b>	<b>\$ 124,903</b>	<b>\$ 66,228</b>	<b>\$ 7,868</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 199,000</b>
<b>CAPITAL REVENUES</b>							
FTA Section 5309	\$ 44,957	\$ 28,168	\$ 1,875	\$ -	\$ -	\$ -	\$ 75,000
CMAQ	28,718	20,883	3,235	-	-	-	52,836
Total Federal	73,675	49,051	5,110	-	-	-	127,836
PTF Revenue	\$ 51,228	\$ 17,177	\$ 2,758	\$ -	\$ -	\$ -	\$ 71,164
Total Local	51,228	17,177	2,758	-	-	-	71,164
<b>Total Capital Revenue</b>	<b>\$ 124,903</b>	<b>\$ 66,228</b>	<b>\$ 7,868</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 199,000</b>

**Concurrent Non-Project Activities Related to Central Mesa:**

----- (\$,000) -----

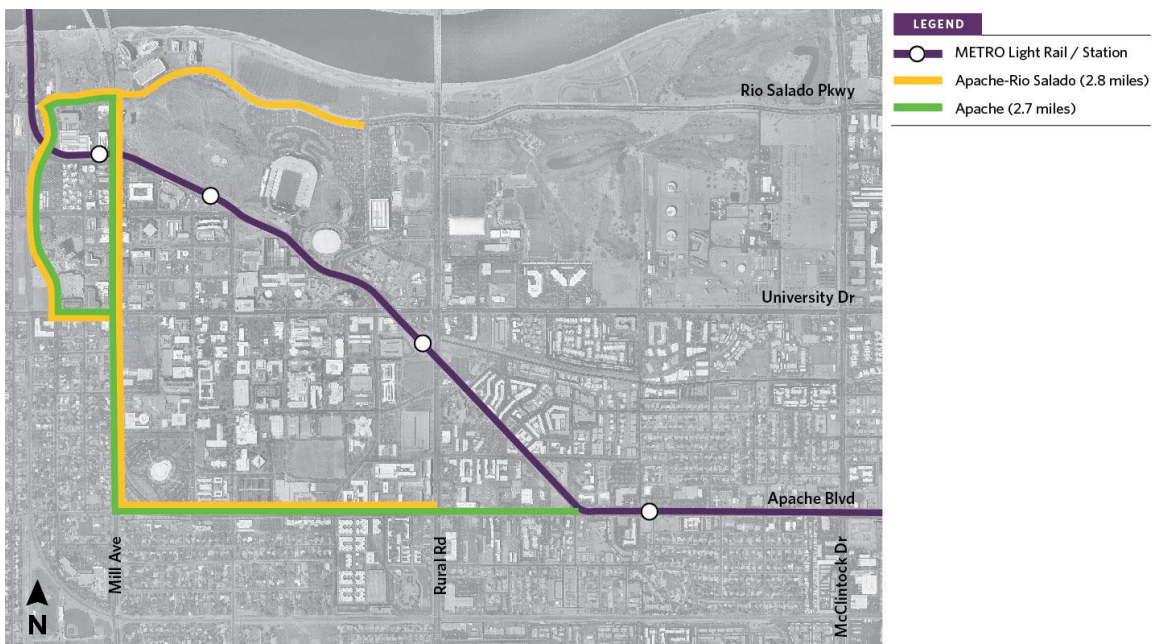
CNPA	Pre-2015	2015	2016	2017	2018	2019	TOTAL
Total CNPA Costs	\$ 5,407	\$ 2,045	\$ -	\$ -	\$ -	\$ -	\$ 7,452
<b>REVENUES</b>							
Mesa	\$ 5,407	\$ 2,045	\$ -	\$ -	\$ -	\$ -	\$ 7,452



**Tempe Streetcar Project** -- The Tempe Streetcar project is located on Mill and Ash Avenue in downtown Tempe, with potential alignments currently under consideration extending along Apache Blvd. and/or Rio Salado Parkway. The Tempe Streetcar will run in a one-way loop between Rio Salado Parkway and University Drive, going north on Mill Avenue and south on Ash Avenue. It will continue to travel east/west on Apache Blvd. and/or Rio Salado Pkwy., which are currently being further defined.

The Tempe Streetcar will operate weekday trains at approximately 10 to 12 minute intervals during peak hours and 15 to 20-minute intervals off-peak. Weekends do not require peak service trains and will operate at 15 to 30-minute headways. Service headways will be adjusted over time to accommodate growth and service patterns.

This extension is part of the Regional Transportation Plan and funded by Proposition 400 regional sales tax and federal grants. Project Development for the Tempe Streetcar project is scheduled to continue in FY 2015. Pending FTA Small Starts approval, construction could be complete in FY18.





**Tempe Streetcar Sources and Uses of Funds:** The total capital cost of the Tempe Streetcar project is budgeted to be approximately \$134.7 million, excluding financing costs. ----- (\$,000) -----

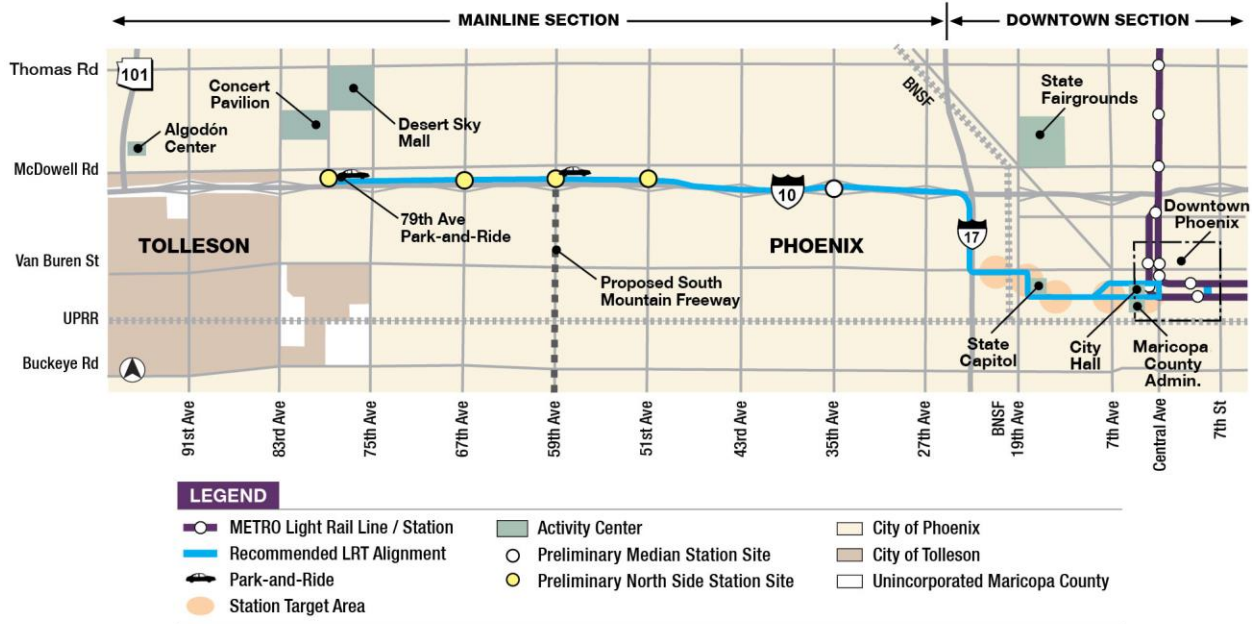
Tempe Streetcar Extension	Pre-2015	2015	2016	2017	2018	2019	TOTAL
<b>CAPITAL COSTS</b>							
NPR Utilities	\$ -	\$ 1,500	\$ 5,080	\$ 1,975	\$ -	\$ -	\$ 8,555
Project Costs	-	5,257	40,117	63,482	17,338	-	126,194
Financing Costs	-	-	-	-	-	-	-
<b>Total Capital Costs</b>	<b>\$ -</b>	<b>\$ 6,757</b>	<b>\$ 45,197</b>	<b>\$ 65,457</b>	<b>\$ 17,338</b>	<b>\$ -</b>	<b>\$ 134,749</b>
<b>CAPITAL REVENUES</b>							
FTA Section 5309	\$ -	\$ -	\$ 18,802	\$ 27,230	\$ 11,768	\$ -	\$ 57,800
CMAQ	-	4,203	10,440	15,121	2,336	-	32,100
Total Federal	-	4,203	29,242	42,351	14,104	-	89,900
PTF Revenue	\$ -	\$ 2,554	\$ 15,955	\$ 23,106	\$ 3,234	\$ -	\$ 44,849
Total Local	-	2,554	15,955	23,106	3,234	-	44,849
<b>Total Capital Revenue</b>	<b>\$ -</b>	<b>\$ 6,757</b>	<b>\$ 45,197</b>	<b>\$ 65,457</b>	<b>\$ 17,338</b>	<b>\$ -</b>	<b>\$ 134,749</b>

**Capitol / I-10 West Extension** -- The Capitol / I-10 West Extension will improve mobility and provide additional capacity in the I-10 corridor in West Phoenix. In addition, the project will connect the West valley with major activity and employment centers located near Downtown Phoenix, such as State Capitol, Maricopa County and City of Phoenix Governmental Mall. The project will also enhance regional connectivity by connecting with the existing Valley Metro light rail.

Planning for the Capitol/I-10 West corridor began spring 2007 with an Alternatives Analysis (AA). The AA evaluated possible routes to connect the light rail in downtown Phoenix with west Phoenix in the vicinity of 79<sup>th</sup> Ave / I-10. AA also evaluated the type of transit mode (either light rail transit or bus rapid transit) to make that connection. In July 2012, MAG Regional Council approved the recommendation for light rail as the preferred mode on the route shown on the map below. This extension is part of the Regional Transportation Plan and funded by Proposition 400 regional sales tax and federal grants that are included in the TLCP and the Transportation Improvement Program (TIP). Environmental evaluation phase in compliance with the National Environmental Policy Act is anticipated to continue through 2015. Concurrent with the environmental analysis, Valley Metro will generate detailed engineering designs of the selected alignment and station layouts.



## Capitol / I-10 West LRT Extension



**Capitol / I-10 West Extension Sources and Uses of Funds:** The total capital cost of the Capitol/I-10 West Extension project over the FY 2015 to FY 2019 period is budgeted to be approximately \$186.9 million, excluding financing costs.

----- (\$,000) -----

Capitol/I-10 West Extension	Pre-2015	2015	2016	2017	2018	2019	TOTAL
<b>CAPITAL COSTS</b>							
NPR Utilities	\$ -	\$ -	\$ -	\$ -	\$ 12,622	\$ 17,309	\$ 29,931
Project Costs	-	415	8,073	30,944	38,541	78,964	156,937
Financing Costs			635	3,041	4,698	5,314	13,689
<b>Total Capital Costs</b>	<b>\$ -</b>	<b>\$ 415</b>	<b>\$ 8,708</b>	<b>\$ 33,985</b>	<b>\$ 55,861</b>	<b>\$ 101,587</b>	<b>\$ 200,557</b>
<b>CAPITAL REVENUES</b>							
FTA Section 5309	\$ -	\$ -	\$ -	\$ -	\$ 24,000	\$ 73,433	\$ 97,433
CMAQ	-	332	3,000	16,700	16,700	16,700	53,432
<b>Total Federal</b>	<b>-</b>	<b>332</b>	<b>3,000</b>	<b>16,700</b>	<b>40,700</b>	<b>90,133</b>	<b>150,865</b>
PTF Revenue	\$ -	\$ 83	\$ 5,708	\$ 17,285	\$ 15,161	\$ 11,454	\$ 49,692
<b>Total Local</b>	<b>-</b>	<b>83</b>	<b>5,708</b>	<b>17,285</b>	<b>15,161</b>	<b>11,454</b>	<b>49,692</b>
<b>Total Capital Revenue</b>	<b>\$ -</b>	<b>\$ 415</b>	<b>\$ 8,708</b>	<b>\$ 33,985</b>	<b>\$ 55,861</b>	<b>\$ 101,587</b>	<b>\$ 200,557</b>



**Gilbert Road LRT Extension** -- The Gilbert Road LRT Extension will improve mobility and provide additional capacity in the Main Street corridor in Mesa. In addition, the project will connect the corridor with major activity and employment centers located east and west of the project corridor, such as Downtown Phoenix, Downtown Tempe, Sky Harbor International Airport and Arizona State University. The project will also enhance connectivity to the Mesa Link BRT (with in-street mixed traffic operations) that currently operates as a feeder to the end-of-line Sycamore LRT station in Mesa and serves East Mesa including Superstition Springs Mall.

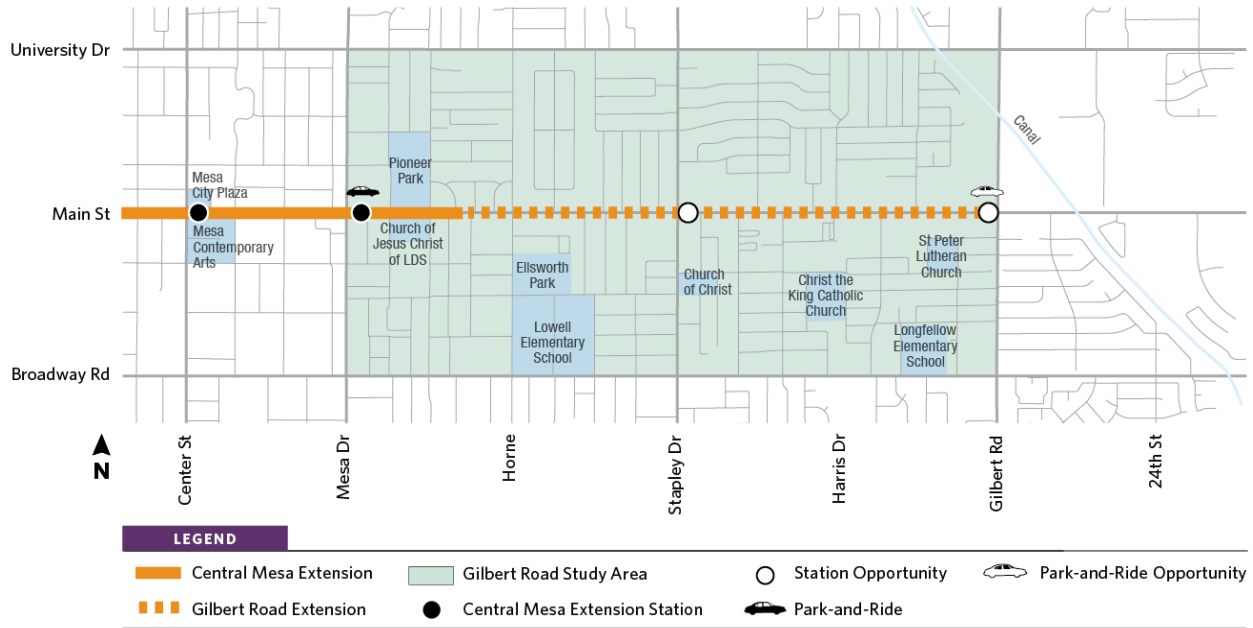
In 2009, Valley Metro, the Mesa City Council and the Maricopa Association of Governments (MAG) approved extending light rail for 3.1 miles along Main Street from the current end-of-line station at Sycamore to Mesa Drive. This extension, known as the Central Mesa Extension is currently in construction and is scheduled for operation in late 2015. As part of the 2009 recommendations, a 1.9-mile extension on Main Street east to Gilbert Road was included as a future project. This segment, the Gilbert Road Extension, was recommended because of strong transit ridership, opportunities to optimize regional transportation connections, and an optimal location for an end-of-line park-and-ride.

Valley Metro and the City of Mesa began a study of the potential Gilbert Road Extension in 2011 and completed it in summer 2012. This planning study identified and evaluated various alternatives, on where and how light rail could be placed in this 1.9-mile segment of Main Street. Valley Metro and the City of Mesa have entered the next phase of the planning process, the Environmental Assessment (EA), which was introduced to the public in September. In this phase, alternatives were analyzed in more detail and defined potential station locations and a park-and-ride facility.

Design for the Gilbert Road LRT Extension will begin in FY 2014. The schedule to commence passenger operations is still to be determined. For the purpose of forecasting, the line opening is anticipated in the second half of calendar year 2018.



## Gilbert Road LRT Extension Alignment



**Gilbert Road Extension Sources and Uses of Funds:** The total capital cost of the Gilbert Road Extension project over the FY 2015 to FY 2019 period is budgeted to be approximately \$149.5 million, excluding financing costs and Operations and Maintenance Center contingency costs.

----- (\$,000) -----

Gilbert Rd Extension	Pre-2015	2015	2016	2017	2018	2019	TOTAL
<b>CAPITAL COSTS</b>							
NPR Utilities	\$ -	\$ 2,004	\$ 5,288	\$ 641	\$ -	\$ -	\$ 7,933
Project Costs	1,740	8,581	43,811	35,139	35,825	-	125,096
Vehicle Procurement	-	1,550	5,800	5,800	3,350	-	16,500
<b>Total Capital Costs</b>	<b>\$ 1,740</b>	<b>\$12,135</b>	<b>\$54,899</b>	<b>\$ 41,580</b>	<b>\$ 39,175</b>	<b>\$ -</b>	<b>\$ 149,529</b>
<b>CAPITAL REVENUES</b>							
City of Mesa	\$ 797	\$ 235	\$ -	\$ -	\$ -	\$ -	\$ 1,032
TPAN	-	8,000	54,899	41,580	39,175	-	143,654
CMAQ Flex	943	3,900	-	-	-	-	4,843
<b>Total Capital Revenue</b>	<b>\$ 1,740</b>	<b>\$12,135</b>	<b>\$54,899</b>	<b>\$ 41,580</b>	<b>\$ 39,175</b>	<b>\$ -</b>	<b>\$ 149,529</b>



**Systemwide Improvements** -- Systemwide Improvements are incorporated in the Regional Transportation Plan in order to provide funding for new system components as well as for the capital overhaul programs necessary to maintain the system in a state of good repair. In FY 2015 METRO has programmed the construction of Solar Panels at the OMC which is funded under the federal TIGGER program. Minimal costs related to the project will occur in FY14. The OMC Solar project is in the proposed engineering development phase and the scope of the project will be adjusted to maximize the economic benefits of reducing future electric power consumption and operating costs. During FY 2015 METRO will overhaul LRV brake systems, purchase a platform truck for rail operations, and perform station enhancements. Non-Revenue fleet vehicles used for Maintenance crews will be replaced as necessary. Beginning in FY16 and continuing into FY18, major light rail vehicle components such as the pantographs, gears, traction motors, couplers, and motor and center trucks will be scheduled for overhaul.

**Systemwide Improvements Sources and Uses of Funds:** The total capital cost of the Systemwide Improvements plan through FY 2019 is budgeted to be approximately \$25.4 million, excluding financing costs.

----- (\$,000) -----

<b>Systemwide Improvements</b>	<b>Pre-2015</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>TOTAL</b>
<b>CAPITAL COSTS</b>							
OMC Solar	\$ 200	\$ 3,420	\$ -	\$ -	\$ -	\$ -	\$ 3,620
All Other	1,054	2,617	1,694	247	667	-	6,279
LRV Capital PM	406	861	3,773	3,478	3,478	3,478	15,473
<b>Total Capital Costs</b>	<b>\$ 1,661</b>	<b>\$ 6,898</b>	<b>\$ 5,467</b>	<b>\$ 3,725</b>	<b>\$ 4,144</b>	<b>\$ 3,478</b>	<b>\$ 25,372</b>
<b>CAPITAL REVENUES</b>							
Federal 5337 SOGR	\$ 325	\$ 340	\$ 330	\$ 330	\$ 330	\$ 2,782	\$ 4,437
TIGGER	160	2,555	-	-	-	-	2,715
Total Federal	485	2,895	330	330	330	2,782	7,152
PTF Revenue	1,176	4,003	5,137	3,395	3,814	696	18,220
Total Local	1,176	4,003	5,137	3,395	3,814	696	18,220
<b>Total Capital Revenue</b>	<b>\$ 1,661</b>	<b>\$ 6,898</b>	<b>\$ 5,467</b>	<b>\$ 3,725</b>	<b>\$ 4,144</b>	<b>\$ 3,478</b>	<b>\$ 25,372</b>



## Valley Metro FY15 and Five Year Staffing Plan

Staffing levels are planned to optimize the appropriate relationship of internal staff versus contractor labor. Internal staffing provides a lower cost solution so long as project activities require full-time effort throughout the lowest period of design and construction project cycles.

Following is the level of effort stated in Full-Time Equivalent employees (FTE) relating to the projects schedule listed on page 39. Authorization of positions by the METRO Board is executed by adoption of the Annual Budget.

**Valley Metro  
Five-Year Staffing Forecast**  
Full Time Equivalent Position (FTE) Funding by Project

**Regional Public Transportation Authority Staffing Forecast**

Projects	FY15	FY16	FY17	FY18	FY19
<b>Operations:</b>					
Transit Service Operations	15.15	13.95	13.95	13.95	13.95
Administrative	32.40	33.20	33.20	33.20	33.20
Regional Services	66.70	68.20	68.20	68.20	68.10
Planning	8.85	8.90	8.90	8.90	8.90
Business Services	7.10	7.10	7.10	7.10	7.10
<b>Capital Projects:</b>					
BRT Improvements	0.60	0.77	0.67	0.72	0.72
<b>Total Full Time Equivalent Staff</b>	<b>130.80</b>	<b>132.12</b>	<b>132.02</b>	<b>132.07</b>	<b>131.97</b>

**METRO Staffing Forecast**

Projects	FY15	FY16	FY17	FY18	FY19
<b>Operations:</b>					
Revenue Operations	115.42	130.59	130.91	130.55	130.75
Agency Operations	2.00	2.00	2.00	2.00	2.00
Agency Overhead	10.45	11.25	11.25	11.25	11.25
<b>Capital Projects:</b>					
Northwest Extension	5.41	6.04	1.73	0.98	0.98
Central Mesa	4.89	4.46	2.35	1.22	1.12
Tempe Streetcar	3.23	3.69	5.40	3.69	1.66
Phoenix West	1.76	1.25	2.67	5.72	6.82
Gilbert Road	3.51	2.89	3.94	4.19	2.38
Non Prior Rights Utility Relocation	0.42	0.68	0.94	1.23	1.23
Systemwide Improvements	1.18	1.43	0.98	0.88	1.13
<b>Future Project Development:</b>					
Capital Project Development Admin	7.08	6.93	7.48	7.13	7.13
Systems Studies	1.63	1.78	1.83	1.78	1.98
General Agency Support - Project Dev	7.91	7.53	7.57	7.63	7.33
Glendale	0.23	0.90	1.38	-	-
South Central	0.08	0.46	1.55	1.30	1.90
Phoenix West-Central Glendale	-	-	-	2.38	4.37
<b>Total Full Time Equivalent Staff</b>	<b>165.20</b>	<b>181.88</b>	<b>181.98</b>	<b>181.93</b>	<b>182.03</b>

<b>Combined Agency Total</b>	<b>296.00</b>	<b>314.00</b>	<b>314.00</b>	<b>314.00</b>	<b>314.00</b>
------------------------------	---------------	---------------	---------------	---------------	---------------



**Valley Metro**  
**Regional Public Transportation Authority**  
*FY15 New Positions*

<b>Title</b>	<b>Division</b>	<b>Scope of Work</b>
Service Analyst II	Planning and Development	Bus Service Planning and Performance Improvements
Administrative Assistant	Planning and Development	Reduced outsourced services for cost reduction
Network Administrator	Administration	Information Technology - growing network security requirements
LRV Maintenance Technician I	Operations - Rail	Vehicle Preventative Maintenance - LRVs are now over five years old
LRV Maintenance Technician I	Operations - Rail	State of good repair schedule increases number of rebuilds of major
LRV Maintenance Technician II	Operations - Rail	components
Transit Program Coordinator-Bus	Operations - Bus	Replace Tempe bus facility staff resource, formerly provided by City of Tempe
Manager, Field Safety & Security	Safety and Security	Improve passenger security and interface with Public Safety resources



**Valley Metro**  
**Regional Public Transportation Authority**  
*FY15 Adopted FTE Count by Pay Grades and Ranges*

Pay Grade	Position Title	Adopted Pay Range	FTE Effort		Total FTE
			RPTA	VMR	
I	Cleaner	\$22,377 - \$33,565	0.00	10.00	10.00
III	Administrative Support Assistant	\$27,626 - \$41,439	0.50	1.50	2.00
	Customer Service Representative		40.00	0.00	40.00
	Document Control Clerk		0.10	0.90	1.00
	LRV Yard Operator		0.00	2.00	2.00
	Stockroom Clerk		0.00	2.00	2.00
	Transit Distribution and Signage Assistant		0.50	0.50	1.00
IV	Accounting Technician	\$30,696 - \$46,043	3.00	0.00	3.00
	Administrative Assistant		5.60	6.40	12.00
	Customer Service Application Technician		1.00	0.00	1.00
	Lead Customer Service Representative		5.00	0.00	5.00
	Lead Document Control Clerk		0.10	0.90	1.00
	LRV Inspector		0.00	9.00	9.00
	Materials Handler		0.00	1.00	1.00
	Performance Analyst		1.00	0.00	1.00
V	Human Resources Technician	\$33,766 - \$50,648	1.00	0.00	1.00
VI	LRV Maintenance Technician I	\$37,142 - \$55,712	0.00	13.00	13.00
	Track Maintainer		0.00	5.00	5.00
VII	Accountant I	\$40,856 - \$61,284	2.10	0.90	3.00
	Contracts Specialist		0.50	0.50	1.00
	Executive Assistant		0.30	1.70	2.00
	Help Desk Specialist		0.50	0.50	1.00
	LRV Maintenance Technician II		0.00	11.00	11.00
	Planner I		0.75	0.25	1.00
	Program Representative		7.00	0.00	7.00
	Signal/Comm System Maintainer		0.00	6.00	6.00
	Utility Relocation Specialist		0.10	0.90	1.00
	Vehicle Parts Coordinator		0.00	1.00	1.00
VIII	Bus & Paratransit Fleet/Facilities Coordinator	\$44,942 - \$67,413	1.00	0.00	1.00
	Customer Service Supervisor		5.00	0.00	5.00
	Engineering Technician		0.05	0.95	1.00
	Executive Administrative Coordinator		1.00	1.00	2.00
	Graphics Designer		2.10	0.90	3.00
	LRV Lead Maintenance Technician		0.00	3.00	3.00
	Materials/Warranty Coordinator		0.00	1.00	1.00
	Signal & Communications Systems Technician		0.00	9.00	9.00
	Traction Power Systems Technician		0.00	13.00	13.00



**Valley Metro**  
**Regional Public Transportation Authority**  
*FY15 Adopted FTE Count by Pay Grades and Ranges*

Pay Grade	Position Title	Adopted Pay Range	FTE Effort		Total FTE
			RPTA	VMR	
IX	Accountant II	\$49,435 - \$74,154	2.80	0.20	3.00
	Budget Analyst		1.00	1.00	2.00
	Contracts Administrator		2.35	2.65	5.00
	Data Analyst		1.00	0.00	1.00
	Facilities Maintenance Supervisor		0.05	0.95	1.00
	Human Resources Generalist		2.00	0.00	2.00
	LRV Maintenance Supervisor		0.00	3.00	3.00
	LRV Systems/Equipment Specialist		0.00	1.00	1.00
	Management Analyst		1.00	0.00	1.00
	Planner II		0.95	1.05	2.00
	Program Coordinator		9.10	5.90	15.00
	Public Information Specialist		0.50	0.50	1.00
	Regulatory Administrator		0.50	0.50	1.00
	Safety Specialist		0.50	0.50	1.00
	Security Coordinator		0.40	0.60	1.00
	Service Analyst II		0.50	0.50	1.00
Web Developer		2.00	0.00	2.00	
X	Database Administrator	\$54,380 - \$81,569	0.35	0.65	1.00
	Bus & Paratransit Fleet/Facilities Supervisor		1.00	0.00	1.00
	Network Administrator		0.40	0.60	1.00
	Network Systems Engineer		0.00	1.00	1.00
	Program Control Specialist		0.00	1.00	1.00
	Program Supervisor		2.00	0.00	2.00
	Senior Contracts Administrator		0.25	0.75	1.00
	Server Administrator		0.40	0.60	1.00
	Supervisor, Maintenance of Way (MOW)		0.00	3.00	3.00
VMware/Storage Administrator		0.40	0.60	1.00	
XI	Employee Relations Administrator	\$59,818 - \$89,726	1.00	0.00	1.00
	GIS Administrator		0.50	0.50	1.00
	Light Rail Technical Trainer		0.00	1.00	1.00
	Planner III		1.30	0.70	2.00
	Project Manager		1.00	1.00	2.00
	Public Arts Administrator		0.05	0.95	1.00
	Quality Assurance Administrator		0.10	0.90	1.00
	Senior Construction Project Coordinator		0.00	1.00	1.00
	Senior Management Analyst		0.75	0.25	1.00
Senior Service Planner		1.00	0.00	1.00	



**Valley Metro**  
**Regional Public Transportation Authority**  
*FY15 Adopted FTE Count by Pay Grades and Ranges*

Pay Grade	Position Title	Adopted Pay Range	FTE Effort		Total FTE
			RPTA	VMR	
XII	Assistant Superintendent of LRV Maintenance	\$65,799 - \$98,698	0.00	1.00	1.00
	Lead Procurement Officer		0.00	1.00	1.00
	Manager, Accessible Transit Services		1.00	0.00	1.00
	Manager, Admin Support Services & Project Management		1.00	0.00	1.00
	Manager, Budget and Operations Financial Controls		0.50	0.50	1.00
	Manager, Communications		0.50	0.50	1.00
	Manager, Community Relations		0.30	0.70	1.00
	Manager, Customer Service		0.50	0.50	1.00
	Manager, General Accounting		0.65	0.35	1.00
	Manager, Human Resources Support Services		1.00	0.00	1.00
	Manager, Marketing		0.50	0.50	1.00
	Manager, LRT Systems		0.05	0.95	1.00
	Stakeholder Affairs Manager		0.00	1.00	1.00
	Manager, Track & Facilities		0.00	1.00	1.00
Manager, Transportation Demand Management	1.00	0.00	1.00		
Utility Manager	0.00	1.00	1.00		
XIII	Manager, Bus Services Delivery	\$72,379 - \$108,568	1.00	0.00	1.00
	Manager, Corridor & Facility Development		0.15	0.85	1.00
	Manager, Financial Reporting		0.50	0.50	1.00
	Manager, Information Technology Services		0.45	0.55	1.00
	Manager, Operational Support and Analysis		0.30	0.70	1.00
	Manager, Field Safety & Security		0.50	0.50	1.00
	Manager, System & Service Development		0.60	0.40	1.00
	Manager, Quality Assurance		0.00	1.00	1.00
	Resident Engineer		0.00	1.00	1.00
	Senior Project Engineer		0.10	0.90	1.00
Systems Engineer	0.00	1.00	1.00		
XIV	Chief Human Resources Officer	\$81,992 - \$122,987	1.00	0.00	1.00
	Chief Maintenance Engineer		0.00	1.00	1.00
	Chief, Safety & Security		0.40	0.60	1.00
	Government Relations Officer		0.50	0.50	1.00
	Manager, Contracts and Procurement		0.50	0.50	1.00
	Manager, Construction		0.15	0.85	1.00
	Manager, Design		0.05	0.95	1.00
	Manager, O & M Start Up & Activation		0.00	1.00	1.00
	Manager, Revenue Generation & Financial Planning		0.75	0.25	1.00
	Superintendent LRV Maintenance		0.00	1.00	1.00



**Valley Metro**  
**Regional Public Transportation Authority**  
*FY15 Adopted FTE Count by Pay Grades and Ranges*

Pay Grade	Position Title	Adopted Pay Range	FTE Effort		Total FTE	
			RPTA	VMR		
XV	Chief Financial Officer	\$100,202 - \$150,304	0.50	0.50	1.00	
	Chief of Staff		0.50	0.50	1.00	
	Director, Administration & Organizational Development		0.50	0.50	1.00	
	Director, Communication & Marketing		0.50	0.50	1.00	
XVI	Chief Engineer	\$112,627 - \$168,941	0.00	1.00	1.00	
	Chief Operations Officer		0.40	0.60	1.00	
	Director, Planning & Development		0.10	0.90	1.00	
GC	General Counsel	\$117,246 - \$175,870	0.50	0.50	1.00	
ED	Chief Executive Officer	Salary Negotiated	0.50	0.50	1.00	
			<u>FY15 FTE's</u>	<u>130.80</u>	<u>165.20</u>	<u>296.00</u>
			<u>FY14 FTE's</u>	<u>127.00</u>	<u>161.00</u>	<u>288.00</u>
			<u>Change</u>	<u>3.80</u>	<u>4.20</u>	<u>8.00</u>



## **Appendix A -- The Budget Process**

METRO's continuing goal is to provide the highest quality services to our member communities in the most cost effective manner. The METRO budget process is a key piece of the strategy to achieve these results in a coordinated manner and to make fiscally responsible decisions that will ultimately produce a premier transit system in Maricopa County.

METRO's budget process serves two principal purposes. Within the Corporation, development of the budget provides a forum for joint planning of objectives and tasks, with managerial and board review of programs. It sets the expectations for performance in the coming year(s). For the Corporation's Members and partner agencies, the budget reports on the status of projects and services, detailing the agency's operational objectives, capital improvements, and funding plans.

The annual budget is prepared on an accrual basis and adopted by the Board of Directors each fiscal year. With respect to Capital Budgets, project contingency accounting is used to control expenditures within available project funding limits. With respect to Operating Budgets, encumbrance accounting is not used and all appropriations lapse at the end of the year. Prior to final adoption, a proposed budget is presented to the Board of Directors for review and public comment is received. Final adoption of the budget must be on or before June 30 of each year.

METRO also develops a Five-Year Capital Program and Operating Forecast as part of the annual budget process. The five-year budget focuses on the capital improvements that are planned to occur within the planning horizon, and includes:

- projected costs of LRT capital expenses,
- projected amounts to be paid by each Member to METRO,
- projected amounts to be paid directly for LRT expenses by each Member (for example, for acquiring rights-of-way), and projected revenues to be received from federal funds or other funding sources.

The internal process is a collaborative and iterative one, with the agency's senior management providing strategic direction and critical review, managers and project managers preparing resource proposals, and financial staff (Including the Financial Working Group) providing feedback and technical support for the process. A review by the Rail Staff Working Group and Rail Management Committee will precede drafting of the proposed budget. Once the proposed annual budget and five-year capital plan have been published, the METRO Board provides final review and adoption.



**Budget Timelines:** The FY 2015 process is outlined below, with Proposed planning beginning in February and with budget adoption scheduled for May 2014. Major phases of this process are outlined below:

- Oct 31, 2013 -- Proposed Rail Operating Budget to City Staff
- Jan 24<sup>th</sup> -- Draft budget for Director review
- Feb 18<sup>th</sup> -- Draft Budget to Financial Working Groups and RTAG for review.
- March 5<sup>th</sup> -- Draft Budget delivered to RMC, TMC
- March 13<sup>th</sup> -- Draft Budget delivered to BFS
- March 14<sup>th</sup> -- Comments due to Budget Group
- April 2<sup>nd</sup> -- Budget presented for Information to RMC, TMC
- April 17<sup>th</sup> -- Budget presented to Board of Directors for information
- May 7<sup>th</sup> -- Management Committees approvals
- May 22<sup>nd</sup> -- Board Meeting – Budget Adopted by Board

	<b>Budget Group</b>	<b>Directors</b>	<b>Advisory Groups</b>	<b>Board of Directors</b>
Sept	Prepare Templates			
Oct	Prepare Rail Proposed Ops Budget			
Oct - Dec	Respond to Questions and Issues Raised	Provide Input and Direction		
Jan	Compile Budget Information and Prepare Draft Budget	Respond to Questions and Issues Raised and Provide Direction		
Feb <sup>19</sup> thru Mar 13 <sup>th</sup>	Respond to Questions and Issues Raised		Review Draft Budget Package and Provide Feedback to METRO Budget Group	
Mar 13 <sup>th</sup> – Mar 29 <sup>th</sup>	Compile Revisions and Prepare Budget			
April	Respond to Questions and Issues Raised		Review Budget	
May 1 <sup>st</sup> thru May 15 <sup>th</sup>			Approve Budget for Submission to the Board	Review
May Board Meeting				Budget Formally Adopted



## Appendix B – Glossary of Terms and Acronyms

<b>TERM / ACRONYM</b>	<b>DEFINITION</b>
<b>5309</b>	A reference to FTA New Starts Program, Title 49 U.S.C., Section 5309 providing funding for the design and construction of transit systems including the CP/EV LRT METRO system.
<b>5339</b>	Section 5339 allows FTA to make grants and agreements, under criteria established by the Secretary, to States, authorities of the States, metropolitan planning organizations, and local governmental authorities to develop alternatives analyses as defined by section 5309(a)(1). Eligible study sponsors must be able to incorporate the results of this work into an ongoing alternatives analysis study or must commit to initiate an alternatives analysis study within 12 months of the grant approval.
<b>ADOT</b>	Arizona Department of Transportation
<b>CADD</b>	Computer aided design and drafting
<b>CMAQ</b>	Federal funding program intended for Congestion Mitigation and Air Quality improvement.
<b>CNPA</b>	Concurrent Non-Project Activities
<b>CP/EV LRT</b>	Central Phoenix/East Valley Light Rail Transit - the initial 20 mile project segment of light rail in Maricopa County - with scope definition provided as part of the Full Funding Grant Agreement dated January 24, 2005.
<b>DEIS</b>	Draft Environmental Impact Statement - Submitted in advance of application for the FFGA, the DEIS identifies impacts anticipated by the prospective construction and operation of an LRT system including impacts on traffic, noise, air quality, historic and archeological sites, as well as impacts to properties along the alignment.
<b>FEIS</b>	Final Environmental Impact Statement- Submitted in advance of application for the FFGA, the DEIS identifies impacts anticipated by the prospective construction and operation of an LRT system including impacts on traffic, noise, air quality, historic and archeological sites, as well as impacts to properties along the alignment.
<b>FFGA</b>	Full Funding Grant Agreement - Inter-Governmental Agreement between the F T A and the Grantee responsible for the design and construction of a transit project. In the case of the CP/EV project, the City of Phoenix is the Grantee and METRO is acting as a sub-recipient.
<b>FTA</b>	Federal Transit Administration
<b>Headways</b>	The time interval between arriving trains or busses along a transit route. (Service Frequency)
<b>HCT</b>	High Capacity Transit – includes heavy rail, Light Rail Transit, Bus Rapid Transit modes of urban transportation.



## Appendix B – Glossary of Terms and Acronyms (Cont'd)

<b>TERM / ACRONYM</b>	<b>DEFINITION</b>
<b>LPA</b>	The Locally Preferred Alternative alignment for a transit route among a set of options which have been analyzed.
<b>LRT</b>	Light Rail Transit
<b>LRV</b>	Light Rail Vehicle
<b>MAG</b>	Maricopa Association of Governments
<b>Member Cities</b>	METRO equity members, currently Phoenix, Tempe, Mesa and Glendale
<b>METRO</b>	The light rail system to be designed, constructed and operated by METRO.
<b>O&amp;M</b>	Operations and Maintenance activities required for rail passenger service.
<b>Proposition 400</b>	Legislative initiative to create a Public Transportation Fund passed into Arizona law in November 2004 providing roadway and public transit improvements in accordance with the Regional Transportation Plan.
<b>PTF</b>	Public Transportation Fund. See Proposition 400.
<b>ROW</b>	Right-of-Way- real property required for the LRT alignment
<b>RPTA</b>	Regional Public Transportation Authority the designated agency to receive and distribute public transit improvement funding under Proposition 400
<b>RTP</b>	Regional Transportation Plan - for Maricopa County, a comprehensive, performance-based, multi-modal and coordinated regional plan providing a blueprint for future regional transportation investments.
<b>TIP</b>	Transportation Improvement Program
<b>TOD</b>	Transit Oriented Development - real property development typically incorporating residential and commercial uses into the areas adjacent to a transit route.
<b>TPAN</b>	Transportation Project Advancement Notes. State funding.
<b>METRO</b>	Valley Metro Rail, Inc.
<b>VMT</b>	Vehicle Miles of Travel for each LRT vehicle operated



101 North First Avenue | Suite 1300 | Phoenix, AZ 85003 | [valleymetro.org](http://valleymetro.org)