

Valley Metro Rail

# Adopted Annual Operating & Capital Budget

**FISCAL 2017**



valleymetro.org

602.253.5000

TTY 602.251.2039





# **Valley Metro Rail, Inc.**

Phoenix, Arizona

**Adopted Operating and Capital Budget**  
Fiscal Year 2017  
(July 1, 2016 through June 30, 2017)

**Five-Year Operating Forecast and Capital Program**  
FY 2017 through FY 2021  
(July 1, 2016 through June 30, 2021)

## **Board of Directors**

Chair- Councilmember Thelda Williams, Phoenix  
Mayor Mark Mitchell, Tempe – Vice Chair  
Councilmember Rick Heumann, Chandler  
Mayor Jerry Weiers, Glendale  
Vice Mayor Dennis Kavanaugh, Mesa

## **Executive Management Team**

Scott Smith, Interim Chief Executive Officer  
Jyme Sue McLaren, Chief of Staff  
Raymond Abraham, Chief Operations Officer  
Rick Brown, Chief Engineer  
Hillary Foose, Director Marketing and Communication  
Wulf Grote, Director Planning and Accessible Transit Services  
Penny Lynch, Human Resources Director  
John McCormack, Chief Financial Officer  
Michael Minnaugh, General Counsel  
Adrian Ruiz, Safety and Security Director  
William Tsuei, Chief Technology Officer



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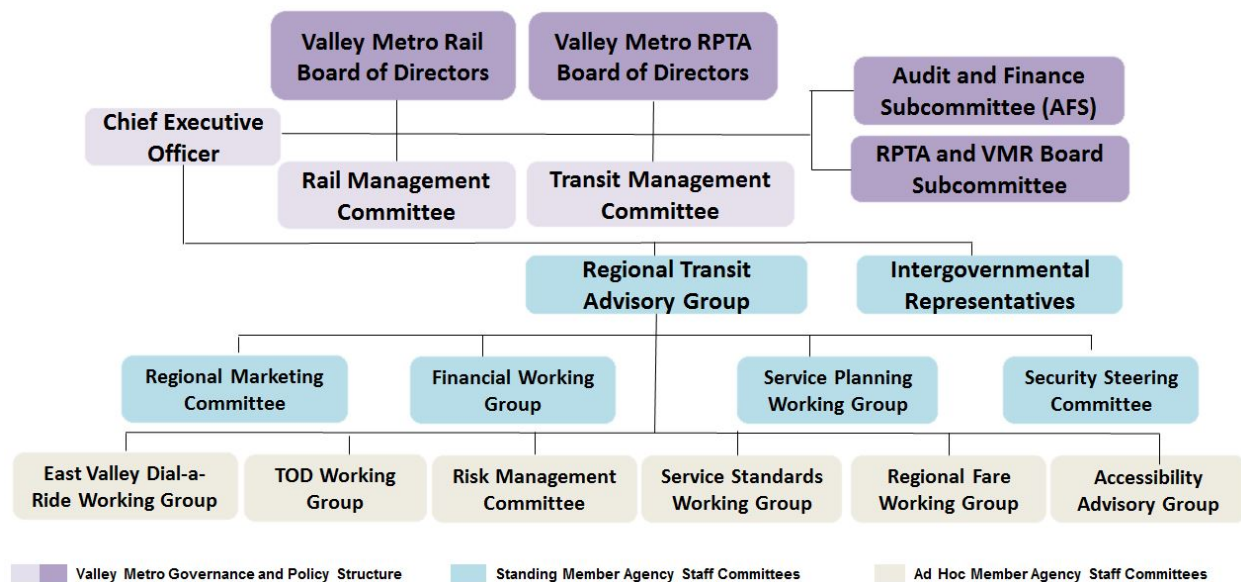


## METRO RAIL ORGANIZATION

Valley Metro Rail, Inc. (VMR) is a public non-profit corporation whose members are the cities of Chandler, Glendale, Mesa, Phoenix, and Tempe. VMR 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 VMR 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 VMR Staff includes employees managing operations, performing maintenance, directing planning, design and construction of new rail lines. VMR 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 VMR and the relationships to key stakeholders.

# Valley Metro Organization





## VALLEY METRO

### VISION:

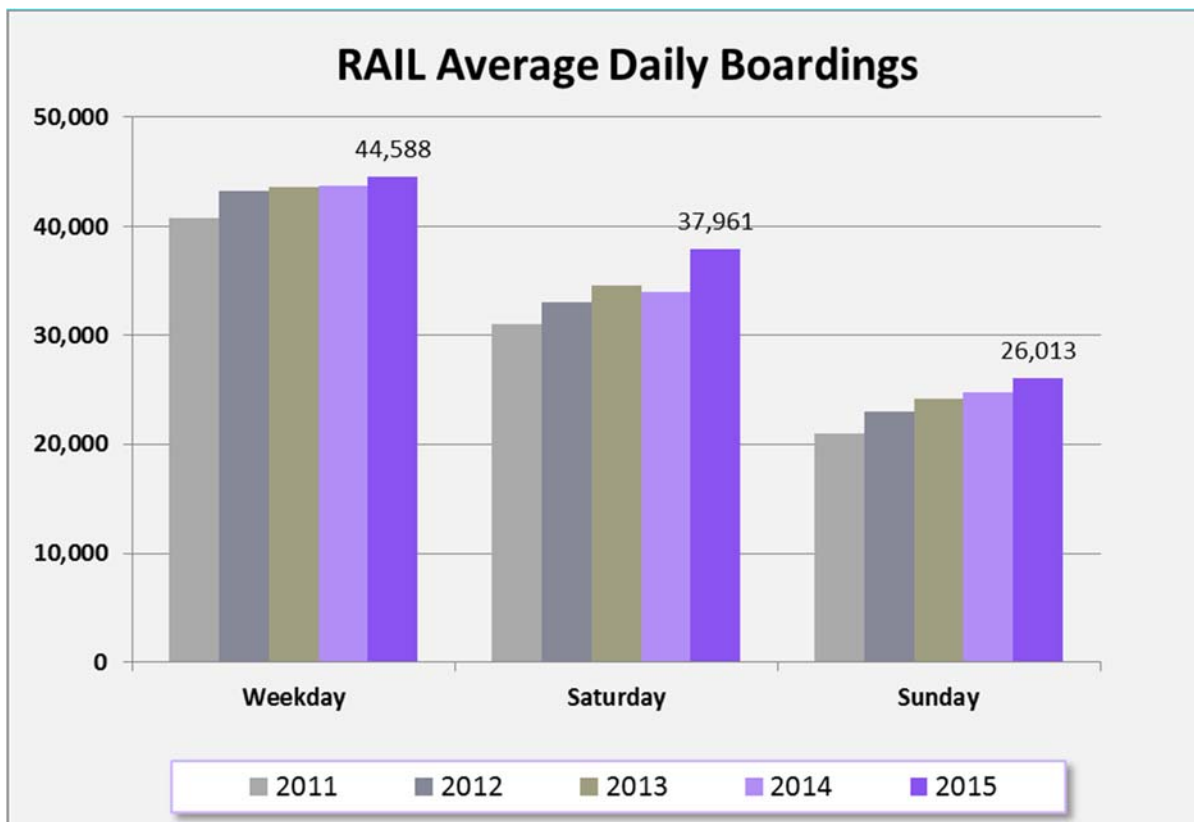
Valley Metro is a leader in connecting communities and building a vibrant, sustainable region.

### MISSION:

Valley Metro provides our customers with a safe, efficient and reliable total transit network.

## FY 2016 HIGHLIGHTS

- VMR ridership increased, serving 14.8 million riders in CY 2015, 3.5% percent more than in CY 2014.





- Delivered passenger service achieving the following results:

<b>Benchmark</b>	<b>FY15 Target</b>	<b>FY15 Actual</b>
On Time Performance	95%	92.1%
Cost per Boarding	\$2.26	\$2.19
Average Fare	\$0.94	\$0.89

- In July 2015, announcement by Phoenix Mayor Stanton, Phoenix Vice Mayor Valenzuela, Phoenix Councilmember Gallego and Tempe Mayor Mark Mitchell that \$8.2 billion in private and public capital investment has been built near the initial 20-miles of light rail that extends from Phoenix and Tempe into Mesa. Another \$346 million in commercial and residential building is being planned, most of that from private developers.
- In August 2015, the region celebrates the opening of the Central Mesa Extension that began construction in June 2012. More than 3,500 commemorative passes distributed at four separate station celebrations. Ridership on Saturday, August 22 was 40,000 riders or 11,000 additional boardings than a typical Saturday in August.
- In August 2015, Phoenix residents approve Proposition 104 transportation plan by more than 55%.
- In November 2015, the Federal Transit Administration announced that Tempe Streetcar received a Finding of No Significant Impact (or FONSI), which indicates that the three-mile project will have no significant environmental effect on the neighboring communities. The Environmental Assessment includes review of potential impacts to the neighboring environment such as noise and vibration, traffic and parking, historical and archaeological resources.
- In December 2015, the South Central Extension entered Project Development following approval from the Federal Transit Administration (FTA). This marks the next step in receiving federal project approval and ultimately eligibility for federal construction funds.
- In December 2015, more than 21,000 riders celebrated safely on New Year's Eve by taking free rides on Valley Metro Rail between 7 p.m. and end of the service day. Boardings were 6,271 higher than in 2014. This is the third consecutive year of the program that is by sponsored by Miller Coors.



- In January 2016, following a joint meeting of the Valley Metro RPTA and Valley Metro Rail Boards of Directors on Thursday, action was taken to select Scott Smith, former Mayor of Mesa and president of the U.S. Conference of Mayors, as the interim chief executive officer for the Valley Metro organization.
- In February 2016, Tempe Streetcar reached a significant milestone with \$75 million identified in the President's FY17 budget to Congress. Given the announcement, Valley Metro and City of Tempe will initiate procurements for streetcar vehicles this spring and designer, artist and Construction Manager at Risk services this summer.
- In March 2016, opening celebration of the 3.2-mile Northwest Phoenix Extension held at the 19th Ave/Dunlap Park-and-Ride honored the local community, public art and partnership of the successful new service opening several months ahead of schedule.
- In April 2016, Valley Metro Rail hosts an internal rail rodeo competition for operators and maintainers. Winning teams will be sent to the APTA International Rodeo.



## RAIL OPERATIONS SERVICE PLAN

### Service Frequency FY 2017 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 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 major changes are expected from FY16.

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>

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

### Ridership and Fare Revenue:

Total Ridership is forecasted at 17.3 million passengers for the year with fare revenues generating \$15.9 million. Over the course of the fiscal year 2017, average weekday boardings are forecasted at 52,000 while Saturday and Sunday average ridership are forecasted at 44,000 and 31,000 per day respectively.

		Annual Ridership/Fares		
Total Rides	Average	Fare Assumption		
Weekday	52,000	13,147,000	\$ 0.92	\$ 12,095,000
Saturday	44,000	2,238,000	\$ 0.92	\$ 2,059,000
Sunday	31,000	1,907,000	\$ 0.92	\$ 1,755,000
<b>Total Ridership and Fare</b>		17,292,000		\$ 15,909,000

Average fare per ride is forecasted at \$0.92 cents per ride. During FY17 it is anticipated fare discount structure will be modified to increase average fare. The FY17 ridership forecast is 11.1% higher than the FY 2016 plan due to increased ridership projected with the Central Mesa Extension and Northwest Extension I operating for the full year.



## TOTAL FINANCIAL PROGRAM

The FY 2017 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 \$154.7 million (\*) for the amended FY 2016 Budget. Total uses of funds including debt service for FY17 are estimated to be \$217.5 million.

**Uses of Funds** - The FY 2017 Budget includes anticipated operating and capital expenditures in the amount of approximately \$197.0 million to support program elements during the period of July 1, 2016 through June 30, 2017, as follows:

<u>Uses of Funds</u>	<u>(\$,000)</u>			<u>Budget Analysis Note #</u>
	<u>FY16 Amended</u>	<u>FY17 Adopted</u>	<u>Change</u>	
<b>Operating Activities:</b>				
Revenue Operations	39,415	44,890	5,475	1
Future Project Development	11,541	10,967	(574)	2
Agency Operating Budget	909	1,081	172	
	<u>51,864</u>	<u>56,938</u>	<u>5,074</u>	
<b>Capital Projects:</b>				
Northwest Extension	49,178	3,203	(45,975)	3
Central Mesa Extension	15,549	4,673	(10,876)	4
Gilbert Road Extension	11,516	57,984	46,468	5
Tempe Streetcar Extension	1,198	9,476	8,278	6
50th Street LRT Station	747	5,780	5,033	7
South Central Extension	-	39,417	39,417	8
Non-Prior Rights Utilities Relocations	1,467	3,185	1,718	9
CNPAs - Mesa Extension	321	-	(321)	10
Systemwide Improvements	3,497	16,305	12,808	11
Subtotal Capital before Debt Service	<u>83,472</u>	<u>140,023</u>	<u>56,551</u>	
<b>Total Uses of Funds</b>	<u>135,336</u>	<u>196,961</u>	<u>61,625</u>	
<b>Capital Project Debt Service:</b>				
Debt Service - Interest	7,742	8,366	624	
Debt Service - Principal	11,618	12,193	575	
	<u>19,360</u>	<u>20,559</u>	<u>1,199</u>	
<b>Total Uses with Debt Service</b>	<u>154,696</u>	<u>217,520</u>	<u>62,824</u>	

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

(\*) In FY15, the agency changed its 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 are reported on a memorandum basis in this and future rail budgets.



**Sources of Funds** - The FY 2017 Operating and Capital Budget will be funded with a combination of Fare Revenues, Member City contributions, Public Transportation Funds, Federal 5307 Fixed Guideway Preventative Maintenance, Congestion Mitigation and Air Quality funds (CMAQ), and other local funding. The FY 2017 Budget includes anticipated capital and operating sources of funds in the amount of approximately \$197.0 million (\*), as follows:

<b>Sources of Funds</b>	<b>(\$,000)</b>			<b>Budget Analysis Note #</b>
	<b>FY16 Amended</b>	<b>FY17 Adopted</b>	<b>Change</b>	
<b>Operating Activities:</b>				
Fare Revenue	14,019	15,909	1,890	12
Advertising Revenue	876	1,100	224	
Federal 5307 PM	1,143	1,197	54	
Federal CMAQ	1,451	-	(1,451)	13
TIGER	1,488	175	(1,313)	14
Member Cities	26,324	31,139	4,815	15
MAG / RPTA (RARF)	1,000	1,000	-	
PTF Sales Tax Revenue	5,564	6,419	855	16
	<u>51,864</u>	<u>56,938</u>	<u>5,074</u>	
<b>Capital Projects:</b>				
FTA - Section 5309	7,084	-	(7,084)	17
Federal CMAQ	14,491	73,232	58,741	18
Federal 5337 SOGR	341	341	-	
Member Cities	1,665	49,237	47,572	19
Less Repayment Phoenix NW Advance	-	(60,000)	(60,000)	20
PTF Bond Revenue	-	43,099	43,099	21
PTF Sales Tax Revenue	59,891	34,113	(25,778)	22
	<u>83,472</u>	<u>140,023</u>	<u>56,551</u>	
<b>Total Sources of Funds</b>	<b>135,336</b>	<b>196,961</b>	<b>61,625</b>	
<b>Capital Project Debt Service:</b>				
PTF Sales Tax Revenue	19,360	20,559	1,199	
	<u>19,360</u>	<u>20,559</u>	<u>1,199</u>	
<b>Total Sources with Debt Service</b>	<b>154,696</b>	<b>217,520</b>	<b>62,824</b>	

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

(\*) In FY15, the agency 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 are reported on a memorandum basis in this and future rail budgets.



## BUDGET ANALYSIS

The following is an analysis of the major changes in the FY 2017 Adopted Budget versus the FY 2016 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 - Uses of Funds
1	FY17 rail operating costs increase by 14% over FY16 levels. In FY17, 26 miles of service will be operated for the full year. Maintenance costs rise with scheduled preventive maintenance activities to maintain the system in a state of good repair, and increased fare inspection and security resources are being deployed.
2	Future Project Development costs are down by \$0.6M due to decrease in planning activities related to future corridors and system planning; primarily due to completion of project development for the Tempe Streetcar capital project.
3	Northwest Extension Phase I base project costs are down by \$46.0M due to completion of the construction portion of the project and commencement of passenger operations in March of 2016.
4	Central Mesa Extension base project costs are down by \$10.9M. Remaining activity in FY17 is related to the train signal control system upgrade.
5	Gilbert Road LRT Extension project construction to commence in FY17, along with the purchase of Light Rail Vehicles. Annual expenditures forecasted at \$58.0M.
6	Tempe Streetcar design and pre-construction activities commence. Annual expenditures forecasted at \$9.5M.
7	50th Street LRT Station preliminary design and ROW acquisition work continues with construction to commence in FY17.
8	South Central Capital Project pre-construction activities to begin in FY17. Annual design and project management expenditures forecasted at \$39.4M.
9	Non-prior rights utilities relocations up by \$1.7M due to increased activity for construction projects. FY17 amounts include Tempe Streetcar (\$0.5M), 50th Street LRT Station (\$0.6M), and Gilbert Road Extension (\$2.0M).
10	No FY17 City of Mesa funding for Central Mesa Extension Concurrent Non-Project Activities (CNPA).
11	Systemwide Improvements include the purchase of 8 light rail vehicles for future extensions (\$6.0M), LRV overhauls (\$4.7M), improvements for station lighting and railing, security camera component upgrades, ticket vending machine upgrades and other activities (\$5.6M).



Note	Budget Analysis - Sources of Funds
12	Fare revenue increases from \$14.0M to \$15.9M; assumes 17.3 million rides with an average fare forecasted to be \$0.92 per ride in FY17. Ridership grows with addition of 6 miles of service for full 12 months. Average fare increase due to fare pricing adjustment anticipated in late 2017, pending Board approval.
13	With Tempe Streetcar project moving into capital phase, no Federal CMAQ project development funds programmed for FY17.
14	Project Development Federal TIGER funds down by \$1.3M due to South Central entering into pre-construction activity in FY17, which will be funded by City of Phoenix within the capital project budget.
15	Member City contributions for Operations are up from \$26.3M to \$31.1M in FY17 due to operating 12 months of the base service along with the Central Mesa and Northwest Extensions (\$3.3M net of revenues), an additional \$1.3M of future project development activities, primarily related to South Central Corridor project in Phoenix, and \$0.2M increase for agency operations.
16	PTF Sales Tax revenue funding requirements for project development are up by \$0.9M, primarily related to Northwest Phase II, West Phoenix-Central Glendale and Phoenix I-10 Capitol projects.
17	No Federal New Starts funds programmed for FY17. Activity in FY16 was to complete the Central Mesa Extension project. New Starts funds for the Tempe Streetcar are anticipated in FY18.
18	Federal CMAQ increasing by \$58.7M due to increasing funding requirements for construction activity. FY17 programmed activity includes Central Mesa Extension SCADA (\$3.7M), Gilbert Road (\$54.7M), Tempe Streetcar (\$7.6M), Systemwide Improvements (\$4.9M), and Non Prior Rights Utilities (\$2.3M)
19	Member City contributions for Capital Projects total \$49.2M for FY17. Project amounts for FY17 include South Central funding by Phoenix (\$39.4M), 50th Street Station funding by Phoenix (\$5.8M), Gilbert Road Extension funding by Mesa (\$3.3M), and Non Prior Rights Utilities (\$0.7M).
20	In June of 2017, the City of Phoenix will be repaid \$60.0M in advances the City made in FY 13 and FY 14 to accelerate completion of the NW Extension. Funding is from Public Transportation Funds.
21	It is anticipated that RPTA will issue \$60.0M series 2017 bonds to support rail capital projects in the spring of 2017. Consumption of bond proceeds is estimated at \$43.1M in FY17.
22	PTF Sales Tax funding will be reduced from \$59.9M to \$34.1M primarily due to construction activity winding down for Northwest and Central Mesa Extensions, offset by increased funding requirements for Tempe Streetcar and Systemwide Improvements.



## Agency Staff Overview

Valley Metro RPTA and Valley Metro Rail budgets are developed with a unified staff plan, with department managers planning the level of effort required to meet the bus and rail activities. For FY17, there are 310 employees budgeted in the integrated agency; 131 FTE's are budgeted to RPTA activities; 179 to VMR activities. Staffing levels are reviewed on an annual basis with zero-base analysis of level of effort requirements to fulfill work requirements in the five-year period commencing with the beginning of the new fiscal year. Salary and fringe benefit compensation levels are measured against comparable regional agencies, member cities and peer transit agencies located in the western U.S.

### FY17 Compensation and Fringe Benefit Assumptions

Total compensation budget is based on a 2.5% increase. For staff salary changes, merit increases are based on employee performance. Division level control is in place to contain total salary and fringe costs within budget. With new positions, overall increase is 3%.

Agency health care costs will increase. Program design adjustments are in place to hold total agency fringe benefit cost increases to within 3% of FY16 levels.

### Staffing cost analysis

	FY 17	FY 16	change	pct change
\$ million				
Salaries	19.6	18.8	0.8	4%
Fringe Benefits	7.6	7.5	0.1	2%
<b>Total Salary and Fringe Benefits</b>	<b>27.2</b>	<b>26.3</b>	<b>0.9</b>	<b>3%</b>

Analysis of changes	Salary	Fringe	Total	
Base Compensation FY16	18.8	7.5	26.3	
Base increase	0.5	-	0.5	
Position Changes	0.3	0.1	0.4	
<b>New Base Compensation FY17</b>	<b>19.6</b>	<b>7.6</b>	<b>27.2</b>	
<b>Change FY17 Adopted Budget vs. FY16 Adopted Budget</b>			<b>0.9</b>	<b>\$ million</b>

Five new agency positions are planned to improve internal controls and strengthen fixed route bus and accessible transit contractor performance, as noted below.

Title	Division	Scope of Work
Manager, Internal Audit	Chief Executive Office	Agency Internal Controls with primary reporting to Board
Internal Audit Specialist	Chief Executive Office	Internal Control testing and compliance
Program Representative	Planning & Accessible Transit	Support East Valley, West Valley, and regional paratransit
Scheduler	Operations and Maintenance - RPTA	Fixed Route Bus schedule analysis and management
Program Coordinator	Operations and Maintenance - RPTA	Fixed Route Bus contractor performance management



## **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 2017 – FY 2021 Five-Year Operating and Capital Program (page 23) will be completed and submitted to the Board of Directors for approval along with the FY 2017 Operating and Capital Budget.

## **DETAIL VALLEY METRO RAIL OPERATING AND CAPITAL PROJECTS**

VMR's operating and capital activities are broken down into projects. The following pages identify the Sources and Uses of Funds for each project.



*FY17 Adopted VMR Revenue Operations Budget*

	<b>FY16 Amended Budget</b>	<b>FY17 Adopted Budget</b>	<b>Amount Increase/ (Decrease)</b>
<b>Sources of Funds</b>			
Mesa Fare Revenue	\$ 2,153,000	\$ 2,331,000	\$ 178,000
Phoenix Fare Revenue	8,507,000	9,828,000	1,321,000
Tempe Fare Revenue	3,359,000	3,751,000	392,000
Federal 5307 PM	1,143,000	1,197,000	54,000
Mesa Advertising	111,000	137,000	26,000
Phoenix Advertising	573,000	766,000	193,000
Tempe Advertising	192,000	197,000	5,000
Mesa Base Cost Contributions	3,456,000	3,980,000	524,000
Phoenix Base Cost Contributions	14,295,000	17,285,000	2,990,000
Tempe Base Cost Contributions	5,556,000	5,348,000	(208,000)
Tempe Local Security	70,000	70,000	-
	<b>\$ 39,415,000</b>	<b>\$ 44,890,000</b>	<b>\$ 5,475,000</b>
<b>Expenditures</b>			
Salaries and Fringe Benefits	\$ 9,202,000	\$ 9,475,000	\$ 273,000
RPTA Overhead	918,000	870,000	(48,000)
Transportation Contractors Labor & Materials	10,085,000	11,296,000	1,211,000
Fare Inspection & Security	3,902,000	4,755,000	853,000
Propulsion Power	2,752,000	3,106,000	354,000
Vehicle Maintenance Contractor Labor & Materials	1,979,000	2,766,000	787,000
Systems & Facilities Maintenance Contractors	2,243,000	2,729,000	486,000
SFM Material / Supplies / Other Direct Costs	838,000	891,000	53,000
Utilities	1,591,000	1,905,000	314,000
General & Administrative Costs	2,929,000	3,086,000	157,000
Consultants	193,000	428,000	235,000
Liability Insurance	1,903,000	1,721,000	(182,000)
Contingency Reserve	600,000	1,270,000	670,000
LRT project capital outlay	280,000	592,000	312,000
	<b>\$ 39,415,000</b>	<b>\$ 44,890,000</b>	<b>\$ 5,475,000</b>
<b>Allocation of Operating Costs</b>			
<b>Phoenix</b>			
Base Costs	\$ 21,761,000	\$ 25,605,000	\$ 3,844,000
Regional Security	2,303,000	3,039,000	736,000
	63.811%	28,644,000	4,580,000
Less Fares,Advertising & Fed PM Distributed	(9,768,000)	(11,359,000)	(1,591,000)
<b>Phoenix Net Contribution</b>	<b>\$ 14,296,000</b>	<b>\$ 17,285,000</b>	<b>\$ 2,989,000</b>
<b>Tempe</b>			
Base Costs	\$ 8,432,000	\$ 8,538,000	\$ 106,000
Regional Security	962,000	1,013,000	51,000
Local Security	70,000	70,000	-
	21.433%	9,621,000	157,000
Less Fares,Advertising & Fed PM Distributed	(3,838,000)	(4,203,000)	(365,000)
<b>Tempe Net Contribution</b>	<b>\$ 5,626,000</b>	<b>\$ 5,418,000</b>	<b>\$ (208,000)</b>
<b>Mesa</b>			
Base Costs	\$ 5,320,000	\$ 5,922,000	\$ 602,000
Regional Security	567,000	703,000	136,000
	14.759%	6,250,000	738,000
Less Fares,Advertising & Fed PM Distributed	(2,430,000)	(2,644,000)	(214,000)
<b>Mesa Net Contribution</b>	<b>\$ 3,457,000</b>	<b>\$ 3,981,000</b>	<b>\$ 524,000</b>
<b>Total Operating Costs</b>	<b>\$ 39,415,000</b>	<b>\$ 44,890,000</b>	<b>\$ 5,475,000</b>



*FY17 Adopted Future Project Development Budget*

	<b>FY16 Amended Budget</b>	<b>FY17 Adopted Budget</b>	<b>Amount Increase/ (Decrease)</b>
<b>Sources of Funds</b>			
Chandler	\$ 250,000	\$ 239,000	\$ (11,000)
Phoenix	1,788,000	2,492,000	704,000
Glendale	-	644,000	644,000
MAG	500,000	500,000	-
RPTA (RARF/Other)	500,000	500,000	-
PTF Revenue Sales Tax	5,564,000	6,417,000	853,000
TIGER	1,488,000	175,000	(1,313,000)
CMAQ	1,451,000	-	(1,451,000)
	<u>\$ 11,541,000</u>	<u>\$ 10,967,000</u>	<u>\$ (574,000)</u>
<b>Expenditures</b>			
Salaries and Fringe Benefits	\$ 2,719,000	\$ 2,668,000	\$ (51,000)
RPTA Overhead	258,000	232,000	(26,000)
Business Assistance	25,000	-	(25,000)
Consulting COP Liaison	145,000	-	(145,000)
Consultants - PM/CM	92,000	-	(92,000)
Consultants - Planning Support	4,855,000	5,399,000	544,000
Consultants - Other	725,000	386,000	(339,000)
Consultants - Planning/Environmental	1,000,000	680,000	(320,000)
Advertising	8,000	6,000	(2,000)
Printing	57,000	46,000	(11,000)
Postage	61,000	51,000	(10,000)
Public meetings & information	30,000	28,000	(2,000)
Other direct expenditures	27,000	12,000	(15,000)
LRT project office expense	5,000	-	(5,000)
Local meetings & mileage	6,000	3,000	(3,000)
Business Travel	22,000	4,000	(18,000)
LRT project capital outlay	5,000	5,000	-
Agency Overhead Allocation	1,501,000	1,448,000	(53,000)
	<u>\$ 11,541,000</u>	<u>\$ 10,967,000</u>	<u>\$ (574,000)</u>

\* South Central (\$2.1M) to be funded by Phoenix (\$1.9M) and \$175,000 by TIGER Grant

\* Northwest Phase II EA/ACE to be funded with PTF (\$839,000)

\* West Phoenix/Glendale Corridor Alternatives Analysis is anticipated to be funded with PTF (\$711,000)

\* West Glendale Feasibility Study (\$644,000) to be funded by Glendale

\* Capitol/I-10 West Phase I is anticipated to be funded with PTF (\$474,000)

\* Fiesta/Downtown Chandler Transit Corridor Study (\$239,000) to be funded by Chandler

\* Northeast Corridor feasibility study to be funded with COP advance (\$529,000)

\* 16th Street Advanced Feasibility Study (\$60,000) to be funded by Phoenix

\* OMC Master Plan and Phasing Study funded with PTF (\$175,000)

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.



*FY17 Adopted Agency Operating Budget*

	<b>FY16 Amended Budget</b>	<b>FY17 Adopted Budget</b>	<b>Amount Increase/ (Decrease)</b>
<b>Sources of Funds</b>			
Chandler	\$ 23,000	\$ 32,000	\$ 9,000
Glendale	23,000	32,000	9,000
Mesa	173,000	195,000	22,000
Phoenix	454,000	541,000	87,000
Tempe	236,000	281,000	45,000
	<u>\$ 909,000</u>	<u>\$ 1,081,000</u>	<u>\$ 172,000</u>
<b>Expenditures</b>			
Salaries and Fringe Benefits	\$ 369,000	\$ 543,000	\$ 174,000
RPTA Overhead	33,000	47,000	14,000
Consultants - Other	125,000	37,000	(88,000)
Conferences	17,000	11,000	(6,000)
Business Travel	45,000	20,000	(25,000)
Advertising	1,000	1,000	-
Printing	2,000	2,000	-
Public meetings & information	63,000	41,000	(22,000)
Other direct expenditures	19,000	23,000	4,000
LRT audit and accounting costs	37,000	50,000	13,000
Bank Charges	-	5,000	5,000
Agency Overhead Allocation	198,000	301,000	103,000
	<u>\$ 909,000</u>	<u>\$ 1,081,000</u>	<u>\$ 172,000</u>

Note: The Cities of Chandler and Glendale contribute \$50,000 each annually to VMR. \$32,000 is applied to Agency Operating funds and the balance of the funds are held by VMR for future project studies to be used when requested by the Member City.

Agency operating costs are general and administrative costs of Valley Metro Rail, Inc. which are not directly allocable to passenger operations or to capital projects. Typical expenses include agency memberships, public meetings, legislative representation, annual financial audit, and leadership management activities which address interactions with member cities and strategic policy making. In FY17, an Internal Audit function has been added with direct reporting relationship to the Audit and Finance Subcommittee of the Board of Directors.



*FY17 Adopted Agency Overhead Allocation*

	<b>FY16 Amended Budget</b>	<b>FY17 Adopted Budget</b>	<b>Amount Increase/ (Decrease)</b>
<b><i>Allocation of Costs</i></b>			
Revenue Operations	\$ 614,000	\$ 693,000	\$ 79,000
Future Projects	1,504,000	1,499,000	(5,000)
Agency Operating	198,000	252,000	54,000
Northwest Extension	350,000	25,000	(325,000)
Central Mesa	215,000	59,000	(156,000)
Gilbert Road	213,000	378,000	165,000
Tempe South	87,000	296,000	209,000
Capitol/I-10 West	93,000	-	(93,000)
50th Street LRT Station	-	140,000	140,000
South Central Capital Project	-	19,000	19,000
NPR Utilities	24,000	22,000	(2,000)
	<u>\$ 3,298,000</u>	<u>\$ 3,383,000</u>	<u>\$ 85,000</u>
<b><i>Expenditures</i></b>			
Salaries & Fringes	\$ 1,126,000	\$ 1,125,000	\$ (1,000)
RPTA Overhead	108,000	98,000	(10,000)
Building Rent	1,529,000	826,000	(703,000)
Building Rent Sublease	(705,000)	-	705,000
IT Services and Consultants	291,000	177,000	(114,000)
Equipment Leases	43,000	-	(43,000)
Office Supplies	106,000	138,000	32,000
Telecommunication Services	78,000	166,000	88,000
Employee Development	188,000	142,000	(46,000)
Vehicle Related	25,000	31,000	6,000
Other Office Expense	29,000	73,000	44,000
Computer/Software/Equipment	419,000	569,000	150,000
LRT project capital outlay	61,000	38,000	(23,000)
	<u>\$ 3,298,000</u>	<u>\$ 3,383,000</u>	<u>\$ 85,000</u>

Agency overhead costs include general and administrative costs of Valley Metro Rail, Inc. which are directly allocable to passenger operations, future project development and to capital projects. Expenditures include human resource costs for information technology, accounting and procurement, office building, supplies and equipment, computer software maintenance and offsite hosting. Overhead costs are allocated based on ratios of actual wage expended for VMR operating and capital projects.



*FY17 Adopted Northwest Extension Phase I Budget*

	<b>FY16 Amended Budget</b>	<b>FY17 Adopted Budget</b>	<b>Amount Increase/ (Decrease)</b>
<b>Sources of Funds</b>			
PTF Revenue Bonds	\$ -	\$ 43,098,000	\$ 43,098,000
PTF Revenue Sales Tax	49,178,000	20,105,000	(29,073,000)
Less Repayment Phoenix NW Advance	-	(60,000,000)	(60,000,000)
	<u>\$ 49,178,000</u>	<u>\$ 3,203,000</u>	<u>\$ (45,975,000)</u>
<b>Expenditures</b>			
Salaries and Fringe Benefits	\$ 681,000	\$ 45,000	\$ (636,000)
RPTA Overhead	65,000	4,000	(61,000)
Consulting COP Liaison	5,000	-	(5,000)
Consultants - PM/CM	3,051,000	95,000	(2,956,000)
Consultants - Planning Support	30,000	-	(30,000)
Contractor - CM At Risk	33,596,000	-	(33,596,000)
City Construction Management	8,050,000	-	(8,050,000)
Consultants - Engineering	363,000	-	(363,000)
Consultants - Art Design	320,000	-	(320,000)
Consultants - Other	340,000	24,000	(316,000)
Consultants - Utility Relocation	85,000	-	(85,000)
Business Assistance	150,000	-	(150,000)
Real estate acquisition	1,783,000	-	(1,783,000)
Printing	10,000	-	(10,000)
Postage	5,000	-	(5,000)
Public meetings & information	2,000	-	(2,000)
Other direct expenditures	165,000	-	(165,000)
LRT project office expense	30,000	10,000	(20,000)
Local meetings & mileage	3,000	-	(3,000)
NWX Advance - Interest	-	3,000,000	3,000,000
LRT project capital outlay	94,000	-	(94,000)
Agency Overhead Allocation	350,000	25,000	(325,000)
	<u>\$ 49,178,000</u>	<u>\$ 3,203,000</u>	<u>\$ (45,975,000)</u>



*FY17 Adopted Central Mesa HCT Capital Project*

	<b>FY16 Amended Budget</b>	<b>FY17 Adopted Budget</b>	<b>Amount Increase/ (Decrease)</b>
<b>Sources of Funds</b>			
PTF Revenue Sales Tax	\$ 6,074,000	\$ 934,000	\$ (5,140,000)
FTA Section 5309	7,084,000	-	(7,084,000)
CMAQ	2,391,000	3,739,000	1,348,000
	<u>\$ 15,549,000</u>	<u>\$ 4,673,000</u>	<u>\$ (10,876,000)</u>
<b>Expenditures</b>			
Salaries and Fringe Benefits	\$ 451,000	\$ 117,000	\$ (334,000)
RPTA Overhead	43,000	10,000	(33,000)
Consultants - PM/CM	1,506,000	-	(1,506,000)
Consultants - Planning Support	25,000	-	(25,000)
Contractor - Design Build	11,090,000	4,479,000	(6,611,000)
City Construction Management	383,000	-	(383,000)
Consultants - Construction Admin.	418,000	-	(418,000)
Consultants - Art Design	155,000	-	(155,000)
Consultants - Other	348,000	7,000	(341,000)
Real estate acquisition	397,000	-	(397,000)
Business Assistance	100,000	-	(100,000)
Printing	5,000	-	(5,000)
Postage	1,000	-	(1,000)
Public meetings & information	2,000	-	(2,000)
Other direct expenditures	153,000	-	(153,000)
Software licenses/Maintenance agreements	67,000	-	(67,000)
LRT project office expense	123,000	-	(123,000)
Local meetings & mileage	5,000	-	(5,000)
Business Travel	5,000	-	(5,000)
LRT project capital outlay	57,000	-	(57,000)
Agency Overhead Allocation	215,000	60,000	(155,000)
	<u>\$ 15,549,000</u>	<u>\$ 4,673,000</u>	<u>\$ (10,876,000)</u>

*FY17 Mesa Extension - Concurrent Non-Project  
Activities (CNPA) Budget*

	<b>FY16 Amended Budget</b>	<b>FY17 Adopted Budget</b>	<b>Amount Increase/ (Decrease)</b>
<b>Sources of Funds</b>			
PTF Revenue Sales Tax	\$ 76,000	\$ -	\$ (76,000)
Mesa	245,000	-	(245,000)
	<u>\$ 321,000</u>	<u>\$ -</u>	<u>\$ (321,000)</u>
<b>Expenditures</b>			
Contractor - Design Build	\$ 321,000	\$ -	\$ (321,000)
	<u>\$ 321,000</u>	<u>\$ -</u>	<u>\$ (321,000)</u>



*FY17 Adopted Gilbert Road Extension*

	<b>FY16 Amended Budget</b>	<b>FY17 Adopted Budget</b>	<b>Amount Increase/ (Decrease)</b>
<b>Sources of Funds</b>			
Mesa	\$ 656,000	\$ 3,305,000	\$ 2,649,000
CMAQ	10,860,000	54,679,000	43,819,000
	<u>\$ 11,516,000</u>	<u>\$ 57,984,000</u>	<u>\$ 46,468,000</u>
<b>Expenditures</b>			
Salaries and Fringe Benefits	\$ 402,000	\$ 783,000	\$ 381,000
RPTA Overhead	38,000	68,000	30,000
Consultants - PM/CM	1,123,000	3,819,000	2,696,000
Consultants - Planning Support	10,000	25,000	15,000
Consultants - Design & Construction Support	5,921,000	1,618,000	(4,303,000)
Contractor - CM@R	1,000,000	29,538,000	28,538,000
City Construction Management	424,000	1,178,000	754,000
Consultants - Art Design	110,000	621,000	511,000
Consultants - Other	382,000	476,000	94,000
Real estate acquisition	1,000,000	9,375,000	8,375,000
Business Assistance	150,000	150,000	-
Light Rail Vehicles	250,000	9,415,000	9,165,000
Community Advisory Board	-	236,000	236,000
Data/Telecommunications	-	7,000	7,000
Advertising	7,000	6,000	(1,000)
Printing	20,000	23,000	3,000
Postage	15,000	15,000	-
Public meetings & information	6,000	6,000	-
Other direct expenditures	2,000	23,000	21,000
Computer unit cost under 5K	-	25,000	25,000
LRT project office expense	107,000	10,000	(97,000)
Software Licenses/Maintenance	107,000	89,000	(18,000)
Local meetings & mileage	5,000	6,000	1,000
Business Travel	3,000	4,000	1,000
LRT project capital outlay	221,000	90,000	(131,000)
Agency Overhead Allocation	213,000	378,000	165,000
	<u>\$ 11,516,000</u>	<u>\$ 57,984,000</u>	<u>\$ 46,468,000</u>



*FY17 Adopted Tempe Streetcar HCT Capital Project*

	<b>FY16 Amended Budget</b>	<b>FY17 Adopted Budget</b>	<b>Amount Increase/ (Decrease)</b>
<b>Sources of Funds</b>			
PTF Revenue Sales Tax	\$ 240,000	\$ 1,895,000	\$ 1,655,000
CMAQ	958,000	7,581,000	6,623,000
	<u>\$ 1,198,000</u>	<u>\$ 9,476,000</u>	<u>\$ 8,278,000</u>
<b>Expenditures</b>			
Salaries and Fringe Benefits	\$ 154,000	\$ 609,000	\$ 455,000
RPTA Overhead	15,000	53,000	38,000
Consultants - PM/CM	550,000	-	(550,000)
Consultant-Planning Support	-	216,000	216,000
Consultants - Design & Construction Support	125,000	3,420,000	3,295,000
Contractor - Design Build	50,000	-	(50,000)
Contractor - CM At Risk	-	1,000,000	1,000,000
City Construction Management	50,000	200,000	150,000
Consultants - Art Design	-	175,000	175,000
Consultants - Other	-	249,000	249,000
Pothole Program	75,000	-	(75,000)
Consultants - Utility Relocation	75,000	100,000	25,000
Consultants - Vehicle Design/Procurement	17,000	2,500,000	2,483,000
Business Assistance	-	150,000	150,000
Community Advisory Board	-	300,000	300,000
LRT project capital outlay	-	100,000	100,000
Business Travel	-	4,000	4,000
Other direct expenditures	-	104,000	104,000
Agency Overhead Allocation	87,000	296,000	209,000
	<u>\$ 1,198,000</u>	<u>\$ 9,476,000</u>	<u>\$ 8,278,000</u>



*FY17 Adopted 50th Street LRT Station Capital Project*

	<b>FY16 Amended Budget</b>	<b>FY17 Adopted Budget</b>	<b>Amount Increase/ (Decrease)</b>
<b>Sources of Funds</b>			
Phoenix	\$ 747,000	\$ 5,780,000	\$ 5,033,000
	<u>\$ 747,000</u>	<u>\$ 5,780,000</u>	<u>\$ 5,033,000</u>
<b>Expenditures</b>			
Salaries and Fringe Benefits	\$ -	\$ 253,000	\$ 253,000
RPTA Overhead	-	22,000	22,000
Business Assistance	-	60,000	60,000
Consultants - PM/CM	55,000	654,000	599,000
Consultants - Design & Construction Support	-	1,364,000	1,364,000
Contractor-CM@R	-	1,462,000	1,462,000
City Construction Management	129,000	954,000	825,000
Consultants - Art Design	-	76,000	76,000
Consultants - Other	27,000	58,000	31,000
Real Estate/ROW Acquisition	-	642,000	642,000
Advertising	-	3,000	3,000
Printing	-	10,000	10,000
Postage	-	3,000	3,000
Public meetings & information	-	4,000	4,000
Other direct expenditures (materials)	536,000	22,000	(514,000)
Local meetings & mileage	-	3,000	3,000
LRT project capital outlay	-	50,000	50,000
Agency Overhead Allocation	-	140,000	140,000
	<u>\$ 747,000</u>	<u>\$ 5,780,000</u>	<u>\$ 5,033,000</u>

*FY17 Adopted South Central Capital Project*

	<b>FY16 Amended Budget</b>	<b>FY17 Adopted Budget</b>	<b>Amount Increase/ (Decrease)</b>
<b>Sources of Funds</b>			
Phoenix	\$ -	\$ 39,417,000	\$ 39,417,000
	<u>\$ -</u>	<u>\$ 39,417,000</u>	<u>\$ 39,417,000</u>
<b>Expenditures</b>			
Salaries and Fringe Benefits	\$ -	\$ 58,000	\$ 58,000
RPTA Overhead	-	5,000	5,000
Consultants - Other	-	39,335,000	39,335,000
Agency Overhead Allocation	-	19,000	19,000
	<u>\$ -</u>	<u>\$ 39,417,000</u>	<u>\$ 39,417,000</u>



*FY 2017 Adopted Non-Prior Rights Utilities Relocation Budget*

	<b>FY16 Amended Budget</b>	<b>FY17 Adopted Budget</b>	<b>Amount Increase/ (Decrease)</b>
<b>Sources of Funds</b>			
City of Mesa	\$ 17,000	\$ 114,000	\$ 97,000
Phoenix	-	621,000	621,000
CMAQ	283,000	2,285,000	2,002,000
PTF Revenue Sales Tax	1,167,000	165,000	(1,002,000)
	<u>\$ 1,467,000</u>	<u>\$ 3,185,000</u>	<u>\$ 1,718,000</u>
<b>Expenditures</b>			
Salaries and Fringe Benefits	\$ 42,000	\$ 39,000	\$ (3,000)
RPTA Overhead	4,000	3,000	(1,000)
Tempe Streetcar NPR Utilities	-	500,000	500,000
50th St LRT Station NPR Utilities	-	621,000	621,000
Northwest Extension NPR Utilities	1,097,000	-	(1,097,000)
Gilbert Rd Extension NPR Utilities	300,000	2,000,000	1,700,000
Agency Overhead Allocation	24,000	22,000	(2,000)
	<u>\$ 1,467,000</u>	<u>\$ 3,185,000</u>	<u>\$ 1,718,000</u>

*FY 2017 Adopted Systemwide Improvements*

	<b>FY16 Amended Budget</b>	<b>FY17 Adopted Budget</b>	<b>Amount Increase/ (Decrease)</b>
<b>Sources of Funds</b>			
Federal 5337 SOGR	\$ 341,000	\$ 341,000	\$ -
PTF Revenue Sales Tax	3,156,000	11,014,000	7,858,000
CMAQ	-	4,950,000	4,950,000
	<u>\$ 3,497,000</u>	<u>\$ 16,305,000</u>	<u>\$ 12,808,000</u>
<b>Expenditures</b>			
Consultants - Other	\$ 3,000	\$ -	\$ (3,000)
Light Rail Vehicles	-	6,000,000	6,000,000
Systemwide Capital	3,494,000	10,305,000	6,811,000
	<u>\$ 3,497,000</u>	<u>\$ 16,305,000</u>	<u>\$ 12,808,000</u>



*FY 2017 Adopted Scheduled Capital Debt Service*

	<b>FY16 Amended Budget</b>	<b>FY17 Adopted Budget</b>	<b>Amount Increase/ (Decrease)</b>
<b>Sources of Funds</b>			
PTF Revenue Sales Tax	\$ 19,360,000	\$ 20,559,000	\$ 1,199,000
	<u>\$ 19,360,000</u>	<u>\$ 20,559,000</u>	<u>\$ 1,199,000</u>
<b>Expenditures</b>			
Debt Service - Interest	\$ 7,742,000	\$ 8,366,000	\$ 624,000
Debt Service -Principal	11,618,000	12,193,000	575,000
	<u>\$ 19,360,000</u>	<u>\$ 20,559,000</u>	<u>\$ 1,199,000</u>

\*Debt Service is shown in the VMR 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 2017

**\$Thousands**

Funding Sources	Adopted Funds Flow - Fiscal Year 2017 (\$ Thousands)								Total Funding
	Central Mesa	Northwest Extension	Tempe Streetcar	Gilbert Road	50th Street LRT Station	South Central	Other Capital	Operations & Proj. Dev.	
Fare Revenue:									
Phoenix	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,828	\$ 9,828
Tempe								3,751	3,751
Mesa								2,331	2,331
Advertising Revenue:									
Phoenix								766	766
Tempe								197	197
Mesa								137	137
Phoenix		(60,000)			5,780	39,417	621	20,318	6,136
Tempe								5,699	5,699
Mesa				3,305			114	4,175	7,594
Glendale								676	676
Chandler								271	271
Federal 5337 SOGR							341		341
Federal CMAQ	3,739		7,581	54,679			7,236	-	73,235
Federal 5307 PM								1,197	1,197
Regional PTF Sales Tax	934	20,105	1,895				11,179	6,417	40,530
Regional PTF Revenue Bonds		43,098							43,098
RPTA								500	500
MAG Arranged Funding								500	500
Other Funding								175	175
<b>TOTAL FUNDING</b>	<b>\$ 4,673</b>	<b>\$ 3,203</b>	<b>\$ 9,476</b>	<b>\$ 57,984</b>	<b>\$ 5,780</b>	<b>\$ 39,417</b>	<b>\$ 19,490</b>	<b>\$ 56,938</b>	<b>\$ 196,961</b>



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

**FY 2017 – FY 2021**



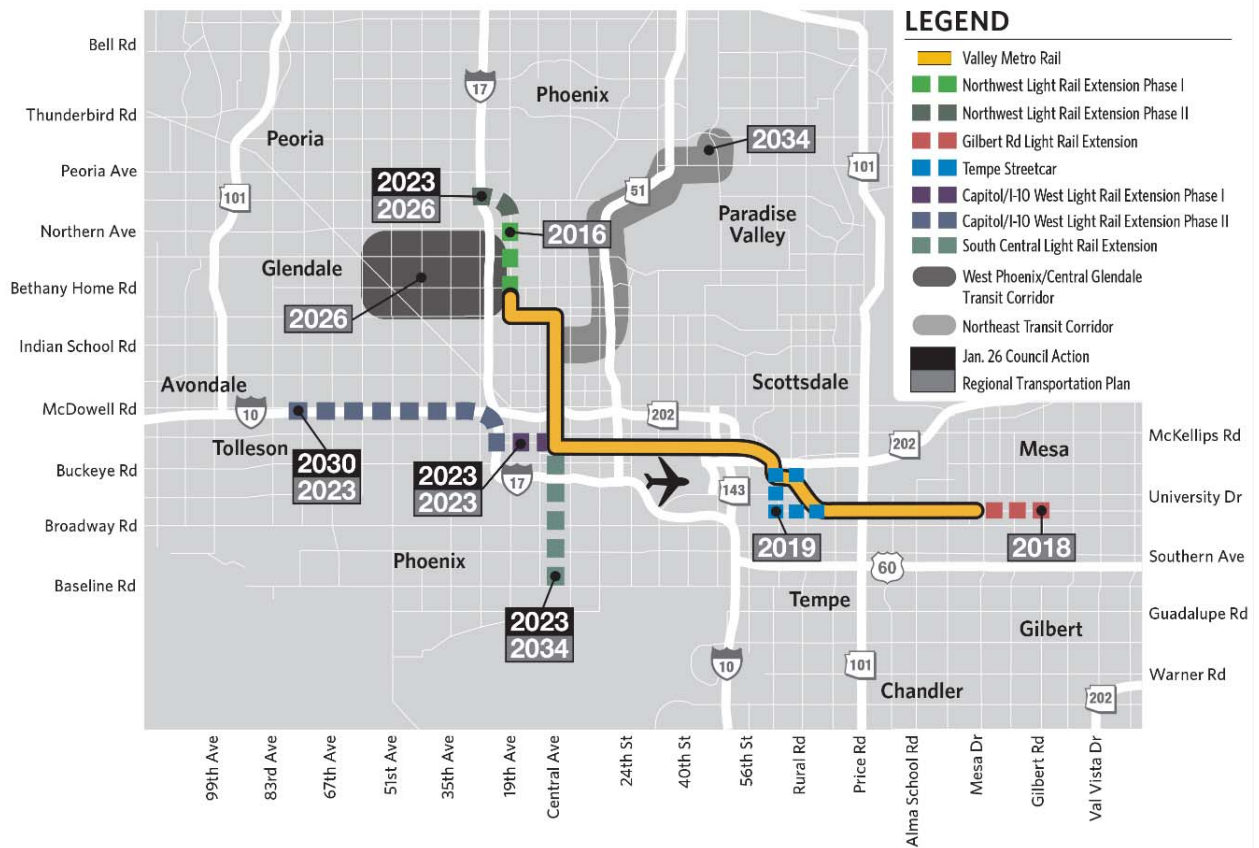
## VALLEY METRO RAIL SERVICES

VMR was formed to plan, design, construct, and operate the VALLEY 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, are planned for future years. See “Future Projects” for further information.

## TRANSIT CORRIDORS

### HIGH CAPACITY/LIGHT RAIL

In 2015 the City of Phoenix voters approved Prop 104 providing transportation funding. Based on City of Phoenix projections, the map below shows projects moving forward in advance of the current Transit Life Cycle Plan.





## **VALLEY METRO RAIL SERVICES (continued)**

**Operations & Maintenance:** VMR is responsible for overseeing the day-to-day operations of the VMR system with the ultimate goal of providing a safe, reliable and customer focused transit system. In December of 2008, revenue operations began and VMR 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. VMR is self-performing core systems maintenance including track, power, signals and communication systems.

**Future Project Planning and Development:** The proposed high capacity/light rail transit system will include over 66 miles of service in four cities within the next 17 years. Before any specific transit corridor is initiated, VMR 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. VMR 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. VMR is responsible to assure that adequate funding is in place to implement, maintain and operate the light rail program. VMR staff works closely with federal, state, regional and local agencies that provide present and future funding for the light rail system. VMR, 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, VMR assists with light rail station area planning by actively engaging to support member cities' efforts to facilitate Transit Oriented Development (TOD).

**Design and Construction:** VMR 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. VMR 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 2017 through FY 2021, are summarized as follows:

<b><u>Uses of Funds Five Year Total</u></b>	<b><u>(\$,000)</u></b>
LRT Operations & Maintenance	\$ 251,700
Project Development Planning	44,013
Agency Operating Budget	5,746
<b>Subtotal - Operations and Project Development</b>	<b>301,459</b>
Northwest Extension Phase 1	3,203
Central Mesa	8,599
Gilbert Rd	130,099
Tempe Streetcar	161,679
South Central	419,829
50th Street Station	17,689
Northwest Phase 2	167,682
Capitol I-10 West	64,315
West Phoenix Central Glendale	102,186
Non-Prior Rights Utilities Relocation	23,716
Systemwide Improvements	64,349
<b>Subtotal - Capital</b>	<b>1,163,346</b>
<b>Total Uses</b>	<b>\$ 1,464,805</b>



**Sources of Funds:**

The cumulative sources of funds, FY 2017 through FY 2021, are summarized as follows:

<b><u>Sources of Funds Five Year Total</u></b>	<b><u>(\$,000)</u></b>
LRT Fares	\$ 95,080
Advertising	5,840
Member City Contributions:	
Phoenix	618,521
Less Repayment Phoenix NW Advance	(60,000)
Tempe	47,886
Mesa	29,913
Glendale	15,877
Chandler	393
Regional Funding:	
MAG / RPTA	5,000
PTF (Reserve) / Bond Borrowing	52,759
PTF Sales Tax Revenue (Allocation 43.24%)	207,616
TPAN	70,992
Federal Funding:	
FTA Section 5309	177,962
CMAQ	184,309
Federal 5307 PM	6,677
TIGER	175
Federal 5337 SOGR	5,802
<b>Total Sources</b>	<b>\$ 1,464,805</b>



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

	2017	2018	2019	2020	2021	Cumulative 2017 - 2021
<b>USES OF FUNDS</b>						
LRT Operations & Maintenance	\$ 44,890	\$ 46,484	\$ 49,390	\$ 53,940	\$ 56,996	\$ 251,700
Project Development Planning	10,967	11,532	7,087	6,953	7,474	44,013
Agency Operating Budget	1,081	1,115	1,148	1,183	1,219	5,746
<b>Subtotal - Operations and Proj Dev</b>	<b>56,938</b>	<b>59,131</b>	<b>57,625</b>	<b>62,076</b>	<b>65,689</b>	<b>301,459</b>
Northwest Extension Phase 1	3,203	-	-	-	-	3,203
Central Mesa	4,673	3,926	-	-	-	8,599
Gilbert Rd	57,984	56,653	14,153	1,309	-	130,099
Tempe Streetcar	9,476	48,872	73,296	30,035	-	161,679
South Central	39,417	124,687	98,336	89,080	68,309	419,829
50th Street Station	5,780	8,634	3,275	-	-	17,689
Northwest Phase 2	-	3,055	29,032	66,415	69,180	167,682
Capitol I-10 West	-	5,089	5,089	11,557	42,580	64,315
West Phoenix Central Glendale	-	-	-	-	102,186	102,186
Non-Prior Rights Utilities Relocation	3,185	8,174	6,274	2,744	3,339	23,716
Systemwide Improvements	16,305	22,438	22,000	2,126	1,480	64,349
<b>Subtotal - Capital</b>	<b>140,023</b>	<b>281,528</b>	<b>251,455</b>	<b>203,266</b>	<b>287,074</b>	<b>1,163,346</b>
<b>Total Uses</b>	<b>\$ 196,961</b>	<b>\$ 340,658</b>	<b>\$ 309,080</b>	<b>\$ 265,343</b>	<b>\$ 352,763</b>	<b>\$ 1,464,805</b>
<b>SOURCES OF FUNDS</b>						
Phoenix	\$ 66,136	\$ 156,055	\$ 146,716	\$ 124,627	\$ 124,987	\$ 618,521
Less Repayment Phoenix NW Advance	(60,000)	-	-	-	-	(60,000)
Tempe	5,699	12,515	12,592	7,747	9,333	47,886
Mesa	7,598	4,370	5,563	6,111	6,271	29,913
Glendale	676	387	32	30	14,752	15,877
Chandler	271	31	32	30	30	393
MAG / RPTA	1,000	1,000	1,000	1,000	1,000	5,000
<b>Subtotal</b>	<b>21,380</b>	<b>174,357</b>	<b>165,934</b>	<b>139,544</b>	<b>156,375</b>	<b>657,592</b>
PTF Sales Tax Revenue (Allocation 43.24%)	40,478	36,425	39,984	43,483	47,246	207,616
PTF (Reserve) / Bond Borrowing	43,086	(1,370)	5,978	(9,481)	14,547	52,759
<b>PTF Regional Revenue - Demand</b>	<b>83,565</b>	<b>35,055</b>	<b>45,962</b>	<b>34,002</b>	<b>61,792</b>	<b>260,376</b>
TPAN Funds	-	55,430	14,253	1,309	-	70,992
LRT Fares	15,909	17,257	18,482	21,320	22,112	95,080
Advertising	1,100	1,133	1,167	1,202	1,238	5,840
FTA Section 5309	-	19,921	38,995	55,485	63,561	177,962
CMAQ	73,294	35,837	20,019	9,846	45,313	184,309
Federal 5307 PM	1,197	1,329	1,356	1,383	1,412	6,677
TIGER	175	-	-	-	-	175
Federal 5337 SOGR	341	341	2,912	1,251	959	5,802
<b>Total Sources</b>	<b>\$ 196,961</b>	<b>\$ 340,658</b>	<b>\$ 309,080</b>	<b>\$ 265,343</b>	<b>\$ 352,763</b>	<b>\$ 1,464,805</b>

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



## 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 2017 through FY 2021 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	\$ 251,700
Project Development Planning Support	44,013
Agency Operating Budget	5,746
<b>Total Uses</b>	<b>\$ 301,459</b>
<b>Sources of Funds - Operating Budget</b>	
	<b>(\$,000)</b>
Fare Revenues	\$ 95,079
Advertising	5,841
Member Support:	
Phoenix	90,818
Tempe	34,886
Mesa	26,326
Glendale	1,155
Chandler	393
<b>Subtotal</b>	<b>153,578</b>
Capital Planning Funds - PTF	31,667
Federal 5307 PM	6,679
TIGER	175
RPTA/MAG/ CMAQ / STP	8,440
<b>Total Sources</b>	<b>\$ 301,459</b>



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

	-----Year of Expenditure (\$,000) -----					
	2017	2018	2019	2020	2021	TOTAL
<b>USES OF FUNDS</b>						
Operations and Maintenance	\$ 44,890	\$ 46,484	\$ 49,390	\$ 53,940	\$ 56,996	\$ 251,700
Project Development Planning Support	10,967	11,532	7,087	6,953	7,474	44,013
Agency Operating Budget	1,081	1,115	1,148	1,183	1,219	5,746
<b>Total Uses</b>	<u>56,938</u>	<u>59,131</u>	<u>57,625</u>	<u>62,076</u>	<u>65,689</u>	<u>301,459</u>
<b>SOURCES OF FUNDS</b>						
<b>LRT Fares:</b>						
Phoenix	9,828	11,028	11,264	11,945	11,847	55,911
Tempe	3,751	3,677	3,756	5,214	6,139	22,537
Mesa	2,331	2,551	3,463	4,161	4,126	16,631
<b>Subtotal Fares</b>	<u>15,909</u>	<u>17,257</u>	<u>18,482</u>	<u>21,320</u>	<u>22,112</u>	<u>95,079</u>
<b>Other Revenues:</b>						
Phoenix	20,318	17,599	17,815	17,300	17,786	90,818
Tempe	5,699	6,015	6,092	7,747	9,333	34,886
Mesa	4,175	4,206	5,563	6,111	6,271	26,326
Glendale	676	387	32	30	30	1,155
Chandler	271	31	32	30	30	393
Advertising	1,100	1,133	1,167	1,202	1,238	5,841
<b>Subtotal Local Revenues</b>	<u>32,239</u>	<u>29,370</u>	<u>30,700</u>	<u>32,419</u>	<u>34,691</u>	<u>159,420</u>
<b>Capital Planning Funds - PTF</b>	6,417	8,536	6,087	5,353	5,274	31,667
<b>MAG</b>	500	500	500	500	500	2,500
<b>RPTA</b>	500	500	500	500	500	2,500
<b>TIGER</b>	175	-	-	-	-	175
<b>Federal 5307 PM</b>	1,197	1,329	1,356	1,383	1,412	6,679
<b>CMAQ</b>	-	1,640	-	600	1,200	3,440
<b>Total Sources</b>	<u>\$ 56,938</u>	<u>\$ 59,131</u>	<u>\$ 57,625</u>	<u>\$ 62,076</u>	<u>\$ 65,689</u>	<u>\$ 301,459</u>

**5-Year Operating Assumptions:**

- Gilbert Rd opens revenue service in November 2018
- Tempe Streetcar opens revenue service in December 2019



## Passenger Operations & Maintenance

### Rail Transportation Service Delivery:

Rail Transportation is responsible for ensuring the overall safety and reliability of the VMR system. This includes the Rail Control Center, Field Supervision and Train Operators. Rail Transportation will be responsible for monitoring the VMR system on a 24/7 basis.

### LRV Maintenance:

LRV Maintenance is responsible for the preventive and corrective maintenance required to ensure a high level of LRV availability and reliability. In addition, each LRV will be cleaned on a daily basis.

### System Maintenance:

Systems Maintenance is responsible for maintaining all VMR systems and facilities, including: track, communications, signals, stations, traction power distribution and overhead centenary systems.

### Administration:

Rail transportation and maintenance operations are supported by administrative activities including public safety and security, marketing and customer service, legal and procurement, finance and accounting, risk management, and information systems.

### Fares:

Effective March 2013, the current Regional Fare Policy is as follows:

Local bus / LINK / Light rail			Express / RAPID bus		
<b>Full Fare</b>			<b>Reduced Fare*</b> Proof of eligibility required.		
1-Ride	Light rail only	\$2.00	1-Ride	Light rail only	\$1.00
All-day		\$4.00	All-day		\$2.00
7-day		\$20.00	7-day		\$10.00
15-day		\$33.00	15-day		\$16.50
31-day		\$64.00	31-day		\$32.00
			All-day \$6.50 31-day \$104.00		
<small>Report vending malfunctions to (602) 253-5000.            Please note the date, time, and machine number listed.            Machine ID#</small>					

\*\*\*Reduced Fare – ADA Certified, Youth (6-18) and Seniors (age 65 and over)

In accordance with the regional fare policy to achieve a 25% fare recovery ratio, fare discount structure changes are projected for FY17 to increase average fare by 5%. Within the 5 year plan, a base fare increase is anticipated.



**Table 3 – Rail Operations and Maintenance Cost Forecast FY 2017 through 2021**

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

Annual Cost Projection	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
<b>Transportation</b>					
Labor and Materials	\$ 11,296,000				
Labor - Fare Inspection & Security	4,755,000				
Propulsion Power	3,106,000				
<b>Transportation Total</b>	<b>\$ 19,157,000</b>	<b>\$ 19,513,000</b>	<b>\$ 20,997,000</b>	<b>\$ 23,509,000</b>	<b>\$ 25,324,000</b>
<b>Vehicle Maintenance</b>					
METRO LRVM Labor	\$ 4,624,000	\$ 5,025,000	\$ 5,337,000	\$ 5,697,000	\$ 5,959,000
LRVM Parts and Materials	2,690,000	2,739,000	2,902,000	3,162,000	3,361,000
Major PM Activities-Non-Capital	424,000	471,000	289,000	388,000	4,000
Maintenance Other / Insurance - Accident Recoveries	(349,000)	(359,000)	(370,000)	(381,000)	(393,000)
<b>Vehicle Maintenance Total</b>	<b>\$ 7,389,000</b>	<b>\$ 7,876,000</b>	<b>\$ 8,158,000</b>	<b>\$ 8,866,000</b>	<b>\$ 8,931,000</b>
<b>Systems and Facilities Maintenance</b>					
Track/Station/Facility Maintenance	\$ 3,701,000				
Traction Power System Maintenance Labor	1,289,000				
Signals/Communications/TVMs Labor	1,555,000				
Material Control/Supplies/Other Direct Costs	1,466,000				
Utilities	1,905,000				
Fare Collection Material & Armored Car	338,000				
Less Transfer TVM Billing to RPTA	(108,000)				
Fare Revenue Handling Fee	401,000				
MOW 5 year plan HIDE after updated	-				
<b>Systems and Facilities Maintenance Total</b>	<b>\$ 10,547,000</b>	<b>\$ 11,507,000</b>	<b>\$ 12,215,000</b>	<b>\$ 12,900,000</b>	<b>\$ 13,580,000</b>
<b>Administration</b>					
Property and General Liability Insurance	\$ 1,721,000				
VMR Management	2,161,000				
General & Administrative Costs	2,646,000				
Contingency Reserve	1,270,000				
<b>Administration Total</b>	<b>\$ 7,797,000</b>	<b>\$ 7,588,000</b>	<b>\$ 8,021,000</b>	<b>\$ 8,665,000</b>	<b>\$ 9,161,000</b>
<b>TOTAL OPERATING COSTS</b>	<b>\$ 44,890,000</b>	<b>\$ 46,484,000</b>	<b>\$ 49,390,000</b>	<b>\$ 53,940,000</b>	<b>\$ 56,996,000</b>

In fiscal year 2017 the Central Mesa and Northwest alignments are in operations for the entire fiscal year. The total \$44.9 million operating cost forecast in FY17 is composed of the following components:

- Base 20 mile system \$ 38.2 M
- Northwest Extension \$ 3.4 M
- Central Mesa Extension \$ 3.3 M

The total \$46.5 million operating cost forecast in FY 18 is composed of the following components:

- Base 20 mile system \$ 39.9 M
- Northwest Extension \$ 3.2 M
- Central Mesa Extension \$ 3.4 M



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The total \$49.4 million operating cost forecast in FY 19 is composed of the following components:

▪ Base 20 mile system	\$ 40.9 M
▪ Northwest Extension	\$ 3.3 M
▪ Central Mesa Extension	\$ 3.5 M
▪ Gilbert Rd Extension	\$ 1.7 M

The total \$53.9 million operating cost forecast in FY20 is composed of the following components:

▪ Base 20 mile system	\$ 41.9 M
▪ Northwest Extension	\$ 3.4 M
▪ Central Mesa Extension	\$ 3.6 M
▪ Gilbert Rd Extension	\$ 2.6 M
▪ Tempe Streetcar	\$ 2.4 M

The total \$57.0 million operating cost forecast in FY 21 is composed of the following components:

▪ Base 20 mile system	\$ 42.8 M
▪ Northwest Extension	\$ 3.5 M
▪ Central Mesa Extension	\$ 3.7 M
▪ Gilbert Rd Extension	\$ 2.7 M
▪ Tempe Streetcar	\$ 4.3 M



**Table 4 – Rail Operations Fares and Member City Funding FY 2017 to FY 2021**

Fiscal Year	FY 17 Annual Ridership / Fares		FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	
<b>RIDERSHIP</b>			<b>17,292,518</b>	<b>17,863,171</b>	<b>19,132,571</b>	<b>20,063,971</b>	<b>20,809,571</b>	
<b>AVG Fare</b>			0.92	0.97	0.97	1.06	1.06	
<b>Baseline Rides</b>	<b>Fare Assumption</b>							
Weekday	13,147,143	\$ 0.92	\$ 12,095,372	\$ 12,095,372	\$ 13,119,245	\$ 14,051,530	\$ 16,209,136	\$ 16,811,486
Saturday	2,238,060	\$ 0.92	2,059,015	2,059,015	2,233,311	2,392,016	2,759,308	2,861,847
Sunday	1,907,315	\$ 0.92	1,754,730	1,754,730	1,903,267	2,038,518	2,351,532	2,438,917
<b>Total Baseline Rides</b>	<b>17,292,518</b>	<b>\$ 0.92</b>	<b>\$ 15,909,117</b>	<b>\$ 15,909,117</b>	<b>\$ 17,255,823</b>	<b>\$ 18,482,064</b>	<b>\$ 21,319,976</b>	<b>\$ 22,112,250</b>
<b>OPERATING REVENUES</b>				<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>
<b>Fare Revenues</b>								
Phoenix	61.77%			\$ 9,827,600	\$ 11,028,202	\$ 11,263,844	\$ 11,945,114	\$ 11,846,582
Tempe	23.58%			3,750,745	3,677,116	3,755,686	5,214,192	6,139,319
Mesa	14.65%			2,330,772	2,550,505	3,462,534	4,160,670	4,126,350
<b>Total Fare Revenues</b>				<b>\$ 15,909,117</b>	<b>\$ 17,255,823</b>	<b>\$ 18,482,064</b>	<b>\$ 21,319,976</b>	<b>\$ 22,112,250</b>
<b>Fare Recovery Ratio</b>				35%	37%	37%	40%	39%
<b>Advertising Revenue</b>				\$ 1,100,000	\$ 1,133,000	\$ 1,166,990	\$ 1,202,000	\$ 1,238,060
Phoenix	69.67%			766,348	789,339	769,393	792,475	754,990
Tempe	17.91%			197,006	202,916	194,457	200,291	288,897
Mesa	12.42%			136,646	140,745	203,139	209,234	194,173
<b>Federal 5307 PM</b>				\$ 1,197,000	\$ 1,329,000	\$ 1,356,000	\$ 1,384,000	\$ 1,413,000
Phoenix	63.91%			765,003	849,364	826,411	775,425	757,011
Tempe	21.31%			255,074	283,202	275,549	338,483	392,310
Mesa	14.78%			176,923	196,433	254,041	270,093	263,679
<b>Gross Operating Costs</b>								
Phoenix	63.81%			\$ 28,644,084	\$ 29,707,943	\$ 30,100,870	\$ 30,221,525	\$ 30,535,525
Tempe	21.43%			9,620,432	9,905,473	10,036,486	13,192,075	15,824,592
Mesa	14.76%			6,624,551	6,870,590	9,253,083	10,526,629	10,636,000
<b>Total Operating Costs</b>				<b>\$ 44,889,068</b>	<b>\$ 46,484,006</b>	<b>\$ 49,390,438</b>	<b>\$ 53,940,229</b>	<b>\$ 56,996,118</b>
<b>Member City Funding</b>								
Phoenix	64.78%			\$ 17,285,134	\$ 17,041,038	\$ 17,241,222	\$ 16,708,511	\$ 17,176,942
Tempe	20.30%			5,417,608	5,742,239	5,810,794	7,439,110	9,004,066
Mesa	14.92%			3,980,210	3,982,906	5,333,369	5,886,633	6,051,799
<b>Total Member City Funding</b>				<b>\$ 26,682,952</b>	<b>\$ 26,766,183</b>	<b>\$ 28,385,384</b>	<b>\$ 30,034,254</b>	<b>\$ 32,232,808</b>
<b>TOTAL OPERATING REVENUE</b>				<b>\$ 44,889,068</b>	<b>\$ 46,484,006</b>	<b>\$ 49,390,438</b>	<b>\$ 53,940,229</b>	<b>\$ 56,996,118</b>

Fare revenue is forecasted to grow from FY 17 through FY 21 with a combination of increased ridership and increased fare structure. Baseline ridership is forecasted to grow by 4% per year. Additional passenger rides are developed in FY 17 through FY 21 with the addition of the 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 2017 to FY 2021**

	----- (YOE \$,000) -----					
	2017	2018	2019	2020	2021	Total
<b>USES OF FUNDS</b>						
Capitol/I-10 West	\$ 474	\$ 2,050	\$ -	\$ -	\$ -	\$ 2,524
Capitol/I-10 West Phase II	-	-	100	750	1,600	2,450
West Phoenix/Central Glendale	711	3,000	1,250	500	-	5,461
Northeast Phoenix	529	-	-	-	-	529
South Central	2,077	-	-	-	-	2,077
Fiesta/Downtown Chandler	239	-	-	-	-	239
Northwest Phase II	839	750	200	-	-	1,789
16th Street Advanced Feasibility Study	60	-	-	-	-	60
West Glendale Feasibility Study	644	356	-	-	-	1,000
OMC Master Plan and Phasing Study (PTF)	175	-	-	-	-	175
Systems Planning & Project Development	3,801	3,915	4,032	4,153	4,278	20,179
Capital Project Development Administration	1,418	1,461	1,505	1,550	1,596	7,530
<b>Total Uses</b>	<b>\$ 10,967</b>	<b>\$ 11,532</b>	<b>\$ 7,087</b>	<b>\$ 6,953</b>	<b>\$ 7,474</b>	<b>\$ 44,013</b>
<b>SOURCES OF FUNDS</b>						
Phoenix	\$ 2,492	\$ -	\$ -	\$ -	\$ -	\$ 2,492
Chandler	239	-	-	-	-	239
Glendale	644	356	-	-	-	1,000
CMAQ	-	1,640	-	600	1,200	3,440
TIGER	175	-	-	-	-	175
PTF	6,417	8,536	6,087	5,353	5,274	31,667
RARF RPTA	500	500	500	500	500	2,500
MAG	500	500	500	500	500	2,500
<b>Total Sources</b>	<b>\$ 10,967</b>	<b>\$ 11,532</b>	<b>\$ 7,087</b>	<b>\$ 6,953</b>	<b>\$ 7,474</b>	<b>\$ 44,013</b>



## FIVE-YEAR CAPITAL PROGRAM – FY 2017 THROUGH FY 2021

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 – 3.0 mile alignment extending southward along Mill Avenue in downtown Tempe from Rio Salado to Southern.
- Capitol / I-10 West – 11 mile alignment from downtown Phoenix westward to the vicinity of 79<sup>th</sup> Avenue.
- South Central – 5 mile southern extension of the existing Valley Metro light rail line along Central and 1st Avenues in central Phoenix.
- 50<sup>th</sup> Street LRT Station – station will enhance mobility options by serving a regional facility for persons with disabilities and other developments in the area.
- Northwest Extension Phase 2- a 1.7 mile extension which will extend west on Dunlap Ave., north on 25<sup>th</sup> Ave. and across I-17 near Mountain View Rd. with a terminus on the west side of the freeway near Metrocenter Mall.
- West Phoenix Central Glendale - a 5 mile extension connecting the light rail system at 19<sup>th</sup> Avenue and Camelback Road in Phoenix with downtown Glendale at 58<sup>th</sup> Avenue and Glenn Drive
- Systemwide Improvements – Includes 8 additional light rail vehicles, fare technology improvements, 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 VMR. 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:** VMR 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 \$1,163 million through the five-year planning horizon. These uses of funds are summarized as follows:

**FY 2017 THROUGH FY 2021**

<b>Uses of Funds - Capital Projects</b>	<b>(\$,000)</b>
NW Ext Phase 1	\$ 3,203
Central Mesa	8,599
Gilbert Rd	130,099
Tempe Streetcar	161,679
South Central	419,829
50th Street Station	17,689
NW Phase 2	167,682
Capitol I-10 West	64,315
West Phoenix Central Glendale	102,186
Non-Prior Rights Utilities Relocation	23,716
Systemwide Improvements	64,349
<b>Total Capital Costs</b>	<b>\$ 1,163,346</b>

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

**FY 2017 THROUGH FY 2021**

<b>Sources of Funds - Capital Projects</b>	<b>(\$,000)</b>
Phoenix	\$ 527,703
Less Repayment Phoenix NW Advance	(60,000)
Tempe	13,000
Mesa	3,587
Glendale	14,722
PTF Regional Revenue - Demand	228,708
TPAN	70,992
Federal Revenues:	
CMAQ	180,869
FTA Sec 5309	183,763
<b>Total Capital Revenues</b>	<b>\$ 1,163,346</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)**

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>FY 2017-21</u>
<b><u>USES OF FUNDS</u></b>						
Northwest Extension Phase 1	\$ 3,203	\$ -	\$ -	\$ -	\$ -	\$ 3,203
Central Mesa	4,673	3,926	-	-	-	8,599
Gilbert Rd	57,984	56,653	14,153	1,309	-	130,099
Tempe Streetcar	9,476	48,872	73,296	30,035	-	161,679
South Central	39,417	124,687	98,336	89,080	68,309	419,829
50th Street Station	5,780	8,634	3,275	-	-	17,689
Northwest Extension Phase 2	-	3,055	29,032	66,415	69,180	167,682
Capitol I-10 West	-	5,089	5,089	11,557	42,580	64,315
West Phoenix Central Glendale	-	-	-	-	102,186	102,186
Subtotal HCT Corridors	<u>120,533</u>	<u>250,916</u>	<u>223,181</u>	<u>198,396</u>	<u>282,255</u>	<u>1,075,281</u>
Non-Prior Rights Utilities Relocation	3,185	8,174	6,274	2,744	3,339	23,716
Systemwide Improvements	16,305	22,438	22,000	2,126	1,480	64,349
Total Capital Costs	<u>\$ 140,023</u>	<u>\$ 281,528</u>	<u>\$ 251,455</u>	<u>\$ 203,266</u>	<u>\$ 287,074</u>	<u>\$ 1,163,346</u>
<b><u>SOURCES OF FUNDS</u></b>						
Phoenix	\$ 45,818	\$ 138,456	\$ 128,901	\$ 107,327	\$ 107,201	\$ 527,703
Less Repayment Phoenix NW Advance	(60,000)	-	-	-	-	(60,000)
Tempe	-	6,500	6,500	-	-	13,000
Mesa	3,423	164	-	-	-	3,587
Glendale	-	-	-	-	14,722	14,722
Subtotal	<u>(10,759)</u>	<u>145,120</u>	<u>135,401</u>	<u>107,327</u>	<u>121,923</u>	<u>499,012</u>
PTF Sales Tax Revenue (Allocation 43.24%)	34,061	27,889	33,897	38,130	41,971	175,949
PTF (Reserve) / Bond Borrowing	43,086	(1,370)	5,978	(9,481)	14,547	52,759
PTF Regional Revenue - Demand	77,147	26,519	39,875	28,649	56,518	228,708
TPAN	-	55,430	14,253	1,309	-	70,992
Federal Revenues:						
FTA	341	20,262	41,907	56,736	64,520	183,763
CMAQ	73,294	34,197	20,019	9,246	44,113	180,869
Subtotal Federal	<u>73,635</u>	<u>54,459</u>	<u>61,926</u>	<u>65,982</u>	<u>108,633</u>	<u>364,632</u>
Total Revenues	<u>\$ 140,023</u>	<u>\$ 281,528</u>	<u>\$ 251,455</u>	<u>\$ 203,266</u>	<u>\$ 287,074</u>	<u>\$ 1,163,346</u>

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

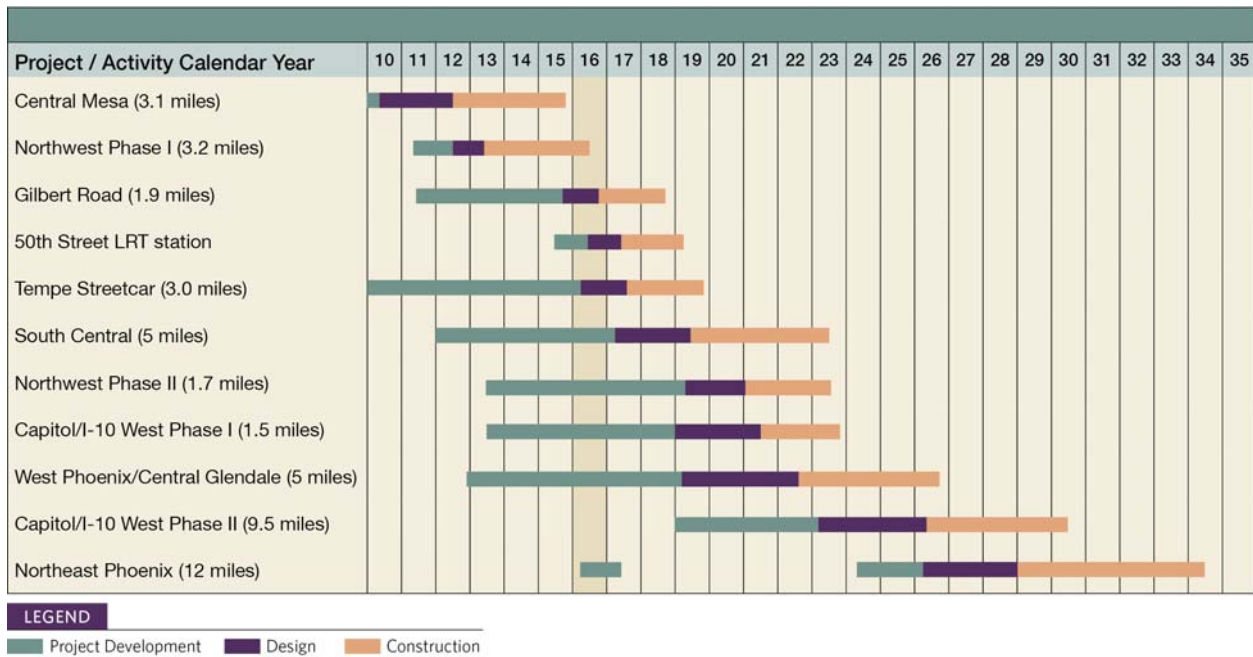
- FY 2017 Approximately \$60 million

The bonds are funded by the Public Transportation Fund sales tax proceeds over the 8 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 66 miles of major high capacity/ light rail transit corridors to be implemented by 2034. Currently the 1.9 mile Gilbert Road extension to serve east Mesa is in final design. The 3.0-mile Tempe Streetcar project is in final design. City of Phoenix voters approved Proposition 104, a 35-year transportation plan that would expedite several miles of light rail/high capacity transit and add additional corridors to the regional high capacity transit system. Under the plan additional service areas are identified; 5.0-miles into south Phoenix, 5-miles west into West Phoenix and Central Glendale, 1.5-mile Capitol/I-10 West extension (phase I), an additional 9.5 miles Capitol/I-10 West extension (phase II), 12-miles into northeast Phoenix, and 5.5-mile ASU West corridor. Valley 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 Member City contributions, and PTF.
- 2.) Capital Budget Phase: After entry into Project Development and environmental clearance, 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 VMR 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. This extension began revenue service on March 19<sup>th</sup>, 2016.

**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 \$323.2 million, excluding financing costs.

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<b>Northwest Extension</b>	<b>Pre-2017</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>TOTAL</b>
<b>CAPITAL COSTS</b>							
NPR Utilities Relocation	\$ 24,889	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 24,889
Project Costs	298,152	203	-	-	-	-	298,355
Financing Costs	-	3,000	-	-	-	-	3,000
<b>Total Capital Costs</b>	<b>\$ 323,041</b>	<b>\$ 3,203</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 326,244</b>
<b>CAPITAL REVENUES</b>							
Repayment Phx NW Advance	\$ 60,000	\$(60,000)	\$ -	\$ -	\$ -	\$ -	\$ -
Phoenix T 2000 Transit Tax	89,690	-	-	-	-	-	89,690
PTF Revenue	173,351	63,203	-	-	-	-	236,554
Total Local	323,041	3,203	-	-	-	-	326,244
<b>Total Capital Revenue</b>	<b>\$ 323,041</b>	<b>\$ 3,203</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 326,244</b>

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

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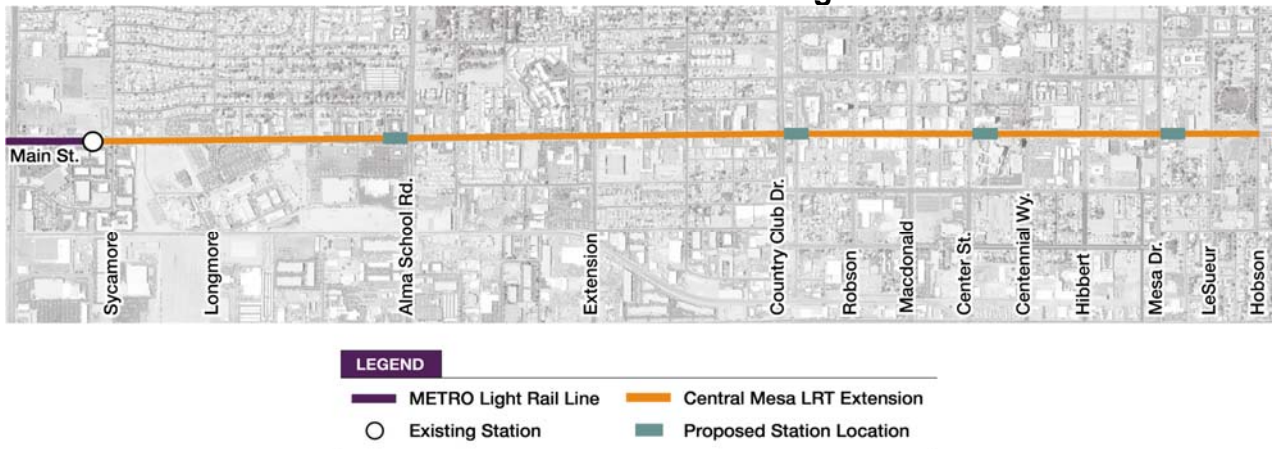
<b>CNPA</b>	<b>Pre-2017</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>TOTAL</b>
Total CNPA Costs - WSD	\$ 10,736	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,736
<b>REVENUES</b>							
Phoenix	\$ 10,736	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,736



**Central Mesa LRT Extension** -- The Central Mesa LRT Extension improves mobility and provides additional capacity in the Main Street corridor in Mesa. In addition, the project connects 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 enhances 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.

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 VMR. Design for the Central Mesa LRT Extension began in FY 2011. The Central Mesa LRT extension began revenue service on August 22, 2015.

### Central Mesa LRT Extension Alignment





**Central Mesa Extension Sources and Uses of Funds:** The total capital cost of the Central Mesa Extension project through FY 2018 is budgeted to be approximately \$190.4 million, excluding financing costs.

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Central Mesa Extension	Pre-2017	2017	2018	2019	2020	2021	TOTAL
<b>CAPITAL COSTS</b>							
NPR Utilities Relocation	\$ 2,854	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,854
Project Costs	178,969	4,673	3,926	-	-	-	187,568
Financing Costs	6,100	100	100	-	-	-	6,300
<b>Total Capital Costs</b>	<b>\$ 187,923</b>	<b>\$ 4,773</b>	<b>\$ 4,026</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 196,722</b>
<b>CAPITAL REVENUES</b>							
FTA Section 5309	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 75,000
CMAQ	43,956	3,738	3,221	-	-	-	50,915
Total Federal	118,956	3,738	3,221	-	-	-	125,915
PTF Revenue	68,968	1,035	805	-	-	-	70,808
Total Local	68,968	1,035	805	-	-	-	70,808
<b>Total Capital Revenue</b>	<b>\$ 187,923</b>	<b>\$ 4,773</b>	<b>\$ 4,026</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 196,722</b>

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

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CNPA	Pre-2017	2017	2018	2019	2020	2021	TOTAL
Total CNPA Costs	\$ 7,568	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,568
<b>REVENUES</b>							
Mesa	\$ 7,568	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,568



**Tempe Streetcar Project** -- The Tempe Streetcar project is located on Rio Salado Parkway from the Marina Heights development west to Mill Avenue, downtown loop on Mill and Ash avenues and south to Apache Boulevard, then east to Dorsey lane. 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.

The Tempe Streetcar will operate weekday trains at approximately 10 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, local funding, and federal grants. Project Development for the Tempe Streetcar project is anticipated to be completed by the beginning of FY 2017. Pending FTA Small Starts approval, construction could be complete in FY20.





**Tempe Streetcar Sources and Uses of Funds:** The total capital cost of the Tempe Streetcar project over the FY 2017 to FY 2021 period is budgeted to be approximately \$176.6 million.

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Tempe Streetcar Extension	Pre-2017	2017	2018	2019	2020	2021	TOTAL
<b>CAPITAL COSTS</b>							
NPR Utilities Relocation	\$ -	\$ 500	\$ 4,302	\$ 6,174	\$ 2,744	\$ -	\$ 13,720
Project Costs	1,198	9,476	48,872	73,296	30,035	-	162,877
<b>Total Capital Costs</b>	<b>\$ 1,198</b>	<b>\$ 9,976</b>	<b>\$ 53,174</b>	<b>\$ 79,470</b>	<b>\$ 32,779</b>	<b>\$ -</b>	<b>\$ 176,597</b>
<b>CAPITAL REVENUES</b>							
FTA Section 5309	\$ -	\$ -	\$ 19,921	\$ 38,995	\$ 16,084		\$ 75,000
CMAQ	958	7,981	10,061	-	-	-	19,000
<b>Total Federal</b>	<b>958</b>	<b>7,981</b>	<b>29,982</b>	<b>38,995</b>	<b>16,084</b>	<b>-</b>	<b>94,000</b>
Tempe	-	-	6,500	6,500	-	-	13,000
PTF Revenue	240	1,995	16,692	33,975	16,695	-	69,597
<b>Total Local</b>	<b>240</b>	<b>1,995</b>	<b>23,192</b>	<b>40,475</b>	<b>16,695</b>	<b>-</b>	<b>82,597</b>
<b>Total Capital Revenue</b>	<b>\$ 1,198</b>	<b>\$ 9,976</b>	<b>\$ 53,174</b>	<b>\$ 79,470</b>	<b>\$ 32,779</b>	<b>\$ -</b>	<b>\$ 176,597</b>

**Capitol / I-10 West Extension** -- The Capitol / I-10 West Extension Phase I 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.

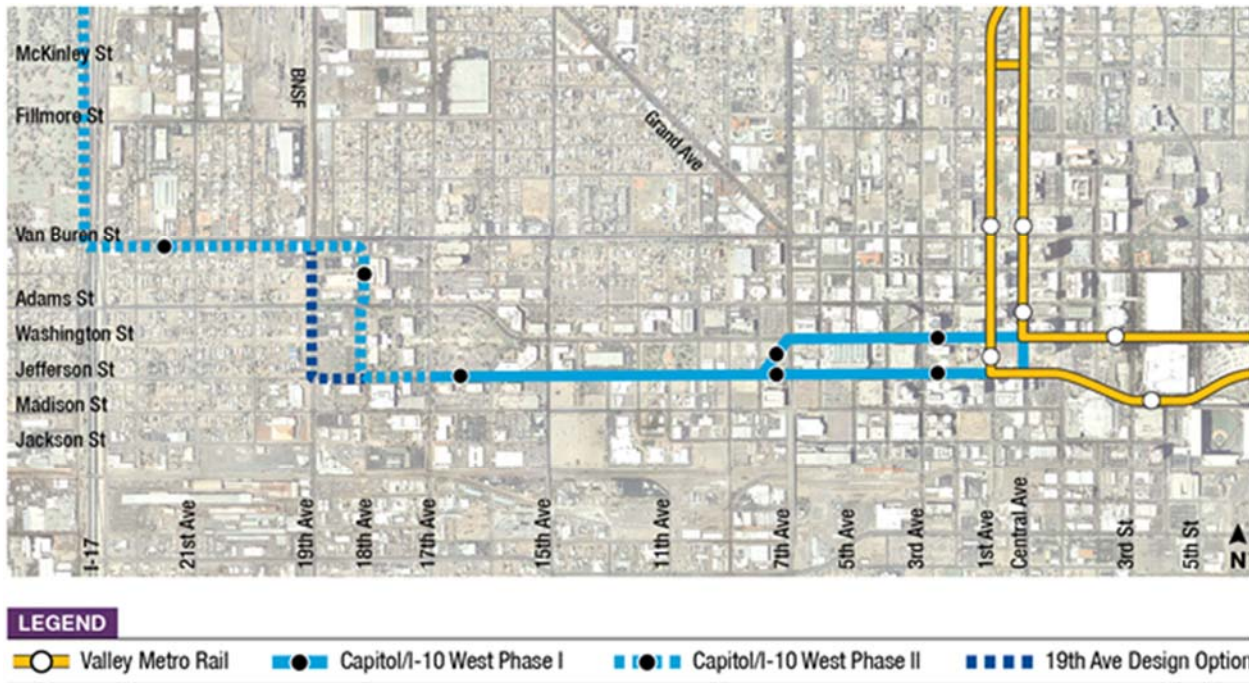
In May 2012, the City of Phoenix Council adopted a locally preferred alternative (LPA), consisting of an 11-mile light rail transit project from the 79th Avenue Park-and-Ride (P&R) on I-10 to the existing light rail transit system in downtown Phoenix to be carried forward for environmental analysis. 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). In addition, the City of Phoenix passed an extension of their transportation tax (Proposition 104) that includes this extension. As a result of the passage of Proposition 104 the City of Phoenix is establishing priorities and is recommending this extension be constructed in two phases. Phase 1 would be from Downtown Phoenix to the State Capitol and be completed in 2023 and Phase 2 would extend out to 79<sup>th</sup> Avenue and be completed in 2030. The Environmental evaluation phase in compliance with the National Environmental Policy Act is anticipated to complete



in late 2016. Concurrent with the environmental analysis, Valley Metro Rail will generate detailed engineering designs of the selected alignment and station layouts.

### Capitol / I-10 West LRT Extension



**Capitol / I-10 West-Phase I Extension Sources and Uses of Funds:** The total capital cost of the Capitol/I-10 West Extension Phase I project over the FY 2018 to FY 2021 period is budgeted to be approximately \$67.7 million, excluding financing costs.

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Capitol/I-10 West Extension	Pre-2017	2017	2018	2019	2020	2021	TOTAL
<b>CAPITAL COSTS</b>							
NPR Utilities Relocation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,339	\$ 3,339
Project Costs	-	-	5,089	5,089	11,557	42,580	64,315
Financing Costs	-	-	1,792	1,792	1,792	1,792	7,168
<b>Total Capital Costs</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 6,881</b>	<b>\$ 6,881</b>	<b>\$ 13,349</b>	<b>\$ 47,711</b>	<b>\$ 74,822</b>
<b>CAPITAL REVENUES</b>							
CMAQ	\$ -	\$ -	\$ 4,071	\$ 4,071	\$ 9,246	\$ 34,064	\$ 51,452
Total Federal	-	-	4,071	4,071	9,246	34,064	51,452
PTF Revenue	-	-	2,810	2,810	4,103	13,647	23,370
Total Local	-	-	2,810	2,810	4,103	13,647	23,370
<b>Total Capital Revenue</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 6,881</b>	<b>\$ 6,881</b>	<b>\$ 13,349</b>	<b>\$ 47,711</b>	<b>\$ 74,822</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, completed construction ahead of schedule and commenced passenger operations in August 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 began in FY 2014, with construction commencing in 2016. Passenger operations is scheduled to begin in November 2018.



## Gilbert Road LRT Extension Alignment



**Gilbert Road Extension Sources and Uses of Funds:** The total capital cost of the Gilbert Road Extension project is budgeted to be approximately \$126.9 million, excluding financing costs and Operations and Maintenance Center contingency costs.

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Gilbert Rd Extension	Pre-2017	2017	2018	2019	2020	2021	TOTAL
<b>CAPITAL COSTS</b>							
NPR Utilities Relocation	\$ 300	\$ 2,064	\$ 1,609	\$ 100	\$ -	\$ -	\$ 4,073
Project Costs	12,349	48,569	48,201	12,396	1,309	-	122,824
Vehicle Procurement	500	9,415	8,452	1,757	-	-	20,124
<b>Total Capital Costs</b>	<b>\$13,149</b>	<b>\$60,048</b>	<b>\$58,262</b>	<b>\$ 14,253</b>	<b>\$ 1,309</b>	<b>\$ -</b>	<b>\$ 147,021</b>
<b>CAPITAL REVENUES</b>							
City of Mesa	\$ 749	\$ 3,423	\$ 164	\$ -	\$ -	\$ -	\$ 4,336
TPAN	-	-	55,430	14,253	1,309	-	70,992
CMAQ Flex	12,400	56,625	2,668	-	-	-	71,693
<b>Total Capital Revenue</b>	<b>\$13,149</b>	<b>\$60,048</b>	<b>\$58,262</b>	<b>\$ 14,253</b>	<b>\$ 1,309</b>	<b>\$ -</b>	<b>\$ 147,021</b>



**South Central LRT Extension** – The South Central Light Rail Extension will consist of an approximately 5-mile-long southern extension of the existing Valley Metro light rail line along Central and 1st Avenues in central Phoenix. The extension tracks would connect to the existing light rail system at Central Avenue and Washington Street in the northbound direction and at 1st Avenue and Jefferson Street in the southbound direction. The track would continue south along 1st and Central Avenues to Hadley Street, where the southbound track would follow the 1st Avenue one-way couplet curve to the east to rejoin Central Avenue. From Hadley Street to the extension’s southern terminus at Baseline Road, the tracks would operate bi-directionally along Central Avenue. The South Central Light Rail Extension Project is scheduled to begin operations in 2023.

Additional track work improvements would be provided at the existing loop in Downtown Phoenix at McKinley Street and Central Avenue and McKinley Street and 1st Avenue. The additional track work at this location would help maintain system operations and provide operational flexibility during events that may cause guideway closures such as accidents, disabled light rail vehicles or loss of electrical power in the Downtown segment of the system. Similar track work would be provided at Sherman Street and Central Avenue. Together this would facilitate a short and efficient bus bridge through Downtown Phoenix in the event of a guideway closure.

In conjunction with the South Central Light Rail Extension, Valley Metro plans to expand the existing Operations and Maintenance Center (OMC), located east of Phoenix Sky Harbor International Airport and southwest of the intersection of the Grand Canal and Loop 202. The OMC expansion would include modifications to the Maintenance of Equipment (MOE) building, storage tracks and cleaning platform. The MOE building modifications would consist of an approximately 23,000-square-foot expansion to the east with improvements/modifications to the existing mezzanine, office space, inspection pits and cranes. Expansion of vehicle storage would include construction of seven new storage tracks (north and south of the existing storage tracks) to increase total storage capacity to 100 vehicles. Finally, two new tracks and a second cleaning platform would be constructed south of the existing cleaning platform. The OMC expansion would occur within the existing facility boundaries; thus, no additional property would be required.

The South Central Light Rail Extension will operate weekday trains at approximately 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.



## South Central Light Rail Extension





**South Central Light Rail Extension Sources and Uses of Funds:** The total capital cost of the South Central project is estimated to be approximately \$623 million (YOE), including financing costs. This extension is part of the Regional Transportation Plan and is planned to be funded by City of Phoenix Transit 2050 local sales tax and federal grants. The total capital cost of the project over the FY 2017 to FY 2021 period excluding finance costs is budgeted to be approximately \$395.8 million.

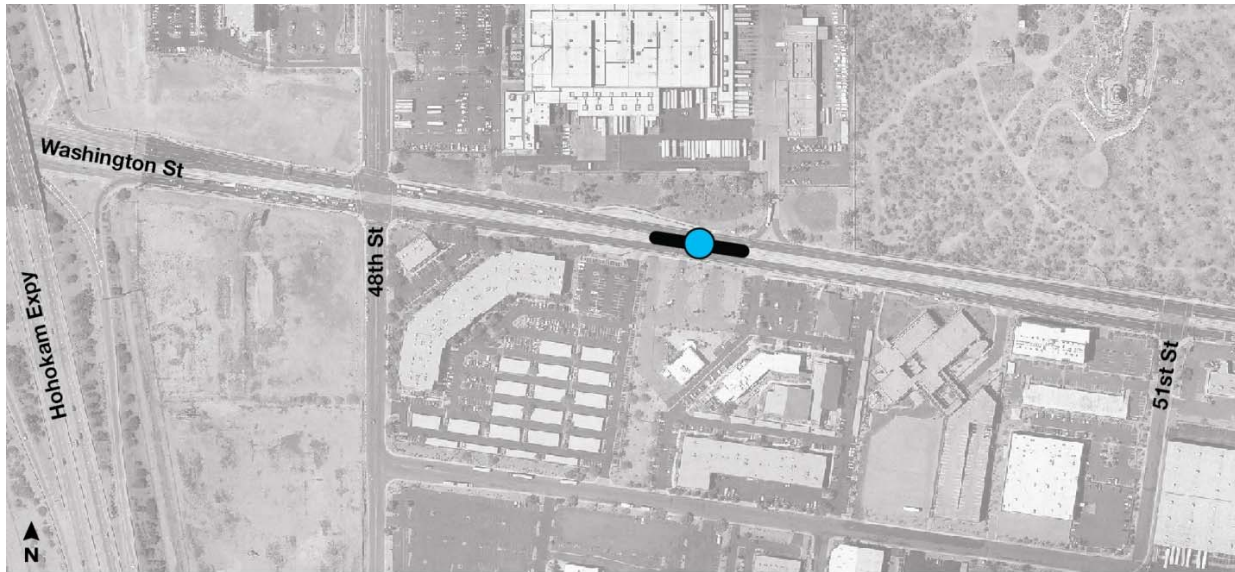
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<b>South Central Extension</b>	<b>Pre-2017</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>TOTAL</b>
<b>CAPITAL COSTS</b>							
NPR Utilities Relocation	\$ -	\$ -	\$ 27,769	\$ 9,256	\$ -	\$ -	\$ 37,025
Project Costs	-	39,417	90,922	83,084	83,084	62,313	358,820
Financing Costs	-	-	5,996	5,996	5,996	5,996	23,984
<b>Total Capital Costs</b>	<b>\$ -</b>	<b>\$39,417</b>	<b>\$ 124,687</b>	<b>\$ 98,336</b>	<b>\$ 89,080</b>	<b>\$ 68,309</b>	<b>\$ 419,829</b>
<b>CAPITAL REVENUES</b>							
Future Federal	\$ -	\$ -	\$ 62,344	\$ 49,168	\$ 44,540	\$ 34,155	\$ 190,206
Total Federal	-	-	62,344	49,168	44,540	34,155	190,206
Phoenix	-	39,417	62,344	49,168	44,540	34,155	229,623
Total Local	-	39,417	62,344	49,168	44,540	34,155	229,623
<b>Total Capital Revenue</b>	<b>\$ -</b>	<b>\$39,417</b>	<b>\$ 124,687</b>	<b>\$ 98,336</b>	<b>\$ 89,080</b>	<b>\$ 68,309</b>	<b>\$ 419,829</b>



**50<sup>TH</sup> Street Station:** The 50<sup>th</sup> Street Light Rail station will enhance mobility options by serving a regional facility for persons with disabilities and other developments in the area. The project is completely funded by City of Phoenix as part of the voter approved Proposition 104. The project is currently in design phase and is expected to begin construction in spring 2017.

**50<sup>TH</sup> Street Station**



\*Station location is general, not to scale.

**50<sup>th</sup> Street Light Rail Station Sources and Uses of Funds:** The total capital cost of the 50<sup>th</sup> Street LRT station project over the FY 2017 to FY 2019 period is budgeted to be approximately \$21.3 million.

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<b>50th Street Station</b>	<b>Pre-2017</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>TOTAL</b>
<b>CAPITAL COSTS</b>							
NPR Utilities Relocation	\$ -	\$ 621	\$ 2,263	\$ -	\$ -	\$ -	\$ 2,884
Project Costs	747	5,780	8,634	3,275	-	-	18,436
<b>Total Capital Costs</b>	<b>\$ 747</b>	<b>\$ 6,401</b>	<b>\$10,897</b>	<b>\$ 3,275</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 21,320</b>
<b>CAPITAL REVENUES</b>							
Phoenix	\$ 747	\$ 6,401	\$10,897	\$ 3,275	\$ -	\$ -	\$ 21,320
Total Local	747	6,401	10,897	3,275	-	-	21,320
<b>Total Capital Revenue</b>	<b>\$ 747</b>	<b>\$ 6,401</b>	<b>\$10,897</b>	<b>\$ 3,275</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 21,320</b>

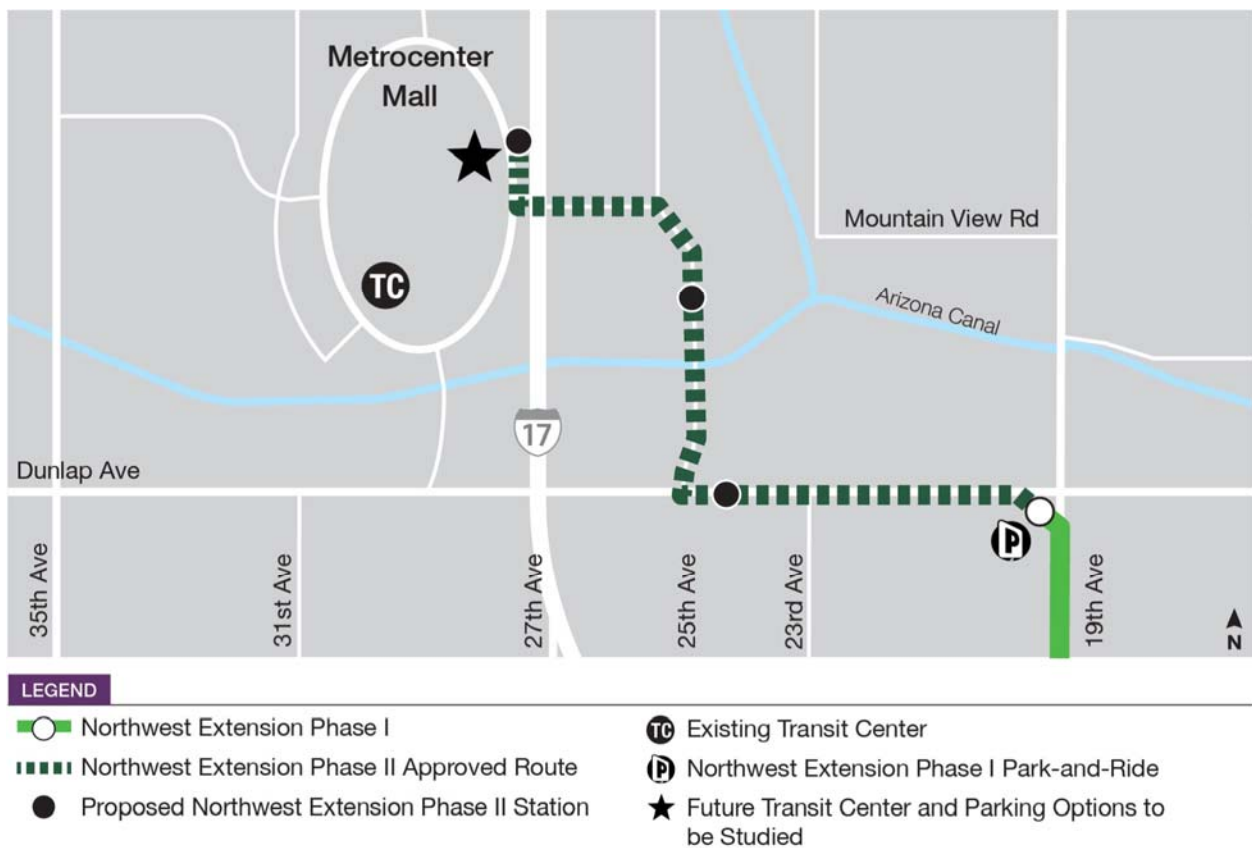


**Northwest Extension Phase II** - The Northwest extension will enhance mobility options for a largely transit-dependent community and provide connectivity with employment centers near the I-17 freeway. It will support nearly 10,000 family housing units and help up to 20,000 employees get to work. It will also bolster community revitalization.

In 2004, the Phoenix City Council approved the Northwest Light Rail Extension, which included 4.6 miles of additional light rail service, extending from the current end-of-line at 19th Ave. and Montebello Ave. to Mountain View Rd. and 25th Ave. In 2007, the route was divided into two phases. The 3.2-mile Phase I on 19th Ave. from Montebello Ave. to Dunlap Ave. is currently under construction and scheduled to open in March 2016.

Phase II of the project will extend west on Dunlap Ave., north on 25th Ave. and across I-17 near Mountain View Rd. with a terminus on the west side of the freeway near Metrocenter Mall. The Phoenix City Council approved the I-17 crossing in 2014. Conceptual engineering on the project is currently underway. Phase II is scheduled to open in 2023.

### Northwest Extension Phase II





**Northwest Phase II Sources and Uses of Funds:** The total capital cost of the Northwest Phase II Extension project over the FY 2017 to FY 2021 period is budgeted to be approximately \$159.2 million, excluding financing costs.

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<b>Northwest Extension Phase 2</b>	<b>Pre-2017</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>TOTAL</b>
<b>CAPITAL COSTS</b>							
NPR Utilities Relocation	\$ -	\$ -	\$ -	\$ -	\$ 5,353	\$ 5,353	\$ 10,706
Project Costs	-	-	3,055	29,032	56,902	59,541	148,530
Financing Costs	-	-	-	-	4,160	4,286	8,446
<b>Total Capital Costs</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 3,055</b>	<b>\$ 29,032</b>	<b>\$ 66,415</b>	<b>\$ 69,180</b>	<b>\$ 167,682</b>
<b>CAPITAL REVENUES</b>							
FTA Section 5309	\$ -	\$ -	\$ -	\$ -	\$ 39,401	\$ 27,672	\$ 67,073
Total Federal	-	-	-	-	39,401	27,672	67,073
Phoenix	-	-	2,872	27,290	18,247	32,583	80,992
PTF Revenue	-	-	183	1,742	8,767	8,925	19,617
Total Local	-	-	3,055	29,032	27,014	41,508	100,609
<b>Total Capital Revenue</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 3,055</b>	<b>\$ 29,032</b>	<b>\$ 66,415</b>	<b>\$ 69,180</b>	<b>\$ 167,682</b>



**West Phoenix / Central Glendale** - West Phoenix/Central Glendale high capacity transit corridor is currently programmed as a 5-mile corridor connecting the existing 19th Ave LRT extension serving West Phoenix and Downtown Glendale. Valley Metro initiated a transit corridor study in 2013 to identify high capacity transit options in partnership with the cities of Phoenix and Glendale. After completing three levels of technical analysis and extensive public outreach, staff is considering a 7-mile leading alternative connecting 19th Avenue and Camelback LRT station through Camelback Road, north along 43rd Avenue and west along Glendale Ave and Glenn Drive. Additional technical analysis and community outreach will be conducted in FY16 and FY17 with a proposed recommendation taken for city council actions and Valley Metro Rail Board action in late 2016/early 2017. The 2017 TLCP will be updated to reflect the revised alignment following Board action.

**West Phoenix / Central Glendale**



**West Phoenix/Central Glendale Source and Uses of Funds:** The estimated capital cost of the project over the period from FY2017 through 2021 excluding finance costs is \$102.2 million.

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

<b>West Phoenix Central Glendale</b>	<b>Pre-2017</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>TOTAL</b>
<b>CAPITAL COSTS</b>							
NPR Utilities Relocation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30,408	\$ 30,408
Project Costs	-	-	-	-	-	71,778	71,778
Financing Costs	-	-	-	-	-	-	-
<b>Total Capital Costs</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 102,186</b>	<b>\$ 102,186</b>
<b>CAPITAL REVENUES</b>							
FTA Section 5309	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 35,889	\$ 35,889
CMAQ	-	-	-	-	-	10,049	10,049
<b>Total Federal</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>45,938</b>	<b>45,938</b>
Phoenix	-	-	-	-	-	6,309	6,309
Glendale	-	-	-	-	-	14,722	14,722
PTF Revenue	-	-	-	-	-	35,217	35,217
<b>Total Local</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>56,248</b>	<b>56,248</b>
<b>Total Capital Revenue</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 102,186</b>	<b>\$ 102,186</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. During FY17 VMR will purchase 8 light rail vehicles for future extensions, perform LRV component overhauls, make improvements for station lighting and railing, security camera component upgrades, ticket vending machine upgrades, and other activities. During FY17 and continuing into FY19, progress payments will be made on the 8 light rail vehicles and major light rail vehicle components such as the pantographs, HVAC, 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 2021 is budgeted to be approximately \$64.3 million.

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<b>Systemwide Improvements</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>TOTAL</b>
<b>CAPITAL COSTS</b>						
All Other	\$ 6,126	\$ 2,258	\$ 480	\$ 683	\$ 281	\$ 9,829
LRV Capital PM	4,179	4,179	3,520	1,443	1,199	14,520
Vehicle Procurement	6,000	16,000	18,000	-	-	40,000
<b>Total Capital Costs</b>	<b>\$ 16,305</b>	<b>\$ 22,438</b>	<b>\$ 22,000</b>	<b>\$ 2,126</b>	<b>\$ 1,480</b>	<b>\$ 64,349</b>
<b>CAPITAL REVENUES</b>						
Federal 5337 SOGR	\$ 341	\$ 341	\$ 2,912	\$ 1,251	\$ 959	\$ 5,802
CMAQ	4,950	14,176	15,948	-	-	35,074
<b>Total Federal</b>	<b>5,291</b>	<b>14,517</b>	<b>18,860</b>	<b>1,251</b>	<b>959</b>	<b>40,876</b>
PTF Revenue	11,014	7,921	3,140	876	521	23,472
<b>Total Local</b>	<b>11,014</b>	<b>7,921</b>	<b>3,140</b>	<b>876</b>	<b>521</b>	<b>23,472</b>
<b>Total Capital Revenue</b>	<b>\$ 16,305</b>	<b>\$ 22,438</b>	<b>\$ 22,000</b>	<b>\$ 2,126</b>	<b>\$ 1,480</b>	<b>\$ 64,349</b>



## **Valley Metro FY17 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 VMR Board is executed by adoption of the Annual Budget.



**Valley Metro**  
**Regional Public Transportation Authority**  
*FY17 Adopted FTE Count by Pay Grades and Ranges*

Pay Grade	Position Title	Adopted Pay Range	FTE Effort		Total FTE
			RPTA	VMR	
I	Cleaner	\$22,824 - \$34,237	0.00	3.00	3.00
III	Administrative Assistant I	\$28,179 - \$42,268	0.60	1.40	2.00
	Customer Service Representative		39.00	0.00	39.00
	Document Control Clerk		0.05	0.95	1.00
	LRV Yard Operator		0.00	1.00	1.00
	Stockroom Clerk		0.00	2.00	2.00
	Transit Distribution and Signage Assistant		0.50	0.50	1.00
IV	Customer Service Application Technician	\$31,310 - \$46,965	1.00	0.00	1.00
	Lead Document Control Clerk		0.05	0.95	1.00
	LRV Inspector		0.00	13.00	13.00
	Materials Handler		0.00	1.00	1.00
V	Accounting Technician	\$34,441 - \$51,661	3.00	1.00	4.00
	Administrative Assistant II		4.70	5.30	10.00
	Lead Customer Service Representative		4.00	0.00	4.00
	LRV Lead Inspector/Cleaner		0.00	1.00	1.00
VI	Contracts Specialist	\$37,884 - \$56,827	0.50	0.50	1.00
	Design & Construction Project Assistant		0.02	0.98	1.00
	Human Resources Technician		2.00	0.00	2.00
	LRV Maintenance Technician I		0.00	17.00	17.00
	Track Maintainer		0.00	7.00	7.00
VII	Accountant I	\$41,673 - \$62,510	2.00	0.00	2.00
	Administrative Assistant III		0.50	1.50	2.00
	Help Desk Specialist		0.40	0.60	1.00
	Internal Audit Specialist		0.50	0.50	1.00
	LRV Maintenance Technician II		0.00	12.00	12.00
	Paralegal		0.50	0.50	1.00
	Planner I		0.20	0.80	1.00
	Planning Program Specialist		0.50	0.50	1.00
	Program Representative		7.90	1.10	9.00
	Signal/Comm System Maintainer		0.00	9.00	9.00
	Utility Relocation Specialist		0.08	0.92	1.00
Vehicle Parts Coordinator	0.00	1.00	1.00		
VIII	Bus & Paratransit Fleet/Facilities Coordinator	\$45,841 - \$68,762	1.00	0.00	1.00
	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	8.00	8.00
	Traction Power Systems Technician		0.00	15.00	15.00



**Valley Metro**  
**Regional Public Transportation Authority**  
*FY17 Adopted FTE Count by Pay Grades and Ranges*

Pay Grade	Position Title	Adopted Pay Range	FTE Effort		Total FTE
			RPTA	VMR	
IX	Accountant II	\$50,425 - \$75,637	3.50	0.50	4.00
	Budget Analyst		1.00	1.00	2.00
	Contracts Administrator		1.75	1.25	3.00
	Customer Service Supervisor		5.00	0.00	5.00
	Data Analyst		1.00	0.00	1.00
	Human Resources Generalist		2.00	0.00	2.00
	LRV Systems and Equipment Specialist		0.00	1.00	1.00
	Management Analyst		1.00	0.00	1.00
	Planner II		0.90	2.10	3.00
	Program Coordinator		8.65	6.35	15.00
	Public Information Specialist		0.55	1.45	2.00
	Safety Specialist		0.50	0.50	1.00
	Scheduler		1.00	0.00	1.00
	Security Coordinator		0.50	0.50	1.00
	Service Analyst II		1.45	0.55	2.00
Web Developer	2.00	0.00	2.00		
X	Bus and Paratransit Fleet/Facilities Supervisor	\$55,468 - \$83,201	1.00	0.00	1.00
	Database Administrator		0.40	0.60	1.00
	LRV Maintenance Supervisor		0.00	3.00	3.00
	Network Administrator		0.40	0.60	1.00
	Program Control Specialist		0.00	1.00	1.00
	Program Supervisor		2.00	0.00	2.00
	SCADA Network Administrator		0.00	1.00	1.00
	Senior Contracts Administrator		0.80	2.20	3.00
	Supervisor, Maintenance of Way		0.05	2.95	3.00
VMware Storage Administrator	0.40	0.60	1.00		
XI	Employee Relations Administrator	\$61,014 - \$91,521	1.00	0.00	1.00
	GIS Administrator		0.75	0.25	1.00
	IT Project Manager		0.40	0.60	1.00
	Light Rail Technical Trainer		0.00	1.00	1.00
	Planner III		0.00	0.00	0.00
	Project Manager		0.25	0.75	1.00
	Public Arts Administrator		0.05	0.95	1.00
	Quality Assurance Administrator		0.10	0.90	1.00
	Senior Construction Project Coordinator		0.10	0.90	1.00
Senior Management Analyst	0.50	1.50	2.00		



**Valley Metro**  
**Regional Public Transportation Authority**  
*FY17 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	\$67,115 - \$100,673	0.00	1.00	1.00
	Manager, Administrative Support Services and Project Management		0.50	0.50	1.00
	Manager, Budget and Operations Financial Controls		0.50	0.50	1.00
	Manager, Communications		0.40	0.60	1.00
	Manager, Community Relations		0.30	0.70	1.00
	Manager, Customer Service		1.00	0.00	1.00
	Manager, Environmental Program		0.15	0.85	1.00
	Manager, Facilities Maintenance		0.05	0.95	1.00
	Manager, General Accounting		0.65	0.35	1.00
	Manager, Human Resources Support Services		1.00	0.00	1.00
	Manager, Internal Audit		0.50	0.50	1.00
	Manager, Marketing		0.50	0.50	1.00
	Manager, Service Planning		0.75	0.25	1.00
	Manager, Transportation Demand Management		1.00	0.00	1.00
	Manager, Utility		0.00	1.00	1.00
	Security Engineer		0.45	0.55	1.00
	Senior Application Developer		0.40	0.60	1.00
Stakeholder Affairs Manager		0.00	1.00	1.00	
XIII	Manager, Accessible Transit Services	\$73,827 - \$110,740	0.85	0.15	1.00
	Manager, Bus Services Delivery		1.00	0.00	1.00
	Manager, Financial Reporting		0.50	0.50	1.00
	Manager, LRT Systems		0.05	0.95	1.00
	Manager, Operations Support and Analysis		0.30	0.70	1.00
	Manager, Safety and Security		0.50	0.50	1.00
	Quality Assurance Manager		0.00	1.00	1.00
	Resident Engineer		0.05	0.95	1.00
	Senior Project Engineer		0.00	1.00	1.00
Systems Engineer		0.05	0.95	1.00	
XIV	Chief Maintenance Engineer	\$83,632 - \$125,448	0.00	1.00	1.00
	Government Relations Officer		0.50	0.50	1.00
	Manager, Capital Development		0.15	0.85	1.00
	Manager, Construction		0.10	0.90	1.00
	Manager, Contracts and Procurement		0.40	0.60	1.00
	Manager, Design		0.05	0.95	1.00
	Manager, O&M Startup/Activation		0.00	1.00	1.00
	Manager, Revenue Generation and Financial Planning		0.75	0.25	1.00
	Senior Database Architect		0.40	0.60	1.00
Superintendent LRV Maintenance		0.00	1.00	1.00	
XV	Chief of Staff	\$102,206 - \$153,310	0.50	0.50	1.00
	Deputy Director, Service Planning & Accessible Transit		0.85	0.15	1.00
	Director, Communication and Marketing		0.50	0.50	1.00
	Director, Human Resources		1.00	0.00	1.00
	Director, Safety and Security		0.50	0.50	1.00



**Valley Metro**  
**Regional Public Transportation Authority**  
*FY17 Adopted FTE Count by Pay Grades and Ranges*

Pay Grade	Position Title	Adopted Pay Range	FTE Effort		Total FTE
			RPTA	VMR	
XVI	Chief Engineer	\$114,880 - \$172,320	0.00	1.00	1.00
	Chief Financial Officer		0.50	0.50	1.00
	Chief Operations Officer		0.40	0.60	1.00
	Chief Technology Officer		0.50	0.50	1.00
	Director, Planning and Accessible Transit		0.20	0.80	1.00
GC	General Counsel	\$119,591 - \$179,387	0.50	0.50	1.00
ED	Chief Executive Officer	Salary Negotiated	0.50	0.50	1.00
		FY17 FTE's	<u>130.90</u>	<u>179.10</u>	<u>310.00</u>
		FY16 FTE's	<u>129.14</u>	<u>182.86</u>	<u>312.00</u>
		Change	<u>1.76</u>	<u>-3.76</u>	<u>-2.00</u>

**Valley Metro**  
**Regional Public Transportation Authority**  
*FY17 New Positions*

Title	Division	Scope of Work	FTE
Manager, Internal Audit	Chief Executive Office	Agency Internal Controls with primary reporting to Board	1
Internal Audit Specialist	Chief Executive Office	Internal Control testing and compliance	1
Program Representative	Planning & Accessible Transit	Support East Valley, West Valley, and regional paratransit	1
Scheduler	Operations and Maintenance - RPTA	Fixed Route Bus schedule analysis and management	1
Program Coordinator	Operations and Maintenance - RPTA	Fixed Route Bus contractor performance management	1
<b>Total Additions</b>			<b>5</b>
Cleaner	Operations and Maintenance - RPTA	Light rail vehicle cleaning	-7
<b>Total Reductions</b>			<b>-7</b>
		<b>Net change</b>	<b>-2</b>



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

VMR's continuing goal is to provide the highest quality services to our member communities in the most cost effective manner. The VMR 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.

VMR'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. The legal level of budgetary control is the total annual appropriated budget. 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.

VMR 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 VMR,
- 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 Regional Transit Advisory 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 VMR Board provides final review and adoption.



**Budget Timelines:** The FY 2017 process is outlined below, with Proposed planning beginning in February and with budget adoption scheduled for May 2016. Major phases of this process are outlined below:

- Oct 31, 2015 – Preliminary Rail Operating Budget to City Staff
- Nov 19<sup>th</sup> – Board approves Agency goals
- Feb 20<sup>th</sup> – Prelim FY17 Operating and Capital Budget delivered to Financial Working Group
- Feb 26<sup>th</sup> – Budget presented to Financial Working Group for information
- Mar 16<sup>th</sup> – Budget presented to RTAG
- Apr 6<sup>th</sup> – Draft Budget presented to RMC for information
- Apr 14<sup>th</sup> – Comments due from Member Cities
- Apr 21<sup>st</sup> – Draft Budget presented to Board of Directors for information
- May 4<sup>th</sup> – FY17 Budget to RMC for approval
- May 19<sup>th</sup> – FY17 Budget – Anticipated approval by Board



## 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 VMR 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>CME</b>	Central Mesa Extension-additional 3.1 miles
<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 VMR is acting as a sub-recipient.
<b>FTA</b>	Federal Transit Administration
<b>GRE</b>	Gilbert Road Extension – additional 1.9 miles
<b>Headways</b>	The time interval between arriving trains or buses along a transit route. (Service Frequency)



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

<b>TERM / ACRONYM</b>	<b>DEFINITION</b>
<b>HCT</b>	High Capacity Transit – includes heavy rail, Light Rail Transit, Bus Rapid Transit modes of urban transportation
<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>	VMR equity members, currently Phoenix, Tempe, Mesa and Glendale
<b>METRO</b>	The light rail system to be designed, constructed and operated by VMR.
<b>NWX</b>	Northwest Extension – additional 3.2 miles
<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.
<b>TSC</b>	Tempe Street Car Project – additional 3 miles
<b>VMR</b>	Valley Metro Rail, Inc.
<b>VMT</b>	Vehicle Miles of Travel for each LRT vehicle operated



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