

MARICOPA ASSOCIATION OF GOVERNMENTS

INFORMATION SUMMARY... for your review

DATE:

May 3, 2011

SUBJECT:

Programming Federal Funds for Preventive Maintenance in 2011-2015

SUMMARY:

On July 28, 2010, the MAG Regional Council took action on the "approval of the Draft FY 2011-2015 MAG TIP contingent on a finding of conformity ... and that the programming of preventive maintenance be reviewed for potential amendments/administrative modifications no later than December 2010."

On October 14, 2010, the MAG Transit Committee recommended to approve evenly distributing \$11.7 million of FY 2011 5307 federal funds for preventive maintenance (PM) between FY 2011 and FY 2012. On December 9, 2010, the Transit Committee recommended to distribute the 5307 federal funds for PM, for FY 2011 using the Scenario #1 methodology explained in the attached materials. The Transit Committee also recommended to reconvene the transit operators to evaluate alternatives and recommend a transparent, data-driven, and regionally equitable method to allocate future year federal funds for PM by March 2011.

On April 14, 2011, the Transit Committee recommended programming PM for FY 2012-2015 based on a 'phase out' approach. A 25 percent reduction of the old PM distribution per year beginning in 2012 with subsequent increases of the reduction (50 percent reduction in 2013 and a 75 percent reduction in 2014) resulting in all of the funds for PM in 2015 being distributed under the new methodology.

PUBLIC INPUT:

None.

PROS & CONS:

PROS: The recommendation will allow continued collaboration with transit operators in the region to program federal 5307 funds for preventive maintenance funds in the 2011-2015 MAG TIP.

CONS: None.

TECHNICAL & POLICY IMPLICATIONS:

TECHNICAL: The MAG TIP needs to program federal funds before federal transit grant authorizations can occur.

POLICY: This reinstates the needs for transparent and data driven programming approach for supporting transit operations, and to keep public transit service operating in times of local, regional, and state budget shortfalls.

ACTION NEEDED:

Recommend approval of: (1) to program the new federal funds for preventive maintenance for fiscal year 2011 with a methodology to distribute the amounts for bus and rail based on operating expense first and then to distribute funds for bus operators based on vehicle revenue miles; (2) to program the federal funds for preventive maintenance for fiscal years 2012-2015 based on a 'phase out' approach and using a new preventive maintenance distribution methodology with distribution amounts updated annually. Beginning in FY2012 the allocations, as identified in the current TIP for each operating agency, will be reduced by

25 percent each year, and an additional 25 percent for each subsequent year (50 percent reduction in 2013 and a 75 percent reduction in 2014,), the remaining federal funds will be distributed using the new methodology. Beginning in 2015 and continuing in the future, PM funds will be completely distributed under the new methodology, which distributes the amounts for bus and rail based on operating expense first and then distributes funds for bus operators based on a combination of passenger and vehicle revenue miles (passenger miles weighted by 10 percent and vehicle revenue miles weighted by 90 percent). The distribution methodology will be updated annually using the most recent data published by the NTD, and the TIP project listings will be modified accordingly; and, (3) to modify the FY2011-2015 MAG TIP as shown in the Project Changes table.

PRIOR COMMITTEE ACTIONS:

Transportation Review Committee: The Transportation Review Committee met on April 28, 2011 and recommended approval of: (1) to program the new federal funds for preventive maintenance for fiscal year 2011 with a methodology to distribute the amounts for bus and rail based on operating expense first and then to distribute funds for bus operators based on vehicle revenue miles; (2) to program the federal funds for preventive maintenance for fiscal years 2012-2015 based on a 'phase out' approach and using a new preventive maintenance distribution methodology with distribution amounts updated annually. Beginning in FY2012 the allocations, as identified in the current TIP for each operating agency, will be reduced by 25 percent each year, and an additional 25 percent for each subsequent year (50 percent reduction in 2013 and a 75 percent reduction in 2014,), the remaining federal funds will be distributed using the new methodology. Beginning in 2015 and continuing in the future, PM funds will be completely distributed under the new methodology, which distributes the amounts for bus and rail based on operating expense first and then distributes funds for bus operators based on a combination of passenger and vehicle revenue miles (passenger miles weighted by 10 percent and vehicle revenue miles weighted by 90 percent). The distribution methodology will be updated annually using the most recent data published by the NTD, and the TIP project listings will be modified accordingly; and, (3) to modify the FY2011-2015 MAG TIP as shown in the Project Changes table.

MEMBERS ATTENDING

- | | |
|---|---|
| Peoria: David Moody | Maricopa County: John Hauskins |
| ADOT: Kwi-Sung Kang for Steve Hull | Mesa: Scott Butler |
| Avondale: Sue McDermott for David Fitzhugh | Paradise Valley: Bill Mead |
| Buckeye: Jose Heredia for Scott Lowe | Phoenix: Rick Naimark |
| Chandler: Dan Cook for Patrice Kraus | * Queen Creek: Tom Condit |
| El Mirage: Lance Calvert | RPTA: Bryan Jungwirth |
| Fountain Hills: Randy Harrel | Scottsdale: Dave Meinhart |
| Gila Bend: Eric Fitzer | Surprise: Bob Beckley |
| * Gila River: Doug Torres | Tempe: Greg Jordan for Chris Salomone |
| * Gilbert: Tami Ryall | Valley Metro Rail: John Farry |
| Glendale: Terry Johnson | * Wickenburg: Rick Austin |
| Goodyear: Cato Esquivel | Youngtown: Grant Anderson for Lloyce Robinson |
| # Guadalupe: Gino Turrubiarres | |
| Litchfield Park: Paul Ward for Woody Scoutten | |

EX-OFFICIO MEMBERS ATTENDING

- | | |
|---|--|
| * Street Committee | * Bicycle/Pedestrian Committee: Katherine Coles, City of Phoenix |
| * ITS Committee: Nicolaas Swart, Maricopa Co. | * Transportation Safety Committee: Julian Dresang, City of Tempe |

* Members neither present nor represented by proxy.
+ - Attended by Videoconference

- Attended by Audioconference

Transit Committee: The Transit Committee met on April 14, 2011 and recommended to program federal funds for preventive maintenance for fiscal years 2012-2015 based on a 'phase out' approach and using a new preventive maintenance distribution methodology. The distribution amounts will be updated annually. Beginning in FY2012 the allocations, as identified in the current TIP for each operating agency, will be reduced by 25 percent each year, and an additional 25 percent for each subsequent year (50 percent reduction in 2013, 75 percent reduction in 2014), the remaining federal funds will be distributed using the new methodology. Beginning in 2015 and continuing in the future, PM funds will be completely distributed under the new methodology. The new methodology first distributes the amounts for bus and rail based on operating expense then distributes funds for bus operators based on a combination of passenger and vehicle revenue miles (passenger miles weighted by 10 percent and vehicle revenue miles weighted by 90 percent). The distribution methodology will be updated annually using the most recent NTD published data and the TIP project listings will be modified accordingly. Additionally, recommend to modify the FY2011-2015 MAG TIP as shown in the Project Changes table.

MEMBERS ATTENDING

- Phoenix: Debbie Cotton, Chair
- * ADOT: Mike Normand
- Avondale: Rogene Hill
- # Buckeye: Andrea Marquez
- Chandler: Dan Cook for RJ Zeder
- * El Mirage: Leah Hubbard
- Gilbert: Ken Maruyama
- Glendale: Matthew Dudley for Cathy Colbath
- Goodyear: Cato Esquivel
- Maricopa County: Mitch Wagner
- * Mesa: Mike James
- * Paradise Valley: William Mead
- Peoria: Maher Hazine
- Queen Creek: Tom Condit
- Scottsdale: Theresa Huish
- Surprise: David Kohlbeck
- Tempe: Greg Jordan for Jyme Sue McLaren
- * Tolleson: Chris Hagen
- Valley Metro Rail: Wulf Grote
- Youngtown: Grant Anderson
- Regional Public Transportation Authority: Carol Ketcherside

- * Members neither present nor represented by proxy.
- + Attended by Videoconference
- # Attended by Audioconference

Transit Committee: The Transit Committee met on April 14, 2011 and recommended approval of the recommended two-tiered distribution of FY 2011 5307 federal funds for Preventative Maintenance (PM) and direct the Transit Operator's Working Group to evaluate alternatives and recommend a transparent, data-driven, and regionally equitable method for allocating FY 2012-2015 5307 federal funds for PM by March 2011, to amend the MAG TIP accordingly, and is non-precedent setting.

MEMBERS ATTENDING

- Phoenix: Debbie Cotton, Chair
- * ADOT: Mike Normand
- Avondale: Kristen Sexton for Rogene Hill
- # Buckeye: Andrea Marquez
- Chandler: Dan Cook for RJ Zeder
- * El Mirage: Leah Hubbard
- Gilbert: Ken Maruyama for Tami Ryall
- Glendale: Cathy Colbath
- Goodyear: Christine McMurdy for Cato Esquivel
- Maricopa County: Mitch Wagner
- Mesa: Mike James
- * Paradise Valley: William Mead
- Peoria: Maher Hazine
- * Queen Creek: Wendy Kaserman
- Scottsdale: Madeline Clemann for Theresa Huish
- Surprise: Michael Celaya
- Tempe: Robert Yabes for Jyme Sue McLaren
- * Tolleson: Chris Hagen
- Valley Metro Rail: Wulf Grote
- Regional Public Transportation Authority: Carol Ketcherside

- * Members neither present nor represented by proxy.
- + Attended by Videoconference
- # Attended by Audioconference

CONTACT PERSON:

Eileen O. Yazzie, Transportation Programming Manager, (602) 254-6300.

April 19, 2011

TO: Transportation Review Committee

FROM: Eileen Yazzie, Transportation Programming Manager

SUBJECT: PROGRAMMING FEDERAL FUNDS FOR PREVENTIVE MAINTENANCE IN THE
FY 2011-2015 MAG TRANSPORTATION IMPROVEMENT PROGRAM (TIP)

On July 28, 2010 Regional Council took action on the "approval of the Draft FY 2011-2015 MAG TIP contingent on a finding of conformity. ...and that the programming of preventive maintenance be reviewed for potential amendments/administrative modifications no later than December 2010."

On October 14, 2010, the Transit Committee recommended approval of evenly distributing \$11.7 million of FY2011 5307 federal funds for preventive maintenance (PM) between FY 2011 and FY 2012. On December 9, 2010, the Transit Committee recommended a non-precedent setting distribution of 5307 federal funds for PM for FY 2011 only using the methodology explained in Attachment One for FY 2011. The Transit Committee also recommended reconvening the transit operators to evaluate alternatives and recommend a transparent, data-driven, and regionally equitable method for allocating future year federal funds for PM by March 2011.

'Phase Out' and New Preventive Maintenance Distribution Methodology

The MAG Transit Committee recommended to program PM for FY 2012-2015 based on a 'phase out' approach and a new PM distribution methodology. The phase out approach is a 25 percent reduction beginning in FY 2012 of the currently published PM TIP distribution amounts with subsequent increases of the reduction (50 percent reduction of old PM funds in 2013, 75 percent reduction of old PM funds in 2014). The remaining funds will be distributed using the new methodology. FY 2015 funds will be distributed under the new methodology.

The new methodology is based on National Transit Database (NTD) published data. The new methodology first distributes the amounts for bus and rail based on reported operating expense then distributes funds for bus operators based on a combination of passenger and vehicle revenue miles (passenger miles weighted by 10 percent and vehicle revenue miles weighted by 90 percent). The methodology will be updated annually to incorporate the most recent NTD published data.

Changes to the MAG Transportation Improvement Program (TIP)

To evenly distribute PM funds between FY2011 and FY2012, as recommended by the Committee, it is necessary to advance bus purchases. In order to match the total federal amount needed per bus, the distribution of the additional PM funds between 2011 and 2012 is not completely even (programming funds for a partial bus purchase is not allowed). This is the same case for trying to

evenly distribute funds between FY 2013 and 2014. The total amount per year for PM has been modified, and is shown in attachments One and Two.

Please see Attachment One that shows the current amounts programmed in the TIP, the new amounts per year with the additional funds for PM, and the calculations of the distribution methodology per year. Attachment Two explains the modifications to the TIP listings.

RECOMMENDATION

Recommend approval of (1) program federal funds for preventive maintenance for fiscal year 2011 with a methodology to distribute the amounts for bus and rail based on operating expense first and then distribute funds for bus operators based on vehicle revenue miles; (2) program federal funds for preventive maintenance for fiscal years 2012-2015 based on a 'phase out' approach and using a new preventive maintenance distribution methodology. Beginning in FY2012 the allocations, as identified in the current TIP for each operating agency, will be reduced by 25 percent each year, and an additional 25 percent for each subsequent year (50 percent reduction in 2013, 75 percent reduction in 2014), the remaining federal funds will be distributed using the new methodology. Beginning in FY2015, and continuing in the future, PM funds will be completely distributed under the new methodology. The new methodology first distributes the amounts for bus and rail based on operating expense then distributes funds for bus operators based on a combination of passenger and vehicle revenue miles (passenger miles weighted by 10 percent and vehicle revenue miles weighted by 90 percent). The distribution methodology will be updated annually using the most recent NTD published data and the TIP project listings will be modified accordingly. Additionally, recommend to modify the FY2011-2015 MAG TIP as shown in Agenda Item #7.

Please feel free to contact myself or Jorge Luna at 602.254.6300 or eyazzie@azmag.gov, jluna@azmag.gov with questions or comments.

PLEASE NOTE: When putting together information for the Transportation Review Committee, MAG staff noticed a miscalculation in the FY 2011 amounts for PM that was recommended by the MAG Transit Committee on April 14, 2011. The tables, and amounts that were listed for this agenda item at the Transit Committee on April 14, 2011 meeting were based on the distribution of funds for bus operators based on a combination of passenger and vehicle revenue miles (passenger miles weighted by 10 percent and vehicle revenue miles weighted by 90 percent). This was incorrect; the non-precedent setting distribution for FY 2011 new PM monies was recommended by the MAG Transit Committee in December 2010 was to solely use vehicle revenue miles. The correct information is shown in Attachment One.

ATTACHMENT 1

Fund Allocation Phase-Out and 5307 Federal Fund Distribution Methodology

New 5307 Federal Fund Amounts for Preventive Maintenance with Phase-Out Approach

Agency	FY2011	FY2012	FY2013	FY2014	FY2015
Glendale	\$195,519	\$156,706	\$143,760	\$126,395	\$115,603
Peoria	\$71,468	\$50,310	\$45,247	\$38,823	\$34,297
Phoenix	\$8,930,790	\$8,154,199	\$7,892,314	\$7,374,532	\$7,295,117
RPTA	\$1,906,248	\$1,922,986	\$2,113,013	\$2,226,789	\$2,502,858
Scottsdale	\$57,945	\$49,657	\$63,094	\$74,024	\$91,139
Surprise	\$16,486	\$13,597	\$14,805	\$15,479	\$17,269
METRO	\$324,298	\$782,892	\$994,738	\$1,167,047	\$1,436,896
Tempe	\$1,162,956	\$1,194,767	\$1,435,338	\$1,620,798	\$1,935,755
TOTAL	\$12,665,709	\$12,325,115	\$12,702,310	\$12,643,886	\$13,428,935

Current Preventive Maintenance Distribution Amounts FY2011-2015 - Source: Approved July 2010 TIP

Agency	% of TOTAL PM	FY2011	FY2012	FY2013	FY2014	FY2015
Glendale	1.87%	\$122,508	\$124,960	\$127,460	\$130,008	\$132,607
Peoria	0.63%	\$41,336	\$42,164	\$43,008	\$43,868	\$44,740
Phoenix	83.45%	\$5,463,344	\$5,572,612	\$5,684,064	\$5,797,744	\$5,913,701
RPTA	11.17%	\$731,118	\$745,740	\$760,655	\$775,868	\$791,386
Scottsdale	0.00%	\$0	\$0	\$0	\$0	\$0
Surprise	0.08%	\$5,476	\$5,584	\$5,700	\$5,812	\$5,928
METRO	0.00%	\$0	\$0	\$0	\$0	\$0
Tempe	2.80%	\$183,101	\$186,763	\$190,498	\$194,308	\$198,194
TOTAL		\$6,546,883	\$6,677,823	\$6,811,385	\$6,947,608	\$7,086,556

Phasing out the current TIP allocations by 25% beginning in FY2012 through FY2015. Beginning in FY2012 the allocations, as identified in the TIP for each operating agency, will be reduced by 25% each year, and an additional 25% for each subsequent year; for example FY2012 TIP allocation -25%, FY2013 TIP allocation -50%, FY2014 TIP allocation -75%, and FY2015 TIP allocation -100%. The remaining funds for each fiscal year will be distributed with the new methodology, using the latest NTD reported data. The first calculation is a split between modes (bus and rail) using percentages, for the modes (bus and rail) based on operating expense. The second calculation then distributes the funds for bus operators based on a combination of passenger and vehicle revenue miles (passenger miles weighted by 10% and vehicle revenue miles weighted by 90%).

FY2011 - Distribution Previously Recommended By Transit Committee

December 2010, MAG Transit Committee recommended the below distribution methodology for 2011 PM Funds - non-precedent setting.

FY2011 TIP Amount		
Operating Agency	%	\$
City of Glendale	1.87%	\$ 122,508
Peoria Transit	0.63%	\$ 41,336
City of Phoenix	83.45%	\$ 5,463,344
RPTA	11.17%	\$ 731,118
City of Scottsdale	0.00%	\$ -
Surprise DAR	0.08%	\$ 5,476
METRO	0.00%	\$ -
City of Tempe	2.80%	\$ 183,101
TOTAL	100%	\$ 6,546,883

Distribution Methodology - Using 2009 Published NTD Data		
Operating Expense Mode Split		
Operating Expense	%	\$
Bus	94.70%	\$ 5,794,528
Rail	5.30%	\$ 324,298
TOTAL	100.00%	\$ 6,118,826
Pass. Mi. Trvld and Rev. Mi.	Vehicle Revenue Miles	
	%	\$
City of Glendale	1.26%	\$ 73,011
Peoria Transit	0.52%	\$ 30,132
City of Phoenix	59.84%	\$ 3,467,446
RPTA	20.28%	\$ 1,175,130
City of Scottsdale	1.00%	\$ 57,945
Surprise DAR	0.19%	\$ 11,010
City of Tempe	16.91%	\$ 979,855
TOTAL	100.00%	\$ 5,794,528

Operating Agency	New \$ Amounts
	Base Amount + Methodology %
City of Glendale	\$ 195,519
Peoria Transit	\$ 71,468
City of Phoenix	\$ 8,930,790
RPTA	\$ 1,906,248
City of Scottsdale	\$ 57,945
Surprise DAR	\$ 16,486
METRO	\$ 324,298
City of Tempe	\$ 1,162,956
TOTAL	\$ 12,665,709

FY2012 - Estimated*

FY2012 TIP Amount -25%		
Operating Agency	%	\$
City of Glendale	1.87%	\$ 93,720
Peoria Transit	0.63%	\$ 31,623
City of Phoenix	83.45%	\$ 4,179,459
RPTA	11.17%	\$ 559,305
City of Scottsdale	0.00%	\$ -
Surprise DAR	0.08%	\$ 4,188
METRO	0.00%	\$ -
City of Tempe	2.80%	\$ 140,072
TOTAL	100%	\$ 5,008,367

Distribution Methodology - Using 2010 Draft NTD Data		
Operating Expense Mode Split		
Operating Expense	%	\$
Bus	89.30%	\$ 6,533,856
Rail	10.70%	\$ 782,892
TOTAL	100.00%	\$ 7,316,748
Pass. Mi. Trvld and Rev. Mi.	(PMT*.1)+(VRM*.9)	\$
	%	\$
City of Glendale	0.96%	\$ 62,986
Peoria Transit	0.29%	\$ 18,687
City of Phoenix	60.83%	\$ 3,974,740
RPTA	20.87%	\$ 1,363,681
City of Scottsdale	0.76%	\$ 49,657
Surprise DAR	0.14%	\$ 9,409
City of Tempe	16.14%	\$ 1,054,695
TOTAL	100.00%	\$ 6,533,856

Operating Agency	New \$ Amounts
	Base Amount + Methodology %
City of Glendale	\$ 156,706
Peoria Transit	\$ 50,310
City of Phoenix	\$ 8,154,199
RPTA	\$ 1,922,986
City of Scottsdale	\$ 49,657
Surprise DAR	\$ 13,597
METRO	\$ 782,892
City of Tempe	\$ 1,194,767
TOTAL	\$ 12,325,115

*This Distribution Methodology is based on National Transit Database (NTD) published data. The methodology will be updated annually to incorporate the most recent NTD published data.

FY2013 - Estimated*

FY2013 Amount -50%		
Operating Agency	%	\$
City of Glendale	1.87%	\$ 63,730
Peoria Transit	0.63%	\$ 21,504
City of Phoenix	83.45%	\$ 2,842,032
RPTA	11.17%	\$ 380,328
City of Scottsdale	0.00%	\$ -
Surprise DAR	0.08%	\$ 2,850
METRO	0.00%	\$ -
City of Tempe	2.80%	\$ 95,249
TOTAL	100%	\$ 3,405,693

Distribution Methodology - Using 2010 Draft NTD Data		
Operating Expense Mode Split		
Operating Expense	%	\$
Bus	89.30%	\$ 8,301,879
Rail	10.70%	\$ 994,738
TOTAL	100.00%	\$ 9,296,618
Pass. Mi. Trvld and Rev. Mi.	(PMT*.1)+(VRM*.9) %	\$
City of Glendale	0.96%	\$ 80,030
Peoria Transit	0.29%	\$ 23,743
City of Phoenix	60.83%	\$ 5,050,282
RPTA	20.87%	\$ 1,732,685
City of Scottsdale	0.76%	\$ 63,094
Surprise DAR	0.14%	\$ 11,955
City of Tempe	16.14%	\$ 1,340,089
TOTAL	100.00%	\$ 8,301,879

Operating Agency	New \$ Amounts
	Base Amount + Methodology %
City of Glendale	\$ 143,760
Peoria Transit	\$ 45,247
City of Phoenix	\$ 7,892,314
RPTA	\$ 2,113,013
City of Scottsdale	\$ 63,094
Surprise DAR	\$ 14,805
METRO	\$ 994,738
City of Tempe	\$ 1,435,338
TOTAL	\$ 12,702,310

*This Distribution Methodology is based on National Transit Database (NTD) published data. The methodology will be updated annually to incorporate the most recent NTD published data.

FY2014 - Estimated*

FY2014 TIP Amount -75%		
Operating Agency	%	\$
City of Glendale	1.87%	\$ 32,502
Peoria Transit	0.63%	\$ 10,967
City of Phoenix	83.45%	\$ 1,449,436
RPTA	11.17%	\$ 193,967
City of Scottsdale	0.00%	\$ -
Surprise DAR	0.08%	\$ 1,453
METRO	0.00%	\$ -
City of Tempe	2.80%	\$ 48,577
TOTAL	100%	\$ 1,736,902

Distribution Methodology - Using 2010 Draft NTD Data		
Operating Expense Mode Split		
Operating Expense	%	\$
Bus	89.30%	\$ 9,739,937
Rail	10.70%	\$ 1,167,047
TOTAL	100.00%	\$ 10,906,984
Pass. Mi. Trvld and Rev. Mi.	(PMT*.1)+(VRM*.9) %	\$
City of Glendale	0.96%	\$ 93,893
Peoria Transit	0.29%	\$ 27,856
City of Phoenix	60.83%	\$ 5,925,096
RPTA	20.87%	\$ 2,032,822
City of Scottsdale	0.76%	\$ 74,024
Surprise DAR	0.14%	\$ 14,026
City of Tempe	16.14%	\$ 1,572,221
TOTAL	100.00%	\$ 9,739,937

Operating Agency	New \$ Amounts
	Base Amount + Methodology %
City of Glendale	\$ 126,395
Peoria Transit	\$ 38,823
City of Phoenix	\$ 7,374,532
RPTA	\$ 2,226,789
City of Scottsdale	\$ 74,024
Surprise DAR	\$ 15,479
METRO	\$ 1,167,047
City of Tempe	\$ 1,620,798
TOTAL	\$ 12,643,886

*This Distribution Methodology is based on National Transit Database (NTD) published data. The methodology will be updated annually to incorporate the most recent NTD published data.

FY2015 - Estimated*

FY2015 TIP Amount -100%			
Operating Agency	%	\$	
City of Glendale	0.00%	\$	-
Peoria Transit	0.00%	\$	-
City of Phoenix	0.00%	\$	-
RPTA	0.00%	\$	-
City of Scottsdale	0.00%	\$	-
Surprise DAR	0.00%	\$	-
METRO	0.00%	\$	-
City of Tempe	0.00%	\$	-
TOTAL	0%	\$	-

Distribution Methodology - Using 2010 Draft NTD Data			
Operating Expense Mode Split			
Operating Expense	%	\$	
Bus	89.30%	\$	11,992,039
Rail	10.70%	\$	1,436,896
TOTAL	100.00%	\$	13,428,935
Pass. Mi. Trvld and Rev. Mi.	(PMT*.1)+(VRM*.9)	%	\$
City of Glendale		0.96%	\$ 115,603
Peoria Transit		0.29%	\$ 34,297
City of Phoenix		60.83%	\$ 7,295,117
RPTA		20.87%	\$ 2,502,858
City of Scottsdale		0.76%	\$ 91,139
Surprise DAR		0.14%	\$ 17,269
City of Tempe		16.14%	\$ 1,935,755
TOTAL		100.00%	\$ 11,992,039

Operating Agency	New \$ Amounts	
	Base Amount + Methodology %	
City of Glendale	\$	115,603
Peoria Transit	\$	34,297
City of Phoenix	\$	7,295,117
RPTA	\$	2,502,858
City of Scottsdale	\$	91,139
Surprise DAR	\$	17,269
METRO	\$	1,436,896
City of Tempe	\$	1,935,755
TOTAL	\$	13,428,935

*This Distribution Methodology is based on National Transit Database (NTD) published data. The methodology will be updated annually to incorporate the most recent NTD published data.

Methodology for distributing 5307 federal funds for preventive maintenance:

Methodology: The methodology distributes PM funds in the region between modes (bus and rail) using percentages that are based off of the latest NTD data. The distribution percentage for the modes (bus and rail) is based on operating expense, the distribution percentages for bus operating agencies are based on a combination of passenger and vehicle revenue miles (passenger miles weighted by 10% and vehicle revenue miles weighted by 90%).

Glossary

National Transit Database (NTD): The NTD was established by Congress to be the Nation's primary source for information and statistics on the transit systems of the United States. Recipients or beneficiaries of grants from the Federal Transit Administration (FTA) under the Urbanized Area Formula Program (\$5307) are required by statute to submit data to the NTD. The published data lags by about one year and a half to two years; for example, the data for FY2009 (fiscal year ending June 30, 2009) was published in November 2010.

Passenger miles traveled (PMT): The total number of miles traveled by passengers on transit vehicles. It is the cumulative sum of the distances ridden by each passenger; for example, ten passengers riding in a transit vehicle for two miles equals 20 passenger miles.

Vehicle revenue miles (VRM): The miles that vehicles are scheduled to or actually travel while in revenue service. The region uses this measure quite significantly through level of service in operating contracts, as a denominator for performance indicators (e.g. boardings/revenue mile), for invoicing transit service, among others.

Operating expense (OE): The expenses associated with the operation of the transit agency, and classified by function or activity, and the goods and services purchased.