

MARICOPA ASSOCIATION OF GOVERNMENTS

INFORMATION SUMMARY... for your review

DATE:

November 30, 2010

SUBJECT:

Programming 5307 and 5309 - Fixed Rail and Guideway Modernization Funds in FY 2010 and 2011

SUMMARY:

On June 22, 2010, the MAG Transit Committee approved the Fiscal Year (FY) 2010 Program of Projects, and the Regional Council took action on these changes on June 30, 2010. Since then, the Executive Committee took action on September 13, 2010, to remove \$1,517,999 of FY 2010 5309 Rail & Fixed Guideway Modernization (FGM) federal transit funds from two Mesa park and ride construction projects.

Additionally, the MAG Regional Council took action on July 28, 2010, to approve the FY 2011-2015 MAG Transportation Improvement Program (TIP) and that the programming of preventative maintenance be reviewed for potential amendments/administrative modifications no later than December 2010.

On October 14, 2010, the Transit Committee made the recommendation noted in the action and asked that further analysis regarding distribution scenarios for 5307 federal funds is brought back to the Transit Committee in November. Please refer to the memorandum and tables for more information.

PUBLIC INPUT:

None.

PROS & CONS:

PROS: Approval of these changes will allow the federal transit grants to proceed in a timely manner.

CONS: None.

TECHNICAL & POLICY IMPLICATIONS:

TECHNICAL: Projects that wish to utilize transportation federal funds need to be shown in the TIP in the year that they expect to commence and may need to undergo an air quality conformity analysis or consultation.

POLICY: Currently, MAG does not have an approved set of prioritization guidelines for programming federal transit funds. Understanding the current need to aid transit operators, it is proposed to use the funds for preventive maintenance to offset some of the operations & maintenance costs.

ACTION NEEDED:

Approval of: (1) Scenario #3 preventative maintenance distribution methodology for \$1,571,999 of FY 2010 5309-FGM funds and that it is a non-precedent setting distribution and (2) The amount of funds for preventative maintenance programmed in FY 2011 and FY 2012 be distributed equally as shown

in Option #2, and modify/amend the FY 2011-2015 MAG TIP and the FY 2009 and 2010 Program of Projects appropriately.

PRIOR COMMITTEE ACTIONS:

Management Committee: On November 10, 2010, the MAG Management Committee recommended: (1) Scenario #3 preventative maintenance distribution methodology for \$1,571,999 of FY2010 5309-FGM funds and that it is a non-precedent setting distribution and (2) recommend the amount of funds for preventative maintenance programmed in FY2011 and FY 2012 is distributed equally as shown in Option #2, and modify/amend the FY2011-2015 MAG TIP and the FY2010 Program of Projects appropriately.

MEMBERS ATTENDING

- Carl Swenson, Peoria, Chair
- Charlie Meyer, Tempe, Vice Chair
- # George Hoffman, Apache Junction
- Charlie McClendon, Avondale
- Stephen Cleveland, Buckeye
- * Gary Neiss, Carefree
- * Usama Abujbarah, Cave Creek
- Patrice Kraus for Rich Dlugas, Chandler
- Pat Dennis for Rick Flaaen, El Mirage
- * Phil Dorchester, Fort McDowell Yavapai Nation
- Rick Davis, Fountain Hills
- Rick Buss, Gila Bend
- * David White, Gila River Indian Community
- Collin DeWitt, Gilbert
- Brent Stoddard for Ed Beasley, Glendale
- Mark Gaillard for John Fischbach, Goodyear
- Bill Hernandez, Guadalupe
- Sonny Culbreth for Darryl Crossman, Litchfield Park
- Christopher Brady, Mesa
- Jim Bacon, Paradise Valley
- Ed Zuercher for David Cavazos, Phoenix
- John Kross, Queen Creek
- * Bryan Meyers, Salt River Pima-Maricopa Indian Community
- David Richert, Scottsdale
- Michael Celaya for Mark Coronado, Surprise
- * Reyes Medrano, Tolleson
- Gary Edwards, Wickenburg
- * Lloyce Robinson, Youngtown
- Rob Samour for John Halikowski, ADOT
- * David Smith, Maricopa Co.
- David Boggs, Valley Metro/RPTA

* Those members neither present nor represented by proxy.
Participated by telephone conference call. + Participated by videoconference call.

Transportation Review Committee: On October 28, 2010, the Transportation Review Committee recommended: (1) Scenario #3 preventative maintenance distribution methodology for \$1,571,999 of FY2010 5309-FGM funds and that it is a non-precedent setting distribution and (2) recommend the amount of funds for preventative maintenance programmed in FY2011 and FY 2012 is distributed equally as shown in Option #2, and modify/amend the FY2011-2015 MAG TIP and the FY2010 Program of Projects appropriately.

MEMBERS ATTENDING

- Peoria: David Moody
- ADOT: Steve Hull for Floyd Roehrich
- Avondale: Shirley Gunther for David Fitzhugh
- Buckeye: Scott Lowe
- Chandler: RJ Zeder for Patrice Kraus
- El Mirage: Lance Calvert
- Fountain Hills: Randy Harrel
- * Gila Bend: Eric Fitzer
- * Gila River: Doug Torres
- Gilbert: Tami Ryall
- Glendale: Cathy Colbath for Terry Johnson
- Goodyear: Cato Esquivel
- * Guadalupe: Gino Turrubiarres
- Litchfield Park: Paul Ward for Woody Scoutten
- Maricopa County: Clem Ligocki for John Hauskins
- Mesa: Scott Butler
- Paradise Valley: Bill Mead
- Phoenix: Rick Naimark

Queen Creek: Tom Condit
RPTA: Bryan Jungwirth
Scottsdale: Dave Meinhart
Surprise: Bob Beckley
Tempe: Jyme Sue McLaren for Chris

Salomone
Valley Metro Rail: John Farry
* Wickenburg: Rick Austin
Youngtown: Grant Anderson for Lloyce
Robinson

EX-OFFICIO MEMBERS ATTENDING

Street Committee: Dan Cook, City of
Chandler
* ITS Committee: Nicolaas Swart, Maricopa
County

* Bicycle/Pedestrian Committee: Peggy
Rubach, RPTA
* Transportation Safety Committee: Julian
Dresang, City of Tempe

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

MAG Transit Committee: On October 14, 2010, the MAG Transit Committee unanimously recommended (1) Scenario #3 preventative maintenance distribution methodology for \$1,571,999 of FY2010 5309-FGM funds and that it is a non-precedent setting distribution, (2) the amount of funds for preventative maintenance programmed in FY2011 and FY 2012 is distributed equally as shown in Option #2, and modify/amend the FY2011-2015 MAG TIP and the FY2010 Program of Projects appropriately.

MEMBERS ATTENDING

Phoenix: Debbie Cotton, Chair
* ADOT: Mike Normand
Avondale: Kristen Sexton for Rogene Hill
Buckeye: Andrea Marquez
Chandler: RJ Zeder
* El Mirage: Pat Dennis
* Gilbert: Tami Ryall
Glendale: Cathy Colbath
Goodyear: Cato Esquivel
Maricopa County: Mitch Wagner
Mesa: Mike James

* Paradise Valley: William Mead
Peoria: Maher Hazine
* Queen Creek: Wendy Kaserman
Scottsdale: Theresa Huish
* Surprise: Michael Celaya
Tempe: 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.

November 30, 2010

TO: Members of the MAG Regional Council

FROM: Eileen Yazzie, Transportation Programming Manager

SUBJECT: PROGRAMMING 5307-URBANIZED AREA FORMULA AND 5309-RAIL & FIXED
GUIDEWAY MODERNIZATION FUNDS FOR FY 2010 AND 2011

The purpose of this memorandum is to provide the council with an outline of information needed to make a two-part programming recommendation for programming funds for preventative maintenance (PM) in Fiscal Year (FY) 2010 and 2011.

Part 1. On September 13, 2010, the MAG Executive Committee approved the removal of \$1,517,999 in FY 2010 5309 Rail & Fixed Guideway Modernization (FGM) federal transit funds from two Mesa park-and-ride construction projects. It is suggested to program these funds for related eligible PM since all eligible, regional priority projects, as defined by the Regional Transportation Plan/Transit Life Cycle Program, are currently programmed in the FY 2011-2015 MAG Transportation Improvement Program (TIP). This memorandum outlines four scenarios for distributing the 5309-FGM federal funds for PM in the MAG region. The MAG Transit Committee recommended Scenario #3 on October 14, 2010.

Part 2. 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 preventative maintenance be reviewed for potential amendments/administrative modifications no later than December 2010." MAG staff has put forth two options for programming the FY 2011 5307 \$11.7 million for regionwide PM. The Transit Committee recommended Option #2 on October 14, 2010.

Please refer to the attachment for specifics as explained in this memorandum.

BACKGROUND

Preventative maintenance is all maintenance costs related to vehicles. Specifically, it is defined as all the activities, supplies, materials, labor, services, and associated costs required to preserve or extend the functionality and serviceability of the asset in a cost effective manner, up to and including the current state of the art for maintaining such an asset.

Fixed guideway refers to any transit service that uses exclusive or controlled rights-of-way. The term includes several modes, including light rail and that portion of motor bus service operated on exclusive or controlled rights-of-way, and high-occupancy-vehicle (HOV) lanes. The Federal Transit Administration (FTA) 5309-FGM funds are apportioned based on the latest available route miles and vehicle revenue

miles on segments at least seven years or longer as reported to the National Transit Database (NTD); vehicle revenue miles for segments less than seven years in operation are also reported to NTD. While funds are apportioned based only on fixed guideway segments that have been in operation seven years or longer, a recipient may use the funds apportioned to it for eligible modernization projects on any part of its fixed guideway system, such as METRO light rail.

The FTA 5307 Urbanized Area Formula Funding program makes federal resources available to urbanized areas (UZAs) and to Governors for transit capital, operating assistance, and for transportation related planning. For UZAs with populations of 200,000 and more, the formula is based on a combination of bus revenue vehicle miles, bus passenger miles, fixed guideway revenue vehicle miles, and fixed guideway route miles, as well as population and population density; this formula applies to the Phoenix-Mesa UZA. The FTA obtains population and population density data from the current decennial census; all other data used for formula apportionments come from the latest report year of validated NTD data.

There is an approximate two-year lag between reporting to NTD and receiving 5309-FGM and 5307 funds, which means that FY 2008 NTD data are used to apportion earnings in FY 2010.

The FY2010 5309-FGM apportionment available to the region is based on 2008 reporting data by the City of Phoenix Public Transit Department and the Regional Public Transportation Authority (RPTA). METRO light rail did not report fixed guideway vehicle revenue miles for FY 2008 since it began operating in December 2008 (FY 2009 reporting period). Under current regulations, METRO light rail will begin impacting the distribution formula approximately in FY 2018, seven years of fixed guideway operation and a two-year lag time for validating NTD submitted data.

The FY 2010 5307 apportionment is based on 2008 reporting data by City of Glendale Transit, Peoria Transit, City of Phoenix Public Transit Department, Maricopa County Special Transportation Services (no longer in operation), RPTA, City of Scottsdale, Surprise Dial-A-Ride Transit System, and the City of Tempe Transit Division; vanpool information is reported on behalf of the RPTA by VPSI, Inc.

5309-FGM PREVENTATIVE MAINTENANCE DISTRIBUTION SCENARIOS

Based on the above-mentioned information, staff developed four scenarios for distributing PM for FY 2010 5309- FGM federal funds: 1) based on valid annual fixed guideway vehicle revenue miles, 2) a combination of total bus fixed guideway vehicle revenue miles including METRO's half year fixed guideway vehicle revenue miles, 3) a combination of total bus fixed guideway vehicle revenue miles, including METRO's projected full year of operation fixed guideway vehicle revenue miles, 4) distributing all funds to METRO light rail. Please refer to the tables on page 1 of the attachment.

5307 PREVENTATIVE MAINTENANCE FUNDING AMOUNTS IN FY 2011

Currently, there is a total of \$6,546,883 programmed in FY 2011 and \$6,677,823 programmed in FY 2012 for PM. Additionally, there is lump sum of \$11,766,118 programmed in FY 2011 for regionwide PM. There are two programming options for the lump sum of \$11,766,118 as shown on page 2 of the attachment. Option 1 retains the \$11.7 million in FY 2011, bringing the total amount of federal funds for PM distribution up to \$18,313,001, while leaving the FY 2012 amount unchanged. Option 2 pools all of the available PM funds together and distributes the total amount evenly over two years. In this case, \$5.8 million of 2012 bus purchases would need to be advanced to 2011. Additional options are welcome for discussion.

PREVIOUS COMMITTEE ACTIONS

On October 14, 2010, the MAG Transit Committee heard the items noted above. Regarding Part 1, the committee recommended scenario 3, a onetime, non-precedent setting distribution of \$1,517,999 of FY 2010 5309 FGM federal transit funds for PM in the MAG region.

Regarding part 2, the committee recommended approval of option 2, evenly distributing \$11.7 million of 5307 federal transit funds for PM in the MAG region for FY 2011 and FY 2012. In addition, the committee heard scenarios for a distribution methodology for the 5307 funds for PM. The scenarios presented were: distributing federal funds based on NTD reported revenue miles, operating expenses, or the American Recovery and Reinvestment Act (ARRA) unspent funds operating assistance distribution formula (combination of operating expenses and revenue miles). The committee did not recommend a distribution methodology and requested additional scenarios from staff, which will be presented to the Transit Committee in November 2010.

The Transportation Review Committee and Management Committee recommended the same action as the Transit Committee's.

RECOMMENDATION

Recommend approval of: (1) Scenario #3 preventative maintenance distribution methodology for \$1,571,999 of FY 2010 5309-FGM funds and that it is a non-precedent setting distribution and (2) The amount of funds for preventative maintenance programmed in FY 2011 and FY 2012 be distributed equally as shown in Option #2, and modify/amend the FY 2011-2015 MAG TIP and the FY 2009 and 2010 Program of Projects appropriately.

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

ATTACHMENT

Part I. 5309-FGM Distribution Scenarios:

FY2010 Available Funds	
Unprogrammed FY 2010 5309 FGM	\$1,517,999

Scenario 1 - BUS ONLY (on segments in operation 7 or more years)	
	Fixed Guideway Vehicle Revenue Mile Distribution Percentages
City of Phoenix*	64.75%
RPTA*	35.25%
TOTAL	100.00%
*Fixed Guideway Vehicle Revenue Miles on segments in operation 7 or more years reported to NTD.	

Scenario 2 - BUS and METRO (all segment totals with METRO's half year of startup operation)	
	Fixed Guideway Vehicle Revenue Mile Distribution Percentages
City of Phoenix*	18.55%
RPTA*	12.77%
METRO**	68.68%
TOTAL	100.00%
* Fixed Guideway Vehicle Revenue Miles on segments in operation 7 or more years reported to NTD.	
**METRO Six months of operations (FY 2009, December 2008-June 2009)	

Scenario 3 - BUS and METRO (all segment totals and METRO project for an entire year)	
	Fixed Guideway Vehicle Revenue Mile Distribution Percentages
City of Phoenix*	11.00%
RPTA*	7.57%
METRO**	81.43%
TOTAL	100.00%
* Fixed Guideway Vehicle Revenue Miles on segments in operation 7 or more years reported to NTD.	
**METRO Projected for one year of operation (FY 2009, December 2008-June 2009)	

Scenario 4 - METRO Only	
	Distribution Percentage
METRO	100.00%
TOTAL	100.00%

Part 2. 5307 Preventive Maintenance Distribution Scenarios FY 2011 and 2012:

Current FY 2011-2015 MAG TIP	
PM Funding to Agencies in FY 2011	\$6,546,883
Regionwide PM Funding in FY 2011	\$11,766,118
PM Funding to Agencies in FY 2012	\$6,677,823
Option #1	
Combine 2011 Funding together & distribute via recommended formula	\$6,546,883
+	\$11,766,118
FY2011 PM Funding	\$18,313,001
FY 2012 remains the same	\$6,677,823
Option #2	
Combine all funds and distribute evenly between 2011 and 2012	\$6,546,883
	\$11,766,118
+	\$6,677,823
	\$24,990,824
New PM Funding in FY 2011	\$12,495,412
New PM Funding in FY 2012	\$12,495,412
Amount of Bus purchase in 2012 would need to be moved forward to 2011 balance out program	\$5,817,589

At the request of the Transit Committee, staff is developing additional distribution scenarios of these funds for preventative maintenance.

Request for Project Change - 2011-2015 MAG Transportation Improvement Program

TIP #	Agency	Project Location	Project Description	FY	A.L.I.	Fund Type	Local Cost	Federal Cost	Reg. Cost	Total Cost	Requested Change
PHX11-111T	Phoenix	Phoenix -Buses serving Rapid Routes on HOV system	Preventive Maintenance - FY2009 5309-FGM Funds	2011	11.7A.00	5309-FGM	\$ 29,865	\$ 119,460		\$ 149,325	Amend: Add new project to the TIP
VMT11-105T	Valley Metro	Regionwide -Buses serving Express Routes on HOV system	Preventive Maintenance - FY2009 5309-FGM Funds	2011	11.7A.00	5309-FGM	\$ 20,553	\$ 82,210		\$ 102,763	Amend: Add new project to the TIP
VMR11-102T	Valley Metro Rail	Phoenix, Mesa, Tempe - Light Rail	Preventive Maintenance - FY2009 5309-FGM Funds	2011	11.7A.00	5309-FGM	\$ 221,083	\$ 884,331		\$ 1,105,414	Amend: Add new project to the TIP
PHX11-112T	Phoenix	Phoenix -Buses serving Rapid Routes on HOV system	Preventive Maintenance - FY2010 5309-FGM Funds	2011	11.7A.00	5309-FGM	\$ 11,880	\$ 47,520		\$ 59,400	Amend: Add new project to the TIP
VMT11-106T	Valley Metro	Regionwide -Buses serving Express Routes on HOV system	Preventive Maintenance - FY2010 5309-FGM Funds	2011	11.7A.00	5309-FGM	\$ 8,176	\$ 32,702		\$ 40,878	Amend: Add new project to the TIP
VMR11-103T	Valley Metro Rail	Phoenix, Mesa, Tempe - Light Rail	Preventive Maintenance - FY2010 5309-FGM Funds	2011	11.7A.00	5309-FGM	\$ 87,944	\$ 351,776		\$ 439,720	Amend: Add new project to the TIP