

May 19, 2026

Transit Services

Intergovernmental Agreement with Valley Metro

Dave Trimble, Deputy Town Manager /
Administrative Services Director



**FOUNTAIN
HILLS**

Overview



**FOUNTAIN
HILLS**



Today's Purpose

Requested action: Approve the FY 2027 Intergovernmental Agreement with Valley Metro.



1

Annual IGA

Each fiscal year, the Town and Valley Metro enter into an agreement to provide transit program administration.

2

Transit context

Budget constraints have narrowed the Town's transit program.

3

RideChoice update

RideChoice continues as the Town's transit option, and program changes begin July 1, 2026.

Current Transit Context

Budget constraints have narrowed the Town's transit program.



No General Fund monies are currently spent on transit.

515 Express

Discontinued in April 2025 due to budgetary constraints.

RideChoice

The only remaining transit option for Town residents.

Program changes are being implemented to address the long-term funding imbalance.

FY 2027 Valley Metro IGA

Annual agreement needed to continue the RideChoice program.



WHAT THE IGA DOES

Keeps the annual agreement with Valley Metro in place

- Allows RideChoice to continue for eligible residents

STAFF RECOMMENDATION

Approve the FY 2027 IGA with Valley Metro.

RideChoice program changes go into effect July 1, 2026.

RideChoice Changes Effective July 1, 2026

Two major program changes were directed at the November 12, 2025 work session.



1

Eligibility: disability-qualified residents only

The program will no longer auto-qualify residents based solely on age 65+.

2

Fare structure: \$3 per trip + mileage charge

Riders will pay \$2 per mile after the 8th mile of a trip, in addition to the \$3 per-trip charge.

Goal: Preserve access while reducing costs and aligning usage with available funding.

Implementation & Resident Outreach

Valley Metro assessments and resident communication support the transition.



**FOUNTAIN
HILLS**

Nov. 12, 2025

Feb. 2026

May 20, 2026

July 1, 2026



Council direction

Assessment events

Additional outreach

Changes begin

Begin cost-saving measures for RideChoice.

20 residents attended; all 20 qualified.

Community Center assessment event.

Eligibility and fare changes take effect.

Both the disability qualification and fare rate changes take effect July 1, 2026.

RideChoice Trips & Budget



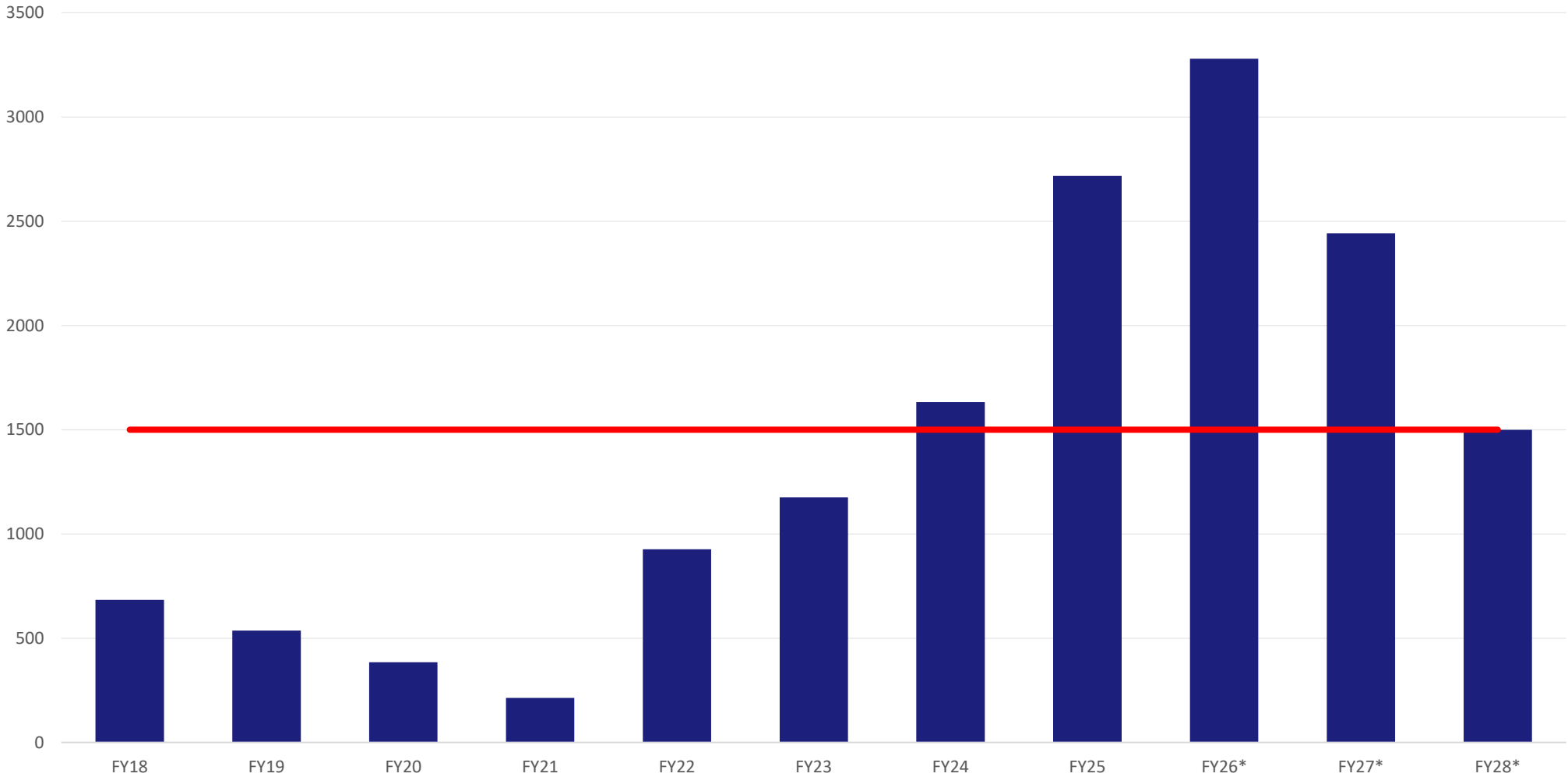
**FOUNTAIN
HILLS**



RideChoice Usage Trend



**FOUNTAIN
HILLS**



**≈1,500 rides
available funding
equivalent**

*FY 26 – 28 are estimates

Final Summary

Staff recommendation and key takeaways.



Staff recommends approval of the FY 2027 IGA with Valley Metro.

1 IGA approval supports continued RideChoice service.

Approval allows the Town to continue annual program administration with Valley Metro.

2 Program changes take effect July 1, 2026.

Eligibility shifts to disability qualification; fares add mileage-based cost after the 8th mile.

3 Program changes are intended to address the funding imbalance.

Existing fund balances are projected to cover FY26 and FY27 shortfalls while the Town monitors ridership and costs after implementation.

Questions?



**FOUNTAIN
HILLS**

