



City Council Report

Date: August 17, 2026
To: City Council
Through: Marc Heirshberg, Assistant City Manager
From: Lance Webb, City Engineer
Marc Ahlstrom, Assistant City Engineer
Subject: Bus Stop Improvements Project
City Project No. CP0992PRO
Council Districts 1, 2, 3, 4 and 6

Purpose and Recommendation

The purpose of this report is to request Council approval of a resolution authorizing the City of Mesa to enter into an Intergovernmental agreement (IGA) with the Regional Public Transportation Authority (Valley Metro) for the design, fabrication and installation of shade structures at various Mesa bus stops. (Refer to Exhibit "A" for the project location).

Staff recommend that Council approve the resolution and authorize the City Manager to execute this IGA on behalf of the Mesa, which will authorize the expenditure of \$2,520,000.00 for the cost to design, fabricate, install and manage construction of new shade structures at various locations in Mesa.

Background

In 2022, Mesa completed a bus stop shade study. This study determined that 48 of Mesa's 700 bus stops provide some level of shade through shelters, adjacent buildings, or vegetation. Also, nearly all locations that can accommodate standard bus shelters within existing right-of-way have been improved. The remaining bus stops without shade are primarily constrained by limited right-of-way. To address, the study budget also funded the development of a smaller footprint "micro-shelter" design that can be installed in tighter spaces to provide shade for bus riders. Additional funding is also budgeted for future bus shelter installations, totaling \$1,310,333 in Transit funds budgeted for this project.

The Mesa Transit Department leveraged this budget allocation for micro shelters to secure an \$800,000 grant from the Federal Transit Administration (FTA) for the procurement and installation of bus stop shade structures in the fiscal year 2023 federal

budget. The pass-through grant agreement with the City of Phoenix was approved by the City Council on October 25, 2025. The City of Phoenix is the designated grant recipient for FTA funds for the Phoenix metropolitan area. Under this arrangement, the City of Mesa will incur project expenses and submit reimbursement requests to Phoenix. Phoenix will then draw down the FTA funds and pass the reimbursement back to Mesa.

In 2016, the City initiated a transit advertising program and will use \$409,667 in revenue from this program as contingency for this project.

Discussion

The purpose of this IGA is to utilize Valley Metro's existing Job Order Contracting methods that allow Federal funds to be used for design and construction. This strategic partnership expedites the construction of bus stop shade structures for the City of Mesa and leverages Valley Metro's expertise in managing FTA funded projects. This project includes federally and locally funded improvements for potentially up to 66 locations.

Community Impact – This project will provide shade to transit riders in the City of Mesa.

Alternatives

The City Council could choose not to enter into this IGA. This is not recommended because it would require the City to utilize the traditional design-bid-build method for project delivery. This would increase the time needed to implement these bus shelters and would not guarantee the most qualified contractor to perform the work.

Fiscal Impact

The total fiscal impact of this IGA is \$2,520,000.00. Mesa will own and maintain the bus shelters as part of the city's infrastructure upon completion.

This project is funded by the Transit Fund, bus shelter advertising revenue, and the FTA grant funds.

Coordinated With

The Transit Department concurs with this recommendation.