

MINUTES OF THE
MARICOPA ASSOCIATION OF GOVERNMENTS
TRANSPORTATION POLICY COMMITTEE MEETING

March 21, 2012
MAG Office, Saguaro Room
Phoenix, Arizona

MEMBERS ATTENDING

- | | |
|---|--|
| Mayor W. J. "Jim" Lane, Scottsdale, Chair | * Mark Killian, The Killian Company/Sunny Mesa, Inc. |
| Mayor Jackie Meck, Buckeye, Vice Chair | Phil Matthews, Salt River Pima-Maricopa Indian Community |
| F. Rockne Arnett, Citizens Transportation Oversight Committee | Garrett Newland, Macerich |
| Ron Barnes, Total Transit | Mayor Marie Lopez Rogers, Avondale |
| * Mayor Bob Barrett, Peoria | Mayor Georgia Lord, Goodyear |
| Dave Berry, Swift Transportation | # Mayor Elaine Scruggs, Glendale |
| * Jed Billings, FNF Construction | Councilmember Jack Sellers, Chandler |
| Councilmember Ben Cooper, Gilbert | Mayor Scott Smith, Mesa |
| Councilmember Shana Ellis, Tempe | * Mayor Greg Stanton, Phoenix |
| # Councilmember Dick Esser, Cave Creek | Karrin Kunasek Taylor, DMB Properties |
| Victor Flores, State Transportation Board | Supervisor Max W. Wilson, Maricopa County |
| | # Mayor Sharon Wolcott, Surprise |
- * Not present
Participated by telephone conference call
+ Participated by videoconference call

1. Call to Order

The meeting of the Transportation Policy Committee (TPC) was called to order by Vice Chair Jackie Meck at 4:05 p.m. Vice Chair Meck conducted the meeting while Chair Lane was in transit.

2. Pledge of Allegiance

The Pledge of Allegiance was recited.

Mayor Elaine Scruggs, Councilmember Dick Esser, and Mayor Sharon Wolcott participated in the meeting by telephone. Mayor Scott Smith also joined the meeting via teleconference while in transit to the meeting.

Vice Chair Meck noted that Mayor Sharon Wolcott's appointment as the Geographic Balance Representative to the TPC was ratified by the Regional Council in January.

Vice Chair Meck noted that at each place was a corrected results matrix for agenda Item #5 and a legislative summary for agenda item #7.

Vice Chair Meck announced that on March 14, 2012, the MAG Management Committee unanimously recommended approval of agenda item #4B, Project Changes - Amendment and Administrative Modification to the FY 2011-2015 MAG Transportation Improvement Program that is on the TPC agenda.

Vice Chair Meck requested that members of the public fill out blue cards for Call to the Audience and yellow cards for consent or action items on the agenda, and then turn in the cards to staff, who will bring them to him. He stated that parking garage validation and transit tickets for those who used transit to attend the meeting were available from staff.

3. Call to the Audience

Vice Chair Meck stated that an opportunity is provided to the public to address the Transportation Policy Committee on items that are not on the agenda that are within the jurisdiction of MAG, or non action agenda items that are on the agenda for discussion or information only. Citizens will be requested not to exceed a three minute time period for their comments. A total of 15 minutes will be provided for the Call to the Audience agenda item, unless the Transportation Policy Committee requests an exception to this limit. Those wishing to comment on agenda items posted for action will be provided the opportunity at the time the item is heard.

Vice Chair Meck recognized public comment from Andrew Marwick, who said that he believed there were alternatives to the South Mountain Freeway to relieve traffic congestion. He suggested improvements be made to I-17, the ministack, Baseline Road/I-10, and I-10/US-60. Mr. Marwick also questioned how people will be able to access Northern Parkway from I-17. He stated that there are viable alternatives that would cost less than building the South Mountain Freeway. Vice Chair Meck thanked Mr. Marwick for his comments

4. Approval of Consent Agenda

Vice Chair Meck stated that agenda items #4A and #4B were on the consent agenda. He stated that public comment is provided for consent items, and noted that no public comment cards had been received. Vice Chair Meck asked members if they would like to remove any of the consent agenda items or have a presentation. No requests were noted.

Mr. Flores moved to approve agenda items #4A and #4B on the consent agenda. Supervisor Wilson seconded, and with no further discussion, the motion carried unanimously.

4A. Approval of the January 18, 2012, Meeting Minutes

The Transportation Policy Committee, by consent, approved the January 18, 2012, meeting minutes.

4B. Project Changes - Amendment and Administrative Modification to the FY 2011-2015 MAG Transportation Improvement Program

The Transportation Policy Committee, by consent, recommended approval of the amendments and administrative modifications to the FY 2011-2015 MAG Transportation Improvement Program, the 2012 Arterial Life Cycle Program, and as appropriate to the Regional Transportation Plan 2010 Update. The fiscal year (FY) 2011-2015 MAG Transportation Improvement Program and Regional Transportation Plan 2010 Update were approved by the MAG Regional Council on July 28, 2010, and have been modified twelve times with the last modification approved February 22, 2012. Since then, there is a need to modify projects in the programs. Tables A and B include a list of proposed administrative corrections and project changes in the Arterial Life Cycle Program. These modifications are mainly clerical and minor adjustments to financial information. Table C contains project modifications that include redistribution of American Recovery and Reinvestment Act (ARRA), Transportation Enhancement funding, project deferrals and project cancellations. Transit projects include minor budget adjustments and deferrals to the future. On March 14, 2012, the MAG Management Committee recommended approval of the requested changes.

5. Implementation of the Proposition 400 Performance Audit

Chair Lane arrived at the meeting.

Monique de los Rios-Urban, MAG staff, provided a followup to the report on the Proposition 400 Performance Audit recommendations presented to the TPC in January 2012. She noted that a full report and the recommendations are available on the MAG website. Ms. De Los Rios-Urban stated that this was on the TPC agenda for information and discussion. She added that under state law, no MAG committees were required to take action on the recommendations, however, state law does require board action from the State Transportation Board, the Maricopa County Board of Supervisors, the Board of the Regional Public Transportation Authority, and the Board of the Citizens Transportation Oversight Committee (CTOC). Ms. de los Rios-Urban stated that this presentation would include the results of these board actions and MAG'S implementation plan in response to the recommendations pertaining to MAG.

Ms. de los Rios-Urban noted that a revised matrix of all board actions for each of the recommendations and MAG's responses were at each place. She indicated that the matrix was developed as a graphic tool to illustrate the steps in the proposed implementation plan. Ms. de los Rios-Urban stated that not all boards responded to all recommendations and the Auditors identified the agencies that were required to respond in each case. She pointed out that the green check mark indicated full agreement with the recommendation, the yellow check mark indicated agreement with modifications, and the red cross indicated that the agency is not in agreement. Ms. de los Rios-Urban also noted that the recommendations highlighted with red dots are the ones that received most unanimous agreement or disagreement by agency boards.

Ms. de los Rios-Urban then addressed the matrix in detail and noted the recommendations that were supported by all of the boards. Audit Recommendation number 7 was to continue to

implement the current transportation system and strive to continually reassess system performance to make modifications as necessary; Audit Recommendation number 14 was to ensure that documentation describes basis, source, deliberations, outcome, and rationale for resulting actions and decisions related to project and RTP changes; Audit Recommendation number 15 was to summarize and communicate data to MAG committees on options, alternatives, risks, opportunities and impacts for each alternative related to congestion or performance; Audit Recommendation number 20 was to memorialize, document and maintain discussions at RTP Partner meetings to include items discussed, agreements reached and action items.

Ms. De Los Rios-Urban stated that Audit Recommendation numbers 22 and 23 pertain to TPC membership and composition and CTOC structure and staffing. She stated that number 22, to adjust MAG Transportation Policy Committee membership requirements to include RPTA and METRO transit representatives, was not supported by MAG and Maricopa County. She noted that RPTA, the State Transportation Board and CTOC did not provide a direct response in agreement or disagreement. Ms. de los Rios-Urban stated that Audit Recommendation number 23, to reaffirm the role of CTOC and increase effectiveness by implementing several changes (among them to be staffed by MAG), was generally accepted by the boards with modifications. She explained that in response, MAG will prepare a White Paper on the changes. Ms. de los Rios-Urban stated that recommendation numbers 22 and 23 would require state legislative action to be implemented.

Eric Anderson, MAG Transportation Director, stated that the Auditors recommended that RPTA and METRO have representatives on the TPC. Mr. Anderson noted that membership and representation of modal interests was discussed extensively back when the TPC was formed in 2002, and it was felt that because of the representation of member agencies already on both boards, representation on the TPC was considered to be duplicative. Mr. Anderson stated that with the passage of Proposition 400 in 2004, the composition of the TPC is in state law and any changes would have to be brought through state law. He said that any proposed changes to the composition of the TPC would be brought forward to the TPC for direction.

Ms. de los Rios-Urban stated that one of the observations shared by RTP partners is that the Audit report itself was somewhat repetitive, not very clear, and in cases inconsistent. In order to define an implementation plan, staff grouped the 25 recommendations into categories according to common themes of Documentation, Analysis, Coordination, Reporting, and Organization.

Ms. de los Rios-Urban stated that the recommendations grouped in the Documentation category included preparing summary notes of RTP partner meetings and summary notes of all coordination meetings, creating links to all committee meetings, links to web archives, database entries for all Congestion Management Program programming activities, dashboard reporting, performance reporting, and project report card reporting.

Ms. de los Rios-Urban stated that for the recommendations grouped in the Coordination category, the Auditors mentioned the need for coordination among the RTP Partners. She noted that coordination sessions among agencies to integrate formats and track implementation progress are already underway. Ms. de los Rios-Urban stated that the implementation plan will be to develop

standardization of formats and reporting methodologies and to possibly create an intranet cross-agency communication tool.

Ms. de los Rios-Urban stated that there are five recommendations that refer to the Reporting category. She said that staff is proposing creating an internet interactive dashboard, and a project report card, continuing performance reporting, and develop a system to communicate all website links and source information.

Ms. de los Rios-Urban stated that the recommendations grouped in the Organizational category were interpreted differently by the partners and actions from the boards were varied, so MAG proposes to monitor the existing transit memorandum of understanding and see if any modifications are necessary and to develop white papers on the TPC and CTOC suggested changes for TPC and Regional Council consideration.

Chair Lane thanked Ms. de los Rios-Urban for her report and asked if there were questions.

Supervisor Wilson asked for clarification of a timeframe for completion of the goals. Ms. de los Rios-Urban replied that the Auditor will return to the agencies in six months after the December 2011 publication of the Audit Report to see the progress of the implementation plan. Ms. de los Rios-Urban stated that staff is working on several of the items currently. She stated that the dashboard requires a significant programming effort and is anticipated to be completed in six to eight months.

Supervisor Wilson asked about status reports on the matrix. Ms. de los Rios-Urban replied that periodic status reports will be provided and a timeframe could be provided on each of the recommendations. She noted that no action was needed on the recommendations today.

Chair Lane asked for clarification that guidance was being requested from the TPC on whether they wanted to consider a statutory change as noted in Recommendation #22. He added that it seemed as if the recommendation was more or less dismissed as unnecessary. Mr. Anderson stated that the Audit expressed interest to have transit agencies be members of the TPC. He stated that back in 2002 when the TPC was being formed, there was extensive discussion of the structure and policies. Mr. Anderson stated that because many of the current TPC were not on the TPC when the committee was formed, staff would like to document that discussion in the White Paper. Then the TPC could decide to leave the committee structure as is or consider an alternate structure. Mr. Anderson noted that a different structure would require legislative action.

Chair Lane stated that the TPC could review the background information and discuss whether there is a reason to change the composition.

Mr. Smith stated that when the TPC was formed, there was extensive discussion regarding its composition. He said that the TPC was envisioned to include elected officials and representatives of regional business. Mr. Smith stated that the regional business representatives were put into statute which specified that one of the regional business seats must represent transit. He noted that this is

the seat currently held by Mr. Barnes. Mr. Smith stated that the elected officials said they are already directing the transit boards and having representatives from those agencies on the TPC was unnecessary.

Mayor Lord asked if this was the first Audit. Mr. Smith noted that in the past, numerous audits were conducted on the half cent sales tax for transportation, however, almost all of the money went to freeways. With Proposition 400, one-third of the sales tax goes to the Transit Program and the role of the Citizens Transportation Oversight Committee changed. Mr. Smith stated that this is the first audit to look at a multimodal program and that is why issues have arisen. He stated that back in the 1990s, there were organizational issues between MAG and ADOT that an audit helped to resolve. Mr. Smith added that the roles and responsibilities of each agency were later put into state statute. He stated that one of the Audit recommendations was to monitor closely the Transit Memorandum of Understanding (MOU). Mr. Smith reported that the MAG Executive Committee and the two transit agencies worked for many months to develop the MOU, which clearly defines roles and responsibilities.

Mr. Berry asked if Recommendation numbers 22 and 23 were included in the ballot language and said that he thought a governance provision was included in the ballot language. Mr. Berry commented that the reason CTOC was staffed by ADOT was to create independence and degrees of separation and here this independence is being broken down.

Mr. Anderson replied that staff had extensive discussions with the auditors on this issue. He noted that CTOC was created in the mid-1990s to oversee the highway program, which was being staffed by ADOT at the time. Mr. Anderson said that he thought the auditors deduced that if Proposition 400 is a multimodal program, CTOC, in its capacity to have oversight of the program, should be staffed by a multimodal agency, much the same as it was staffed by a highway agency (ADOT) when it had oversight of the highway program. Mr. Anderson expressed that MAG is willing and able to staff CTOC, but the more independent perspective might be better. He added that staff recommended disagreement with this recommendation and this is the reason it is being brought to the TPC.

Mr. Berry expressed that an agency with independent oversight was important and still is, and needs to be kept in mind moving forward.

Mayor Smith asked for clarification because it appeared that CTOC is not independent right now. Mr. Anderson replied that Mayor Smith was correct; even under Proposition 300 CTOC was not independent, but was staffed by ADOT, the agency over which it had oversight.

Mr. Berry stated that in his recollection, what Mr. Anderson described was correct. He said that there were concerns with ADOT as the freeway planner staffing CTOC. Mr. Berry stated that after MAG's role was more clearly defined by the Legislature, staffing of CTOC by ADOT became more independent of MAG.

Mayor Smith noted that for CTOC to be truly independent, it would be staffed neither by MAG nor ADOT.

Mr. Arnett stated that CTOC has looked extensively at Recommendation number 23. He said that members agreed to some portions of the recommendations, but there was some pushback regarding staffing by MAG. Mr. Arnett suggested that rather than making that change, have a joint relationship so that CTOC will keep its independence. He added that CTOC is an oversight agency, not a watchdog agency.

Chair Lane asked for clarification of the status of CTOC's discussions.

Mr. Arnett replied that the committee did not agree with all portions of the recommendation: the consolidation or staffing by MAG. He indicated that he thought there might be a method for staffing by both organizations but they are working through that.

Chair Lane asked if there was any conversation with the auditors when the determinations were made that some of the recommendations were conflicting and duplicative. Ms. de los Rios-Urban replied that the final recommendations were provided by the auditor to MAG just at the deadline. She added that conflicting versions of the same report were delivered to MAG the day of the deadline and there was not an opportunity to convene a meeting. Ms. de los Rios-Urban most of the duplicative items and conflicting parts were not necessarily in the listing of recommendations, but were mentioned by the auditors as ideas they had.

Chair Lane asked if there was concurrence to this list. Ms. de los Rios-Urban replied that the TPC heard a presentation in January on MAG's responses to the Audit recommendations. She noted that the packet included the original language and the link to the letter. Ms. de los Rios-Urban stated that in an attempt to clarify items, she summarized the language.

Chair Lane asked the next steps for implementation of the recommendations. Mr. Smith stated that it is envisioned to return to the TPC to provide an update on items that are being prepared for implementation. He stated that the White Papers would provide historical background and it is good to memorialize the decisions made by the TPC.

Mr. Anderson stated that the auditors will be back in June to see what MAG is doing to implement the recommendations and staff could get clarification if necessary. He said that the auditors will return for another visit in one year, in June 2013, to draft a final report that will be provided to the Auditor General's office.

Chair Lane stated that it is important to have a good summary of the recommendations and the plan for implementation.

Mr. Anderson stated that staff will continue to add to the matrix target dates for the completion of milestones will be included.

Supervisor Wilson stated that there is not enough information here for him to make a decision, other than faith in staff's judgment. Mr. Anderson stated that he thought the White Paper for the TPC composition would provide that background.

6. SR-202L/South Mountain Freeway Corridor Design Review

Bob Hazlett, MAG Senior Engineer, stated that the Arizona Department of Transportation (ADOT) has been planning the SR-202L/South Mountain Freeway corridor through the Environmental Impact Statement (EIS) and Location/Design Concept Report (L/DCR) process since 2001. He explained that as part of this process, ADOT has developed cost opinions of approximately \$2.4 billion for constructing the 22-mile freeway corridor. Mr. Hazlett stated that the current Regional Freeway and Highway Program estimate for the corridor is \$1.9 billion as approved by the Regional Council through the October 2009 rebalancing effort.

Mr. Hazlett stated that MAG engaged Burgess and Niple, Inc., to do an independent cost review of the SR-202L/South Mountain corridor to determine if the ADOT cost opinions were reasonable and whether savings could be realized through alternative designs to bring the estimate closer to the program amounts. He noted that when the rebalancing effort took place, there were \$6.6 billion in cost overruns due to increased right-of-way, construction material, and labor costs and the largest item, scope growth due to design decisions.

Mr. Hazlett reviewed how the cost estimates for the SR-202L/South Mountain Freeway have increased over time: In 2002, \$48.7 million per mile for a total estimated cost of \$1.1 billion; in 2006, \$78.7 million per mile for a total estimated cost of \$1.7 billion; in 2008, \$97.6 million per mile for a total estimated cost of \$2.1 billion; in 2010, \$100.3 million per mile for a total estimated cost of \$2.1 billion; in 2011, \$109.2 million per mile for a total estimated cost of \$2.4 billion. Mr. Hazlett remarked that even though the cost has doubled, this is not the most expensive freeway in the U. S., the Big Dig in Boston, Massachusetts, has that distinction.

Mr. Hazlett stated that the Burgess and Niple consultant team included staff with expertise from the California, Florida, Ohio, and Texas Departments of Transportation. He also noted that this team had minimal expertise with ADOT practices to prove a true independent review of the proposed freeway corridor design and costs.

Mr. Hazlett stated that the budget analysis showed that right-of-way accounts for approximately one-third of the project cost and raw construction costs represent about 38 percent of the project cost. He noted that about 40 percent of the right-of-way has been acquired already by ADOT.

Mr. Hazlett stated that one important thing is to take the cost opinions and apply for contingencies to account for unforeseen expenses. He said that ADOT is a conservative agency and wants to deliver the project successfully, so it used a combined design contingency of 75 percent at this level of design. Mr. Hazlett stated that the team thought this was too high because a typical contingency for new corridors around the country is in the range of 30 to 40 percent at this level of design.

Mr. Hazlett stated that the consultants looked at the design of the facility and compared it to other states and to the AASHTO Policy Green Book. He said that these design guidelines range from the absolute minimum to meet safety standards, to desirable. Mr. Hazlett stated that ADOT's design standards are beyond the desirable range. He said that someone from the review team stated that public infrastructure projects should be in the Ford Taurus design range, but ADOT's design standards were in the Ferrari range. Mr. Hazlett stated that one of the recommendations of the analysis was to change the design approach to see if cost savings could be realized. He said that the design approach is optimized for functionality, safety, and cost.

Mr. Hazlett stated that safety would not be compromised at all. He stated that the alignment could be optimized by using broader horizontal and vertical geometric standards to not use as much land area, but still be safe for motorists and to coordinate with other disciplines, such as drainage, utilities, and right-of-way.

Mr. Hazlett stated that the consultants reviewed the design standards. He said that ADOT designs for high speeds on system interchanges, whereas other states and the AASHTO guidelines have lower design speeds to slow down traffic. Mr. Hazlett displayed an aerial photo of I-10 and 59th Avenue using a tighter ramp design that still conforms to the safety guidelines and leaves more land for development.

Mr. Hazlett then displayed possible design alternatives that could provide the most benefit for the money. He stated that the consultants identified approximately \$500 million to \$650 million that could be shaved from the budget. Mr. Hazlett stated that these cost savings have been provided to ADOT for review and they will get back to MAG.

Mr. Hazlett then reviewed the remaining steps of the draft environmental impact statement (EIS). He said that the draft EIS is in the final review stage and ADOT anticipates having it ready for a 90-day public review period by July, after which the comments will be incorporated and issues mitigated. Mr. Hazlett indicated that the final EIS will be produced around the end of the year and a record of decision anticipated in early 2013.

Chair Lane thanked Mr. Hazlett for his presentation and asked if there were questions.

Supervisor Wilson asked if changes from a cost review would affect bidding. Mr. Hazlett replied that the cost review was only to get the program amount in line and the bid process would not take place until after the record of decision in 2013.

Mayor Smith asked if ADOT or MAG decides the kind of freeway – to design standards or to cost. He asked if it was a policy decision or one based on engineering.

Mr. Anderson replied that this has been an historical issue. MAG has the responsibility for the program, sets the budget, and has the authority to approve or disapprove cost changes. Mr. Anderson stated that Proposition 300 freeways were going through developing areas and land acquisition at that time was easier. He explained that right after Proposition 400 passed, there were

significant increases in costs, such as cement and oil, and a couple of years later, this all collapsed. Mr. Anderson stated that one of the objectives is to induce highway designers to respect budgets. He explained the process that toward the end of the process, at the 15 or 30 percent design level, costs are added up and they are what they are, and the opportunity is lost for cost savings. Mr. Anderson stated that this presentation was about designing to a budget and staff has been diligent about conveying that there is only a certain amount of money. He said that if we continue to design projects we cannot afford, we will build projects that serve only a portion of the population. Mr. Anderson stated that other projects will suffer if the South Mountain Freeway is built with a \$400 million to \$500 million cost overrun. He said that the average cost per mile on the Santan Freeway was in the \$40 million to \$45 million per mile. Mr. Anderson stated that right-of-way costs actually have risen for right-of-way for the South Mountain Freeway since 2006, and there is concern at ADOT that there will not be enough money to buy the needed properties. He indicated that good cost estimates are needed because they have implications for the program. Mr. Anderson stated that projects ten years out are moving out of the program due to high cost estimates.

Mayor Smith stated that the Santan is a beautiful freeway, but to what standards was it designed? If we have acceptable and minimum standards and we have been building to desirable plus standards, at what point was the budget determined and at what point do we say we have limited resources? Mayor Smith remarked that design drives the budget rather than the budget defines the design. He asked who makes the decision to go from minimum to desirable plus? Mayor Smith mentioned the cost of a system interchange that increased dramatically because each stakeholder wanted a feature. He said that his question is at what point are the design standards decided and who makes the decision?

Mr. Smith stated that MAG staff has discussed this with ADOT. He stated that ADOT Director John Halikowski's leadership has been great and he has brought in all of his principal people to the discussions. The Burgess and Niple recommendations were reviewed with them and they are aware we have \$1.9 billion. Mr. Smith stated that in the past, if a project cost increased slightly when the bids came in, the project was built, however, if the South Mountain has a cost of \$2.4 billion, MAG cannot be in a position to tell ADOT to approve the bid. Mr. Smith stated that it is beneficial to have outside experts confirm what we thought. He also noted that increased right-of-way costs do not make sense with the recession. Mr. Smith expressed understanding for ADOT wanting to be conservative in order to be able to deliver the project, but what is being delivered is the issue. Mr. Smith also stated that if we can get the same performance for less money and take fewer properties off the tax rolls, that seems logical.

Mr. Anderson stated that in conversations with ADOT management is the recognition that ADOT needs to change how it works internally. He indicated that it appeared to him that no one person at ADOT is ultimately responsible for delivering a project on time, on schedule, and on budget. Mr. Anderson remarked that Mayor Smith was correct – the design is determining the budget. He explained that the way the budget works, the design is taken to a certain point and then the cost estimates are developed. Along the way, commitments are made to stakeholders for certain elements. No one has asked if there are other ways to build this project for less money.

Mayor Smith stated that he thought ADOT does a great job. He said that improved planning – route planning or what the route is – needs to be addressed.

Chair Lane noted that ADOT is beginning a reexamination of its process.

Ms. Taylor stated that the report said that \$560 million in savings could be realized from the consultant's recommendations. She asked if that would result from design changes or changes to the 75 percent contingency. Mr. Hazlett replied that the savings would be realized from all elements. He noted that the contingency recommendation would yield approximately \$120 million to \$160 million.

Ms. Taylor asked the percentage contingency they were recommending. Mr. Hazlett replied the recommendation is a 50 percent contingency.

Ms. Taylor asked the contingency amount was included in the unidentified items of the budget shown in the orange section of the pie chart. Mr. Hazlett replied that this was not contingency, it was a budget item ADOT includes and it represents about nine percent of construction costs to cover additional design items that might have been overlooked. Ms. Taylor remarked that it is, then, a redundant contingency.

Mr. Hazlett stated that this is not uncommon in other Departments of Transportation across the country. He related that the Virginia Department of Transportation had an interchange project on I-95. The engineers said the project would cost \$90 million and they were told \$15 million was available and they did it for \$15 million.

Chair Lane concurred that it probably occurs across the country in a variety of ways, but in good times or bad times, we should probably take a harder look at these design items as Mayor Smith suggested.

Supervisor Wilson asked the status of the draft EIS. Mr. Hazlett replied that the draft EIS is in final review by FHWA, ADOT, cooperating agencies, and legal. He added that the draft EIS is anticipated to be available for public review this summer.

7. Legislative Update

Nathan Pryor, MAG Intergovernmental Policy Coordinator, provided an update on legislative issues of interest. Mr. Pryor pointed out that a legislative summary was at each place. He reported that federal surface transportation reauthorization expires on March 31, 2012. He said that there are two bills; the Senate bill, called MAP21, is a two-year bill with a slight funding increase that consolidates a number of programs. Mr. Pryor noted that there are concerns about what the bill means for metro areas. He noted an amendment by Senator Bagich to address these concerns did not make it into the bill. Mr. Pryor stated that the Senate passed its bill on March 14, 2012, but is on hold.

Mr. Pryor stated that the House bill has stalled. He noted that there are a number of challenges: not enough votes, concern for transit, and a potential change in leadership. Mr. Pryor explained that the Senate has to hold its bill until they get a House version because the House bill needs to be the bill of origin due to financial implications. Mr. Pryor stated that the House might have a hearing next week regarding extending the current legislation to June 30. He also noted that reauthorization might take place in 2013 due to the primaries and the presidential election this year. Mr. Pryor stated that the Intermountain West COG and MPO directors are concerned with both bills, which diverge from the sentiments of Senator Moynihan in terms of funding to regions. Mr. Pryor stated that continuing the current provisions to next year after the presidential election would be acceptable to regions.

8. Request for Future Agenda Items

Topics or issues of interest that the Transportation Policy Committee would like to have considered for discussion at a future meeting were requested.

No requests were noted.

9. Comments from the Committee

An opportunity was provided for Transportation Policy Committee members to present a brief summary of current events. The Transportation Policy Committee is not allowed to propose, discuss, deliberate or take action at the meeting on any matter in the summary, unless the specific matter is properly noticed for legal action.

No comments from the Committee were noted.

Adjournment

Mr. Arnett moved and Supervisor Wilson seconded to adjourn the meeting at 5:25 p.m.

Chair

Secretary