

**MINUTES OF THE
MARICOPA ASSOCIATION OF GOVERNMENTS
REGIONAL COUNCIL MEETING**

May 1, 2013
MAG Office, Saguaro Room
Phoenix, Arizona

MEMBERS ATTENDING

Mayor Marie Lopez Rogers, Avondale, Chair	* Mayor Yolanda Solarez, Guadalupe
* Mayor Scott Smith, Mesa, Vice Chair	# Mayor Thomas Schoaf, Litchfield Park
# Councilwoman Robin Barker, Apache Junction	Supervisor Steve Chucuri, Maricopa Co.
Mayor Jackie Meck, Buckeye	# Mayor Scott LeMarr, Paradise Valley
# Vice Mayor Melissa Price for Mayor David	Councilmember Cathy Carlat, Peoria
Schwan, Carefree	* Mayor Greg Stanton, Phoenix
* Councilman Dick Esser, Cave Creek	# Mayor Gail Barney, Queen Creek
# Mayor Jay Tibshraeny, Chandler	* President Diane Enos, Salt River
Mayor Lana Mook, El Mirage	Pima-Maricopa Indian Community
* President Clinton Pattea, Fort McDowell	Mayor W. J. "Jim" Lane, Scottsdale
Yavapai Nation	Mayor Sharon Wolcott, Surprise
# Mayor Linda Kavanagh, Fountain Hills	Mayor Mark Mitchell, Tempe
* Mayor Ron Henry, Gila Bend	* Mayor Adolfo Gamez, Tolleson
* Governor Gregory Mendoza, Gila River Indian	* Mayor John Cook, Wickenburg
Community	Mayor Michael LeVault, Youngtown
Vice Mayor Ben Cooper for Mayor John	Victor Flores, State Transportation Board
Lewis, Gilbert	Joseph La Rue, State Transportation Board
Mayor Jerry Weiers, Glendale	Roc Arnett, Citizens Transportation Oversight
Mayor Georgia Lord, Goodyear	Committee

* Those members neither present nor represented by proxy.

Attended by telephone conference call.

+ Attended by videoconference

1. Call to Order

The meeting of the MAG Regional Council was called to order by Chair Marie Lopez Rogers at 11:40 a.m.

2. Pledge of Allegiance

The Pledge of Allegiance was recited.

Mayor Gail Barney, Mayor Jay Tibshraeny, Councilmember Robin Barker, Mayor Linda Kavanagh, Mayor Scott LeMarr, Mayor Tom Schoaf, and Vice Mayor Melissa Price as proxy for Mayor David Schwan, joined the meeting via teleconference. Chair Rogers welcomed Vice Mayor Ben Cooper as proxy for Mayor John Lewis.

Chair Rogers noted that materials for agenda item #11 were at each place.

Chair Rogers requested that members of the public who would like to comment fill out a blue public comment card for the Call to the Audience agenda item or a yellow public comment card for Consent Agenda items, or items on the agenda for action. Parking validation and transit tickets for those who used transit to attend the meeting were available from staff.

3. Call to the Audience

Chair Rogers noted that the Call to the Audience provides an opportunity to members of the audience who wish to speak on items not scheduled on the agenda that fall under the jurisdiction of MAG, or on items on the agenda for discussion but not for action. Citizens are requested to not exceed a three minute time period for their comments. A total of 15 minutes is provided for the Call to the Audience agenda item, unless the Regional Council 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.

Chair Rogers recognized public comment from Dianne Barker, who stated that she felt she was not being heard and almost did not come to the meeting, but came after another citizen encouraged her to attend. She spoke on agenda items #6, stating that she would like to read the CTOC audit. Ms. Barker noted the Regional Area Road Fund revenue is down 40 percent and it has affected programming. She stated that she had been a school bus driver. Children are our treasures and we need to take care of their immune systems, so she had concerns for projects that are supposed to curb pollution. Ms. Barker said that she felt everyone here has the best intentions for children. She commented on agenda item #7, stating that rapid transit is needed to get people places faster and comfortably. Chair Rogers thanked Ms. Barker for her comments.

Chair Rogers recognized public comment from Joseph Ryan, who stated that federal law on public comment has been ignored by CTOC. He said he had the right to object any time he was cut off at MAG because he was speaking about federal money. Mr. Ryan commented on the 20-mile trolley car and the airport trolley car. He stated that objections were made in the 1980's and 1990's that light rail was not lightweight. Mr. Ryan stated that higher weights require additional fuel and results in more air pollution. He described how traffic is restricted due to light rail. Mr. Ryan's three minutes expired. He argued with the Chair about MAG's speaking rules and informed her he would continue to speak. Chair Rogers requested that Mr. Ryan conclude his comments and noted that he would be allowed to speak when agenda items #7 and #9 were heard. Mr. Ryan continued speaking, saying that this country is going broke because you folks are buying more from overseas than selling, including the trolley cars, instead of using the technology proposed by John Shaw in the 1990's. Mr. Ryan detailed how John Shaw's system could be constructed economically. Chair Rogers informed Mr. Ryan that he needed to conclude his comments and that he could speak later in the meeting. She thanked him for his comments.

Chair Rogers recognized public comment from Pat Vint, who commented that an Arizona Republic article revealed that the City of Phoenix Finance Department, without the City Manager's knowledge, extended a contract without conducting a procurement process. Mr. Vint stated that neither Councilman DiCiccio (the councilman at his business location) and Councilman Gates (the councilman at his residence) look out for him. He said that he gets along well with Phoenix City Manager Cavazos and former Phoenix City Manager Fairbanks except for the scars on his back. Mr. Vint then read off the top ten problems at the City of Phoenix, including all employees receiving promotions must be qualified, mistakes made by a department head must be reimbursed by the department head's wages, any city employee making damaging comments about a citizen should be dismissed or demoted to the lowest job at one-half pay for that job. Mr. Vint's three minutes expired. Mr. Vint continued speaking, saying that all city employees must be held accountable and responsible for their actions. He stated that Mayor Stanton has set up a task force and he thought the recommendations should apply to all levels. Mr. Vint stated that the word of the day is cull, choose, select and pick. He reported that he met with Councilwoman Thelda Williams and then proceeded to describe how doctors wanted to experiment on him and cut into his back, nerves and feet. Chair Rogers thanked Mr. Vint for his comments.

4. Executive Director's Report

Dennis Smith, MAG Executive Director, reported on items of interest to the MAG region. Mr. Smith described the recent activity on the new MAG Metropolitan Planning Area Boundary. He said that the letter and map were hand carried to the Governor on Monday and emailed to Regional Council members. Mr. Smith noted that MAG is awaiting the Governor's announcement of the boundary. Mr. Smith stated that following the Governor's decision, the Regional Council will consider approving the amendment to the MAG By-Laws and new members, and issuing new member certificates. Mr. Smith stated that new members then would be included in the dues and assessments for the new fiscal year.

Mr. Smith then reported good news on the foreclosed and pending foreclosure residential properties. For March 2013, 4,981 homes were foreclosures and 9,188 were pending foreclosure, for a total of 14,169 distressed properties. He noted that this is in contrast to the 63,182 distressed properties in March 2010. Mr. Smith advised that the normal number for distressed properties is approximately 8,000.

Mr. Smith announced MAG staff's most recent naturalized citizen, Vladimir Livshits, and spoke of his path to citizenship as it led from Russia, to Israel, to Canada, and then to the United States. Mr. Smith then reviewed the list of other MAG staff members who have become citizens, Monique de los Rios Urban, Sarath Joshua, Farhana Baki, Petya Maneva, Taejoo Shin, Anubhav Bagley, Lora Mwaniki-Lyman, Jorge Luna, and Samantha Wolfe. He noted that they have filled highly specialized positions at MAG that require high level skills.

Mr. Smith stated that the Connecting Caring Communities Conference on May 14, 2013, from 9:00 a.m. to 4:00 p.m., at the Black Canyon Conference Center in Phoenix. The event will feature a national initiatives panel, local leaders, and workshops on older adults and transportation. Mr. Smith stated that the event is sponsored by the Grantmakers in Aging and the Pfizer Foundation. He stated that member agencies are welcome to attend this event at no cost. Mr. Smith noted that many MAG programs are on the cutting edge, such as the Transportation Ambassadors, and are held as models nationwide.

Chair Rogers thanked Mr. Smith for his report. No questions from the Council were noted.

5. Approval of Consent Agenda

Chair Rogers noted that agenda items #5A, #5B, #5C, #5D, and #5E were on the Consent Agenda.

Chair Rogers asked members if they had questions or requests to hear a Consent Agenda item individually. None were noted.

Chair Rogers recognized public comment from Dianne Barker, who commented on agenda item #5A. She said that people might not agree with her but she had a right to say what she thinks. Ms. Barker stated that she had expressed her concerns for taking \$156 million in arterial funds to be repaid with regional area road funds for nearly two miles of light rail. Ms. Barker stated that at-grade light rail could be a control measure, but it can create congestion, and she would not have as much problem with above rail. She said that her comments on page 10 did not relate back to #5E on page six because the comments are supposed to be in but does not list any comments. Ms. Barker stated that on the next agenda item, 5F, comments were requested by March 11 and she had submitted comments to MAG and FHWA that she did not approve of conformity, TIP, or what was being done with light rail by the March 11 due date, but MAG has not addressed that other than she got to comment on Lindy Bauer's air quality thing. Ms. Barker said that she went to FHWA and they have not answered yet but said that MAG followed its rules. Ms. Barker told FHWA that she was not contacting them about MAG's rules, but her citizen rights under federal laws. Chair Rogers thanked Ms. Barker for her comments.

Ms. Barker also submitted written comments on agenda item #5D, that AIDA can be good to escalate needed greater commerce for Arizona, however, does not specify how the \$350,000 that the Arizona Senate authorized to the AIDA Board would be used. For example: What border infrastructure is to be built? Ms. Barker also wondered the level of liability to the state, ADOT, or citizens if tolls cannot pay AIDA's bonds.

Chair Rogers recognized public comment from Marvin Rochelle, who said he was on duty for the next two weeks giving out scholarships to ROTC students graduating from the Phoenix Union High School District. He commented on agenda item #5D, saying that the State and the County need to continue the relationship with Mexico. We need to find out when we will get oil so we can build a refinery in Yuma and have lower fuel costs. Mr. Rochelle stated that Tucson's gasoline is typically 10-15 cents cheaper than Phoenix because their gasoline comes from Texas and do not have to pay extra charges to get fuel from California. Chair Rogers thanked Mr. Rochelle for his comments.

With the conclusion of public comment period, Chair Rogers called for a motion to approve Consent Agenda items #5A, #5B, #5C, #5D, and #5E. Mayor LeVault moved approval of the Consent Agenda. Mayor Lane seconded, and the motion passed unanimously.

Supervisor Chucuri expressed that Supervisor Hickman has been a great addition to the Board of Supervisors and he appreciated the action to move his appointment to the TPC forward.

5A. Approval of the March 27, 2013, Meeting Minutes

The MAG Regional Council, by consent, approved the March 27, 2013, meeting minutes.

5B. Appointment of Supervisor Clint Hickman to Serve as the Maricopa County Board of Supervisors Representative on the Transportation Policy Committee

The MAG Regional Council, by consent, approved the appointment of Supervisor Clint Hickman as the Maricopa County Board of Supervisors representative on the Transportation Policy Committee. The composition of the Transportation Policy Committee (TPC), established by the Regional Council on April 24, 2002, includes an elected official from the Maricopa County Board of Supervisors. The recent retirement of Supervisor Max Wilson from the Board of Supervisors, the current member on the TPC, created a vacant position on that committee. The Chair of the Maricopa County Board of Supervisors requested that Supervisor Clint Hickman be appointed as the Maricopa County representative on the TPC.

5C. Status of Remaining MAG Approved PM-10 Certified Street Sweeper Projects That Have Not Requested Reimbursement

A status report is being provided on the remaining PM-10 certified street sweeper projects that have received approval, but have not requested reimbursement. To assist MAG in reducing the amount of obligated federal funds carried forward in the MAG Unified Planning Work Program and Annual Budget, MAG is requesting that street sweepers be purchased and reimbursement be requested by the agency within one year plus ten calendar days from the date of the MAG authorization letter.

5D. Support for the Arizona International Development Authority

The MAG Regional Council, by consent, approved supporting enhanced border infrastructure and urged the Safety Enforcement and Transportation Infrastructure Fund (SETIF) Committee to examine funding for the Arizona International Development Authority (AIDA) to ensure that AIDA is self-sustaining. AIDA is an agency and political subdivision of the State of Arizona. Its core mission is to facilitate trade between Arizona and other countries, and it connects the State with the border regional port authorities. It has been granted unique statutory authority to finance border transportation infrastructure projects. AIDA can engage in a broad range of activities, particularly the development, financing and/or operation of specified types of projects located within 62 miles north or six miles south of the Arizona-Mexico border. Once fully operational, AIDA will be self-sustaining. Although the AIDA has a broad mission that includes the authority to issue revenue bonds, its administrative mission has not been funded. AIDA is requesting \$350,000 start-up funds to implement its mission. This would require being included in the state budget. Fees are charged on Mexican trucks at the border that are placed in the SETIF. AIDA is among the agencies identified in state statute to be eligible to receive funding from SETIF. SETIF receives approximately \$3 million a year from the fees and the Arizona Department of Transportation estimates there will be a surplus of more than \$1 million in the fund this year. On April 16, 2013, the Chairman of the AIDA Board provided a report on AIDA to the MAG Economic Development Committee (EDC). The EDC recommended approval in support of AIDA.

5E. Memorandum of Understanding to Improve Arizona's National Competitiveness in Grant Making for Economic Development

The MAG Regional Council, by consent, approved the Memorandum of Understanding to support research, innovation and entrepreneurial grant proposals. On January 8, 2013, representatives from Arizona State University addressed the MAG Economic Development Committee (EDC) on the quick response time involved in grant making and the need for a mechanism to secure government support for grants to be nationally competitive. Since that time, a Memorandum of Understanding (MOU) with Arizona's public educational institutions to support research, innovation and entrepreneurial grant proposals has been developed, including Arizona State University, the University of Arizona, Northern Arizona University, Thunderbird School of Global Management and Maricopa Community Colleges. On April 16, 2013, the MOU was recommended for approval by the EDC.

6. Transportation Funding Overview

Eric Anderson, MAG Transportation Director, provided a report on transportation funding. Mr. Anderson noted there are three major sources for transportation funding in this region, with Proposition 400 sales tax the main source. He said that over the life of the 20-year sales tax for transportation in Maricopa County, the estimated revenues were \$6 billion lower than the original projections in 2003. He recalled the program modifications made to accommodate the lower revenue (\$6.6 billion in 2009 and \$300,000 in 2012), but the sales tax revenue has started to show signs of improvement.

Mr. Anderson stated that the Arizona Highway User Revenue Fund (HURF) is the second source of transportation funding, and is fundamental for roads and streets improvement and maintenance. He noted that HURF generated approximately \$1.2 billion in 2012, about the same amount that was generated in 2004. Mr. Anderson stated that the projection over the life of the tax is also lower – about \$7.5 billion.

Mr. Anderson stated that threats to HURF include diversion of funding, the fixed tax per gallon of gas with no adjustment for inflation, increased fuel economy standards, increased utilization of alternative fuel vehicles, reduced driving due to increased gas prices, and reduced growth in the vehicle license tax. Mr. Anderson noted that in 2012, the Legislature diverted approximately \$234 million in HURF to balance the general fund and to the Department of Public Safety (DPS) for traffic enforcement. Mr. Anderson stated that not only is there lower HURF revenue, there is leakage for other uses, and as a result, cities received fewer funds in 2012 than they did in 2000.

Mr. Anderson stated that the Arizona gas tax is fixed at 18 cents per gallon, the same amount since 1991. He said that fuel economy standards are improving, which means less fuel is sold and fewer taxes collected. Mr. Anderson noted that if the tax was indexed for inflation with the consumer price index, the gas tax amount would now be 30 cents per gallon and there would be an additional \$400 million in revenue in 2012. Mr. Anderson noted that ADOT receives about half of the gas tax and cities and counties receive the other half.

Mr. Anderson stated that fuel economy standards for new cars per federal guidelines are expected to continue to increase – to 56.5 miles per gallon in 2025 from the current 33 miles per gallon – and this

will impact the gas tax collections. The average fuel economy for fleet vehicles is expected to increase to 37 miles per gallon.

Mr. Anderson stated that currently, the state gas tax rate translates into about .68 cents per mile driven. With increased fuel economy, that number is projected to decline to .5 cents per mile and with additional inflation the yield will be about 3.8 cents per mile. Mr. Anderson stated that due to the increase in fuel economy, the gas tax revenue in 10 to 20 years is expected to see a 25 percent reduction, not only in automobiles, but large truck fleets. He said that he has heard that up to ten percent of 18-wheel diesel trucks might be fueled by alternative fuels, such as liquefied natural gas, and this will also impact HURF. Mr. Anderson stated that 92 percent of the Highway Trust Fund is derived from fuel taxes.

Mr. Anderson displayed a graph of the state gas taxes in other states and said that Arizona is near the bottom of the list. He noted that Vermont recently passed a two percent tax on gas, raising it about six cents per gallon, and Wyoming increased its tax by ten cents to 24 cents per gallon. Mr. Anderson stated that the average gas tax rate for the states surrounding Arizona is 30 cents per gallon, which is about where Arizona's tax would be if it was tied to inflation.

Mr. Anderson stated that the HURF needs to be fixed by stopping the diversions and returning the fund to the statutory limit of \$20 million annually; raising the fuel tax and indexing it for future inflation; and replacing the fuel tax with alternative mechanisms to fund transportation. He noted that other states are moving away from the per gallon method to a percentage tax to fund transportation.

Mr. Anderson stated that the cumulative shortfall in the federal Highway Trust Fund from 2015 to 2023 is projected to be approximately \$92 billion. He noted that approximately 30 percent of federal transportation funding comes from the general fund, and Congress could decide to fix this, such as imposing additional federal gas taxes or alternative mechanisms. Mr. Anderson stated that staff is putting together briefing materials on transportation funding.

Chair Rogers thanked Mr. Anderson for his report and asked if there were questions.

Mayor Wolcott stated that she has heard reports on the same issues for the past 20 years and nothing changes. She said that even though the gas tax has been a source for transportation funding for a long time and will continue to be the primary source, it is disappearing as an effective mechanism for transportation funding. Mayor Wolcott stated that it behooves this body to be more proactive in solving the problem, and a solution needs more than indexing the gas tax – a package is needed that affects the entire state, not just this region. MAG does planning and the region's economy needs diversification from something other than rooftops. Mayor Wolcott economic activity follows investment and infrastructure and we need to be working together as a state, not just a region. She said that this is a disaster waiting to happen and other states that have indexed the gas tax are out of jeopardy, they are just not falling behind as fast as Arizona. Mayor Wolcott stated that there are other taxing mechanisms out there but political will is lacking. She said that Arizona has a lot to lose if it does not become more aggressive and more proactive about finding a funding solution. Mayor Wolcott stated that MAG, as a transportation planning body, is in a position to go to the Legislature and return this state to productivity. She expressed her hope that MAG would take the lead. Mayor Wolcott pointed out that

ADOT hardly has funds to maintain existing infrastructure and none to build anything new. She expressed that she was tired of hearing the same situation being reported and a resolution is never reached. Mayor Wolcott stated that the leakage needs to be taken care of by the Legislature, perhaps a constitutional amendment is needed to preserve the HURF. She said that a plan is needed and it needs to be enacted.

Mayor Lord expressed her agreement with the statements made by Mayor Wolcott. She said that there is a certain comfort zone and siphoning money is easier if no one expresses an objection and accepts the situation.

Mr. La Rue stated that the same recommendations from an Arizona Town Hall in 1997 are still being discussed but have not been acted on. He expressed that while this region is better positioned, the rest of the state is in dire need.

Chair Rogers called on Executive Director Smith, who suggested three options: (1) Adapt the existing community facilities district law that cities utilize for building infrastructure. The concept could be adapted so it could be used to build new facilities like Interstate 11 and property owners would pay more as buildings are added. It could also help transit with an overlay district. The idea is that businesses that will come in and reap the benefits will help pay for some of the improvements. (2) Extend the horizon of the 20-year sales tax for transportation, which would help with bonding. He noted that San Diego passed a 40-year tax at about the same time as Maricopa County. (3) Enable a local option gas tax, which is currently prohibited by the Arizona constitution. He suggested that the Legislature could possibly give authority to counties to go to the voters.

Mr. Anderson stated that Washoe County, Nevada, passed enabling legislation and a voter initiative to allow indexing of the local, state and federal gas taxes and keeping the revenue. He added that Clark County, Nevada, is in the process of considering enactment of the same thing. Mr. Anderson stated that there are a lot of policy issues associated with this. Mr. Anderson remarked that in his judgment, a package of expanded revenue sources is probably what would be moved forward to maintain what we have and provide for expansion of highway and transit.

Mayor Wolcott expressed her agreement that a package was needed, not just one source. She remarked that sales tax is not always a stable source of funding. Mayor Wolcott stated that the package also needs to impact the entire state and she felt full buy-in around the state is needed to be successful. She noted that tourism is a big deal in Arizona and brings in a lot of money. Attractions in rural Arizona are a big part of the tourism draw.

Councilmember Carlat stated that she was interested in learning how MAG proceeds on these types of concepts, how a study gets on an agenda and how it moves forward. Mr. Smith replied that for the community facilities district concept to move forward, those who would be impacted (such as those in the homebuilders industry) need to hear how it would be to their benefit. He stated that MAG could launch another study, but this is about ownership and the political will to do something. Mr. Smith stated that what he liked about a regional or multi-regional effort is that there is accountability – people see what projects they will get if the tax is passed – and that is why Propositions 300 and 400 were successful. He stated that there is study money, but there is a need to make sure there is political will

to do this. Mr. Smith stated that politicians are the ones who will be on the line for looking at more taxes, and he thought more stakeholders were needed so politicians are not standing alone.

Mayor Mitchell expressed his concurrence with Mr. Smith's statements about stakeholders, because this is about driving commerce. He noted that an extension of the sales tax for transportation would require action by the State Legislature.

Citizen Mr. Ryan raised his hand and spoke out from his seat. Chair Rogers informed Mr. Ryan that public comment was not being taken at this time.

Chair Rogers recognized Mayor Lord, who stated that information needs to be communicated to the people so they are aware of the situation of financing the future of Arizona. She said that so often, information like that is kept around the table, but she thought there should be an effort to publicize the situation even before going to the Legislature.

Mr. Smith stated that MAG can put out brochures and information, but the dilemma is congestion. Citizen Mr. Ryan interrupted Mr. Smith and the meeting by speaking out from his seat. Chair Rogers informed Mr. Ryan it was not the opportunity for public comment and he did not have the floor. Citizen Ryan continued speaking for two and one-half minutes without being recognized by the Chair.

Chair Rogers thanked Mr. Ryan for concluding and asked Mr. Smith to continue what he was going to say. Mr. Smith stated that staff could come back with a strategy if the Regional Council wished.

Mayor Mitchell suggested an outreach program.

Chair Rogers stated that she would like to hear about the state's plan from the State Legislative Transportation Chair. Mr. Smith stated that the Senate and House leadership could be invited to a future meeting.

7. Recommendation from the MAG Managed Lanes Network Development Strategy - Phase I Study

Mr. Anderson reported on the MAG Managed Lanes Network Development Strategy - Phase I Study. He said that the study was divided into four phases, and the purpose of this presentation was to report on the recommendations from Phase I, which are included in the Draft Executive Summary. Mr. Anderson stated that Phase I assessed the overall system feasibility. He said that this was a high level look at Managed Lanes, HOT Lanes, and Express Lanes. Mr. Anderson stated that part of the action being requested was to continue on to the next phase of the study. He advised that there are a lot of policy issues and concerns that still need to be studied and discussed and we are not at a point where any decision has been made. Mr. Anderson advised that the Transportation Policy Committee recommended continuing on to Phase II.

Mr. Anderson stated that Express Lanes and Managed Lanes are lanes dedicated for a certain use. He stated that the region's HOV system is a managed lanes system and is the fourth largest managed lanes system in the nation, although it does not have the tolling used in other states. One of the benefits of managed lanes is travel time savings and reliability. Mr. Anderson stated that a HOT Lanes study was

done in 2002 and the concept was to determine if managed lanes could generate revenue over and above what it takes to implement them and also provide improvements to the system.

Mr. Anderson stated that HOT Lanes as a revenue-generator has been disproven and most managed lanes systems generate enough funding to pay costs, contribute to operations, and pay for some improvements to the corridor, but they do improve travel times.

Mr. Anderson stated that Active Traffic Management proactively manages traffic on the system to maximize the traffic flow, instead of reacting to an incident. He said that one of the goals of managed lanes is to increase the throughput on the highway system. Mr. Anderson stated that the freeway system is projected to handle 2,000 to 2,200 vehicles per hour per lane, but breaks down at about 1,500 to 1,600 vehicles per lane per hour. He stated that bringing the capacity to 2,000 increases capacity by 25 percent with very limited capital expansion and is the essence of Active Traffic Management.

Mr. Anderson discussed project goals and objectives. The four goals are improved mobility, revenue alternatives (ensure it can pay for itself), public and political support, and improved environmental quality. Mr. Anderson stated that improved mobility is the key goal.

Mr. Anderson stated that full deployment of technology would increase throughput and one of the recommendations is a pilot rollout of Active Traffic Management on Interstate 10 in the West Valley. He said they have done a lot of work on active corridor management in that section of Interstate 10 that has chronic congestion. Mr. Anderson stated that they think Active Traffic Management could significantly reduce congestion and improve reliability in that section.

Mr. Anderson stated that the Express Lanes were screened for capacity and constructibility and using a single lane system (Scenario One) and a dual lane system (Scenario Two). Mr. Anderson advised that toll lanes would remain free to transit and HOV users, and the only ones paying a toll would be single occupant vehicles that chose to achieve a more reliable travel time in the toll lanes. He stated that the dual managed lanes are preferable, but are more costly to construct and are not able to be constructed in some areas.

Mr. Anderson reported that I-17, I-10, Loop 101, and US-60 were top performing segments in both the single lane and dual lane scenarios. He said that I-10 was not in the top five for a single lane because the demand is too great, and would not perform very well unless a second lane was added.

Mr. Anderson then discussed revenue forecasts and costs over a 30-year period. The single lane scenario is projected to generate \$100 million per year in revenue over and above construction, operations, and maintenance costs. He remarked that it is a significant amount, but not a huge revenue generator. Mr. Anderson stated that Scenario Two generates less net revenue, due to construction costs of a two-lane system. He indicated that he thought the revenue numbers might be generous and the construction cost numbers might be low because they do not include such things as DHOV ramp connections. Mr. Anderson advised that these figures are very preliminary and will be studied in Phase II.

Mr. Anderson stated that based on the findings, it is recommended that MAG and its key transportation partners actively pursue implementing a broad array of enhanced mobility options, including the use

of managed lanes, congestion pricing, active traffic management, and other similar innovative transportation solutions. He advised that this is still the study mode and no implementation is being discussed.

Mr. Anderson stated there were also four sub-recommendations, one of which is branding. He noted that Washington state was successful in this regard, calling their program “Good to Go.” Mr. Anderson noted that Washington combined the tolling program with other elements of the transportation system, such as ferry or transit, to convey a comprehensive and cohesive strategy.

Mr. Anderson stated that the next part of the recommendation is to identify an opportunity to institute an Active Traffic Management pilot program on Interstate 10 West. He noted that work needs to be done to ensure the concept would fulfill relief from traffic congestion.

Mr. Anderson stated that another recommendation is to have some price managed lanes demonstration projects to determine how to start.

Mr. Anderson stated that the last part of the recommendations is to review guiding policies, for example, the striping of HOV lanes, which does not meet the national standard. He explained that one of the recommendations is to maintain the transit and the existing HOV 2+ configuration in HOV lanes at no charge. Mr. Anderson stated that some places, such as Los Angeles, are moving toward an HOV 3+ due to congestion. He said that a recommendation to move on to Phase II of the study is requested.

Chair Rogers thanked Mr. Anderson for his report and asked members if they had questions.

Mayor Lord stated that the West Valley has some concerns, especially Goodyear. She said that some citizens have expressed their objections to toll roads because they feel they have already paid for the highway on which the tolls would be placed and why Interstate 10 was selected over other corridors. Mayor Lord noted that families moved to the West Valley to have affordable living and now will have to pay a toll to get into the HOV lane. She said she was not expressing opposition to toll roads, she just wanted to convey the concerns of the citizens about why Interstate 10 was selected.

Mr. Anderson stated that there are major congestion issues on Interstate 10 and the pilot program they would propose for the West Valley would not involve any tolls at all. He noted that managed or express lanes could provide additional capacity. Mr. Anderson added that this would only be a study. Mayor Lord expressed that she hoped this would be conveyed to the citizens that it is only for a study and no decision had been made at this time.

Mayor Wolcott spoke of her previous experience with this technology. She said that is a difficult, heavy lift politically, because citizens feel they have paid for the roads once and wonder why they should pay a second time. Mayor Wolcott stated that she supported the concept of the study, but wanted to clarify that this is a traffic management tool, not a people moving tool. When there was discussion about getting buy-in from stakeholders for a new funding stream, bus rapid transit on Interstate 10 was part of Proposition 400, but is not there any more. She stated that bus rapid transit could operate in HOT lanes and move people, not cars, which is the ultimate goal. Mayor Wolcott stated that the West Valley is looking for rapid transit options, getting people to work, and a freeway system that moves people and

gets goods to market. Mayor Wolcott expressed concern about proceeding cautiously on this study or we could end up with mixing messages. She said that people could say the freeways are built out in the Central and East Valleys, but now that the West Valley is going to complete its freeways, they will not be able to fully use all of the options because of HOT lanes.

Mr. Anderson stated that none of these concepts are being done in isolation. He said that what they do not want to do is something in one area that will negatively impact another area. Mr. Anderson stated that if there is an effort to increase funding statewide, perhaps some of these ideas can be put on the back burner, because they want to ensure they are not working at cross purposes and that strategies are coordinated.

Mr. Smith stated that it is unfortunate that the focus has become toll roads. He said when the pilot program on Interstate 10 is discussed, it is not for toll roads, but for the concept of Active Traffic Management. Mr. Smith stated that Active Traffic Management is already in use in the East Valley on Chandler Boulevard, informing drivers of traffic conditions. He said if there is a drive for new funding led by toll roads, it will not be successful.

Mayor Mitchell asked for a description of the public outreach for the entire project. He indicated that he felt there was some misinformation out there and he would like to know the strategy. Mayor Mitchell stated that a cohesive outreach plan is needed. Mr. Anderson replied that one of the first tasks of Phase II is an outreach plan to ensure that the messages are clear. He said that we may decide to discount the express lane concept and promote active traffic management. Mr. Anderson expressed that he felt it had extreme potential to help congestion without tolls and he did not want to lose that message in the clutter.

Chair Rogers recognized public comment from Mr. Ryan, who spoke about subways in Philadelphia and New York. He said to forget about HOV lanes if you want to solve problems – develop instead an elevated system with four lanes: inside lanes are express lanes and the outside lanes are local lanes. Mr. Ryan discussed the system designed by John Shaw, which gets traffic off the highways. Mr. Ryan stated that the needs of corporate headquarters have to be served by proper transportation. Chair Rogers thanked Mr. Ryan for his comments.

With no further discussion, Chair Rogers requested a motion. Mayor Mitchell moved approval to move on to Phase II of the MAG Managed Lanes Network Development Strategy project. Mayor LeVault seconded, and the motion passed unanimously.

8. ADOT Passenger Rail Study, Tucson to Phoenix

Mike Kies, from the Arizona Department of Transportation (ADOT), provided an update on the ADOT Passenger Rail Study from Tucson to Phoenix. Mr. Kies stated that setting a vision for the transportation system in Arizona for 2050 resulted from the Building a Quality Arizona (BQAZ) process in 2010. He said that passenger rail was part of the vision.

Mr. Kies displayed a map of possible intercity rail, commuter rail, and passenger rail corridors. He stated that implementation was then studied, with the Phoenix to Tucson corridor the highest priority in the feasibility study.

Mr. Kies then explained the passenger rail corridor study process and indicated that the alternatives analysis is being completed, after which they will complete their deliverables. Mr. Kies stated that two processes were blended into this one study – from the Federal Railroad Administration and the Federal Transit Administration – who are co-leads on the study.

Mr. Kies stated that seven preliminary alternatives will be presented to the public and agencies to distill down to a couple of preferences. He noted that one bus option on Interstate 10 is one of the alternatives to provide express bus service between Tucson and Phoenix. Mr. Kies stated that the alternatives include six rail options, including one that follows the Interstate 10 alignment, one that follows the Union Pacific alignment, and combination alternatives.

Mr. Kies stated that they conducted a three-legged process on the alternatives: (1) outreach to the public to get comments; (2) coordinate with 46 agencies in Maricopa and Pinal counties; (3) conduct technical analyses of the alternatives. Mr. Kies then reported on the outreach they conducted – he said almost 7,000 surveys were completed by the public, which is a significant amount.

Mr. Kies stated that survey respondents were asked their preferred travel choice between Tucson and Phoenix and more than 77 percent responded train. He noted that the respondents also indicated preference for alternatives in the East Valley. Mr. Kies stated that they will be taking two alternatives forward to the EIS and select a locally preferred alternative. He noted that the two alternatives have not yet been fully vetted, but he thought one alternative would follow Interstate 10 from Phoenix to Tucson and one alternative would access eastern Pinal County and the East Valley of the Phoenix Metro area.

Mr. Kies also noted some orange areas on a map that indicate areas that will be evaluated in the EIS, called common corridors. He said that the final alternative will have one alignment that goes as far west as Surprise and Buckeye, one common corridor to Tempe, and one corridor from Picacho to Tucson.

Mr. Kies noted the schedule and next steps, which includes continuing coordination and support from local agencies; completing the Final Alternatives in Spring 2013; completing the Draft EIS in Fall 2013, followed by a 45-day public comment period and public hearings. Mr. Kies stated that a Final EIS and final report is anticipated by early 2014. He stated that the Final EIS will document the locally preferred alternative. Mr. Kies stated that the Service Development Plan, which is an implementation plan, will then be created.

Chair Rogers thanked Mr. Kies for his report and asked members if they had questions.

Chair Rogers recognized Mayor Wolcott, who thanked Mr. Kies for bringing the proposal to the communities impacted for feedback. She said that in her city's meeting, she had asked why an urban bus in a diamond lane was being considered as an alternative instead of bus rapid transit in a dedicated corridor, because it is not an apples-to-apples comparison in terms of service. Mr. Kies replied that the study did not get into the specifics on how the bus alternatives would operate. He said that their assumption was that whatever facility provided, the bus would operate at posted speed limits. Mr. Kies stated that the goal was to provide intercity bus service at 75 m.p.h. compared to rail that could reach speeds of 125 m.p.h. He noted that the staff recommendation at this time is that the bus alternative is not realistic to solve transportation needs between Phoenix to Tucson. Mayor Wolcott commented that

besides speed, the destination is a critical element, otherwise, why build it? She expressed her support for connecting all of the population centers.

Chair Rogers noted that some of the members needed to leave and asked if there were further questions from the Regional Council. Hearing none, she allowed an extra public comment period for Mr. Ryan, who said that Mayor Wolcott was right, people want speed, however, tracks limit speed and can derail. Mr. Ryan stated that John Shaw's technology never derails because it uses central guide beams. He stated that the Phoenix to Tucson rail plans to use vehicles made in Spain, and this would be combined with trolleys made in Japan for the light rail system, and vehicles made in Canada for the airport shuttle. Mr. Ryan encouraged teamwork and having a flexible, elevated system with American-made vehicles. He stated that everyone wants to lower the cost of the market basket, which is higher in Arizona than the rest of the nation due to transportation costs. Mr. Ryan stated that John Shaw's vehicles could go right to the delivery doors of stores. He stated that many incomes here are from military manufacturing. People around the world hate us because of the missiles manufactured here that destroy facilities in their countries, such as the plant in Africa that makes an anti-malaria pill. Mr. Ryan stated that John Shaw spent thousands of hours and his own money to develop this system and provided to public agencies, yet it is not even mentioned in this presentation. Chair Rogers thanked Mr. Ryan for his comments.

Chair Rogers asked Mr. Kies, when he gives presentations, if people are informed about the outcome if nothing is done. Mr. Kies replied that a no-build alternative is included as part of the EIS. Chair Rogers stated that it is important that people understand that. She stated that when doing surveys, people are asked if they would like a certain facility and they indicate yes. The other part that needs to be asked is the manner they want to pay for it. Mr. Kies replied that one of the questions in the survey was phrased that no funding had been identified for this system and asked respondents to propose a method of paying for it. He noted that responses are still being analyzed due to the length of responses.

9. Maricopa Association of Governments Agency Performance Review Questionnaire

Due to the length of the meeting, this agenda item was not considered.

10. Development of the FY 2014 Unified Planning Work Program and Annual Budget

Due to the length of the meeting, this agenda item was not considered.

11. Nominating Committee

Annually, the Chair of the Regional Council appoints a five-member Nominating Committee from the Regional Council. In accordance with the approved MAG Regional Council Nominating Process, the Nominating Committee develops a slate of seven candidates. These candidates include a Chair, Vice Chair, Treasurer, the Past Chair, and three members at-large. If the Past Chair is not a current member of the Council, the Nominating Committee nominates an additional at-large member. The past Chair of the Regional Council, if still a current member, serves as Chair of the Nominating Committee. The Nominating Committee is required to provide a balanced slate of officers. The slate of nominations is forwarded to all of the Regional Council members at least two weeks prior to the annual meeting in June.

Chair Rogers noted that the memorandum announcing the members of the Nominating Committee was at each place. Members of the Nominating Committee include Mayor Tom Schoaf, Litchfield Park; Mayor Jackie Meck, Town of Buckeye; Mayor John Lewis, Town of Gilbert; Mayor Georgia Lord, City of Goodyear; and Mayor Mark Mitchell, City of Tempe. Also at each place was the memorandum from Mayor Schoaf requesting letters of interest from Regional Council members who wish to be nominated for the Executive Committee. Chair Rogers requested that letters be submitted by May 10, 2013.

12. Legislative Update

No report.

13. Request for Future Agenda Items

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

Chair Rogers noted that agenda items #9 and #10 would be heard at the May Regional Council meeting.

No other requests for agenda items were noted.

14. Comments from the Council

An opportunity was provided for Regional Council members to present a brief summary of current events. The Regional Council 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.

Chair Rogers noted that the next Regional Council meeting is May 22, 2013, at 11:30 a.m.

Adjournment

There being no further business, the meeting adjourned at 1:30 p.m.

Chair

Secretary