



**MARICOPA
ASSOCIATION of
GOVERNMENTS**

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March 20, 2007

TO: Members of the MAG Regional Council

FROM: Mayor James M. Cavanaugh, Goodyear, Chair

SUBJECT: MEETING NOTIFICATION AND TRANSMITTAL OF TENTATIVE AGENDA

Meeting - 5:00 p.m.

Wednesday, March 28, 2007
MAG Office, Suite 200 - Saguaro Room
302 North 1st Avenue, Phoenix

Dinner - 6:30 p.m.

MAG Office, Suite 200

The next Regional Council meeting will be held at the MAG offices at the time and place noted above. Members of the Regional Council may attend either in person, by videoconference or by telephone conference call. Members who wish to remove any items from the Consent Agenda are requested to contact the MAG office. MAG will host a dinner/reception for the Regional Council members following the meeting in the MAG Cholla Room on the 2nd floor. Supporting information is enclosed for your review.

Please park in the garage underneath the building. Parking places will be reserved for Regional Council members on the first and second levels of the garage. Bring your ticket to the meeting, parking will be validated. For those using transit, the Regional Public Transportation Authority will provide transit tickets for your trip. For those using bicycles, please lock your bicycle in the bike rack in the garage.

Pursuant to Title II of the Americans with Disabilities Act (ADA), MAG does not discriminate on the basis of disability in admissions to or participation in its public meetings. Persons with a disability may request a reasonable accommodation, such as a sign language interpreter, by contacting the MAG office. Requests should be made as early as possible to allow time to arrange the accommodation.

If you have any questions, please call the MAG office.

c: MAG Management Committee

A Voluntary Association of Local Governments in Maricopa County

**MAG REGIONAL COUNCIL
TENTATIVE AGENDA
March 28, 2007**

COUNCIL ACTION REQUESTED

1. Call to Order

2. Pledge of Allegiance

3. Call to the Audience

An opportunity will be provided to members of the public to address the Regional Council 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 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 Regional Council requests an exception to this limit. Please note that those wishing to comment on agenda items posted for action will be provided the opportunity at the time the item is heard.

4. Executive Director's Report

The MAG Executive Director will provide a report to the Regional Council on activities of general interest.

5. Approval of Consent Agenda

Council members may request that an item be removed from the consent agenda. Prior to action on the consent agenda, members of the audience will be provided an opportunity to comment on consent items. Consent items are marked with an asterisk (*).

3. Information.

4. Information and discussion.

5. Approval of the Consent Agenda.

ITEMS PROPOSED FOR CONSENT*

MINUTES

*5A. Approval of the February 28, 2007 Meeting Minutes

5A. Review and approval of the February 28, 2007 meeting minutes.

TRANSPORTATION ITEM***5B. Response to U.S. Department of Transportation Congestion Initiative**

On December 8, 2006, the U.S. Department of Transportation (USDOT) issued a notice of solicitation for applications to enter into urban partnership agreements (UPA) as part of the Congestion Initiative to demonstrate strategies for reducing traffic congestion. A program has been announced under the UPA that would provide funding support for carrying out operational tests using Intelligent Transportation Systems (ITS) applications to mitigate congestion. Approximately \$100 million will be made available nationwide for the implementation of selected ITS projects over three years. Two applications are being prepared by a team led by the Arizona Department of Transportation and MAG. The first would seek to qualify the MAG region as an Urban Partner, and the second would seek funds for a corridor project for utilizing ITS technology solutions to better manage the travel demand and traffic flow in the I-10 corridor from I-17 to Loop 303. The USDOT grant is estimated to be in the range of \$10 to \$15 million. The proposed concept for the I-10 Integrated Corridor Management System was reviewed and recommended by the MAG ITS Committee and the MAG Management Committee. Please refer to the enclosed material.

5B. Approval of forwarding the proposed concept for the I-10 Integrated Corridor Management System to the USDOT for consideration.

AIR QUALITY ITEMS***5C. Consultation on Proposed Transportation Conformity Processes for the 2007 MAG Conformity Analysis**

Federal and State conformity regulations require that Metropolitan Planning Organizations consult with federal, state, and local air quality and transportation agencies on proposed processes for the conformity analysis on the transportation improvement program and transportation plan. On March 6, 2007, MAG distributed for interagency consultation the conformity processes on the selection of proposed models, associated

5C. Consultation.

methods, and assumptions, identification of exempt projects, and ensuring the expeditious implementation of transportation control measures. The proposed processes will be applied in the upcoming conformity analysis for the FY 2008-2012 MAG Transportation Improvement Program (TIP) and the MAG Regional Transportation Plan - 2007 Update. Comments regarding this material are requested by March 23, 2007. Please refer to the enclosed material.

*5D. Consultation on Potentially Regionally Significant Projects of the FY 2008-2012 MAG Transportation Improvement Program

Federal and State conformity regulations require that Metropolitan Planning Organizations consult with federal, state, and local air quality and transportation agencies regarding which transportation projects will be considered "regionally significant" for the purposes of regional emissions analysis. On March 6, 2007, MAG distributed for interagency consultation the regionally significant projects subject to conformity requirements. Comments on the list of potentially regionally significant projects are requested by March 23, 2007. Please refer to the enclosed material.

5D. Consultation.

GENERAL ITEMS

*5E. Regional Economic and Growth Outcomes Project

In December 2002, the Regional Council approved a regional development scope of work. Since that time, staff has initiated and completed the components of the scope of work. With these projects now complete, staff is recommending that several tasks either be discontinued or consolidated into a single work area. This project, Regional Economic and Growth Outcomes (REGO), would combine significant components of various projects including socioeconomic projections, Building a Quality Regional Community, Regionally Significant Development Projects, and the

5E. Approval of the proposed Regional Economic and Growth Outcomes Work Plan.

Regional Report. The REGO analysis would include data collection, job center analysis, describing and analyzing sub regions and various regional analyses as needed. The information and analysis from this project would be available in calendar year 2007. The MAG Management Committee recommended approval of this item. Please refer to the enclosed material.

*5F. Approval of the July 1, 2006 Maricopa County and Municipality Resident Population Updates

On February 27, 2007, the MAG Population Technical Advisory Committee (POPTAC) recommended approval of the July 1, 2006 Municipality Resident Population Updates. The Updates are used to allocate approximately \$23 million in lottery funds, set expenditure limitations, and develop local budgets. The updates were prepared based on the Arizona Department of Economic Security's (DES) July 1, 2006 Maricopa County Resident Population Updates, data from the 2005 Census Survey, and a methodology approved by MAG's POPTAC. If approved, these July 1, 2006 updates for Maricopa County and municipalities will replace the Interim Population Updates that were provided to the Economic Estimates Commission in December of last year. The MAG Management Committee recommended approval of this item. Please refer to the enclosed material.

5F. Approval of the July 1, 2006 Maricopa County and Municipality Resident Population Updates.

ITEMS PROPOSED TO BE HEARD

TRANSPORTATION ITEM

6. Consultant Selection for the Building a Quality Arizona: Statewide Intrastate Mobility Reconnaissance Study

On December 13, 2006, the Regional Council approved moving forward with the Statewide Intrastate Mobility Reconnaissance Study that was recommended by the Arizona COG/MPO Chairs and Directors. The Scope of Work was distributed for review by the COG/MPO Directors and business leaders. The Request for Proposals (RFP) was advertised on January 18,

6. Approval of the selection of the firm DMJM Harris to provide consulting services related to the Building a Quality Arizona: Statewide Intrastate Mobility Reconnaissance Study for an amount not to exceed \$300,000.

2007 and one proposal was received. The COG/MPO Chairs and Directors will meet on March 23, 2007 to hear a presentation from the recommended consultant. It is anticipated that the COG/MPO Chairs and Directors may make a recommendation to the MAG Regional Council on the consultant. In addition, a presentation will be provided on the Building a Quality Arizona: Statewide Intrastate Mobility Reconnaissance Study. Please refer to the enclosed material.

AIR QUALITY ITEM

7. Suggested List of Measures for the Five Percent Plan for PM-10

Since December 7, 2006, the MAG Air Quality Technical Advisory Committee has been reviewing a Preliminary Draft Comprehensive List of Measures to Reduce PM-10 Particulate Matter. On March 6, 2007, the MAG Air Quality Technical Advisory Committee recommended approval of a Suggested List of Measures. On March 14, 2007, the Management Committee recommended approval of the Suggested List of Measures. If these measures are approved by the Regional Council, implementing agencies will be requested to make legally binding commitments to implement measures which they deem appropriate for their jurisdictions. Local government commitments will be needed by June 15, 2007. The Five Percent Plan for PM-10 is required to be submitted to the Environmental Protection Agency by December 31, 2007. Please refer to the enclosed material.

7. Approval of the Suggested List of Measures to Reduce PM-10 Particulate Matter.

GENERAL ITEMS

8. Authorization to Enter Into a Memorandum of Understanding for the Regional Office Center and to Execute a 30-Year MAG Lease

At the February 28, 2007 MAG Regional Council meeting, an overview was provided on the proposed Regional Office Center. It was noted at the meeting that a workshop was being scheduled to provide an opportunity for the MAG member agencies and the partnering agencies on

8. Authorize MAG to enter into a Memorandum of Understanding for the Regional Office Center with the Phoenix Industrial Development Authority and the Regional Office Center LLC; and to execute a lease for 30 years for the MAG space in the Regional Office Center, estimated at 113,430 total square feet, for an estimated cost of approximately \$39,772,272 over thirty years.

the building to receive detailed information on the project. The workshop was held on March 5th where staff and consultants provided detailed financial spreadsheets on the Regional Office Center. On March 14, 2007, the MAG Management Committee recommended authorizing MAG to enter into a Memorandum of Understanding and to execute a lease agreement for the Regional Office Center. On March 16, 2007, the Valley Metro Board approved negotiating a contract to acquire land and construct an office building. On March 20, 2007, the MAG Regional Council Executive Committee recommended proceeding with the project. A meeting with the Valley Metro Rail agency is scheduled for April 10, 2007. From these discussions additional questions are being explored. One of these questions is the tax status of the agencies. The tax status of the entities may impact whether property tax will need to be paid. To date, the financial analysis is conservative, assuming that all agencies would be paying approximately \$3.00 per square foot in property tax. This is now under review by an attorney who specializes in this area. Another question under review is whether the City of Phoenix would consider using a mechanism to abate a portion of the property tax (Government Property Lease Excise Tax). Also, whether the City of Phoenix would consider providing any relief on the fees and taxes associated with the project. A meeting with the City of Phoenix has been scheduled to discuss these matters. Please refer to the enclosed material.

9. Discussion of the Draft FY 2008 MAG Unified Planning Work Program and Annual Budget and Expenditures and Projects in the MAG Unified Planning Work Program and Annual Budget

Each year, the MAG Unified Planning Work Program and Annual Budget is developed incrementally in conjunction with member agency and public input. The Work Program is reviewed each year by the federal agencies and approved by the Regional Council in May. This presentation and review of the draft FY 2008 MAG Unified Planning Work Program and Annual

9. Input on the development of the FY 2008 MAG Unified Planning Work Program and Annual Budget.

Budget represents the budget document development to-date. The elements of the budget document are about 80 percent complete. Please refer to the enclosed material.

10. Legislative Update

An update will be provided on legislative issues of interest.

11. Comments from the Council

An opportunity will be 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.

10. Information, discussion and possible action.

11. Information.

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

February 28, 2007
MAG Office, Saguaro Room
Phoenix, Arizona

MEMBERS ATTENDING

Mayor James M. Cavanaugh, Goodyear, Chair
Mayor Mary Manross, Scottsdale, Vice Chair
+ Councilmember Dave Waldron for
 Mayor Douglas Coleman, Apache Junction
 Mayor Marie Lopez Rogers, Avondale
 Mayor Bobby Bryant, Buckeye
* Mayor Edward Morgan, Carefree
 Vice Mayor Dick Esser, Cave Creek
 Mayor Boyd Dunn, Chandler
* Mayor Fred Waterman, El Mirage
 President Raphael Bear, Fort McDowell
 Yavapai Nation
 Mayor Wally Nichols, Fountain Hills
 Mayor Daniel Birchfield, Gila Bend
* Governor William Rhodes, Gila River Indian
 Community
 Mayor Steven Berman, Gilbert
Mayor Elaine Scruggs, Glendale
* Mayor Bernadette Jimenez, Guadalupe

Mayor Thomas Schoaf, Litchfield Park
* Supervisor Don Stapley, Maricopa County
 Mayor Keno Hawker, Mesa
 Mayor Ed Winkler, Paradise Valley
 Mayor Bob Barrett, Peoria
* Councilmember Peggy Neely, Phoenix
 Mayor Art Sanders, Queen Creek
* President Joni Ramos, Salt River
 Pima-Maricopa Indian Community
 Councilmember Cliff Elkins for Mayor
 Joan Shafer, Surprise
Mayor Hugh Hallman, Tempe
* Mayor Adolfo Gamez, Tolleson
* Mayor Ron Badowski, Wickenburg
 Mayor Michael LeVault, Youngtown
* Joe Lane, State Transportation Board
* Felipe Zubia, State Transportation Board
 F. Rockne Arnett, Citizens Transportation
 Oversight Committee

* Those members neither present nor represented by proxy.

Attended by telephone conference call.

+ Attended by videoconference call.

1. Call to Order

The meeting of the MAG Regional Council was called to order by Chair James M. Cavanaugh at 5:07 p.m.

2. Pledge of Allegiance

The Pledge of Allegiance was recited.

Chair Cavanaugh noted that Mayor Elaine Scruggs, Mayor Mary Manross, and Mayor Hugh Hallman were participating by telephone, and Councilmember Dave Waldron, as proxy for Mayor Doug Coleman, was participating by videoconference. Chair Cavanaugh welcomed Councilmember Cliff Elkins as proxy for Mayor Joan Shafer, Surprise.

Chair Cavanaugh noted that materials for agenda items #7 and #9 were at each place. He stated that parking validation and transit tickets were available from staff.

3. Call to the Audience

Chair Cavanaugh noted that according to MAG's public comment process, members of the audience who wish to speak are requested to fill out public comment cards. The opportunity for public comment is provided to members of the public to address the Regional Council 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 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 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 Cavanaugh noted that no public comment cards had been turned in.

4. Executive Director's Report

Dennis Smith reported that last week, MAG sent out an electronic survey to solicit input on ways to recognize MAG's 40th Birthday on April 12, 2007. He said that the majority of those responding preferred having an open house prior to the April 25, 2007 Regional Council meeting. There was also strong interest in recognizing the occasion at the meeting that night. Mr. Smith noted the surveys indicated a preference for an expanded invitation list that includes former Regional Council members and staff. The open house will feature displays depicting MAG's history.

Mr. Smith stated that Chair Cavanaugh, as the Chair of the Arizona COG/MPO Association, responded to a request from the Governor's Growth Cabinet to submit a summary of the Association's recommendations for the Listening Session on February 23, 2007. He stated that a letter requested stronger partnerships with planning agencies, funding for the statewide Reconnaissance and Framework Studies, establishment of an independent state Growth Office, funding for the State Land Department, and opportunities for public/private partnerships.

Mr. Smith stated that MAG Transportation Director, Eric Anderson, provided testimony at the National Surface Transportation Policy and Revenue Commission Field Hearing on February 23, 2007. Mr. Smith noted that Mr. Anderson presented the following four points: 1) The USDOT should establish a clear mission with respect to its federal role in national transportation system; 2) The USDOT needs to ensure there is a fair and equitable share of transportation funds; 3) the USDOT can play a role to increase communication between and among states by reinstating the Intermodal Planning Group (IPG) conferences, especially for the Inter-Mountain states; 4) the USDOT should assume the leadership in establishing a stable revenue source for transportation.

Mr. Smith stated that MAG is partnering with the State Transportation Board, Citizen Transportation Oversight Committee, Valley Metro/RPTA, Valley Metro Rail, and the City of Phoenix Public Transit Department to hold the annual Joint Transportation Public Hearing March 9, 2007 at noon in the Saguaro Room. He stated that participation by Regional Council members in the Hearing is encouraged.

Mr. Smith expressed his appreciation to the Regional Council for the many positive comments that were submitted for his evaluation in January. He commented that these positive comments were a reflection of the great work of MAG staff members. Chair Cavanaugh thanked Mr. Smith for his report. No questions for Mr. Smith were noted.

5. Approval of Consent Agenda

Chair Cavanaugh stated that public comment is provided for consent items. Each speaker is provided with a total of three minutes to comment on the consent agenda. After hearing public comments, any member of the Council can request that an item be removed from the consent agenda and considered individually. Chair Cavanaugh stated that agenda items #5A, #5B, #5C, #5D, #5E, #5F, #5G, and #5H were on the consent agenda. He noted that no public comment cards had been turned in. Chair Cavanaugh asked members if they had any questions or any requests to hear an item individually. None were noted.

Mayor Hawker moved to approve Consent Agenda items #5A, #5B, #5C, #5D, #5E, #5F, #5G, and #5H. Vice Mayor Esser seconded, and the motion carried unanimously.

5A. Approval of the January 31, 2007 Meeting Minutes

The Regional Council, by consent, approved the January 31, 2007 meeting minutes.

5B. Project List for the Arizona Department of Transportation's Safe Routes to School Program

The Regional Council, by consent, approved the ranked list of projects to be submitted to the Arizona Department of Transportation for the Safe Routes to School Program. A total of \$400,000 statewide is available for projects through the Arizona Department of Transportation's (ADOT) Safe Routes to School Program. The program provides funding to public and non-profit agencies for projects that improve road safety and encourage more grade K-8 children to walk or bike to their neighborhood schools. In this first year of the program, the focus is on education, training and encouragement. In response to an announcement in November 2006, a number of project applications were submitted in the MAG region. The ADOT application review process stipulates that MPOs and COGs must recommend a ranked list of projects to ADOT by March 2, 2007. On January 30, 2007, the MAG Transportation Safety Committee reviewed all project proposals, and generated a ranked list for consideration by ADOT. The Management Committee recommended approval of the ranked list for submission to ADOT.

5C. Arterial Life Cycle Program (ALCP) – Status Report

Each quarter, MAG staff provides member agencies with an update on projects in the Arterial Life Cycle Program (ALCP). This is the fourth Status Report (covering the period from October to December 2006) for the ALCP. The Status Report includes an update on ALCP Project work, and ALCP revenue/financial section, information about ALCP amendments and administrative adjustments, and the remaining FY 2007 ALCP schedule. This item was on the agenda for information and discussion.

5D. Proposed Amendment and Administrative Adjustment to the FY 2007-December 13, 2006 Arterial Life Cycle Program (ALCP)

The Regional Council, by consent, approved the Amendment and Administrative Adjustment to the FY 2007 – December 13, 2006 ALCP. The latest FY 2007 ALCP was approved by MAG Regional Council on December 13, 2006. Since that time, projects have been identified that need to do a scope change, change project schedules, and lower and adjust the regional reimbursement amounts in FY 2007. An amendment is needed to do a scope change and change a project schedule, and an administrative adjustment is needed to adjust the project reimbursement amounts due to lower actual costs. The Transportation Review Committee and the Management Committee recommended approval of this item.

5E. Selection of CMAQ Funded Dirt Road Paving Projects for FY 2008 and 2009

The Regional Council, by consent, approved that three pave dirt facility projects in Phoenix, Litchfield Park and Surprise be awarded CMAQ funds in FY 2008 and that another three pave dirt facility projects in Phoenix (2) and Surprise be awarded CMAQ funds in FY 2009, as shown in the attached tables. A total of \$2 million in CMAQ funds has been programmed in FY 2008 for the paving of dirt roads in the MAG region and \$3.5 million for FY 2009. The Transportation Review Committee and Management Committee recommended six projects to utilize the funds available.

5F. Department of Housing and Urban Development Stuart B. McKinney Continuum of Care Consolidated Application Process for the MAG Region

The MAG Continuum of Care Regional Committee on Homelessness is the responsible entity for a year round homeless planning process. This includes the submittal of the U.S. Department of Housing and Urban Development (HUD) Stuart B. McKinney Continuum of Care Consolidated Application for the Maricopa Region. The release of the 2007 application is anticipated in the next few months. Since 1999, \$106 million has been awarded to the MAG region. In 2005, the region received more than \$20 million for 48 homeless service providers, and it is anticipated that our region will be awarded comparably in 2006. This information is being presented to inform MAG member agencies of the application process and of the opportunity to apply for this funding.

5G. Human Services Coordination Transportation Plan Short-Term Strategies

The Regional Council, by consent, approved the Human Services Transportation Plan Short-Term Strategies. In June 2006, the MAG Regional Council approved the development of a plan to coordinate human services transportation in compliance with new SAFETEA-LU regulations. These regulations

state that any agency applying for Job Access and Reverse Commute (JARC) funds, New Freedom funds or for the 5310 Elderly and Persons with Disabilities Transportation Program must demonstrate they are in compliance with a locally developed coordination plan. These three funding sources cannot be accessed unless such a plan is in place as of July 1, 2007. A stakeholders group with representatives from MAG member agencies, transportation providers and non-profit agencies is in the process of developing a plan for the MAG region. Short-term strategies have been identified for the 5310 application process that begins in March. This item is presented so that the 5310 application process may proceed in a timely manner. The same short-term strategies would also apply for the JARC and New Freedom applications later this year. The MAG Management Committee recommended approval of the short-term strategies.

5H. 2005 Census Survey Cost Allocations

The Regional Council, by consent, approved adjusting the cost allocation recommended by the Census Survey Oversight Subcommittee (CSOS) to hold harmless member agencies with a population less than 25,000 and a growth rate less than six percent in the 2005 Census Survey. In December 2003, the MAG Regional Council approved the methodology used to allocate 2005 Census Survey costs among member agencies. At the January 30, 2007 CSOS meeting, members recommended applying the approved methodology to the final census costs. For three jurisdictions, the costs to be incurred were 6-13 times higher than originally estimated because their population growth was slightly higher than the 3.6 percent growth rate used in the approved method. As a result, their cost was based on share of sample size rather than share of population. Due to concerns raised at the CSOS meeting, MAG staff developed an alternative cost allocation. At the February 14, 2007 MAG Management Committee meeting, members recommended adjusting the cost allocation recommended by CSOS to hold harmless member agencies with a population less than 25,000 and a growth rate less than six percent in the 2005 Census Survey.

6. Air Quality Update

Lindy Bauer, MAG Environmental Director, stated that PM-10 was the most difficult air quality problem facing the MAG region. Ms. Bauer displayed a chart that showed exceedances per monitor. She noted that the West 43rd Avenue and the Durango monitors had the highest numbers of exceedances in both 2005 and 2006. Ms. Bauer advised that in 2006 there were 21 days that monitors exceeded the PM-10 standard in the Maricopa County nonattainment area. Ms. Bauer advised that the Buckeye monitor is outside the nonattainment area, but the Higley monitor is inside. She added that the Higley monitor has been close violating the standard.

Ms. Bauer stated that because the Maricopa County area could not meet the PM-10 standard, MAG has been working on developing a Five Percent Plan for PM-10. She noted that the Plan is due to the Environmental Protection Agency (EPA) by December 31, 2007. Ms. Bauer advised that the region must reduce emissions by five percent per year until standard is attained. She noted that the five percent reduction must be based on the most recent emissions inventory prepared by the Maricopa County Air Quality Department. Ms. Bauer stated that three years of clean data at the monitors—for 2007, 2008, and 2009—are needed for attainment, or additional years of five percent reductions will need to be added to the plan. Ms. Bauer noted that so far in 2007, there has been no exceedance of the 24-hour standard.

Ms. Bauer stated that consulting firms were hired to conduct the MAG PM-10 Source Attribution and Deposition Study. She said that the consultants had been assessing existing meteorological and PM-2.5 and PM-10 data to evaluate exceedance conditions. Ms. Bauer added that the consultants especially focused on the Durango and West 43rd Avenue monitoring sites and were present during exceedances. She said that the consultants collected data from November 15, 2006 through December 14, 2006 during stagnant conditions.

Ms. Bauer displayed photographs of conditions that contribute to the PM-10 problem around the West 43rd Avenue and Durango monitors, including trackout, unpaved roads and shoulders and dragout, open burning, agriculture, unpaved lots, and vehicle activity on unpaved lots. She advised that there is significant noncompliance around monitors. Ms. Bauer stated that the study showed that PM-10 is localized rather than transported.

Ms. Bauer stated that Maricopa County is currently working on the inventory of annual PM-10 emissions, which is being refined based on review. Ms. Bauer stated that the MAG Air Quality Technical Advisory Committee has drawn up a draft list of preliminary PM-10 measures, such as having dust managers at construction sites; extensive dust control training; strengthening trackout provisions; implementing Rule 316 for nonmetallic mineral processing; reducing off-road vehicle use; paving/stabilizing dirt roads, shoulders, and parking lots; prohibiting new dirt roads; stabilizing vacant lots; increasing fines for open burning; and implementing agricultural measures. Ms. Bauer noted that the Governor's Agricultural Best Management Practices Committee has formed a technical working group.

Ms. Bauer stated that the MAG Air Quality Technical Advisory Committee will be considering a recommendation on the preliminary PM-10 measures at its meeting March 1, 2007. She advised that additional meetings of the Committee may be required to finish its work on the measures.

Ms. Bauer said that she has been asked if Clean Air sanctions were imminent. She advised that they are not. Ms. Bauer indicated that sanctions could be imposed for failure to submit a plan, failure to implement any plan requirement, failure to make any required submission, or EPA disapproval of the plan. Ms. Bauer then provided a timeline if sanctions were imposed, which includes tighter controls on major industries in 18 months, followed by loss of federal highway funds and imposition of a federal implementation plan in 24 months.

Ms. Bauer advised that if the region fails to attain the PM-10 standard, more measures will need to be added to the plan to reduce emissions by five percent per year until attainment is met. She commented that it is becoming increasingly difficult to meet the requirements and the best course of action is to attain the standards as quickly as possible. Ms. Bauer outlined the schedule for the Five Percent Plan for PM-10. She noted that commitments by member agencies to implement measures would be requested in June 2007. Ms. Bauer stated that action on the Plan by the Regional Council is anticipated in December 2007. Following action, the Plan would be submitted to ADEQ and EPA. She noted that EPA could make its adequacy finding for the conformity budget in March 2008.

Ms. Bauer then addressed the Council on the Eight-Hour Ozone Plan which is due to the EPA by June 15, 2007. She noted that the Maricopa County nonattainment area has had no monitors with violations

of the Eight-Hour Ozone Standard for two years. Ms. Bauer advised that attainment of the standard is required by June 15, 2009.

Ms. Bauer displayed the list of committed measure in the One-Hour Ozone Maintenance Plan. She advised that with these existing committed maintenance and contingency measures, the region should be able to reach attainment.

Ms. Bauer stated that a recent court ruling vacated EPA's Phase 1 Eight-Hour Ozone Implementation Rule, which included the classification of the nonattainment areas. She added that the EPA may tighten the Eight-Hour Ozone Standard and designations may be made by 2011. Ms. Bauer stated that the Governor issued an Air Quality Executive Order which requires ADEQ to develop an Air Quality Improvement Action Plan by March 31, 2007. She advised that the Executive Order contains requirements that must be met by jurisdictions who receive funding from the Arizona Department of Transportation.

Chair Cavanaugh introduced Holly Ward, Community and Media Relations Manager for Maricopa County, who provided a report on the County's new public education campaign, Bring Back Blue. Ms. Ward stated that the Board of Supervisors approved more than \$1 million for the campaign, which is designed to inform the public about what they can do to reduce particulate pollution. Ms. Ward stated that the campaign consulted with stakeholders to determine effective outreach, and conducted four focus groups and telephone surveys. She said the research indicated that many people focus on the tailpipe as the source of pollution, not dust sources. Ms. Ward stated that the survey respondents indicated that health was their concern in regard to pollution.

Ms. Ward stated that the campaign kicked off on January 16, 2007. She said that the campaign includes billboard advertising and a website. Ms. Ward stated that the website contains a list of twelve actions the public can do to reduce particulate pollution. She said the public can take a pledge on the website and receive a certificate. Ms. Ward stated that there are also prize incentives.

Ms. Ward stated that advertising will also appear in the *East Valley Tribune*, *The Arizona Republic*, *Prensa Hispana*, and *La Voz*, along with 30-second television commercials. Ms. Ward then played the commercials. Chair Cavanaugh thanked Ms. Bauer and Ms. Ward for their reports.

Chair Cavanaugh asked Ms. Bauer for clarification of the five percent calculation. Ms. Bauer replied that the five percent calculation is based on the most recent emissions inventory prepared by the County. The total emissions is grown by sector to 2007. Ms. Bauer stated that the tonnage is then multiplied by .05, which is now approximately 4,600 tons per year. She added that this is a draft number because the County is still revising the inventory.

Mayor Hawker asked how the PM-2.5 federal standard interacts with the PM-10 five percent reduction and if the MAG model included PM-2.5. Ms. Bauer replied that the region is not in nonattainment for PM-2.5, so it was not included in the modeling. Mayor Hawker asked if PM-2.5 was measured at the monitors. Ms. Bauer replied that was correct, the monitors do measure PM-2.5.

7. Update on the Regional Office Center

Mr. Smith stated that at their last meeting, the Building Lease Working Group (BLWG) agreed that holding a workshop would aid in the understanding of the large amount of data compiled for this project. He added that instead of the Regional Council taking action tonight, a workshop would be held in the next few days. Chair Cavanaugh asked if the partnering agencies would be invited. Mr. Smith replied that they would.

Mr. Smith expressed his appreciation to those who have participated in this two-year effort: Building Lease Working Group members: Mayor Cavanaugh and Mayor Hawker; Phoenix City Manager, Frank Fairbanks; Paradise Valley Councilmember Ron Clarke, and Prisila Ferreira, former Deputy City Manager from Peoria; MAG staff, Denise McClafferty, Monique De los Rios-Urban, Becky Kimbrough, Rita Walton, and Audrey Skidmore; and private sector partners, landowner David Kaye, Jay Tubbs from the Ryan Corporation, and Geegee Entz and Patty Boyd from Coldwell Banker.

Mr. Smith noted that Arizona Municipal Water Users Association (AMWUA) recently had chosen not to participate as a partner in the building.

Mr. Smith spoke about MAG's mission and how the building will complement that mission. Mr. Smith stated that the term of financing would be 30 years. If the building is completed in 2009 or 2010, what will be happening during those 30 years? Mr. Smith noted the region's population will almost double by 2040 and interaction between regional agencies will be required to plan for this growth. He stated that groups such as the Regional Council will be the ones called on to do the heavy lifting on regional and state issues. Mr. Smith added that MAG's mission revolves around collaboration, both regionally and statewide.

Mr. Smith displayed a chart of funding sources and noted that MAG cooperatively makes decisions on more than \$800 million per year. He stated that the \$16 billion Regional Transportation Plan is a cooperatively developed plan that requires close interagency collaboration to deliver the plan to the voters. Mr. Smith noted that MAG, RPTA, and Valley Metro Rail, along with ADOT, work very closely together.

Mr. Smith stated that great meeting space is essential to facilitate that close interaction in order to obtain the best results. He explained that standard office space does not offer the clear span space with no pillars that is needed for meeting rooms. Mr. Smith noted that clear span space gives the flexibility to host many of the forums and events for which space must be rented.

Mr. Smith stated that because all three agencies are growing, if a building is not built, the agencies will need to move to separate spaces. He advised that MAG will need to move within the next three years and probably every 10 to 15 years thereafter, and added that the challenge will be finding space that is centrally located and has clear span space. He advised that RPTA's and MAG's leases are expiring at the end of 2008.

Mr. Smith recapped the history of the building to date. He stated that the Regional Council selected a centrally located site on McKinley Avenue between First and Second Avenues. Mr. Smith stated that

the preliminary design phase and bid process to determine building cost were completed, followed by a value engineering process.

Mr. Smith stated that in addition to the staff integration needed for delivery of the Regional Transportation Plan, a common building would result in greater efficiency of member agencies' time and resources. He stated that all cities, the county, the Native American Indian Communities, and ADOT are part of MAG. Many are also members of RPTA and Valley Metro Rail. Mr. Smith stated that having the agencies sharing space facilitates moving from one meeting to the next.

Mr. Smith stated that considerable money and staff effort have been expended on the project. He noted that he was not sure the opportunity to construct a building would be presented again. Mr. Smith advised that a decision on the building needs to be made in 30 to 60 days.

Denise McClafferty, MAG Management Analyst, provided an overview of the building. She said that 20 sites, located downtown, midtown, and airport, were considered. The 20 sites were narrowed to five, based on centralized location, proximity to light rail and access to freeways. Ms. McClafferty stated that the parcel size is 1.80 acres and the building is approximately 238,000 square feet. She noted that the building includes a 573 space parking garage and is estimated to cost \$86.9 million.

Ms. McClafferty stated that she would provide a review of the questions that have been asked and addressed. This information was included in the packet of material at each place. She added that a detailed presentation would be provided at the BLWG Workshop. Ms. McClafferty noted that the numbers she would be presenting will change slightly with the deletion of the AMWUA data.

Ms. McClafferty stated that one question was the partner agency capital costs. She said that MAG's share is \$36,445,394; RPTA's, \$29,738,725; and Valley Metro Rail's, \$17,427,062. She noted that AMWUA's amount was \$3,326,878.

Ms. McClafferty stated that another question that was asked was how would the project be funded for each agency: for MAG, the indirect cost rate across allowable funding sources; RPTA, upon board approval, a portion of the Regional Area Road Funds (RARF) and Public Transit Fund dollars may be combined and used for operation/administration expenses; and Valley Metro Rail, assessed against available funding and member agencies if needed.

Ms. McClafferty addressed the approximate cost per square foot for each partnering agency: MAG, \$38.27; RPTA, \$38.77; Valley Metro Rail, \$39.43.

Ms. McClafferty addressed the question asking the break-even years based on square footage: MAG, 2022; RPTA, 2019; Valley Metro Rail, 2020. Mayor Berman asked for clarification that break even meant this was the year it becomes less costly to buy than to lease. Ms. McClafferty replied that was correct, on a square foot basis.

Ms. McClafferty addressed the question that asked the market value position at the end of 30 years: MAG, \$56,004,104; RPTA, \$42,450,324; Valley Metro Rail, \$24,226,428.

Ms. McClafferty stated that another question asked is what happens at 40 years, ten years after the building cost has been paid off. She pointed out that total ownership cost is projected at approximately \$64 million, and the total lease cost is projected at more than \$165 million. This equals a savings of \$100 million between 2040 and 2050.

Ms. McClafferty addressed the question that asked the lease costs in the area. A map of office space currently available for lease showed that downtown and mid-town space per square foot ranges from \$21 to \$30 for Class A and \$19 to \$25 for Class B. She noted that current signed leases for both Class A and B in downtown and mid-town range from \$24.21 per square foot to \$29.50.

Ms. McClafferty addressed the question that asked the land costs in the area. She said that typical sales ranged from \$92.71 per square foot, at Second Street and McKinley, to \$133 per square foot at 7th Street and Pierce. She noted that the land price for the Regional Office Center is \$87.20 per square foot. Chair Cavanaugh thanked Mr. Smith and Ms. McClafferty for their reports. He noted that this item was for discussion by the Regional Council and no action would be taken tonight.

Mayor Hawker, Chair of the BLWG, provided the Regional Council with his perspective on the building. Mayor Hawker stated that the idea for constructing a building came about when Proposition 400 passed, and it was realized that MAG, RPTA, and Valley Metro Rail would be in business for at least 20 years. Mayor Hawker stated that because the agencies' leases would be expiring in the near future, the Executive Committee wanted to explore the costs of leasing versus owning. Mayor Hawker advised that the analysis has shown that in the short term, it is less expensive to lease; in the long term, it is less expensive to own. He added that the recovery periods vary by organization depending on the current lease rates and durations.

Mayor Hawker stated that the City of Phoenix, owner of the building where MAG and RPTA are located, has expressed that the rates in this building will need to increase to be closer to market rates. Mayor Hawker stated that he evaluated this project on whether he would rather lease a home or a city hall, how long the agencies would be performing their functions, and the importance of the synergy of agencies being in the same location. He commented that the building more expensive than he thought it would be, and he had hoped to have full recovery in less time. Mayor Hawker stated that in his opinion, if Regional Council members wanted to help out their jurisdictions over the long term, constructing a building is the best option. For the short term, MAG could get by for ten years and no one would know the opportunity that was passed up. It would be left to another group of elected officials to deal with the higher lease rates. Mayor Hawker stated that either way, the organizations will be paying for space, whether leased or owned.

Mayor Hawker stated that because of the smaller size of the League of Arizona Cities and Towns site, the building could be constrained from accommodating all agencies. Mayor Hawker noted that because of the smaller footprint, the building would need to be taller and it could dwarf the State Capitol. He commented that he was not sure that would be desirable. He also noted that another consideration was the business of the agencies. Valley Metro Rail is in the business of building light rail and it makes sense they would want to be located as close to the light rail line as possible. Mayor Hawker stated that he hoped 30 years from now, a mayor would send him a thank you letter for making the decision to build.

Mayor Berman stated that he thought purchasing a building and locating agencies together had merit. He expressed his concern that the land at First Avenue and McKinley would cost \$4 million per acre. Mayor Berman remarked that he did not know detailed information about downtown Phoenix land prices but the price seemed high. He stated that he questioned whether MAG, RPTA and Valley Metro Rail needed to be on this expensive real estate. Mayor Berman also noted that there is a difference between these agencies and municipalities because municipalities will live indefinitely and the three organizations' existence could be ended through legislation. Mayor Berman stated that he was under the impression that the League of Arizona Cities and Towns location was not available due to Phoenix restrictions, but this might not be true today. He stated that the League facility might be purchased for less than \$6 million and the League members could get something for free and the three agencies would have a location by the Capitol. Mayor Berman commented on how the League site is quicker for him to access than downtown, even though it is farther from Gilbert. He stated that he would like to pursue buying a building and bringing in other organizations, and also pursue with Phoenix what is available at the League location and seeing if the League has an interest in partnering. Mayor Berman stated that he thought the League site was a better location and most cost effective. He added that anything over a five year break even point becomes uncertain.

Mayor Dunn expressed that a workshop was a positive event because there needs to be a focus on the numbers. He stated that consolidating three major organizations makes sense by having a central location for all agencies to deal with overlying issues, especially over the long term. In addition, owning a building makes more sense than leasing. Mayor Dunn stated that leaders can look at various locations, but it all comes down to three agencies deciding on one location that meets their needs and concerns, and leaders cannot dictate the appropriate location for them. Speaking as Vice President of the League, Mayor Dunn said he was not sure these are the tenants the League is looking toward. Mayor Dunn noted that he had voted against AMWUA proceeding with being a partner in the new building because it has only ten employees and he struggled with the numbers. He stated that he could see AMWUA going into the League building as more appropriate, along with those organizations that lobby on a more regular basis. Mayor Dunn stated that this is the reason why he thought the workshop will be a good effort because it will help with the understanding of the financial aspects and comfort level of the site.

Mayor Barrett commented that, as a member of AMWUA, he felt the decision not to participate in the building was a mistake. He said that he realized part of the decision was the expense, but nothing is getting cheaper; the more delay the more costly the project will be. Mayor Barrett stated that leaders also have a responsibility to staff to keep them safe. He commented that the downtown area seemed to be a more secure area than the Capitol area. Mayor Barrett stated that there is also a need to separate MAG from the League and the Legislature. He remarked that there also is a perception that an organization is more important if it has its own building, and city halls are good examples of that.

Mayor Schoaf stated that it looked like MAG's percentage of the building is 44 percent. He asked for clarification of the percentage of cost being 28 percent. Becky Kimbrough, MAG Fiscal Services Manager, stated that the cost allocation was broken down into two different formulas for the owners and there are also cost centers. Ms. Kimbrough stated that MAG took on the cost of tenant improvements for the conference center, the media center, and the regional hub because it has the largest funding capacity. She added that the other agencies pay for their portion of the office space and common costs. That is why the percentage is different. Mayor Schoaf asked if that is why the buildout number is so

different among the three agencies. Ms. Kimbrough replied that was part of the reason. She explained that the buildout is associated with tenant improvements. Each agency met with the designers and architects and gave their ideas for what they wanted in their space. Mayor Schoaf asked why MAG's percentage of the proportionate share of retail cash flow is less than the percentage of its ownership. Ms. Kimbrough replied that she would verify the answer to this question, but believed that it resulted because the allocation was made on the owners versus the allocation of the garage and nonowners. Mayor Schoaf commented that MAG gets a smaller share of the retail income but pays a full proportionate share of the debt reduction. Ms. Kimbrough stated that MAG was trying to take on the largest expense because it could take it on better than other agencies. She added that the allocation assumptions could be changed. Mayor Schoaf stated that in June 2011, the MAG share of debt is \$2.5 million and RPTA's share is \$2.1 million. He commented that MAG pays more in debt service than RPTA but RPTA has a principal reduction of \$7.86 per square foot and MAG has \$4.15. He asked what led to that. Ms. Kimbrough replied that she would research this and get back to him with an answer.

Mayor Schoaf asked if the money spent on the building could impact the amount that could be spent on transportation projects. Ms. Kimbrough replied that MAG receives planning funds from Proposition 400 that can be used for administration only. This amounts to about \$4 million per year, which is increased by the planning index factor directed by ADOT. Mr. Smith stated that MAG's funds are planning money, whether they are FTA, FHWA or state planning and research funds. He said that approximately \$4 million of Proposition 400 funds are specifically allocated by state law for administration. Mr. Smith stated that in the past, MAG used approximately \$2 to \$3 million in STP funds per year in the TIP for studies. When the sales tax came available, MAG released that money back to the cities. Mr. Smith stated that MAG programmed the funds in the TIP but did not use them. Mayor Schoaf commented that it was unclear whether the MAG portion of the \$3 to \$4 million per year would take away the ability to build transportation projects. Mr. Smith replied that it would not. Mayor Schoaf stated that he would like to learn more about this at the workshop to increase his understanding.

Chair Cavanaugh departed for another function and turned over the gavel to past Chair, Mayor Keno Hawker.

Acting Chair Hawker stated that the documents for the workshop will set the standard for what each organization contributes. He stated that he would like the material to include the retail sales, and the legal structure on the lease agreement due to the complicated nature of the 501(c)(3) restrictions on leasing space. Acting Chair Hawker stated that a thorough examination of the numbers is welcomed to determine that this is sound and take it back to councils and say this is good for the organizations and the region.

8. Discussion of the Development of the FY 2008 MAG Unified Planning Work Program and Annual Budget

Ms. Kimbrough provided an update on the development of the MAG Unified Planning Work Program and Annual Budget. She noted that the agenda packet included narratives of new projects.

Acting Chair Hawker asked if the Performance Measurement Framework Study was being conducted in preparation for the 2010 audit. He commented that MAG is responsible for the highway/freeway and

arterials portions of the audit and asked if this study would be one combined effort for transportation modes overall. Mr. Anderson replied that staff thinks it is important to get external advice and perspectives on what performance measures should be looked at on an ongoing basis to evaluate system and individual project performance. He added that Valley Metro is also preparing for its performance audit and is looking at standards and measures that could be used.

Acting Chair Hawker asked Mr. Anderson of some of the parameters and measurables that might be tracked over the next few years. Mr. Anderson replied that he thought travel times, average delays, and level of service might be measures. He added that staff wants to ensure the important measures are covered so when the national auditor comes in nothing will have been missed. Mr. Anderson stated that the study will provide an external perspective and awareness of what others are doing. Acting Chair Hawker asked if state statute addressed the parameters. Mr. Anderson replied that statute lists the criteria for light rail in the performance audit, but is silent on other areas.

Ms. Kimbrough stated that the estimated budget for MAG shows a decrease of about 7.6 percent from the FY 2007 budget. She noted that this decrease is, in part, due to three projects in this fiscal year that are either ending or nearing completion: the 2005 Census Survey, the Regional Videoconferencing Project, and the Community Emergency Notification System. Ms. Kimbrough stated that one staff position is being requested for the new year: a Computer Support Technician I to assist in maintaining MAG's internal computer operations. She noted that additional detail on the budget would be included in the March agenda packet.

Acting Chair Hawker asked about the clause of taking the risk out of bids for contractors that was discussed at the Construction Forum and if it would be included in the Work Program or handled separately. Mr. Smith replied that MAG had been discussing cost indexes with ADOT. He added that ADOT has been working with the Governor's Task Force on bid specifications.

Acting Chair Hawker asked if STAN funds were received this year, if that would change the budget, or would the same process as last year be followed. Mr. Smith replied that the STAN funds would not be a part of the Work Program.

9. Legislative Update

Matthew Clark, MAG Senior Policy Planner, provided an update on legislative issues of interest. He reported that Senate Bill 1049, which appropriates \$450 million from the State's Rainy Day Fund to transportation, failed on February 8, 2007, due to the amendment process.

Mr. Clark stated that Senate Bill 1172, which increases the maximum maturity date for state highway bonds from 20 to 30 years, passed the Finance Committee on February 7, 2007.

Mr. Clark reported that Senate Bill 1576, sponsored by Senator Jay Tibshraeny, repeals the chapter in the transportation code that deals with private transportation projects and replaces the chapter with language authorizing the formation of transportation authorities made up of combinations of local government entities with or without state participation. These highway authorities may construct, finance, and operate public highways including toll roads. Mr. Clark noted that this bill failed in the

Transportation Committee, but four other public/private bills, SB 1585, 1586, 1587, and 1591, did pass out of the Committee.

Mr. Clark reported that SB 1635, which deals with FAST and HOV lanes, passed the Transportation Committee on February 13, 2007.

Mr. Clark stated that House Bill 2682 establishes a Blue Ribbon Transportation Committee. He noted that the bill passed the House and sent to the Senate on February 26, 2007. Mr. Smith noted that at the Governor's Growth Cabinet Listening Session, MAG, on behalf of the Arizona COG/MPO Association, requested that the Statewide Framework Studies be funded. He noted that ten of these studies are proposed and could cost \$400,000 to \$500,000 each.

Mr. Clark noted that SB 1552 deals with air quality regulations and local ordinances. He said the bill has been moving through the process as work on the measures continues.

Mr. Clark stated that SB 1265, which would allow taxation of Voice Over Internet Protocol (VoIP) in the same manner as other telecommunications services, passed the Senate and should move to the House soon.

10. Comments from the Council

An opportunity will be 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.

No comments from the Council were noted.

There being no further business, the Regional Council meeting adjourned at 6:35 p.m.

Chair

Secretary

MARICOPA ASSOCIATION OF GOVERNMENTS

INFORMATION SUMMARY... for your review

DATE:

March 20, 2007

SUBJECT:

Response to U.S. Department of Transportation Congestion Initiative

SUMMARY:

On December 8, 2006, the U.S. Department of Transportation (USDOT) issued a notice of solicitation for applications to enter into Urban Partnership Agreements (UPA) as part of USDOT's Congestion Initiative to demonstrate strategies for reducing traffic congestion. This was followed by an announcement of a new program under the UPA that would award cooperative agreements to one or more jurisdictions to operationally test, demonstrate and evaluate innovative technology-based congestion mitigation strategies. These operational tests are expected to use Intelligent Transportation Systems (ITS) applications to reduce congestion. Approximately \$100 million will be made available nationwide for the implementation of selected ITS projects over three years. Two applications from the Phoenix metropolitan region are being prepared by a team led by the Arizona Department of Transportation and MAG.

The first application would seek to qualify the region and enter into an Urban Partnership Agreement with the USDOT. Through UPAs, the USDOT plans to partner with selected metropolitan areas or "Urban Partners" in order to demonstrate strategies with proven effectiveness in reducing traffic congestion.

The second application for an ITS Operations Test to Mitigate Congestion (ITS-OTMC) would seek USDOT funds for a freeway-arterial integrated corridor management project. The would utilize both existing and new ITS technology solutions in the corridor to better manage the travel demand and traffic flow in the I-10 west corridor from I-17 to Loop 303. The project would also include travel demand management via enhanced carpool, extended HOV, HOV enforcement pilot, vanpool programs, quick clearance of traffic incidents, and better traffic information to corridor commuters. The corridor would include the I-10 freeway and the arterials: Van Buren Road, McDowell Road and MC 85. The City of Avondale, the Town of Buckeye, the City of Goodyear, Maricopa County, and the City of Phoenix, have indicated support for the project. Other key agencies are Valley Metro and Department of Public Safety.

The proposal will present a novel but complex concept, that would apply ITS technology in a freeway construction zone, for better managing the corridor and mitigating congestion. The accelerated I-10 widening project is scheduled to begin in the summer of 2008 and continue through 2010. The solutions to be developed and tested through this project attempts to address the inevitable increased congestion that would result due to I-10 construction activities.

This concept and the proposal to the USDOT will be developed as part of a current project in the MAG work program to develop a plan for an Integrated Corridor Management System. The USDOT grant is estimated to be in the range of \$10 to \$15 million. The MAG project will proceed ahead regardless of the USDOT decision on awards to be made in August 2007. However, proceeding ahead without a USDOT award would produce a plan that is implementable utilizing currently available regional resources.

PUBLIC INPUT:

None has been received.

PROS & CONS:

PROS: If the grant application to USDOT is successful, the region would receive a substantial amount of federal funds for implementing and testing the proposed suite of ITS and traffic management strategies to mitigate congestion along the I-10 corridor. Even partial success of the proposed strategies would lead to reductions in traffic congestion, and the resulting positive environmental impacts.

CONS: None.

TECHNICAL & POLICY IMPLICATIONS:

TECHNICAL: This proposal concept calls for very close coordination between all agencies in the corridor impacted by the I-10 widening project and the generation of a unified approach to managing traffic in the corridor. It is anticipated that some adjustments may be required for current agency practices and also the introduction of new practices.

POLICY: The complexity of this project requires the active participation of key traffic management staff at member agencies along the corridor. The Concept of Operations to be prepared for the project would very likely require some additional staff resources to serve in the capacity of providing proactive traffic management support for the corridor, at least during peak periods.

ACTION NEEDED:

Approval of forwarding the proposed concept for the I-10 Integrated Corridor Management System to the USDOT for consideration.

PRIOR COMMITTEE ACTIONS:

Transportation Policy Committee: This item was transmitted to the Transportation Policy Committee for information via its March 21, 2007 agenda.

Management Committee: On March 14, 2007, the Management Committee recommended forwarding the proposed concept for the I-10 Integrated Corridor Management System to the USDOT for consideration.

MEMBERS ATTENDING

- | | |
|---|---|
| Ed Beasley, Glendale, Chair | George Pettit, Gilbert |
| Brad Lundahl for Jan Dolan, Scottsdale,
Vice Chair | * Stephen Cleveland, Goodyear |
| # Bryant Powell for George Hoffman,
Apache Junction | * Mark Johnson, Guadalupe
Darryl Crossman, Litchfield Park |
| Charlie McClendon, Avondale | Christopher Brady, Mesa |
| Dave Wilcox, Buckeye | Tom Martinsen, Paradise Valley |
| * Jon Pearson, Carefree | Terry Ellis, Peoria |
| * Usama Abujbarah, Cave Creek | Frank Fairbanks, Phoenix |
| Mark Pentz, Chandler | Mark Young for John Kross,
Queen Creek |
| * B.J. Cornwall, El Mirage | * Bryan Meyers, Salt River Pima-Maricopa
Indian Community |
| Alfonso Rodriguez for Orlando Moreno,
Fort McDowell Yavapai Nation | Sintra Hoffman for Jim Rumpeltes, Surprise |
| # Tim Pickering, Fountain Hills | # Amber Wakeman for Will Manley, Tempe |
| * Lynn Farmer, Gila Bend | * Reyes Medrano, Tolleson |
| Joseph Manuel, Gila River Indian
Community | Shane Dille, Wickenburg |
| | Lloyce Robinson, Youngtown |

Dale Buskirk for Victor Mendez, ADOT
Kenny Harris for David Smith,

Maricopa County
David Boggs, Valley Metro/RPTA

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

The proposed concept for the I-10 Integrated Corridor Management System was reviewed and recommended by the MAG Intelligent Transportation Systems Committee at their meeting held on March 6, 2007.

MEMBERS ATTENDING

- | | |
|---|---|
| Alan Sanderson, City of Mesa (Chair) | + Jim Decker, City of Tempe |
| Debra Barker for Scott Nodes, ADOT | + Kelly LaRosa, City of Avondale |
| Mike Mah, City of Chandler | * Mary Kihl, ASU |
| Ken Maruyama, Town of Gilbert | Alan Hansen, FHWA |
| Debbie Burdette, City of Glendale | Bob Ciotti, Phoenix Public Transit |
| Faisal Saleem for Nicolaas Swart, Maricopa County | Lt. Mike Lockhart, DPS |
| Luke Albert, City of Goodyear | Brian Moberly for Nicholas Mascia, City of Surprise |
| * Ron Doubek, City of Phoenix | * Thomas Chlebanowski, Town of Buckeye |
| + Bruce Dressel, City of Scottsdale | * B.J. Cornwall, City of El Mirage |
| Ron Amaya, City of Peoria | * Michael Pacelli, Town of Queen Creek |
| Arkady Bernshteyn, ValleyMetro Rail | |
- + Participated by teleconference
* Not Present

CONTACT PERSON:

Sarath Joshua, MAG, (602) 254-6300.

MARICOPA ASSOCIATION OF GOVERNMENTS INFORMATION SUMMARY... for your review

DATE:

March 20, 2007

SUBJECT:

Consultation on Proposed Transportation Conformity Processes for the 2007 MAG Conformity Analysis

SUMMARY:

Federal and State conformity regulations require that Metropolitan Planning Organizations consult with federal, state, and local air quality and transportation agencies on proposed processes for the conformity analysis on the transportation improvement program and transportation plan. On March 6, 2007, MAG distributed for interagency consultation the conformity processes on the selection of proposed models, associated methods, and assumptions, identification of exempt projects, and ensuring the expeditious implementation of transportation control measures. The proposed processes will be applied in the upcoming conformity analysis for the FY 2008-2012 MAG Transportation Improvement Program (TIP) and the MAG Regional Transportation Plan - 2007 Update. Comments regarding this material are requested by March 23, 2007.

PUBLIC INPUT:

An opportunity for public comment was provided at the March 14, 2007 MAG Management Committee meeting and no public comments were received.

PROS & CONS:

PROS: Interagency consultation on the transportation conformity processes provides required notification to the planning agencies.

CONS: The consultation on transportation conformity requires additional time in the development of the FY 2008-2012 MAG Transportation Improvement Program and the MAG Regional Transportation Plan - 2007 Update.

TECHNICAL & POLICY IMPLICATIONS:

TECHNICAL: The 2007 MAG Conformity Analysis will be based upon the latest planning assumptions and EPA-approved emissions models.

POLICY: The consultation for the conformity processes is being conducted in accordance with MAG Conformity Consultation Processes adopted by the Regional Council in February 1996. The 2006 MAG Conformity Analysis on the FY 2007-2011 MAG Transportation Improvement Program and MAG Regional Transportation Plan - 2006 Update received joint Federal Highway Administration and Federal Transit Administration approval on August 17, 2006.

ACTION NEEDED:

Consultation.

PRIOR COMMITTEE ACTIONS:

Management Committee: This item was on the agenda of the March 14, 2007 MAG Management Committee meeting for consultation.

MEMBERS ATTENDING

- Ed Beasley, Glendale, Chair
- Brad Lundahl for Jan Dolan, Scottsdale,
Vice Chair
- # Bryant Powell for George Hoffman,
Apache Junction
- Charlie McClendon, Avondale
- Dave Wilcox, Buckeye
- * Jon Pearson, Carefree
- * Usama Abujbarah, Cave Creek
- Mark Pentz, Chandler
- * B.J. Cornwall, El Mirage
- Alfonso Rodriguez for Orlando Moreno,
Fort McDowell Yavapai Nation
- # Tim Pickering, Fountain Hills
- * Lynn Farmer, Gila Bend
- Joseph Manuel, Gila River Indian
Community
- George Pettit, Gilbert
- * Stephen Cleveland, Goodyear
- * Mark Johnson, Guadalupe
- Darryl Crossman, Litchfield Park
- Christopher Brady, Mesa
- Tom Martinsen, Paradise Valley
- Terry Ellis, Peoria
- Frank Fairbanks, Phoenix
- Mark Young for John Kross, Queen Creek
- * Bryan Meyers, Salt River Pima-Maricopa
Indian Community
- Sintra Hoffman for Jim Rumpeltes,
Surprise
- # Amber Wakeman for Will Manley, Tempe
- * Reyes Medrano, Tolleson
- Shane Dille, Wickenburg
- Lloyce Robinson, Youngtown
- Dale Buskirk for Victor Mendez, ADOT
- Kenny Harris for David Smith,
Maricopa County
- David Boggs, Valley Metro/RPTA

* Those members neither present nor represented by proxy.

Participated by telephone conference call.

+ Participated by videoconference call.

CONTACT PERSON:

Dean Giles, MAG, (602) 254-6300

MARICOPA ASSOCIATION OF GOVERNMENTS INFORMATION SUMMARY... for your review

DATE:

March 20, 2007

SUBJECT:

Consultation on Potentially Regionally Significant Projects of the FY 2008-2012 MAG Transportation Improvement Program

SUMMARY:

Federal and State conformity regulations require that Metropolitan Planning Organizations consult with federal, state, and local air quality and transportation agencies regarding which transportation projects will be considered "regionally significant" for the purposes of regional emissions analysis. On March 6, 2007, MAG distributed for interagency consultation the regionally significant projects subject to conformity requirements. Comments on the list of potentially regionally significant projects are requested by March 23, 2007.

PUBLIC INPUT:

An opportunity for public comment was provided at the March 14, 2007 MAG Management Committee meeting and no public comments were received.

PROS & CONS:

PROS: Interagency consultation on regionally significant projects provides required notification to the planning agencies.

CONS: The consultation on transportation conformity requires additional time in the development of the FY 2008-2012 MAG Transportation Improvement Program and the MAG Regional Transportation Plan - 2007 Update.

TECHNICAL & POLICY IMPLICATIONS:

TECHNICAL: In general, regionally significant projects include arterial construction (or widening) of greater than one-half mile in length, freeway construction, or provision of major fixed transit facilities. MAG may approve a Transportation Improvement Program or amendment only if conformity criteria are met. A transportation project that is designated regionally significant is required to meet conformity requirements. This requirement applies not only to federal projects, but also to locally and privately funded transportation projects.

POLICY: The consultation for the regionally significant projects of the FY 2008-2012 MAG Transportation Improvement Program is being conducted in accordance with MAG Conformity Consultation Processes adopted by the Regional Council in February 1996.

ACTION NEEDED:

Consultation.

PRIOR COMMITTEE ACTIONS:

Management Committee: This item was on the agenda of the March 14, 2007 MAG Management Committee meeting for consultation.

MEMBERS ATTENDING

- Ed Beasley, Glendale, Chair
- Brad Lundahl for Jan Dolan, Scottsdale,
Vice Chair
- # Bryant Powell for George Hoffman,
Apache Junction
- Charlie McClendon, Avondale
- Dave Wilcox, Buckeye
- * Jon Pearson, Carefree
- * Usama Abujbarah, Cave Creek
- Mark Pentz, Chandler
- * B.J. Cornwall, El Mirage
- Alfonso Rodriguez for Orlando Moreno,
Fort McDowell Yavapai Nation
- # Tim Pickering, Fountain Hills
- * Lynn Farmer, Gila Bend
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- George Pettit, Gilbert
- * Stephen Cleveland, Goodyear
- * Mark Johnson, Guadalupe
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- Terry Ellis, Peoria
- Frank Fairbanks, Phoenix
- Mark Young for John Kross, Queen Creek
- * Bryan Meyers, Salt River Pima-Maricopa
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- Sintra Hoffman for Jim Rumpeltes,
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- # Amber Wakeman for Will Manley, Tempe
- * Reyes Medrano, Tolleson
- Shane Dille, Wickenburg
- Lloyce Robinson, Youngtown
- Dale Buskirk for Victor Mendez, ADOT
- Kenny Harris for David Smith,
Maricopa County
- David Boggs, Valley Metro/RPTA

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

CONTACT PERSON:

Dean Giles, MAG, (602) 254-6300.

MARICOPA ASSOCIATION OF GOVERNMENTS

INFORMATION SUMMARY... for your review

DATE:

March 20, 2007

SUBJECT:

Regional Economic and Growth Outcomes Project

SUMMARY:

In December 2002, the Regional Council approved a regional development scope of work. Since that time, staff has initiated and completed the components of the scope of work. With these projects now complete, staff is recommending that several tasks either be discontinued or consolidated into a single work area. This project titled Regional Economic and Growth Outcomes, (REGO) would combine significant components of various projects including socioeconomic projections, Building a Quality Regional Community, Regionally Significant Development Projects, and the Regional Report. The objective of this project is to ensure better information for member agencies and the MAG modeling process. The REGO analysis would include data collection, job center analysis, describing and analyzing sub regions and various regional analyses as needed. The information and analysis from this project would be available in calendar year 2007.

PUBLIC INPUT:

None.

PROS & CONS:

PROS: The REGO project combines work components from several regional development projects into a single work area. The project work plan also identifies a number of work tasks to be discontinued from these same projects, these tasks which were not of primary importance to MAG and the member agencies.

CONS: None.

TECHNICAL & POLICY IMPLICATIONS:

TECHNICAL: The REGO project will provide information and analysis to better understand the current and future interconnections between regional development and demands on the regional transportation system.

POLICY: The REGO project will provide information and analysis for policy decision makers in determining regional transportation planning and other MAG and member agency activities.

ACTION NEEDED:

Approval of the proposed Regional Economic and Growth Outcomes Work Plan.

PRIOR COMMITTEE ACTIONS:

MAG Management Committee: On March 14, 2007, the Management Committee unanimously recommended approval of the Regional Economic and Growth Outcomes (REGO) Project work plan.

MEMBERS ATTENDING

- | | |
|---|--|
| Ed Beasley, Glendale, Chair | Christopher Brady, Mesa |
| Brad Lundahl for Jan Dolan, Scottsdale,
Vice Chair | Tom Martinsen, Paradise Valley |
| # Bryant Powell for George Hoffman,
Apache Junction | Terry Ellis, Peoria |
| Charlie McClendon, Avondale | Frank Fairbanks, Phoenix |
| Dave Wilcox, Buckeye | Mark Young for John Kross,
Queen Creek |
| * Jon Pearson, Carefree | * Bryan Meyers, Salt River Pima-Maricopa
Indian Community |
| * Usama Abujbarah, Cave Creek | Sintra Hoffman for Jim Rumpeltes,
Surprise |
| Mark Pentz, Chandler | # Amber Wakeman for Will Manley,
Tempe |
| * B.J. Cornwall, El Mirage | * Reyes Medrano, Tolleson |
| Alfonso Rodriguez for Orlando Moreno,
Fort McDowell Yavapai Nation | Shane Dille, Wickenburg |
| # Tim Pickering, Fountain Hills | Lloyce Robinson, Youngtown |
| * Lynn Farmer, Gila Bend | Dale Buskirk for Victor Mendez, ADOT |
| Joseph Manuel, Gila River Indian
Community | Kenny Harris for David Smith,
Maricopa County |
| George Pettit, Gilbert | David Boggs, Valley Metro/RPTA |
| * Stephen Cleveland, Goodyear | |
| * Mark Johnson, Guadalupe | |
| Darryl Crossman, Litchfield Park | |

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

CONTACT PERSON:

Jeff Romine, MAG Senior Regional Economist, (602) 254-6300.

REGIONAL ECONOMIC AND GROWTH OUTCOMES (REGO) DRAFT WORK PLAN

This paper suggests a unified approach for the regional planning process, involving combining the significant components of these projects and linking them with socioeconomic and transportation modeling information. The ultimate goal of this approach would be to ensure better information for our member agencies and for our modeling process here at Maricopa Association of Governments (MAG).

In his book *Good to Great*, Jim Collins proposed the concept of a “stop doing” list. He stated that great companies not only look at what they are doing, but also at what they need to stop doing. In that vein, the MAG Information Services has recently evaluated a number of projects we had been doing and are suggesting ways to build on the parts which are important to MAG and to member agencies and to “stop doing” those which not as valuable or important.

The major projects we evaluated are aimed at understanding current and future development in the region, such as socioeconomic projections, Building a Quality Regional Community (BQRC), Regionally Significant Development Projects (RSDP), the Regional Report, and regional economic analysis.

The following provides an overview of the recommended work tasks and activities, the benefits expected for member agencies, and the “stop doing” tasks related to this unified program, Regional Economic and Growth Outcomes (REGO.) It is suggested that a REGO report be presented in 2007 and biennially afterwards.

PROPOSED PROGRAM WORK GOALS

- ❖ *To identify the variety and location of specific job centers.*
- ❖ *To identify the economic subregions within the metropolitan area.*
- ❖ *To describe the current residential and employment characteristics of each economic subregion.*
- ❖ *To understand the development conditions and the magnitude of anticipated growth within the economic subregions.*
- ❖ *To identify key factors that affect demand for regional infrastructure, particularly transportation infrastructure, within the region and the economic subregions.*
- ❖ *To measure the linkage, outcomes, and benefits of changes in development patterns on demand for regional transportation infrastructure.*

PART 1: DATA COLLECTION (Continuous)

This task builds on the data collection activities associated with socioeconomic and transportation modeling

- Obtain and maintain information from member agencies’ general plans and development activity.
- Survey member agencies to identify current and planned job centers, employment activity areas and other information, as necessary.

Benefits to member agencies: Member agencies will have updated information on population, housing and employment characteristics of their communities. Information will also be available on planned development activity within the planning area of each member agency. Data and information will be available for reviewing their job center, and all job centers, and a summary of the characteristics of all job centers in the region. This data is also used to create socioeconomic projections that are essential inputs to the MAG transportation model.

Stop Doing: Information Services is not proposing stopping any of these activities. Data collection and dissemination is the mainstay of all modeling activities at MAG and has been a focal point for many of the MAG member agencies' requests. MAG will continue to collect information and to confirm the results with member agencies. The collection of data regarding job centers has been invaluable in understanding the planned employment destinations that are critical within the transportation model.

PART 2: JOB CENTER ANALYSIS (As Needed)

This task builds on the original concepts of Building a Quality Regional Community (BQRC)

- Describe common development categories of the locally determined job centers, descriptive of both types and scale of employment activity.
- Identify regional employment areas, which may overlap geographically.
 - These areas likely will include multiple job centers that are mutually dependent for continued or future economic success.
 - These areas will be described by several factors, including job activity, growth and required infrastructure.

Benefits to member agencies: Member agencies will receive a review of all identified job centers and regional employment areas within the region, with descriptive characteristics such as employment, development status, and infrastructure summary. This will help member agencies review activities within their jurisdiction as well as activities near their borders.

Stop Doing: Information Services is not proposing stopping any of these activities. The analysis of data regarding job centers has been invaluable in understanding the employment destinations that are input into the transportation model.

PART 3: DESCRIBING AND MEASURING SUBREGIONS (Biennial)

This task builds on the original concepts of Building a Quality Regional Community (BQRC)

- Identify existing and future subregions based on regional employment areas and related development and activity patterns.
 - Subregions are parts of the region where a significant majority of economic focus and activity occurs uniquely for their residents and firms.
 - Subregions are likely to reduce cross-region travel demand.
 - Subregions exhibit differing economic conditions and structure, influenced by national and global conditions.
 - Subregions may have significant concentrations of specific types of firms and industries.
- Identify and measure specific indicators, using existing and/or modeled projection data. The following are possible indicators:
 - Population totals and density.
 - Housing units by type and density.
 - Employment by type and activity.
 - Jobs/household balance.
 - Land activity distribution (e.g. square ft per person or shares of developed land).
 - Travel demand summary (e.g. percent of travel by subregion).
 - Characteristics of development by type and timing.

Benefits to member agencies: An overview of the economic subregions will include information about the jobs/housing balance, specific mix between the types of jobs, and housing in the immediate market area. Effective subregions are likely to reduce travel time and trip lengths for citizens in each community. This overview will be available for member agencies reference and information.

Stop Doing: BQRC was originally intended to comprise three phases, two of which were estimated to cost \$150,000 each and were contingent upon further Regional Council approval. Information Services is proposing extracting the important parts of the project to ensure that the overall goal of supporting member agencies in identifying and/or creating subregions throughout the Valley that are as self-sufficient as possible is still met. Data would be tracked to measure subregions in a number of ways, including the types of industries in the subregions; the mix of housing types that encourage all work force skills to locate near their place of work; and the potential reduction in cross-region travel demand. MAG staff would be able to do this on an ongoing basis and the \$300,000 for computer models from the final two phases would not be necessary.

PART 4: REGIONAL AND SUBREGIONAL OUTCOMES AND IMPACTS (Biennial)

This task builds on the original concepts of Regionally Significant Development Projects (RSDP)

- Analyze current and future conditions of each subregion and the region, using:
 - The cumulative changes in residential and non-residential development as defined by local plans and development activity.
 - Information produced for and by the MAG socioeconomic and transportation models as well as additional locally provided information.
 - An analysis of existing and future outcomes and impacts based on indicators defined in Part 3.

Benefits to member agencies: A report will be prepared about the region and each subregion identifying the likely outcome levels for jobs/housing balance, subregion to subregion travel, and other useful indicators. These reports will provide insights on the interconnections and outcomes of development within the region, subregions and the member agencies. MAG staff will continue to provide an analysis of individual RSDP projects as specifically requested by member agencies. If requested by a member agency, an analysis of development projects that are smaller in size than the approved RSDP criteria will be provided by MAG, as staff time allows.

Stop Doing: A report on RSDP will be created biennially, rather than annually, and will concentrate on additional developments since the previous RSDP report. In this way, MAG will ensure that developments are not “double counted,” and will provide additional time for member agencies to review the data and report on any discrepancies or omissions.

PART 5: REGIONAL ANALYSIS (Varied, As Needed)

This task builds on the original concepts of the Regional Report

- Provide a comparison of the changes and impacts of development within the region and subregions.
 - Provide specific updates and enhancements to show current conditions within the region and other competitive locations.

- Identify key factors and conditions that may affect the patterns of development and provide timely information to meet these changing conditions. Examples of such activities include:
 - Developing and maintaining a construction cost update to better understand the changes in demand, supply and price of critical materials and labor associated with infrastructure development.
 - Monitoring and updating, as appropriate, economic conditions affecting regional and local communities, including employment, wage, retail sales and residential and commercial development.

Benefits to member agencies: This task will enable both the region and each member agency to evaluate their economy and their community. Changes in other metro areas, parts of those metro areas, and the economy as a whole will have impacts on each member agency's plans and decisions. This task will provide additional information for decision-makers.

Stop Doing: MAG has received many compliments on the Regional Report and on the economic analyses performed by Information Services. As interest is shown by member agencies in specific data and as that data becomes out-of-date, MAG will create white papers on that data. Unless requested, MAG will not create another full color Regional Report for a number of years.

MARICOPA ASSOCIATION OF GOVERNMENTS

INFORMATION SUMMARY... for your review

DATE:

March 20, 2007

SUBJECT:

Approval of the July 1, 2006 Maricopa County and Municipality Resident Population Updates

SUMMARY:

In a December 2006 status report to the MAG Regional Council, it was noted that MAG staff had prepared draft July 1, 2006 Municipality Resident Population Updates based on a tentative Maricopa County population number developed by the Arizona Department of Economic Security (DES). It was stated in the report to the Regional Council that because of concerns over the methods and data used to prepare the county numbers, the MAG Population Technical Advisory Committee (POPTAC) did not take action on the 2006 Updates. In addition, the State POPTAC recommended that DES staff prepare improved state and county figures.

In February of this year, DES staff prepared a new set of July 1, 2006 County figures using enhanced data and methods. MAG used the enhanced Maricopa County population to prepare July 1, 2006 Municipality Resident Population Updates. The July 1, 2006 Municipality Resident Population Updates were based upon the 2005 Census Survey, and a methodology recommended by the MAG POPTAC. If approved, these July 1, 2006 Updates for Maricopa County and municipalities will replace the Interim Population Updates that were provided to the Economic Estimates Commission in December of last year. The Updates are used to allocate approximately \$23 million in lottery funds annually, set expenditure limitations and develop local budgets.

PUBLIC INPUT:

None.

PROS & CONS:

PROS: The July 1, 2006 Maricopa County and Municipality Resident Population Updates are used by member agencies to gauge growth and prepare local budgets. They are also by the state to set expenditure limitations and distribute approximately \$23 million in lottery funds annually.

CONS: None.

TECHNICAL & POLICY IMPLICATIONS:

TECHNICAL: The July 1, 2006 State and County Population Updates have been prepared using a methodology that is consistent for all counties. MAG used the July 1, 2006 Maricopa County population to prepare the Municipality Resident Population Updates.

POLICY: The July 1, 2006 Maricopa County and Municipality Resident Population Updates are needed by local officials to accommodate and budget for growth.

ACTION NEEDED:

Approval of the Draft July 1, 2006 Maricopa County and Municipality Resident Population Updates.

PRIOR COMMITTEE ACTIONS:

MAG Management Committee: On March 14, 2007, the Management Committee unanimously recommended approval of the July 1, 2006 Maricopa County and Municipality Resident Population Updates

MEMBERS ATTENDING

- Ed Beasley, Glendale, Chair
- Brad Lundahl for Jan Dolan, Scottsdale, Vice Chair
- # Bryant Powell for George Hoffman, Apache Junction
- Charlie McClendon, Avondale
- Dave Wilcox, Buckeye
- * Jon Pearson, Carefree
- * Usama Abujbarah, Cave Creek
- Mark Pentz, Chandler
- * B.J. Cornwall, El Mirage
- Alfonso Rodriguez for Orlando Moreno, Fort McDowell Yavapai Nation
- # Tim Pickering, Fountain Hills
- * Lynn Farmer, Gila Bend
- Joseph Manuel, Gila River Indian Community
- George Pettit, Gilbert
- * Stephen Cleveland, Goodyear
- * Mark Johnson, Guadalupe
- Darryl Crossman, Litchfield Park
- Christopher Brady, Mesa
- Tom Martinsen, Paradise Valley
- Terry Ellis, Peoria
- Frank Fairbanks, Phoenix
- Mark Young for John Kross, Queen Creek
- * Bryan Meyers, Salt River Pima-Maricopa Indian Community
- Sintra Hoffman for Jim Rumpeltes, Surprise
- # Amber Wakeman for Will Manley, Tempe
- * Reyes Medrano, Tolleson
- Shane Dille, Wickenburg
- Lloyce Robinson, Youngtown
- Dale Buskirk for Victor Mendez, ADOT
- Kenny Harris for David Smith, Maricopa County
- David Boggs, Valley Metro/RPTA

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

MAG POPTAC: On February 27, 2007, the MAG Population Technical Advisory Committee unanimously recommended approval of the July 1, 2006 Maricopa County and Municipality Resident Population Updates.

MEMBERS ATTENDING

- George Pettit, Gilbert, Chairman
- * Apache Junction: Bryant Powell
- * Avondale: Scott Wilken
- * Buckeye: Brian Rose
- * Carefree, Gary Neiss
- * Cave Creek: Usama Abujbarah
- Chandler: David de la Torre
- # El Mirage: Mark Smith
- # Fountain Hills: Ken Valverde
- * Gila River Indian Community: Terry Yergan
- * Gila Bend: Vacant
- Glendale: Thomas Ritz
- Goodyear: Katie Wilken
- * Guadalupe: Gail Acosta
- * Litchfield Park: Sonny Culbreth
- Maricopa County: John Verdugo for Matt Holm
- * Mesa: Wahid Alam
- # Paradise Valley
- * Peoria: Chad Daines
- Phoenix: Tim Tilton
- Queen Creek: Shawny Ekadis
- Scottsdale: Mela Koneya for Harry Higgins
- Surprise: Janice See
- # Tempe: Sherri Lesser for Lisa Collins
- * Youngtown: Lloyce Robinson
- * Wickenburg: Miles Johnson
- Valley Metro: Ratna Korepella

*Those not present

Attended by audioconference

MAG POPTAC Ad Hoc Subcommittee: On February 27, 2007, the MAG Population Technical Advisory Committee Ad Hoc Subcommittee unanimously recommended approval of the Maricopa County and Municipality July 1, 2006 Resident Population Updates.

MEMBER/PROXY

Tim Tilton, Chairman, Phoenix
Chandler: David de la Torre
Glendale: Thomas Ritz
* Mesa: Wahid Alam

Scottsdale: Mela Koneya
* Tempe: Lisa Collins
Maricopa County: John Verdugo

*Those not present

CONTACT PERSON:

Harry Wolfe, MAG, (602) 254-6300.

DRAFT

Maricopa Association of Governments
Population by Jurisdiction
2005 Census Survey and July 1, 2006

DRAFT

	Sept. 1, 2005	July 1, 2006	% Growth Annualized	Share of Growth	Share of County
Apache Junction**	275	275	0.3%	0%	0%
Avondale	69,356	72,210	5.0%	3.1%	1.9%
Buckeye	25,406	31,745	30.6%	6.9%	0.8%
Carefree	3,684	3,785	3.3%	0.1%	0.1%
Cave Creek	4,766	4,865	2.5%	0.1%	0.1%
Chandler	230,845	235,450	2.4%	5.0%	6.2%
El Mirage	32,061	32,605	2.0%	0.6%	0.9%
Fort McDowell	824	825	0.1%	0.0%	0.0%
Fountain Hills	24,492	24,990	2.4%	0.5%	0.7%
Gila Bend	1,808	1,815	0.5%	0.0%	0.0%
Gila River	2,742	2,740	-0.1%	0.0%	0.1%
Gilbert	173,072	185,030	8.3%	13.0%	4.9%
Glendale	242,369	243,540	0.6%	1.3%	6.4%
Goodyear	46,213	49,720	9.2%	3.8%	1.3%
Guadalupe	5,555	5,570	0.3%	0.0%	0.1%
Litchfield Park	4,528	4,890	9.7%	0.4%	0.1%
Mesa	448,096	451,360	0.9%	3.5%	11.9%
Paradise Valley	13,863	14,000	1.2%	0.1%	0.4%
Peoria **	138,109	145,125	6.1%	7.6%	3.8%
Phoenix	1,475,834	1,505,265	2.4%	31.9%	39.7%
Queen Creek **	15,916	18,170	17.2%	2.4%	0.5%
Salt River	6,796	6,820	0.4%	0.0%	0.2%
Scottsdale	234,752	237,120	1.2%	2.6%	6.3%
Surprise	88,265	98,140	13.6%	10.7%	2.6%
Tempe	165,796	165,890	0.1%	0.1%	4.4%
Tolleson	6,498	6,520	0.4%	0.0%	0.2%
Wickenburg	6,077	6,285	4.1%	0.2%	0.2%
Youngtown	6,163	6,320	3.1%	0.2%	0.2%
Balance of County	226,355	231,605	2.8%	5.7%	6.1%
Total	3,700,516	3,792,675	3.0%	100.0%	100.0%

**Maricopa County portion only.

Total Census 2005 Survey population: Peoria = 138,143, Queen Creek = 16,414

2005 DES Population Estimate: Apache Junction = 34,070

Total July 1, 2006 population: Apache Junction = 35,685, Peoria = 145,135, Queen Creek = 18,690

DES requires place estimates be rounded to the nearest 5

Sources: U.S. Bureau of the Census, 2005 Census Survey, MAG Residential Completion Database

Prepared by Maricopa Association of Governments, February 2007

MARICOPA ASSOCIATION OF GOVERNMENTS INFORMATION SUMMARY... for your review

DATE:

March 20, 2007

SUBJECT:

Consultant Selection for the Building a Quality Arizona: Statewide Intrastate Mobility Reconnaissance Study

SUMMARY:

The purpose of the Building a Quality Arizona: Statewide Intrastate Mobility Reconnaissance Study is to establish guidelines on how to identify near term transportation needs in the State of Arizona, and to establish an action plan to develop a vision for transportation in the future. The study is intended to assess and provide recommendations at a "sketch level" of planning, which is intended to be very general and preliminary in nature. It is understood that the Study will be followed with additional studies that are intended to produce an overall vision for Arizona's transportation framework, and will exercise the potential for additional services as an amendment to the contract for this project.

Tasks associated with the study process involve a collection of background data for Arizona's transportation network; creating a statewide travel demand tool and providing an analysis to identify the state's primary transportation corridors; determining needs along state transportation corridors and determining short-term transportation solutions; conducting research on potential financing options; developing an implementation framework for additional comprehensive studies; and describing the link between transportation and economic growth.

After approval by the MAG Regional Council to amend the FY2007 Unified Planning Work Program for the Study on December 13, 2006, MAG issued a formal Request for Proposals from qualified consultants during January 2007. Proposals were due back to MAG prior to the proposal deadline of February 8, 2007, and a work program for the study was conveyed in the Request for Proposals covering the work items needed to meet the study purpose. MAG received one proposal from a consultant team lead by DMJM Harris, with assistance from HDR Engineering, Partners for Strategic Action, and Curtis Lueck and Associates.

MAG's procurement rules state that when one proposal is received, selection of the single proposal is appropriate, provided the firm's proposal consists of staff professionally qualified to conduct the requested services, presents a proposal addressing all of the services stated in the Request for Proposals, and meets the budgetary and scheduling guidelines established for the project. The DMJM Harris team proposal meets these criteria.

The project budget will be for \$300,000 and comprises funding from the following sources: \$72,000 from the Arizona Department of Transportation (on behalf of the eight smaller MPOs and rural COGs), \$48,000 from the Pima Association of Governments, and \$180,000 from MAG. The project will be completed within a period of nine months from the date that the notice to proceed is issued to the selected consultant.

PUBLIC INPUT:

No public input has been received concerning the specific action.

PROS AND CONS:

PROS: MAG has been developing framework studies for portions of the region where little transportation infrastructure exists. In this effort, the planning process will tie together the information from current framework studies into a statewide effort to identify overall transportation infrastructure needs for the gateway routes into the Phoenix region. Recommendations from this project will guide development of the transportation infrastructure and protect the existing investments by MAG and ADOT. The project also represents a significant element for future updates of the Regional Transportation Plan.

CONS: Without a framework for regional connections and roadways, development will proceed, and thereby strain the existing and future transportation infrastructure gateways into the MAG region; especially Interstates 8, 10, and 17, the region's primary commercial and freight corridors.

TECHNICAL AND POLICY IMPLICATIONS:

TECHNICAL: The project will provide the MAG region and the State of Arizona with a statewide planning tool to assess the transportation impacts from growth. This tool will be the first such effort in the State.

POLICY: Recommendations from this project will provide transportation planning guidance to MAG, ADOT, and the nine COGs and MPOs within the Arizona. The project will identify existing transportation "bottlenecks," identify short-term solutions for these bottlenecks, and recommend a planning process for conducting and relating additional transportation framework studies throughout the state.

ACTION NEEDED:

Approval of the selection of the firm DMJM Harris to provide consulting services related to the Building a Quality Arizona: Statewide Intrastate Mobility Reconnaissance Study for an amount not to exceed \$300,000.

PRIOR COMMITTEE ACTIONS:

Arizona COG/MPO Directors and Chairs Association: It is anticipated that the COG/MPO Chairs and Directors may make a recommendation to the MAG Regional Council on the consultant at the meeting on March 23, 2007. An update will be provided.

Regional Council: On December 13, 2006, the Regional Council approved an amendment to the FY 2007 MAG Unified Planning Work Program and Annual Budget to include a Statewide Intrastate Mobility Reconnaissance Study for a total cost of approximately \$300,000, with MAG funding \$180,000 of that cost from MAG federal funds, PAG providing \$48,000 and ADOT providing \$72,000.

MEMBERS ATTENDING

- | | |
|---|--|
| <ul style="list-style-type: none"> * Mayor James M. Cavanaugh, Goodyear, Chair Mayor Mary Manross, Scottsdale, Vice Chair + Councilmember Dave Waldron for Mayor Douglas Coleman, Apache Junction Mayor Marie Lopez Rogers, Avondale Mayor Bobby Bryant, Buckeye * Mayor Edward Morgan, Carefree Vice Mayor Dick Esser, Cave Creek | <ul style="list-style-type: none"> Mayor Boyd Dunn, Chandler * Mayor Fred Waterman, El Mirage President Raphael Bear, Fort McDowell Yavapai Nation Mayor Wally Nichols, Fountain Hills # Mayor Daniel Birchfield, Gila Bend * Governor William Rhodes, Gila River Indian Community Mayor Steven Berman, Gilbert |
|---|--|

- * Mayor Elaine Scruggs, Glendale
- * Mayor Bernadette Jimenez, Guadalupe
- Mayor Thomas Schoaf, Litchfield Park
- Supervisor Max Wilson, Maricopa County
- Mayor Keno Hawker, Mesa
- Mayor Ed Winkler, Paradise Valley
- Vice Mayor Vicki Hunt for
 - Mayor John Keegan, Peoria
- Councilmember Claude Mattox for
 - Councilmember Peggy Neely, Phoenix
- Mayor Art Sanders, Queen Creek
- * President Joni Ramos, Salt River

- Pima-Maricopa Indian Community
- Councilmember Cliff Elkins for
 - Mayor Joan Shafer, Surprise
- # Mayor Hugh Hallman, Tempe
- * Mayor Adolfo Gamez, Tolleson
- * Mayor Ron Badowski, Wickenburg
- Mayor Michael LeVault, Youngtown
- * Joe Lane, State Transportation Board
- Felipe Zubia, State Transportation Board
- F. Rockne Arnett, Citizens Transportation Oversight Committee

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

CONTACT PERSON:
 Bob Hazlett, 602 254-6300.

MARICOPA ASSOCIATION OF GOVERNMENTS INFORMATION SUMMARY... for your review

DATE:

March 20, 2007

SUBJECT:

Suggested List of Measures for the Five Percent Plan for PM-10

SUMMARY:

In accordance with the Clean Air Act, the Five Percent Plan for PM-10 is due to the Environmental Protection Agency by December 31, 2007. The plan is required to reduce PM-10 emissions by five percent per year until the standard is met. In order to attain the standard, the region needs three years of clean data at the monitors (2007, 2008, 2009). In 2006, there were approximately twenty-one exceedance days of the twenty-four PM-10 standard. It is important to attain the PM-10 standard as quickly as possible or additional years of five percent reductions may need to be included in the plan. On March 9, 2007, the MAG Air Quality Technical Advisory Committee recommended the Suggested List of Measures to Reduce PM-10 Particulate Matter (attachment).

Following approval of the Suggested List of Measures by the Regional Council, each agency with authority to implement the suggested measures will be requested to make a legally binding commitment to implement the measures it deems appropriate, or to submit reasoned justification for nonimplementation. Local government commitments will be needed by June 15, 2007. After the commitments are received by MAG, the air quality impacts of the committed measures will be assessed as part of the required attainment demonstration.

PUBLIC INPUT:

An opportunity for public comment was provided at the March 1, 2007 MAG Air Quality Technical Advisory Committee meeting and no public input was received. An opportunity for public comment was also provided at the March 6, 2007 MAG Air Quality Technical Advisory Committee meeting and the following comments were received.

A citizen objected to the Committee considering measures for Area A since a portion falls within Pinal County which is not a member of MAG.

A citizen commented on shifting hours of operation during stagnant conditions in November through February. He indicated that there would be confusion on how the measure would be applied and to whom.

A citizen commented on the improvements in leaf blower exhaust emissions, noise and sound quality. He stated that no improvements toward five percent reductions will be made by adopting measures to ban or discourage the use of leaf blowers on High Pollution Advisory days or encourage the use of leaf vacuums to replace blowers.

A citizen expressed support for public education and outreach and indicated that she does not support expanding Area A or requiring cities, towns, and the counties in Area A to ban all-terrain and off-highway vehicles by the public on state lands located within the jurisdiction of the city, town, or county. She stated that she does not support reducing off-road vehicle use in areas with high off-road vehicle activity - impoundment or confiscation of vehicles for repeat violations and provided alternative language. She mentioned H.B. 2443 as an alternative. She indicated that she is willing to promote a no ride day for all-terrain and off-highway vehicles on High Pollution Advisory days.

A citizen discussed H.B. 2443 and S.B. 1552 in regard to mitigating pollution issues. He indicated that the off-highway vehicle community is policing themselves and expressed support for additional measures such as a no ride day on High Pollution Advisory days. He expressed concern about banning all-terrain and off-highway vehicles by the public on state lands located within the jurisdiction of the city, town, or county.

An opportunity for public comment was provided at the March 9, 2007 MAG Air Quality Technical Advisory Committee meeting. A citizen commented on a plan to build an off-highway vehicle park in Gila Bend as an alternative for riders. She requested that the Committee consider the ramifications of expanding Area A and that alternatives be considered when restricting riders.

PROS & CONS:

PROS: Additional measures are expected to be necessary for the region to be able to demonstrate the five percent reduction in PM-10 emissions per year and attainment of the twenty-four hour PM-10 standard.

CONS: Achieving significant further reductions in emissions and attaining the standard will be difficult, as the region has already implemented a number of the most stringent control programs in the nation. Some of the air quality measures will be controversial, and most will result in increased costs to governments, consumers, or industry.

TECHNICAL & POLICY IMPLICATIONS:

TECHNICAL: The 2005 Periodic Emissions Inventory being prepared by Maricopa County will serve as the base to project the 2007 emissions inventory which will be used to calculate the five percent reductions in PM-10 emissions. The reductions will then need to be achieved in 2008 and 2009. The plan is also required to include a modeling attainment demonstration at the West 43rd Avenue, Durango, and Higley monitors.

POLICY: Collectively, the Suggested List of Measures to Reduce PM-10 Particulate Matter includes forty-one measures. Many of the most significant measures are under the authority of Maricopa County since they strengthen the Maricopa County Fugitive Dust Control Rules which apply regionwide. It is critical that the dust control rules are adequately implemented and enforced. Several measures are also under the authority of local governments.

ACTION NEEDED:

Approval of the Suggested List of Measures to Reduce PM-10 Particulate Matter.

PRIOR COMMITTEE ACTIONS:

Management Committee: On March 14, 2007, the MAG Management Committee unanimously recommended the Suggested List of Measures to Reduce PM-10 Particulate Matter.

MEMBERS ATTENDING

- | | |
|---|--|
| Ed Beasley, Glendale, Chair | Christopher Brady, Mesa |
| Brad Lundahl for Jan Dolan, Scottsdale,
Vice Chair | Tom Martinsen, Paradise Valley |
| # Bryant Powell for George Hoffman,
Apache Junction | Terry Ellis, Peoria |
| Charlie McClendon, Avondale | Frank Fairbanks, Phoenix |
| Dave Wilcox, Buckeye | Mark Young for John Kross,
Queen Creek |
| * Jon Pearson, Carefree | * Bryan Meyers, Salt River Pima-Maricopa
Indian Community |
| * Usama Abujbarah, Cave Creek | Sintra Hoffman for Jim Rumpeltes,
Surprise |
| Mark Pentz, Chandler | # Amber Wakeman for Will Manley,
Tempe |
| * B.J. Cornwall, El Mirage | * Reyes Medrano, Tolleson |
| Alfonso Rodriguez for Orlando Moreno,
Fort McDowell Yavapai Nation | Shane Dille, Wickenburg |
| # Tim Pickering, Fountain Hills | Lloyce Robinson, Youngtown |
| * Lynn Farmer, Gila Bend | Dale Buskirk for Victor Mendez, ADOT |
| Joseph Manuel, Gila River Indian
Community | Kenny Harris for David Smith,
Maricopa County |
| George Pettit, Gilbert | David Boggs, Valley Metro/RPTA |
| * Stephen Cleveland, Goodyear | |
| * Mark Johnson, Guadalupe | |
| Darryl Crossman, Litchfield Park | |

* Those members neither present nor represented by proxy.

Participated by telephone conference call.

+ Participated by videoconference call.

Air Quality Technical Advisory Committee: On March 9, 2007, the MAG Air Quality Technical Advisory Committee unanimously recommended a Suggested List of Measures to Reduce PM-10 Particulate Matter.

MEMBERS PRESENT

- | | |
|--|---|
| Stephen Cleveland, City of Goodyear,
Chairman | Amanda McGennis, Associated General
Contractors |
| # Jess Segovia, Avondale | Spencer Kamps for Connie Wilhelm-
Garcia, Homebuilders Association of
Central Arizona |
| * Lucky Roberts, Buckeye | * Stephen J. Andros, American Institute of
Architects - Central Arizona |
| # Jim Weiss, Chandler | * Mannie Carpenter, Valley Forward |
| # Jamie McCullough, El Mirage | Kai Umeda for Patrick Clay, University
of Arizona Cooperative Extension |
| Lisa Taraborelli for Tami Ryall, Gilbert | # Beverly Chenausky, Arizona |
| Doug Kukino, Glendale | |
| Scott Bouchie, Mesa | |
| Gaye Knight, Phoenix | |
| Larry Person, Scottsdale | |

- # Antonio DeLaCruz, Surprise
Oddvar Tveit, Tempe
- * Walter Bouchard, Citizen Representative
Corey Woods, American Lung Association of Arizona
Barbara Sprungl, Salt River Project
- * Brian O'Donnell, Southwest Gas Corporation
Mark Hajduk, Arizona Public Service Company
- * Gina Grey, Western States Petroleum Association
- * Randi Alcott, Valley Metro
- * Dave Berry, Arizona Motor Transport Association
Rick Lavis for Jeannette Fish, Maricopa County Farm Bureau
Russell Bowers, Arizona Rock Products Association
- * Michelle Rill, Greater Phoenix Chamber of Commerce
- Department of Transportation
Peter Hyde, Arizona Department of Environmental Quality
- * Wienke Tax, Environmental Protection Agency
Jo Crumbaker, Maricopa County Air Quality Department
- # Duane Yantorno, Arizona Department of Weights and Measures
- * Ed Stillings, Federal Highway Administration
- * Judi Nelson, Arizona State University
- # Christella Armijo for B. Bobby Ramirez, Salt River Pima-Maricopa Indian Community
David Rueckert, Citizen Representative

*Members neither present nor represented by proxy.

#Participated via telephone conference call.

+Participated via video conference call.

CONTACT PERSON:

Lindy Bauer, MAG, (602) 254-6300

SUGGESTED LIST OF MEASURES TO REDUCE PM-10 PARTICULATE MATTER

These measures may or may not be feasible
and available to the implementing entities

MEASURE	POTENTIAL IMPLEMENTING ENTITY
Fugitive Dust Control Rules	
1. Public education and outreach (e.g., Clark County) with assistance from local governments - This measure would involve publicity campaigns (e.g., Bring Back Blue) that increase public awareness of the PM-10 problem and discourage citizens from participating in activities that generate airborne dust.	County, local governments
2. Extensive Dust Control Training Program (e.g., Clark County) - This measure would involve conducting more frequent dust control training classes and implementing a formal certification program. The County would provide advanced training to representatives of trade associations to qualify them to conduct classes and issue certifications. The County video on dust control rules and practices will be updated and distributed to public agencies and private companies for use in training their employees.	County, private sector
3. Dust Managers required at construction sites of 50 acres and greater (e.g., Clark County) - This measure would require a dust manager to be present on construction sites where 50 or more acres of soil are disturbed.	County
4. Dedicated enforcement coordinator for unpaved roads, unpaved parking, and vacant lots (e.g., Clark County) - This measure would require that additional resources be dedicated to strengthen enforcement of Rule 310.01 for unpaved roads, unpaved parking lots, and vacant disturbed lots.	County
5. Establish a certification program for Dust Free Developments to serve as an industry standard - This measure would create a program to certify and publicize companies that routinely demonstrate exceptional efforts to reduce airborne dust.	State, County
6. Better defined tarping requirements in Rule 310 to include enclosure of the bed - This measure would modify Rule 310 to require that the cargo compartments of trucks whether loaded or empty be fully enclosed prior to traveling on paved public roads.	County

MEASURE	POTENTIAL IMPLEMENTING ENTITY
<p>7. Conduct mobile monitoring to measure PM-10 and issue NOVs - This measure involves deployment of a vehicle that has been instrumented to monitor PM-10 and meteorological conditions, so that sources can be identified, and immediate remediation and/or enforcement actions taken.</p>	County
<p>8. Conduct nighttime and weekend inspections - This measure would involve proactive inspections of nonpermitted and permitted PM-10 sources during non-daylight hours and on weekends.</p>	County
<p>9. Increase inspection frequency for permitted facilities - This measure would increase the number of proactive inspections conducted at permitted facilities.</p>	County
<p>10. Increase number of proactive inspections in areas of highest PM-10 emissions densities - intensify training and education - incentive program for compliance - This measure would focus on the areas of highest PM-10 emissions density by increasing the number of inspectors and proactive inspections, conducting on-site training, offering incentives to reduce PM-10, and performing community outreach.</p>	County
<p>11. Notify violators more rapidly to promote immediate compliance - This measure would require inspectors that observe visible dust (e.g., opacity or trackout levels that are approaching rule limits) to call the permit holder and make reasonable efforts to inform a person on-site, so that measures can be taken to prevent, reduce, or mitigate dust generation before a violation occurs.</p>	County
<p>12. Provide timely notification regarding high pollution days - This measure would provide timely notification to permitted and nonpermitted sources when a High Pollution Advisory or High Pollution Watch is issued by ADEQ.</p>	County
<p>13. Develop a program for subcontractors - This measure would develop a program to register, educate, and give notices of violation (NOVs) to subcontractors through Rule 310. This program would not preclude the issuance of NOVs to the permit holder.</p>	County
<p>14. Reduce dragout and trackout emissions from nonpermitted sources - This measure would add dragout provisions to Rules 310 and 310.01 and enforce dragout and trackout provisions for nonpermitted sources. For example, trackout from salvage yards would be enforced by the County.</p>	County

MEASURE	POTENTIAL IMPLEMENTING ENTITY
15. Cover loads/haul trucks in Apache Junction - This measure would require loaded and empty haul trucks to be covered in the City of Apache Junction.	City of Apache Junction
16. Require dust coordinators at earthmoving sites of 5-50 acres - This measure would require an onsite dust control coordinator to be present on sites of 5 to 50 acres during active soil and rock excavation, soil and rock removal, and construction operations, including road construction operations, and related transport activities at access points to paved or unpaved roads. This person could also perform other tasks, but would be responsible for managing dust prevention and control on the site.	County
General	
17. Create a dedicated funding source for the Maricopa County Air Program - This measure would create a dedicated funding source for the County Air Program to support increased enforcement of Rule 310.01, and other air programs, as necessary. Example: Restore In-Lieu funding or some other fee to emissions testing, or other approach.	State, County
Industry	
18. Fully implement Rule 316 - This measure would enforce the provisions of Rule 316, adopted by Maricopa County in June 2005, for nonmetallic mineral processing sources of PM-10.	County, private sector
19. Require private companies to use PM-10 certified street sweepers on paved areas including parking lots (e.g., Clark County) - This measure will require paved surfaces (e.g., parking lots) owned by private companies to be swept using PM-10 certified street sweepers.	State, private sector
20. Provide incentives to shift hours of operation during stagnant conditions in November through February - This measure would provide incentives to postpone activities that generate dust until after 9 a.m. on days between November 1 and February 15 when ADEQ issues a High Pollution Advisory (HPA) under stagnant conditions.	State
Nonroad Activities	
21. Ban or discourage use of leaf blowers on high pollution advisory days - This measure would restrict or prohibit the use of leaf blowers on days when ADEQ issues a High Pollution Advisory (HPA).	State, County
22. Reduce off-road vehicle use in areas with high off-road vehicle activity (e.g., Goodyear Ordinance) - impoundment or confiscation of vehicles for repeat violations - This measure would involve development and enforcement of ordinances or implementation of other actions to prevent or discourage off-road vehicle use in the PM-10 nonattainment area.	State, County, local governments

MEASURE	POTENTIAL IMPLEMENTING ENTITY
23. Create a fund to provide incentives to retrofit nonroad diesel engines and encourage early replacements with advanced technologies - This measure would establish funding to offer incentives for owners of older nonroad diesel equipment to retrofit or repower existing engines or replace with newer, less-polluting technology.	State
24. Encourage early implementation of clean fuels for nonroad equipment. - This measure would provide incentives for nonroad equipment to be retrofitted with diesel retrofit kits, newer clean diesel technologies and fuels; or “green diesel” biodiesel fuel, or other fuels that are cleaner than petroleum diesel.	State
25. Ban leaf blowers from blowing debris into streets - This measure would ban leaf blowers from blowing debris into the streets in Maricopa County.	State, County
26. Implement a leaf blower outreach program - This measure would involve the development and distribution of educational materials on reducing leaf blower dust and would require the private sector to provide the printed materials to customers who purchase or rent leaf blowers.	County, private sector
27. Regulate and increase enforcement of ATV use on State land - This measure would require the State to regulate and increase enforcement of all-terrain and off-highway vehicle use on State lands located in Area A.	State
28. Ban ATV use on high pollution days - This measures would ban ATV use on High Pollution Advisory days in Area A.	State
Paved Roads	
29. Sweep streets with PM-10 certified street sweepers - This measure would require all public paved roads in the PM-10 nonattainment area to be swept with purchased or contracted PM-10 certified sweepers.	County, local govts
30. Retrofit onroad diesel engines with particulate filters - This measure would establish a program with financial incentives to encourage the voluntary retrofit pre-2007 onroad diesel vehicles with particulate filters and oxidation catalysts.	State, County
Unpaved Parking Lots	
31. Pave or stabilize existing unpaved parking lots (e.g., upgrade to Phoenix Parking Code) - strengthen enforcement - This measure would involve strengthening and proactively enforcing dust control rules or ordinances that reduce fugitive dust and PM-10 emissions from existing unpaved parking and vehicle maneuvering areas.	County, local governments

MEASURE	POTENTIAL IMPLEMENTING ENTITY
Unpaved Roads	
32. Pave or stabilize existing public dirt roads and alleys - This measure would revise Rule 310.01 to require paving or stabilizing of public dirt roads that carry less than 150 vehicles per day (e.g., more than 50 vehicles per day).	County, local governments
33. Limit speeds to 15 miles per hour on high traffic dirt roads - This measure would require 15 mph speed limit signs to be posted on dirt roads in the PM-10 nonattainment area that carry high traffic (e.g., 50-150 vehicles per day).	County, local governments
34. Prohibit new dirt roads including those associated with lot splits - This measure would prevent the construction of new dirt roads (e.g., prohibit wildcat subdivisions; require paving of roads before issuing a building permit) in the PM-10 nonattainment area.	State, County
Unpaved Shoulders	
35. Pave or stabilize unpaved shoulders - This measure would require paving or stabilizing dirt shoulders on paved public roads that carry a high level of traffic (e.g., more than 2,000 vehicles or 50 heavy duty trucks per average weekday).	County, local governments
Unpaved Surfaces	
36. Create a fund for paving and stabilizing in high pollution areas - This measure would create a particulate mitigation fund to pave and stabilize land surfaces in and around high pollution areas - Establish a grant program for private businesses to stabilize and pave - Direct fine monies from Maricopa County for stabilization efforts.	State, County, private sector
Vacant Lots	
37. Strengthen and increase enforcement of Rule 310.01 for vacant lots - This measure would increase the frequency of inspections and enforcement actions to reduce dust emitted by vacant lots.	County
38. Restrict vehicular use and parking on vacant lots (e.g., Phoenix) - This measure would strengthen existing rules and ordinances that prohibit vehicle trespass on vacant land.	County, local governments
39. Enhanced enforcement of trespass ordinances and codes - This measure would increase the enforcement of vehicle trespass ordinances and codes for vacant lots.	County, local governments

MEASURE	POTENTIAL IMPLEMENTING ENTITY
Woodburning	
40. Increase fines for open burning (currently \$25) - This measure would increase the maximum fine for open burning in ARS Title 49-501 from \$25 per occurrence to a level that would serve as a deterrent (e.g., \$500 per occurrence).	State, County
41. Restrict use of outdoor fireplaces and pits and ambience fireplaces in the hospitality industry - This measure would prohibit burning in outdoor fireplaces, outdoor pits, and ambience fireplaces in the hospitality industry, and ban other nonessential wood fires on days during the period November 1 - February 15 when ADEQ issues a High Pollution Advisory (HPA).	State, County

Special Notes:

1. Further refinement of these measures may be made as additional information becomes available through the planning process. Maricopa County is in the process of refining the Draft 2005 Periodic Emissions Inventory for PM-10. The Maricopa Association of Governments will be conducting air quality modeling in the summer of 2007.
2. The Governor's Agricultural Best Management Practices Committee is in the process of evaluating potential measures to further reduce PM-10 emissions from agriculture for consideration for the Five Percent Plan for PM-10. This Committee was established by law in 1998 (Arizona Revised Statutes, Title 49-457) to develop an agricultural PM-10 general permit that would address the need for controls on agricultural operations. The potential agricultural measures will be presented to the MAG Air Quality Technical Advisory Committee for consideration.

REGIONAL OFFICE CENTER FACT SHEET

This information is based on estimates and projections and includes, but is not limited to, the following assumptions:

- Amortization of costs over 30 years at 5.25 percent
- Total cost of the project is estimated at \$86,938,057
- There are three owners: MAG, RPTA, and VMR
- Rate of return is 4.25 percent
- Operating costs used standard \$9.06 per square foot of tower space

Exhibit A shows the summary Preliminary Sources and Uses for the funding of the ROC over a thirty year period and a ROC Occupancy Cost breakdown by partner.

1. **What revenue source will each agency use to fund their portion of the Regional Office Center?**

MAG

MAG's portion of the lease payments for the building will continue to be allocated using an indirect cost rate across all allowable funding sources, such as federal funds assigned for transportation planning/studies, sales tax funds assigned for administration, and MAG dues. The MAG indirect cost plan/rate is approved each year by the Arizona Department of Transportation (ADOT) that serves as the cognizant federal agency for MAG. The indirect cost rate is also audited each year. The land portion of the cost will be separated from the cost of the building and paid using allowable sources such as sales tax, dues and unrestricted reserve funds. MAG's dues and assessments will not be increased to cover any of these costs beyond the allowable index factor that has been assigned annually for several years.

AMWUA

On February 22, 2007, the AMWUA Board voted not to participate as a partnering agency in the Regional Office Center. AMWUA's information was removed from the attached detailed analysis.

RPTA

In the new Transit Life Cycle Program (TLCP) financial model, a portion of the RARF and PTF dollars may be combined and used for operational/administrative expenses. This is assuming that the combination of funding will be approved by the RPTA Board. RPTA does not have membership dues.

VMR

The primary source of revenue are contributions from VMR Member Cities, which fund the cost of VMR's operations. In addition to Member city contributions, Federal and Regional funding for capital construction projects will fund a portion of the Agency's administrative costs (including a share of the ROC office space) Cost of office space is allocated to capital projects based on analysis of staff time and space required to deliver the project. Each Member's cost share of operating and capital costs are determined during the annual budget process

2. **What is the cost to each city for the Regional Office Center?**

See attached Exhibit B for the Average Annual Regional Office Center Cost by city for VMR and Exhibit C for the purchase analysis detail for VMR over a thirty year period and over a forty year period.

3. **Will the projected additional funding needed to pay the cost of the building in the earlier years of the lease impact transportation projects that rely on federal or state funding?**

MAG - MAG funding will not impact dollars for transportation projects. MAG will use all allowable revenue sources including federal funds and sales tax funds assigned to planning. A small portion of MAG Federal Surface Transportation funds that can be used for transportation projects have historically been assigned in the Transportation Improvement Program for transportation/air quality studies. In recent years, MAG has not used these funds.

RPTA - RPTA funds will not impact dollars for transportation projects. Funding for the lease/purchase of the Regional Office Center will be from the administrative portion of the Prop 400 source and unrestricted funding.

VMR - The administrative costs which are allocated to capital construction projects will rise in years 2009 through 2015. The cost increases will impact the cost of the capital projects which are underway during those years, most notably the Northwest Extension Project. A rough estimate of the additional cost attributable to that project as a result of the ROC versus current-lease is \$300,000 to \$400,000.

4. What is the total cost per square foot for the building as a whole?

Exhibit D provides a detailed breakdown of the cost of the building as a whole, including the total cost per square foot.

5. What are the tenant improvements (TI) and the operating costs for the building as a whole and by partnering agency?

Exhibit D also includes the estimated tenant improvements highlighted in yellow and operating expenses highlighted in green for the building as a whole over thirty years. Exhibits F through H show the estimated tenant improvement costs for each agency under the heading "Build Out" highlighted in yellow and the operating expenses for each agency listed under "Proportionate Share of Expense" highlighted in green.

6. What happens if an agency does not participate in this project?

AMWUA decided not to participate in the Regional Office Center, and this is still a viable project. However, if any other agency decides not to participate, significant changes in the preliminary design would have to be made.

7. What happens if an agency wants to relocate after being in the Regional Office Center for "X" number of years?

Each agency would enter into a lease (with an option to purchase at the end of the lease term). As with any commercial lease, any modification to the lease terms would have to be agreed to or otherwise resolved according to the terms of the agreement. Terms and conditions for potential subleases could be included in the lease language.

8. What is the proposed timeline for this project?

See attached Exhibit J.

9. How did each agency determine their growth estimates?

MAG - looked at the percentage of growth over the last 9 years and averaged that percentage out to 2025. This is an annual growth rate of approximately 5 percent.

RPTA - looked at the positions needed if regionalization would occur with all centralized functions housed in the Regional Office Center. If regionalization occurs incrementally, additional space could be leased to offset costs. Some of the growth space includes correcting current inadequate space.

VMR - An analysis of staffing levels required to support the Regional Transportation Plan construction schedule was made. A combination of VMR staff, City Staff, and contractors (about 150 people) are currently housed in the 101 Building to support the CPEV LRT project design and construction. As extension projects commence, design and construction management professionals will occupy space as well as VMR staff managing both construction and operations activities. Current space leased for offices is 45,000 square feet. Projected office space requirement drops to 33,800 sq ft to house 130 people based on constructing 37 miles of LRT from years 2009 through 2026.

10. What is the overall market value at the end of 30 years?

Entity Proportional Share %		
MAG	45.75%	\$58,151,440
RPTA	34.20%	\$43,470,584
VMR	20.05%	<u>\$25,484,948</u>
Total		\$127,106,972

These numbers are based on a 238,585 square foot building and a market estimate of \$127,106,972 in 2039. This calculation uses a current cost per square foot of a comparable building which currently sells for \$300 a square foot. The calculation projects a 2 percent annual increase over 30 years using the building square footage.

11. What is the Net Present Value allocation for years 30 through 39.5?

Estimate Net Present Value allocation for years 30+ to 39.5	
MAG	\$32,881,967
RPTA	\$24,580,618
VMR	<u>\$14,410,567</u>
Total	\$71,873,121

12. What happens if the Regional Office Center is not constructed?

Each agency would be responsible for their own future office space. MAG options would include:

- 1) Lease the 4th floor in the current building, which could sustain MAG for approximately 5 to 10 years. (Due to both MAG and RPTA needing additional space, one agency would have to move from the current building).
- 2) Lease office space in another location other than the current building. This option would separate the regional transportation agencies.

If you have any questions regarding this information, please contact Denise McClafferty at the MAG office at 602-254-6300.

Preliminary Sources and Uses of Funds

EXHIBIT A

CONSOLIDATED

Regional Office Center
 (The Industrial Development Authority of the City of Phoenix, Arizona)
 \$95,100,000
 Government Office Building Lease Revenue Bonds, Series 2009
 Comprised of:
 \$87,600,000 Construction Bonds
 \$7,500,000 Land Acquisition Bonds

Series 2009 Bonds Dated and Delivered: February 15, 2009

PRELIMINARY SOURCES AND USES OF FUNDS

	Construction Bonds Series 2009	Land Acquisition Bonds Series 2009	Combined Bonds Series 2009
<u>Sources of Funds:</u>			
Series 2009 Lease Revenue Bonds	\$87,600,000.00	\$7,500,000.00	\$95,100,000.00
Original Issue Premium			
Accrued Interest	-	-	-
<i>Total Sources of Funds</i>	<u>\$87,600,000.00</u>	<u>\$7,500,000.00</u>	<u>\$95,100,000.00</u>
 <u>Uses of Funds:</u>			
Project Construction/ Land Acquisition	\$80,088,057	\$6,850,000	\$86,938,057
Costs of Issuance	227,500.00	22,500.00	250,000.00
Underwriting Fee [1]	463,000.00	42,500.00	505,500.00
Bond Insurance [.50%] [2]	870,069.75	74,495.44	944,565.19
Deposit to Debt Service Reserve Fund [3]	5,948,000.00	509,250.00	6,457,250.00
Deposit to Bond Fund [4]	3,373.25	1,254.56	4,627.81
<i>Total Uses of Funds</i>	<u>\$87,600,000.00</u>	<u>\$7,500,000.00</u>	<u>\$95,100,000.00</u>

Footnotes:

- [1] Underwriting fees: Combined Series 2009 - (.50%) discount +\$30,000 U/W counsel fee
- [2] Represents the estimated debt service insurance premium (.50% total debt service)
- [3] Represents the estimated Reserve Requirement
- [4] Represents contingency amount due to rounding

Regional Office Center Summary Sheet

EXHIBIT A

	Maricopa Association of Governments	Regional Public Transportation Authority	Valley Metro Rail	Regional Office Center
Occupancy Assumptions				
Owners				
Owner Office Space	45,484	59,279	33,831	138,594
Owner share of shafts & common areas	15,654	20,402	11,643	47,699
Total Square Footage for Owners	61,138	79,681	45,474	186,293
Owner Percent of Building Space	32.82%	42.77%	24.41%	
Non-Owners				
Conference Center Space	41,946			41,946
Media Room/Roof-Top Terrace/Hub	6,050			6,050
Non-owner share of shafts & common areas	4,296			4,296
Total Square Footage for Non-Owners	52,292			52,292
Total Square Footage	113,430	79,681	45,474	238,585
Total Percentage of Building Space	47.54%	33.40%	19.06%	
Parking Spaces				
	188	245	140	573
Percentage of Parking Spaces	32.81%	42.76%	24.43%	
Costs				
Land and Construction Costs				
Building Shell	\$14,833,422	\$10,420,012	\$5,946,708	\$31,200,142
Build-Out (TI's)	\$11,797,327	\$3,115,540	\$2,227,926	\$17,140,793
Land	\$2,248,046	\$2,929,873	\$1,672,081	\$6,850,000
Parking Space Costs	\$5,551,674	\$7,234,894	\$4,134,225	\$16,920,793
Other Shared Costs	\$5,341,801	\$6,038,406	\$3,446,123	\$14,826,331
Total Land and Construction Costs	\$39,772,270	\$29,738,725	\$17,427,062	\$86,938,057
Cost per Square Foot	\$350.63	\$373.22	\$383.23	\$364.39
Percent of Cost	45.75%	34.20%	20.05%	
Financing Costs	\$3,733,912	\$2,791,939	\$1,636,092	\$8,161,943
Total Costs	\$43,506,182	\$32,530,664	\$19,063,154	\$95,100,000

**Average Annual Regional Office Center Costs
By Valley Metro Rail Cities**

EXHIBIT B

Agency	30 Year Average 2009 to 2039	10 Year Average 2040 to 2049	40 Year Average 2009 to 2049
Phoenix	\$1,195,052	\$912,464	\$1,124,405
Tempe	\$375,454	\$224,269	\$337,658
Mesa	\$132,916	\$89,489	\$122,059
Glendale	\$89,493	\$75,414	\$85,973
Total	\$1,792,915	\$1,301,636	\$1,670,095

**Valley Metro Rail
Regional Office Center Space
Purchase Analysis Cash Flow Detail**

EXHIBIT C

Fiscal Year	Phoenix	Tempe	Mesa	Glendale	Total
2009 (4 months)	\$284,784	\$131,118	\$24,789	\$3,000	\$443,691
2010	\$1,032,161	\$475,221	\$89,846	\$10,874	\$1,608,102
2011	\$1,040,727	\$479,164	\$90,591	\$10,964	\$1,621,446
2012	\$1,050,336	\$483,589	\$91,428	\$11,065	\$1,636,418
2013	\$1,143,230	\$415,861	\$79,670	\$11,157	\$1,649,917
2014	\$1,158,941	\$421,576	\$80,765	\$11,310	\$1,672,592
2015	\$1,164,503	\$423,599	\$81,153	\$11,364	\$1,680,619
2016	\$1,007,246	\$473,083	\$204,888	\$11,473	\$1,696,689
2017	\$1,017,039	\$477,683	\$206,880	\$11,584	\$1,713,186
2018	\$960,585	\$427,084	\$181,919	\$160,484	\$1,730,072
2019	\$975,414	\$433,678	\$184,728	\$162,961	\$1,756,781
2020	\$1,135,913	\$355,880	\$146,623	\$126,444	\$1,764,860
2021	\$1,148,677	\$359,879	\$148,271	\$127,865	\$1,784,693
2022	\$1,160,239	\$363,501	\$149,763	\$129,152	\$1,802,656
2023	\$1,173,222	\$367,569	\$151,439	\$130,597	\$1,822,827
2024	\$1,192,916	\$373,739	\$153,981	\$132,789	\$1,853,425
2025	\$1,199,322	\$375,746	\$154,808	\$133,502	\$1,863,378
2026	\$1,321,157	\$324,719	\$129,571	\$109,191	\$1,884,638
2027	\$1,336,698	\$328,539	\$131,095	\$110,476	\$1,906,808
2028	\$1,352,817	\$332,501	\$132,676	\$111,808	\$1,929,801
2029	\$1,378,709	\$338,865	\$135,215	\$113,948	\$1,966,737
2030	\$1,385,882	\$340,628	\$135,919	\$114,541	\$1,976,969
2031	\$1,403,412	\$344,936	\$137,638	\$115,990	\$2,001,976
2032	\$1,420,580	\$349,156	\$139,322	\$117,409	\$2,026,466
2033	\$1,439,473	\$353,800	\$141,175	\$118,970	\$2,053,417
2034	\$1,471,832	\$361,753	\$144,348	\$121,644	\$2,099,577
2035	\$1,477,765	\$363,211	\$144,930	\$122,135	\$2,108,040
2036	\$1,497,752	\$368,124	\$146,890	\$123,787	\$2,136,553
2037	\$1,519,126	\$373,377	\$148,986	\$125,553	\$2,167,043
2038	\$551,075	\$135,445	\$54,046	\$45,545	\$786,112
2039	\$450,027	\$110,610	\$44,136	\$37,194	\$641,967
30 Year Average	\$1,195,052	\$375,454	\$132,916	\$89,493	\$1,792,915
2040	\$1,408,121	\$346,094	\$138,100	\$116,379	\$2,008,694
2041	\$759,567	\$186,689	\$74,494	\$62,777	\$1,083,527
2042	\$782,354	\$192,290	\$76,728	\$64,660	\$1,116,033
2043	\$805,825	\$198,059	\$79,030	\$66,600	\$1,149,514
2044	\$829,999	\$204,001	\$81,401	\$68,598	\$1,183,999
2045	\$854,899	\$210,121	\$83,843	\$70,656	\$1,219,519
2046	\$880,546	\$216,424	\$86,358	\$72,776	\$1,256,105
2047	\$906,963	\$222,917	\$88,949	\$74,959	\$1,293,788
2048	\$934,172	\$229,604	\$91,618	\$77,208	\$1,332,601
2049	\$962,197	\$236,493	\$94,366	\$79,524	\$1,372,579
10 Year Average	\$912,464	\$224,269	\$89,489	\$75,414	\$1,301,636
40 Year Average	\$1,124,405	\$337,658	\$122,059	\$85,973	\$1,670,095



Purchase Analysis
Build-to-Suit
March 1, 2007

CONSOLIDATED

Occupancy Assumptions:		Financing Assumptions:		Other Costs:	
Owner/Occupied Square Footage	238,585	Purchase Equity	\$0	Moving Expense	\$0
Third Party Tenancy	0			FF & E	0
Total Building Square Footage	238,585			\$15.00 sf refurbishment allowance - yr 10	3,578,775
				\$30.00 sf refurbishment allowance - yr 20	7,157,550
				Other	0
				Other	0
Purchase Assumptions:				Total Other Costs	\$10,736,325
Purchase Price per SF	\$364.39				
Construction Cost	\$80,088,057				
Land Cost	\$6,850,000				

Annual Cash Flow

	4-months to June, 2009	12 months to June, 2010	12 months to June, 2011	12 months to June, 2012	12 months to June, 2013	12 months to June, 2014	12 months to June, 2015	12 months to June, 2016	12 months to June, 2017	12 months to June, 2018	12 months to June, 2019
Cash Flow from Retail	(\$11,718)	\$90,233	\$92,940	\$95,728	\$98,600	\$70,518	\$104,605	\$107,743	\$110,976	\$114,305	\$78,934
573 Parking Spaces @ \$50 /sp/mo	\$114,600	\$343,800	\$343,800	\$343,800	\$343,800	\$343,800	\$343,800	\$343,800	\$343,800	\$343,800	\$343,800
Expenses											
Property Taxes	238,585	737,228	759,345	782,125	805,589	829,757	854,650	880,290	906,699	933,900	961,917
Insurance	15,906	49,150	50,625	52,144	53,708	55,319	56,979	58,688	60,449	62,262	64,130
Utilities	159,057	491,486	506,231	521,418	537,061	553,173	569,768	586,861	604,467	622,601	641,279
Janitorial	76,347	235,912	242,989	250,279	257,787	265,521	273,487	281,692	290,143	298,847	307,812
R & M/Security/Services	151,104	466,911	480,918	495,346	510,206	525,512	541,277	557,515	574,240	591,467	609,211
Salaries/Benefits/Admin.	39,764	122,871	126,557	130,354	134,265	138,293	142,442	146,715	151,116	155,649	160,318
Facility Management	39,764	122,871	126,557	130,354	134,265	138,293	142,442	146,715	151,116	155,649	160,318
Total Operating Expenses	720,527	2,226,429	2,293,222	2,362,020	2,432,881	2,505,868	2,581,045	2,658,476	2,738,230	2,820,375	2,904,985
Capital Items & Lease-Up Costs											
Tenant Improvements/Refurbishments	119,293	357,876	357,878	357,878	357,878	357,878	357,878	357,878	357,878	357,878	357,878
Moving Cost	0	0	0	0	0	0	0	0	0	0	0
Capital Reserve	19,882	61,435	63,278	65,176	67,131	69,145	71,219	73,356	75,557	77,824	80,159
Total Capital Items	139,175	419,311	421,156	423,054	425,009	427,023	429,097	431,234	433,435	435,702	438,037
Debt Service (inclusive of Bond Insurance)	1,564,516	6,158,547	6,156,635	6,160,785	6,155,473	6,155,960	6,156,722	6,157,497	6,158,023	6,158,035	6,157,273
Annual CASH Cost	2,321,336	8,370,254	8,434,273	8,506,331	8,570,963	8,674,533	8,718,459	8,795,664	8,874,912	8,956,007	9,077,561
Per Square Foot	\$9.73	\$35.08	\$35.35	\$35.65	\$35.92	\$36.36	\$36.54	\$36.87	\$37.20	\$37.54	\$38.05

Occupancy Cost Calculation

Cost per sf Occupied	\$9.73	\$35.08	\$35.35	\$35.65	\$35.92	\$36.36	\$36.54	\$36.87	\$37.20	\$37.54	\$38.05
Less: Principal Payments	\$0.00	(\$6.14)	(\$6.45)	(\$6.81)	(\$7.15)	(\$7.52)	(\$7.92)	(\$8.34)	(\$8.78)	(\$9.24)	(\$9.72)
Adjusted Gross Annual Occupancy Cost	\$9.73	\$28.94	\$28.90	\$28.84	\$28.77	\$28.84	\$28.62	\$28.53	\$28.42	\$28.30	\$28.33

**30-Year Average Annual
Gross Cash Cost**

\$38.74

**30-Year Average Adjusted Gross
Annual Occupancy Cost**

\$25.45

CONSOLIDATED PURCHASE ANALYSIS
REGIONAL OFFICE CENTER



CONSOLIDATED

Bond Issue		Expenses		Inflation & Other	
Borrowing	87,600,000	Property Taxes	\$3.00	Expenses	3%
LTV	100%	Insurance	\$0.20	Capital Reserve	\$0.25
Bond Rate	5.25%	Utilities	\$2.00		
Amortization	30 Years	Janitorial	\$0.96	Length of analysis	360 Months
Loan Fee	0%	R & M/Security/Services	\$1.90		
		Salaries/Wages/Admin	\$0.50		
		Facility Management	\$0.50		
		Total Expenses/SF	\$9.06		

Annual Cash Flow

	12 months to June, 2020	12 months to June, 2021	12 months to June, 2022	12 months to June, 2023	12 months to June, 2024	12 months to June, 2025	12 months to June, 2026	12 months to June, 2027	12 months to June, 2028	12 months to June, 2029
Cash Flow from Retail	\$121,266	\$124,904	\$128,651	\$132,511	\$89,926	\$140,581	\$144,798	\$149,142	\$153,616	\$100,025
573 Parking Spaces @ \$50 /sp/mo	\$343,800	\$343,800	\$343,800	\$343,800	\$343,800	\$343,800	\$343,800	\$343,800	\$343,800	\$343,800
Expenses										
Property Taxes	990,775	1,020,498	1,051,113	1,082,646	1,115,125	1,148,579	1,183,036	1,218,527	1,255,083	1,292,735
Insurance	66,054	68,036	70,077	72,179	74,344	76,574	78,871	81,237	83,674	86,184
Utilities	660,517	680,333	700,743	721,765	743,418	765,721	788,693	812,354	836,725	861,827
Janitorial	317,046	326,557	336,354	346,445	356,838	367,543	378,569	389,926	401,624	413,673
R & M/Security/Services	627,487	646,312	665,701	685,672	706,242	727,429	749,252	771,730	794,882	818,728
Salaries/Benefits/Admin.	165,128	170,082	175,184	180,440	185,853	191,429	197,172	203,087	209,180	215,455
Facility Management	165,128	170,082	175,184	180,440	185,853	191,429	197,172	203,087	209,180	215,455
Total Operating Expenses	2,992,135	3,081,900	3,174,356	3,269,587	3,367,673	3,468,704	3,572,765	3,679,948	3,790,348	3,904,057
Capital Items & Lease-Up Costs										
Tenant Improvements/Refurbishments	357,878	357,878	357,878	357,878	357,878	357,878	357,878	357,878	357,878	357,878
Moving Cost	0	0	0	0	0	0	0	0	0	0
Capital Reserve	82,564	85,041	87,592	90,220	92,927	95,715	98,586	101,544	104,590	107,728
Total Capital Items	440,442	442,919	445,470	448,098	450,805	453,593	456,464	459,422	462,468	465,606
Debt Service (inclusive of Bond Insurance)	6,155,472	6,162,372	6,157,185	6,160,172	6,155,548	6,158,310	6,157,672	6,158,372	6,159,885	6,156,685
Annual CASH Cost	9,122,983	9,218,487	9,304,560	9,401,546	9,540,300	9,596,226	9,698,303	9,804,800	9,915,285	10,082,523
Per Square Foot	\$38.24	\$38.64	\$39.00	\$39.41	\$39.99	\$40.22	\$40.65	\$41.10	\$41.56	\$42.26

Cost per sf Occupied	\$38.24	\$38.64	\$39.00	\$39.41	\$39.99	\$40.22	\$40.65	\$41.10	\$41.56	\$42.26
Less: Principal Payments	(\$10.23)	(\$10.79)	(\$11.34)	(\$11.95)	(\$12.55)	(\$13.22)	(\$13.92)	(\$14.65)	(\$15.42)	(\$16.22)
Adjusted Gross Annual Occupancy Cost	\$28.01	\$27.85	\$27.66	\$27.46	\$27.44	\$27.00	\$26.73	\$26.45	\$26.14	\$26.04



Patti Boyd Gentry and Gee Gee Entz

CONSOLIDATED

Annual Cash Flow

	12 months to June, 2030	12 months to June, 2031	12 months to June, 2032	12 months to June, 2033	12 months to June, 2034	12 months to June, 2035	12 months to June, 2036	12 months to June, 2037	12 months to June, 2038	8 months June, 2039
Cash Flow from Retail	\$162,971	\$167,860	\$172,896	\$178,083	\$105,826	\$188,928	\$194,596	\$200,434	\$206,447	\$137,631
573 Parking Spaces @ \$50 /sp/mo	\$343,800	\$343,800	\$343,800	\$343,800	\$343,800	\$343,800	\$343,800	\$343,800	\$343,800	\$229,200
Expenses										
Property Taxes	1,331,517	1,371,463	1,412,607	1,454,985	1,498,635	1,543,594	1,589,902	1,637,599	1,686,727	\$1,124,485
Insurance	88,770	91,433	94,176	97,001	99,911	102,908	105,995	109,175	112,450	\$74,967
Utilities	887,682	914,312	941,741	969,993	999,093	1,029,066	1,059,938	1,091,736	1,124,488	\$749,659
Janitorial	426,083	438,865	452,031	465,592	479,560	493,947	508,765	524,028	539,749	\$359,833
R & M/Security/Services	843,290	868,589	894,647	921,486	949,131	977,605	1,006,933	1,037,141	1,068,255	\$712,170
Salaries/Benefits/Admin.	221,919	228,577	235,434	242,497	249,772	257,265	264,983	272,932	281,120	\$187,413
Facility Management	221,919	228,577	235,434	242,497	249,772	257,265	264,983	272,932	281,120	\$187,413
Total Operating Expenses	4,021,180	4,141,816	4,266,070	4,394,051	4,525,874	4,661,650	4,801,499	4,945,543	5,093,909	3,395,940
Capital Items & Lease-Up Costs										
Tenant Improvements/Refurbishments	357,878	357,876	357,876	357,878	357,876	357,878	357,876	357,876	357,876	238,584
Moving Cost	0	0	0	0	0	0	0	0	0	0
Capital Reserve	110,960	114,289	117,718	121,250	124,888	128,635	132,494	136,469	140,563	144,780
Total Capital Items	468,838	472,165	475,594	479,128	482,764	486,513	490,370	494,345	498,439	383,364
Debt Service (inclusive of Bond Insurance)	6,158,510	6,159,572	6,154,347	6,157,573	6,158,197	6,155,698	6,154,547	6,158,960	(882,189)	0
Annual CASH Cost	10,141,757	10,261,893	10,379,315	10,508,869	10,717,209	10,771,133	10,908,020	11,054,614	4,159,912	3,412,473
Per Square Foot	\$42.51	\$43.01	\$43.50	\$44.05	\$44.92	\$45.15	\$45.72	\$46.33	\$17.44	\$14.30
Cost per sf Occupied	\$42.51	\$43.01	\$43.50	\$44.05	\$44.92	\$45.15	\$45.72	\$46.33	\$17.44	\$14.30
Less: Principal Payments	(\$17.08)	(\$17.98)	(\$18.90)	(\$19.91)	(\$20.96)	(\$22.05)	(\$23.20)	(\$24.44)	(\$25.71)	\$0.00
Adjusted Gross Annual Occupancy Cost	\$25.43	\$25.03	\$24.60	\$24.14	\$23.96	\$23.10	\$22.52	\$21.89	(\$8.27)	\$14.30

**PURCHASE ANALYSIS
REGIONAL OFFICE CENTER
MARICOPA ASSOCIATION OF GOVERNMENTS**



Occupancy Assumptions:		Construction Cost:		
		Cost/SF	Total Cost	% of Total Cost
Office Space	45,484	\$130.77	14,833,422	47.54%
Conference Center	41,946	\$104.01	11,797,327	68.83%
Media Room/Roof-Top Terrace/Hub	6,050			
Share of shafts & common-Owner %	15,654			
Share of shafts & common-Non-Owner%	4,296			
Proportionate Share Costs				
Total Square Footage	113,430	\$19.82	2,248,046	32.82%
Total Square Footage for Ownership %	61,138	\$11.92	1,352,086	47.52%
Percentage of Building	47.54%	\$33.54	3,804,824	32.82%
Percent of Owners	32.82%	\$1.63	184,891	47.66%
Total Parking Spaces	573	\$48.94	5,551,674	32.81%
MAG Spaces	188			
Percentage of Cost	32.81%	\$350.63	39,772,270	45.75%

	4-months to June, 2009	12 months to June, 2010	12 months to June, 2011	12 months to June, 2012	12 months to June, 2013	12 months to June, 2014	12 months to June, 2015	12 months to June, 2016	12 months to June, 2017	12 months to June, 2018
Parking Income	37,600	112,800	112,800	112,800	112,800	112,800	112,800	112,800	112,800	112,800
Proportionate Share of Retail Cash Flow	(3,846)	29,615	30,503	31,418	32,361	23,144	34,331	35,361	36,422	37,515
Proportionate Share of Expense	(\$342,539)	(\$1,058,444)	(\$1,090,198)	(\$1,122,904)	(\$1,156,592)	(\$1,191,290)	(\$1,227,029)	(\$1,263,839)	(\$1,301,755)	(\$1,340,806)
Proportionate Share of Debt	(715,766)	(2,817,535)	(2,816,661)	(2,818,559)	(2,816,129)	(2,816,352)	(2,816,700)	(2,817,055)	(2,817,296)	(2,817,301)
Proportionate Share of Cap. Reserve	(9,452)	(29,206)	(30,082)	(30,985)	(31,914)	(32,872)	(33,858)	(34,873)	(35,920)	(36,998)
Refurbishment	(56,712)	(170,134)	(170,135)	(170,135)	(170,135)	(170,135)	(170,135)	(170,135)	(170,135)	(170,135)
Cash Flow	(1,090,715)	(3,932,904)	(3,963,773)	(3,998,365)	(4,029,609)	(4,074,705)	(4,100,591)	(4,137,741)	(4,175,884)	(4,214,925)
Cash Cost per Square Foot	\$9.62	\$34.67	\$34.94	\$35.25	\$35.53	\$35.92	\$36.15	\$36.48	\$36.81	\$37.16
Less Pro-Rata Principal Reduction	\$0.00	(\$5.91)	(\$6.21)	(\$6.55)	(\$6.88)	(\$7.24)	(\$7.62)	(\$8.03)	(\$8.45)	(\$8.89)
Adjusted Gross Occupancy Cost	\$9.62	\$28.76	\$28.73	\$28.70	\$28.65	\$28.68	\$28.53	\$28.45	\$28.36	\$28.27

Average Cash Cost per Square Foot	\$38.44	Average Adjusted Cost	\$25.66
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**PURCHASE ANALYSIS
REGIONAL OFFICE CENTER
MARICOPA ASSOCIATION OF GOVERNMENTS**



Financing Cost Allocation:	
Total Finance Cost of Purchase:	\$8,161,941
Total Finance Cost MAG:	\$3,733,911

	12 months to June, 2019	12 months to June, 2020	12 months to June, 2021	12 months to June, 2022	12 months to June, 2023	12 months to June, 2024	12 months to June, 2025	12 months to June, 2026	12 months to June, 2027	12 months to June, 2028	12 months to June, 2029
Parking Income	112,800	112,800	112,800	112,800	112,800	112,800	112,800	112,800	112,800	112,800	112,800
Proportionate Share of Retail Cash Flow	25,906	39,799	40,993	42,223	43,490	29,514	46,139	47,523	48,948	50,417	32,828
Proportionate Share of Expense	(\$1,381,030)	(\$1,422,461)	(\$1,465,135)	(\$1,509,089)	(\$1,554,362)	(\$1,600,992)	(\$1,649,022)	(\$1,698,492)	(\$1,749,447)	(\$1,801,931)	(\$1,855,989)
Proportionate Share of Debt	(2,816,952)	(2,816,128)	(2,819,285)	(2,816,912)	(2,818,279)	(2,816,163)	(2,817,427)	(2,817,135)	(2,817,455)	(2,818,147)	(2,816,683)
Proportionate Share of Cap. Reserve	(38,108)	(39,251)	(40,428)	(41,641)	(42,891)	(44,177)	(45,503)	(46,868)	(48,274)	(49,722)	(51,214)
Refurbishment	(170,135)	(170,135)	(170,135)	(170,135)	(170,135)	(170,135)	(170,135)	(170,135)	(170,135)	(170,135)	(170,135)
Cash Flow	(4,267,519)	(4,295,376)	(4,341,190)	(4,382,754)	(4,429,377)	(4,489,153)	(4,523,148)	(4,572,307)	(4,623,563)	(4,676,718)	(4,748,393)
Cash Cost per Square Foot	\$37.62	\$37.87	\$38.27	\$38.64	\$39.05	\$39.58	\$39.88	\$40.31	\$40.76	\$41.23	\$41.86
Less Pro-Rata Principal Reduction	(\$9.36)	(\$9.84)	(\$10.39)	(\$10.91)	(\$11.49)	(\$12.08)	(\$12.73)	(\$13.39)	(\$14.10)	(\$14.84)	(\$15.61)
Adjusted Gross Occupancy Cost	\$28.26	\$28.03	\$27.88	\$27.73	\$27.56	\$27.50	\$27.15	\$26.92	\$26.66	\$26.39	\$26.25

**PURCHASE ANALYSIS
REGIONAL OFFICE CENTER
MARICOPA ASSOCIATION OF GOVERNMENTS**



Patti Boyd Gentry and Gee Gee Entz



	12 months to June, 2030	12 months to June, 2031	12 months to June, 2032	12 months to June, 2033	12 months to June, 2034	12 months to June, 2035	12 months to June, 2036	12 months to June, 2037	12 months to June, 2038	8 months June, 2039
Parking Income	112,800	112,800	112,800	112,800	112,800	112,800	112,800	112,800	112,800	75,200
Proportionate Share of Retail Cash Flow	53,487	55,092	56,745	58,447	34,732	62,006	63,867	65,783	67,756	45,171
Proportionate Share of Expense	(\$1,911,669)	(\$1,969,019)	(\$2,028,090)	(\$2,088,932)	(\$2,151,600)	(\$2,216,148)	(\$2,282,633)	(\$2,351,111)	(\$2,421,644)	(\$1,614,430)
Proportionate Share of Debt	(2,817,518)	(2,818,004)	(2,815,614)	(2,817,090)	(2,817,375)	(2,816,232)	(2,815,705)	(2,817,724)	403,601	0
Proportionate Share of Cap. Reserve	(52,750)	(54,333)	(55,963)	(57,642)	(59,372)	(61,153)	(62,988)	(64,877)	(66,824)	(68,828)
Refurbishment	(170,135)	(170,134)	(170,134)	(170,135)	(170,134)	(170,135)	(170,134)	(170,134)	(170,134)	(113,423)
Cash Flow	(4,785,785)	(4,843,598)	(4,900,256)	(4,962,552)	(5,050,949)	(5,088,862)	(5,154,793)	(5,225,263)	(2,074,445)	(1,676,310)
Cash Cost per Square Foot	\$42.19	\$42.70	\$43.20	\$43.75	\$44.53	\$44.86	\$45.44	\$46.07	\$18.29	\$14.78
Less Pro-Rata Principal Reduction	<u>(\$16.44)</u>	<u>(\$17.30)</u>	<u>(\$18.19)</u>	<u>(\$19.16)</u>	<u>(\$20.17)</u>	<u>(\$21.22)</u>	<u>(\$22.32)</u>	<u>(\$23.51)</u>	<u>(\$24.74)</u>	<u>\$0.00</u>
Adjusted Gross Occupancy Cost	\$25.75	\$25.40	\$25.01	\$24.59	\$24.36	\$23.64	\$23.12	\$22.56	<u>(\$6.45)</u>	\$14.78

**PURCHASE ANALYSIS
REGIONAL OFFICE CENTER
VALLEY METRO RAIL**



Occupancy Assumptions:		Construction Cost:		Cost/SF	Total Cost	% of Total Cost
Office Space	33,831	Shell Building		\$130.77	5,946,708	19.06%
Share of shafts & common	11,643	Build-Out		\$48.99	2,227,926	13.00%
	0	Proportionate Share Costs				
Total Square Footage	45,474	Land		\$36.77	1,672,081	24.41%
Percentage of Building	19.06%	Sitework		\$11.93	542,505	19.07%
Percent of Owners	24.41%	Shared Costs-Owners		\$62.23	2,829,495	24.41%
Total Parking Spaces	573	Shared Costs-All		\$1.63	74,123	19.11%
VMR Spaces	140	Parking Cost		\$90.91	4,134,225	24.43%
Percentage of Cost	24.43%	Total Cost/SF		\$383.23	17,427,062	20.05%

	4-months to June, 2009	12 months to June, 2010	12 months to June, 2011	12 months to June, 2012	12 months to June, 2013	12 months to June, 2014	12 months to June, 2015	12 months to June, 2016	12 months to June, 2017	12 months to June, 2018
Parking Income	28,000	84,000	84,000	84,000	84,000	84,000	84,000	84,000	84,000	84,000
Proportionate Share of Retail Cash Flow	(2,860)	22,026	22,687	23,367	24,068	17,214	25,534	26,300	27,089	27,902
Proportionate Share of Expense	(\$137,332)	(\$424,357)	(\$437,088)	(\$450,201)	(\$463,707)	(\$477,618)	(\$491,947)	(\$506,706)	(\$521,907)	(\$537,563)
Proportionate Share of Debt	(313,685)	(1,234,789)	(1,234,405)	(1,235,237)	(1,234,172)	(1,234,270)	(1,234,423)	(1,234,578)	(1,234,684)	(1,234,686)
Proportionate Share of Cap. Reserve Refurbishment	(3,790)	(11,710)	(12,061)	(12,423)	(12,795)	(13,179)	(13,574)	(13,982)	(14,401)	(14,833)
Cash Flow	(22,737)	(68,211)	(68,212)	(68,212)	(68,212)	(68,212)	(68,212)	(68,212)	(68,212)	(68,212)
Cash Cost per Square Foot	(452,404)	(1,633,041)	(1,645,079)	(1,658,706)	(1,670,818)	(1,692,065)	(1,698,622)	(1,713,178)	(1,728,115)	(1,743,392)
Less Pro-Rata Principal Reduction	\$9.95	\$35.91	\$36.18	\$36.48	\$36.74	\$37.21	\$37.35	\$37.67	\$38.00	\$38.34
Adjusted Gross Occupancy Cost	\$0.00	(\$6.46)	(\$6.79)	(\$7.16)	(\$7.52)	(\$7.91)	(\$8.33)	(\$8.77)	(\$9.24)	(\$9.72)
	\$9.95	\$29.45	\$29.39	\$29.32	\$29.22	\$29.30	\$29.02	\$28.90	\$28.76	\$28.62

Average Cash Cost per Square Foot

\$39.43

Average Adjusted Cost

\$25.45

PURCHASE ANALYSIS
REGIONAL OFFICE CENTER
VALLEY METRO RAIL



Financing Cost Allocation:	
Total Finance Cost of Purchase:	\$8,161,941
Total Finance Cost VMR:	\$1,636,092

	12 months to June, 2019	12 months to June, 2020	12 months to June, 2021	12 months to June, 2022	12 months to June, 2023	12 months to June, 2024	12 months to June, 2025	12 months to June, 2026	12 months to June, 2027	12 months to June, 2028	12 months to June, 2029
Parking Income	84,000	84,000	84,000	84,000	84,000	84,000	84,000	84,000	84,000	84,000	84,000
Proportionate Share of Retail Cash Flow	19,268	29,601	30,489	31,404	32,346	21,951	34,316	35,345	36,406	37,498	24,416
Proportionate Share of Expense	(\$553,690)	(\$570,301)	(\$587,410)	(\$605,032)	(\$623,183)	(\$641,878)	(\$661,135)	(\$680,969)	(\$701,398)	(\$722,440)	(\$744,113)
Proportionate Share of Debt	(1,234,533)	(1,234,172)	(1,235,556)	(1,234,516)	(1,235,114)	(1,234,187)	(1,234,741)	(1,234,613)	(1,234,754)	(1,235,057)	(1,234,415)
Proportionate Share of Cap. Reserve Refurbishment	(15,278)	(15,737)	(16,209)	(16,695)	(17,196)	(17,712)	(18,243)	(18,790)	(19,354)	(19,935)	(20,533)
Cash Flow	(68,212)	(68,212)	(68,212)	(68,212)	(68,212)	(68,212)	(68,212)	(68,212)	(68,212)	(68,212)	(68,212)
Cash Cost per Square Foot	(1,768,445)	(1,774,821)	(1,792,898)	(1,809,051)	(1,827,359)	(1,856,038)	(1,864,015)	(1,883,239)	(1,903,312)	(1,924,146)	(1,958,857)
Less Pro-Rata Principal Reduction	\$38.89	\$39.03	\$39.43	\$39.78	\$40.18	\$40.82	\$40.99	\$41.41	\$41.85	\$42.31	\$43.08
Adjusted Gross Occupancy Cost	<u>(\$10.23)</u>	<u>(\$10.76)</u>	<u>(\$11.35)</u>	<u>(\$11.93)</u>	<u>(\$12.57)</u>	<u>(\$13.21)</u>	<u>(\$13.91)</u>	<u>(\$14.64)</u>	<u>(\$15.41)</u>	<u>(\$16.23)</u>	<u>(\$17.06)</u>
	\$28.66	\$28.27	\$28.08	\$27.85	\$27.61	\$27.61	\$27.08	\$26.77	\$26.44	\$26.08	\$26.02

PURCHASE ANALYSIS
REGIONAL OFFICE CENTER
VALLEY METRO RAIL



Patti Boyd Gentry and Gee Gee Entz



	12 months to June, 2030	12 months to June, 2031	12 months to June, 2032	12 months to June, 2033	12 months to June, 2034	12 months to June, 2035	12 months to June, 2036	12 months to June, 2037	12 months to June, 2038	8 months June, 2039
Parking Income	84,000	84,000	84,000	84,000	84,000	84,000	84,000	84,000	84,000	56,000
Proportionate Share of Retail Cash Flow	39,781	40,975	42,204	43,470	25,832	46,117	47,501	48,926	50,394	33,596
Proportionate Share of Expense	(\$766,437)	(\$789,430)	(\$813,113)	(\$837,506)	(\$862,632)	(\$888,510)	(\$915,166)	(\$942,620)	(\$970,899)	(\$647,266)
Proportionate Share of Debt	(1,234,781)	(1,234,994)	(1,233,947)	(1,234,593)	(1,234,718)	(1,234,217)	(1,233,987)	(1,234,871)	176,879	0
Proportionate Share of Cap. Reserve	(21,149)	(21,783)	(22,437)	(23,110)	(23,804)	(24,518)	(25,253)	(26,011)	(26,791)	(27,595)
Refurbishment	(68,212)	(68,211)	(68,211)	(68,212)	(68,211)	(68,212)	(68,211)	(68,211)	(68,211)	(45,474)
Cash Flow	(1,966,798)	(1,989,443)	(2,011,504)	(2,035,951)	(2,079,533)	(2,085,340)	(2,111,116)	(2,138,787)	(754,628)	(630,739)
Cash Cost per Square Foot	\$43.25	\$43.75	\$44.23	\$44.77	\$45.73	\$45.86	\$46.42	\$47.03	\$16.59	\$13.87
Less Pro-Rata Principal Reduction	<u>(\$17.97)</u>	<u>(\$18.92)</u>	<u>(\$19.89)</u>	<u>(\$20.94)</u>	<u>(\$22.05)</u>	<u>(\$23.19)</u>	<u>(\$24.40)</u>	<u>(\$25.71)</u>	<u>(\$27.05)</u>	<u>\$0.00</u>
Adjusted Gross Occupancy Cost	\$25.28	\$24.83	\$24.34	\$23.83	\$23.68	\$22.67	\$22.02	\$21.32	<u>(\$10.46)</u>	\$13.87

**PURCHASE ANALYSIS
REGIONAL OFFICE CENTER
REGIONAL PUBLIC TRANSPORTATION AUTHORITY**



Financing Cost Allocation:	
Total Finance Cost of Purchase:	\$8,161,941
Total Finance Cost RPTA:	\$2,791,939

	12 months to June, 2020	12 months to June, 2021	12 months to June, 2022	12 months to June, 2023	12 months to June, 2024	12 months to June, 2025	12 months to June, 2026	12 months to June, 2027	12 months to June, 2028	12 months to June, 2029	12 months to June, 2030
Parking Income	147,000	147,000	147,000	147,000	147,000	147,000	147,000	147,000	147,000	147,000	147,000
Proportionate Share of Retail Cash Flow	51,868	53,424	55,026	56,677	38,463	60,129	61,933	63,791	65,704	42,782	69,706
Proportionate Share of Expense	(\$999,293)	(\$1,029,272)	(\$1,060,150)	(\$1,091,954)	(\$1,124,713)	(\$1,158,454)	(\$1,193,208)	(\$1,229,004)	(\$1,265,875)	(\$1,303,850)	(\$1,342,966)
Proportionate Share of Debt	(2,105,171)	(2,107,531)	(2,105,757)	(2,106,779)	(2,105,197)	(2,106,142)	(2,105,924)	(2,106,163)	(2,106,681)	(2,105,586)	(2,106,210)
Proportionate Share of Cap. Reserve	(27,574)	(28,401)	(29,253)	(30,131)	(31,035)	(31,966)	(32,925)	(33,913)	(34,930)	(35,978)	(37,058)
Refurbishment	(119,522)	(119,522)	(119,522)	(119,522)	(119,522)	(119,522)	(119,522)	(119,522)	(119,522)	(119,522)	(119,522)
Cash Flow	(3,052,692)	(3,084,302)	(3,112,656)	(3,144,709)	(3,195,004)	(3,208,955)	(3,242,646)	(3,277,811)	(3,314,304)	(3,375,154)	(3,389,050)
Cash Cost per Square Foot	\$38.31	\$38.71	\$39.06	\$39.47	\$40.10	\$40.27	\$40.70	\$41.14	\$41.59	\$42.36	\$42.53
Less Pro-Rata Principal Reduction	(\$10.47)	(\$11.05)	(\$11.61)	(\$12.23)	(\$12.85)	(\$13.54)	(\$14.25)	(\$15.00)	(\$15.79)	(\$16.61)	(\$17.49)
Adjusted Gross Occupancy Cost	\$27.84	\$27.66	\$27.45	\$27.24	\$27.25	\$26.73	\$26.45	\$26.14	\$25.80	\$25.75	\$25.04

**PURCHASE ANALYSIS
REGIONAL OFFICE CENTER
REGIONAL PUBLIC TRANSPORTATION AUTHORITY**



Patti Boyd Gentry and Gee Gee Entz



	12 months to June, 2031	12 months to June, 2032	12 months to June, 2033	12 months to June, 2034	12 months to June, 2035	12 months to June, 2036	12 months to June, 2037	12 months to June, 2038	8 months June, 2039
Parking Income	147,000	147,000	147,000	147,000	147,000	147,000	147,000	147,000	98,000
Proportionate Share of Retail Cash Flow	71,797	73,951	76,170	45,264	80,808	83,232	85,729	88,301	58,868
Proportionate Share of Expense	(\$1,383,256)	(\$1,424,753)	(\$1,467,495)	(\$1,511,521)	(\$1,556,866)	(\$1,603,572)	(\$1,651,679)	(\$1,701,229)	(\$1,134,153)
Proportionate Share of Debt	(2,106,574)	(2,104,787)	(2,105,890)	(2,106,103)	(2,105,249)	(2,104,855)	(2,106,364)	301,709	0
Proportionate Share of Cap. Reserve	(38,169)	(39,315)	(40,494)	(41,709)	(42,961)	(44,249)	(45,577)	(46,944)	(48,353)
Refurbishment	(119,521)	(119,521)	(119,522)	(119,521)	(119,522)	(119,521)	(119,521)	(119,521)	(79,681)
Cash Flow	(3,428,723)	(3,467,425)	(3,510,231)	(3,586,590)	(3,596,790)	(3,641,965)	(3,690,412)	(1,330,684)	(1,105,319)
Cash Cost per Square Foot	\$43.03	\$43.52	\$44.05	\$45.01	\$45.14	\$45.71	\$46.31	\$16.70	\$13.87
Less Pro-Rata Principal Reduction	<u>(\$18.41)</u>	<u>(\$19.36)</u>	<u>(\$20.39)</u>	<u>(\$21.46)</u>	<u>(\$22.58)</u>	<u>(\$23.76)</u>	<u>(\$25.02)</u>	<u>(\$26.33)</u>	<u>\$0.00</u>
Adjusted Gross Occupancy Cost	\$24.62	\$24.16	\$23.66	\$23.55	\$22.56	\$21.95	\$21.29	(\$9.63)	\$13.87

PURCHASE LEASE COST COMPARISON - YEARS 31 TO 40

Proposed Savings in years 31 to 40:		6.00%		For simplicity, all other projected income items are not taken into account for calculation of cost of ownership for years 31-40.				CONSOLIDATED	
Discount Rate									
		Ownership Costs			Leasing Costs 2% Annual Growth Rate Beg \$33/sq ft				
		**Refurbishment	Operating Expenses	Total	Base Rent	Exp. Pass-Through	Parking	Total	DIFFERENCE
		\$4,771,700	5,246,722	\$10,018,422	14,261,402	\$0	243,625	\$14,505,027	(\$4,486,605)
			5,404,124	\$5,404,124	14,546,630	\$143,091	243,625	\$14,933,346	(\$9,529,222)
			5,566,248	\$5,566,248	14,837,563	\$290,474	243,625	\$15,371,662	(\$9,805,414)
			5,733,235	\$5,733,235	15,134,314	\$442,280	243,625	\$15,820,219	(\$10,086,984)
			5,905,232	\$5,905,232	15,437,000	\$598,639	243,625	\$16,279,264	(\$10,374,032)
			6,082,389	\$6,082,389	15,745,740	\$759,689	267,988	\$16,773,417	(\$10,691,028)
			6,264,861	\$6,264,861	16,060,655	\$925,570	267,988	\$17,254,213	(\$10,989,352)
			6,452,807	\$6,452,807	16,381,868	\$1,096,428	267,988	\$17,746,284	(\$11,293,477)
			6,646,391	\$6,646,391	16,709,506	\$1,272,412	267,988	\$18,249,906	(\$11,603,515)
			6,845,783	\$6,845,783	17,043,696	\$1,453,675	267,988	\$18,765,359	(\$11,919,576)
	TOTAL 10-YEARS OF COSTS			\$64,919,492				\$165,698,695	(\$100,779,203)
		NET PRESENT VALUE		48,418,154	NET PRESENT VALUE		\$120,291,306	(\$71,873,152)	

Est Cost of Ownership vs Lease Beginning With Year 31-Refurbishment & Operating Expenses

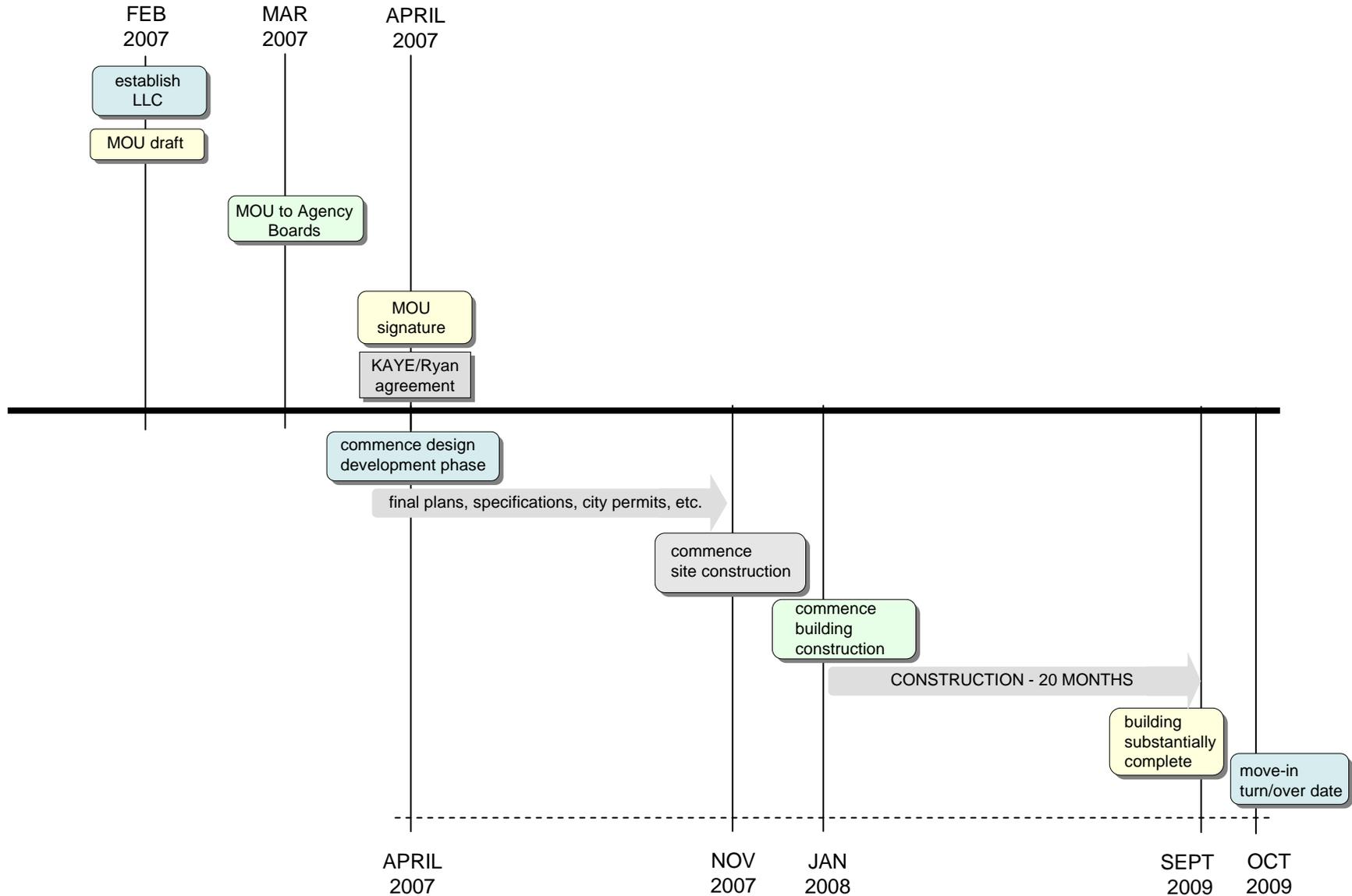
Owner Percent Allocation	45.75%			34.20%		20.05%		Total Purchase (under) over Lease
	MAG	RPTA	VMR					
Fiscal Year								
*2040 - Ownership	4,583,428	3,426,300	2,008,694			\$10,018,422		
2040 - Lease	6,636,050	4,960,719	2,908,258			\$14,505,027		
2040 - Lease vs Purchase (purchase - savings)	(2,052,622)	(1,534,419)	(899,564)			(\$4,486,605)		
2041 - Ownership	2,472,387	1,848,210	1,083,527			\$5,404,124		
2041 - Lease	6,832,006	5,107,204	2,994,136			\$14,933,346		
2041 - Lease vs Purchase (purchase savings)	(4,359,619)	(3,258,994)	(1,910,609)			(9,529,222)		
2042 - Ownership	2,546,558	1,903,657	1,116,033			\$5,566,248		
2042 - Lease	7,032,535	5,257,109	3,082,018			\$15,371,662		
2042 - Lease vs Purchase (purchase savings)	(4,485,977)	(3,353,452)	(1,965,985)			(9,805,414)		
2043 - Ownership	2,622,955	1,960,766	1,149,514			\$5,733,235		
2043 - Lease	7,237,750	5,410,515	3,171,954			\$15,820,219		
2043 - Lease vs Purchase (purchase savings)	(4,614,795)	(3,449,749)	(2,022,440)			(10,086,984)		
2044 - Ownership	2,701,644	2,019,589	1,183,999			\$5,905,232		
2044 - Lease	7,447,763	5,567,509	3,263,992			\$16,279,264		
2044 - Lease vs Purchase (purchase savings)	(4,746,119)	(3,547,920)	(2,079,993)			(10,374,032)		
2045 - Ownership	2,782,693	2,080,177	1,219,519			\$6,082,389		
2045 - Lease	7,673,838	5,736,509	3,363,070			\$16,773,417		
2045 - Lease vs Purchase (purchase savings)	(4,891,145)	(3,656,332)	(2,143,551)			(10,691,028)		
2046 - Ownership	2,866,174	2,142,582	1,256,105			\$6,264,861		
2046 - Lease	7,893,802	5,900,941	3,459,470			\$17,254,213		
2046 - Lease vs Purchase (purchase savings)	(5,027,628)	(3,758,359)	(2,203,365)			(10,989,352)		
2047 - Ownership	2,952,159	2,206,860	1,293,788			\$6,452,807		
2047 - Lease	8,118,925	6,069,229	3,558,130			\$17,746,284		
2047 - Lease vs Purchase (purchase savings)	(5,166,766)	(3,862,369)	(2,264,342)			(11,293,477)		
2048 - Ownership	3,040,724	2,273,066	1,332,601			\$6,646,391		
2048 - Lease	8,349,332	6,241,468	3,659,106			\$18,249,906		
2048 - Lease vs Purchase (purchase savings)	(5,308,608)	(3,968,402)	(2,326,505)			(11,603,515)		
2049 - Ownership	3,131,946	2,341,258	1,372,579			\$6,845,783		
2049 - Lease	8,585,152	6,417,753	3,762,454			\$18,765,359		
2049 - Lease vs Purchase (purchase savings)	(5,453,206)	(4,076,495)	(2,389,875)			(11,919,576)		
	MAG	RPTA	VMR			Total Purchase (under) over Lease		
Total Ownership Costs Over 10 Years After Purchase	29,700,668	22,202,465	13,016,359			\$64,919,492		
Total Lease Costs Over 10 Years After Purchase	75,807,153	56,668,956	33,222,588			\$165,698,697		
Total Cost Difference Purchase (less than) Lease	(46,106,485)	(34,466,491)	(20,206,229)			(100,779,205)		
Total Net Present Value of Cost- Purchase	\$22,151,305	\$16,559,009	\$9,707,840			\$48,418,154		
Total Net Present Value of Cost- Lease	\$55,033,272	\$41,139,627	\$24,118,407			\$120,291,306		
Total Net Present Value- Purchase (less than) Lease	(\$32,881,967)	(\$24,580,618)	(\$14,410,567)			(\$71,873,152)		

* refurbishment estimate for FY 2040 is \$4,771,700; this will be allocated among the owners in FY 2040.

** refurbishment estimate if \$20/sq ft

REGIONAL OFFICE CENTER PROJECT TIMELINE

EXHIBIT J



UPDATED
REGIONAL OFFICE CENTER (ROC)
PROPOSED TRANSACTION

OVERVIEW:

The Maricopa Association of Governments (MAG), Regional Public Transportation Authority (RPTA), and Valley Metro Rail (VMR) (each individually a “Party,” and collectively the “Parties”) intend to provide for the construction of a new facility (the “Regional Office Center” or “Building”) to include office space for each of the Parties, as well as meeting and other spaces that will meet the increasing needs of the Parties, their elected and appointed officials, and the public.

The Building and attendant infrastructure improvements (the “Improvements”) will be constructed by Ryan Companies on property owned by David Kaye and located on the northwest corner of First Avenue and West McKinley Street in Phoenix (the “Property”), pursuant to the terms of a Purchase Agreement, as further defined herein. When the Building and Improvements have been completed to the satisfaction of the Parties, and a certificate of occupancy has been issued by the City of Phoenix, the Building and the Property will be purchased for the benefit of the Parties, as more particularly set out herein.

PURCHASE AND FINANCING:

The Regional Office Center is expected to cost approximately \$86.9 million, and will be financed by the Phoenix Industrial Development Corporation (the “IDA”). In order to take advantage of IDA financing, the Building Development Finance Corporation, an existing Arizona non-profit corporation which is an IRC Section 501(c)(3) corporation (the “BDFC”), will, as the sole member, form a special-purpose Arizona limited liability company (the “Buyer LLC”). The Buyer LLC will borrow the funds to purchase the Building (including the Improvements) and the Property from the IDA, and will enter into a Purchase Agreement with Kaye/Ryan. The Purchase Agreement will provide that the Building and Improvements are to be delivered as a Design-Build project and in accordance with plans and specifications incorporated into the Purchase Agreement. The IDA will provide financing for the Purchase through Industrial Revenue Bonds.

The Buyer LLC, as Lessor, will enter into leases with MAG, RPTA and VMR as Lessees, for their respective spaces in the Building. The Buyer LLC will grant a first-lien deed of trust on the Building and the Property to the IDA as security for the loan.

DESIGN AND CONSTRUCTION:

Kaye/Ryan will, pursuant to the Purchase Agreement, develop design and construction documents, secure building permits, demolish existing improvements on the Property, construct the Building and Improvements, and take all additional acts necessary to satisfy the terms of the Purchase Agreement.

THE MOU:

The Building and Improvements, including the offices, conference center, parking structure and other common areas will be designed, constructed and managed under the supervision and control of MAG, pursuant to a Memorandum of Understanding between the IDA, the Buyer LLC, and MAG (the "MOU"). The MOU will also provide for the disposition of revenues from parking and retail and sub-leased space. The investment banking institution's commitment to the IDA to sell the bonds, and the Leases, will be attached to the MOU as exhibits.

MAG will be advised in matters related to the ROC by an Advisory Panel comprised of representatives of each of the Parties. MAG may choose to retain the services of a professional building management company for building management purposes.

THE LEASES:

As noted above, the Buyer LLC will enter into Leases with each of the Parties. The Lease provisions will include, but not be limited to:

1. Identification of limited, clearly identifiable sources of revenue for each of the Parties:
 - a. MAG – Federal Highway funds, sales taxes (portion assigned to administrative expenses), local unrestricted contributions
 - b. RPTA – Federal Transit funds, sales taxes (portion assigned to administrative expenses), and unrestricted PTF.
 - c. VMR – local cost share funds
 - d. AMWUA – local contributions
2. Lease with option to purchase for \$1.00 at end of 30-year lease (bond) term.
3. Rents to cover loan payments and building overhead.

4. Detail responsibilities regarding common spaces, identify shared costs, provide for operation and maintenance of the Building and the Property, and provide appropriate breach of lease, insurance, and other appropriate terms.
5. Agreement of the Buyer LLC that at end of lease term, if any of the Parties wishes to exercise the option to purchase its leased premises, the Buyer LLC will take all of the acts necessary to create a condominium at the Parties' sole cost, and to create a property owners association.
6. Conference center, lobby, etc. become "common area" managed by MAG pursuant to an agreement with the Buyer LLC.

DELIVERY OF PROJECT TO BUYER LLC:

Upon completion of the construction per previously agreed to plans and specifications, the Buyer LLC closes the loan with the Phoenix IDA and disburses payment to Kaye/Ryan.

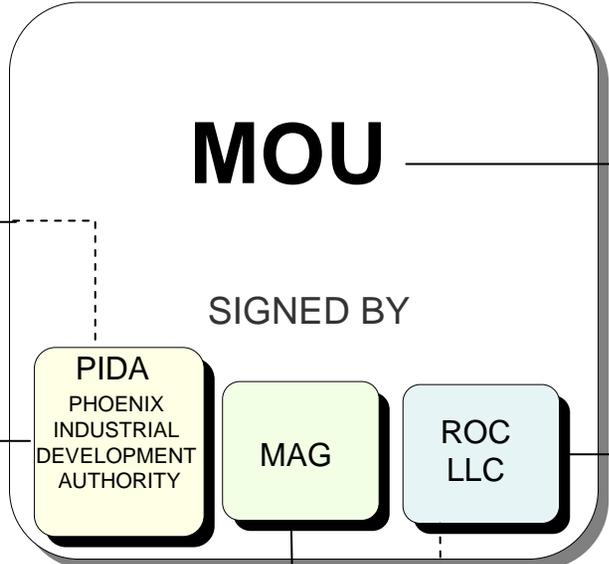
MAG USES **BDFC** - AN EXISTING **501(C) (3)** TO CREATE AN **LLC (SPE)** AS A VEHICLE TO FACILITATE PROCESS OF SECURING TAX-EXEMPT FINANCING

501 (C)3
ROC
REGIONAL
OFFICE
CENTER
LLC

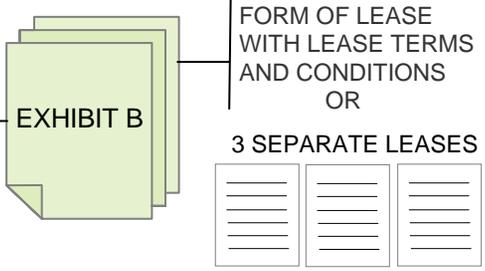
3 WEEKS

INVESTMENT BANKING INSTITUTION'S COMMITMENT TO THE PIDA

EXHIBIT A



PROVIDES A COMBINATION OF TAX-EXEMPT AND TAXABLE FINANCING THROUGH INDUSTRIAL REVENUE BONDS



5 WEEKS

- THE 501 (c) (3) IS THE SOLE MEMBER OF THE LLC
- LLC OWNS THE BUILDING AND LEASES (WITH OPTION TO PURCHASE) IT TO THE PARTNERING AGENCIES
- EACH PARTNERING AGENCY WILL PROVIDE FINANCIAL STATEMENTS TO ASSURE INVESTORS OF THEIR ABILITY TO FUND LEASES

MOU SIGNATURE
APRIL 12 2007

PIDA WILL BE THE ASSURANCE TO THE DEVELOPER THAT THE PARTNER AGENCIES HAVE THE FINANCIAL BACKING

THIS, TOGETHER WITH THE LEASES WILL ALLOW MAG THE MANAGING AGENT TO SIGN A NEW AGREEMENT WITH KAYE/RYAN TO CONTINUE THE DEVELOPMENT PROCESS INCLUDING ADDITIONAL DESIGN AND PRECONSTRUCTION SERVICES

- LLC CONTRACTS WITH MAG AS MANAGING AGENT TO CONTROL
- DESIGN
 - DEVELOPMENT
 - MANAGEMENT (WITH ADVISORY PANEL)

MAG HIRES A PROFESSIONAL BUILDING MANAGEMENT COMPANY

LLC SIGNS A PURCHASE AGREEMENT WITH KAYE/RYAN THIS WILL PROVIDE THE DEVELOPER THE ABILITY TO FINANCE CONSTRUCTION



CLASS A OFFICE SPACE FOR LEASE



OSBORN RD

THOMAS RD

OAK ST

CLASS B OFFICE SPACE FOR LEASE



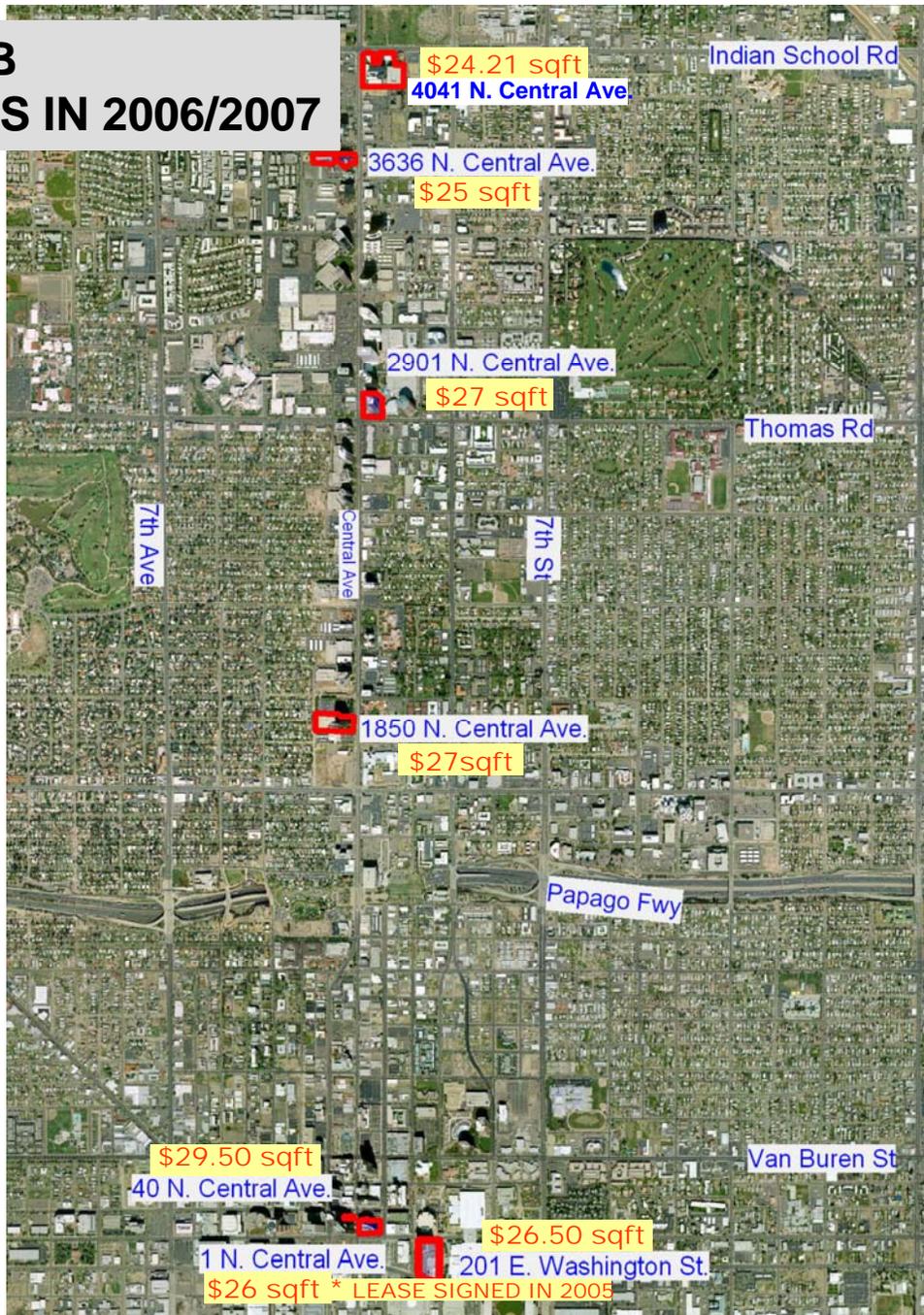
INDIAN SCHOOL RD

OSBORN RD

THOMAS RD

VIRGINIA AVE

CLASS A AND B SIGNED LEASES IN 2006/2007



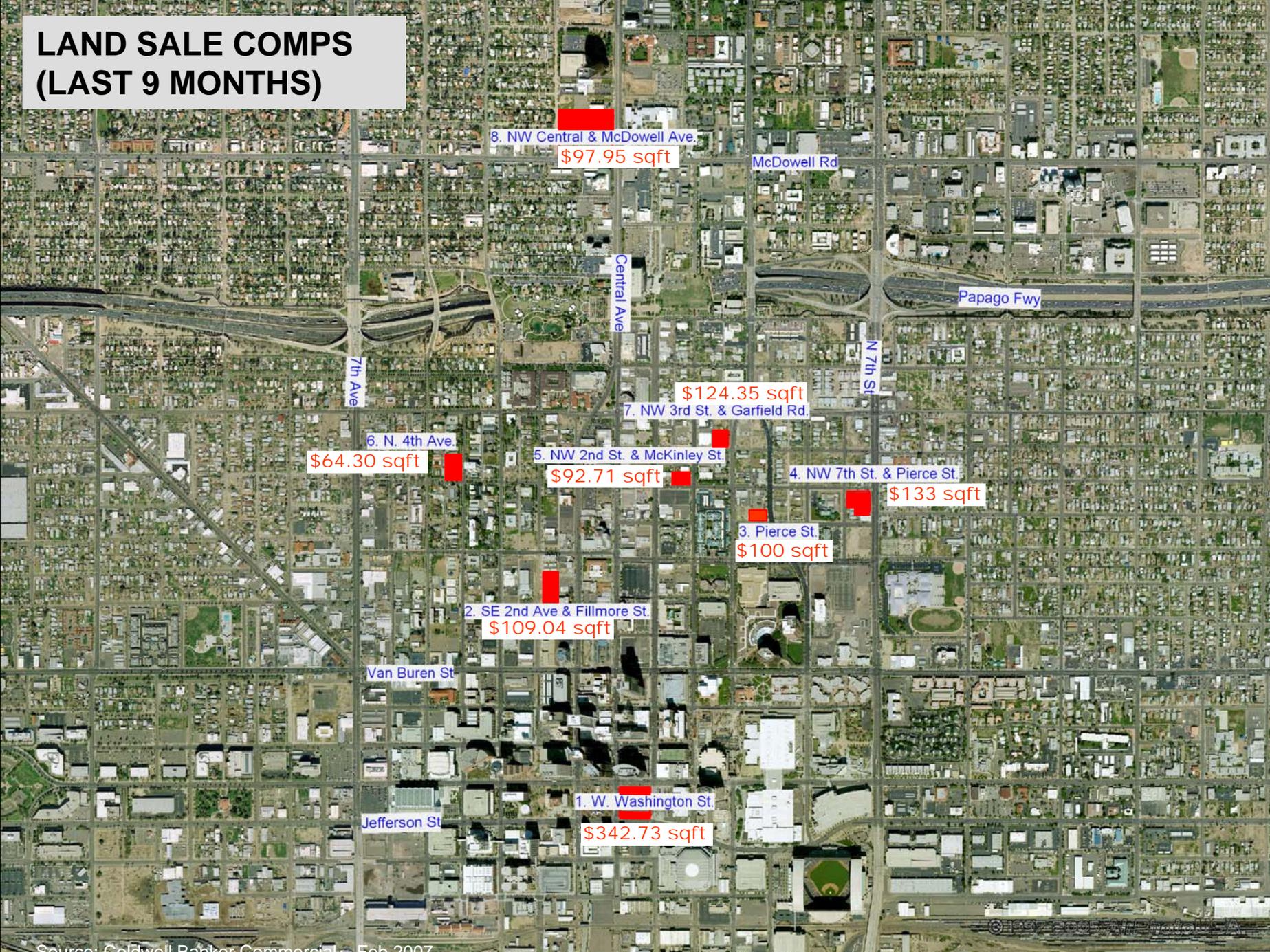
INDIAN SCHOOL RD

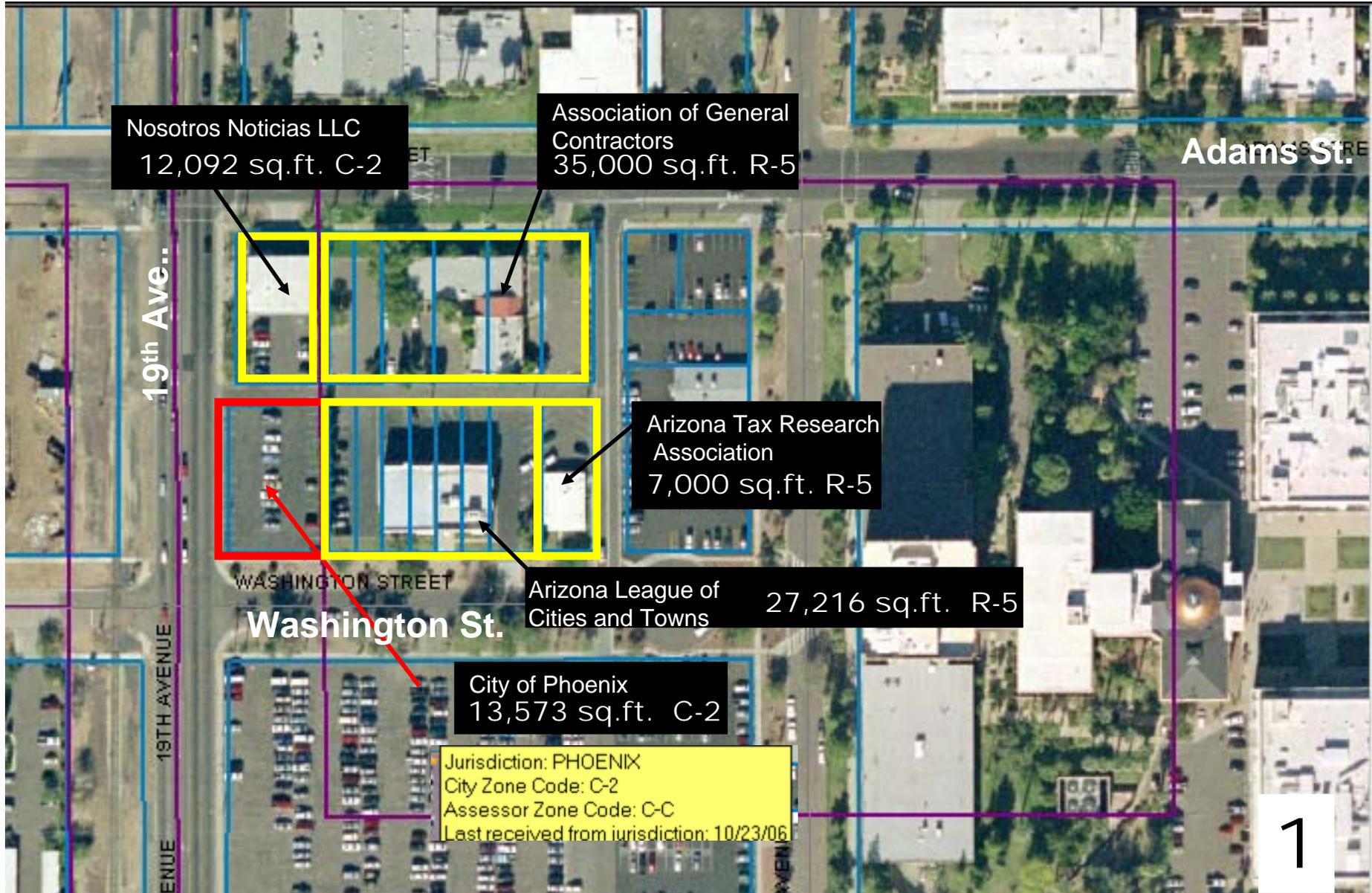
THOMAS RD

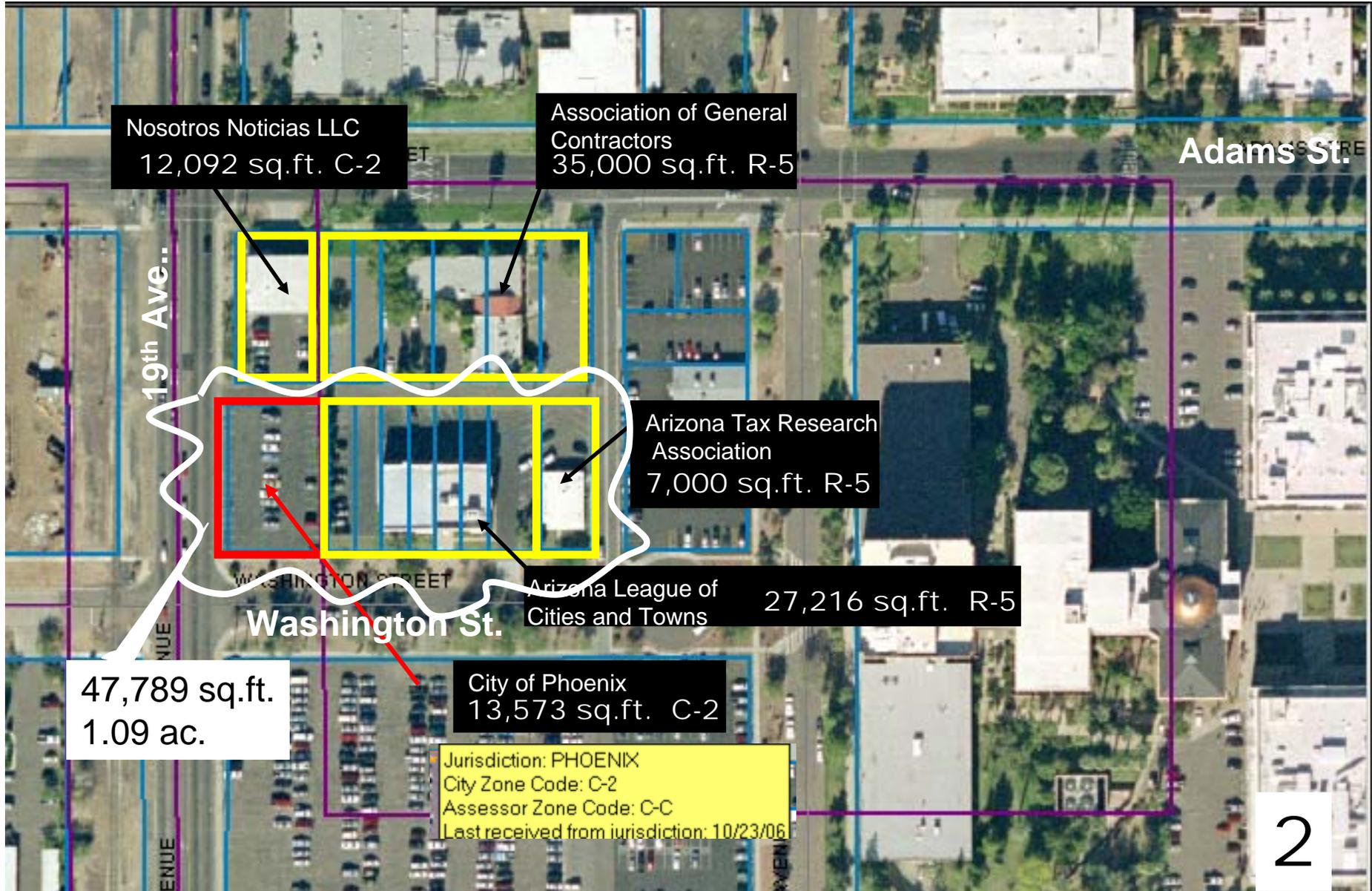
MC DOWELL RD

VAN BUREN ST

LAND SALE COMPS (LAST 9 MONTHS)









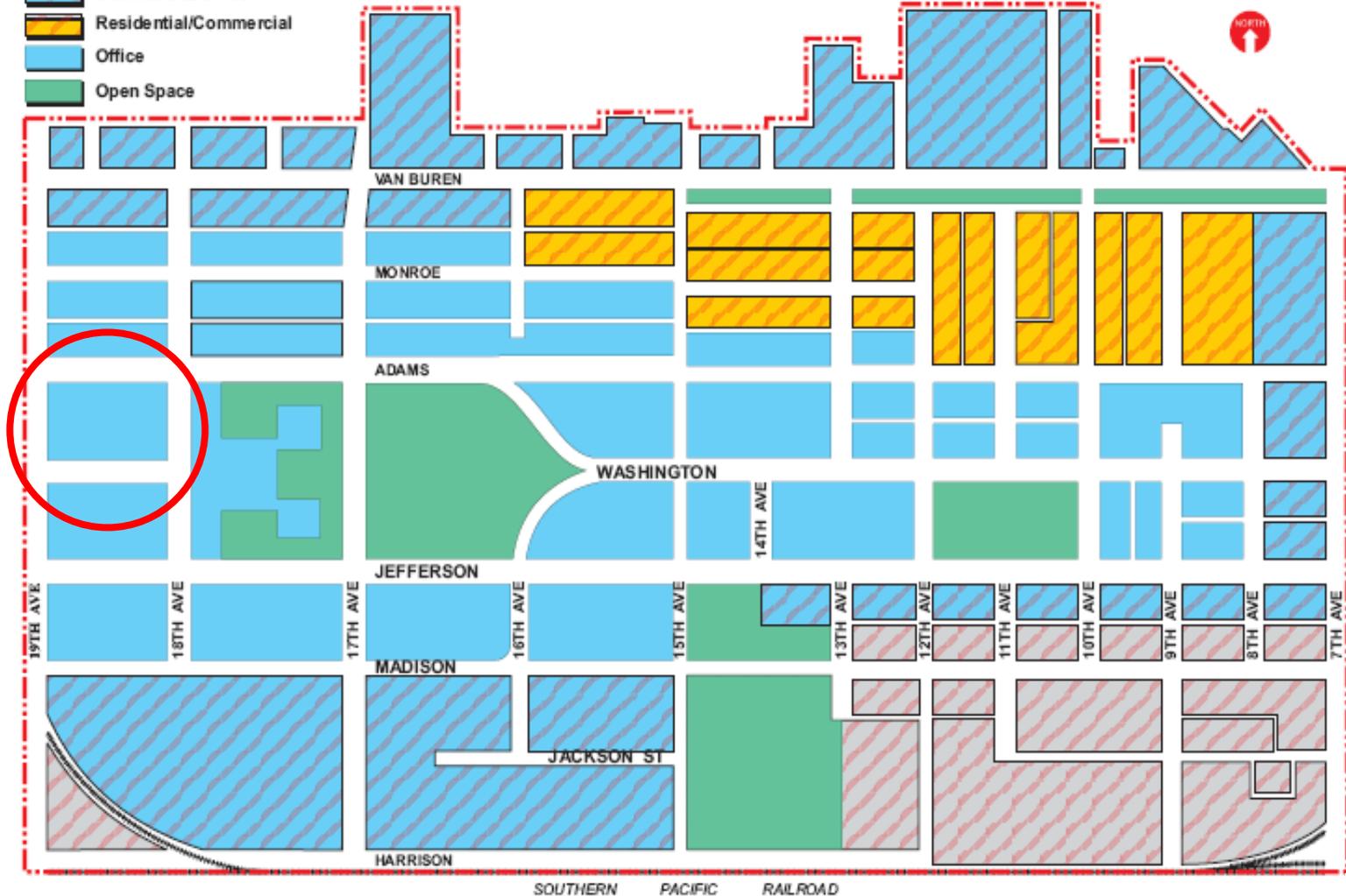
Capitol District Development Guidelines

Proposed Uses

*Other uses may be permitted per City of Phoenix zoning

-  Commercial/Industrial
-  Commercial/Office
-  Residential/Commercial
-  Office
-  Open Space

Map 4 - Land Use Plan



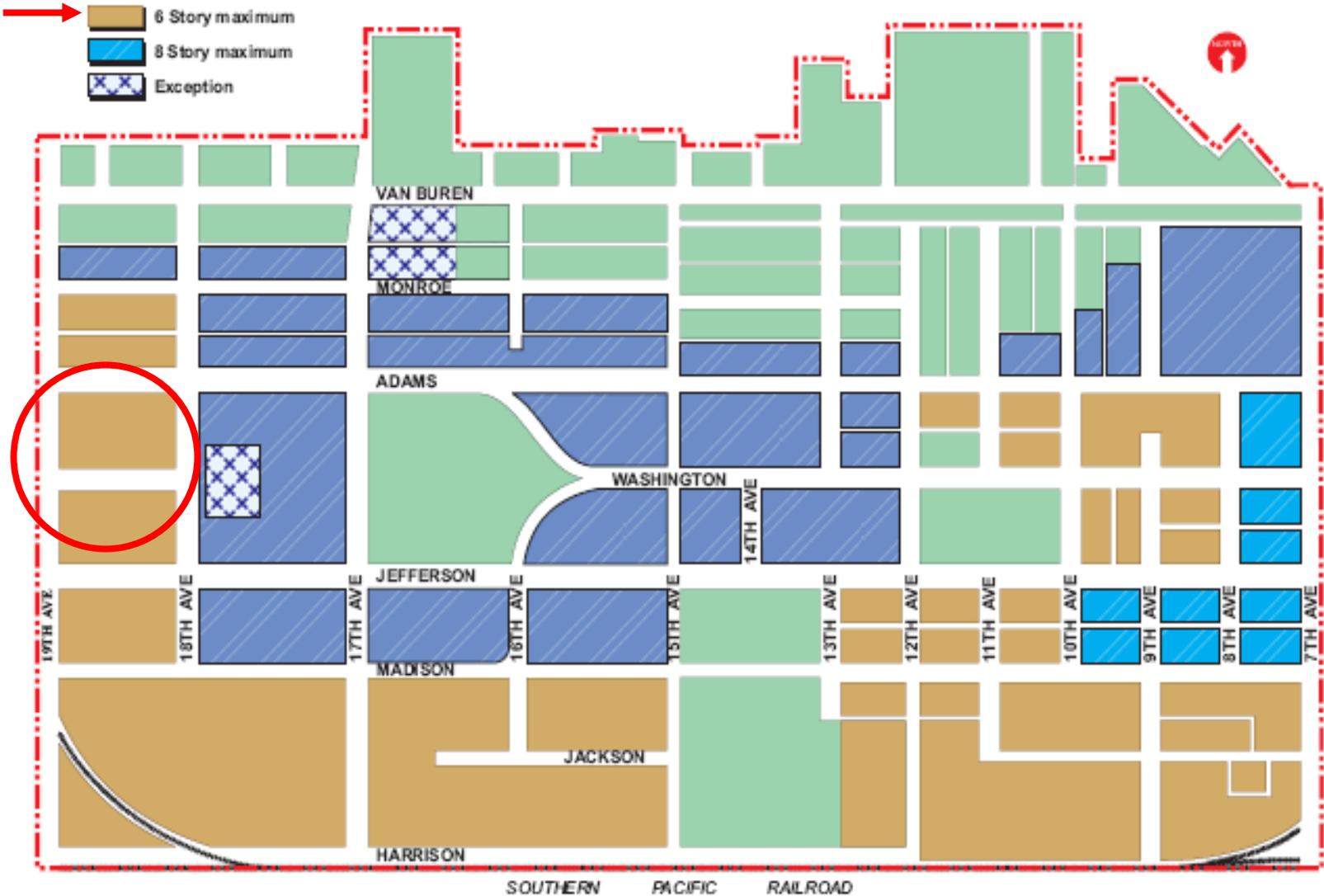
LEGISLATIVE GOVERNMENTAL MALL COMMISSION

The Governmental Mall Commission was established by the Legislature in 1985 in order to develop and main comprehensive long-range plan for the development of the Governmental Mall area. The Commission is com of representatives from State, County and City government as well as from the general public.

Capitol District Development Guidelines

-  2 Story maximum
-  4 Story maximum
-  6 Story maximum
-  8 Story maximum
-  Exception

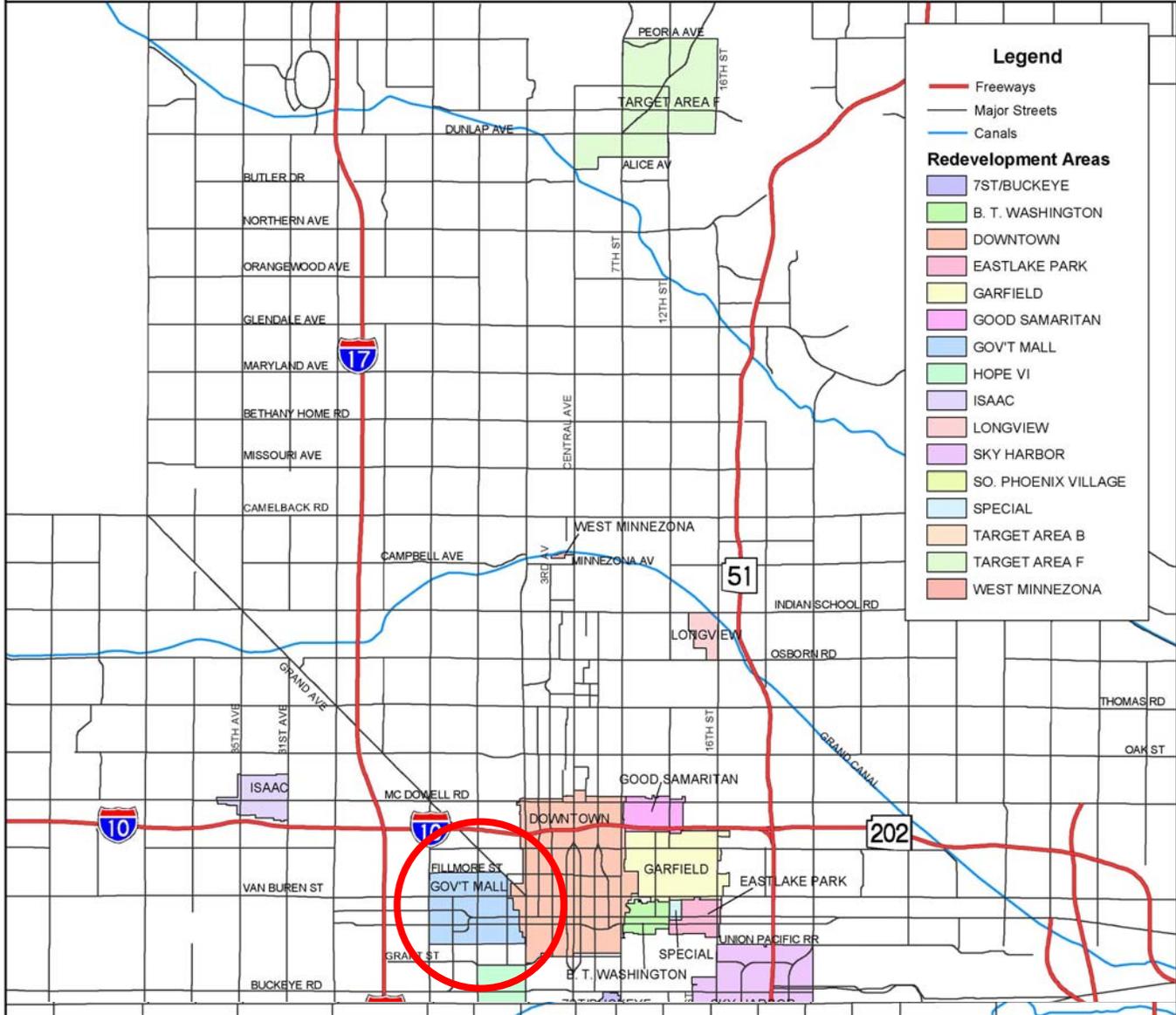
Map 6 - Building Height Plan



LEGISLATIVE GOVERNMENTAL MALL COMMISSION

The Governmental Mall Commission was established by the Legislature in 1985 in order to develop and main comprehensive long-range plan for the development of the Governmental Mall area. The Commission is comp of representatives from State, County and City government as well as from the general public.

Redevelopment Areas



Legend

- Freeways
- Major Streets
- Canals

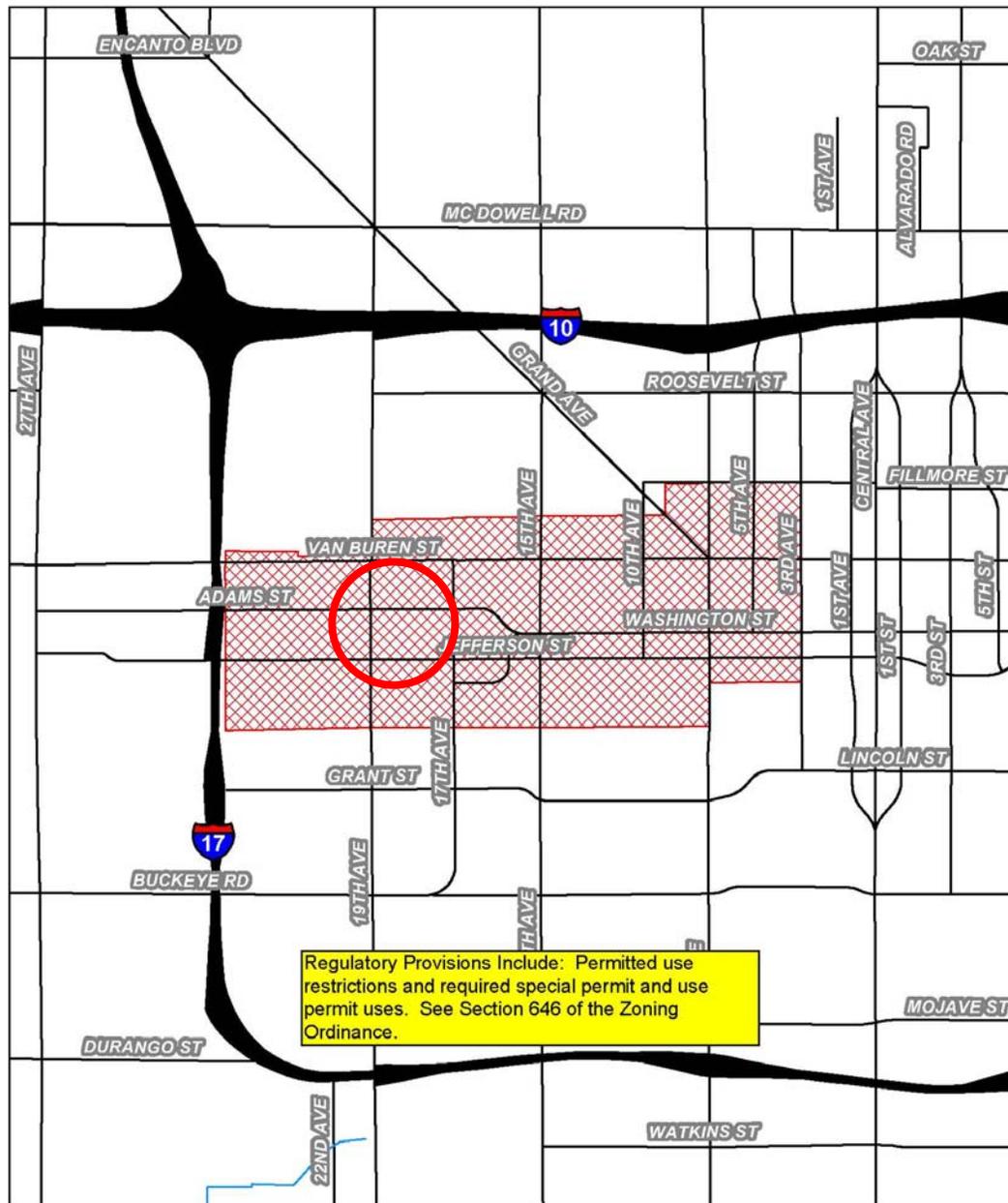
Redevelopment Areas

- 7ST/BUCKEYE
- B. T. WASHINGTON
- DOWNTOWN
- EASTLAKE PARK
- GARFIELD
- GOOD SAMARITAN
- GOV'T MALL
- HOPE VI
- ISAAC
- LONGVIEW
- SKY HARBOR
- SO. PHOENIX VILLAGE
- SPECIAL
- TARGET AREA B
- TARGET AREA F
- WEST MINNEZONA

May 2003
 0 1.5 Miles

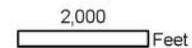
Neighborhood Services Department





Capitol Mall Overlay District

For more information -
Call the City of Phoenix Planning Department
(602) 262-7131



Capitol Mall Centennial Plan - Not a regulatory plan (for reference only)

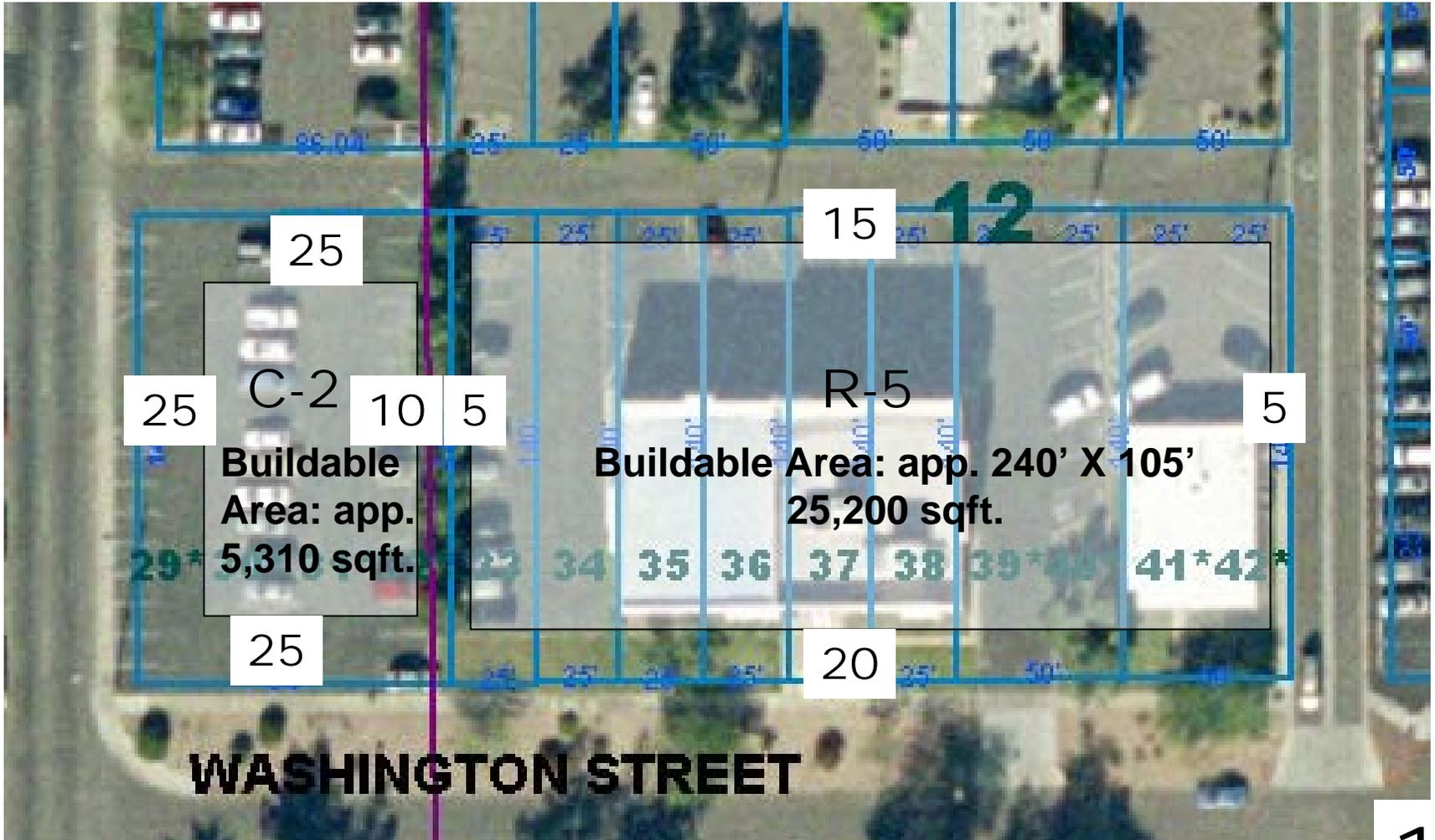


3 Park and Ride parking structure connected to new bus transit depot

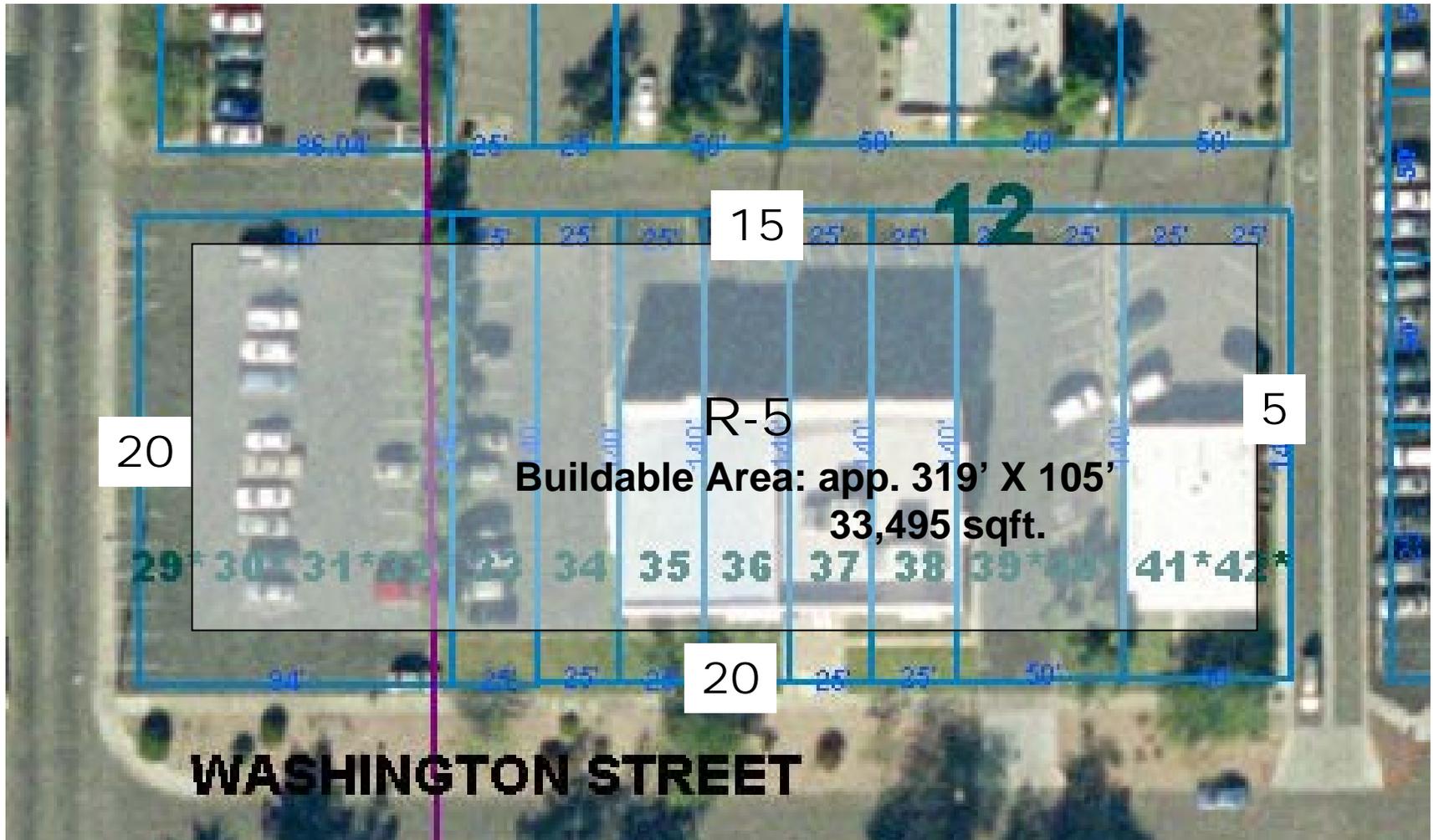
Required District setbacks without a rezoning



Required District setbacks
without a rezoning



Required District setbacks
rezoning the assembly to R-5



Required District setbacks
rezoning the assembly to R-5



MARICOPA ASSOCIATION OF GOVERNMENTS

INFORMATION SUMMARY... for your review

DATE:

March 20, 2007

SUBJECT:

Discussion of the Draft FY 2008 MAG Unified Planning Work Program and Annual Budget and Expenditures and Projects in the MAG Unified Planning Work Program and Annual Budget

SUMMARY:

Each year staff develops the MAG Unified Planning Work Program and Annual Budget. The Work Program is reviewed in April by the federal agencies and approved by the Regional Council in May. The proposed budget information is being presented incrementally in parallel with the development of the budget information (see Prior Committee Actions below for the presentation timeline of the budget). This presentation and review of the FY 2008 MAG Unified Planning Work Program and Annual Budget represent the budget document development to-date.

The MAG Regional Council Executive Committee reviewed the development of the Work Program at its January 8 and March 19, 2007 meetings. The Regional Council and the Management Committee reviewed the development of the Work Program and Annual Budget at its meetings in January and February 2007. In March, the updated draft MAG Unified Planning Work Program and Annual Budget was provided to the Management Committee.

Each year new projects are proposed for inclusion in the MAG planning efforts. These new project proposals come from the various MAG technical committees, policy committees and other discussions with members and stakeholders regarding joint efforts within the region. These projects are subject to review and input by the committees as they go through the budget process. The proposed new projects for FY 2008 were presented at the February 14, 2007 Management Committee meeting, the February 28, 2007 Regional Council meeting, and the March 19, 2007 Regional Council Executive Committee meeting.

A transportation project titled, "Performance Measurement Framework Study," has been added to new project requests and an updated proposed project list is included in this material. As part of the Proposition enabling legislation, a statutory requirement was added that requires the Arizona Auditor General to contract with a nationally recognized independent auditor, beginning in 2010 and every five years thereafter, to conduct a performance audit of the regional transportation plan and projects scheduled for funding during the next five years. The Performance Measurement Framework Study is to establish a set of performance factors, and measures that can be consistently applied across transportation modes and communicated to decision makers, stakeholders and to the public on a periodic basis. These measures shall serve as the basis for the monitoring and reporting on the progress and performance outcomes of all projects included in the Regional Transportation Plan, and shall also serve as an analytical tool to compare system performance in future scenarios.

The estimated budget for MAG shows a slight decrease from last year. This overall decrease is, in part, due to three projects in this fiscal year that are either ending or near completion. Two projects are ending during FY 2007, the 2005 Census Survey which was budgeted for \$278,184, and the Regional Videoconferencing Project which was budgeted for \$306,546. The Community Emergency Notification System (CENS) project is funded by a trust fund administered by the Arizona Department of Environmental Quality. This trust fund is projected to be depleted in the third quarter of FY 2008. The amount remaining for this project is \$342,000 and will be carried forward.

The annual performance evaluation is the only salary increase in place for MAG staff. Each MAG staff has an annual performance evaluation in June and based on the evaluation, salary increases that average up to five percent may be awarded. Additional overhead costs for other items such as postage, supplies, etc. are not projected for FY 2008. Projected capital outlays for FY 2008 are estimated to increase by about \$61,000 to approximately \$294,000 from last year mostly due to the cyclical replacement schedule and upgrade for computer hardware equipment related to computer backups. A capital request for a MAG van is budgeted at \$20,000. This van will be used by MAG staff for conducting MAG business and will also be used to securely transport the MAG video equipment to remote locations.

One new staff position is being requested for FY 2008. The position request is for a Computer Support Technician I to assist in maintaining the internal computer operations at MAG.

In addition to the detailed MAG Unified Planning Work Program and Annual Budget, a summary budget document, "MAG Programs in Brief," is being produced that will allow our members to quickly decipher the financial implications of the MAG budget. The summary budget highlights the changes from the prior year budget in a summarized form. The summary document also includes a list of new projects with summary narrative, the new staff position request, and the budgeted resources needed to implement these items.

Information for this presentation of the draft budget documents is included for your early review and input. Enclosed for your information are the draft of the "MAG Programs in Brief" and the detailed draft of the FY 2008 MAG Unified Planning Work Program and Annual Budget.

The information is considered draft and is subject to change as the budget continues through the review process.

The draft of the FY 2008 MAG Unified Planning Work Program and Annual Budget portions of the financial summary pages, narrative by division and associated table boxes, and some portions of the budget appendix, including dues and assessments, summary of budgeted positions, time estimates by position and program, consultant pages for new and carryforward consultants, and program allocations and funding sources are included.

The draft budget also has information on the MAG region as a Transportation Management Area and as a Metropolitan Planning Organization. MAG is required (by Federal regulations 23 CFR 450.314) to describe all of the regional transportation-related activities within the planning area, regardless of funding sources or agencies conducting activities. The region's transportation planning procedures and the transit procedures for cooperative planning for the region are included in the budget appendix.

PUBLIC INPUT:

None.

PROS & CONS:

PROS: In January and February proposed new projects, estimated revenues and expenditures, and dues and assessments were reviewed. MAG is presenting a draft summary for the FY 2008 budget document, "MAG Programs in Brief." The format for this document is included for continuous review. The budget summary will allow our members to quickly decipher the financial implications of the MAG budget.

CONS: None.

TECHNICAL & POLICY IMPLICATIONS:

TECHNICAL: The Federal Intermodal Surface Transportation Efficiency Act of 1991 requires a metropolitan planning organization to develop a unified planning work program that meets the requirements of federal law. Additionally, the MAG by-laws require approval and adoption of a budget for each fiscal year and a service charge schedule.

POLICY: As requested by the MAG Executive Committee and subsequently approved by the Regional Council in May 2002, the MAG Work Program and Annual Budget detail is being presented earlier to the Management Committee and there is increased notice to members on the budget. MAG is providing a

budget summary that outlines new programs and presents the necessary resources to implement these programs. This summary allows member agencies to quickly decipher the financial implications of such programs prior to their approval for implementation.

ACTION NEEDED:

Input on the development of the FY 2008 MAG Unified Planning Work Program and Annual Budget.

PRIOR COMMITTEE ACTIONS:

Executive Committee: On March 19, 2007, the Executive Committee was provided the draft FY 2008 MAG Unified Planning Work Program and Annual Budget.

MEMBERS ATTENDING

Mayor James M. Cavanaugh, Goodyear, Chair	Mayor Keno Hawker, Mesa
Mayor Mary Manross, Scottsdale, Vice Chair	Mayor Thomas L. Schoaf, Litchfield Park
# Mayor Joan Shafer, Surprise, Treasurer	Councilmember Peggy Neely, Phoenix
Mayor Steven M. Berman, Gilbert	

* Not present
Participated by videoconference or telephone conference call.

Management Committee: The March 14, 2007 Management Committee agenda included the draft FY 2008 MAG Unified Planning Work Program and Annual Budget.

MEMBERS ATTENDING

Ed Beasley, Glendale, Chair	* Mark Johnson, Guadalupe
Brad Lundahl for Jan Dolan, Scottsdale, Vice Chair	Darryl Crossman, Litchfield Park
# Bryant Powell for George Hoffman, Apache Junction	Christopher Brady, Mesa
Charlie McClendon, Avondale	Tom Martinsen, Paradise Valley
Dave Wilcox, Buckeye	Terry Ellis, Peoria
* Jon Pearson, Carefree	Frank Fairbanks, Phoenix
* Usama Abujbarah, Cave Creek	Mark Young for John Kross, Queen Creek
Mark Pentz, Chandler	* Bryan Meyers, Salt River Pima-Maricopa Indian Community
* B.J. Cornwall, El Mirage	Sintra Hoffman for Jim Rumpeltes, Surprise
Alfonso Rodriguez for Orlando Moreno, Fort McDowell Yavapai Nation	# Amber Wakeman for Will Manley, Tempe
# Tim Pickering, Fountain Hills	* Reyes Medrano, Tolleson
* Lynn Farmer, Gila Bend	Shane Dille, Wickenburg
Joseph Manuel, Gila River Indian Community	Lloyce Robinson, Youngtown
George Pettit, Gilbert	Dale Buskirk for Victor Mendez, ADOT
* Stephen Cleveland, Goodyear	Kenny Harris for David Smith, Maricopa County
	David Boggs, Valley Metro/RPTA

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

On February 28, 2007, the MAG Regional Council was provided a proposed budget timeline, proposed dues and assessments, projected funding sources and uses, a draft "MAG Programs In Brief," and a detailed listing of proposed new projects for FY 2008.

MEMBERS ATTENDING

Mayor James M. Cavanaugh, Goodyear, Chair
Mayor Mary Manross, Scottsdale,
Vice Chair
+ Councilmember Dave Waldron for
Mayor Douglas Coleman, Apache Junction
Mayor Marie Lopez Rogers, Avondale
Mayor Bobby Bryant, Buckeye
* Mayor Edward Morgan, Carefree
Vice Mayor Dick Esser, Cave Creek
Mayor Boyd Dunn, Chandler
* Mayor Fred Waterman, El Mirage
President Raphael Bear, Fort McDowell
Yavapai Nation
Mayor Wally Nichols, Fountain Hills
Mayor Daniel Birchfield, Gila Bend
* Governor William Rhodes, Gila River Indian
Community
Mayor Steven Berman, Gilbert
Mayor Elaine Scruggs, Glendale
* Mayor Bernadette Jimenez, Guadalupe

Mayor Thomas Schoaf, Litchfield Park
* Supervisor Don Stapley, Maricopa County
Mayor Keno Hawker, Mesa
Mayor Ed Winkler, Paradise Valley
Mayor Bob Barrett, Peoria
* Councilmember Peggy Neely, Phoenix
Mayor Art Sanders, Queen Creek
* President Joni Ramos, Salt River
Pima-Maricopa Indian Community
Councilmember Cliff Elkins for Mayor
Joan Shafer, Surprise
Mayor Hugh Hallman, Tempe
* Mayor Adolfo Gamez, Tolleson
* Mayor Ron Badowski, Wickenburg
Mayor Michael LeVault, Youngtown
* Joe Lane, State Transportation Board
* Felipe Zubia, State Transportation Board
F. Rockne Arnett, Citizens Transportation
Oversight Committee

* Those members neither present nor represented by proxy.

Attended by telephone conference call. + Attended by videoconference call.

Management Committee: On February 14, 2007, the Management Committee was provided a proposed budget timeline, proposed dues and assessments, projected funding sources and uses, a draft "MAG Programs In Brief," a detailed listing of proposed new projects for FY 2008 and an invitation for the videoconference Budget Workshop.

MEMBERS ATTENDING

Ed Beasley, Glendale, Chair
Jan Dolan, Scottsdale, Vice Chair
George Hoffman, Apache Junction
Rogene Hill for Charlie McClendon,
Avondale
Dave Wilcox, Buckeye
Jon Pearson, Carefree
* Usama Abujbarah, Cave Creek
Mark Pentz, Chandler
B.J. Cornwall, El Mirage
Alfonso Rodriguez for Orlando Moreno,
Fort McDowell Yavapai Nation
Tim Pickering, Fountain Hills
* Lynn Farmer, Gila Bend
* Joseph Manuel, Gila River Indian Community
George Pettit, Gilbert
Stephen Cleveland, Goodyear
Mark Johnson, Guadalupe

Darryl Crossman, Litchfield Park
Christopher Brady, Mesa
* Tom Martinsen, Paradise Valley
Terry Ellis, Peoria
Frank Fairbanks, Phoenix
John Kross, Queen Creek
* Bryan Meyers, Salt River Pima-Maricopa
Indian Community
Doug Sandstrom for Jim Rumpeltes,
Surprise
Will Manley, Tempe
Reyes Medrano, Tolleson
Shane Dille, Wickenburg
Lloyce Robinson, Youngtown
Dale Buskirk for Victor Mendez, ADOT
Kenny Harris for David Smith,
Maricopa County
David Boggs, Valley Metro/RPTA

* Those members neither present nor represented by proxy.

Participated by telephone conference call. + Participated by videoconference call.

On January 31, 2007, MAG Regional Council was provided a proposed budget timeline and proposed dues and assessments.

MEMBERS ATTENDING

Mayor James M. Cavanaugh, Goodyear,
Chair
Mayor Mary Manross, Scottsdale, Vice Chair
+ Councilmember Dave Waldron for
Mayor Douglas Coleman, Apache Junction
Mayor Marie Lopez Rogers, Avondale
Mayor Bobby Bryant, Buckeye
Mayor Edward Morgan, Carefree
Vice Mayor Dick Esser, Cave Creek
Mayor Boyd Dunn, Chandler
* Mayor Fred Waterman, El Mirage
* President Raphael Bear, Fort McDowell
Yavapai Nation
Mayor Wally Nichols, Fountain Hills
* Mayor Daniel Birchfield, Gila Bend
* Governor William Rhodes, Gila River Indian
Community
Mayor Steven Berman, Gilbert
* Mayor Elaine Scruggs, Glendale
* Mayor Bernadette Jimenez, Guadalupe

Mayor Thomas Schoaf, Litchfield Park
* Supervisor Don Stapley, Maricopa County
Vice Mayor Claudia Walters for Mayor
Keno Hawker, Mesa
Councilmember Brian Cooney for Mayor
Ed Winkler, Paradise Valley
Mayor Bob Barrett, Peoria
Councilmember Peggy Neely, Phoenix
Mayor Art Sanders, Queen Creek
* President Joni Ramos, Salt River
Pima-Maricopa Indian Community
* Mayor Joan Shafer, Surprise
Mayor Hugh Hallman, Tempe
* Mayor Adolfo Gamez, Tolleson
* Mayor Ron Badowski, Wickenburg
Mayor Michael LeVault, Youngtown
Joe Lane, State Transportation Board
* Felipe Zubia, State Transportation Board
F. Rockne Arnett, Citizens Transportation
Oversight Committee

* Those members neither present nor represented by proxy.

Attended by telephone conference call. + Attended by videoconference call.

On January 10, 2007, the Management Committee was provided a proposed budget timeline and proposed dues and assessments.

MEMBERS ATTENDING

Ed Beasley, Glendale, Chair
Jan Dolan, Scottsdale, Vice Chair
* George Hoffman, Apache Junction
Charlie McClendon, Avondale
Dave Wilcox, Buckeye
* Jon Pearson, Carefree
Wayne Anderson for Usama Abujbarah,
Cave Creek
Mark Pentz, Chandler
* B.J. Cornwall, El Mirage
Alfonso Rodriguez for Orlando Moreno,
Fort McDowell Yavapai Nation
Tim Pickering, Fountain Hills
Lynn Farmer, Gila Bend
Joseph Manuel, Gila River Indian Community
George Pettit, Gilbert
Stephen Cleveland, Goodyear
Mark Johnson, Guadalupe

Mike Cartsonis for Darryl Crossman,
Litchfield Park
Christopher Brady, Mesa
Tom Martinsen, Paradise Valley
Terry Ellis, Peoria
Frank Fairbanks, Phoenix
John Kross, Queen Creek
* Bryan Meyers, Salt River
Pima-Maricopa Indian Community
Jim Rumpeltes, Surprise
Will Manley, Tempe
* Reyes Medrano, Tolleson
Shane Dille, Wickenburg
Lloyce Robinson, Youngtown
Dale Buskirk for Victor Mendez, ADOT
David Smith, Maricopa County
Bryan Jungwirth for David Boggs,
Valley Metro/RPTA

* Those members neither present nor represented by proxy.

Participated by telephone conference call. + Participated by videoconference call.

On January 8, 2007, the MAG Regional Council Executive Committee was provided a proposed budget timeline and proposed dues and assessments.

MEMBERS ATTENDING

Mayor James M. Cavanaugh, Goodyear, Chair
* Mayor Mary Manross, Scottsdale, Vice Chair
Mayor Joan Shafer, Surprise, Treasurer
Mayor Steven M. Berman, Gilbert

Mayor Keno Hawker, Mesa
Mayor Thomas L. Schoaf, Litchfield Park
Councilmember Peggy Neely, Phoenix

* Not present

Participated by videoconference or telephone conference call.

CONTACT PERSON:

Rebecca Kimbrough, MAG Fiscal Services Manager, (602) 452-5051