

August 14, 2007

TO: Members of the Transportation Policy Committee

FROM: Councilmember Peggy Bilsten, Phoenix, Chair

SUBJECT: NOTIFICATION OF MEETING AND TRANSMITTAL OF TENTATIVE AGENDA

Meeting - 4:00 p.m.  
Monday, August 20, 2007  
MAG Office, Suite 200 - Saguaro Room  
302 N. First Avenue, Phoenix

A meeting of the Transportation Policy Committee is scheduled for the time and place noted above. Members of the Committee may attend the meeting either in person, by videoconference, or by telephone conference call. As was discussed at the first meeting of the Committee, proxies would not be allowed. Members who are not able to attend the meeting are encouraged to submit their comments in writing, so that their view would always be a part of the process.

Immediately prior to the meeting, at 2:30 p.m., a special workshop on Building a Quality Arizona is scheduled for TPC members who are interested in attending. A flyer describing the workshop is attached.

For those attending in person, please park in the garage under the building. 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 Valerie Day at the MAG office. Requests should be made as early as possible to allow time to arrange the accommodation.

Refreshments and a light snack will be provided. If you have any questions, please contact Eric Anderson, MAG Transportation Director, or Dennis Smith, MAG Executive Director, at (602) 254-6300.

c: MAG Regional Council  
MAG Management Committee

**TRANSPORTATION POLICY COMMITTEE  
TENTATIVE AGENDA  
August 20, 2007**

COMMITTEE ACTION REQUESTED

<p>1. <u>Call to Order</u></p>	
<p>2. <u>Pledge of Allegiance</u></p>	
<p>3. <u>Call to the Audience</u></p> <p>An opportunity will be provided to members of the public to address the Transportation Policy Committee 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 Transportation Policy Committee 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.</p>	<p>3. Information.</p>
<p>4. <u>Approval of Consent Agenda</u></p> <p>Prior to action on the consent agenda, members of the audience will be provided an opportunity to comment on consent items that are being presented for action. Following the comment period, Committee members may request that an item be removed from the consent agenda. Consent items are marked with an asterisk (*).</p>	<p>4. Recommend approval of the Consent Agenda.</p>

**ITEMS PROPOSED FOR CONSENT\***

<p>*4A. <u>Approval of July 18, 2007 Meeting Minutes</u></p>	<p>4A. Review and approval of the July 18, 2007 meeting minutes.</p>
<p>*4B. <u>Requested Material Change to Purchase the Mesa Transit Operations and Maintenance Facility and Amend the MAG Regional Transportation Plan and FY 2008 to 2012 Transportation Improvement Program</u></p> <p>According to A.R.S. 28-6353, MAG has the responsibility to approve material changes for</p>	<p>4B. Recommend approval of the purchase of the Mesa Transit Operations and Maintenance Facility and to amend the MAG Regional Transportation Plan and FY 2008 to 2012 Transportation Improvement Program to include the project.</p>

projects funded from the Proposition 400 sales tax. The Regional Public Transportation Authority has requested approval of a material cost change for the purchase of the City of Mesa Transit Operations and Maintenance Facility. The RPTA Board of Directors approved the purchase of the facility for \$9,269,199, which represents Mesa's local investment in the facility. RPTA evaluated a number of options including continuing to lease the facility from the City of Mesa. According to the analysis, the best fiscal option is to purchase the facility using sales tax funds from the public transportation fund. The Management Committee recommended approval.

\*4C. Requested Changes to the ADOT Program

The Arizona Department of Transportation (ADOT) has requested MAG concurrence with two proposed changes to FY 2008 of the ADOT Program. These changes would also require amendment of the MAG FY 2008-2012 Transportation Improvement Program (TIP) and Regional Transportation Plan (RTP), as appropriate. The changes involve advance right-of-way acquisition in the SR 801 (I-10 Reliever) corridor, and implementation of a design-build project on the 202L (Red Mountain Freeway). The SR 801 (I-10 Reliever) request is to increase funding from \$3,000,000 to \$15,000,000 for right-of-way protection in FY 2008, for future freeway construction in the corridor. The 202L (Red Mountain Freeway) request would implement a \$184,060,000 design-build project to be initiated in fiscal year 2008. Funding would be provided from six previously programmed projects for the Red Mountain Freeway, which had been scheduled for fiscal years 2008-2011. MAG has reviewed the proposed program changes and has determined that they are reasonable, will benefit the overall implementation of the RTP Freeway Program, and can be accomplished within available ADOT cash flows. The Management Committee recommended approval. Please refer to the enclosed material.

4C. Recommend concurrence with the proposed changes to the ADOT Program to advance right-of-way acquisition in the SR 801 (I-10 Reliever) corridor, and implement a design-build project on the 202L (Red Mountain Freeway). and to amend the MAG Regional Transportation Plan – FY 2007 Update and the FY 2008-2012 Transportation Improvement Program, as appropriate, contingent on an air quality conformity analysis.

**ITEMS PROPOSED TO BE HEARD**

5. Statewide Transportation Acceleration Needs (STAN) II Account

As part of the FY 2008 state budget, the legislature transferred \$62 million from the State Highway Fund to the State Transportation Acceleration Needs (STAN) account. The legislature in HB 2793 established a subaccount for the reimbursement of interest expenses incurred by or on behalf of a local jurisdiction for the acceleration of transportation projects. HB 2793 allocated \$10 million from the \$62 million STAN II appropriation for this purpose. State law requires that the regional planning agency establish a process for the review and approval of reimbursement of interest costs from the STAN account. State law also requires that for a project to be eligible for reimbursement of the interest cost, an agreement needs to be in place with at least one other city or county, the Arizona Department of Transportation (ADOT) and the regional planning agency. On March 20, 2000, the Regional Council adopted a Highway Acceleration Policy. Several MAG member agencies have since accelerated projects using the policy. HB 2793 has now clarified that the interest cost incurred by the cities can be reimbursed by the funding provided in the STAN II legislation.

On July 26, 2007, a request was sent to the MAG member agencies that eligible projects for interest reimbursement be sent to MAG for consideration. MAG was notified that the I-10 widening project, approved by the Regional Council on April 26, 2006, is interested in receiving reimbursement of its interest costs for that project. The Arizona Department of Transportation had previously scheduled this project to go out to bid, with construction commencing in early fall of this year (2007). To receive the interest reimbursement requires MAG to be part of the agreement with the agencies requesting reimbursement. In addition to the I-10 widening project, the City of Mesa submitted a proposal to accelerate the design and construction of Williams Gateway Freeway (SR 802) by approximately five years. On August 8,

5. Information, discussion and possible recommendation to approve a project(s) for reimbursement of interest expense up to \$10 million, to recommend that the State Transportation Board approve up to \$10 million of STAN funding be allocated for this purpose, and to authorize the MAG Executive Director to enter into an agreement with ADOT and the participating cities for the project to be eligible for reimbursement.

2007, the Management Committee recommended authorizing the MAG Executive Director to enter into an agreement with ADOT and the cities of Avondale, Goodyear, and Litchfield Park for reimbursement of interest costs of the acceleration of the I-10 widening project. On August 13, 2007, the Executive Committee discussed providing reimbursement for the I-10 west project and options that may be considered for the project. Comments from the Executive Committee are included for consideration. Please refer to the enclosed material.

6. Reexamination of MAG Highway Acceleration Policy

In March 2002, the Regional Council established a highway acceleration policy. Until recently, this policy was used to accelerate portions of the freeway system funded through Proposition 300 funding. With the passage of Proposition 400, the freeway system funded by Proposition 300 was combined with the existing Interstate system. Since that time, some accelerations have been processed under the March 2000 policy. In the last legislative session, the STAN II account was established and interest cost is now reimbursable using STAN II funding. This is a change from the March 2000 policy, that assigns the interest cost to the member agency requesting the acceleration and to the Regional Freeway Program. In the past, this sharing of cost has been approximately on a 50/50 basis. With interest reimbursement now being possible through the STAN II legislation, it has been requested that the March 2000 MAG Highway Acceleration Policy be reexamined. Please refer to the enclosed material.

7. Assignment of Funding to the MAG Transportation Program by Congressional/Legislative Action

In 1999, an historic accord was reached with the Arizona Department of Transportation (Casa Grande Resolves), that established a funding formula for federal and state transportation funds. The Resource Allocation Advisory Committee that evolved from this process monitors additional

6. Information, discussion and possible action.

7. Information, discussion and possible action.

funds that flow to transportation to ensure that all regions in the state receive their share of the funding. In the past, when member agencies have requested special funding through the Congressional delegation, it has been important that these projects be funded from resources not already being sent to Arizona. In the Arizona legislative funding, this principle has also been important. In the STAN I legislation passed in 2006, new funding was provided by the legislature. If existing funding is used either on the federal or state level, it preempts the state and regional processes mandated by federal law. How to work with our state and federal legislative partners will be discussed.

8. The Interstate 10-Hassayampa Valley Transportation Framework Study

Since May 2006, MAG has had the Interstate 10-Hassayampa Valley Transportation Framework Study underway for establishing a mobility framework for a significant portion of Maricopa County west of the White Tank Mountains. A briefing will be provided about the results and potential recommendations that have been generated on the project. The present schedule for the project anticipates bringing the Hassayampa Valley project for MAG acceptance in September 2007. Please refer to the enclosed material.

8. Information and discussion.