

**MINUTES OF THE  
MARICOPA ASSOCIATION OF GOVERNMENTS  
TRANSPORTATION POLICY COMMITTEE MEETING**

July 2, 2003  
MAG Office, Saguaro Room  
Phoenix, Arizona

MEMBERS ATTENDING

Mayor Neil Giuliano, Tempe, Chair	Mayor Boyd Dunn, Chandler
Mayor Elaine Scruggs, Glendale, Vice Chair	Rusty Gant, ADOT
Benito Almanza, Bank of America Arizona	Mayor Keno Hawker, Mesa
F. Rockne Arnett, Citizens Transportation Oversight Committee	*Eneas Kane, DMB Associates
Mayor Steven Berman, Gilbert	Mayor Mary Manross, Scottsdale
* Dave Berry, Swift Transportation	Mayor Lon McDermott, Wickenburg
Jed S. Billings, FNF Construction	Diane Scherer, Phoenix Association of Realtors
Councilmember Peggy Bilsten, Phoenix	Vice Mayor Daniel Schweiker, Paradise Valley
Mayor James Cavanaugh, Goodyear	Martin Shultz, Pinnacle West Capital Corp.
Councilmember Pat Dennis, Peoria	Supervisor Don Stapley, Maricopa County
Mayor Ron Drake, Avondale	Mayor J. Woodfin Thomas, Litchfield Park

\* Not present

#Participated by videoconference or telephone conference call

1. Call to Order

The meeting of the Transportation Policy Committee was called to order by Chairman Neil Giuliano at 2:02 p.m.

2. Pledge of Allegiance

The Pledge of Allegiance was recited.

3. Call to the Audience

Chairman Giuliano stated that an opportunity is available to members of the public to offer public comment. Citizens will be requested not to exceed a three minute time period for their comments.

Chairman Giuliano recognized public comment from Frank Vance, who addressed the TPC on pedestrian safety issues. Mr. Vance stated that at the encouragement of MAG staff member Jason Stephens at the public workshop, he attended the TPC meeting to offer his comment. He stated that he is a pedestrian and utilizes mass transit. Mr. Vance stated that he supports nicer amenities at transit stops, but his real concern is pedestrian safety. He noted that the region is not a pedestrian-friendly community. Mr. Vance encouraged allocating efforts into pedestrian awareness issues--not so much educating pedestrians, but educating motorists to be aware of pedestrians. He noted that a co-worker

was recently struck by a car in a crosswalk. Drivers are not looking for pedestrians, they are looking for other cars. Chairman Giuliano thanked Mr. Vance for his comments.

Chairman Giuliano announced that transit tickets were available for those who used transit to come to the meeting. Validation was available from MAG staff for those who parked in the parking garage.

Chairman Giuliano requested that conversations be kept to a minimum during the meeting to ensure that the meeting could be heard.

Chairman Giuliano stated that material for agenda item #4 and #5 were at each place.

Chairman Giuliano thanked all for comments on the plan and the process. He remarked that at their last meeting, the TPC directed staff to take the project priorities and funding policies and rework the hybrid plan. Also, that staff work with stakeholders to meet the diverse transportation needs of the communities and provide optimal connectivity. He noted that at the last meeting there was a strong consensus to acknowledge the differing priorities of individual communities and offer balanced, regionally-oriented solutions. Chairman Giuliano stated that the TPC has this meeting, July 16th and tentatively July 22nd to finalize the plan. Chairman Giuliano acknowledged the attendance of State Representative Clancy Jayne at the meeting. He thanked Representative Jayne for his assistance in the TPC's work.

#### 4. Maintenance and Operating Costs for Bus Service

Chairman Giuliano stated that at the May 21, 2003 meeting of the Transportation Policy Committee, members requested more detailed information on the costs to operate and maintain bus service.

Jim Dickey, Valley Metro/RPTA, gave a presentation on transit operations costs and referred to the material on that was at each place, which included a four-page narrative memorandum and a performance management analysis report.

Mayor Thomas asked if the definition of 5309 discretionary funds for light rail differed from commuter rail. Mr. Dickey replied that for new starts money, both light rail and commuter rail would be in competition with each other. For existing funds, they may not compete. Mr. Dickey stated that since we have no commuter rail and have begun a new starts program with light rail, there would be some competing factors. Mayor Thomas asked if capital funds with an existing program is considered rebuilding. Mr. Dickey stated that depends upon the stage. It seems you would see some competition between modes for discretionary funds. Even though sub-categorized, rail funds are together, whereas bus has a separate category. He noted that the pot is only so big, and when a large amount of money is requested in one category, that could impact others. Mr. Dickey continued his presentation.

Mr. Shultz asked about the farebox recovery ratio as noted in Appendix 5 in the Performance Management Analysis System report. He noted that Phoenix is recovering 25 percent of the farebox and Mesa is recovering 10 percent. Mr. Shultz asked if there was some sort of formula for determining farebox recovery. Mr. Dickey stated that Phoenix is responsible for 70 percent of fixed route service, so it is the baseline. Mesa, Tempe, and RPTA show lower numbers, which may depend on volume, ridership, etc. Mr. Dickey explained that ridership is lower on Power Road than on Central Avenue, so the farebox recovery would be lower. Mr. Shultz stated that people are advocating a percentage of RARF for transit operations. From a policy standpoint, what are the policy guidelines and restraints?

How do we go to the next step until we understand how the farebox is apportioned now? He commented that it looked like each city is driving the percentage of farebox. Mr. Dickey replied that the system has a regional fare policy, with small exceptions, such as dial-a-ride. Population density and ridership affect farebox recovery ratios. Mr. Dickey stated that new routes on the geographic fringe would not have as large a recovery as urban areas with large ridership.

Mary O'Connor, City of Tempe, stated these numbers are not reflective of ridership in an individual community, but rather they are services provided by the communities. For example, the City of Tempe system runs service in Scottsdale, Mesa, Chandler, Phoenix, Gilbert, and Tempe. The recovery does not indicate a different system of recovery structure, it indicates that a city is performing service on the fringe areas. Chairman Giuliano commented that the numbers are not as geographically specific as may be indicated on the chart.

Mayor Thomas asked if the capital was excluded from the farebox recovery ratio and included operating costs only as noted in Appendix One of the report. Mr. Dickey replied that was correct.

Mr. Billings asked if the \$2.44 operating cost per boarding would be the break-even for operating costs? Mr. Dickey replied that was correct. He stated that a comparison was done with a peer city, Dallas, Texas, and found that \$2.44 compares favorably to its cost of \$4.00 operating cost per boarding. He added that the Valley Metro fare rates are \$1.25 for local bus and \$1.75 for express bus service.

Mayor Thomas commented that means only 23 percent of the cost is being collected. How does that add up to \$2.44? Mr. Dickey explained that a boarding has to do with transfers because you split the fare when a passenger transfers. When a passenger gets on a second or third bus, the actual boarding cost is about 55 cents. The average boarding is 2.1 buses for every trip.

Vice Chair Scruggs commented on the \$2.44 in operating costs that could correlate to the long distances. Mr. Dickey replied that could certainly be a consideration, because there are more transfers within the Phoenix system.

Mr. Dickey stated that a discussion took place at the RPTA Transit Management Committee about operations costs. The overall feeling was that operating costs are a critical component. Without it, we cannot take a step forward in offering a balanced transportation system.

Mr. Billings asked how we would know if the operating costs proposed for the next 20 years will be sufficient? He asked if it was anticipated that the cost per year would improve as time goes on? Mr. Dickey replied that based on returns in peer cities, we would expect to see pretty consistent returns. One caveat is service in outlying areas and at beginning stages, the farebox recovery suffers. Mr. Dickey noted that for the past five years, the rate has been decreasing because the implementation of Sunday, holiday, early morning, and late night services have affected returns.

## 5. Refinement of Hybrid Scenario

Eric Anderson gave a presentation on the draft refined hybrid scenario. He stated that the first draft hybrid was reviewed at the June 18th TPC meeting. However, not all stakeholders had commented at that point. He noted that the revised draft hybrid was at each place that incorporated comments received to date.

Mr. Shultz asked what were the assumptions on the multiple sources of funds, other than the half cent, remaining in place? Mr. Anderson explained that there are two components to the ADOT funds. The first is the 15 percent funds, which are limited to use in Maricopa County on controlled access facilities such as freeways. The second component is the ADOT discretionary program, which MAG will cooperatively program with ADOT. He noted that the amount this year is approximately \$200 million. The revenue estimates have been reviewed by the ADOT CFO. Mr. Anderson stated that 37 percent of the statewide program funds are assumed, which is consistent with the current allocations, and a change is not anticipated over time. He stated that the ADOT board ultimately has statutory authority over spending the funds, but under federal law, there is a cooperative programming process among ADOT, RPTA, and MAG about how the funds are spent.

Mr. Shultz asked if the assumption of the actual estimate of money was reasonable and conservative and was not based on any assumptions of what the federal government might do. Mr. Anderson replied that was correct. He added that a conservative approach was taken on assumptions for federal funds. Mr. Shultz commented that the governance of the 15 percent and discretionary has a long history of cooperation. Dennis Smith added that not only is the program cooperatively developed, ADOT and MAG work cooperatively to develop the revenue estimates.

Mayor Thomas asked if the total regional fund of \$15.1 billion was the adjusted figure. Mr. Anderson replied that we have a little more than that, and are actually under-programmed.

Chairman Giuliano called for discussion of the percentages.

Mayor Hawker asked the match for bus rapid transit (BRT) and on regional routes. Mr. Anderson replied that the assumption is 15 percent local match. Mayor Hawker stated that discussion was needed on this issue so staff could model the scenario. Mayor Hawker asked if additional projects should be submitted because there was a higher revenue? Chairman Giuliano commented that the original lists submitted far exceeded the projected revenue. Mayor Hawker commented that some may have restrained their lists, but with the additional revenue, may have some projects to submit that they left off.

Mayor Hawker asked about the zero percent match assumption for buses. Does that mean the 15 percent is lost, or does it mean additional routes?

Chairman Giuliano called for discussion of using RARF for operations or not, and if so, what percentage. Mr. Anderson noted that every five percent change is a \$65 to \$70 million swing at the current level of bus operations.

Mayor Dunn stated that he would like to see the percentage of local match off the table. To have a regional system, some communities would be in a better position to contribute a match, and others might not. Mayor Dunn stated that having a matching grant would not have worked with building the freeway system. He stated that he felt that whatever we provide for operations should be done on a regional basis. Mayor Dunn stated that he viewed local bus service as different than regional service, for which operations should be paid on a regional basis.

Councilmember Dennis stated her agreement with Mayor Dunn's comments. If it is a regional system, then 100 percent should be paid by the program. If the service is local, the community would pick up

those costs. Councilmember Dennis stated that some communities will never be able to participate unless capital and operations are provided.

Vice Chair Scruggs asked if computations assumed that those communities now paying 100 percent would get their money back first? It would be unbalanced for some to pay regional costs out of their own funds while others have them paid by regional funds. Mr. Anderson replied that was the assumption, with the exception of Phoenix. He indicated that they said they will continue to pay operations and maintenance on certain routes and will redistribute their share for operations and maintenance for other transit uses.

Vice Chair Scruggs asked if there would be a forced requirement that the money would go back into transit. Mr. Anderson replied that this had not yet been discussed. Vice Chair Scruggs noted that she had gone on record that her city would like its money back into its general fund. She asked the sequencing—that those with existing regional routes would get their money back first before new regional routes are added? Mr. Anderson replied it would probably be a blend. Some assumption of existing routes would occur in year one, and new ones phased in over a 20-year period.

Mayor Berman expressed his support for Councilmember Dennis' position of zero matching and Vice Chair Scruggs' comments that a community should get its money back.

Mayor Manross commented that she thought the 15 percent match should be lower because a regional system will not work without reliable regional dollars for operations and maintenance. She noted that in this budget cycle many cities had to cut back on transit, which left huge holes in service. Mayor Manross stated that 15 percent is steep, and may need to be above zero. She stated that she was willing to consider less than 15 percent.

Mr. Shultz stated that it is very clear what has been said regarding advocacy of 100 percent regional funding of regional routes. As a financial model, we are not there yet. If we believe these numbers and as the area urbanizes, the farebox will contribute a greater share. Mr. Shultz commented that it is unknown whether the fare will remain at \$1.25. It seems we need a financial model how this will work over a 20-year span of time, then we can make rational decision. Mr. Shultz stated that it would be helpful to developing a summary financial model based on known variables and see if concept works. The model would determine the cost, what the impacts would be and what the tradeoffs are to get the operations side under control. Otherwise, there could be problems explaining the cost to the legislature and business community.

Mr. Billings commented that in the first 20 years of the tax, we were spending \$5 million. Now it is \$1 billion. What is it going to be in 20 years? Mr. Billings stated that the County had it right, that a different mechanism for funding operational cost is needed. Operational costs are something we cannot control and represent a huge increase.

Mayor Hawker asked if there was a concept to fund all regional routes identified from day one for 20 years? He stated that he would support a zero percent contribution if it did not jeopardize other components.

Councilmember Bilsten commented that at each meeting, the TPC continues to chip away at questions. She stated that it seems pretty clear some sort of funding for operations is needed, because without it, some cannot participate. Councilmember Bilsten stated that a motion might be in order to fund some

operations, but staff would come back and show what will work and what will not work. Take a look at what is proposed for funding by the half cent sales tax: 55 percent for freeways, 12 percent for arterials, and 15 percent for transit capital. This adds up to 82 percent. Councilmember Bilsten noted that we are talking about 18 percent for operations. That is a small portion. If we do not fund operations, we will not have a regional program. She stated that the TPC needs to look at the whole picture and a formula. Also, look at what other cities have done. Councilmember Bilsten noted that Transit 2000 had a formula to control the costs, so the mechanism is out there.

Chairman Giuliano asked the TPC to think about Mr. Shultz's financial model and to direct staff to create a model at zero percent match and what would have to drop off.

Mr. Smith stated that he was hearing that the TPC agrees on the numbers today, but is concerned where they are going to be in 20 years. He suggested agreement on the percentage and have a firewall in dollars. If the amount starts to grow, we would need to reallocate.

Mayor Cavanaugh stated that the TPC is moving fast on one small element within the total package, what would be funded, and what will be the percentage for transit. He stated that his concern was the deletion of a freeway. Mayor Cavanaugh stated that he did not want the money to be gone before we discuss that. Chairman Giuliano stated that these are interim decisions for staff in refining the hybrid plan.

Mayor Drake stated his agreement with Mayor Cavanaugh. He urged that the plan be done before cutting up financing or percentages. He asked the percent of transit operations with the current tax for transit. Mr. Anderson replied that two percent, or approximately \$7 million this year, was allocated for transit.

Mayor Drake asked about increasing the amount from two percent to 100 percent? He commented that he was looking at a freeway that just got a dotted line and the TPC is talking about funding 100 percent of operations and maintenance. Mayor Drake stated that this is losing something that we have been told for years is critical to the scope of West Valley communities. We are losing sight of the big picture. Mayor Drake stated that operations and maintenance issues need to be discussed later down the road.

Vice Chair Scruggs stated that since the June 18th map and the July 2nd map, the West Valley has lost \$1 billion in projects. She commented that she would be interested in the local match being increased, not decreased. Vice Chair Scruggs stated that 15 percent cost the West Valley \$1 billion and a freeway.

Mayor Dunn stated that his point is a truly regional system. He commented that the TPC was talking about operating costs because that was the first item on the agenda. Mayor Dunn stated that without transit operations for the East Valley, it would be difficult get close to what his city would need to receive to get the voters' support. Need to come up with a plan that addresses both to some degree. Mayor Dunn stated that Chandler had its own transit election, but was unsuccessful. A blended approach is the way to move forward with a regional transit system. He brought up that Chandler sought funding for other transportation needs, such as major arterial streets impact fees and that is why Chandler did not list those projects. Mayor Dunn stated that some of his citizens have asked why we cannot get that money back and use for another purpose, but that is not the decision they have made. He stated that Chandler will go out and seek its own local bus service funding. Without local bus service to tie into the regional system, the system cannot be successful. To be successful, we need to address operations.

Councilmember Dennis clarified that two percent went to RPTA directly for bus service. The increase is not 98 percent. She commented that having to ask her voters to pass another tax after passing the half cent sales tax will not be successful.

Mayor Hawker agreed with Mayor Drake and Mayor Cavanaugh on the need to look at the whole package. The City of Mesa has a small amount of freeway lane miles in comparison to the West Valley. It is a whole package to sell to the voters. Show that the entire region benefits.

Mayor Thomas stated that the first TPC document showed \$17.2 billion, then decreased to \$14.65 billion, and is now at \$15.1 billion. In addition, local match of freeways was zero percent in Scenarios B and C. He commented that it looked like commuter rail was totally eliminated.

Supervisor Stapley stated that the Board of Supervisors felt a local match for regional functions is appropriate. He commented that he did not know what the percentage will be. The bigger question is how the issues stack up against each other with performance-based criteria. Supervisor Stapley stated that he had not yet seen how the projects rated on performance-based criteria, or was this politically driven?

Chairman Giuliano stated that, as directed, staff went to individual constituencies and talked about prioritization, and performance measures were done on a modal basis. Supervisor Stapley stated that the County had not seen that evidence if it had been done. Mr. Anderson stated that volume information out of the three scenarios was used to see how the components worked systemwide. The performance measures and modeling data was made available to the County. He stated that the County has all of the information we have.

Supervisor Stapley stated that the County has not seen the performance-based criteria and how that weighs in—how BRT or the freeway that was eliminated stack up on a performance basis. Mr. Anderson replied that the electronic files were given to County staff. Supervisor Stapley stated that he would go back and take a look.

Mayor Manross commented that it depends on how you measure performance. The goal is to work regionally, so the focus must be system based rather than project by project. She asked everyone to not get too caught up in getting back all the money you put in. Mayor Manross commented that Scottsdale will not get back all it has paid. She was not complaining, but something reasonable is needed to sell to communities. Transit will be an important benefit for Scottsdale. We will not have a freeway, and have put our own money into roads of regional significance. Mayor Manross stated that is why she keeps discussing operations costs and transit because that will be a great need in all communities. She commented that she wanted to be able to promote this extension.

Mayor McDermott expressed concern with totally funding operations. That money will come at the expense of other projects, and he would hate to see it come from streets, which he feels are underfunded. Mayor McDermott stated that it is important that there be a match.

Ms. Scherer stated that all have different needs and need to sell the extension to their communities. She asked if there was a way to have a discretionary category for each municipality? What will work in one might not work in another. Everyone will want a certain amount back.

Mr. Shultz stated that he thought that elected officials made their positions clear. With all due respect, we need more detail in order to develop a plan. Many of the things discussed might be accommodated if we understand the financial model. Mr. Shultz stated that the TPC is dealing with simultaneous equations with a lot of moving parts. If the TPC can be tolerant and not get to the bottom line yet. Instead, let the numbers jockey around and continue to express needs based on performance criteria, and this plan will come together. Mr. Shultz stated that we have approximately \$9 billion out of a total \$29 billion in funds, but local governments decided they did not want to put those funds into a regional pot. He stated that operations related to transit needs to be a simple financial model with certain assumptions: Figure farebox for 20 years. Do a sensitivity test and possibly raise that amount, but probably not lower it. Mr. Shultz commented that the objective is to bound money somehow so operations is funded on a regional level. He noted that every percent knocks off street or freeway projects. Mr. Shultz stated that it is also an issue of staging. It has to be a decision on performance criteria based on growth projections. He noted that all of this data is available. Mr. Shultz stated that if a precise financial model was developed using information available and displayed differently, that would allow policy makers the opportunity to make decisions.

Councilmember Bilsten moved to approve funding operations, noting a formula that is appropriate for funding operations as mentioned by Mr. Shultz, then decide at the next TPC meeting. She noted there are funding formula models for operations that could be used, such as Phoenix and Glendale. Ms. Scherer seconded.

Chairman Giuliano asked for discussion on the TPC directing staff to create hybrids based on five percent increments to provide an idea of costs.

Mayor Cavanaugh stated that he did not necessarily oppose operations funding, just the approach. He commented that this is a way to get operations on the table and demand that we fund it. Mayor Cavanaugh stated that he was unsure that zero match is appropriate.

Vice Chair Scruggs stated that she would vote no, because she felt that staff could be given direction without a motion. We are taking one small piece and have yet to discuss other agenda items. Vice Chair Scruggs requested that the TPC look at this issue from a holistic approach.

Supervisor Stapley expressed his support for Vice Chair Scruggs's comments. The TPC will get there eventually, but he was not ready yet to vote because there is no plan yet.

Chairman Giuliano commented that the motion directs staff to develop a financial model on funding operations, and the results would come back to the TPC. Supervisor Stapley asked what the numbers would mean if there is not a plan. He added that this would also give additional work to staff.

Councilmember Bilsten gave her reason for the motion. At many meetings, operations has been discussed and no decisions have been made. Councilmember Bilsten expressed concern that the TPC would still be deliberating the issue on the last day if no decisions are made. She commented that she was just trying to get the issue on the table. We cannot have a regional system without supporting funding. Councilmember Bilsten commented that if the motion fails, then we know operations is not a part.

Mr. Billings asked that staff take \$1.1 billion and come up with a plan of capital improvements that could be done with that money and compare that to spending operational money. He commented that he was hearing there are a lot of capital projects people want built in lieu of operations.

Vice Mayor Schweiker agreed with the direction that Councilmember Bilsten was headed, but that a motion was not needed. He stated that he preferred to direct staff and not go on record as funding operations. Vice Mayor Schweiker stated that if zero match is adopted, that is not really funding.

Councilmember Bilsten stated that she was attempting to get discussion to the point where the TPC could move on.

Mayor Thomas referred to the RTP description of scenarios A, B and C, which contained lists of regional and local contributions for capital and operations. Currently, there is no definition to help the TPC make choices. Mayor Thomas stated that this is putting the cart before the horse and the TPC does not have all the data before it to make decisions.

Vice Chair Scruggs stated that this is less about funding operations, which rests on the level of a local match, if any. She stated that staff could prepare scenarios of zero, five, ten, and 15 percent, and maybe more, then the TPC can decide. Vice Chair Scruggs stated that the motion is driving toward a decision that the TPC will regionally fund operations, but then zero is thrown in, which is not funding operations.

Councilmember Bilsten withdrew her motion. Ms. Scherer withdrew her second.

Chairman Giuliano stated that direction to staff included a financial model that deals with operating costs for transit at zero percent. He commented that the 15 percent is known already. Chairman Giuliano suggested that the hybrid display any additions or deletions. Mr. Anderson stated that he had included changes from the last hybrid in upcoming slides.

Vice Chair Scruggs commented that, if directed, members could be polled if they want to see a local match of 25 percent.

Mayor Drake stated that 25, 50 and 75 percent should be considered, so the TPC could see impacts. The TPC does not know the plan, so they do not know how much will be left. Mayor Drake commented that operations and maintenance should be the last thing the TPC considers.

Councilmember Dennis stated that she did not know what impact a lump sum would have on her community.

Mayor Hawker asked if there was agreement on modeling at 15.6 percent for bus with a zero match as far as a percentage breakout on the total \$9 billion. Chairman Giuliano replied yes.

Mr. Anderson continued his presentation on freeway and highway changes.

Mr. Smith stated that comments were recently received from the West Valley on the I-10 reliever. He reassured them that their comments are being heard, it just takes time to get the information. Mr. Smith stated that money is still on the table for the I-10 reliever.

Mayor Cavanaugh stated that both ADOT and the Board of Supervisors have said they want the I-10 freeway. He stated that discussions are taking place on a compromise and he agreed with trying to work this out. Mayor Cavanaugh stated that many financing options are available, such as real estate taxes, CFD's and local sales taxes, but there is only one way to fund a freeway, and that is this tax. If the sales tax is not used for this freeway, there is no other option to fund it. Mayor Cavanaugh stated that the half cent has to be used or the freeway dies. He stated that there is funding in the amount of \$600 million for the South Mountain to the 303, and heading west from there is \$396 million. Mayor Cavanaugh stated that the City of Goodyear is ready to accept deletion of the \$396 million and go with an interim roadway. However, the West Valley does need that interstate from the 303 to the South Mountain and hope for a parkway in Phoenix leading onto 7th Avenue. Vice Mayor Cavanaugh stated that he could recommend no other choice or the freeway will not get funded. He added that the City of Goodyear recently put \$5 million of their own local funds into the Estrella Parkway.

Chairman Giuliano asked how many scenarios there were for this corridor? Mr. Anderson replied that there were two or four scenarios, depending on how the segments were mixed and matched.

Mayor Drake stated that the I-10 reliever is important to the development of the West Valley. He added that this group considers population projections, which is a basis for funding roads and freeways. Mayor Drake stated that he was making the same argument with this road. He commented that he feels if there are three unimpeded lanes in both directions from the South Mountain to the 303, he did not care if it is called a parkway, just so it moves people. Mayor Drake stated that we need to get traffic off I-10, and projections tell us we will need 19 lanes on I-10. This plan will give us six. Mayor Drake stated that if the freeway is not built, it will gridlock the West Valley. He stated that if it is not done, he did not want to be part of an organization that repeats the same mistake.

Mayor Thomas commented that he thought the design was deficient because it comes to the South Mountain and ends in a "T" intersection. As discussed previously, a "T" is not beneficial. Mayor Thomas brought up that he was under the impression that the I-10 reliever would also be a truck reliever for I-10 and would tie into I-17 or the Rio Salado Parkway. He added that it would be an east/west reliever, not just for the West Valley, but a regional corridor that would benefit the entire region.

Vice Chair Scruggs stated that the I-10 reliever plays an important role in the light rail project. She mentioned that Phoenix has been promoting light rail along I-10, but the congestion needs to be relieved in order to establish I-10 as a regional part of the light rail system. The way to do that is to have an I-10 reliever corridor. Vice Chair Scruggs stated that the reliever will enable light rail to go to major destinations.

Mr. Smith explained that this corridor had merit. He stated that early in discussions, it was a priority to take care of existing facilities. The TPC could have done that and put no new facilities in the plan—no Williams Gateway Parkway nor I-10 reliever. The attempt was made to do some on I-10 and Williams Gateway. Mr. Smith stated that half of I-17 would be done. Nothing was done on the lower end of SR 51, the collector-distributor funding was \$500 million. Mr. Smith stated that the attempt was to preserve for the future. Perhaps not enough was preserved for SR 85, and another look could be taken. He advised that staff has found out it is a six-lane facility with access at mile points so they would not be lost in the future.

Vice Chair Scruggs stated that in the beginning, the ADOT comments said that the 303 would be the ultimate freeway, but constructed as an interim roadway, when actually, the recommendation was an

ultimate freeway within 20 years in some segments. Vice Chair Scruggs asked if it was priced as freeway or interim? Mr. Anderson replied that the whole project would be built as a freeway in the 20 year plan.

Mayor Hawker urged preserving corridors at a minimum. That is how the 303 and the South Mountain eventually will be built, because the corridor was preserved. Mayor Hawker stated it was the same with commuter rail. He would not like to lose the opportunity to buy right-of-way for an extra rail in the future. Mayor Hawker commented that a portion of the funds for the long term would be beneficial.

Mayor Drake commented that he felt preserving right-of-way for the 303 to SR 85 would be important. If it is advantageous, do it.

Mr. Smith stated that options to consider could include penciling in the right of way or building the interim and donated right of way. That way the facility could be built faster.

Supervisor Stapley commented that was good thinking regarding donated right of way. He agreed it should be a higher priority and should happen on both the east and west sides.

Mr. Anderson continued his presentation on the Streets portion.

Supervisor Stapley stated that if developers donate right of way, that should be indicated on the map.

Mr. Shultz commented that 8.2 percent of streets seemed low. He indicated that he thought the number was in the 15 to 20 percent range. Mr. Shultz stated that dealing with arterial street changes not in the hybrid could be a concern for local elected officials in the future. He requested that another look be taken for long term planning. Some time down the line, local governments will have to pick up the costs for arterials.

Mr. Anderson stated that a lot of street improvements and maintenance are on the city/county HURF side of gas tax, which has not increased since 1991. He mentioned that there are also raids on HURF. Mr. Anderson stated that the Board of Supervisors suggested raising the gas tax and indexing it into inflation. That would go a long way for cities and counties to maintain their road systems adequately. Mr. Anderson stated that the sales tax will provide a lot of funding, but the fundamental transportation source for streets and highways is in jeopardy.

Mr. Shultz asked if it is anticipated that jurisdictions will have sufficient funds from HURF in the future to take care of streets. Mr. Anderson replied that will not be the case if the HURF is not increased.

Mayor Drake asked the cost of the 15 intersection improvements. Mr. Anderson replied \$42 million. Mayor Drake asked why the 99th Avenue connector from the 101 to the I-10 reliever was eliminated. Mr. Anderson replied that portion was already funded as part of an ADOT project in accordance with SB 1201 in 1999. He noted there were concerns with the nature of the facility, but that could be reexamined.

Councilmember Dennis commented on the Happy Valley project. They will transfer the request to Jomax, since that does not need to be completed.

Mayor Cavanaugh stated there was a problem with putting more than \$1 billion into arterials and taking \$600 million out of a freeway, when that is the only means of funding the freeway.

Jim Dickey gave a review of transit comments. He stated that goal is to narrow down where the best transit investments would be for individual communities.

Vice Chair Scruggs referred to the High Capacity map. She noted that discussion between Glendale and Phoenix has taken place and the intent was to have the dashed line from existing planned LRT to achieve a regional system and to meet the job centers already existing. The line should be moved so it is a vertical line down Loop 101, not on Glendale Avenue, and would connect to I-10. Mr. Dickey commented that there was a challenge with 79th Avenue on the 101 interchange. Chuck Eaton, consultant for ADOT, stated that ADOT has not examined getting rail through closely. He added that on I-10 to 79th Avenue there is a 50 foot median. The bigger challenge is the freeway to freeway interchange and through existing structures. Mr. Eaton stated that the HOV ramp connections can be further challenges.

Vice Chair Scruggs stated that Phoenix has been talking about this to her for one year. She noted that she did not realize this could not be done. Mr. Eaton replied that he was not in a position to say at this point whether it could be done. Once in the plan, ADOT will be looking at it in detail. Vice Chair Scruggs stated that people would see more sense in taking LRT along I-10 and up the 101 instead of along Glendale Avenue. Mr. Dickey added that the 101 interchange may be problematic for rail. The issue is whether we exit the freeway alignment prior to that.

Chairman Giuliano asked for clarification of the different levels of current commitment with regard to identified capacity corridors. Mr. Dickey explained the green dotted line indicates potential light rail development corridors identified on Phoenix Transit 2000 plans as potential high capacity corridors. He added that all are in different stages.

Mayor Hawker noted that the corridor to Power Road that has been studied was not indicated. It has not yet undergone an MIS, but the intent is to drop to Williams Gateway in the next 20 years. Chairman Giuliano noted that the dotted green line means something different in each case.

Mayor Thomas commented that he did not see commuter rail, or is it a component of light rail? Mr. Anderson replied that commuter rail is in the mix for the future. The High Capacity Transit Study identified it as a long term viable option. He noted that it performed well, but 2030 and 2040 population projections were used in the determination. Mr. Anderson stated that the cost effectiveness of commuter rail is less than light rail. He explained that staff looked at the Dallas Area Rapid Transit information for peer city comparison, because they have local bus, BRT, LRT, and commuter rail. Mr. Anderson stated that work needs to be done with the railroad companies, who are reluctant to share their right-of-way. He added that although the lines are there, they might not be sufficient for commuter rail service. Mr. Anderson advised that where commuter rail fits in is not in the final conclusion yet. He indicated that Dallas replaced three BRT lines with LRT lines, and results showed ridership tripled on the same routes serving the same corridors.

Mayor Thomas stated that the High Capacity Transit Study showed areas of success with light rail and commuter rail. He commented that he thought the study said BRT needed more research because of designated corridors. Mayor Thomas further said that he thought the corridor is available from Union Pacific in the West Valley and had heard that the line was abandoned to Palo Verde and perhaps to

Yuma. Mr. Anderson explained that the line west of Palo Verde was abandoned, not the line to Palo Verde from downtown Phoenix. He commented that Union Pacific has no intention of abandoning the line, just as the BNSF has no intention of abandoning the track along Grand Avenue.

Mayor Thomas stated that he overlaid primary, secondary, and tertiary employment with rail corridor alignments, and they lined up. Cities need to take action on this. Mayor Thomas stated that a serious discussion on the purchase of right-of-way is needed.

Councilmember Dennis asked why the corridor along Grand Avenue was not being preserved for commuter rail in the same manner? Mr. Anderson replied that could be done and show future commuter rail lines. He advised that we cannot just put it on the map, we must also implement. Mr. Anderson stated that discussions continue with BNSF.

Mayor Hawker stated that he would like to see additional information on rail corridors in the West Valley. He mentioned that he thought it cost \$45 million to buy 20 to 30 miles of right of way, which is what it costs for one mile of light rail. Mayor Hawker stated that this is a way to lock in and protect right of way, then wait for densities to materialize. We would have a defined corridor and save a ton of money later.

Mayor Thomas stated that BNSF has a wide enough corridor to accommodate both commuter rail and freight lines. They have indicated they are willing to come to the table. Mayor Thomas stated that corridor preservation needs to be a large component.

Mayor Drake agreed with Mayor Thomas. Commuter rail will be an integral part of our transportation plan, perhaps not in this 20 years, but in the future. Mayor Drake stated that money will be well spent to preserve corridors.

Mr. Anderson reviewed the next steps to continue to refine the fiscally-balanced plan. Comments received would be incorporated into the hybrid, conduct modeling, then create a final plan for air quality conformity the end of September. Priority discussion would include putting the implementation plan together and how the projects are sequenced. Mr. Anderson stated that in the cash flow model, the first cut will put projects into five year blocks. A lot of projects need more study and detail work, such as the South Mountain and I-10 reliever. Mr. Smith stated that a map was needed for the 30-day review and then we can spend time on a refined cash flow on priorities.

Mayor Hawker requested that the TPC discuss firewalls on modal splits. Mr Smith stated that HB 2292 directed that the money would be diverted into two funds—the public transportation fund and RARF. There are potential firewalls there. Mr. Smith stated that in the transit fund, the TPC may want firewalls between light rail and bus. In RARF, they may want firewalls between streets and freeways.

Mayor Drake asked if all new freeways would be modeled. Mr. Anderson replied there would have to be further study once in the plan. Modeling will apply at some point, including new freeways.

Mr. Billings asked the amount removed from the I-10 reliever. Mr. Anderson replied that the amount was cut from \$996 million to \$360 million.

Chairman Giuliano thanked all for participating. He stated that discussions will take place with everyone prior to the meeting on July 16th.

There being no further business, the meeting adjourned at 4:50 p.m.

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Chairman

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Secretary