

MINUTES OF THE
MAG MANAGEMENT COMMITTEE MEETING
October 3, 2007
MAG Office Building - Saguaro Room
Phoenix, Arizona

MEMBERS ATTENDING

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| Jan Dolan, Scottsdale, Chair | * Mark Johnson, Guadalupe |
| Rogene Hill for Charlie McClendon,
Avondale, Vice Chair | Darryl Crossman, Litchfield Park |
| # Bryant Powell for George Hoffman,
Apache Junction | Christopher Brady, Mesa |
| Jeanine Guy, Buckeye | Tom Martinsen, Paradise Valley |
| * Jon Pearson, Carefree | Carl Swenson for Terry Ellis, Peoria |
| * Usama Abujbarah, Cave Creek | Frank Fairbanks, Phoenix |
| Mark Pentz, Chandler | John Kross, Queen Creek |
| Pat Dennis for B.J. Cornwall, El Mirage | * Bryan Meyers, Salt River Pima-Maricopa
Indian Community |
| Alfonso Rodriguez, Fort McDowell
Yavapai Nation | Jim Rumpeltes, Surprise |
| Tim Pickering, Fountain Hills | Jeff Kulaga, Tempe |
| * Lynn Farmer, Gila Bend | * Reyes Medrano, Tolleson |
| * Joseph Manuel, Gila River
Indian Community | Gary Edwards, Wickenburg |
| George Pettit, Gilbert | Lloyce Robinson, Youngtown |
| Horatio Skeete for Ed Beasley, Glendale | Dale Buskirk for Victor Mendez, ADOT |
| Jim Nichols for Brian Dalke, 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.

1. Call to Order

The meeting was called to order by Chair Jan Dolan at 12:05 p.m.

2. Pledge of Allegiance

The Pledge of Allegiance was recited.

Chair Dolan noted that Bryant Powell, Apache Junction, was participating by telephone conference call. She stated that transit tickets were available from Valley Metro/RPTA for those using transit to come to the meeting. Parking validation was available from MAG staff for those who parked in the parking garage.

3. Call to the Audience

Chair Dolan stated that Call to the Audience provides an opportunity to the public to address the Management Committee on items that are not on the agenda that are within the jurisdiction of MAG, or non-action agenda items that are on the agenda for discussion or information only. Chair Dolan noted that those wishing to comment on agenda items posted for action will be provided the opportunity at the time the item is heard. Public comments have a three minute time limit and there is a timer to help the public with their presentations. Chair Dolan noted that no public comment cards had been received.

4. Approval of Consent Agenda

Chair Dolan stated that agenda items #4A, #4B, #4C, #4D, #4E, #4F, #4G, #4H, #4I, #4J, and #4K were on the consent agenda. Chair Dolan reviewed the public comment guidelines for the consent agenda. She noted that no public comment cards had been received. Chair Dolan asked if any member of the committee had questions or a request to have a presentation on any consent agenda item. None were noted.

Mr. Boggs moved to recommend approval of consent agenda items #4A, #4B, #4C, #4D, #4E, #4F, #4G, #4H, #4I, #4J, and #4K. Mr. Kross seconded, and the motion carried unanimously.

4A. Approval of September 12, 2007 Meeting Minutes

The Management Committee, by consent, approved the September 12, 2007 meeting minutes.

4B. MAG Traffic Counts Data Retrieval System Design and Development Consultant Selection

The Management Committee, by consent, recommended that Midwestern Software Solutions be selected to conduct the MAG Traffic Counts Data Retrieval System Design and Development for an amount not to exceed \$150,000. The FY 2008 MAG Unified Planning Work Program and Annual Budget includes \$150,000 to conduct the MAG Traffic Counts Data Retrieval System Design and Development project. The traffic counts data retrieval system will serve as a primary data management tool for regionwide traffic counts related information. A request for proposals (RFP) was advertised in July 2007. Three proposals were received and reviewed by a multi-agency proposal evaluation team. On September 12, 2007, the evaluation team interviewed the firms and recommended to MAG the selection of Midwestern Software Solutions to conduct the study for an amount not to exceed \$150,000.

4C. Project Changes: Amendments and Administrative Modifications to the FY 2008-2012 MAG Transportation Improvement Program, FY 2008 Arterial Life Cycle Program, and, as Appropriate, to the Regional Transportation Plan 2007 Update

The Management Committee, by consent, recommended approval of amendments and administrative modifications, shown in the attached tables, to the FY 2008-2012 Transportation Improvement Program, the FY 2008 Arterial Life Cycle Program, and, as appropriate, to the Regional Transportation Plan 2007 Update. The FY 2008-2012 Transportation Improvement Program (TIP) and the FY 2007 Regional Transportation Plan (RTP) 2007 Update were

approved by the Regional Council on July 25, 2007, and the FY 2008 Arterial Life Cycle Program (ALCP) was approved by Regional Council on June 27, 2007. Since that time, member agencies have requested modifications to projects in the programs. On September 27, 2007, the Transportation Review Committee recommended approval of amendments and administrative modifications.

4D. Amendment to the FY 2008 MAG Unified Planning Work Program and Annual Budget to Include a Regional Transit Framework Study

The Management Committee, by consent, recommended approval of an amendment to the FY 2008 MAG Unified Planning Work Program and Annual Budget to conduct the Regional Transit Framework Study in the amount of \$980,000. MAG is responsible for system level transit planning activities that have the potential of impacting the Regional Transportation Plan (RTP). In cooperation with Valley Metro/RPTA and Valley Metro Rail, MAG has drafted a scope of work and request for proposals for developing the Regional Transit Framework Study. The study will provide a technical framework for evaluating future transit investments beyond those contained in the RTP. It is anticipated that the results of this study would be incorporated into the MAG RTP for approval by the MAG Regional Council. This project will require an amendment to the FY 2008 MAG Unified Planning Work Program and Annual Budget. MAG federal funds would be used for this project.

4E. New Finding of Conformity for the Regional Transportation Plan 2007 Update and FY 2008-2012 MAG Transportation Improvement Program, as Amended

The Management Committee, by consent, recommended approval of the new Finding of Conformity for the Regional Transportation Plan 2007 Update and FY 2008-2012 MAG Transportation Improvement Program, as amended. On July 25, 2007, the MAG Regional Council approved a proposed amendment to the Regional Transportation Plan to delete the SR 153 corridor and add a project to improve the existing SR 143 and SR 202 Loop traffic interchange, and to amend the Regional Transportation Plan and the FY 2008-2012 MAG Transportation Improvement Program subject to an air quality conformity analysis. MAG has conducted a regional emissions analysis for the proposed amendment. The results of the regional emissions analysis for the proposed amendment, when considered together with the RTP and TIP as a whole, indicate that the transportation improvements will not contribute to violations of federal air quality standards. Comments on the amendment and finding of conformity were requested by October 22, 2007 following a 30-day public review period.

4F. Recommendation of Prioritized List of Proposed PM-10 Certified Street Sweeper Projects for FY 2008 CMAQ Funding

The Management Committee, by consent, recommended approval of a prioritized list of proposed PM-10 certified street sweeper projects for FY 2008 CMAQ funding and retain the prioritized list for any additional FY 2008 CMAQ funds that may become available due to year-end closeout, including any redistributed obligation authority, or additional funding received by this region. The FY 2008 MAG Unified Planning Work Program and Annual Budget and the FY 2008-2012 MAG Transportation Improvement Program contain \$1,110,000 in Congestion Mitigation and Air Quality (CMAQ) funding for the purchase of PM-10 certified street

sweepers. PM-10 certified street sweeper projects were solicited from member agencies in the Maricopa County PM-10 nonattainment area and 18 applications requesting \$3.07 million in federal funds were received. On September 25, 2007, the MAG Air Quality Technical Advisory Committee made a recommendation on a prioritized list of proposed PM-10 certified street sweeper projects for FY 2008 CMAQ funding.

4G. Conformity Consultation

The Maricopa Association of Governments is conducting consultation on a conformity assessment for an amendment to the FY 2008-2012 MAG Transportation Improvement Program. The proposed amendment includes the repackaging of existing Arizona Department of Transportation projects on Interstate-17 and on Interstate-10 between Loop 101 (Agua Fria Freeway) and Verrado Way. The amendment also includes ten federal-aid projects for the paving of dirt roads and shoulders in the Maricopa PM-10 Nonattainment Area for FY 2008, and several transit projects. The amendment includes projects that may be categorized as exempt and minor project revisions that do not require a conformity determination. Comments on the conformity assessment were requested by October 22, 2007. This item was on the agenda for consultation.

4H. FY 2009 MAG PSAP Annual Element/Funding Request and FY 2009-2013 Equipment Program

The Management Committee, by consent, recommended approval of the FY 2009 MAG PSAP Annual Element/Funding Request and FY 2009-2013 Equipment Program for submittal to the Arizona Department of Administration. Each year, the MAG Public Safety Answering Point (PSAP) Managers submit inventory and upgrade requests that are used to develop a five-year equipment program that forecasts future 911 equipment needs of the region and enables MAG to provide estimates of future funding needs to the Arizona Department of Administration (ADOA). The ADOA Order of Adoption stipulates allowable funding under the Emergency Telecommunications Services Revolving Fund, which is funded by the monthly 911 excise tax on wireline and wireless telephones. The funding request for FY 2009 is required to be submitted to the ADOA by December 15, 2007. The MAG PSAP Managers and the MAG 911 Oversight Team recommended approval of the Funding Request and Equipment Program.

4I. Draft MAG 208 Small Plant Review and Approval for the Proposed Scorpion Bay Wastewater Treatment Plant

The Management Committee, by consent, recommended approval of the proposed Scorpion Bay Wastewater Treatment Plant as part of the MAG 208 Water Quality Management Plan. The City of Peoria has requested that MAG review the proposed Scorpion Bay Wastewater Treatment Plant through the Small Plant Review and Approval Process of the MAG 208 Water Quality Management Plan. The facility would have an ultimate capacity of 35,000 gallons per day and reclaimed water would be disposed of through on-site irrigation reuse at the Scorpion Bay Marina. The project is located within the Peoria Municipal Planning Area and Lake Pleasant Regional Park that is managed by Maricopa County. The right to use the land for the Scorpion Bay Marina has been granted through an agreement with the Maricopa County Parks and Recreation Department. Maricopa County has also provided a letter indicating that it does not object to the proposed wastewater treatment plant. In addition, Yavapai County is within three

miles of the project and has indicated no objections. On September 17, 2007, the MAG Water Quality Advisory Committee recommended approval of the Small Plant Review and Approval for the proposed plant.

4J. 2007 Regional Human Services Summit Report

The Management Committee, by consent, recommended approval of the 2007 Regional Human Services Summit Report. In June 2007, nearly 200 people attended MAG's first Regional Human Services Summit. Participants developed the framework for eight projects, which are detailed in the 2007 Regional Human Services Summit Report. The projects address a diverse range of issues such as juvenile crime, developmental disabilities and aging. Community leaders have pledged to move the projects forward. The MAG Continuum of Care Regional Committee on Homelessness, the MAG Regional Domestic Violence Council, and the MAG Human Services Technical Committee recommended approval of the Report.

4K. Federally Funded Projects Update

The federally funded projects update includes an overview of the MAG Fed-TIP website, an analysis of projects that were deferred from FY 2007 to a later year, and the current status of active and inactive projects. This item was on the agenda for information and discussion.

5. FY 2008 Early Phase Input Opportunity Report

Jason Stephens, MAG Public Involvement Planner, provided a report on the Early Phase Input Opportunity, which provides for initial public input prior to a draft listing of projects being compiled for a draft Transportation Improvement Program. He stated that MAG has a four-phase public input process that was adopted in 1994, and enhanced in 1998 and in 2006 to ensure Valley residents are provided with multiple opportunities for input into the development of the region's transportation Plans and programs. Mr. Stephens displayed a list of the input opportunities during the early phase. He noted that MAG typically coordinates input efforts with ADOT, Valley Metro and METRO to ensure that residents have an opportunity to speak with all regional transportation entities at the same time. Mr. Stephens reviewed a summary of questions and comments, all of which are included in the FY 2008 Early Phase Input Opportunity Report. Chair Dolan thanked Mr. Stephens for his report. She asked members if they had questions. None were noted.

6. 2007 Annual Report on the Status of the Implementation of Proposition 400

Roger Herzog, MAG Senior Project Manager, stated that MAG is required by Arizona statute to issue an annual report on the status of projects funded by the half-cent sales tax authorized by Proposition 400. Mr. Herzog stated that the FY 2007 revenue was 6.7 percent higher than FY 2006, but less than the historical rate of 7.4 percent. He advised that ADOT currently is reviewing all revenue projections, which may result in lower long-range forecasts.

Mr. Herzog stated that the estimated future costs of \$6,609 million for the Transit Life Cycle Program are currently in balance with projected revenues of \$6,635 million. He advised that the cost/revenue balance will be a continuing challenge, due to increases in fuel and construction

costs and the outlook for discretionary funding from the Federal Transit Administration for light rail.

Mr. Herzog stated that the total estimated future regional disbursements of \$1,674 million for Arterial Life Cycle Program (ALCP) projects are in balance with projected revenues of \$1,864 million. He advised that since the regional contributions for the ALCP are capped with a fixed amount of regional funding allocated to individual projects, the balance between estimated future disbursements and projected revenues is easier to maintain than in the other modes. Mr. Herzog noted that the share of total costs that must be borne by local jurisdictions has increased from 31.8 percent in 2005 to 42.2 percent in 2007. He advised that cost increases may result in some arterial street projects being reduced in scope or delayed during the life of the program.

Mr. Herzog stated that estimated future costs of \$10,501 million in the Freeway/Highway Life Cycle Program are currently in balance with projected revenues of \$10,738 million. He advised that preliminary information from ongoing studies indicates that project costs could be in the range of \$2-3 billion more than currently programmed. Mr. Herzog noted that MAG staff will assess cost and revenue data and present program options in early 2008. He noted that potential approaches to this issue could include more aggressive bonding of future revenues and public/private partnerships, adjustments of project scopes, or extension of the project schedule. Chair Dolan thanked Mr. Herzog for his report.

Dennis Smith, MAG Executive Director, noted that the options for keeping the programs in fiscal balance. He stated that at first, it was thought that cost increases would be temporary, but that does not appear to be the case, and a serious look is needed to ensure the program stays on balance.

Chair Dolan asked Mr. Smith to explain how the BQAZ project fits in with the completion of the Proposition 400 plan. Mr. Smith stated that on Friday, the COGs and ADOT agreed to a framework study area map. He added that the State Transportation Board approved \$7 million for statewide framework studies, which would be done using a common methodology. Mr. Smith advised that consultants would be hired to conduct the studies, which would be knitted into a statewide plan. He commented that a buildout plan for the state of Arizona would exceed any existing funding source. Mr. Smith noted that the 1985 MAG regional plan was initially envisioned in 1960. He commented that with some modifications, the plan envisioned in 1960 has been followed. Mr. Smith advised that the state does not have a transportation modeling tool nor a statewide buildout plan. He commented that problems, such as the gateway routes of I-17 and I-10, or the Queen Creek routes in Pinal County, cannot be solved with a regional plan, but need a statewide approach. Mr. Smith stated that a plan was laid out to have an election in 2009, but that is up to political discussion.

Chair Dolan asked members if they had questions.

Ms. Dennis asked if there would be any framework studies to address the arterial streets issues. Mr. Smith replied that an update of the current system would be done. He noted that the cost of the arterial streets to the program is capped and cost increases are shifted to the jurisdictions. Mr. Smith stated that there is an option in the statewide effort to use HURF for arterial streets,

not just gateway routes. Ms. Dennis expressed her concern that even with Proposition 400, MAG needs to continue to look at ways to address problems in Arizona as a whole.

Mr. Fairbanks stated that all cities are finding costs doubling and tripling for the construction and maintenance of arterial streets. He stated that their principal funding source, the HURF fund, has been static, and the gasoline tax is fixed per gallon and not indexed. Mr. Fairbanks stated that cars are getting improved mileage, so even with the growing population, the revenue ranges from flat to declining. He commented that all cities and towns are under pressure to construct and maintain the street system. Mr. Fairbanks commented that looking at solving problems statewide, not only are great gateway routes needed, but also ways to travel to and from the routes. He expressed his agreement with Ms. Dennis's statements on this.

Mr. Smith stated that 60 percent of the traffic in the region is carried by arterial streets. He reported that at a recent meeting of the National Association of Regional Councils hosted at MAG, the representative from Nevada reported that they have indexing, and if they had the opportunity to do it again, the indexing would be based on construction costs.

Ms. Hill asked if all of the future bus service was included in the balanced Life Cycle Program. Mr. Herzog replied that all bus services were included but they were based on 2007 figures. He stated that RPTA will be incorporating the new ADOT revenue forecasts into the Life Cycle Transit Program over the next several months. Mr. Herzog added that the outlook could change based on the revised revenue forecasts. Ms. Hill expressed about those bus projects that are in the outer years of the plan. Chair Dolan stated that she thought BQAZ and re-scoping will be critical sooner than later due to funding concerns.

Mr. Smith we need to do a quality job and get planning done. To go the ballot without a well thought out and well supported plan might not be a good idea.

7. Air Quality Update

Lindy Bauer, Director of Environmental Programs, updated members on air quality. The first item she reported on was the MAG Five Percent Plan for PM-10, which is required to reduce PM-10 particulate emissions by five percent per year until the standard is attained at the monitors. Ms. Bauer noted that the plan is due to the Environmental Protection Agency by December 31, 2007. She stated that the Plan must show five percent per year reduction in emissions until standard is attained at the monitors based upon the most recent emissions inventory, and must also demonstrate attainment via modeling.

Ms. Bauer displayed a graph of number of days by year exceeding the 24-hour PM-10 standard in Maricopa County. She stated that the 2007 exceedance days may be due to high wind events and might not count against the region. Ms. Bauer added that three years of clean data are required to attain the standard. She also displayed a chart that showed exceedances of the 24-hour PM-10 standard by monitor. Ms. Bauer noted that the Durango monitor, which had been problematic, showed zero exceedances in 2007. She commented that this shows the situation is improving.

Ms. Bauer stated that in June 2007, the Legislature passed SB 1552 which contains several PM-10 measures. She advised that commitments to implement measures have been received from ADOT and all of the cities and towns in the PM-10 nonattainment area. Ms. Bauer stated that Maricopa County Board of Supervisors passed a \$23 million package of commitments on September 10th, which includes hiring 91 additional personnel to assist in training and enforcement of fugitive dust rules.

Ms. Bauer displayed the reductions in 2010 for committed control measures in the Five Percent Plan for PM-10. She noted that the draft emission reductions appear to be in sufficient amount to meet the five percent reduction requirement and the contingency requirements.

Ms. Bauer noted MAG Initiatives Supporting the Five Percent Plan. She stated that the MAG Regional Council allocated an additional \$5 million in FY 2007 federal funds to pave dirt roads and shoulders. The MAG unpaved road inventory, which originated with a request from the Management Committee, identified 220 miles of unpaved roads located in county islands. Ms. Bauer stated that a workshop will be held in fall 2007 to help cities and towns track the implementation of their committed measures and also help prepare them for reporting to the Legislature in 2008.

Ms. Bauer explained that MAG requested that the Legislature prohibit new dirt roads be prohibited, but was met with opposition by the Board of Realtors. She noted that approximately 1,680 miles of dirt roads have been identified in the region, many of which may be private. Ms. Bauer stated that public funds cannot be used to pave private dirt roads. Ms. Bauer advised that this session, the Legislature would be requested to do something about the dirt road problem and she would provide updates to the Committee.

Ms. Bauer reported on some of the local government requirements of Senate Bill 1552. She said that plans to stabilize unpaved roads, alleys and unpaved shoulders on targeted arterials are due January 1, 2008. Ms. Bauer noted that ordinances to stabilize unpaved parking areas, restrict vehicle parking and use on vacant lots, and ban the blowing of landscape debris into public roadways are due March 31, 2008. Also by March 31, 2008, ordinances to prohibit the operation of off-highway vehicles on unauthorized unpaved surfaces need to be in place. Ms. Bauer stated that on June 1 and December 1, 2008 and 2009, the cities/towns and the county will need to submit particulate enforcement reports to Joint Legislative Budget Committee. In 2008 and 2009, the State Air Quality Study Committee will review implementation and enforcement of measures as part of their duties.

Ms. Bauer reported on the 8-Hour Ozone Plan, which was submitted June 15, 2007. She advised that the Maricopa nonattainment area had zero violations and no exceedances this ozone season. Chair Dolan thanked Ms. Bauer for her report. No questions from the Committee were noted.

8. Draft MAG 208 Water Quality Management Plan Amendment for the Hassayampa Utility Company Northeast Service Area

Julie Hoffman, MAG Environmental Planner, stated that the draft MAG 208 Water Quality Management Plan Amendment for the Hassayampa Utility Company Northeast Service Area was before the Committee in September. She noted that it was continued to allow time for the

Town of Buckeye and Global Water to meet and develop a Memorandum of Understanding (MOU) pertaining to a cooperative approach in maintaining the Hassayampa Sub-Basin. Ms. Hoffman reported that the Town and Global have adopted the MOU.

Ms. Guy stated that the Buckeye Town Council adopted the MOU outlining that Buckeye and Global Water would work to address the concerns of maintaining a shared watershed. Ms. Guy stated that they have agreed to continue further discussion this month. She advised that as of today, the Town's position is to not oppose the amendment based on this good faith discussion; however, at the Regional Council meeting, the Town's position will also be determined by those good faith efforts.

Chair Dolan recognized public comment from Garry Hays, Henderson Law Firm, speaking on behalf of Harvard Investments, the owner and developer of Hassayampa Ranch. Mr. Hays stated his support of the 208 amendment and commented that he felt it provided the best regional solution for water and wastewater. He requested that the Management Committee move the item forward. Chair Dolan thanked Mr. Hays for his comments.

Chair Dolan recognized public comment from Dustin Jones, speaking on behalf of a developer in the area. Mr. Jones stated that when they gave a presentation on their development master plan to the County Board of Supervisors, the Board asked if they felt confident that the Management Committee would make a recommendation for approval. Mr. Jones said that they indicated to the Board that they have been working with Buckeye and were confident they could get the MOU approved in anticipation of the Management Committee meeting. He encouraged the Management Committee move forward on the 208 amendment. Chair Dolan thanked Mr. Jones for his comments.

Chair Dolan asked members if they had questions or comments. None were noted. Mr. Martinsen moved to recommend approval of the draft MAG 208 Water Quality Management Plan Amendment for the Hassayampa Utility Company Northeast Service Area. Mr. Pickering seconded, and the motion passed, with Ms. Hill voting no.

9. Comments from the Committee

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

Ms. Dennis introduced the new Assistant City Manager for the City of El Mirage, Spenser Isom.

There being no further business, the meeting adjourned at 12:45 p.m.

Secretary

Chairman