

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

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

**MEMBERS ATTENDING**

Mayor James M. Cavanaugh, Goodyear, Chair	Vice Mayor Paul Faith for Mayor Thomas Schoaf, Litchfield Park
* Mayor Mary Manross, Scottsdale, Vice Chair	Supervisor Don Stapley, Maricopa County
+ Councilmember Dave Waldron for	Mayor Keno Hawker, Mesa
Mayor Douglas Coleman, Apache Junction	Mayor Ed Winkler, Paradise Valley
Mayor Marie Lopez Rogers, Avondale	Mayor Bob Barrett, Peoria
Mayor Bobby Bryant, Buckeye	Councilmember Peggy Neely, Phoenix
Mayor Edward Morgan, Carefree	Mayor Art Sanders, Queen Creek
* Vice Mayor Dick Esser, Cave Creek	* President Joni Ramos, Salt River
# Mayor Boyd Dunn, Chandler	Pima-Maricopa Indian Community
* Mayor Fred Waterman, El Mirage	# Mayor Joan Shafer, Surprise
* President Raphael Bear, Fort McDowell	# Mayor Hugh Hallman, Tempe
Yavapai Nation	* Mayor Adolfo Gamez, Tolleson
* Mayor Wally Nichols, Fountain Hills	+ Mayor Ron Badowski, Wickenburg
* Mayor Daniel Birchfield, Gila Bend	Mayor Michael LeVault, Youngtown
* Governor William Rhodes, Gila River Indian	* Joe Lane, State Transportation Board
Community	* Felipe Zubia, State Transportation Board
Mayor Steven Berman, Gilbert	# F. Rockne Arnett, Citizens Transportation
# Mayor Elaine Scruggs, Glendale	Oversight Committee
* Mayor Bernadette Jimenez, Guadalupe	

\* 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 5:05 p.m.

2. Pledge of Allegiance

The Pledge of Allegiance was recited.

Chair Cavanaugh noted that Mayor Boyd Dunn, Mayor Elaine Scruggs, Mayor Joan Shafer, Mayor Hugh Hallman, and Roc Arnett were participating by telephone, and Mayor Ron Badowski and Councilmember Dave Waldron, as proxy for Mayor Doug Coleman, were participating by videoconference. Chair Cavanaugh welcomed Vice Mayor Paul Faith as proxy for Mayor Tom Schoaf.

Chair Cavanaugh noted that materials at each place: for agenda item #7, a memorandum from Supervisor Stapley; for agenda item #9, an updated Programs in Brief; and for agenda item #10, a bill summary chart. Chair Cavanaugh stated that parking validation and transit tickets were available from MAG 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 recognized public comment from Dianne Barker, who expressed her thanks for the transit tickets. Ms. Barker commented on the attractive Rapid buses, and said she would like to ride them. She stated that at the Citizens Transportation Oversight Committee meeting, she discovered the Annual Financial Compliance Audit. Ms. Barker noted that the report is legislated to CTOC and includes what was accomplished, information received from studies, and financial information. She stated that citizens want to know the information contained in this report. Ms. Barker commented that if a project does not contribute to air quality requirements for compliance it should be scratched. She commented that bonding is \$5 billion for highways and freeways, but transit is not on the list. Ms. Barker stated that you can see who is putting us in debt. Chair Cavanaugh thanked Ms. Barker for her comments.

Chair Cavanaugh recognized public comment from Joe Ryan, who stated that his statement would take more than three minutes, which was not a reasonable time according to state law. Mr. Ryan stated he wished he would not be interrupted until he was finished. Chair Cavanaugh asked how much time Mr. Ryan needed. Mr. Ryan responded that he would know when he was finished. Mr. Ryan stated that he had experience in transportation equipment, facilities, and route planning. He said that the errors in MAG's poor planning process results in deaths from underbuilt infrastructure and medical problems from polluted air. He noted that the vehicle miles of travel rate has risen more than the population rate. Mr. Ryan stated that proceeds from the half cent sales tax used to go to highways and interchanges. He said that the tax amount was insufficient. Mr. Ryan stated that a substantial portion of the extension of the sales tax goes to transit. He said he wanted to know who authorized the half cent rate and who authorized the campaign signs that said "Finish the Freeways," because they were deceitful. Mr. Ryan's comment period expired. Mr. Ryan continued speaking by stating that the tax should be three or four times higher than one half cent, and that highway needs are underfunded by \$50 to \$75 billion. Chair

Cavanaugh asked Mr. Ryan if he could conclude his comments. Mr. Ryan stated that he would not; he would follow the state law and continue speaking. Chair Cavanaugh said that he was thankful Mr. Ryan had attended the meeting and encouraged him to come to future meetings, but he was not going to debate the law at this time. He stated that MAG has an adopted public comment policy and procedure. Chair Cavanaugh requested that Mr. Ryan's attorney discuss the subject with MAG's general counsel. He added that written comments from Mr. Ryan were welcome. Mr. Ryan stated that Chair Cavanaugh should read the letter written by the Arizona Attorney General where a citizen was given ten minutes to speak. He stated that MAG's procedure is out of order and violates state and federal laws. Chair Cavanaugh thanked Mr. Ryan for his comments.

Chair Cavanaugh recognized public comment from Chuck Ullman, representing PORA, Sun City West. He stated that the neighborhood was promised sound walls and rubberized asphalt when Loop 303 went in. Mr. Ullman stated that to date, nothing has happened. He said that the sound is horrendous with many large trucks traveling through and now the road is being widened. Mr. Ullman stated that he understands MAG has noise mitigation funds available. He said he would like to request that the Regional Council consider using part of these funds to create sound walls for Sun City West. Chair Cavanaugh thanked Mr. Ullman for his comments.

4. Executive Director's Report

Dennis Smith reported Annual Walk to End Domestic Violence will be held on April 28, 2007 at Wesley Bolin Plaza in downtown Phoenix. He noted that Mayor Manross is Chair of the MAG Regional Domestic Violence Council. Mr. Smith noted that there is a 5K competitive run and non-competitive walk. He encouraged cities to form teams and participate in the event.

Mr. Smith stated that Governor Janet Napolitano will join ADOT and MAG in a press conference on April 5, 2007, at 9:45 a.m. to kick off the Don't Trash Arizona litter prevention campaign. He stated that Regional Council members were emailed an invitation to the event. Mr. Smith noted that the contact at MAG is Communications Manager, Kelly Taft. 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, and #5F were on the consent agenda. Chair Cavanaugh asked members if they had any questions or any requests to hear an item individually. None were noted.

Chair Cavanaugh recognized public comment from Mr. Ryan, who noted his objections to agenda item #5B. He said that there is real congestion on I-10 between I-17 and Loop 303. Mr. Ryan stated that the connection of the South Mountain to I-10 at 55th Avenue will create a tremendous amount of traffic congestion and he thought a connection at 99th Avenue would be better. He commented that special interest groups were able to get the connection at 55th Avenue. Mr. Ryan stated that the ramp at Loop

101 needs to be rebuilt because it is a one-lane ramp, which causes traffic backups and pollution. He requested this be on next month's agenda. Chair Cavanaugh thanked Mr. Ryan for his comments.

Mayor Bryant moved to approve consent agenda items #5A, #5B, #5C, #5D, #5E, and #5F. Councilmember Neely seconded, and the motion carried unanimously.

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

The Regional Council, by consent, approved the February 28, 2007 meeting minutes.

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

The Regional Council, by consent, approved forwarding the proposed concept for the I-10 Integrated Corridor Management System to the USDOT for consideration. 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.

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 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 were requested by March 23, 2007. This item was on the agenda for consultation.

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 were requested by March 23, 2007. This item was on the agenda for consultation.

5E. Regional Economic and Growth Outcomes Project

The Regional Council, by consent, approved the proposed Regional Economic and Growth Outcomes Work Plan. 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 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.

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

The Regional Council, by consent, approved 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.

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

Bob Hazlett, MAG Senior Engineer, stated that the Regional Council is being requested to approve the selection of the firm DMJM Harris to provide consulting services related to the Building a Quality Arizona: Statewide Intrastate Mobility Reconnaissance Study. Mr. Hazlett stated that the purpose of the study is to put together a statewide travel demand modeling tool that will allow forecasting between regional centers and will help make those transportation connections that will be needed because of the astounding growth in the state.

Mr. Hazlett stated that a strategic implementation plan, built upon the framework studies MAG is currently conducting, will be formulated. He said that staff looked at transportation connections and saw that transportation needs statewide are considerable. Mr. Hazlett noted that some states are now

building six lane rural interstate highways. He commented that if people and commerce cannot get to a region, neither will economic development.

Mr. Hazlett noted the region has seen many economic benefits because of the regional freeway system, which spreads statewide. He noted that one of the biggest contributions of Building a Quality Arizona is quality of life. He noted that the COG/MPO Chairs and Directors, chaired by Mayor Cavanaugh, recently met to discuss the effort. Mr. Hazlett noted those participating in the Building a Quality Arizona include the Governor's office, Legislators, the Arizona Department of Transportation, key business leaders, in addition to the COGs/MPOs.

Chair Cavanaugh recognized public comment from Mr. Ryan, who stated that Arizona has to compete with other states. Because it is landlocked, it has cost problems. He said that transportation studies do not mention costs or cost reductions. Mr. Ryan stated that frequent service creates traffic. He said that lighter vehicles use less fuel. Mr. Ryan stated that commuter rail numbers are lousy and asked who was going to pay for it. He said the region should implement elevated rail, invented by John Shaw, which does not congest traffic. Mr. Ryan stated that he proposed elevated rail ten years ago but it was not considered. He said that Arizona needs to be competitive and cost is a major factor. Chair Cavanaugh thanked Mr. Ryan for his comments.

Chair Cavanaugh asked members if they had questions for Mr. Hazlett. None were noted. Mayor Shafer moved to approve 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. Councilmember Neely seconded, and the motion carried unanimously.

Mayor Hallman said that he needed to leave the meeting for another engagement, but wanted to make a statement in regard to agenda item #8, Authorization to Enter Into a Memorandum of Understanding for the Regional Office Center and to Execute a 30-Year MAG Lease. Mayor Hallman stated that MAG staff had done a spectacular job of answering his city's questions and they had no longer had concerns about the project.

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

Stephen Cleveland, Chair of the MAG Air Quality Technical Advisory Committee, and Goodyear City Manager, stated that the Suggested List of Measures to Reduce PM-10 Particulate Matter represents a major work effort by the Committee, which includes federal, state, county, tribal, private sector, local, and citizen representatives, in preparation of the Five Percent Plan for PM-10 that is required to be submitted to the Environmental Protection Agency by December 31, 2007. Mr. Cleveland stated that for several months, the committee has been working on the measures and held a workshop on February 16, 2007. He stated that on March 9, 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. Mr. Cleveland stated that 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 by June 15, 2007. Mr. Cleveland stated that he, or Lindy Bauer, MAG Environmental Director, would be happy to answer any questions.

Chair Cavanaugh recognized public comment from Amanda McGennis, Associated General Contractors, and member of the MAG Air Quality Technical Advisory Committee, who stated that she understood that the Regional Council might revise the Suggested List of Measures. She requested that the Regional Council approve the measures as they are stated. Chair Cavanaugh thanked Ms. McGennis for her comments.

Chair Cavanaugh recognized public comment from Nick Simonetta, Jennings Strouss and Salmon, and representing two clients in air quality issues. Mr. Simonetta stated that Emissions Products International has a product that they believe will help in reducing emissions in nonattainment areas. He handed out material on the product. Mr. Simonetta stated that the language in measure #23 is broad and inclusive in terms of incentives and they are concerned the measure would also capture technologies that might cause other problems. Mr. Simonetta suggested that inserting standards might be helpful to ensure that equipment being incentivized would reduce emissions and not create other problems. He stated that this along with other measures, are being worked through the legislative process. Mr. Simonetta stated that he also represented Alternative Highway Vehicle Users, which has been trying to self regulate on pollution issues. He said they voluntarily implement bans on high pollution advisory days. Mr. Simonetta stated that the group is also working with legislators. He requested that he be able to provide additional language to MAG as the process continues over the next few weeks. Chair Cavanaugh thanked Mr. Simonetta for his comments.

Chair Cavanaugh asked members if there were questions or discussion about this agenda item.

Supervisor Stapley expressed his thanks to the Air Quality Technical Advisory Committee and Mr. Cleveland for all of the time and effort they put toward this issue. He said he did not want his comments to diminish their work, however, the County continues to have concerns in regard to the measures. Supervisor Stapley stated that there were four areas of concern: 1) Some proposed PM-10 reduction measures would not control PM-10, but are an attempt to micromanage the County by directing how it operates its dust compliance program, and have no place in the Five Percent Plan. 2) The County does not believe the proposed 15 mile per hour speed limit will work in some areas, is largely unenforceable (per the County Attorney's opinion), and will not achieve the desired emissions reductions. 3) The measures used successfully by Clark County, the South Coast Air Quality Management District, San Joaquin, and California, are not included in the suggested list. Supervisor Stapley said that the County would like these issues to be reconsidered by the Air Quality Technical Advisory Committee in some form. 4) The measures must include a substantial commitment by cities and towns, which have numerous areas in which they must be obligated to control if the Plan is to be successful, such as unpaved parking lots, vehicle maneuvering areas, unpaved roads, vacant lots, and open areas that are beyond the County's ability to control. Supervisor Stapley stated that the current proposal places undue burdens on the County alone.

Supervisor Stapley moved to approve the Suggested List of Measures to Reduce PM-10 Particulate Matter as recommended by the MAG Air Quality Technical Advisory Committee and the MAG Management Committee with one modification and one addition (1) to Measure #38 Restrict vehicle use and parking on vacant lots (e.g. Phoenix) by adding the State to the list of implementing authorities: (2) to add a measure to the Suggested List to grant Maricopa County the ability to assess liens on parcels

to cover the costs of stabilization for the parcel; also to direct the MAG Air Quality Technical Advisory Committee at their April meeting to consider the remainder of the recommendations provided in March 28, 2007 memorandum from Maricopa County to MAG. He stated that by putting forth this motion, the effort was being moved forward, and also allowing the process to be drilled down on suggestions and reaching better compromises with cities and towns. Councilmember Neely seconded the motion.

Chair Cavanaugh asked Mr. Cleveland and Ms. Bauer their reaction to the motion. Mr. Cleveland stated that they understood the request and he, as Chair of the Committee, and staff, were prepared to work on these matters mentioned in the motion.

With no further discussion, the vote on the motion passed unanimously.

Mayor Scruggs announced that she needed to depart the meeting for another engagement.

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

Denise McClafferty stated that the Regional Council was provided an overview on the proposed Regional Office Center at the February 28, 2007 meeting. She noted that a workshop on March 5th was attended by about 25 to 30 elected officials and staff of member and partner agencies to receive detailed information on the project. Ms. McClafferty stated that 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 19, 2007, the MAG Regional Council Executive Committee recommended proceeding with the project. Ms. McClafferty noted that the Valley Metro Rail Board will meet on April 10, 2007 and the RPTA Board on April 19, 2007. She commented that if these actions are favorable, approval would be requested at the April Executive Committee meeting to indemnify Ryan Companies to keep the project moving to the design development stage.

Ms. McClafferty stated that additional questions have been asked, including the tax status of the agencies and whether the City of Phoenix would consider using a mechanism to abate a portion of the property tax or any other fees and taxes associated with the project.

Marlene Pontrelli, Mariscal, Weeks, McIntyre and Friedlander, and acting for MAG General Counsel, Fredda Bisman, explained the tax issues status. Ms. Pontrelli stated that the information provided is the worst case scenario and includes no tax abatements nor exemptions. She said that staff has met with the City of Phoenix and believes there are alternatives, including an entire tax exemption of the property. Ms. Pontrelli stated that a tax attorney who specializes in this area has been retained. She said that no tax would be paid if we could be characterized as utilizing a nonprofit organization through a political subdivision exercising government activity. Ms. Pontrelli stated that if this cannot be done, then a GPLET might be used. If the property is characterized as being used for government activity it would then be tax exempt. Ms. Pontrelli stated that this would entail entering into a development agreement with the City of Phoenix, subject to Phoenix City Council approval. Ms. Pontrelli stated that even if a total tax exemption is not achieved, perhaps an eight year abatement followed by the GPLET rate might

be implemented. She stated that the City of Phoenix also spoke about development tools such as reimbursement for the construction sales tax. Ms. Pontrelli commented that conversations with the City of Phoenix have been productive and they believe they will be able to enter into successful negotiations, subject to approval by the Phoenix City Council.

Chair Cavanaugh thanked staff for their presentations. He asked Mayor Hawker, Chair of the Building Lease Working Group, if he had any comments on the project.

Mayor Hawker stated that he wished Mayor Hallman was still present at the meeting, because it was Mayor Hallman's suggestion to use the GPLET that has proven so beneficial to the project and provided a reduction of \$3 per square foot. Mayor Hawker commented that if a person opposed governments owning property, they would probably vote against the project. If a person felt it was a good idea to invest and not lease and felt the three agencies would be around for awhile to do regional planning, they would probably support the project. Mayor Hawker stated that he has heard the numbers and costs to his community and to the boards on which he sits and he supports the project.

Mayor Hawker moved to 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. Mayor Shafer seconded.

Chair Cavanaugh asked if there was discussion on the motion.

Vice Mayor Faith asked if a motion passing before final negotiations could weaken their position. Ms. Pontrelli replied that she did not think the motion would have a negative effect on negotiations. She added that the partnering agencies and the City of Phoenix have had open discussions on the project all along.

Mayor Lopez Rogers asked what would happen if Valley Metro Rail decided not to proceed with being a partner in the project. Mr. Smith replied that if Valley Metro Rail decided not to partner, the project would need to be brought back to the Regional Council. He said he felt the project would need to be reconfigured or abandoned.

Mayor Lopez Rogers stated that she understood the funds used for the Regional Office Center were administrative funds that could not be used for building roads or highways. Mr. Smith replied that MAG will be using planning funds, which cannot be used to build roads. Mayor Lopez Rogers asked MAG's public/media outreach plan to handle the perception that cities are using money for a building instead of putting the funds into needed roadways. Mr. Smith stated that the MAG Communications staff would draft talking points.

Councilmember Neely expressed her appreciation to Mayor Hawker for the great amount of time and effort he has invested in this project. She also noted how hard MAG staff worked on the project. Councilmember Neely stated she supported the motion and that the City of Phoenix is committed to bringing this project together if that is the will of the Regional Council.

Mayor Dunn stated his support for the memorandum of understanding for the Regional Office Center to have MAG join RPTA and Valley Metro Rail as long term leaseholders. Mayor Dunn said that he thought it was beneficial to have a central location, to partner with the City of Phoenix, and ensure there was adequate meeting space to coordinate efforts. He stated his support for the motion.

Chair Cavanaugh stated his support for the motion. He said that it makes financial sense and reflects the professional elements of MAG. Chair Cavanaugh stated that the building is not an elegant facility, but a first class facility that will be used by first class agencies.

With no further discussion, the vote on the motion passed unanimously.

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

Rebecca Kimbrough, MAG Fiscal Services Manager, updated members on the development of the MAG Unified Planning Work Program and Annual Budget. Ms. Kimbrough noted the changes since the agenda materials were mailed out. She said that a memorandum of understanding for cooperative planning between transportation and transit agencies has been included and would be signed upon approval of the Work Program. Ms. Kimbrough stated that one new staff position, a Computer Support Technician I, is being requested for FY 2008. She stated that changes had been made to three of the new projects. She noted that the Household Survey project was revised upward by \$250,000 to \$750,000; the Traffic Count project was revised downward by \$100,000 to \$150,000; and the I-17 and US-93/New River Roadway Framework Study had been deleted. Ms. Kimbrough stated that the estimated FY 2008 budget is approximately 11 percent lower than the FY 2007 budget.

Mr. Smith stated that the I-17 and US-93/New River Roadway Framework Study would cost approximately \$400,000 to \$500,000. He said that MAG and ADOT had the funds for their portions of the study's cost, however, Yavapai County has a limited amount of funds and had other studies they needed to conduct. Mr. Smith commented that this is a good example that a funding source out of the State Legislature is needed because small planning organizations do not have enough resources to participate in some needed studies.

10. Legislative Update

Matthew Clark, MAG Senior Policy Planner, provided an update on legislative issues of interest. He reported that Senate Bill (SB) 1049, which appropriates \$450 million from the State's Rainy Day Fund to transportation, and SB 1172, which increases the maximum maturity date for state highway bonds from 20 to 30 years, have stalled, but may be considered as part of the budget process.

Mr. Clark reported that SB 1591 adds language that states if the light rail system is not completed on or before January 1, 2009, a separate performance audit will be conducted within 12 months after the minimum operating segment has opened. He reported that this bill passed the Senate and House transportation committees and is in Rules. Mr. Clark noted Valley Metro Rail is neutral on this bill.

Mr. Clark stated that House Bill (HB) 2612 would increase the number of members on the State Transportation Board. He said that the bill passed the House and would probably be heard in the Senate in the upcoming week.

Mr. Clark stated that HB 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. Clark said the bill was sent to Rules this week.

Mr. Clark noted that SB 1552 deals with air quality regulations and local ordinances. He said the bill passed the Senate and House environmental committees this week. Mr. Clark stated that the bill is a placeholder as work on the measures coming out of the MAG process continues.

Mr. Clark stated that HCR 2039 is a strike everything amendment that proposes amendments to the State Constitution relating to disposition of state trust land. He said that it passed the Committee of the Whole March 20th and is awaiting a third read.

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.

No comments from the Council were noted.

There being no further business, the Regional Council meeting adjourned at 6:15 p.m.

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Chair

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Secretary