

MINUTES OF THE
MAG MANAGEMENT COMMITTEE MEETING
May 9, 2012
MAG Office - Saguaro Room
Phoenix, Arizona

MEMBERS ATTENDING

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| Charlie Meyer, Tempe, Chair | * Bill Hernandez, Guadalupe |
| David Cavazos, Phoenix, Vice Chair | Darryl Crossman, Litchfield Park |
| # George Hoffman, Apache Junction | Christopher Brady, Mesa |
| Charlie McClendon, Avondale | * Jim Bacon, Paradise Valley |
| Stephen Cleveland, Buckeye | Carl Swenson, Peoria |
| # Gary Neiss, Carefree | John Kross, Queen Creek |
| Wayne Anderson for Usama Abujbarah,
Cave Creek | * Bryan Meyers, Salt River Pima-Maricopa
Indian Community |
| Rich Dlugas, Chandler | David Richert, Scottsdale |
| Dr. Spencer Isom, El Mirage | Chris Hillman, Surprise |
| * Phil Dorchester, Fort McDowell | Reyes Medrano, Tolleson |
| Yavapai Nation | Joshua Wright, Wickenburg |
| Ken Buchanan, Fountain Hills | Lloyce Robinson, Youngtown |
| Rick Buss, Gila Bend | Floyd Roehrich for John Halikowski, ADOT |
| * David White, Gila River Indian Community | Tom Manos, Maricopa County |
| Leah Hubbard for Patrick Banger, Gilbert | Bryan Jungwirth for Steve Banta,
Valley Metro/RPTA |
| Ed Beasley, Glendale | |
| Brian Dalke, Goodyear | |

* 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 Charlie Meyer at 12:02 p.m.

2. Pledge of Allegiance

The Pledge of Allegiance was recited.

Chair Meyer noted that George Hoffman and Gary Neiss were participating in the meeting by teleconference.

Chair Meyer welcomed Tom Manos, the new Maricopa County Manager, to the Management Committee. Mr. Manos was welcomed with applause.

Chair Meyer bid farewell to Ed Beasley, who was retiring as Glendale City Manager, and read a Resolution of Appreciation that had been prepared in his honor. Mr. Beasley received a standing ovation.

Mr. Beasley expressed appreciation for the acknowledgment and said that being with the other Management Committee members has always been enjoyable. He stated that he feels that what happens in the region and the state begins here. Mr. Beasley stated that the past 27 years have flown by. He stated that he would be going on to other endeavors but will always remember the camaraderie of this group.

Chair Meyer announced that public comment cards were available to members of the public who wish to comment. Chair Meyer noted that parking validation was available from staff and transit tickets were available from Valley Metro/RPTA for those using transit to come to the meeting.

3. Call to the Audience

Chair Meyer 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 Meyer 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. A total of 15 minutes will be provided for the Call to the Audience agenda item, unless the Committee requests an exception to this limit.

Chair Meyer recognized public comment from Dianne Barker, a resident of Phoenix. She stated that Mayor Hallman and Mr. Meyer should receive the Toastmasters Sparkplug award. Ms. Barker extended her regrets that Tempe had lost the Improv Theater to Phoenix. She expressed appreciation for the bus pass and said that she looks for people in need and most recently gave a pass to a man on crutches. Ms. Barker reported that she was going to a HUD project after the Management Committee meeting. She explained that six large corporations are sponsors of sustainable gardens and she added that they are designed so that those with disabilities are able to work in them. Ms. Barker stated that the City of Phoenix is looking at converting empty lots into sustainable gardens. She remarked that the bus she took that day was running well. Ms. Barker noted that automobile drivers like the bus pullouts, but they are expensive. She also expressed support for agenda item #5F, which allocates air quality improvement funds toward buses and preventative maintenance. Ms. Barker suggested that better air conditioning is needed on buses because many riders end up opening the windows because it is too cold and energy is wasted. She stated that the agencies might want to encourage fitness programs for bus drivers and she added that the country is looking at this because 17 percent of children are headed to being obese. Ms. Barker remarked that something needs to be done because it was not like this 30 years ago. Ms. Barker remarked that multimodal feels good. Chair Meyer thanked Ms. Barker for her comments.

4. Executive Director's Report

Dennis Smith reported on items of interest in the MAG region. He first mentioned Mr. Beasley's retirement by saying that when resolutions are created, there is never enough room on a sheet of paper to mention all of the accomplishments from a great career such as Mr. Beasley's.

Mr. Smith stated that judging for the Desert Peaks Awards had been completed. He said that he had attended the judging and there were ties in multiple categories, which indicate the great competition in the Valley for worthwhile projects. Mr. Smith welcomed the Management Committee to attend the awards ceremony on June 27, 2012, at the Downtown Phoenix Sheraton, following the annual Regional Council meeting.

Mr. Smith stated that a resolution of support for Arizona's ports of entry resulted from the findings of the MAG Freight Transportation Framework Study. He reported that the resolution was adopted by the MAG Regional Council on March 28, 2012, and he remarked that originally, MAG thought those planning agencies on the border would support the resolution, but it has been endorsed by all of the Councils of Governments and Metropolitan Planning Organizations throughout the state because it made sense for the state. Mr. Smith noted that the Governor is forming a Transportation and Trade Alliance and much of the energy from the resolution will be a focus of the new structure. He acknowledged the leadership by ADOT staff in this effort. Mr. Smith noted that President Obama issued an Executive Order on January 19, 2012, to make it easier to get Visas and for foreign visitors. Mr. Smith stated that *The Arizona Republic* has run three editorials on the ports of entry issue and he noted that Texas has been successful at its ports at Arizona's expense. He added that we need to band together to make a difference for the state.

Mr. Smith provided an update on the MAG Economic Development Committee. He said that when the committee was formed, there was a provision for an evaluation of its effectiveness in two years. Mr. Smith stated that the evaluation was on the last agenda of the EDC and will be on the next agenda. He noted that the evaluation survey showed that the members indicated they felt it was a worthy effort. Mr. Smith reported that one of the comments received asked, "Where would the mayors be able to sit down with economic development professionals and have a discussion if not for the EDC?"

Mr. Smith stated that one of the EDC's projects is the Metropolitan Business Plan. He said that the lead initiatives being examined include Clean Technology Development Center, Unmanned Systems Center of Excellence, and a human capital analysis using the Trip Reduction Program. Mr. Smith extended his appreciation to Rick Buss for his assistance to MAG staff on the Clean Technology Development Center regarding solar energy. He added that there is interesting work regarding algae that might be a topic to be presented

Mr. Smith stated that there have been numerous studies done regarding the Sun Corridor, but no connective tissue. As a result, MAG has invited Michael Gallis, a nationally renowned expert in regional development strategies, to an event sponsored by MAG and the large economic development organizations in the region. Mr. Smith stated that the event will be held on June 14, 2012, at the downtown Phoenix Renaissance Hotel, prior to the Management Committee meeting.

Chair Meyer stated that the Management Committee is invited to attend the Michael Gallis presentation on June 14. He noted that the committee's participation if at all possible, is important and synchronous with the work done here. Chair Meyer expressed that he thought it would be a worthwhile effort and he applauded MAG for bringing Mr. Gallis to the region.

Chair Meyer thanked Mr. Smith for his report. No questions for Mr. Smith were noted.

5. Approval of Consent Agenda

Chair Meyer stated that agenda items #5A, #5B, #5C, #5D, #5E, #5F, #5G, and #5H were on the Consent Agenda. No requests for public comment were received.

Mr. Swenson moved to recommend approval of #5A, #5B, #5C, #5D, #5E, #5F, #5G, and #5H. Mr. Buss seconded. Chair Meyer asked if there was any discussion of the motion. Being none, the vote on the motion passed unanimously.

5A. Approval of April 11, 2012, Meeting Minutes

The MAG Management Committee, by consent, approved the April 11, 2012, meeting minutes.

5B. Enhancement Peer Review Group Round 19 Recommendations

The MAG Management Committee, by consent, recommended that the list of ranked applications from the MAG Enhancement Peer Review Group be forwarded to the Arizona Department of Transportation for consideration by the State Transportation Enhancement Review Committee. The Enhancement Peer Review Group reviews and recommends a ranked list of Enhancement Fund applications from this region to the State Transportation Enhancement Review Committee (TERC). This year, eight enhancement fund applications for projects on local roads were received totaling \$5,353,880 with approximately \$9 million available statewide. Two applications for projects on the Arizona Department of Transportation right-of-way were received totaling \$1,886,000 with approximately \$5 million available statewide. On April 23, 2012, the Enhancement Peer Review Group recommended the list of ranked applications be forwarded to the Arizona Department of Transportation for consideration by the TERC.

5C. Update to the Federal Functional Classification of Tegner Street in Wickenburg

The MAG Management Committee, by consent, recommended approval to classify Tegner Street located within the limits of the Town of Wickenburg to a Rural Minor Arterial in the federal functional classification system. The Town of Wickenburg, at the suggestion of the Arizona Department of Transportation (ADOT) has acted to classify Tegner Street in the Town's boundaries to minor arterial in the federal functional classification system. Previously, this facility was part of the State Highway System and was classified as a principal arterial. MAG concurrence in the reclassification is requested. ADOT procedure requires the concurrence of the regional planning body (e.g., MAG) in the functional classification of facilities. This reclassification will not affect federal funding received by the State or the MAG area and will not affect the eligibility of the facility to receive federal funding. The Transportation Review Committee recommended

approval on March 29, 2012.

5D. Arterial Life Cycle Program Fiscal Year 2012 Regional Area Road Fund Closeout

The MAG Management Committee, by consent, recommended approval of the Arterial Life Cycle Program (ALCP) project reimbursements for the Fiscal Year (FY) 2012 ALCP Regional Area Road Fund (RARF) Closeout, amending the FY 2012 Arterial Life Cycle Program, the FY 2011-2015 Transportation Improvement Program, and Regional Transportation Plan 2010 Update, as necessary, and allocating any unused RARF Closeout funds to the next project(s) on the list if one or more of the recommended projects fail to meet all ALCP Project Requirements by the established deadlines. The ALCP RARF Closeout process is outlined in the approved ALCP Policies and Procedures (Policies), approved by the MAG Regional Council on December 9, 2009. This is the third year of the ALCP RARF Closeout process. The process was established to address the positive balance of funds for the current year in the ALCP RARF account. Each year there are projects scheduled for work in the current year that are deferred for a number of reasons leaving unexpended RARF funds in the account. The ALCP program allows local agencies to advance construct projects with their own funds to be reimbursed in a later year, which the Regional Transportation Plan (RTP) originally established. The ALCP RARF Closeout process evaluates both these two events to determine the possibility of reimbursing advanced completed projects earlier than scheduled. The ALCP RARF Closeout process begins with a fiscal analysis of the ALCP and proposed ALCP RARF Closeout options. The ALCP RARF Closeout options are connected to eligible, advanced, completed projects and the priorities established in the ALCP Policies and Procedures. The allocation of ALCP RARF Closeout funds is prioritized by: (1) projects scheduled for reimbursement in the next fiscal year, (2) all other projects according to the chronological order of the programmed reimbursement, (3) the date of the final project invoice, and (4) the date the ALCP Project Reimbursement Request was accepted by MAG staff. Section 260 of the Policies established RARF Closeout procedures, project eligibility, prioritization, and the allocation process of available closeout funds. On April 26, 2012, the MAG Transportation Review Committee recommended approval of ALCP project reimbursements.

5E. Project Changes - Amendment and Administrative Modification to the FY 2011-2015 MAG Transportation Improvement Program

The MAG Management Committee, by consent, recommended approval of amendments and administrative modifications to the FY 2011-2015 MAG Transportation Improvement Program, FY 2012 Arterial Life Cycle Program, and as appropriate, to the Regional Transportation Plan 2010 Update. The Fiscal Year 2011-2015 MAG Transportation Improvement Program (TIP) and Regional Transportation Plan (RTP) 2010 Update were approved by the MAG Regional Council on July 28, 2010, and have been modified fourteen times with the last modification approved in April 2012. Since then, the Arizona Department of Transportation (ADOT), and member agencies have requested project changes to projects categorized as Non Arterial Life Cycle projects that include: defer 16 TIP listings, delete 12, add six, increase funding on two, decrease funding on one, combine five listings into three, and name corrections on three listings. Project change requests to funding types include Congestion Mitigation Air Quality (CMAQ), Highway Safety Improvement Program (HSIP), National Highway System (NHS), Regional Area Road Funds (RARF), Surface Transportation Program (STP), and Transportation Enhancements (TE). Fiscal

balance is maintained for project change requests. Valley Metro Rail received a Federal Transit Administration (FTA) Section 5309 Small Starts (5309 SS) award of \$35,481,000 in Federal Fiscal Year 2012, and is requesting to amend eight budget items, and add sixteen new project budgets for the Central Mesa Light Rail. Valley Metro Rail has submitted the Project Construction Grant Agreement to FTA and is pending review and approval. The requests for amendments to the TIP reflect the current Project Construction Grant Agreement budget submittal to FTA. Additionally, the MAG Transit Committee recommended approval of reprogramming the Transit Center/Park and Ride in Glendale to line up with the project development schedule, and programming the remaining STP-Flex, 5309-FGM, and 5307 funds for preventive maintenance. The Transit Committee action is related to these line items. Table A lists all Non Arterial Life Cycle Program (ALCP) project change requests. Tables B and C list ALCP project change requests. The ALCP requested changes include minor budget modifications, five deleted items, and four new items. Funding reimbursements has been clarified on several items. All of the projects to be amended may be categorized as exempt from conformity determinations and an administrative modification does not require a conformity determination. On April 26, 2012, the MAG Transportation Review Committee recommended approval of the requested changes.

5F. Additional FFY 2012 CMAQ Funds Available to Transit Projects

The MAG Management Committee, by consent, recommended approval of programming the \$25,242,460 of CMAQ for bus purchases in 2013 and 2014, programming related 5307 funds from 2013 and 2014 for preventive maintenance; and the related modifications to the FY 2011-2015 MAG Transportation Improvement Program and as appropriate the Regional Transportation Plan 2010 Update. Each year, through the MAG Committee Process, priorities are established on the use all of the federal obligation authority for the current federal fiscal year (FFY); this is generally known as Closeout. On February 22, 2012, the MAG Regional Council approved Scenario #4 to fund projects that will obligate in FFY 2012 at a 50 percent increase of the federal share, up to 100 percent of project costs, with an additional \$293,000 of federal funds to CHN12-805, and the remaining balance to be flexed to transit, with projects and priorities developed at a later time. At the time of the recommendation, the amount to be flexed to transit was \$25,318,375 in federal Congestion Mitigation and Air Quality (CMAQ) funds. The Transit Committee met in February, March and April to discuss programming options. On April 12, 2012, the MAG Transit Committee recommended approval of programming the \$25,242,460 for bus purchases in 2013 and 2014, and then using the freed up 5307 funds for preventive maintenance. On April 26, 2012, the Transportation Review Committee concurred with the Transit Committee's recommendation.

5G. Conformity Consultation

The Maricopa Association of Governments is conducting consultation on a conformity assessment for an amendment and administrative modification to the FY 2011-2015 MAG Transportation Improvement Program (TIP) and Regional Transportation Plan 2010 Update. The amendment and administrative modification involve several projects, including Arizona Department of Transportation projects, various transit projects including the METRO Central Mesa light rail project, and the programming of FY 2012 CMAQ Closeout funds for transit projects. The amendment includes projects that may be categorized as exempt from conformity determinations.

The administrative modification includes minor project revisions that do not require a conformity determination. Comments were requested by May 18, 2012.

5H. 2010 Implementation Status of Committed Measures in the MAG 2007 Five Percent Plan for PM-10 for the Maricopa County Nonattainment Area

The MAG Management Committee, by consent, recommended forwarding the 2010 Implementation Status of Committed Measures in the MAG 2007 Five Percent Plan for PM-10 for the Maricopa County Nonattainment Area to the Governor's Office, Arizona Legislature, Arizona Department of Environmental Quality and Environmental Protection Agency. In accordance with the Clean Air Act, the MAG 2007 Five Percent Plan for PM-10 was submitted to the Environmental Protection Agency (EPA) in December 2007. In January 2011, the plan was voluntarily withdrawn to address technical approvability issues identified by EPA and include new information. While the plan was withdrawn, the measures in the plan continue to be implemented to reduce PM-10. On May 23, 2007, the MAG Regional Council approved that each year, MAG would issue a report on the status of the implementation of the committed measures for this region by the cities, towns, Maricopa County and the State. The report would then be made available to the Governor's Office, Arizona Legislature, Arizona Department of Environmental Quality and the Environmental Protection Agency. A report has been prepared that provides the implementation status of the committed measures for 2010. In general, the combined implementation results for 2008, 2009, and 2010 meet or exceed the commitments made to implement a majority of the measures in the MAG 2007 Five Percent Plan for PM-10. On April 26, 2012, the MAG Air Quality Technical Advisory Committee recommended forwarding the report to the Governor's Office, Arizona Legislature, Arizona Department of Environmental Quality, and the Environmental Protection Agency.

6. Regional Freeway and Highway Life Cycle Program - 2012 Rebalancing

Bob Hazlett, MAG Senior Engineer, reported on the effort to balance the Regional Freeway and Highway Program Life Cycle Program, which is facing a deficit of approximately \$390 million. Mr. Hazlett noted that a report on the 2012 rebalancing had been presented to the MAG Transportation Review Committee, the MAG Management Committee, Transportation Policy Committee, and MAG Regional Council. He advised that this item is being presented this month for action by the committees and he noted that the Transportation Review Committee had recommended approval of Scenario 10b.

Mr. Hazlett displayed a map of recently completed construction on the Regional Freeway Program and advised that the MAG high occupancy vehicle (HOV) system is now the fourth largest in the nation, behind Seattle, San Francisco, and Los Angeles. Mr. Hazlett displayed a map of projects under construction that include Loop 303 from I-10 to US-60 and US-60 reconstruction.

Mr. Hazlett then described projects under study by ADOT, which include US-60/Grand Avenue Loop 303 to Loop 101 intersection improvements; Interstate 17, I-10 Split to Loop 101, add lanes and a corridor study/environmental impact statement (EIS); Loop 202/South Mountain EIS/Design Concept Report; Loop 101, I-17 to Loop 202 add lanes; Loop 202, Loop 101 to Gilbert Road, add lanes; Interstate 10, SR-51 to Loop 202, add lanes and a corridor study/EIS; Loop 101, US-60 to

Loop 202, add lanes.

Mr. Hazlett reported on key MAG studies underway that include Central Phoenix Transportation Framework Study, the Southeast Corridor Major Investment Study, the MAG Managed Lanes Network Development Strategy – Phase I (System-Wide), and the US-60/Grand Ave COMPASS study.

Mr. Hazlett displayed a projected timeline for the Program’s cash flow and he noted that there are severe negative balances in 2015 and 2016 where ADOT’s bonding capacity has been impacted by lower gas tax and sales tax revenue estimates. Mr. Hazlett stated that MAG and ADOT are identifying opportunities for cost savings, and looking at cash flow, costs, and timelines for major program items. He stated that ADOT has been doing a good job of monitoring costs and there have been favorable bids, but there is still a projected deficit of \$390 million, in addition to the \$6.6 billion that was balanced in 2009.

Mr. Hazlett noted that due to cash flow, the Loop 202/South Mountain and the I-10/Maricopa Freeway projects cannot be constructed simultaneously and need to be done sequentially. Mr. Hazlett noted that one of the options to be looked at in the rebalancing is swapping the start times between the two projects and starting the Loop 202/South Mountain project first.

Mr. Hazlett stated that the following principles for balancing the program were considered: 1). Do not change timing for immediate construction projects on Loop 303 and US-60/Grand Avenue; 2). Look at cash-flow, costs, and timelines for major program items; 3). Programs on US-60/Grand Avenue and HOV lanes on SR-202L/Red Mountain-Santan Freeways leave unaffected; 4). Twelve scenarios considered – four advanced - as best case for balancing and meeting cash-flow projections. Mr. Hazlett stated that overall, the Regional Freeway and Highway Program is a \$9.6 billion program; \$3.5 billion has been obligated through December 2011 and approximately \$6.1 billion remains through 2026 when the Proposition 400 sales tax sunsets.

Mr. Hazlett summarized major items in Scenario 8: to defer the general purpose lanes Loop 101, I-17 to Loop 202, Loop 202, Loop 101 to Gilbert Road, and Loop 101, US-60 to Loop 202, however, a cost/benefit analysis found that not adding general purpose lanes to those three corridors would be a disbenefit to the region. Mr. Hazlett noted that Scenario 8 includes adding lanes on Loop 303 and I-17.

Mr. Hazlett stated that Scenario 10a would reduce the I-17 project by \$300 million. He noted that I-17 is currently in the EIS process and \$1 billion is allocated to the corridor. He noted that this corridor could be a candidate for a managed lanes Public Private Partnership (P3), leveraging Proposition 400 funds. Mr. Hazlett stated that Scenario 10a would reduce the Loop 303 project between US-60 and I-17 by \$80 million, based on the favorable bids that have been received. He added that bid savings were realized from the SR-24 project and were turned back into the program. Mr. Hazlett stated that Scenario 10a retains adding lanes and the new South Mountain Freeway corridor.

Mr. Hazlett then described Scenario 10b, which includes deferring the fifth and sixth lanes on Loop 303 from US-60 to I-17. Mr. Hazlett noted that the facility is a four lane divided roadway,

two lanes in each direction, from I-17 to Grand Avenue with posted speeds of 65 m.p.h., and it provides access to the Peoria and Phoenix areas. Mr. Hazlett stated that this roadway mostly goes through an undeveloped area of state land and originally, a lot of development was envisioned for this area. He indicated that this development did not happen due to the economic crash, and an option was developed because of the possibility of economic development of warehousing and distribution industries in the Goodyear area, where the segment on Loop 303 from I-10 to MC-85 would be built. He noted that this segment had been deferred in 2009 to the fifth phase of the RTP outside the Proposition 400 funding. Mr. Hazlett noted that with the economic situation, it might make sense to defer the Loop 303 project in 10a and return the Loop 303 project in 10b to the program. He noted that the costs for either project are virtually the same. Mr. Hazlett stated that a cost/benefit analysis found that for every dollar spent on the Loop 303 I-10 to MC-85 project would return approximately \$5.75 in benefits.

Mr. Hazlett then addressed Scenario 12, which is similar to Scenario 10a, and swaps the priorities of I-10 and the South Mountain Freeway. He said that the widenings on Loops 101 and 202 were retained. Mr. Hazlett stated that there could be a Scenario 12b. He noted that MAG staff is pursuing detail on a modified scenario by ADOT.

Mr. Hazlett summarized the Scenario 10b cash flow and recommendations: swap the Loop 303 recommendations; provide for El Mirage Road traffic interchange; prioritize the South Mountain Freeway; examine other Interstate 10/Maricopa Freeway opportunities; and reduce the program for the Interstate 17 corridor. Mr. Hazlett displayed a map requested by the City of Goodyear that showed more than 25 warehousing and distribution centers in various stages of development mostly located between Interstate 10 and the Gila River and would be served by the Loop 303 segment in Scenario 10b. He noted that Scenario 10b would serve this rapidly developing area.

Chair Meyer thanked Mr. Hazlett for his report and asked if there were questions.

Mr. Smith asked Mr. Hazlett to address the Loop 303/I-10 traffic interchange under construction. Mr. Hazlett replied that the north half of the Loop 303/I-10 traffic interchange currently is under construction. He explained that it involves significant relocation of the mainline to accommodate the new ramps. Mr. Hazlett stated that for a modest amount of money, ADOT can modify the existing construction at the Interstate 10 system interchange with the addition of bridge frames for the future Loop 303 to the south and thereby save on the overall construction expenses of this extension. He noted that this option would eliminate traffic detours that would be associated with doing the project in the future and would save money up front.

Chair Meyer asked for clarification if the change in timing for the South Mountain Freeway and Interstate 10/Broadway curve projects change the substance of either project. Mr. Hazlett replied that the change in timing would not change the content of the South Mountain Freeway, but there are a couple of other concepts for the Interstate 10/Broadway curve area they would like ADOT to explore, which ADOT has agreed to do. He mentioned that the modeling shows positive results in accommodating the traffic in a tighter footprint. Mr. Hazlett stated that the concept identified by ADOT dates back to 1988 and this is an opportunity to look at other options, such as a managed lanes approach or Direct High Occupancy Vehicles to get the right traffic in the right lanes. He stated that right now, ADOT is checking MAG's studies to see if there are any fatal

flaws from a construction perspective.

Mr. Roehrich expressed concern with a delay in the I-10 project. He said that if the analysis shows a fatal flaw and the original scope is retained and the project is delayed to 2022, that means the study began in 2000 and he feared the federal agencies would say that the traffic analyses, traffic models, and data gathered during the process are out of date and will need to be redone.

Mr. Smith noted that there may be a need to lengthen the process on the Broadway curve segment. He noted that if the policy decision is made to change from the inner loop that would impact Sky Harbor Airport and instead to go around the Durango curve, along with the managed lanes concept, could cause a restart on the project. Mr. Smith commented on the many years of work put into the project already and near the end of the process another option appears. He stated that the question is whether we continue with the older idea or pause and examine if the other concept has merit.

Mr. Beasley stated that Glendale would support Scenario 10a. He said that Glendale supports the rebalancing and for everyone to have a chance to move forward with their projects, but 10b would have an impact on Glendale beyond the economic opportunities in the West Valley. Mr. Beasley noted that if Loop 303 is eliminated or delayed, cross traffic on arterials and in neighborhoods would be impacted.

Mr. Manos stated that Maricopa County will support Scenario 10b, but has some of the same concerns noted by Mr. Beasley. He stated that Loop 303 is important to Maricopa County and to the Board of Supervisors. Mr. Manos noted that the Board understands the difficulty of balancing the program with limited resources and understands the importance of expanding Loop 303 to the south, but completing Loop 303 will continue to be a high priority to Maricopa County.

Mr. Dalke stated that the City of Goodyear supports Scenario 10b and he added that Loop 303 is important to the West Valley. He asked for clarification that Loop 303 south of Interstate 10 was in an earlier phase of the Regional Transportation Plan. Mr. Hazlett replied that was correct. He explained that the segment between MC-85 and Interstate 10 originally was in Phase Three of the Regional Transportation but was deferred to Phase Five in the 2009 Freeway Rebalancing.

With no further questions, Chair Meyer called for a motion. Vice Chair Cavazos moved to recommend approval of 2012 Rebalancing Scenario 10B, where the MAG Regional Freeway and Highway Program meets the projected \$390 million shortfall by repositioning the SR-202L/South Mountain Freeway and Interstate 10/Maricopa Freeway projects to improve the Program's cash flow; transfer funding from the SR-303L segment between US-60 and Interstate 17 to the SR-303L segment between Interstate 10 and MC-85, but retain funding for a grade separated interchange at the existing El Mirage Rd intersection; remove \$300 million from the Program's budget for the Interstate 17/Black Canyon Freeway corridor; and to encourage ADOT to focus upon cost-effective solutions that will provide opportunities to return projects to the Program in the future; and incorporate the revised program in the next update of the MAG Transportation Improvement Program and the Regional Transportation Plan. Mr. Hillman seconded, and the motion passed, with Mr. Roehrich abstaining.

7. Draft MAG 2012 Five Percent Plan for PM-10 for the Maricopa County Nonattainment Area

Lindy Bauer, MAG Environmental Programs Director, provided an overview of the new Draft MAG 2012 Five Percent Plan for PM-10. Ms. Bauer stated that the new 2012 Plan includes a wide variety of existing control measures and projects that have already been implemented. Ms. Bauer noted that while the 2007 Five Percent Plan was withdrawn, the control measures continue to be implemented and are being resubmitted. Ms. Bauer stated that the new plan contains one new measure to reduce PM-10 during high risk conditions, including high winds. She advised that the focus for the attainment demonstration this time is on high winds, and she added that there have been no violations of the PM-10 standard in stagnant conditions since the prior plan was submitted in December 2007.

Ms. Bauer noted that the Plan includes a wide range of controls on trackout, open burning, unpaved shoulders, unpaved roads, vacant lots, earthmoving, all terrain vehicles, weed abatement, leaf blowers, street sweepers, and nonmetallic mineral processing (sand and gravel operations).

Ms. Bauer stated that MAG closely monitors the air quality monitoring data. She mentioned that EPA has unofficially indicated that 2009 may be a clean year and only a few of the events may be questioned. Ms. Bauer indicated that 2010 was a clean year since there was only one exceedance and no violations of the PM-10 standard. She noted that 2010 being clean is what led EPA to say to MAG to resubmit the measures in the prior Plan. Ms. Bauer stated that in 2011, there were numerous exceptional events that needed to be documented for EPA.

Ms. Bauer stated that the 2008 PM-10 Periodic Emissions Inventory serves as a foundation for the 2012 Plan and includes new information from EPA for paved road dust.

Ms. Bauer discussed that the 2012 Five Percent Plan takes credit for a number of measures in the withdrawn MAG 2007 Five Percent Plan that have been implemented. She stated that most of the credit is being taken from the Maricopa County Dust Control Rules, which have increased in effectiveness over time, the sweeping of freeways, purchasing PM-10 certified street sweepers with CMAQ funds, paving roads, alleys, and shoulders, stabilization projects completed by local governments, reducing speed limits on dirt roads, rubberized asphalt, and the new measure, the Dust Action General Permit, which was passed by the Legislature in 2011.

Ms. Bauer noted that the Plan must have contingency measures. Ms. Bauer stated that 862 total miles of roads/alleys and 1,158 total miles of shoulders were paved or stabilized and 25 new PM-10 certified street sweepers were purchased. Ms. Bauer noted that the Draft MAG 2012 Five Percent Plan for PM-10 meets the needed emissions reduction, has greater tonnage impacts than the targets, and meets the contingency requirement. She displayed a pie chart produced by the Plan that includes all of the measures totaling more than 38,000 tons of PM-10.

Ms. Bauer stated that in conclusion the Draft MAG 2012 Five Percent Plan for PM-10 meets the annual five percent reduction requirement, meets the contingency requirement, and demonstrates attainment in 2012 for two high wind days. She indicated that an extension of the attainment date from June 6, 2012 to December 31, 2012 has been requested. The extension is being requested so that the Dust Action General Permit can be implemented for an entire year in order to

demonstrate attainment. Ms. Bauer stated that the PM-10 emission reductions in 2012 total 19,527 tons, a 33 percent reduction. She advised that three clean years at the monitors are needed for EPA to approve the plan, and she added that documentation of exceptional events is very important.

Ms. Bauer provided an overview of the Draft MAG 2012 Five Percent Plan schedule. She noted that on March 12, 2012, the draft plan became available for public review. Ms. Bauer added that the public hearing on the Draft MAG 2012 Five Percent Plan for PM-10 was held on April 12, 2012. The Plan was recommended for adoption by the MAG Air Quality Technical Advisory Committee on April 26, 2012. She noted that the plan was being presented to MAG Management Committee for action. Ms. Bauer noted that if the Regional Council adopts the plan, MAG would submit the plan to Arizona Department of Environmental Quality, which would submit the plan to the Environmental Protection Agency. Ms. Bauer stated that by August 14, 2012, EPA will need to make a completeness determination on the plan which will stop the 18 month and 24 month sanction clocks that began when the plan was withdrawn. She indicated that by February 14, 2013, EPA needs to approve the plan to stop the imposition of a federal implementation plan.

Chair Meyer extended his gratitude and congratulations to Ms. Bauer and everyone involved in the effort to develop the Draft MAG 2012 Five Percent Plan for PM-10, which was a huge undertaking. With no questions from the committee, Chair Meyer called for a motion.

Mr. Crossman moved to recommend adoption of the Draft MAG 2012 Five Percent Plan for PM-10 for the Maricopa County Nonattainment Area. Mr. Kross seconded, and the motion passed unanimously.

9. Off Highway Vehicle (OHV) Dust Task Force

This agenda item was taken out of order.

Frank Schinzel, Government Liaison with the Maricopa County Air Quality Department, reported on the Arizona Department of Environmental Quality's Off Highway Vehicle (OHV) Dust Task Force.

Mr. Schinzel reported that on June 5, 2012, the OHV Dust Task Force will be holding a meeting to educate local law enforcement agencies on the impact of improper OHV use on air quality and the ordinances available to control illegal OHV use. He stated that off road vehicle use was four percent of the PM-10 emissions inventory last year and increased to six percent this year. Mr. Schinzel added that they feel this rise is not due to increased use, but to the fact that the other areas are improving.

Mr. Schinzel stated that enforcement of the regulations to control dust by the Maricopa County Air Quality Department and ADEQ are limited and they are seeking the assistance of member agency law enforcement. Mr. Schinzel stated that most people will stop and listen, while others are flagrant violators.

Mr. Schinzel said that members of the OHV task force include agencies such as the Arizona Department of Environmental Quality, Arizona Game and Fish Department, State Trust Land,

State Parks, Maricopa County Parks, Tonto National Forest, Bureau of Land Management and Maricopa County Air Quality Department. At the meeting, members will discuss solutions to improper off highway vehicle use.

Mr. Schinzel thanked MAG members for stepping up with their assistance to air quality. He noted that many people do not understand the residual effects of off highway vehicle use and requested that Management Committee members speak to their police chiefs to send high-ranking law enforcement representatives to the scheduled meeting. Mr. Schinzel explained one of the things they could help with is on HPA days, there is a requirement to cease off highway vehicle activities, however, only law enforcement has the authority to enforce this because they have authority over motor vehicles. Mr. Schinzel provided his contact information at each member's place.

Chair Meyer thanked Mr. Schinzel for coming to the meeting and asked members if they had questions.

Mr. Brady asked who has jurisdiction over activities on state trust land. Mr. Schinzel replied that it depends; if the state trust land is within a city, it would be the city force, if the land is in the county, it would be the county forces. Mr. Brady asked if DPS would not have jurisdiction. Mr. Schinzel replied that he understood that typically DPS would not have jurisdiction; it would be local law enforcement, including the Maricopa County Sheriff's Office.

10. Approval of the Draft FY 2013 MAG Unified Planning Work Program and Annual Budget and the Member Dues and Assessments

Becky Kimbrough, MAG Fiscal Services Manager, provided a report on the draft FY 2013 MAG Budget that was on the agenda for action. She said they are requesting that the resolution to adopt the draft FY 2013 MAG Unified Planning Work Program and Annual Budget and the member dues and assessments.

Ms. Kimbrough stated that the draft Work Program is presented incrementally each year, beginning in January with proposed dues and assessments. She advised that this year MAG is proposing to retain the 50 percent overall reduction of member dues. Ms. Kimbrough stated that in February the proposed projects for the Work Program are presented and in March the initial draft was sent to MAG committees. Ms. Kimbrough stated that in April, changes to staff and projects, including the addition of the Cave Creek/Carefree Transportation Framework Study and the additional funding for the Maricopa County Trip Reduction program were presented.

Ms. Kimbrough stated that there is an overall decrease to the proposed FY 2013 budget from the current year budget of 13.2 percent without including carryforward consultant estimates. She noted that including the carryforward consultant budgeted amounts, there is an overall decrease in the FY 2013 budget of 12.04 percent.

Chair Meyer thanked Ms. Kimbrough for her report and asked if there were questions. Hearing none, he called for a motion.

Mr. Cleveland moved to recommend approval of the resolution adopting the Draft FY 2013 MAG Unified Planning Work Program and Annual Budget and the member dues and assessments. Mr. Wright seconded, and the motion passed unanimously.

8. Legislative Update

Nathan Pryor, MAG Intergovernmental Policy Coordinator, provided an update on legislative issues of interest. He reported that Congressman Flake has been working on legislation called the CLEER Act to address air quality issues. He noted that staff has been working with the Congressman's office on air quality issues for the past few months and the legislation might be introduced this week. Mr. Pryor noted that more detail would be provided after the legislation is introduced.

Mr. Pryor then addressed the federal deficit and the impacts it could have on regional and local programs. He said that it has come to staff's attention that programs such as Community Development Block Grants (CDBG) and Social Services Block Grants (SSBG), might be targeted for budget reductions.

Mr. Pryor stated that Congress currently is working on the FY 2013 federal budget and both the House and Senate have announced that reducing the federal deficit is a priority. He reported that the House version introduced by Representative Ryan includes tax reductions, a revamp of Medicare, reduction to entitlement programs, and agency spending cuts.

Mr. Pryor displayed a graph compiled by the Government Accounting Office that showed the history of total spending and total receipts from 1980 to 2080. He pointed out how total spending is outpacing receipts. Mr. Pryor displayed another graph with a shorter outlook – 2010 to 2040. He noted the baseline that is current law compared to current policy and the Senate's Bowles-Simpson plan that is more austere.

Mr. Pryor then displayed the federal FY 2012 outlays per program and he noted that the two top programs in terms of expenditure are the entitlement programs, Health and Human Services that includes Medicare, and the Social Security Administration. He said that defense and interest on the federal debt are the next two highest expenditures. Mr. Pryor stated that if entitlement programs are not reduced, the spending cuts will need to come from agencies and their programs, such as SSBG and CDBG. He reported that the Highway Trust Fund has been propped up with transfers of approximately \$7 billion to \$9 billion annually for the past few years, and if that is eliminated, there could be a change in how the Fund is administered.

Mr. Pryor showed a graph that showed that current trends in spending for Medicare, Medicaid, and Social Security are not sustainable. He noted that the graph shows that around 2035 mandatory spending will exceed government revenue, however, this date has been revised to 2032 or 2033 in recent weeks. Mr. Pryor noted that due to this being an election year, the budget will become a very political issue. He reported that the White House, House and Senate have all said to expect spending reductions.

Chair Meyer thanked Mr. Pryor for his report. No questions for Mr. Pryor were noted.

11. Request for Future Agenda Items

An opportunity was 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.

No requests for future agenda items were noted.

12. 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.

No comments from the Committee were noted.

Adjournment

There being no further business, Mr. Crossman moved, Mr. Buss seconded, and the meeting was adjourned at 1:05 p.m.

Chair

Secretary