



## Executive Director's Report

In 2004, MAG worked with the business community to request from the voters the extension of the half-cent sales tax for transportation. One of the legislative agreements made was to have the Citizens Transportation Oversight Committee (CTOC) be independently staffed by the Arizona Department of Transportation (ADOT).

A 2011 performance audit recommended that this staffing arrangement be changed and that MAG should provide staffing to the committee. In December 2011, we originally sent a letter agreeing with the change. In January 2012, we brought our letter regarding the audit recommendations to the MAG Transportation Policy Committee. The discussion at the committee brought up that the separation of powers between ADOT and MAG was important. The next month, February 2012, the members of CTOC voted to keep the committee and staffing at ADOT. We then assumed that CTOC would remain at ADOT.

Now, three years later, we were surprised to see that an ADOT Omnibus bill, SB 1274, was moving CTOC functions to MAG. On March 16, 2015, the MAG Regional Council Executive Committee unanimously voted to oppose the provision of SB 1274 that would shift the staffing of CTOC from ADOT to MAG. The Committee also voted to continue CTOC. Our attempts to amend the bill have not been successful, even though both of the sponsors of the bill have been very helpful.

The half-cent sales tax for transportation raises approximately \$375 million per year. It is clear in the existing state statutes that ADOT would staff CTOC. The publicity pamphlet and ballot for the Proposition 400 election listed CTOC in its provisions for plan accountability. This change would be a departure from what was agreed to by the legislature and the voters in Maricopa County.

The bill is now in the House of Representatives and will be moving to the floor. We believe, as others have stated, that it doesn't make sense for MAG to watch MAG. We believe the transportation users and voters of our region deserve the accountability they were promised when they went to the polls in 2004.

**For more information, please contact Dennis Smith, MAG Executive Director, (602) 254-6300.**

## Meeting Report for Wednesday, March 25, 2015



### Action Items

#### **Regional Council Approves Revised Alignment Changes to the Tempe Streetcar Project and Northwest Light Rail Extension**

The MAG Regional Council voted to approve a revised alignment and budget for the Tempe Streetcar Project, and the alignment modification and cost changes to the Phoenix Northwest Phase II Light Rail Transit Extension. The revisions increase the length and costs of both projects.

For the Tempe Streetcar Project, staff reported that the original “locally preferred alternative,” or LPA, did not meet the Federal Transit Administration’s (FTA) “Small Starts” criteria. The original LPA, approved in 2010, was a 2.6-mile route on Mill Avenue to Southern Avenue. In 2013, the FTA approved the Tempe Streetcar to enter the project development phase, which was contingent upon reconfiguring the LPA. In June 2014, the Tempe City Council approved a revised alignment, which is three miles in length and retains the downtown loop along Mill Avenue, but begins at the Marina Heights development and curves around to Apache Boulevard, connecting with Arizona State University and residential areas. The revision in the alignment resulted in an increase in cost from approximately \$140 million to approximately \$177 million. Staff noted there is a funding gap of approximately \$23 million, and the city of Tempe is fully committed to finding new funding to fill this gap by next month in order to keep the project on schedule.

The Northwest Extension light rail project was approved by the MAG Regional Council in 2007 as a two-phased project. Phase I on 19th Avenue is currently under construction to Dunlap Avenue. Phase II was approved to end just east of Interstate 17 (I-17). In 2013, Phoenix requested a reevaluation of the end of the line (terminus) to extend it to the Metrocenter mall area west of I-17. Last year, the Phoenix City Council approved the revised LPA to cross over I-17 to accommodate the new terminus. Staff reported that the revised LPA provides economic development opportunities and improved light rail access for trips originating west of I-17. Because the new alignment means crossing a canal, flood channel and freeway, the project cost is anticipated to increase approximately \$125 million. The city of Phoenix is working on identifying revenue streams to fill the funding gap.

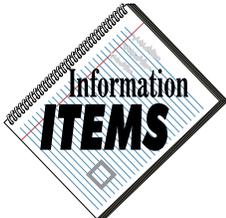
**For more information, contact Eileen Yazzie, MAG Transportation Planning Project Manager, (602) 254-6300.**

#### **MAG 208 Water Quality Management Plan Amendment**

The city of Glendale and Maricopa County have requested that the MAG 208 Water Quality Management Plan be amended to include the service area expansion for the

Liberty Utilities Palm Valley and Sarival Water Reclamation Facilities. The facilities are located within the Goodyear Municipal Planning Area and would expand their service area to serve portions of the Glendale Municipal Planning Area that includes unincorporated areas of Maricopa County. The facilities are identified in the MAG 208 Plan with reserve capacity to accommodate the expansion. The project is located within three miles of the cities/towns of Avondale, El Mirage, Goodyear, Litchfield Park, Peoria, Phoenix, Surprise and Youngtown, as well as Luke Air Force Base.

Staff reported that these jurisdictions have indicated no objections, with some requesting certain conditions. Liberty Utilities has indicated that the expanded collection service areas are outside of the Luke Air Force Base flight path and will not affect flight operations. In addition, the reclaimed water recharge basins are being planned to not interfere with Base operations. Liberty Utilities has indicated that they will provide the development plans to Luke for review to ensure that there is no negative impact to the Base. The Regional Council voted to approve the MAG 208 Water Quality Management Plan Amendment for the Liberty Utilities Palm Valley and Sarival Water Reclamation Facilities Service Area Expansion 2014. **For more information, please contact Julie Hoffman, MAG Environmental Planning Program Manager, (602) 254-6300.**



## Information Items

### Development of the FY 2016 MAG Unified Planning Work Program and Annual Budget

The Regional Council received an update on the development of the FY 2016 Unified Planning Work Program and Annual Budget. Staff reported that MAG's draft FY 2016 budget has been updated for March and is about 60 percent complete. The work program is presented incrementally to the Regional Council beginning in January, with requested approval in May. In January, staff presented dues and assessments; in February, the Council received a report on proposed new projects. Both of these are included in the updated budget draft.

Included in the current budget draft is the FY 2016 Programs In Brief summary, which lists the proposed projects for FY 2016. Other information in the current draft includes program narratives for each division and draft budgeted amounts for each of MAG's projects and programs, including the amount expected to carry forward on current year projects. Staff reported that there have been no new projects added since the February presentation. It was noted that MAG has been awarded a \$200,000 Federal Highway Administration grant for the federal Integrated Corridor Management (ICM) Deployment Planning Grant program. However, this is not

yet fully programmed and will be amended to the current year budget or will be a revision to the proposed budget.

The FY 2016 proposed budget is currently estimated at \$28,381,142, compared to the current year budget of \$30,776,931. This is about \$2.4 million under MAG's FY 2015 budgeted amount (\$2,395,789). Staff noted that the proposed budget is lower due to lower funding projections for carryforward project work into FY 2016 and a lower estimate for proposed new projects. The next update will be in April.

Staff additionally reported that the Intermodal Planning Group meeting was held at the MAG offices in mid-March. This is the budget review conducted by the Federal Highway Administration and the Federal Transit Administration on MAG's proposed budget and compliance. MAG partners attended the meeting, including the Arizona Department of Transportation, city of Phoenix, and Valley Metro. There were positive comments on the MAG proposed budget from the federal agencies and the MAG partners, including comments that MAG was very thorough and proactive in meeting the MAP-21 federal guidelines through continuing work in economic development.

**For more information, please contact Rebecca Kimbrough, MAG Fiscal Services Manager, (602) 254-6300.**

### **Legislative Update**

Staff provided an update on legislative issues of interest. Staff discussed Senate Bill 1274, the ADOT Omnibus bill (*see Executive Director's report, above*). The bill contains a number of clean-up type provisions for ADOT. One provision in the bill would transfer staffing of the Citizens Transportation Oversight Committee (CTOC) to MAG. Currently, ADOT is responsible for staffing CTOC. Staff reported that this would create a conflict of interest within MAG, as CTOC would no longer be independent of MAG if MAG provided the staffing of CTOC. Staff noted that CTOC was created through legislation in 1994, which was renewed in 2004 as part of Proposition 400 to provide citizen input/oversight on the MAG Regional Transportation Plan (RTP).

In 2011, a performance audit on the RTP recommended that MAG provide staff support for CTOC. On December 13, 2011, MAG responded in the affirmative to this audit recommendation. However, in January 2012, during discussion, members of the Transportation Policy Committee expressed concerns about a potential transfer of CTOC to MAG. In February 2012, CTOC responded that they were not in favor of the audit recommendation. Since then, staffing of CTOC has remained at ADOT.

This bill has passed the Senate and since then has been in the House. On March 16, 2015, the MAG Executive Committee unanimously approved a position

opposing the transfer of CTOC to MAG and strongly opposing any proposal to eliminate CTOC.

On March 17, 2015, the House Transportation and Infrastructure Committee met to hear the bill. Dennis Smith and CTOC Chair Roc Arnett spoke against the bill. They emphasized the promise to the voters to have a separation of oversight duties apart from MAG. The bill passed the committee unanimously without the CTOC bill provision being removed. Staff thanked El Mirage Mayor Lana Mook for signing in as opposed to the bill.

Following the Regional Council meeting, Chair LeVault signed a letter to House Speaker David Gowan outlining MAG's concerns about transferring CTOC to MAG and requesting an amendment to the bill on the House floor.

Staff additionally reported on federal legislation related to the Environmental Protection Agency's (EPA) proposed ozone standards. On December 17, 2014, EPA published a proposed rule to strengthen the National Ambient Air Quality Standards for ozone. For the primary standard, EPA proposed a range of 0.065 to 0.070 parts per million (65 to 70 parts per billion). The current ozone standard established by EPA in 2008 is 0.075 parts per million. The Arizona Legislature has been considering a Senate Concurrent Memorial, SCM 1014, to urge EPA to refrain from reducing the ozone concentration standard. SCM 1014 expresses concern that nine of the 11 counties in Arizona monitored for ozone would be out of compliance if EPA reduced the standard to 70 parts per billion. At the national level, legislation has been prepared that would prohibit EPA from setting a more stringent standard until most of the country has complied with the 2008 standard. In addition, comments have been submitted by various entities in Arizona expressing concerns associated with reducing the ozone standard concentration, including comments submitted by the Arizona Department of Environmental Quality.

**For more information, please contact Nathan Pryor, MAG Government Relations Manager, at (602) 254-6300.**

## **Next Meeting**

The next meeting of the MAG Regional Council will be Wednesday, April 22, 2015, at 11:30 a.m. at the MAG offices, 302 N. 1st Avenue, Phoenix, second floor, Saguaro Room. Agenda items are expected to include an update on the FY 2016 MAG Unified Planning Work Program and Annual Budget, status update on the June 30, 2014 single audit, and a legislative update. Additional agenda items are pending.

**For more information, please contact Dennis Smith, MAG Executive Director, (602) 254-6300.**