

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

September 26, 2012
MAG Office, Saguaro Room
Phoenix, Arizona

MEMBERS ATTENDING

Mayor Marie Lopez Rogers, Avondale, Chair	Supervisor Max W. Wilson, Maricopa Co.
* Mayor Scott Smith, Mesa, Vice Chair	* Mayor Scott LeMarr, Paradise Valley
* Councilwoman Robin Barker, Apache Junction	# Mayor Bob Barrett, Peoria
Mayor Jackie Meck, Buckeye	Mayor Greg Stanton, Phoenix
Mayor David Schwan, Carefree	Vice Mayor Robin Benning for Mayor Gail Barney, Queen Creek
* Councilman Dick Esser, Cave Creek	* President Diane Enos, Salt River
# Mayor Jay Tibshraeny, Chandler	Pima-Maricopa Indian Community
Mayor Lana Mook, El Mirage	Mayor W. J. "Jim" Lane, Scottsdale
* President Clinton Pattea, Fort McDowell Yavapai Nation	# Mayor Sharon Wolcott, Surprise
Mayor Linda Kavanagh, Fountain Hills	Mayor Mark Mitchell, Tempe
* Mayor Ron Henry, Gila Bend	* Mayor Adolfo Gamez, Tolleson
* Governor Gregory Mendoza, Gila River Indian Community	Councilman Rui Pereira, Wickenburg
Mayor John Lewis, Gilbert	Mayor Michael LeVault, Youngtown
* Mayor Elaine Scruggs, Glendale	Victor Flores, State Transportation Board
Mayor Georgia Lord, Goodyear	Joseph La Rue, State Transportation Board
* Mayor Yolanda Solarez, Guadalupe	Roc Arnett, Citizens Transportation Oversight Committee
Mayor Thomas Schoaf, Litchfield Park	

* Those members neither present nor represented by proxy.

Attended by telephone conference call.

+ Attended by videoconference

1. Call to Order

The meeting of the MAG Regional Council was called to order by Chair Marie Lopez Rogers at 11:35 a.m.

2. Pledge of Allegiance

The Pledge of Allegiance was recited.

Mayor Bob Barrett, Mayor Jay Tibshraeny, and Mayor Sharon Wolcott joined the meeting via teleconference.

Chair Rogers noted that on September 19, 2012, the Transportation Policy Committee recommended items 5C, 5E, and 7 that are on the Regional Council agenda. She stated that copies of the two addenda to the agenda previously transmitted to the Regional Council were at each place.

Chair Rogers requested that members of the public who would like to comment fill out a blue public comment card for the Call to the Audience agenda item or a yellow public comment card for Consent Agenda items, or items on the agenda for action. Transit tickets for those who used transit to attend the meeting and parking validation were available from staff.

3. Call to the Audience

Chair Rogers noted that the Call to the Audience provides an opportunity to members of the audience who wish to speak 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 are requested to not exceed a three minute time period for their comments. A total of 15 minutes is 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 Rogers recognized public comment from Dianne Barker, a resident of Phoenix, who said she had come to the meeting by bus and light rail. She expressed her appreciation for receiving a transit ticket. Ms. Barker recalled singers Andy Williams and Alice Cooper. She stated that the Interstate 11 designation was positive, but she would like to see multimodal transportation on the corridor. Ms. Barker stated that the designation was championed by a Nevada congressman and she did not know if he was a proponent of multimodalism. She stated that MAG has a purpose statement and encouraged that MAG have a mission statement, such as, "Be the best in the West for collaboration and policy for multimodal transportation." Chair Rogers thanked Ms. Barker for her comments.

4. Executive Director's Report

Dennis Smith, MAG Executive Director, reported on items of interest in the MAG region. Mr. Smith noted that earlier in the day was the Economic Development Listening Session with Michael Camuñez, Assistant Secretary with the U. S. Department of Commerce, at the Arizona Commerce Authority office. He noted that more than 100 people from agencies across the state registered to attend the session. Mr. Smith stated that this was the first time he could recall that all of the regional planning agencies in Arizona agreed on a common goal – and that is to improve trade with Mexico. Mr. Smith stated Mr. Camuñez offered to work with the State on a commerce initiative with the assistance of the Department of Commerce. He reported that Mayor Rogers was moderator of the session and Mayor Schoaf was one of the speakers.

Mr. Smith showed a slide developed by the East Valley Partnership that showed Mexico is the number one trade partner with Arizona. He reported that Dr. Michael Crow asked, "Imagine having a G-20 country on your border, would you not want to go work with them?" Mr. Smith stated that Mexico is

one of the fastest growing countries in the world. He stated that Texas is a large state that has a lot of resources that Arizona does not have, but New Mexico has also increased its competitiveness by creating 21,000 jobs south of the port of Santa Teresa. Mr. Smith reported that New Mexico passed a locomotive fuel reduction bill, created a six-mile vehicle overweight zone and a New Mexico border authority, and rose from 38th place in export growth in the United States to second place.

Mr. Smith stated that a presentation on the MAG Freight Transportation Framework Study recommendations will be given at the October 2, 2012, Economic Development Committee meeting and at the October 30, 2012, Joint Planning Advisory Council meeting. He noted members will be able to take back to their communities the findings of the study, see what is feasible, and then discuss implementation at a retreat in early 2013. Mr. Smith stated that Arizona has a lot of talent, but not a lot of focus. Mr. Smith stated that ADOT needs \$65 million for the interchange at Nogales. He said that MAG gets 37 percent of the discretionary money at ADOT. He suggested taking that money and making a commitment to ADOT over four years. It would be a huge project for the entire state. Mr. Smith encouraged not waiting to do this project six years from now, after all of the produce trade has gone to Texas.

Mr. Smith stated that he and Amy St. Peter, MAG Human Services Manager, and Ron Guziak from SunHealth, were invited to the White House Forum on Urban Innovation regarding the MAG Municipal Aging Services Project on August 27, 2012. Mr. Smith noted that the Virginia G. Piper Charitable Trust and MetLife have contributed to this project to have appropriate accommodations ready for the baby boomer generation.

Mr. Smith stated that the Greater Phoenix Aging in Place Symposium was held on September 25. He encouraged involvement for those who provide senior services in their communities. Mr. Smith stated that those who are retiring now are the most educated group in the history of this country and this is an opportunity to engage them in their communities after having successful careers.

Chair Rogers thanked Mr. Smith for his report. She expressed her appreciation to MAG staff for the event at the Arizona Commerce Authority. Chair Rogers stated that there was a lot of synergy in the room which she felt would grow and develop. She asked members if they had questions for Mr. Smith.

Mr. Arnett suggested agendaizing the Nogales interchange project and having a discussion sooner than later. He said that the bottleneck needs to be fixed and if it can be done with \$24 million over four or five years, he encouraged doing it.

5. Approval of Consent Agenda

Chair Rogers noted that agenda items #5A, #5B, #5C, #5D, #5E, #5F, #5G, #5H, #5I, #5J, and #5K were on the Consent Agenda.

Chair Rogers recognized public comment from Ms. Barker, who said that this region is headed for sanctions on February 14. She commented that she was surprised to hear that this region had more than 100 exceedances, supposedly due to high winds. Ms. Barker acknowledged that EPA needs to understand this region, but people want clean air and need to be protected. She stated that more people

will be moving here if the economy improves, due to the good climate and transportation infrastructure. Ms. Barker stated that people do not need a car to get around and information providers, such as the Greater Phoenix Rising website, could provide information about alternative transportation. She stated that more bicycle facilities are needed. Chair Rogers thanked Ms. Barker for her comments.

Chair Rogers asked members if they had questions or requests to hear a consent agenda item individually. None were noted.

Mayor Schoaf moved to approve the Consent Agenda. Mayor Schwan seconded, and the motion passed unanimously.

5A. Approval of the July 25, 2012, Meeting Minutes

The MAG Regional Council, by consent, approved the July 25, 2012, meeting minutes.

5B. ADOT Red Letter Process

In June of 1996, the MAG Regional Council approved the Arizona Department of Transportation (ADOT) Red Letter process, which requires MAG member agencies to notify ADOT of potential development activities in freeway alignments. Development activities include actions on plans, zoning and permits. ADOT has forwarded a list of notifications from January 1, 2012, to June 30, 2012. Of the 89 notices received, none had an impact to the State Highway System.

5C. Project Changes – Amendment and Administrative Modification to the FY 2011-2015 MAG Transportation Improvement Program, and to the Regional Transportation Plan 2010 Update

The MAG Regional Council, by consent, approved amendments and administrative modifications to the FY 2011-2015 MAG Transportation Improvement Program, and to the Regional Transportation Plan 2010 Update, as appropriate. The Fiscal Year (FY) 2011-2015 Transportation Improvement Program (TIP) and Regional Transportation Plan (RTP) 2010 Update were approved by the MAG Regional Council on July 28, 2010. The TIP and RTP have been modified 19 times with the last modification completed administratively by prior Regional Council approval. The changes included may be categorized as exempt from conformity determinations, and administrative modifications do not require a conformity determination. On September 12, 2012, the MAG Management Committee recommended approval. On September 19, 2012, the Transportation Policy Committee recommended approval.

5D. MAG Design Assistance for the Bicycle and Pedestrian Facilities Program

The MAG Regional Council, by consent, approved the Mesa Crosscut Canal West Mesa Regional Connector for \$80,000; the Glendale 55th Avenue Bike Route Spot Improvement for \$70,000; and the Scottsdale Non-motorized Crossing of the Loop 101 at the Central Arizona Project Canal for \$50,000 for MAG Design Assistance for the Bicycle and Pedestrian Facilities Program. The FY 2013 MAG Unified Planning Work Program and Annual Budget, approved by the MAG Regional Council in May 2012, includes \$200,000 for MAG Design Assistance for the Bicycle and Pedestrian Facilities Program. The Design Assistance Program allows MAG member agencies to apply for funding for the preliminary

engineering portion of a bicycle or pedestrian project. According to federal law, any project which is not constructed after being designed with federal transportation funds could be required to return the funds used for design to the Federal Highway Administration. At the July 17, 2012 meeting, the Bicycle and Pedestrian Committee reviewed and ranked applications for project funding. Five applications requesting \$359,300 in funding were originally submitted for consideration and one jurisdiction subsequently pulled its application. The Committee voted to recommend approval of three projects for \$200,000. Due to a limited amount of funds, the fourth project could not be awarded. The three Design Assistance projects were recommended for approval on August 23, 2012, by the Transportation Review Committee, and on September 12, 2012, by the MAG Management Committee.

5E. Local Match Consideration for Glendale Right-of-Way Costs for Northern Parkway

The MAG Regional Council, by consent, approved allowing Glendale to include the \$560,597 of Northern Avenue right-of-way expenditures as part of the required local match for the project. Glendale has acquired significant right-of-way for the planned Northern Parkway project, which is included in the Arterial Life Cycle Program (ALCP). Since the project will include federal funds, the Arizona Department of Transportation (ADOT) and the Federal Highway Administration (FHWA) are involved in determining the eligibility of project costs for reimbursement with federal funds. The ALCP Policies and Procedures states that for federally funded projects, the eligibility for both the reimbursement of costs with federal funds and for the calculation of the required local match will follow federal guidelines. ADOT and FHWA have determined that \$560,597 of right-of-way costs submitted by Glendale are ineligible for federal reimbursement. MAG staff has reviewed all of the information and analysis provided by Glendale, ADOT and FHWA and determined that the costs incurred by Glendale are directly related to the right-of-way needed for Northern Parkway and would be acceptable for either reimbursement or the required ALCP local match if the project did not include federal funds. MAG staff recommended that an exception to the adopted ALCP policy be made to allow the \$560,597 to be included in the calculation of the local match for Northern Parkway. On August 23, 2012, the MAG Transportation Review Committee concurred with the recommendation. On September 12, 2012, the MAG Management Committee recommended approval. On September 19, 2012, the Transportation Policy Committee recommended approval.

5F. Update on the Southeast Corridor Major Investment Study

The fiscal year (FY) 2010 MAG Unified Planning Work Program and Annual Budget, approved by the MAG Regional Council in May 2009, was amended by the MAG Regional Council Executive Committee in March 2010 to include \$300,000 to conduct the Southeast Corridor Major Investment Study. On May 17, 2010, the MAG Regional Council Executive Committee selected HDR, Inc. to conduct the study. The consultant has completed its efforts with the project, and a report on the study's findings was provided.

5G. Federal Fiscal Year 2012 Final Year End Closeout

On July 25, 2012, the MAG Regional Council approved future project funding modifications related to approved Federal Fiscal Year (FFY) 2012 Closeout projects. This approval was requested and approved to ensure when final apportionment tables from Federal Highway Administration and Federal Transit

Administration were published, all funding could be programmed. On September 12, 2012, during the final analysis of the FFY 2012 Arizona Department of Transportation (ADOT) declining balance sheet, \$317,000 was identified as unprogrammed. ADOT notified MAG that the federal electronic system would close on Tuesday, September 18, 2012. The decision to select a project was time sensitive and the project selected needed to be ready to implement immediately. The Regional Community Network project was identified to advance from a future year which allows the MAG region to ensure full obligation authority for FFY 2012. The project change included in this agenda item completes programming of all obligation authority for the MAG region in FFY 2012. This was the 19th amendment and an administrative modification to the FY 2011-2015 TIP.

5H. 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 revisions to several Arizona Department of Transportation projects, new Job Access Reverse Commute and New Freedom transit projects, and Arterial Life Cycle Program 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 September 21, 2012. This item was on the agenda for consultation.

5I. Update on the MAG 2012 Five Percent Plan for PM-10 and Exceptional Events

On May 23, 2012, the MAG Regional Council adopted the MAG 2012 Five Percent Plan for PM-10. The Arizona Department of Environmental Quality adopted the plan and officially transmitted it to the Environmental Protection Agency (EPA) on May 25, 2012. A completeness finding was issued by EPA on July 20, 2012, which stopped the sanctions clocks that were triggered when the prior Five Percent Plan was withdrawn. To avoid the imposition of a federal implementation plan, EPA must approve the plan by February 14, 2013. The region will also need at least three years of clean data as measured by the air quality monitors for attainment of the PM-10 standard (2010, 2011, and 2012). To date, there have been 13 exceedance days in 2012. The Arizona Department of Environmental Quality now has consultant assistance to prepare the documentation required for exceptional events. Also, EPA published a notice of availability and public comment period for the Draft Guidance to Implement Requirements for the Treatment of Air Quality Monitoring Data Influenced by Exceptional Events and associated attachments. The documents clarify key provisions, respond to questions and issues that have arisen since EPA promulgated the Exceptional Events Rule, and update the prior May 2011 guidance. While some improvements have been made, the revised guidance includes additional requirements and the documentation required remains resource intensive. MAG staff submitted comments by the September 4, 2012, deadline. On September 6, 2012, the EPA approved the first package of exceptional events for July 2 through July 8, 2011.

5J. Amendment to the FY 2013 MAG Unified Planning Work Program and Annual Budget and Arup North America, Ltd. Contract

The MAG Regional Council, by consent, approved amending the FY 2013 MAG Unified Planning Work Program and Annual Budget to amend the Arup North America, Ltd. contract by \$23,000 to conduct the stakeholder work for the Sustainable Transportation and Land Use Integration Study. In May 2010, the Regional Council approved the FY 2011 MAG Unified Planning Work Program (UPWP) and Annual Budget, which included a Sustainable Transportation and Land Use Integration Study. On September 13, 2010, the Regional Council Executive Committee selected Arup North America, Ltd. to conduct the study for an amount not to exceed \$750,000. It is requested that \$23,000 be added to the FY 2013 UPWP and Annual Budget to increase contract #442 with Arup North America, Ltd. for stakeholder work to complete the Sustainable Transportation and Land Use Integration Study. This funding will support four stakeholder meetings related to the findings of the high capacity transit and land use integration modeling exercise, the Sustainable Transportation Toolkit, and the recommendations of the Study. During this month, the MAG Management Committee and Regional Council Executive Committee recommended approval to amend the Arup North America, Ltd. Contract #442 to increase funding by \$23,000. After the meetings occurred, it was noted that an amendment to the MAG FY 2013 Unified Planning Work Program (UPWP) and Annual Budget was also needed.

5K. Appointment of Mayor Mark Mitchell, City of Tempe, to Serve as One of the Seven Largest Cities/Towns Elected Officials on the Transportation Policy Committee

The MAG Regional Council, by consent, approved the appointment of Mayor Mark Mitchell, City of Tempe, as the one of the seven largest cities/towns elected officials on the Transportation Policy Committee. The composition of the Transportation Policy Committee (TPC), established by the Regional Council on April 24, 2002, includes elected officials from the seven largest cities/towns.

6. Report on the City of Phoenix “Buy Local First” Policy

Kimber Lanning, Director of Local First Arizona, presented a report on efforts to support local businesses. Ms. Lanning said that she would provide information about a regional directory her organization developed and their work on procurement over the past five years. She stated that they feel procurement should be viewed as an investment and not just the cheapest price.

Ms. Lanning then provided data from a 2008 study that showed that local business does more for the local economy than a non-local business. She reported on the State of Arizona \$5 million state contract for office supplies with Office Max and compared it to another national office supply company, Staples, and a locally owned office supply business, Wist Office Supply, based in Tempe. Ms. Lanning noted that their analysis showed that 11.6 percent of the \$5 million contract with Office Max would stay in the state. Had that \$5 million contract gone to Wist, 33.4 percent of the \$5 million would remain in the state. Ms. Lanning stated that 100 percent of the jobs at Wist are full-time with benefits; 62 percent of the jobs at Office Max are part-time with no benefits. Ms. Lanning stated that many times part-time workers with no benefits end up in the state health care program, the taxpayers pick up the costs, and any of the perceived cost savings begin to erode.

Ms. Lanning said that Wist gives an average of \$35,000 to local charities each year and has done so for the past ten years, while Office Max and Staples gave nothing locally. Ms. Lanning also noted that there are local secondary and tertiary jobs associated with local companies: designers, attorneys, accountants, payroll services, etc., and this ends up with their dollars staying and recirculating in the area creating additional jobs. Instead, Office Max and Staples outsource these types of jobs.

Ms. Lanning stated that local businesses do provide jobs and pay taxes, but that is not the only thing they are measuring. She noted that Office Max and Staples pack and process the orders out of state and ship them here. Ms. Lanning stated that the true value of a contract is not always the cheapest price. She stated that the Office Max state contract expired in 2009 and it was subsequently awarded to Staples. Ms. Lanning said that Arizona is one of three states that do not acknowledge that local business does more for the local economy than a non-local business; they only measure by price. Ms. Lanning stated that they are working on legislation.

Ms. Lanning stated that they did a study with SCF Arizona, part of whose mission is to buy locally. She said that in 2009, 82 percent of its contracts went to Arizona companies. Ms. Lanning stated that SCF spent \$100 million in 2009 and this had an impact of \$500 million on the local economy. She stated that SCF has 518 employees, but it indirectly supports 3,600 Arizona jobs, mostly in manufacturing and medical supply jobs. Ms. Lanning stated that Local First Arizona has had some recent successes, for example, APS committed to shifting five percent of its overall budget to Arizona companies.

Ms. Lanning then reported on the City of Phoenix procurement success story. She said that they found a solution in San Diego that we were able to bring back here to Phoenix and implement rather quickly. Under the old model, the city used to go to a full public bid for any contract worth more than \$5,000. Ms. Lanning stated that the only factor looked at was immediate price – whether an Arizona company or not, all were treated the same. Ms. Lanning stated that they were able to raise the threshold from \$5,000 to \$50,000 and now the staff simply goes to a database populated only with Arizona companies, they get three bids, and go with the lowest bid. She noted that this process is still a competitive bid.

Ms. Lanning noted that the City of Phoenix policy is a competitive process and supportive of free markets. She said they are not “Local Always Arizona” or “Local Only Arizona,” just “Local First Arizona.” Ms. Lanning stated that any time the opportunity arises to award contracts under the amount of \$50,000 is a boon to the local economy. Ms. Lanning stated that Mayor Stanton is committed to making the directory regional and he has tasked Ms. Lanning and Phoenix staff to build the directory.

Ms. Lanning stated that she welcomes the opportunity to work with businesses in every community in the region, and she encouraged local businesses to become certified as vendors in the database. She expressed that she would like to work with community procurement, staff, and chambers of commerce.

Chair Rogers thanked Ms. Lanning for her report and asked members if they had questions.

Mayor Lane stated that the important factor is that it streamlines and simplifies the process for small businesses. He stated that the impact is huge for companies in the database. Ms. Lanning stated that the City of Scottsdale has done outstanding work in providing a streamlined process to businesses.

7. Rebalancing of the Draft FY 2013 Arterial Life Cycle Program

Teri Kennedy, MAG staff, provided a report on rebalancing the Draft FY 2013 Arterial Life Cycle Program. Ms. Kennedy stated that Arizona Revised Statutes 28-6352 (B) requires that MAG have a budget process for the ALCP that ensures that the ALCP is financially balanced and to make necessary adjustments.

Ms. Kennedy stated that during the annual update and fiscal analysis, a program deficit of approximately \$40 million was identified. Besides local funding, the ALCP has three funding sources: the half cent sales tax for transportation (Regional Area Road Fund), federal Surface Transportation Program funds and Congestion Mitigation and Air Quality Improvement funds. As in the Freeway Lifecycle Program, the ALCP has experienced revenue shortfalls based on the half cent sales tax decline.

Ms. Kennedy stated that since the inception of the ALCP, revenue projections for the program have seen a 30 percent decline. The last major rebalancing addressed a \$190 million deficit, and there is now an additional \$40 million deficit that was identified in the spring 2012 analysis. Ms. Kennedy then reviewed a chart that showed the ALCP project expenditures in the approved FY 2012 Program and the projected revenues for the Program.

Ms. Kennedy stated that in order to address the deficit, a memorandum was generated and sent to Transportation Review Committee members and intergovernmental representatives and an ALCP working group meeting was scheduled for May 22, 2012. Three scenarios were developed and three rebalancing samples were distributed. The working group reviewed and discussed the three scenarios: Scenario 1: Keep bonding and inflation; defer and cut projects and/or reimbursements from the program to address the \$35-40 million deficit. Scenario 2: Eliminate bonding; defer projects four to six years and cut \$10 million from the program. Scenario 3: Eliminate bonding and eliminate inflation on reimbursement requests; projects would defer two to four years, however, no projects would be cut from the program. Ms. Kennedy stated that alternative scenarios were also requested and one was received that is referenced as Scenario 4: Reduce all reimbursements by the percent necessary to rebalance (still would have deferrals), but would result in an inequitable balance among agencies.

Ms. Kennedy stated that Scenario 3 was chosen by the working group, and recommended by the MAG Management Committee and Transportation Policy Committee. She said that Scenario 3 would eliminate bonding for projects in the future, and would eliminate inflation being applied to future reimbursements until such time as revenues recover. Ms. Kennedy advised that eliminating bonding and inflation is a deviation of policy from the approved ALCP Policies and Procedures.

Ms. Kennedy stated that a draft of the rebalanced FY 2013 ALCP was distributed to member agencies for review, and this was followed by a second working group meeting. Agencies that submitted achievable updates to project priorities in the program were included in the current draft.

Ms. Kennedy stated that eliminating bonding for projects and eliminating inflation to reimbursements, would be suspended until such time as revenues recover. She indicated that most projects would be deferred only one to three years, no projects would be removed from program, no additional projects would be unfunded, and no reimbursement would be decreased.

Ms. Kennedy stated that the Transportation Policy Committee included a provision with its recommendation that the change to the draft FY 2013 Arterial Life Cycle Program is a one-time, non precedent-setting change in order to achieve fiscal balance, and that the program policies remain unchanged.

Chair Rogers thanked Ms. Kennedy for her report and asked if there were questions.

Mayor Mook made the following statement for the record: “The City of El Mirage will vote in favor of the ‘Rebalanced 2013 Arterial Life Cycle Program’ as a show of our ongoing support for regionalism and the Maricopa Association of Governments. However and as Mayor, I want to go on record to let the Regional Council know that the El Mirage Road Project is the linchpin for our City's economic development efforts. Simply pushing the funding out a couple of years sounds easy enough, which is essentially what a ‘rebalancing’ does. But a couple of years can have a significant impact on a small City like El Mirage that has worked extremely hard to garner broad community and business support, as well as voter approved bond funding for this project. Again, we support MAG and will support this item, but have to put our concern on the record. The City thanks the County and MAG for their ongoing partnership and cooperation on this and other projects, and look forward to finding alternative ways to move the El Mirage Road project forward in a timely manner.”

With no further questions, Chair Rogers called for a motion. Mayor Lane moved to approve the (1) the Draft FY 2013 Arterial Life Cycle Program and (2) the amendments and administrative modifications to the FY 2011-2015 MAG Transportation Improvement Program and to the Regional Transportation Plan 2010 Update, as appropriate, with the proviso recommended by the Transportation Policy Committee that this is a one-time, non precedent-setting change in order to achieve fiscal balance, and that the program policies remain unchanged. Mayor LeVault seconded, and the motion passed unanimously.

8. Update on Environmental Impact Statements for Interstates 10 and 17

Bob Hazlett, MAG staff, stated that Environmental Impact Statement (EIS) studies for capacity expansion of Interstate 10 between the SR-51/SR-202L “MiniStack” and SR-202L “Pecos Stack” traffic interchanges and Interstate 17 (I-17) between the Interstate 10 (I-10) “Split” and SR-101L “North Stack” traffic interchanges have been underway for a number of years.

Mr. Hazlett stated that the Interstate 10 Corridor EIS began in 2001, and studied widening the corridor and implementing a local-express lane system to mitigate weaving issues between SR-143 and US-60.

Mr. Hazlett stated that the Interstate 17 Corridor EIS began in 2009 and studied options for widening the corridor to implement either a local-express lane system or add two general purpose lanes in both directions. Mr. Hazlett noted that there is an issue with frontage roads along I-17, and he added that no improvement project for this corridor has been identified yet.

Mr. Hazlett then described the plans in the Regional Transportation Plan for these corridors. Interstate 10: widen between 40th Street and Pecos Stack; program amount of \$648.5 million. Interstate 17: no

project specified; awaiting EIS outcome; program amount of \$821.6 million. The Regional Transportation Plan funding for these two corridors totals \$1.47 billion.

Mr. Hazlett stated that alternatives from the EIS studies substantially exceed Regional Transportation Plan program amounts. EIS alternatives for Interstate 10 total \$1.6 billion to \$1.7 billion. EIS alternatives for Interstate 17 total approximately \$2 billion to \$3 billion. Mr. Hazlett stated that new airspace regulations at Phoenix-Sky Harbor International Airport impact the I-10/I-17 Split interchange, and any improvements may be substantial and will require resolving any conflict with the airspace. Mr. Hazlett stated that the EIS process timing has been too long, and new ideas are emerging for meeting travel demand. As a result of these issues, last week, the Federal Highway Administration and MAG got together and suspended the EIS studies in order to take a step back.

Mr. Hazlett stated that the 35-mile corridor of I-17 / I-10 is the backbone of the Valley. He noted that on average, 108,000 to 262,000 vehicles drive daily on the Interstate 10 corridor, and on average, 90,000 to 194,000 vehicles drive daily on Interstate 17. Mr. Hazlett noted that the highest average daily usage is 290,000 vehicles on Interstate 10 in the West Valley. He stated that Interstate 10 was constructed between 1965 and 1967, and Interstate 17, the oldest freeway in the state, was constructed between 1957 and 1964. As noted in his presentation, some improvements will be needed to both interstate routes.

Mr. Hazlett stated that Interstate 10/Interstate 17 is the “Spine” of the regional transportation system. Future steps include identifying a Master Plan for the Spine, identifying interim spot improvements, determining manageable environmental study segments, and considering alternative project delivery methods and congestion pricing. He noted that this item was on the agenda for information and discussion.

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

Supervisor Wilson stated that Interstate 10 west of the Spine is a bottleneck every day. He asked what could be done to move forward improvements. Mr. Hazlett replied that Interstate 10 west (the Papago) is the Tail and its traffic influences the Spine. He said that the Master Plan study will need to account for this section of Interstate 10. Supervisor Wilson asked if planning could start for Interstate 10. Mr. Hazlett replied yes.

Mr. Smith noted that the original EIS for Interstate 10 would take the traffic toward the airport and into the tunnel, which already is a major bottleneck. With the other plan, traffic would be directed to the Durango Curve, which is funded in the current program, although late in the program. Mr. Smith added that the section on the inner loop is not funded.

9. Update on the Economic Development Committee - Survey Results and Charter

Denise McClafferty presented a report on the Economic Development Committee (EDC) survey results and charter. She noted that when the EDC was formed in October 2010, a two-year sunset clause was included. Ms. McClafferty stated that a survey was distributed to the EDC members in April 2012 to evaluate the EDC meetings. The survey consisted of a list of topics that were discussed at the EDC meetings, along with a ranking scale, and a copy of the results was included in the agenda packet.

Ms. McClafferty reviewed highlights of the survey results: the Greater Phoenix Rising website scored the highest, followed by the update on the Freight Transportation Framework Study. She noted that other popular discussions were the report on the Aerospace and Defense Industry in Arizona and the Thunderbird Consultant Programs (Supply Chain Study for Mexico and Canada). Ms. McClafferty stated that members were asked if they felt the EDC is beneficial and should continue. Out of 14 responses, 12 would like to see the EDC continue and two would not.

Ms. McClafferty stated that a charter was developed by the EDC over the past several months to clarify the focus of the EDC moving forward. She explained that the charter includes the history of MAG, the formation and purpose of the EDC, the EDC's mission and goals, the activities of the EDC, and EDC membership. Ms. McClafferty stated that the EDC members emphasized that they value these meetings for providing opportunities to discuss and study economic development issues and best practices in the region and the state. They also believe that the best economic development efforts involve coordination between government agencies and businesses within a region.

Ms. McClafferty noted that this item was on the agenda for approval of the Economic Development Committee Charter.

Chair Rogers thanked Ms. McClafferty for her report. She asked Mayor Schoaf, chair of the EDC, if he would like to add anything.

Mayor Schoaf stated that the success of the EDC was demonstrated today at the Economic Development Listening Session with the Assistant Secretary of Commerce. He stated that the impetus for this event was the EDC and MAG staff. Mayor Schoaf stated that when the EDC began, they looked at the impact of trade on Maricopa County, and were amazed to find that a large amount of trade (\$7 million per day) comes from individual Mexican citizens throughout the state. Mayor Schoaf stated that they started looking at how they could increase that trade in Maricopa County and found that relationships with other communities in the state needed improvement. He stated that the border is a tremendous asset to Maricopa County as well as the communities in the southern part of the state. Mayor Schoaf stated that relationships that developed led to the resolution to support trade across the border that was approved by all of the state's metropolitan planning organizations. Mayor Schoaf expressed that he felt these were important steps for the state and the impetus was the work that MAG has done. He urged continuing support for the EDC, which has the ability to provide a forum to discuss issues that are of extreme importance to residents and a place to share best practices, and brings together elected officials, business people, and educators. Mayor Schoaf urged continuation of the EDC and approval of the charter.

Mayor Lewis stated that the outreach to the region and the rest of the state by the EDC has had a great impact and the additional dialogue has been beneficial. He said that everyone has been working in a more united way as a result of the EDC. Mayor Lewis stated that some of the presentations were the first time he had heard reports on those topics, and had put in requests for those presentations to be given to Gilbert business leaders and chamber of commerce. He said that these presentations were very helpful and he felt that was the reason the committee was successful. Mayor Lewis stated that he would be an advocate for approving this action.

Mayor Mitchell expressed appreciation for the opportunity to serve as an East Valley representative on the EDC. He said that the mission statement is a unique and necessary component for economic success. Mayor Mitchell stated that for him, the emphasis on intergovernmental cooperation seems a good fit with the limited resources and economic competition and it is important to foster economic growth. He expressed support for approval.

Mayor Lane stated that some fine tuning was needed when the EDC was first formed, but has evolved. He stated that transportation infrastructure is necessary to accommodate working with neighboring countries and states. Mayor Lane stated that the fine tuning has been helpful to committee members and he embraced and endorsed the EDC.

Mayor Lord expressed appreciation for the work of the EDC. She said they had many discussions about the EDC as observers and she was pleased when the word “policy” was removed and that the EDC focus would be transportation. Mayor Lord stated that ADOT will be completing its Arizona-Sonora Master Plan study in November. She asked how this study would differ from the MAG Freight Framework Study. Mr. Smith stated that the MAG study includes Nogales, the inland port of Tucson, the Red Rock yard in Pinal County, and extends through Phoenix-Mesa Gateway Airport, Phoenix, and the West Valley. He noted that Nogales is a component of the study. Mr. Smith stated that Tim Strow, the MAG staff member managing the project, has been across the state and knows many of the stakeholders.

Mayor Wolcott stated that she was an early supporter of the EDC and wanted to reiterate her support. She said that she felt the committee had come a long way. Mayor Wolcott stated that before she became a resident of Arizona, she followed reports on the Sun Corridor. She said that her input to the people of the state of Arizona is to get on board because this is the future. Mayor Wolcott stated that the EDC highlighted the importance of the Sun Corridor and she felt everyone has a role in the Sun Corridor. She expressed appreciation to the Regional Council and MAG staff for this effort and she felt that this was something for everyone to get excited about. Mayor Wolcott stated that she very enthusiastically supported the continuance of the EDC.

Mayor Mitchell moved approval of the Economic Development Committee charter. Mayor Schoaf seconded, and the motion passed unanimously.

10. Legislative Update

Nathan Pryor, MAG staff, provided an update on federal legislation. He said that Congress passed a continuing resolution through March 13, 2013. Mr. Pryor explained that current spending levels are expected to be retained, but a fiscal cliff looms due to the Budget Control Act of 2011 that would require mandatory spending cuts and tax increases, also called sequestration.

Mr. Pryor noted that the amount to be cut totals \$1.2 trillion between 2013 and 2021. He noted that annually, the cuts are expected to be \$100 billion split between defense and non-defense spending. Mr. Pryor stated that two million jobs could be lost nationally as a result of sequestration. In Arizona, non-defense job losses could total 14,000 and defense job losses could total 30,000. Mr. Pryor noted there is concern that the spending cuts could cause another recession.

Mr. Pryor stated that this situation can be avoided if Congress can pass legislation that undoes the automatic cuts required by the Budget Control Act, but this probably would not occur until after the November elections. Mr. Pryor stated that the President would have to sign new legislation before January 2, 2013. He stated that many organizations are sending letters to Congress requesting that they act quickly to avoid sequestration.

Mr. Smith stated that this was on the agenda for possible action and staff was looking for guidance from the Regional Council if they would like a letter sent suggesting that sequestration would be harmful to the economy.

Mayor Mitchell asked for clarification if the intent was to send the letter to the Arizona Congressional delegation. Mr. Smith replied yes.

Chair Rogers asked if there was a motion. Mayor Mitchell moved that a letter be sent to the Congressional delegation. Mayor Lord seconded.

Chair Rogers asked if there was discussion.

Supervisor Wilson expressed his support.

Mayor Stanton stated that Senator McCain has taken on a leadership role, nationally and locally. Mayor Stanton suggested taking a non-partisan way for the letter and reaching across the aisle, and in the letter, pointing to Senator McCain's leadership. He stated that the letter should also say that action on sequestration should not wait until after the election, because many defense companies are making their important financial decisions now. Mayor Stanton stated that the elections are prominent now, but for those whose jobs are in jeopardy, the elections are not particularly relevant. He added that this needs to be resolved immediately.

Mayor Schoaf asked for clarification of the language in the motion. He thought that everyone could support a concept to urge a bipartisan solution, but for him to support a letter, it would need to include that the government needs to take responsibility and balance the budget. Mayor Schoaf stated that sequestration might be a good thing if it gets everyone's attention. He stated that the federal budget is out of control and we as a country need to prioritize what we spend and move closer to a balanced budget. Mayor Schoaf stated that for him to support the letter, it would have to include that Congress deals with this problem.

Mayor Lane expressed his concurrence with the previous comments. He stated that he agreed that it would not be sufficient to send a letter saying sequestration is harmful, but a bipartisan approach was needed and acknowledge that everyone is harmed by spending issues. Mayor Lane stated that he would support the motion if it included those issues.

Mayor Mitchell stated that he would amend his motion to include the comments made by Mayor Schoaf and Mayor Lane. He said that he thought a bipartisan letter was important, and asked for clarification if the letter would offer up any suggestions or merely urge the Congressional delegation to work in a bipartisan manner to address the deficit.

Mayor Lane thought that the letter would include the language just discussed and be reviewed before being released.

Mayor Schoaf stated that he could not envision how the letter could offer specifics because the situation was so complex. He referenced the chart in the presentation and said that the total of the first four items (social security, health/human services, defense, and interest) is more than the amount taken in by the federal government. Mayor Schoaf stated that even if all of the programs other than the first four are totally eliminated, there would still be a deficit in this country of more than \$1 billion per year. He said that it will take real leadership to be able to deal with this situation. Mayor Schoaf stated that if this were a business, it would be headed for liquidation.

Mayor Stanton stated that Mayor Schoaf brought up excellent points, but he wanted to note that sequestration was not meant to become public policy, even by its authors. He said it was so draconian it was supposed to motivate people to reach a bipartisan compromise. Mayor Stanton stated that the federal budget is a subject of debate, and none of the leaders of either party supports sequestration or thinks it is good public policy. He stated that no one is proposing a budget that would be balanced in the near future, but one that would be balanced over time. Mayor Stanton stated that he did not want to water down the letter to take out sequestration saying that it could lead to another recession, and also say to balance the budget right away, because that would be sending two different messages.

Mayor Schoaf stated that he did not disagree that sequestration was not a good public policy, but even if sequestration is enacted, it will not fix the budget deficit problem and probably will devastate the economy. He said that for him to support the motion, the letter would need to convey that the deficit is a huge problem and has dire consequences for generations, and must be taken seriously by Congress and the President.

Mayor Lord expressed her agreement and said there is no well-thought out program. She said that the defense cuts would really hurt Arizona, and she mentioned that many cities have instituted programs for veterans. Mayor Lord commented on the impacts to the military that would result in people being out looking for jobs. She said that she did not want the letter watered down, but wanted it constructive and outline the impacts to the State, but not include political jargon.

Mayor LeVault commented that he felt this should not get so enmeshed in details that it loses sight of larger issues, and be like Congress who cannot find common ground to get things done. He said that probably everyone at the table today agrees that sequestration could be devastating and that work toward a balanced federal budget is needed. Mayor LeVault stated that he felt there was a way to word the letter to encourage avoiding sequestration and moving toward achieving the long range goal of a balanced federal budget.

Mayor Lane stated that a non-partisan approach was needed to fix this. He said that there also is \$600-700 billion in interest – any change in the interest rate will result in all sorts of failures. Mayor Lane stated that the only responsible approach is to say we do not want this to happen. He remarked that there will be hurt in any solution, but we need to acknowledge that both sides of the aisle need to look at ways to resolve the situation. Mayor Lane asked for clarification if the motion included the concerns expressed by members.

Mayor Mitchell stated that he was fine with amending his motion to include working in a bipartisan manner to address the federal budget deficit, and that MAG opposes sequestration. Mayor Lord, as second, expressed her agreement to the amended motion.

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

Chair Rogers asked Mr. Smith to work on a draft letter that would incorporate the ideas expressed in the motion.

11. Domestic Violence Awareness Month Activities

Rena Tenney, MAG staff, provided a presentation on upcoming Domestic Violence Awareness Month activities. Every year, MAG helps raise awareness about domestic violence during October, which is recognized as Domestic Violence Awareness Month, while highlighting initiatives undertaken by the MAG Regional Domestic Violence Council. She said that this year, these activities will focus on the work of the MAG Protocol Evaluation Project in supporting and promoting the work of victim advocates.

Ms. Tenney stated that domestic violence calls are the most dangerous and costly. She said that 80 percent of domestic violence cases are dismissed because victims recant. Ms. Tenney stated that there is a 90 percent conviction rate if the victim is involved throughout the process.

Ms. Tenney stated that the MAG Protocol Evaluation Project is funded by the Governor's Office, and it engages members of the criminal justice system in assessing the protocols/practices used to arrest and prosecute domestic violence crimes. She expressed appreciation to member agencies and Justice Sandra Day O'Connor for their efforts.

Ms. Tenney stated that victims need to have someone assist them in navigating the criminal justice system – victim advocates. Ms. Tenney reported that victim advocates have expressed that they would like more training. She stated that a victim services provider inventory and interactive web map were developed with the assistance of MAG interns, Nathalea Silva and Amanda Stanko. Ms. Tenney stated that the web map will display locations of victim advocate services, and they will soon be accessible on Smart Phones and other mobile devices.

Ms. Tenney noted that there will be a press conference on October 4, 2012. She expressed appreciation to Chair Rogers and Mayor Stanton, who will be speaking at the press conference, and to the Phoenix Family Advocacy Center for hosting the event. Ms. Tenney stated that they are putting together a calendar of events for the month and encouraged members to submit ideas for inclusion in the inventory, map, or calendar of events.

Chair Rogers thanked Ms. Tenney for her report and asked members if they had questions.

Mayor Lewis noted that any domestic violence incident is a tragedy. Mayor Lewis referenced one especially sad domestic violence incident in Gilbert this past year. He stated that with the information provided, Gilbert will have eight action items that will take place in October that did not occur last year.

Chair Rogers stated that she hoped the information would help people be aware that help is available.

12. Request for Future Agenda Items

Topics or issues of interest that the Regional Council would like to have considered for discussion at a future meeting were requested.

Chair Rogers noted Mr. Arnett's request from earlier in the meeting. Mr. Smith stated that staff will have discussion with ADOT to see if there is a workable solution.

13. Comments from the Council

An opportunity was 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.

Mayor Lewis introduced Tikki Ferias, who is in her last semester of the Master's of Public Administration program at Arizona State University, and has been interning at the Town of Gilbert.

Adjournment

There being no further business, the meeting adjourned at 1:00 p.m.

Chair

Secretary