

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

March 23, 2016  
MAG Office  
Phoenix, Arizona

**MEMBERS ATTENDING**

Mayor W.J. “Jim” Lane, Scottsdale, Chair	* Mayor Thomas Schoaf, Litchfield Park
Mayor Greg Stanton, Phoenix, Vice Chair	Mayor Christian Price, City of Maricopa
Vice Mayor Robin Barker, Apache Junction	Supervisor Denny Barney, Maricopa County
# Mayor Kenneth Weise, Avondale	Mayor John Giles, Mesa
Mayor Jackie Meck, Buckeye	Councilmember Mark Stanton for Mayor
# Councilmember Mike Farrar, Carefree	Michael Collins, Paradise Valley
Councilmember Dick Esser, Cave Creek	Mayor Cathy Carlat, Peoria
# Mayor Jay Tibshraeny, Chandler	Supervisor Todd House, Pinal County
# Mayor Lana Mook, El Mirage	Mayor Gail Barney, Queen Creek
* Mayor Tom Rankin, Florence	* President Delbert Ray, Salt River
* President Bernadine Burnette, Fort	Pima-Maricopa Indian Community
McDowell Yavapai Nation	# Mayor Sharon Wolcott, Surprise
Mayor Linda Kavanagh, Fountain Hills	Mayor Mark Mitchell, Tempe
* Mayor Chuck Turner, Gila Bend	* Mayor Adolfo Gamez, Tolleson
* Governor Stephen Roe Lewis, Gila River	* Mayor John Cook, Wickenburg
Indian Community	# Mayor Michael LeVault, Youngtown
Councilmember Jenn Daniels for Mayor John	# Mr. Roc Arnett, Citizens Transportation
Lewis, Gilbert	Oversight Committee
Mayor Jerry Weiers, Glendale	Mr. Joseph La Rue, State Transportation Board
* Mayor Georgia Lord, Goodyear	# Vice Mayor Jack Sellers, State
Mayor Angie Perez, Guadalupe	Transportation Board

\* 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 W.J. “Jim” Lane, Scottsdale, at 11:30 a.m.

2. Pledge of Allegiance

The Pledge of Allegiance was recited.

Mr. Roc Arnett, Councilmember Michael Farrar, Mayor Michael LeVault Mayor Lana Mook, State Transportation Board Member Jack Sellers, Mayor Jay Tibshraeny, Mayor Ken Weise, and Mayor Sharon Wolcott joined the meeting by teleconference.

Chair Lane introduced Mayor Angie Perez, the new mayor of Guadalupe, and presented her with her Regional Council membership certificate.

Mayor Perez thanked the Regional Council and expressed that she was honored to be a member of the MAG Regional Council. Mayor Perez was applauded.

Chair Lane introduced Councilmember Jenn Daniels as proxy for Mayor John Lewis, and Councilmember Mark Stanton as proxy for Mayor Michael Collins.

Chair Lane announced that for agenda item 5F, on March 23, 2016, the Executive Committee recommended the appointment of Sintra Hoffman as the WESTMARC representative on the MAG Economic Development Committee.

### 3. Call to the Audience

Chair Lane recognized public comment from Mr. John Rusinek, who wished everyone a Happy Easter. He stated that his problem was with the one-inch gravel driveway next door. He noted that one-half inch gravel has now been installed on the driveway, and it looks nice, but he is worried it will spread out. Mr. Rusinek stated that City of Phoenix staff said it cannot be laid more than one-and-one-half inches or it will move. He said that the specifications should be standardized. Mr. Rusinek remarked that he was in limbo -- if the gravel moves it will not work. Chair Lane thanked Mr. Rusinek.

Chair Lane recognized public comment from Ms. Dianne Barker, who showed a pin she received for being one of the 25 people who attended 50 Meet Me Downtown events. Ms. Barker stated that we need to grow wisely because people will continue to move here. She stated that she sees cars violating intersections and more needs to be done to protect the safety of people in the intersections. Ms. Barker encouraged members to leave their cars at home. Ms. Barker noted that Phoenix is an All American City, and people of diverse cultures and backgrounds reside here. She stated that she considers herself a street person, and clarified that she does not live on the streets. Ms. Barker stated that none of the homeless persons she has encountered has been dangerous and downtown Phoenix is a good place to go. She stated that standards for dust control are needed across the entire county; if alternatives are offered, a person will pay a fee and get off the hook for a violation. Ms. Barker stated that people need to be protected from pollution and particulates. She stated that there is a large empty lot at the Public Market and the gravel where people park has separated. Chair Lane thanked Ms. Barker.

Chair Lane recognized public comment from Mr. Marvin Rochelle, who stated that work needs to be done so that EPA restrictions do not cause the Tesla facility and Ford and Chrysler proving grounds in the Wickenburg area to close down. Mr. Rochelle stated that a variance is needed to keep those industries here. He expressed support for the new TIGER grants and hoped this region would get involved and make Phoenix grow in a better and healthier way. Chair Lane thanked Mr. Rochelle for his comments.

Chair Lane recognized public comment from Ms. Laura Medina, who stated that this meeting was taking place on the ancestral territory of the Tohono O’odham tribe. Ms. Medina stated that she is an indigenous person, a resident of Phoenix, and a registered voter. She stated that she represents the non-profit Indigenous People’s Coalition. Ms. Medina quoted statistics that showed the racism and prejudices faced by indigenous people in this region. She stated that she grew up in Fountain Hills, where she witnessed racism. Ms. Medina stated that the Indigenous People’s Day Coalition is promoting the abolishment of Columbus Day and establishing an Indigenous People’s Day in its place. She stated that everyone in the community is invited to the Indigenous People’s Day celebration they have planned on October 10, 2016. Chair Lane thanked Ms. Medina.

Chair Lane recognized public comment from Souta Calling Last, who expressed her congratulations to Mayor Perez on winning the election. Ms. Last stated that she is a member of the Blackfoot tribe and moved to the Valley in 2010 to pursue her Master’s degree. She noted that she has started her own nonprofit. Ms. Last urged that Columbus Day be changed to Indigenous People’s Day. Ms. Last stated that Columbus Day was begun by Italian Americans in the early 20th century to combat the discrimination they faced due to their nationality and Catholic faith and was made a federal holiday under the Franklin Delano Roosevelt administration. Ms. Last stated that many Italian-Americans support changing the name. She stated that Columbus Day to many indigenous people represents slavery and genocide. She stated that the Indigenous People’s Coalition is working on replacing Columbus Day with Indigenous People’s Day. Ms. Last stated that Los Angeles and Bozeman, Montana, have made the change, and she noted that Arizona has the third largest indigenous people population. Chair Lane thanked Ms. Last.

4. Executive Director’s Report

Mr. Dennis Smith, MAG Executive Director, reported on items of interest to the MAG region. Mr. Smith announced that letters were mailed to approximately 7,000 households in the region informing them that MAG will be conducting the Household Travel Survey on travel behavior. He noted that recipients of the letters sometimes call their jurisdiction to confirm if a survey is legitimate.

Mr. Smith stated that MAG Regional Continuum of Care was awarded more than \$21.8 million in homeless assistance funding from a grant from the U.S. Department of Housing and Urban Development. Mr. Smith acknowledged the invaluable journeyman expertise of staff like Ms. Anne Scott, in submitting successful applications.

Mr. Smith reported that the exceptional events lawsuit will be heard at the U.S. Court of Appeals the week of June 13-17. He noted that 25 exceptional event days were documented between 2011-2012. Mr. Smith reviewed the timeline. In June 2014, EPA approved the MAG 2012 Five Percent Plan for PM-10 for the Maricopa County Nonattainment Area. On July 29, 2014, the Arizona Center for Law in the Public Interest filed a lawsuit challenging EPA’s approval of the Plan. The Court has not decided if MAG is an Intervenor or Friend of the Court. Mr. Smith noted that MAG’s legal counsel in Washington, D.C., is working on this issue.

Mr. Smith stated that he recently attended the groundbreaking for the new El Mirage City Hall. He said the City has constructed a new public safety building and a new YMCA with their partner, the John F. Long family.

Mr. Smith stated that the Town of Youngtown recently completed a realignment of the intersection of Peoria Avenue and 114th Drive using federal Congestion Mitigation and Air Quality Improvement Program funds. He noted that emergency vehicles had a difficult time maneuvering the previous intersection alignment. Mr. Smith reported that the Town also constructed a multiuse path and community garden using volunteers and donations, from such organizations as Home Depot.

Mr. Smith stated that the 3.2-mile Light Rail Northwest Extension officially opened on March 19, 2016. He noted that the route is in Mayor Greg Stanton's childhood neighborhood. Mr. Smith noted that present at the opening were Mayor Stanton, Congressman Gallego, Phoenix Vice Mayor Gallego, and Phoenix Councilmember Valenzuela. Mr. Smith noted that he drove 19th Avenue in order to see the improvements that have taken place since light rail was implemented.

Mayor Stanton noted that no federal funds were used to construct the Light Rail Northwest Extension -- only local and Proposition 400 funds were used.

Mr. Smith stated that approximately 250 people recently attended the Chamber of Commerce breakfast called Opportunity Arizona: Identifying a Qualified Workforce. Mr. Smith stated that this subject is relevant to Joint Technical Education Districts (JTEDs). Mr. Smith reported that automotive and mining industry panelists noted that not having a qualified, technically-trained pool of trade employees is hindering them conducting their business. Mr. Smith added that MAG has produced four videos on JTED programs. The aviation mechanic video was played. Mr. Smith stated that the videos are available for broadcast on members' channel 11s. Mr. Smith remarked that this is the type of foundation needed for good-paying jobs. He expressed appreciation to the Governor for restoring funding to JTED programs.

Chair Lane stated that he moderated the panel and found the session very informative. He stated that the statistics on shortages of these types of workers and the compensation they can earn are immense and the programs are great career starters. Chair Lane noted that he is working on integrating these programs into the Scottsdale school districts.

##### 5. Approval of Consent Agenda

Chair Lane noted that agenda items #5A, #5B, #5C, #5D, #5E, and #5F were on the Consent Agenda.

Chair Lane asked if members had questions or requests for a presentation on any of the Consent Agenda items.

None were noted.

Chair Lane recognized public comment from Ms. Dianne Barker, who commented on the minutes from the February meeting. She stated that the minutes were accurate and she noted that she and Mr. Rochelle agreed on Dial-a-Ride. Ms. Barker said that two-thirds of people with disabilities are unable to use

public transit. She recounted that it took her three hours to take public transit to the Scottsdale Symphony and she said that having a Rapid bus route from Hance Park to the Scottsdale Symphony area could take only one-half hour. Ms. Barker stated that she was a school bus driver, so she knows that improvements are possible. She stated that Mr. Rusinek commented that no stabilizer was applied to the gravel driveway next door to his house. She saw there were more riders on the 19th Avenue bus than on 19th Avenue light rail. Ms. Barker cautioned about keeping a balanced budget or we could go broke. Chair Lane thanked Ms. Barker.

Vice Chair Stanton moved to approve the Consent Agenda items #5A, #5B, #5C, #5D, #5E, and #5F. Supervisor Denny Barney seconded, and the motion passed unanimously.

5A. Approval of the February 24, 2016, Meeting Minutes

The MAG Regional Council, by consent, approved the February 24, 2016, meeting minutes.

5B. Project Changes - Amendment and Administrative Modification to the FY 2014-2018 MAG Transportation Improvement Program, Fiscal Year 2016 Arterial Life Cycle Program, and as Appropriate, to the 2035 Regional Transportation Plan

The MAG Regional Council, by consent, approved amendments and administrative modifications to the FY 2014-2018 MAG Transportation Improvement Program, Fiscal Year 2016 Arterial Life Cycle Program, and as appropriate, to the 2035 Regional Transportation Plan. The Fiscal Year (FY) 2014-2018 Transportation Improvement Program (TIP) and 2035 Regional Transportation Plan were approved by the MAG Regional Council on February 24, 2016. The FY 2016 Arterial Life Cycle Program was last modified on October 28, 2015. Since then, additional project changes and additions have been requested by member agencies. Changes to the Arterial Life Cycle Program (ALCP) within the current TIP window are included in Table A. Changes to the ALCP outside the current TIP window are included in Table B. General highway project changes are included in Table C, and Federal Highway Administration sub-allocated funding for the second request of closeout are included in Table D and are addressed under a separate agenda item. Projects in Table E are contingent on a new finding of conformity in the Pinal County portion of the MAG planning region. A new finding of conformity for these projects is addressed under a separate agenda item. The requested project changes were recommended for approval on February 25, 2016, by the Transportation Review Committee and on March 9, 2016, by the MAG Management Committee.

5C. Federal Fiscal Year 2016 Closeout Programming - Round Two - Amendment and Administrative Modification to the FY 2014-2018 MAG Transportation Improvement Program, and to the 2035 Regional Transportation Plan

The MAG Regional Council, by consent, approved the priority listing for round two closeout projects and of the necessary amendments and administrative modifications to the FY 2014-2018 MAG Transportation Improvement Program, and as appropriate, to the 2035 Regional Transportation. In January 2016, programming of FY 2016 Closeout was initiated for Federal Highway Administration sub-allocated funding, which includes funds from the Congestion Mitigation and Air Quality Improvement Program (CMAQ), Highway Safety Improvement Program (HSIP-MAG), Surface

Transportation Program (STP-MAG), and Transportation Alternatives Program (TAP-MAG). It has been determined that the MAG region is estimated to have federal funding available for the second round of Closeout programming for FY 2016 design work phase priorities for federally funded construction projects that are scheduled in FY 2018. The types of projects include Bicycle/Pedestrian, Intelligent Transportation Systems, Paving of Unpaved Roads, Highway Safety, and Pinal County Arterial projects. The process is guided by the Federal Fund Programming Guidelines and Procedures that were approved by the MAG Regional Council in June 2015. The priority listing for round two closeout projects and of the necessary amendments and administrative modifications were recommended for approval on February 25, 2016, by the MAG Transportation Review Committee and on March 9, 2016, by the MAG Management Committee.

5D. New Finding of Conformity for the FY 2014-2018 MAG Transportation Improvement Program and 2035 Regional Transportation Plan, As Amended

The MAG Regional Council, by consent, approved the new Finding of Conformity for the FY 2014-2018 MAG Transportation Improvement Program and 2035 Regional Transportation Plan, as amended. On January 29, 2014, the MAG Regional Council approved the Fiscal Year 2014-2018 MAG Transportation Improvement Program (TIP) and 2035 Regional Transportation Plan. Since that time, an amendment to the TIP and 2035 Regional Transportation Plan is required for new projects to be implemented in Pinal County. The project modifications impact the modeling assumptions used in the most recent conformity analysis and a new regional emissions analysis for the Pinal County PM-10 and PM-2.5 nonattainment areas was conducted. The results of the regional emissions analysis for the amendment meet the transportation conformity requirements for PM-10 and PM-2.5 for the Pinal County nonattainment areas. On February 5, 2016, a 30-day agency and public review period began on the conformity assessment and amendment. Comments are requested by March 23, 2016. On March 9, 2016, the MAG Management Committee recommended approval of the new Finding of Conformity for the FY 2014-2018 MAG Transportation Improvement Program and 2035 Regional Transportation Plan, as amended.

5E. Conformity Consultation

The Maricopa Association of Governments conducted consultation on a conformity assessment for an amendment and administrative modification to the FY 2014-2018 MAG Transportation Improvement Program and 2035 Regional Transportation Plan. The amendment and administrative modification involve several projects, including 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. This item was on the agenda for consultation.

5F. Appointment of the MAG Economic Development Committee WESTMARC Representative

The MAG Regional Council, by consent, approved the appointment of Sintra Hoffman, President and CEO of WESTMARC, as the WESTMARC representative on the MAG Economic Development Committee. In June 2015, the MAG Regional Council approved changes to the composition of the MAG Economic Development Committee (EDC). The composition includes fifteen business member

positions that have two-year terms with possible reappointment by recommendation of the Executive Committee and Regional Council. In September 2014, the EDC business member positions were approved by the Executive Committee and Regional Council. Since that time, WESTMARC has hired a new President and CEO, Sintra Hoffman. The WESTMARC Board is recommending that Sintra Hoffman represent WESTMARC on the MAG EDC, effective immediately. On March 23, 2016, the MAG Executive Committee recommended the appointment of Sintra Hoffman, President and CEO of WESTMARC, as the WESTMARC representative on the MAG Economic Development Committee.

#### 6. MAG Freight Plan and FAST Act Freight Program Update

Mr. Tim Strow, MAG staff, updated members on the MAG Freight Plan and federal transportation funding legislation, Fixing America's Surface Transportation Act (FAST Act). Mr. Strow stated that MAG completed a high-level freight study that included Maricopa, Pinal, and Pima counties a few years ago and the study included how the Sun Corridor fits into the supply chain. Mr. Strow stated that the MAG Freight Plan focuses on the MAG region only and it drills down to freight clusters. He displayed a map of transportation, distribution, and manufacturing employers.

Mr. Strow displayed a map of industrial built space in 2014. He said that the Freight Plan in the FAST Act touches on freight opportunities over the next five years. Mr. Strow noted that the MAG Freight Plan will analyze existing and future land uses and compatible land use planning. He said the study will look at roads that can be used for commercial vehicle access. Mr. Strow displayed a map of existing land use along the Van Buren Street corridor in Tolleson as an example and described how Tolleson developed a downtown streetscape of two lanes that restricts commercial vehicle access. He noted that plans in one city for moving commercial vehicles need to coordinate with the plans in another jurisdiction.

Mr. Strow displayed a map developed from American Trucking Research Institute data of the Loop 101 and Interstate 10 area. He explained how every five minutes GPS pings trucks stopped in the designated area, and this is important in identifying the critical freight corridors throughout the region and the Sun Corridor.

Mr. Strow stated that the FAST Act dedicates \$6.3 billion in funding over five years for the National Highway Freight Program. This is the first time funds have been dedicated to the freight program. He explained that the fund distribution is based on the percentage of miles a state has on the primary highway freight network. Mr. Strow noted that Interstates 10, 17, 19, 40, and 202 in Arizona were identified in the program.

Mr. Strow stated that based on its total number of freight miles, Arizona is eligible to designate 102 miles of critical urban corridors statewide. He stated that a critical urban corridor could be an arterial or a highway, just as long as the corridor connects to an identified freight corridor. Mr. Strow stated that MAG, as the local metropolitan planning organization (MPO), coordinating with the Arizona Department of Transportation (ADOT), has the responsibility for the urban freight corridors. He added that ADOT with other MPOs and local agencies will identify the rural freight corridors.

Mr. Strow stated that the State kicked off its statewide freight plan last year. He indicated that the MAG Freight Plan feeds into the state plan in order to have a unified vision. Mr. Strow stated that stakeholder outreach has just begun for the MAG freight plan, which will identify the critical urban freight corridors.

Mr. Strow noted that there are two pots of money: 1) the Nationally Significant Freight and Highway Projects (NSFHP) Program, or “FASTLANE Grants,” a freight specific competitive grant program with \$4.5 billion over five years. 2) the National Highway Freight Program, a freight specific formula program provided with \$6.3 billion over five years. Mr. Strow stated that Arizona has 1,026 miles on the national highway freight network and will get less than \$30 million for freight over the next five years.

Chair Lane thanked Mr. Strow for his interesting report and asked members if they had questions.

Mayor Linda Kavanagh asked if alternate routes would only be used if the regular freight routes were unavailable. Mr. Strow stated that they are trying to establish routes as alternatives to interstates. He noted that there are different plans for the movement of goods in different jurisdictions and they are trying to find alternatives for moving goods throughout the Valley.

Chair Lane asked if this analysis could make a case for the future facilities, for example, Interstate 11. Mr. Strow replied yes, that one of the things they look at is future facilities, which could include I-11, SR-30, and the North-South Corridor. The findings from the freight plan will make a better argument. He stated that they update the primary freight network every few years and there is a section for future corridors and I-11 would fit into that discussion.

Chair Lane asked if the federal funds Mr. Strow mentioned could be made available for projects like Interstate 11.

Mr. Strow replied possibly. He indicated that the primary freight network (the interstate system) is the number one recipient. As the system is updated, there could be funding opportunities for future facilities.

Mr. Dennis Smith noted that there is a project readiness provision that must be met before applying for some of this funding. The FASTLANE grants include a provision for 18-month shovel ready projects.

#### 7. USDOT TIGER (Round 8) and FASTLANE Grants - FFY 2016

Ms. Audra Koester Thomas, MAG staff, reported on Transportation Investment Generating Economic Recovery (TIGER) and Fostering Advancements in Shipping and Transportation for the Long-term Achievement of National Efficiencies (FASTLANE) grants.

Ms. Thomas stated that TIGER grants are extremely competitive and sought after. She said that approximately six percent of applications receive funding; since 2009, 381 TIGER grants have been awarded in the U.S., seven in Arizona. Ms. Thomas indicated that successful projects have been “transformative” projects with a strong local funding match, are regionally supported and many of them are multimodal.

Ms. Thomas stated that on February 23, 2016, the U.S. Department of Transportation issued a Notice of Funding Opportunity for the eighth round of TIGER grant funding. A total of \$500 million is available this year through a multimodal, merit-based, competitive grant program. Ms. Thomas stated that eligible applicants include any governmental entity (city, county, state, tribe, MPO, etc.). Eligible projects include highways, bridges, transit, bicycle/pedestrian, freight rail, passenger rail, intermodal facilities, and ports. Ms. Thomas stated that urban grants range from a minimum of \$5 million to \$100 million with a 20 percent local match requirement. Rural grants range from a minimum of \$1 million to \$100 million with no local match requirement.

Ms. Thomas addressed TIGER criteria. She stated that primary criteria important to a successful application include safety, state of good repair, economic competitiveness, quality of life, and environmental sustainability. Secondary criteria include innovation and strong partnerships, both public and private. Ms. Thomas stated that projects that promote Ladders of Opportunity, an initiative to connect education and economic development opportunities for the economically disadvantaged populations, play very well for TIGER grants.

Ms. Thomas stated that important considerations for TIGER grants include project readiness (technical feasibility, financial feasibility, a schedule that can obligate funds by June 30, 2019, and environmental approvals and permits achieved). She advised that an extensive benefit-cost analysis is required for both FASTLANE and TIGER grant applications. Ms. Thomas added that an economic impact analysis is optional and regionally-supported projects are valued, particularly for TIGER grants.

Ms. Thomas reviewed last year's TIGER VII regional project application process, which began with MAG issuing a call for non-transit project ideas and Valley Metro issuing a call for transit project ideas. She noted that all projects were evaluated by the MAG Transportation Review Committee, and approved by the MAG Regional Council. Ms. Thomas stated that the I-10/I-17 Spine Corridor Improvements regionally supported urban project requested a \$25 million TIGER grant but was not awarded. The SR-347 Grade Separation regionally supported rural project received a \$15 million TIGER grant. The Grand Canal Bicycle and Pedestrian Improvements project submitted by the City of Phoenix received a \$10.3 million TIGER award.

Ms. Thomas stated that FASTLANE focuses on freight and the total funding allocated for fiscal year 2016 is \$800 million. She stated that these grants are for very large projects -- a \$25 million grant minimum comprising no more than 60 percent grant of the project cost. Ms. Thomas stated that construction will need to begin in 18 months of funding obligation, so projects need to be shovel ready. She noted that the deadline for project submissions is April 14, 2016.

Ms. Thomas noted that MAG issued a call for TIGER projects and submissions are due March 28, 2016. Ms. Thomas stated that the project submissions will be reviewed at the March 31, 2016, MAG Transportation Review Committee meeting. She stated that the goal for the TIGER VIII grants is to have one regionally supported urban project and one regionally supported rural project. Ms. Thomas reported that Valley Metro vetted transit projects and submitted the dedicated transit ramps project that was part of last year's application. She explained that the sponsoring/lead applicant is responsible for preparing and submitting the application. Ms. Thomas stated that MAG received a request for support by the Pima Association of Governments for an urban submission by ADOT for SR-189, and from the

Sun Corridor Metropolitan Planning Organization and the City of Casa Grande for the Kortsen Road Traffic Interchange project. Ms. Thomas stated that they will learn through the TIGER application process the projects in the MAG area.

Chair Lane thanked Ms. Thomas for her report and asked if there were questions.

Mr. Dennis Smith noted that the MAG Regional Council passed a Resolution of Support for SR-189 near Nogales, Arizona, due to the corridor's impact on the entire state. He said that this project is now far enough along for ADOT to submit a portion of the project for a TIGER grant. Mr. Smith stated they are asking for support in submitting the project for the TIGER grant. He noted that the project is in an urbanized area and is of statewide significance. When MAG went through this process last year, it was decided to support one urban project and one rural project. He noted that the question is which urbanized project MAG will support. Mr. Smith asked if other states have been successful in being awarded more than one urban TIGER grant in one year.

Ms. Thomas replied yes, over the past few years, several states have won multiple urban and rural TIGER grants.

Chair Lane commented that options include that MAG could withdraw support for SR-189, apply for its own project, or submit multiple applications.

Mr. Smith stated that almost all of the regional planning organizations in the state, including MAG, signed the Resolution of Support for SR-189 and there is a lot of momentum toward the project.

Chair Lane noted that withdrawal of support did not appear to be an option, but there was the opportunity to submit more than one application.

Mayor Christian Price noted that MAG could support one urban project and one rural project and also support additional urban projects with the caveat that MAG is supporting it because of its statewide significance. He indicated that he thought this should be considered because MAG already passed a resolution and due to the significant amount of goods that are transported through the state on that road.

Mr. Joseph La Rue stated that SR-189A has been identified as the most important project in the state and there is significant support behind it. He noted that the only way the project could be accelerated is if a grant is received.

## 8. Ozone Boundary Designations

Ms. Lindy Bauer, MAG staff, reported that on October 26, 2015, the Environmental Protection Agency (EPA) published a final rule to strengthen the federal eight-hour ozone standard from 0.075 to 0.070 parts per million. She stated that by October 1, 2016, states are required to submit designation recommendations for nonattainment/attainment to EPA. Ms. Bauer indicated that on February 23, 2016, the Arizona Department of Environmental Quality conducted two stakeholder meetings on the Ozone Boundary Designations and the preliminary data collected to date.

Ms. Bauer stated that by October 1, 2017, EPA anticipates finalizing the designations, classifications, and attainment dates based upon the 2014-2016 ozone monitoring data. After this, MAG will be given an attainment date between the years 2020 to 2037.

Ms. Bauer stated that ozone occurs from a chemical reaction of volatile organic compounds and nitrogen oxides in the presence of sunlight. She said that approximately 58 percent of volatile organic compounds is formed from biogenic material. Other sources of emissions are cars and trucks, solvents, fuel storage and transport, wildfires, landfills, lawn and garden equipment, mining and construction equipment, etc. Ms. Bauer stated that the largest contributor to nitrogen oxide emissions is onroad sources at almost 61 percent, with biogenic sources at 1.2 percent.

Ms. Bauer stated that the Arizona Department of Environmental Quality (ADEQ) has been analyzing the nonattainment areas and boundary designations. She said that nonattainment areas include areas that are violating the standard or are contributing to the nonattainment of other nearby areas. Ms. Bauer stated that ADEQ is evaluating five factors: air quality data, emissions and emissions related data, meteorology, geography/topography, and jurisdictional boundaries.

Ms. Bauer displayed a map of MAG's current eight-hour ozone nonattainment area, which encompasses 5,017 square miles. She noted that there are 20 air quality monitors within the current boundary, and she added that of those 20, 13 do not meet the new ozone standard.

Ms. Bauer pointed out on the map MAG's MPO planning boundary for transportation. She noted that per state law, if a nonattainment area includes an MPO, that agency prepares the air quality plan.

Ms. Bauer addressed two monitors located just outside the MAG nonattainment area boundary. One of the monitors is the Tonto National Monument monitor that is located in the Tonto National Forest. Ms. Bauer indicated that biogenics contribute to the formation of ozone and this monitor is at 0.71, only slightly over the standard, and the tightened standard is .070.

Ms. Bauer stated that the second monitor is the Queen Valley monitor in Pinal County. She indicated the monitor is located in a retirement area and is on the border of the Tonto National Forest. Ms. Bauer indicated that this monitor is at 0.071, only slightly over the standard.

Ms. Bauer stated that the state is examining whether the current nonattainment area should be expanded to include those two monitors. She pointed out a graph of the ozone monitoring trend at the Queen Valley and Tonto National Monument monitors, and she noted a downward trend in concentrations and that they are almost in attainment.

Ms. Bauer stated that background ozone is an emerging issue in the U.S. She noted that the EPA conducted two workshops in this region on February 24 and 25. Ms. Bauer explained that background ozone comes from natural sources: plants, trees, wildfires, and stratospheric ozone intrusion, in which a major storm can pull down ozone from the stratosphere to lower levels. She stated that background ozone can also come from transport from other states and countries.

Ms. Bauer reported that EPA estimates that in 2017, background ozone will be 52 percent of the concentration in the Maricopa nonattainment area, 67 percent of the concentration at the Queen Valley

monitor and 64 percent of the concentration at the Tonto National Monument monitor. Ms. Bauer stated that at the EPA workshop, Colorado representatives noted that there are emissions near one of its monitors that are uncontrollable.

Ms. Bauer stated that background ozone has become a bigger portion of the concentrations in the nonattainment areas and this creates a big problem nationwide because background ozone cannot be controlled. She said that state and local agencies focus on manmade emissions instead.

Ms. Bauer displayed a map of the EPA estimate of background ozone concentrations in the U.S., and she noted that the highest level occurs in the Intermountain West, due to higher elevations, higher levels of international transport, existence of rural locations, and stratospheric ozone intrusions caused by storms, which weaken as they head east.

Ms. Bauer stated that boundary issues include background ozone -- a bigger percentage of an area's ozone concentration with the lower 2015 ozone standard; tighter controls on business and industry inside the nonattainment area; transportation conformity requirements that will apply to nonattainment areas; and the MPO develops the air quality plan, which determines the motor vehicle emissions budget for transportation conformity.

Ms. Bauer stated that based on the downward trend of the two monitors and the fact that they are just slightly over the standard, and EPA will be looking at 2016 ozone data, MAG staff indicated to the state that it does not appear that the boundary should be expanded at this time. She indicated staff has encouraged the state to qualify the data and show the trend data. Ms. Bauer stated that once enlarged, it is very difficult to decrease the boundary of a nonattainment area. She noted that the 2016 ozone season has not yet occurred and the EPA may be looking at 2017 data also.

Ms. Bauer noted the upcoming schedule. She said that ADEQ will prepare a draft designation document and then publish the notice of availability in mid-May 2016. Ms. Bauer stated that ADEQ will be conducting a public hearing in June 2016. The designations document will be submitted to the Governor in September 2016 and the Governor submits it to EPA by October 1, 2016.

Chair Lane thanked Ms. Bauer for her report and asked if there were questions.

Mr. Smith noted that last year, the Legislature went on record to oppose going to the .070 standard, which would greatly impact cities. He referenced the Tesla company deciding whether to locate its battery plant here. Mr. Smith explained that in a nonattainment area for ozone, any major source that emits 100 tons or more per year must meet offset requirements -- for every pound of pollution you put in the air, you must reduce by more. He noted that Tesla was at 103 tons, and even though Maricopa County was working to get mitigation for Tesla on this, as soon as Tesla saw it was over the 100 tons amount, it decided to locate in Reno, Nevada, where they have no ozone problem. Mr. Smith remarked that these air quality issues have real consequences and he added that it is impossible to fight isoprene emissions from trees. He noted that the Denver, Colorado, problem occurred in a national park. Mr. Smith stated that there is a point at which we cannot go any lower on the standard, and a common-sense approach is needed.

Mayor Kavanagh noted previous discussions on vegetation and it is a no-win situation for us. She stated that we could shut down all of our manufacturing plants and cut down all our trees, and we might still not be in compliance. She noted that the international transport could still make us not in compliance. Mayor Kavanagh asked if EPA has any answers that no matter how hard we try to be in compliance we could still be over the standard and that it is out of our control.

Ms. Bauer replied that it is true that states cannot control vegetation and international transport. Section 179B of the Clean Air Act regarding international transport says that if an area can demonstrate to EPA that its violations are due to international transport, then EPA will not bump up a nonattainment area to the next, more severe category, however, that area would still be a nonattainment area. Ms. Bauer stated that guidance has been requested from EPA, and perhaps this needs to be remedied in the Clean Air Act because those businesses and industries face tighter controls even though states cannot control certain emissions.

Supervisor Denny Barney stated that this is an issue on everyone's minds. He said the County recently updated the new source review guidelines to provide some response to this. Supervisor Barney stated that the reality is that 70 percent of new jobs in Maricopa County come from companies already here. He noted that some of these companies cannot expand their operations because there are no more VOC or NOX credits available. Supervisor Barney stated that some of the region's significant employers are rethinking continuing to operate here. The issue is whether this region will be bumped to a more draconian level of scrutiny. Supervisor Barney remarked that if we care about the right kind of jobs and keeping the right kind of companies here, we need to put our heads together and develop a plan. He noted that as of April 2018, some employers of significance will lose their ability to operate because they cannot secure additional credits. He said that there is no amalgamation of credits that are sitting idle and he thought we will be hearing more about this in the coming months. Supervisor Barney stated that Maricopa County is a regulatory arm of the state for EPA regulations and is failing. He added that there are generational implications to this issue.

Supervisor Todd House stated that he was in Washington, D.C., a couple of years ago and discussed this at the Environment Land Use Committee at the National Association of Counties and they wanted to lower the standard to .065 or .068. He indicated that it took them seven years to implement that plan. Supervisor House stated that their biggest issue was allowing them seven years to meet it before raising it. He said that Pinal County has the same environmental issues, which they want to address. Supervisor House noted that they heard the same problems with transport that occurs in other parts of the U.S. and nothing can be done about it.

Chair Lane noted that the question has been posed to the Attorney General's Office. He noted that the primary issue is that we have little control over background ozone, however, we are in a nonattainment area and there are consequences. Chair Lane noted how the graph showed a decline in ozone. He asked the reason.

Ms. Bauer replied that because the MAG region has been a nonattainment area for a long time, it has 93 federal, state, and local control measures in place to reduce ozone. She also noted that EPA has issued tier three tailpipe standards and new fuel standards coming in model year 2017. In addition, the benefits from tier two tailpipe standards have not yet been fully realized. Ms. Bauer noted that each year

cars get cleaner and the numbers come down. Over time, implementing the control measures contributes to the downward trend.

Chair Lane noted that a fairly significant decline has been achieved. He indicated that uncontrollable ozone in the nonattainment area is 52 percent and at the Tonto National Monument monitor is 67 and Queen Valley monitor at 64 percent. He asked what would have to be put on our economy to achieve this.

Ms. Bauer replied that with 93 control measures already in place, it is difficult to find additional measures that could reduce more. She said that the hope is that the federal measures will reduce this further when there is that much coming from background ozone. Ms. Bauer noted that the MAG area has some of the toughest control measures in the country.

Chair Lane asked what MAG is doing to facilitate combined efforts with other agencies to address this.

Mr. Smith stated that MAG's environmental counsel in Washington, D.C., includes some of the best legal talent in the U.S. Mr. Smith asked the status of California's emissions bank, where companies can buy emissions credits from other organizations, such as a company that has left and wants to sell its emissions credit. He wondered why, when California's air is terrible, businesses there still operate, and Arizona's air is very good, but businesses are having a difficult time expanding and locating here.

Ms. Bauer stated that California has more credits in its emissions bank. Los Angeles is extreme for ozone, the most severe category and has the most requirements that must be met. She indicated that she did not think Los Angeles has met the other three ozone standards, however, California has credits in its emissions bank and other attributes that contribute to economic development.

Chair Lane asked if MAG is in concert with other agencies and state attorney general. Mr. Smith replied yes. He noted that the people at the stakeholder meeting sponsored by the Environmental Protection Agency were not just from Arizona -- this is a problem in other places.

9. Development of the FY 2017 MAG Unified Planning Work Program and Annual Budget

Ms. Becky Kimbrough, MAG staff, stated that MAG's draft FY 2017 budget has been updated for March and is about 60 percent complete. She noted that the draft dues and assessments were presented in January and proposed new projects were presented in February. Ms. Kimbrough reviewed some changes made, which will be incorporated into the next version of the Work Program. 1) A MAG Associate amount has been changed from \$70,000 to \$80,000. 2) An award in the amount of \$60,000 was received February 25 from FTA 5304 for rural paratransit needs assessment. 3) An additional \$350,000 of regional sales tax will pass through from ADOT to MAG to the City of Phoenix for the South Mountain Freeway project. 4) \$15,000 for Read On Arizona was just approved into the FY 2016 Work Program and carryforward will be estimated for FY 2017. Ms. Kimbrough stated that the budget, including these changes, totals approximately \$29.3 million, about \$1.4 million less than FY 2016.

Ms. Kimbrough stated that the budget includes three sections: the overview, the narratives for each project and budget, and the appendix. She said that the narratives and numbers continue to be updated and any changes will be presented in April.

Ms. Kimbrough reported that the Intermodal Planning Group annual meeting to conduct a budget review of the Work Program took place on March 11. Ms. Kimbrough stated that the review was conducted by the Federal Highway Administration and Federal Transit Administration and also is attended by representatives from MAG's partner agencies, such as the Arizona Department of Transportation, the City of Phoenix, and Valley Metro. Ms. Kimbrough stated that comments to improve the budget are sometimes provided, but there were none at this year's meeting. She added that MAG received many positive comments. Ms. Kimbrough stated that ADOT offered comments on funding, and if any changes are required to the Work Program, they will be brought forward.

Chair Lane thanked Ms. Kimbrough for her report and asked if there were questions.

10. Legislative Update

No report.

Vice Chair Stanton noted that it was his request that MAG reimburse the City of Phoenix for the new employees to be hired to facilitate the construction of the South Mountain Freeway. He clarified that these employees would be reviewing the permits on that project and it could be a conflict if ADOT is paying their salaries. Vice Chair Stanton noted that having the resources come through MAG would keep the process at arm's length.

11. 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.

No requests were noted.

12. 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.

No comments were noted.

Adjournment

There being no further business, the meeting adjourned at 1:10 p.m.

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Chair

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Secretary