

MINUTES OF THE
MARICOPA ASSOCIATION OF GOVERNMENTS
TRANSPORTATION POLICY COMMITTEE MEETING

April 21, 2010
MAG Office, Saguaro Room
Phoenix, Arizona

MEMBERS ATTENDING

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| Mayor Marie Lopez Rogers, Avondale,
Chair | * Councilmember Dick Esser, Cave Creek |
| Mayor Scott Smith, Mesa, Vice Chair | * Mark Killian, The Killian Company/Sunny
Mesa, Inc. |
| # Vice Mayor Ron Aames, Peoria | # Mayor Jim Lane, Scottsdale |
| # Kent Andrews, Salt River Pima-Maricopa
Indian Community | Councilmember Les Presmyk, Gilbert |
| Stephen Beard, HDR Engineering Inc. | * Mayor Jackie Meck, Buckeye |
| * Dave Berry, Swift Transportation | Councilwoman Peggy Neely, Phoenix |
| * Jed Billings, FNF Construction | * David Scholl |
| * Mayor James Cavanaugh, Goodyear | * Mayor Elaine Scruggs, Glendale |
| * Mayor Boyd Dunn (Councilmember Jack
Sellers in attendance, appointment pending),
Chandler | # Karrin Kunasek Taylor, DMB Properties |
| Vice Mayor Shana Ellis, Tempe | Mayor Lyn Truitt, Surprise |
| | * Supervisor Max W. Wilson, Maricopa County |
| | * Victor Flores, State Transportation Board |
| | F. Rockne Arnett, Citizens Transportation
Oversight Committee |

- * Not present
- # Participated by telephone conference call
- + Participated by videoconference call

1. Call to Order

The meeting of the Transportation Policy Committee (TPC) was called to order by Chair Marie Lopez Rogers at 4:05 p.m.

2. Pledge of Allegiance

The Pledge of Allegiance was recited. Chair Rogers noted that Vice Mayor Ron Aames, Mayor Jim Lane, Kent Andrews, and Karrin Kunasek Taylor were participating in the meeting by telephone. She welcomed Ms. Taylor to her first TPC meeting.

Chair Rogers also welcomed Chandler Councilmember Jack Sellers, whose appointment to the TPC is on the April 28th Regional Council agenda.

Chair Rogers noted that the following items were at each place: For agenda item #4B, a revised list of project changes that were received after the agenda was mailed; for agenda item #4D, the ARRA Monthly Status Report; for agenda item #5B, the list of TIP projects was revised to reflect changes to projects that were submitted since the agenda packet was mailed; for agenda item #5C, two revised maps that show BRT and light rail and high capacity projects; and for agenda item #8, a chart showing the status of legislation of interest to the MAG region.

3. Call to the Audience

Chair Rogers stated that an opportunity is provided to the public to address the Transportation Policy Committee on items that are not on the agenda that are within the jurisdiction of MAG, or non action agenda items that are on the agenda for discussion or information only. Citizens will be requested not to exceed a three minute time period for their comments. An opportunity is provided to comment on agenda items posted for action at the time the item is heard.

Chair Rogers noted that no public comment cards had been turned in.

4. Approval of Consent Agenda

Chair Rogers stated that agenda items #4A, #4B, #4C, #4D, #4E, and #4F were on the consent agenda. She stated that public comment is provided for consent items, and noted that no public comment cards had been received. Chair Rogers asked members if they would like to remove any of the consent agenda items or have a presentation. None were noted. Mr. Arnett moved to recommend approval of consent agenda items #4A, #4B, #4C, #4D, #4E, and #4F. Mayor Truitt seconded, and the motion carried unanimously.

4A. Approval of the March 24, 2010, Meeting Minutes

The Transportation Policy Committee, by consent, approved the March 24, 2010, meeting minutes.

4B. Project Changes - Amendments and Administrative Modifications to the FY 2008-2012 MAG Transportation Improvement Program and FY 2010 Arterial Life Cycle Program

The Transportation Policy Committee, by consent, recommended approval of amendments and administrative modifications to the FY 2008-2012 Transportation Improvement Program, the FY 2010 Arterial Life Cycle Program, and as appropriate, to the Regional Transportation Plan - 2007 Update. The FY 2008-2012 Transportation Improvement Program (TIP) and Regional Transportation Plan (RTP) 2007 Update were approved by the MAG Regional Council on July 25, 2007, and the FY 2010 Arterial Life Cycle Program (ALCP) was most recently modified on March 10, 2010. Since that time, there have been requests from member agencies to modify projects in the programs. To move forward with project implementation, a number of changes to the FY

2008-2012 TIP are being requested, affecting highway projects, bicycle/pedestrian projects, arterial street projects, and transit projects. The proposed project changes include amendments and administrative modifications to FY 2008-2012 TIP for highway projects (Table A), amendments and administrative modifications to FY 2008-2012 TIP and FY 2010 ALCP for arterial street projects (Table B), amendments and administrative modifications to FY 2008-2012 TIP for transit projects (Table C), and administrative modifications to the FY 2010 ALCP (Table D). The Transportation Review Committee recommended approval of the amendments and administrative modifications to the TIP and/or ALCP as presented in Tables A through D. Table E includes a listing of projects proposed for the reallocation of ARRA project bid savings. Table E was developed after the Transportation Review Committee action and is based on information received from MAG member agencies. The MAG Management Committee recommended approval of the amendments and administrative modifications to the TIP and/or ALCP as presented in Tables A through E.

4C. Arterial Life Cycle Program Status Report

A Status Report on the Arterial Life Cycle Program (ALCP) for the period between October 2009 and March 2010 addresses ALCP project work, the remaining Fiscal Year 2010 ALCP schedule, program deadlines, revenues, and finances.

4D. American Recovery and Reinvestment Act (ARRA) Status Report

A Status Report on the American Recovery and Reinvestment Act (ARRA) funds dedicated to transportation projects in the MAG region details the status of project development. The report covers highway, local, transit, and enhancement projects programmed with ARRA funds and the status of project development milestones per project.

4E. Programming of Bid Savings of Local MPO American Recovery and Reinvestment Act (ARRA) Funds - Technical Amendment

The Transportation Policy Committee, by consent, recommended approval of an amendment to the guidelines for programming unobligated ARRA Local funds as stated in the attached memorandum. Through the MAG committee process, discussions have been held regarding the anticipated bid savings on obligated Local Metropolitan Planning Organization American Recovery and Reinvestment Act (ARRA) funded projects due to lower project costs. On January 27, 2010, the MAG Regional Council approved the guidelines for programming unobligated ARRA Local funds. The guidelines allow local agencies with the ARRA project bid savings to have local discretion to move the project savings to another existing ARRA project in that jurisdiction; and/or swap the ARRA funds with ADOT -STP funds and move the project savings to an eligible project that is above \$200,000 and can obligate before September 30, 2010, including new projects. In addition, the guidelines stipulated that any jurisdiction that cannot meet the \$200,000 threshold and obligation deadline of September 30, 2010 would return the project savings to the regional pool for reallocation. Since the approval of the guidelines, the Arizona Department of Transportation notified MAG that all Local ARRA funds must obligate by August 15, 2010. The MAG

Transportation Review Committee and the MAG Management Committee recommended approval of an amendment to the guidelines for programming unobligated ARRA Local funds.

4F. Transit Allocation Methodology for Proposed Federal Economic Stimulus Legislation - Potential Changes Due to Loss of Local Transportation Assistance Funds

The Transportation Policy Committee, by consent, recommended approval that transit funds that are required to be under contract within ninety days be allocated toward operations (up to the maximum allowable), ADA operations and ADA preventive maintenance (10 percent), and preventive maintenance by applying the principles outlined by RPTA for project savings from ARRA I funds; and amend the FY 2008- 2012 MAG TIP as appropriate. The methodology by which to allocate any transit funds from a potential second round of stimulus funding has been on the agenda for information, discussion and action during MAG committee meetings. In February 2010, the Transit Committee and Transportation Review Committee recommended approval that any transit funds from a second stimulus bill that are required to be under contract within ninety days be allocated toward operations (up to the maximum allowable), ADA operations and ADA preventive maintenance (10 percent), and preventive maintenance by applying the principles outlined by RPTA for project savings from ARRA I funds; and amend the FY 2008- 2012 MAG TIP as appropriate. At the Management Committee meeting on March 10, 2010, it was recommended that given that Local Transportation Assistance Funds (LTAF) would no longer be available to member agencies, this agenda item should go back through the committee process for discussion of any changes, if necessary, to the recommendations in light of the loss of the LTAF. The MAG Transportation Review Committee and the MAG Management Committee reaffirmed the use of ARRA II they had previously recommended for approval.

5A. FY 2010 MAG Mid-Phase Public Input Opportunity

Jason Stephens, MAG Public Involvement Planner, provided the Committee with an update of MAG's transportation public involvement efforts for the Mid-Phase in FY 2010. He stated that MAG has an adopted, four-phase public involvement process for transportation planning and programming in the region: the Early Phase, which generally occurs in Early Fall; Mid-Phase, which is the current phase; the Final Phase, which will occur in late summer; and continuous involvement, in which MAG provides input opportunities throughout the year.

Mr. Stephens reported that MAG provided and participated in a number of events during FY 2010. He stated that MAG staff provided presentations, hosted booths, gathered input and distributed information to event goers, and partnered with ADOT, Valley Metro, METRO and the City of Phoenix public transit department. Mr. Stephens stated that the Mid-Phase culminated in a public hearing on March 19, 2010. He said that MAG retained a court reporter who took down comments verbatim. These comments, which received formal staff responses, are part of the Mid-Phase Report. Mr. Stephens displayed a list of the comments and questions received, which were predominately transit focused.

Chair Rogers thanked Mr. Stephens for his report. No questions from the Committee were noted.

5B. Approval of the Draft FY 2011-2015 MAG Transportation Improvement Program - Listing of Projects for an Air Quality Conformity Analysis

Roger Herzog, MAG Senior Project Manager, reported that the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) requires that MAG have an approved five year Transportation Improvement Program (TIP), which is a guide to transportation investments within the region. Mr. Herzog stated that the TIP includes all federally funded projects, all regionally significant projects (regardless of funding source), provides project detail (design concept and scope) to permit air quality analysis, and is updated at least every four years. He remarked that local projects like residential streets are not in the MAG TIP.

Mr. Herzog stated that the FY 2011-2015 MAG TIP includes more than 1,000 projects. He reported that funding for these projects total approximately \$6.9 billion and includes a variety of federal, state, regional, and local funding sources. Mr. Herzog stated that street and highway projects represent the largest allocation of funding: approximately \$5.6 billion. He said that transit projects total about \$1.3 billion, and he noted that transit operating costs were not represented in this amount.

Mr. Herzog reviewed the FY 2011-2015 TIP schedule: draft listing of projects (March); Mid-Phase public hearing (March); Transportation Review Committee recommendation (March); Management Committee recommendation (April); Transportation Policy Committee recommendation (April); Regional Council approval (April); Conformity Analysis conducted (May); Final Phase public hearing (June); and TIP consideration for adoption (July).

Chair Rogers thanked Mr. Herzog for his report. She noted that no public comment cards had been turned in. No comments from the Committee were noted.

It was moved by Councilman Presmyk to recommend approval of the Draft FY 2011-2015 MAG Transportation Improvement Program - Listing of Projects for an air quality conformity analysis and seconded by Councilwoman Neely. The motion passed unanimously.

5C. Approval of the Draft MAG Regional Transportation Plan - 2010 Update for an Air Quality Conformity Analysis

Mr. Herzog then continued with the next agenda item, which was to consider a recommendation to approve the draft MAG Regional Transportation Plan - 2010 Update for an air quality conformity analysis. He said that the Update includes major modes and other transportation programs. Mr. Herzog stated that major update factors include extending the plan through FY 2031, the reduction in revenue brought about by the recession, and revisions to modal programs.

Mr. Herzog stated that the planning period for the RTP 2010 Update extends the planning period from FY 2011 through FY 2031 to meet the federal requirement of at least 20 years. He said the RTP generally has been divided into five-year phases: Phase I, FY 2006 through FY 2010, describes what has been accomplished; Phase II is FY 2011 through FY 2015; Phase III is FY 2016

through FY 2020; Phase IV is FY 2021 through FY 2025; and Phase V is FY 2026 through FY 2031.

Mr. Herzog stated that a variety of financial resources are devoted to implementing the RTP. He indicated that major sources include federal, state and countywide revenues dedicated to the MAG region. Mr. Herzog explained that a total of \$58.8 billion in funding was reported in the RTP and listed in year-of-expenditure dollars. Mr. Herzog reported \$29.3 billion in local/other funds and \$29.5 billion in regional funds had been identified in the RTP. He explained that regional funds comprised MAG federal highway funds (\$3 billion), MAG federal transit funds (\$3.1 billion), half-cent sales tax funds (\$15.7 billion), and ADOT funds (\$7.6 billion). Mr. Herzog displayed a chart of the lower revenue projections for the 2010 Update and noted that the half cent sales tax forecast has decreased by approximately 25 percent and ADOT funds by about 12 percent from the 2007 Update.

Mr. Herzog discussed the major modal programs addressed in the RTP. He reported that revisions to the highway/freeway, arterial, and transit life cycle programs had been required due to lower revenue projections. He stated the adjustments to the life cycle programs were discussed extensively and conducted cooperatively between MAG, METRO, RPTA and the regional member agencies. He announced that currently all life cycle programs were fiscally balanced. Mr. Herzog displayed a series of maps indicating the phasing of projects in the life cycle programs. Mr. Herzog noted that three freeway projects (I-10/Loop 101-HOV ramps, I-17/Lop 101-HOV ramps, and I-10/SR-51 to 32nd Street local/express lanes) and two bus routes (Litchfield Road Supergrid and Chandler Boulevard LINK), were moved into the illustrative projects category. In addition, he stated that leading up to Regional Council consideration of the RTP for a conformity analysis, the freeway cost/revenue cash flow was being analyzed and there may be some adjustments to project phases to meet cash flow requirements, with no effects on overall corridor priorities. Mr. Herzog noted that the approval schedule for the 2010 Update follows the same schedule as that for the TIP.

Mr. Herzog stated the item was on the agenda for action to recommend approval of the Draft MAG Regional Transportation Plan - 2010 Update for an air quality conformity analysis.

Chair Rogers thanked Mr. Herzog for his report. She noted that no public comment cards had been received. Chair Rogers asked the Committee if they had questions.

Mr. Beard asked about the adjustments to projects funded by Proposition 400. Mr. Herzog replied that three freeway projects (I-10/Loop 101-HOV ramps, I-17/Lop 101-HOV ramps, and I-10/SR-51 to 32nd Street local/express lanes) and two bus routes (Litchfield Road Supergrid and Chandler Boulevard LINK), that were in the RTP were moved into the illustrative projects category.

With no further discussion, Councilman Presmyk moved to recommend approval of the Draft MAG Regional Transportation Plan - 2010 Update for an air quality conformity analysis. Mayor Truitt seconded, and the motion passed unanimously.

6. Public Private Partnership Program

Eric Anderson, MAG Transportation Director, stated that a new state law that improves the opportunities for public private partnerships (PPP) for transportation projects was enacted last year. Mr. Anderson stated that staff was requesting guidance from the Transportation Policy Committee on policies for PPPs. Mr. Anderson introduced Gail Lewis, Director of the PPP office at ADOT.

Ms. Lewis stated that the declines in the vehicle license and gas tax revenue and sweeps by the Legislature and the movement toward more efficient vehicles, public transit and more moderately priced vehicles impact resources for transportation. She remarked that PPPs are one more tool in the toolbox to address the long term questions and she stated that they are a way to transfer the risks of funding, construction, financing or operational costs to a private player.

Ms. Lewis noted that there is the potential for significant opposition to PPPs, and the public opposes selling public assets and having toll roads. She added that there is also the fear that the money will all be spent on consultants and none will be left for construction. Ms. Lewis mentioned that many people do not understand or know about toll roads or remember when they had to slow down on a turnpike in New Jersey to throw money into a container. She stated that the trucking companies are opposed to toll roads and they have visited ADOT on several occasions to express their concerns.

Ms. Lewis reported that ADOT has started developing guiding principles to address these concerns: Develop a national program based on best practices; create an open and transparent process; integrate the PPP into the state transportation plan; use PPPs to leverage public dollars (not as a way to get the private sector to pay for everything); do PPPs that are financially viable over the long term; and do PPP projects that enhance mobility and improve safety. Ms. Lewis stated that there are two things that have stopped projects in other states: the lack of financial long term viability and the opposition of political leaders.

Ms. Lewis stated that ADOT has been working on PPPs since the law went into effect in September 2009. She reviewed the highlights of the law: Any new or upgraded transportation facilities are eligible as PPP projects; existing assets cannot be sold; transit, maintenance, rail, and highway projects qualify; repayment is flexible and a number of financial mechanisms can be used, such as tolls, Grant Anticipation Notes, and state revenue. Ms. Lewis stated that this is a complex way of doing business and is different from the manner in which highways are usually built.

Ms. Lewis informed the Committee that ADOT hired Wilbur Smith Consulting to help lay the initial groundwork of the program. She indicated that the firm has helped ADOT to articulate its basic vision, principles, and initial guidelines and developed the project website. Ms. Lewis stated that ADOT also has hired HDR, Inc. and Jacobs as long term project managers. She advised that ADOT is currently evaluating requests for proposals for financial and legal advisors and would prefer to have a team familiar with the program in place. Ms. Lewis stated that they potentially are looking for a technical expert, a tolling revenue consultant, and a public involvement consultant.

Ms. Lewis stated that ADOT is looking for opportunities for alternatives to fund rest areas and maintenance. She advised that dollars for maintenance are in short supply and they are looking at creative ways to use PPPs for this, in addition to using PPPs on highway and transit projects.

Ms. Lewis explained the organizational chart of the PPP office, which in addition to ADOT staff, includes the outside consultants, stakeholders, an advisory committee, the State Transportation Board, and a steering committee. Ms. Lewis noted that ADOT envisions that the 11-13 member advisory committee would be appointed by the ADOT Director, and would advise the agency on processes and specific projects, and facilitate the transparency she mentioned earlier. She said that they envision MAG and PAG having seats on the advisory committee, and also representatives from the other COGs and MPOs and people with outside expertise.

Ms. Lewis stated that the law allows both solicited and unsolicited proposals. She said that ideas from the private sector and entities are welcome and when conceptual ideas are presented, ADOT will sit down and discuss the unsolicited proposal with the affected region. She indicated that ADOT will charge a fee to the consultant for the cost of reviewing unsolicited proposals.

Ms. Lewis stated that the first step in the PPP process is for ADOT's consultants to review the projects contained the State Transportation Improvement Plan and Transportation Improvement Plans, etc., and see which projects could be likely candidates for PPPs, which would eventually go out for procurement. She explained the website, which is now live, and pointed out that interested persons can sign up to be on the stakeholders list to receive blast emails. Ms. Lewis noted that background documents, and even this powerpoint presentation, are posted on the website.

Ms. Lewis said that they have only one chance to do this right and a hundred chances to do this wrong. She commented that there are many places the private sector can use their money and she expressed ADOT's concern for losing the private funds that could have come into this state if they get a reputation for doing it wrong. Ms. Lewis remarked that contrary to some people's beliefs, PPPs are not the entire answer to transportation problems; they are just one more tool in the toolbox.

Ms. Lewis summarized the PPP Program: Very transparent and open, long-term financial viability; do it right, not necessarily fast; multimodal and maintenance opportunity; not just toll roads, but a variety of modes.

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

Mr. Arnett extended his congratulations for a well-done effort. He asked if the fees were listed for the review of unsolicited proposals. Ms. Lewis replied that they had not yet been finalized, but they are planning on tying the cost to the ultimate price of the project. Mr. Arnett asked if best practices was driving that. Ms. Lewis replied that they spoke to other states and heard again and again two things: If the state does not charge for review of unsolicited proposals, it eats up resources. If a state charged for unsolicited proposals, it charged an insufficient amount. Ms. Lewis commented

that ADOT does not plan on charging an amount that will drive off business, but will charge an amount that will be substantive.

Mr. Arnett asked if ADOT had any projects in mind that might be funded by PPPs. Ms. Lewis explained that ADOT had not yet established the criteria. She added that there were a few projects in the framework study map that possibly could be PPP projects, but they did not know that until the projects went through a review process.

Mr. Arnett asked if a review process had been established. Ms. Lewis replied that a process would be established now that they have the primary consultants on board. She remarked that she was not encouraging that people to bring written products right now, but they could have discussions. Ms. Lewis stated that they anticipate that the process for unsolicited proposals would be finalized in one to two months.

Mr. Arnett asked the consultants. Ms. Lewis replied that the HDR team is led by Ken Smith and Mary Peters and the Jacobs team is being led by Pamela Bailey Campbell and Katie Nees. She added that the consultants will assist in setting meetings.

Chair Rogers asked if a PPP would have any say in changing the alignment of a project that had been selected by a community. Ms. Lewis replied that she thought that PPPs would have to conduct the same processes and meet the same standards required of public agencies. She added that there are no opportunities to cut corners or do anything that ADOT would not do; the only difference is the source for paying for the project.

7. Interstate 11 Proposal Update

Bob Hazlett, MAG Senior Engineer, provided a report on the potential Interstate 11 that could connect Phoenix to Las Vegas. Mr. Hazlett noted that this is a long range effort, and is outside the Regional Transportation Plan. He noted that current planning efforts focus on the Regional Transportation Plan (RTP) and the projects funded by Proposition 400. Mr. Hazlett stated that the Interstate 11 corridor has not received a designation as an interstate from Congress, and no funding is available for the highway.

Mr. Hazlett discussed freight movements. He stated that he went around the state while he was the project manager for the Statewide Mobility Reconnaissance Study in 2007 and 2008. He noted that the movement of freight and goods was on everyone's mind. Mr. Hazlett noted that one-third of the nation's freight passes through Arizona, which makes it a strategic and important location for moving freight. He pointed out freight routes and said that they tie in to the ports in Mexico. Mr. Hazlett commented that freight and goods movement is the future of the country and is expected to increase as the population grows.

Mr. Hazlett stated that freight is highways, railroads, and waterways. He stated that Arizona has a lot of through freight, Colorado has a lesser amount, and California and Texas have virtually none, which all goes back to the ports and how they are able to ship goods. Mr. Hazlett displayed

a chart that showed the rankings of ports in the world and United States. He noted that the Los Angeles/Long Beach port is fifth largest in the world and first in the United States. Mr. Hazlett added that ports in the east do not ship as many goods because they have problems with dredging. He stated that the Long Beach port is almost at capacity and this has led to discussion of a port at Punta Colonet, which when it opens is expected to handle one million TEU containers and is projected to handle six million TEU containers.

Mr. Hazlett stated that if the Punta Colonet port connected through Phoenix, one day could be saved in shipping time from China to the West Coast. He said that Arizona is unique due to its location by Punta Colonet and Guaymas and is nearby two class one railroads – the Union Pacific and the Burlington Northern Santa Fe – to make the ports viable. Mr. Hazlett commented that this makes Phoenix ideal. He stated that the Hassayampa Framework Study recommended another rail corridor be established, and when Interstate 11 is added, a greater ability for freight movements becomes evident and means more jobs and economic security for Arizona.

Mr. Hazlett stated that when the interstate system was formed in 1956, the region that included Phoenix, Tucson, Las Vegas and Reno represented 700,000 people, and today represents about eight million. He stated that new corridors have been added, but mostly in the eastern United States, and recently through TEA-21 and SAFETEA-LU legislation. Mr. Hazlett said that most new interstates have been designated to support goods movement, and among them is the largest route, I-69, from Indiana to Laredo, Texas. Mr. Hazlett stated that no new interstates have been established recently in the West. Mr. Hazlett noted how the Interstate 11 would be a natural fit for goods movement in the area.

Mr. Hazlett then addressed if Interstate 11 was constructed and the remaining issues between the MAG region and Las Vegas for such a highway. He said that the Boulder City Bypass has received environmental clearance, US-93 is being widened to a four-lane and potentially to an interstate facility, and the bridge over Hoover Dam will be complete in December 2010, all key components for an Interstate 11 route. Mr. Hazlett stated that the extension into Phoenix metro area still would need to be determined, and this is where the region's Hassayampa and Hidden Valley framework studies, accepted by the Regional Council, would be useful. He said that some have suggested that the Hassayampa freeway might be the logical route.

Councilwoman Neely stated that there is a misnomer that the Hassayampa corridor was approved as a freeway when the studies were accepted, when in actuality, it was an option that could move forward. Mr. Hazlett replied that was correct; the corridors identified were illustrative, unfunded corridors and were options for future planning. He noted that this was the case for some of the new corridors identified in the Statewide Framework that was approved by the State Transportation Board in January 2010.

Mr. Hazlett stated that an Interstate 11 coalition of public and private sector representatives, called CAN-DO, chaired by Mary Peters, has been working with Senator Barbara Boxer's office to move toward a designation as an Interstate. He added that some of this work will be continued in the Freight Framework Study if it is approved in the FY 2011 MAG Work Program.

Chair Rogers thanked Mr. Hazlett for his report and asked members if they had questions.

Councilwoman Neely asked if Interstate 11 was designated would there be funding from the federal level and what would be the timeline for moving forward. She commented that a lot of work has been done on US-93, but there is a long way to go to bring it into Phoenix. Mr. Hazlett replied that the coalition is seeking a designation with no funding attached, with the hope that the designation will position the corridor for funding through future transportation reauthorizations. He stated that there is a lot of work ahead with environmental impact statements and siting the corridor, etc., and building an interstate is many decades out. Mr. Hazlett stated that the idea is to continue planning for the corridor and cite it as a high priority corridor for the western United States.

Eric Anderson commented on the potential Freight Study. He said that one-third of freight passes through Arizona, essentially without stopping, and the issue is how to add value to those freight flows through manufacturing assembly or inland port activities, which can be significant job generators. Mr. Anderson stated that there may opportunities with Punta Colonet to add additional rail service and link the Union Pacific and BNSF corridors together. He commented that the challenge is to identify the opportunities for Arizona and the MAG region and capture the economic benefit of freight activity.

Mr. Smith reported that the consultant working with Mexico's Secretary of Transportation visited MAG recently. He said that the consultant has been charged with working with the United States government to determine where the railroad coming from Punta Colonet will cross the border. Mr. Smith stated that our interest is in the San Luis area, reactivating the Wellton branch line that goes through Yuma to Phoenix and have the inland port in this region. Mr. Smith added that this would also impact aviation: Sky Harbor International Airport and Phoenix-Mesa Gateway Airport. He reported that the consultant is issuing preliminary reports in September with the goal of final reports in December. Mr. Smith stated that the AECOM report is expected to be submitted to the Joint Planning Advisory Council in June 2010. He said that hopefully, the local and state government agencies and the private sector will rally and decide if this is worth pursuing. Mr. Smith stated that one option is that a PPP could assist in building a railroad that connects the Union Pacific and BNSF. He advised that the consultant they met with indicated that they do not want to grant a monopoly to one railroad. We need to ensure that politically, this is an investment that everyone wants to make.

Councilwoman Neely commented that it was learned yesterday that both sides are working on decreasing the wait times at the ports of entry across from Arizona, and if Punta Colonet is selected, it would be a huge win for Arizona. Councilwoman Neely expressed that she thought improving the wait times should be worked on aggressively.

Mr. Arnett asked if the AECOM report was a prelude to a statewide economic strategy and goal and would encompass these transportation initiatives being discussed. Mr. Smith replied that the AECOM study will report on the Sun Corridor, which includes 85 percent of the state's population and is the economic engine for the state.

Mr. Anderson stated that AECOM selected three regions worldwide for the study: Beijing, Jetta in Saudi Arabia, and the Sun Corridor. He said that the analysis is being funded by AECOM foundation.

8. Legislative Update

Patty Camacho, MAG Senior Policy Planner, provided an update on legislative issues of interest. She reported that U. S. Transportation Secretary Ray LaHood today announced that \$48.8 billion in highway funds is now available to state departments of transportation for federal projects through the Hire Act. Ms. Camacho stated that the Hire Act, which was signed into law last month, included a provision to extend funding for the Surface Transportation Program through December 31, 2010, and restores funds to state departments of transportation that was rescinded last year due to a provision in SAFETEA-LU.

Ms. Camacho then reported on state legislation. She stated that the Regional Public Transportation Authority legislation, which was originally Senate Bill (SB) 1416, needed a “strike everything” bill due to the timing of the legislative process. Ms. Camacho stated that Representative Biggs agreed to sponsor the bill and place it as a strike everything amendment to Senate Bill 1063, the bison legislation. Ms. Camacho stated that the House Transportation and Infrastructure Committee unanimously passed the bill on April 8, 2010. She said that it was noted at the Committee meeting that the strike everything amendment did not reflect the modifications to SB 1416 that were mutually agreed upon by the working group consisting of MAG, RPTA, METRO and the City of Phoenix Public Transit Department. Ms. Camacho stated that in passing the strike everything amendment, it was noted by the Committee that a floor amendment would be prepared to make the necessary corrections. She advised that the corrections were made, engrossed in the bill and passed the House unanimously. Ms. Camacho reported that the bill was transmitted to the Senate on April 20, 2010, for action on the House Amendments.

Mr. Smith continued the report by saying that two weeks ago, MAG participated in a teleconference call that included 15 major metro areas in the nation to discuss points of agreement to send a letter to the congressional leaders on how they would like reauthorization structured. He stated that agreement was being requested by Monday, but he felt that would be too soon as that would not leave sufficient time to consult with the Regional Council. Mr. Smith noted that a copy of the proposed Transportation Reauthorization Principles for major metros was at each place. He commented that MAG staff had reviewed the principles and they appear to be in alignment with MAG’s viewpoints. Mr. Smith stated the group of the 15 major metro areas is requesting agencies send a logo which will be applied to a letter they will send to the congressional leaders. He requested that the intergovernmental representatives and staff briefing their Regional Council members prior to the meeting on April 28 and provide feedback and comments. Mr. Smith indicated that MAG could give a tentative agreement contingent upon Regional Council action.

Vice Mayor Aames asked if this was relevant to reauthorization only. Mr. Smith replied that was correct. He read the principles: 1. Provide sufficient resources to meet the nation's transportation infrastructure needs. The federal program should incentivize states and regions to raise and spend

funds locally through a wide menu of options, including the ability to toll existing facilities and through public-private partnerships. 2. Create a vision for a federal role in transportation that includes a national freight policy with dedicated funding and corridors of national significance. 3. Reduce the number of program categories and make funding programs mode-neutral in order to provide maximum flexibility in solving regional problems. 4. Streamline the project development and delivery processes by building on the MPO planning process and creating direct links to NEPA and project development. 5. In major metropolitan areas, transportation plans should be developed in the context of comprehensive regional plans that include land use, housing, economic development, natural resources, energy and climate change, and promote livable communities. 6. Large MPOs shall develop plans and programs for the newly established Metro Mobility Program, the Freight Improvement Program, and Projects of National Significance.

Vice Mayor Aames asked for clarification that one of the principles was mode neutrality. Mr. Smith replied that was correct.

Chair Rogers asked the deadline for feedback. Mr. Smith replied that the group asked for feedback by Monday, however, the Regional Council would not meet until Wednesday.

9. Request for Future Agenda Items

Topics or issues of interest that the Transportation Policy Committee would like to have considered for discussion at a future meeting will be requested.

No requests were noted.

10. Comments from the Committee

An opportunity will be provided for Transportation Policy Committee members to present a brief summary of current events. The Transportation Policy Committee is not allowed to propose, discuss, deliberate or take action at the meeting on any matter in the summary, unless the specific matter is properly noticed for legal action.

No comments from the Committee were noted.

11. Adjournment

It was moved by Councilwoman Neely and seconded by Vice Mayor Aames to adjourn the meeting at 5:20 p.m.

Chair

Secretary