

MINUTES OF THE
MARICOPA ASSOCIATION OF GOVERNMENTS
TRANSPORTATION POLICY COMMITTEE MEETING

September 19, 2012
MAG Office, Saguaro Room
Phoenix, Arizona

MEMBERS ATTENDING

Mayor W. J. "Jim" Lane, Scottsdale, Chair
* Mayor Jackie Meck, Buckeye, Vice Chair
F. Rockne Arnett, Citizens Transportation Oversight Committee
Ron Barnes, Total Transit
Mayor Bob Barrett, Peoria
* Dave Berry, Swift Transportation
Jed Billings, FNF Construction
Councilmember Ben Cooper, Gilbert
Councilmember Shana Ellis, Tempe
Councilmember Dick Esser, Cave Creek
Joseph La Rue, State Transportation Board

* Mark Killian, The Killian Company/Sunny Mesa, Inc.
* Lt. Governor Stephen Roe Lewis, Gila River Indian Community
Garrett Newland, Macerich
Mayor Marie Lopez Rogers, Avondale
* Mayor Georgia Lord, Goodyear
Mayor Elaine Scruggs, Glendale
Councilmember Jack Sellers, Chandler
* Mayor Scott Smith, Mesa
Mayor Greg Stanton, Phoenix
* Karrin Kunasek Taylor, DMB Properties
Supervisor Max W. Wilson, Maricopa County
Mayor Sharon Wolcott, Surprise

* 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 W. J. "Jim" Lane at 12:05 p.m.

2. Pledge of Allegiance

The Pledge of Allegiance was recited.

Mayor Bob Barrett and Mr. Roc Arnett participated in the meeting by telephone.

Chair Lane announced that on September 12, 2012, the MAG Management Committee recommended approval of items 4B, 4C and 5 that were on the TPC agenda. At each place was an announcement for this year's Western High Speed Rail Alliance Symposium on October 22-23, 2012, in Denver.

Chair Lane requested that members of the public fill out blue cards for Call to the Audience and yellow cards for consent or action items on the agenda, and then turn in the cards to staff, who will bring them to him. He stated that parking garage validation and transit tickets for those who used transit to attend the meeting were available from staff.

3. Call to the Audience

Chair Lane 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. A total of 15 minutes will be provided for the Call to the Audience agenda item, unless the Transportation Policy Committee 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.

No requests for public comment were received.

4. Approval of Consent Agenda

Chair Lane stated that agenda items #4A, #4B, and #4C were on the consent agenda. He stated that public comment is provided for consent items, and noted that no public comment cards had been received. Chair Lane asked members if they would like to remove any of the consent agenda items or have a presentation. No requests were noted.

Mayor Scruggs moved to recommend approval of agenda items #4A, #4B, and #4C on the consent agenda. Councilman Cooper seconded, and the motion carried unanimously.

4A. Approval of the July 18, 2012, Meeting Minutes

The Transportation Policy Committee, by consent, approved the July 18, 2012, meeting minutes.

4B. Project Changes – Amendment and Administrative Modification to the FY 2011-2015 MAG Transportation Improvement Program, and to the Regional Transportation Plan 2010 Update

The Transportation Policy Committee, by consent, recommended approval of 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, and have been modified nineteen times with the last modification approved by the Regional Council Executive Committee on August 30, 2012. Since then, there is a need to modify projects in the programs. 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.

4C. Local Match Consideration for Glendale Right of Way Costs for Northern Parkway

The Transportation Policy Committee, by consent, recommended 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 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.

5. 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 (ALCP). 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) and 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. 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 added that they also inquired of the working group if members had any other suggestions, and to let staff know of any projects that could be delayed or swapped.

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.

Chair Lane thanked Ms. Kennedy for her report and asked members if they had questions.

Mayor Scruggs moved to recommend approval of (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, and added a statement to clarify that this action was contrary to the approved ALCP Policies and Procedures and was not to be seen as changing the approved ALCP Policies and Procedures.

Eric Anderson, MAG Transportation Director, asked for clarification that this would not set a precedent for future program changes and MAG would continue to abide by the adopted ALCP Policies and Procedures. Mayor Scruggs replied that was correct, so that there would be no misunderstanding in the future.

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

6. Update on the Southeast Corridor Major Investment Study

Bob Hazlett, MAG staff, provided an update on the Southeast Corridor Major Investment (MIS) Study. He noted that the study began in the summer of 2010 and is essentially complete. Mr. Hazlett added that some of the details he would cover in this report would flow into the report on the next agenda item, Update on Environmental Impact Statements for Interstates 10 and 17.

Mr. Hazlett stated that the Southeast Corridor MIS identifies multimodal transportation investment options to the currently planned expansion of I-10 between the I-10/I-17 traffic interchange referred to as “The Stack” and the I-10/SR-202L (Pecos Stack) traffic interchange, including the Broadway Curve. He noted that an ADOT study recommended up to 25 freeway lanes at the Broadway Curve and the question was asked if there could be other options for this segment. Transportation investment options were explored to address the projected increases in area employment and population and the resulting increase in roadway congestion levels. Mr. Hazlett also noted that this represents the highest concentration of employment in the Valley (about 425,000 jobs) and good transportation services are needed.

Mr. Hazlett they used the Regional Transportation Plan as the starting point for the study. He stated that the MIS developed bundles of transportation alternatives. Mr. Hazlett stated that the study partners included the jurisdictions of Chandler, Guadalupe, Phoenix, Tempe, Arizona Department of Transportation, and Federal Highway Administration. He noted that the MIS was also consistent with the accepted MAG Regional Transit Framework Study.

Mr. Hazlett stated that the first bundle identified is the Basic Mobility Bundle, which includes a transit corridor along Southern Avenue and down Central Avenue and a managed lanes or congestion pricing option, to help relieve congestion.

Mr. Hazlett stated that the second bundle identified is the Peer Competitive Bundle, which includes investments to the level of San Diego and Salt Lake City. This bundle includes the transit corridor along Southern Avenue and down Central Avenue, managed lanes on I-10, commuter rail, a high capacity transit corridor along Rural Road, and modern streetcar extensions.

Mr. Hazlett stated that the third bundle is the Transit Focus Bundle, which includes investments at the level of Seattle. This bundle includes high capacity transit corridors on Central Avenue, Southern Avenue and Rural Road, managed lanes on I-10, commuter rail, an automated guideway transit extension, and modern streetcar extensions. Mr. Hazlett stated that the City of Chandler requested that the study also look at some variations to the Transit Focus Bundle, to remove light rail transit on Rural Road south of Southern Avenue, add light rail transit to Chandler Boulevard via Arizona Avenue, and add bus rapid transit on Rural Road (which restores Proposition 400 service).

Mr. Hazlett then spoke of the managed lanes concept, consistent in all bundles, which might be a viable option for this area. He noted the region already utilizes managed lanes through its high occupancy vehicle network, and he said that the primary benefit of managed lanes is travel time

savings. Mr. Hazlett displayed a map that showed the 15 projects that implement lane management strategies currently in use in the nation. In addition, four mega-projects valued between \$1.8 billion and \$2.6 billion are currently being constructed in the United States: the Capital Beltway (I-495) near Washington, DC; Interstate Highway 635 (LBJ Freeway) in Dallas, Texas; the North Tarrant Expressway in Dallas, Texas; and I-595 in Fort Lauderdale, Florida. Mr. Hazlett stated that a managed lanes concept in this context was considered by the project's planning partners as a potential for Interstates 10 and 17, and as an opportunity for a public/private partnership.

Mr. Hazlett stated that evaluation criteria used in the MIS included environmental impacts, socioeconomic impacts, capital development feasibility, operational feasibility, performance, financial feasibility, and cost effectiveness.

Mr. Hazlett then addressed key findings. He said that regardless of bundle, managed lane operations along Interstate 10 and Interstate 17, including Direct HOV ramps, provide the highest level of performance while accommodating increased traffic volumes in the freeway corridor. Mr. Hazlett stated that there could be as many as 400,000 vehicles per day traveling the Broadway Curve. A strategically focused network of high capacity transit services featuring exclusive guideway transit offers the most productive transit investment; an east/west transit connection between Central Avenue and the East Valley in a parallel corridor to Interstate 10 and a north/south connection along Rural Road or Arizona Avenue produces the highest number of new systemwide transit riders; and most importantly, modeling results indicate an exclusive guideway transit investment in either Rural Road or Arizona Avenue will not have a significantly discernible impact on traffic volumes or speeds on Interstate 10. Mr. Hazlett remarked that 25,000 transit volume forecasted by the Transit Focus Bundle versus 400,000 vehicular volume illustrates how important it is to improve Interstate 10 in the southeast corridor.

Mr. Hazlett stated that the recommended bundle includes managed lanes, new Direct HOV ramps, exclusive guideway transit, and modern streetcar extensions. He displayed a map of the improvements. Mr. Hazlett then described the Interstate 10 miles per hour performance statistics utilizing projects in the Regional Transportation Plan and the Southeast Corridor MIS.

Mr. Hazlett then displayed the average ridership, average revenue miles, and the average riders per revenue mile for the region's transit system, per the Regional Transportation Plan, the Basic Mobility Bundle, the Peer Compatible Bundle, and the Transit Focus Bundle.

Mr. Hazlett completed the presentation of the study's recommended bundle that identified managed lanes for Interstate 10, extending the south central transit corridor east to Tempe, providing the same on either Rural Road or Arizona Avenue to downtown Chandler, adding Direct HOV ramps on Interstate 10, and streetcar extensions. He noted that these recommendations needed further study and that this topic was on the agenda for information and discussion only.

Chair Lane thanked Mr. Hazlett for his presentation and said he very much appreciated it. He asked if the toll charged to maintain the speed was based on statistical information. Mr. Hazlett explained that because this region and state do not have toll facilities, they used dynamic pricing toll rates

from throughout the nation for their modeling. He stated that they identified a toll of \$3-\$4 from the Split to the Pecos Stack, at peak, with decent speeds and more traffic in the lanes. Mr. Hazlett stated that it is a way to get more utilization of the pavement in HOV lanes.

Chair Lane commented that higher utilization of the facility without detrimental effect on the speed or convenience is desired. If capacity is exceeded 40-50 percent then the toll would be raised, and this would need to be done on an ongoing basis. Mr. Hazlett remarked that in today's planning, 2,000 cars per hour without a toll are assumed, and with a toll, this is 1,500 cars per hour. He added that they do not want the speed to degrade to a certain speed, about 45 m.p.h.

Chair Lane asked about the 25,000 transit volume forecasted in the Transit Focus Bundle versus 400,000 vehicular volume. He asked if there was any continuing thought regarding light rail or commuter rail farther out using the right-of-way versus highway. Mr. Hazlett stated that to have a fixed guideway system that runs to its capacity, it needs to be built where the riders are. He pointed out areas south of I-10, I-17 and US-60 that are light commercial and industrial, and the airport. Mr. Hazlett noted that they found mass transit would be better off the corridor than on I-10.

Councilmember Ellis thanked staff for this study. She said that the City of Tempe is in the middle of the study area and brought forward its concerns because they have a lot of people exiting the freeways onto surface streets when freeway traffic is heavy. Councilmember Ellis also expressed appreciation that other alternatives to freeways were being examined.

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

Mr. Hazlett 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, ADOT, and MAG decided to suspend the EIS studies.

Mr. Hazlett stated that the 35-mile corridor of I-17/I-10 is the backbone, the “Spine”, 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 future steps for Interstate 10/Interstate 17 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.

Chair Lane stated that Mr. Hazlett mentioned traffic volume of about 300,000 for I-10 west. He asked the impact of Loop 202/South Mountain Freeway. Mr. Hazlett replied that the South Mountain Freeway might divert some traffic, but because of the demand to go to employment areas and downtown, the traffic still fills up because there is ample capacity. Mr. Hazlett added that they are forecasting 150,000 to 170,000 vehicles per day on the Loop 202/South Mountain.

Chair Lane asked about the airspace regulations for Sky Harbor Airport. Mr. Hazlett replied that the issue is with the south runway. He said that the Federal Aviation Administration (FAA) has been looking at having an area clear of structures. Chair Lane remarked that it sounds like massive rerouting might be required. Mr. Hazlett noted that it mainly has to do with height, and he added that there is also 24th Street which also provides access. He stated that the Split interchange is the gateway from the Southeast Valley to downtown and they want to make sure it operates at its best possible configuration. Mr. Hazlett stated that they need to consult with the City of Phoenix Aviation Department and the FAA, but it appears there are things they could do to move it over a bit. He said that he did not think it would require a major reroute, but that could be figured out in the Master Plan. Mr. Hazlett added that changes in one place have effects in other places and cannot be done in isolation.

Dennis Smith, MAG Executive Director, stated that the environmental impact statement process began before Proposition 400. He said that one of the logical termini was at the Inner Loop, which pushes traffic into the Tunnel, and we now know that this is not a good idea. Mr. Smith stated that the Inner Loop is not a part of Proposition 400, but the Durango Curve is in the Regional Transportation Plan, but at a later date. Mr. Smith stated that with the managed lanes concept, there

might be a way to do this with fewer lanes and more throughput. He noted that now is the best timing for low interest and construction costs. Mr. Smith stated that the managed lanes could be taken up the Broadway Curve to the Durango Curve, through a design-build by a company that wants to finance and build the project and be repaid later. He stated that something needs to happen and now is a favorable market and we cannot wait ten years for an EIS. Mr. Smith stated that they are looking at fast tracking this and see what can be done quickly, help a Title VI neighborhood, solve the airport issue, and tie into the traffic from I-10 west. Mr. Smith stated that they also need to figure out these connections within the budget and creative financing

8. ADOT Passenger Rail Corridor Study Update

Carlos Lopez, Arizona Department of Transportation (ADOT) staff, provided a report on the ADOT Passenger Rail Corridor Study. Mr. Lopez stated that a recommendation of the Building a Quality Arizona (BQAZ) visioning process was for the state to have a more multimodal transportation system. He said that a rail framework study was one of the key elements of the BQAZ framework.

Mr. Lopez stated that one of the recommendations of the state rail plan was to have an intercity rail spine extending from Northern Arizona to the Mexican border, with the most critical segment being from Tucson to Phoenix.

Mr. Lopez stated that the BQAZ process identified several corridors as potential passenger rail corridors from Tucson to Phoenix. He noted that the study area included Maricopa, Pinal and Pima counties.

Mr. Lopez stated that three products will come from the study: an alternatives analysis, an environmental impact statement, and a service development plan. He noted that the process is currently at the alternatives analysis phase. Mr. Lopez described that the alternatives analysis is divided into three steps: initial screening of ideas, a conceptual analysis (the study is currently at this stage), and a final analysis. He stated that the alternatives analysis will result in a locally preferred alternative, which will lead to a locally preferred alternative and a record of decision.

Mr. Lopez then described the potential modes that were examined. He said that express bus between Tucson and Phoenix is still a consideration; light rail is not being considered except as a connector to the system that will be recommended. They are looking at rail that blends commuter rail and intercity rail – a local and express system. Mr. Lopez stated that they are no longer considering high speed rail as a mode between Tucson and Phoenix, but this does not preclude that technology from the recommended plan in case there are future connections to places like Las Vegas or Los Angeles.

Mr. Lopez then described the initial screening process where they examined all of the ideas they received for route locations. He pointed out on a map that routes extend beyond Phoenix to the West Valley and beyond Tucson to Tucson International Airport. Mr. Lopez stated that following the screening, they met with all 45 agencies within the study area. He said that a couple of themes

came forth. The first theme was connecting downtown Phoenix to downtown Tucson with passenger rail is a priority. He said that the notion of passengers taking rail from Tucson to Tempe and then transferring to light rail to continue on to Phoenix was not appealing to the stakeholders. The second theme was system connectivity; all alternatives assume commuter rail extensions to Buckeye and Surprise and a high capacity transit connection to Tucson International Airport.

Mr. Lopez stated that they are moving forward with seven conceptual alternatives: one bus alternative on Interstate 10 and six rail alternatives. Rail alternatives include sharing the right-of-way with the Union Pacific Railroad from Tucson to Phoenix; two non-Union Pacific Railroad alternatives to follow Interstate 10 from Tucson to Phoenix and a combination route along Interstate 10 and US-60; and three combination alternatives using existing transportation corridors, such as Interstate 10, with Union Pacific Railroad along the Southeast Branch, the Tempe Branch, and the Chandler Branch.

Mr. Lopez displayed a bar chart that showed year 2035 projections of daily person trips for the market areas served by various alternatives. He noted that the alternatives that show the biggest potential market all access the Southeast Valley.

Mr. Lopez stated that they just held some support team meetings that included stakeholders from Maricopa, Pima, and Pinal counties. Input received included opposition to a bus alternative, travel time is important, and markets and activity centers served are critical to system success.

Mr. Lopez stated that they will be taking the alternatives to the public in October and November, and anticipate a final recommendation, completion of the EIS and a record of decision in 2013.

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

Supervisor Wilson commented on the express bus option and said if there is a significant number of people traveling between Tucson and Phoenix the free market would take care of itself. He said that he would not want to get in the way of private enterprise. Supervisor Wilson asked if staff could track that. Mr. Lopez replied that there are private bus systems and added that staff was unable to get ridership data from private companies. Mr. Lopez noted that the Federal Transit Administration wanted ADOT to have a bus alternative to compete with the rail component in the analysis. He stated that some of the comments include having a bus system to serve as interim to build ridership until the rail system is implemented.

Supervisor Wilson suggested to Mr. Lopez to not be discouraged over not receiving data right away from the bus companies, and he said there are a lot of different avenues to obtain that information. Supervisor Wilson stated that data could serve two purposes: he reiterated not doing something that could put companies out of business, and data could also do something that could assist that particular industry.

Mayor Wolcott stated that the first thing the Federal Railroad Administration and the Federal Transit Administration want to know is potential ridership. She expressed her agreement with

Supervisor Wilson to not stop asking the bus companies for data. Mayor Wolcott stated that she was encouraged by the comments that rail should go from downtown Tucson to downtown Phoenix, but why stop there because half of Maricopa County is shut off. She said that it might be a priority to connect the state's largest cities, but she urged connecting within the two cities first and then connecting Phoenix and Tucson together. Mayor Wolcott stated that she could not understand why a major investment would be made to connect Phoenix to Tucson before the county was connected first.

Mr. Lopez stated that the main objective of the ADOT Passenger Rail Corridor Study is to try to implement a system to link the two regions of Phoenix and Tucson. He noted that the study area does not end in Phoenix and Tucson and extensions to the West Valley, the North Valley and Tucson International Airport are part of the study.

Mayor Wolcott stated that they are part of the study, but are really comfort language. She noted that Mr. Lopez stated again and again that the priority is to link Phoenix and Tucson. Mayor Wolcott stated that the priority from her perspective is linking within Maricopa County and linking within Tucson, and then connecting the regions, otherwise, you are not really serving anything. Mayor Wolcott asked if it is not connected, when people take the train to Tucson, where are they going to go? The same thing for Maricopa County: If people come in from Tucson and it is not all connected, where are they going to go? Mr. Lopez noted that the MAG Commuter Rail Study is the basis for the ADOT Passenger Rail Corridor Study.

Mr. Anderson clarified that MAG is doing work on commuter rail, such as development plans for the BNSF on Grand Avenue and the Union Pacific Railroad, but one area in which not much has been done in regard to commuter rail is the Southeast Valley, because they have been waiting to see where the ADOT study will bring the intercity rail into the Valley and then the commuter rail portion would be tagged onto that. Mr. Anderson stated that in terms of priorities of what gets built first, from a regional perspective, MAG's emphasis is on serving the citizens here. He remarked that it would be nice to have a connection between Phoenix and Tucson and serve the cities along the way, but that is a different discussion and funding source. Mr. Anderson stated that where the rail would come into the Valley is important from a planning perspective, and the commuter rail plan could be overlaid on top of that. He said that the ADOT study is not meant to be a standalone intercity rail study, but ADOT is trying to identify how to link up two metro areas in Arizona.

Councilman Esser asked if the Union Pacific had indicated interest in participating in a rail line from Phoenix to Tucson. Mr. Lopez replied yes, ADOT has coordinated with Union Pacific since the beginning of the study. Union Pacific had been updated and is aware of the potential sharing of a passenger rail line in their existing rail corridors.

Mayor Rogers noted that the route is shown to pass through the Gila River Indian Community. She asked if there had been any public input from the Community. Mr. Lopez replied that they had met with the Gila River Indian Community and Ak-Chin. He stated that they had received a lot of comments, including interest in serving other communities, for example, Sacaton, and in staying on existing transportation networks, such as Interstate 10 and State Route 347.

Mayor Rogers asked the status of the ADOT study on the Wellton line. Mr. Lopez stated that the study is looking at the potentiality of reinstating passenger service on the Wellton line that is mostly out of service. He noted that the study's completion is anticipated in February 2013. Mr. Lopez stated that the first working paper to analyze existing conditions has just been completed and they are applying scenarios for passenger and freight service. He added they will be looking at the cost estimates at the end of the year.

Mr. La Rue asked the timing when Maricopa County needs to get its priorities for this region.

Mr. Anderson replied that this region has done all it can on the advance planning work on commuter rail, except for the Southeast Valley piece he mentioned earlier. He said that there is a development plan for the Grand Avenue corridor and what would need to happen for commuter rail to be implemented. Mr. Anderson stated that the big issue for moving forward with commuter rail implementation is funding for construction and operations. He added that even though there are existing tracks, they need significant improvement if they are to be used for passengers, for example, the cost for improvements on Grand Avenue exceeds \$300 million. In addition, the speed limit for trains in the Grand Avenue corridor is 15-20 m.p.h., and there is no train signal control. Mr. Anderson stated that BNSF builds its trains on the mainline and the grade crossings need improvement, so there are significant capital costs in addition to operating costs. He stated that there has been some discussion that the next extension of the sales tax for transportation might include a commuter rail component. In summation, Mr. Anderson stated that all of the advance planning work for commuter rail has been done, except for the Southeast Valley. What is left is how to fund it, some legislative issues, indemnification language with the railroads, and governance issue on operations. He said that the funding issue is most important to be worked out before moving ahead with the planning side.

Chair Lane expressed the concerns that were expressed about commuter rail in Maricopa County. He asked for clarification of the routes on the map and ridership. Mr. Lopez replied that the green and orange lines showed new lines and represented 800,000 market potential trips, not ridership.

Chair Lane expressed concern over knowing if the private sector would even entertain doing this, whether it is viable and marketable and what return might it receive. Chair Lane also expressed the same concern expressed by Supervisor Wilson regarding competition with the private sector. He stated that he would be more interested in Maricopa County working from the inside out improving the model – making sure the routes are viable and can sustain themselves at a given price, and that goes to whether it is saleable to the public since they will be funding this. Chair Lane stated that issuing a request for proposals to major transportation manufacturers would be the truest test of its viability. He expressed his concern for hard rail technology, which is an expensive commodity, and he added that there might be other technologies than hard rail to consider, particularly if we are looking at a new line.

Councilman Sellers stated that these studies are crucial, because without them in place, when funding becomes available, we would not have a seat at the table.

Mayor Stanton stated that the reality is that Phoenix and Tucson will be one economic unit – the Sun Corridor – and need to be competitive in that regard or fall behind. He noted that technology does change, but the rest of the country is far ahead of us in terms of the fastest transportation between major metropolitan areas. Mayor Stanton stated that he was not sure if Chair Lane’s comments indicated going in a different direction, but he felt this was the right direction, especially regarding future funding opportunities, as Councilman Sellers noted.

Chair Lane stated that he was not really saying to go in a different direction, but was suggesting that if we are talking about investments and comparing riderships or personal trips we might want to consider other technologies. He stated that there are other technologies out there with a lesser price that might be more attractive. Chair Lane stated that further alternatives are worthy of investigation.

Mayor Scruggs commented on the economics of rail. She said she could not envision where the money would come from to fund rail and why the money would be used for that purpose instead of other day-in, day-out, unmet needs. Mayor Scruggs stated that if the money became available, she thought we should listen to Mayor Stanton’s comments regarding the Sun Corridor. She noted that growth in this area seems to be the connection that might validate the cost. Mayor Scruggs added that governance is incredible. She stated that she felt that time is being spent poorly to move forward with any plans to travel on a sovereign nation’s land if that sovereign nation is not at the table. She noted that the slide mentioned that Pima County, Pinal County, and Maricopa County were stakeholders, but did not mention any representatives of a sovereign nation. Mayor Scruggs stated that unless you have that support, interest, and invitation to come in at the beginning, why continue to go down that road?

Mr. Smith stated that the University of Arizona is a huge research engine. He commented on making this connection with a rail corridor and dispelling the notion that it will make money, it would be a public service. He said that he agreed on selecting the corridors in the metro area that have potential, but that connection to Tucson is needed. Mr. Smith also mentioned that the Union Pacific needs to be respected because this would be a huge freight system that goes all the way to Nogales. He applauded ADOT for working on this study. He said it will not happen without Maricopa, Pinal and Tucson working on how to fund this.

Chair Lane stated that he will not give up on the idea that rail could one day pay for itself and he would add that to address criticism, we are looking at getting the best value we can and the best way we can. Chair Lane stated that if downtown to downtown becomes a priority (which he holds somewhat in question), if we are looking at new routing, he would encourage looking at the fastest, most convenient, and most effective ride that could be provided.

Mayor Wolcott asked the typical federal contribution to capital construction costs for projects of this magnitude. Mr. Anderson replied that there could be changes because the federal government does not have a lot of money, but the federal contribution rate for large capital investment projects is often less than 50 percent, and the feds are looking at a maximum of 50 percent match for major projects. Mr. Anderson stated that he thought the federal government might tighten up the evaluation criteria and require more local match on these types of projects.

Mayor Wolcott asked the match for a surface transportation project, such as a highway. Mr. Anderson stated that the minimum local match for a project using federal funds is 5.7 percent. He added that when the HURF was higher, it was more like \$3 federal to each \$1 local.

Mayor Wolcott stated that either way, transportation is substantially subsidized by federal funds. She remarked that she did not know of roads that paid for themselves. Mayor Wolcott stated that she was a big proponent of all modes of mass transit, but she wanted to make sure the most appropriate mode was selected. This is about a public service and it will have an economic component. Mayor Wolcott stated that there is a priority down the road to connect Phoenix and Tucson, but she was more concerned now that the entirety of Maricopa County has connectivity.

Mayor Stanton stated that the east coast models were 80 percent federal/20 percent local and it was almost unheard of when Phoenix and Tempe moved forward with the light rail system with a 50 percent federal/50 percent local match, but that is what was necessary to get it done. Mayor Stanton added that the Northwest extension of light rail in Phoenix is being done entirely with local funds and no federal funds. Mayor Stanton stated that it is unknown if passenger rail from Phoenix to Tucson would even get built, but the necessary studies need to be in place. He said that a relevant factor will be whether local leadership is fully supportive of greater connectivity. Mayor Stanton noted that local leadership in California is fully supportive of their projects.

Chair Lane commented on the comparison of transportation modes and the levels of government subsidies. He stated that airline infrastructure generally is built by government, but the airlines pay for their equipment and operating costs. Chair Lane stated that he was not sure that rail had been adjudged valuable enough that the private sector would step forward to finance its construction and operate it and recover costs based on fares. Chair Lane stated that what we are looking at is doing it right and for the best dollar value to at least recoup operating cost. He also mentioned Supervisor Wilson's comments about the businesses in that corridor that could be put out of business. Chair Lane stated that he felt that passenger rail was something that needed to be investigated; he just wanted to ensure it was done the best way.

Mayor Stanton stated that the light rail system will never pay for itself, but as far as economic development, Phoenix, Mesa, Tempe, and soon to be Glendale are in the game for the types of jobs they want because of light rail. He said that the proper infrastructure is a huge factor in attracting companies and is an investment in ourselves for the future. Mayor Stanton stated that he looked at passenger rail in the same way.

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 were requested.

Mayor Stanton offered that Sky Harbor Airport staff could come to a future meeting for a report on airspace. Mr. Anderson noted that MAG staff has been coordinating with airport staff.

10. Comments from the Committee

An opportunity was 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 were noted.

Adjournment

There being no further business, the meeting adjourned at 1:45 p.m.

Chair

Secretary