

October 9, 2012

TO: Members of the Transportation Policy Committee

FROM: Mayor W. J. "Jim" Lane, City of Scottsdale, Chair

SUBJECT: NOTIFICATION OF MEETING AND TRANSMITTAL OF TENTATIVE AGENDA

Meeting - 12:00 noon
Wednesday, October 17, 2012
MAG Office, Suite 200 - Saguaro Room
302 N. First Avenue, Phoenix

A meeting of the Transportation Policy Committee is scheduled for the time and place noted above. Members of the Committee may attend the meeting either in person, by videoconference, or by telephone conference call. As determined at the first meeting of the Committee, proxies are not allowed. Members who are not able to attend the meeting are encouraged to submit their comments in writing, so that their view is always a part of the process.

For those attending in person, please park in the garage under the building. Bring your ticket to the meeting, parking will be validated. For those using transit, the Regional Public Transportation Authority will provide transit tickets for your trip. For those using bicycles, please lock your bicycle in the bike rack in the garage.

Pursuant to Title II of the Americans with Disabilities Act (ADA), MAG does not discriminate on the basis of disability in admission to or participation in its public meetings. Persons with a disability may request a reasonable accommodation, such as a sign language interpreter, by contacting Valerie Day at the MAG office. Requests should be made as early as possible to allow time to arrange the accommodation.

Refreshments and a light snack will be provided. If you have any questions, please contact Dennis Smith, MAG Executive Director, or Eric Anderson, MAG Transportation Director, at (602) 254-6300.

c: MAG Regional Council
MAG Management Committee

**TRANSPORTATION POLICY COMMITTEE
TENTATIVE AGENDA
October 17, 2012**

		<u>COMMITTEE ACTION REQUESTED</u>
1.	<u>Call to Order</u>	
2.	<u>Pledge of Allegiance</u>	
3.	<u>Call to the Audience</u>	3. Information.
	<p>An opportunity will be provided to members of the public to address the Transportation Policy Committee on items not scheduled on the agenda that fall under the jurisdiction of MAG, or on items on the agenda for discussion but not for action. Citizens 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. Please note that those wishing to comment on agenda items posted for action will be provided the opportunity at the time the item is heard.</p>	

MINUTES

4.	<u>Approval of the September 19, 2012, Meeting Minutes</u>	4. Review and approval of the September 19, 2012, meeting minutes.
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ITEMS PROPOSED TO BE HEARD

5.	<u>Arterial Life Cycle Program Project Removal and Gilbert Road Light Rail Extension</u>	5. Recommend approval to (1) remove federal Surface Transportation Program (STP) funds totaling \$153,366,043 (2011\$) from sixteen (16) Arterial Life Cycle Program (ALCP) projects and use the funding to reimburse costs associated with design, purchase of right-of-way, and construction of a 1.9 mile light rail transit (LRT) extension on Main Street, from Mesa Drive to Gilbert Road; (2) program federal STP funds to reimburse costs associated with the LRT Gilbert Road project which are contingent on federal funding revenue streams and subject to the ALCP financial program; and (3) consult with the State Transportation Board, the Maricopa County Board of Supervisors, the Regional Public Transportation Authority, the
	<p>The City of Mesa is requesting to remove federal Surface Transportation Program (STP) funds from sixteen (16) Arterial Life Cycle Program (ALCP) projects and use the funding to design, purchase right-of-way, and construct a 1.9 mile light rail transit (LRT) extension on Main Street from Mesa Drive to Gilbert Road. Since the funding stream that is associated with the 16 street projects does not align with the timing needed for the light rail construction, Mesa would provide interim funding using Transportation Project Advancement Notes (T-PAN), which would be paid back with federal</p>	

STP funds. Using these funds would require a major amendment in accordance with A.R.S. 28-6355. This would require MAG to consult with the State Transportation Board, the Maricopa County Board of Supervisors, the Regional Public Transportation Authority, the Indian Communities, the cities and towns in Maricopa County, and the Citizens Transportation Oversight Committee. Following that consultation, the item would be brought back through the MAG process for approval. Please refer to the enclosed material.

6. 2012 Annual Report on the Status of the Implementation of Proposition 400

Proposition 400 was approved by the voters of Maricopa County in November 2004, and authorized the extension of a half-cent sales tax for use on transportation projects in the MAG Regional Transportation Plan. A.R.S. 28-6354 requires that MAG issue an annual report on projects included in Proposition 400, addressing factors such as project status, funding, and priorities. The 2012 Annual Report is the eighth report in this series and covers the status of the life cycle programs for freeways/highways, arterial streets, and transit. A Summary of Findings and Issues is included in the attached material and the full report is available on the MAG website. Please refer to the enclosed material.

7. MAG Managed Lanes Network Development Strategy - Phase I - Project Update

On November 15, 2010, the MAG Regional Council authorized procurement of consultant services to develop the MAG Managed Lanes Network Development Strategy - Phase I project. This multi-phase effort was in response to consideration for public-private-partnership (P3) opportunities in the Phoenix Metropolitan Area where high occupancy (HOV) lanes could be operated as high occupancy toll (HOT) lanes as part of an overall managed lanes strategy. As this project is nearing completion and recommendation, the Committee will be presented with information on the managed lanes

Indian Communities, the cities and towns in Maricopa County, and the Citizens Transportation Oversight Committee, as required by A.R.S. 28-6353, on the proposal to add a 1.9 LRT extension on Main Street, from Mesa Drive to Gilbert Road to the MAG Regional Transportation Plan 2010 Update and 2011-2015 MAG Transportation Improvement Program as appropriate, contingent on the finding of air quality conformity.

6. Information and discussion.

7. Information and discussion.

network under consideration, preliminary toll and revenue findings for this network, and preliminary policy recommendations for the implementation of the network.

8. 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.

9. 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.

Adjournment

8. Information and discussion.

9. Information.

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

MARICOPA ASSOCIATION OF GOVERNMENTS INFORMATION SUMMARY... for your review

DATE:

October 9, 2012

SUBJECT:

Arterial Life Cycle Program Project Removal and Gilbert Road Light Rail Extension

SUMMARY:

The City of Mesa is requesting to remove federal Surface Transportation Program (STP) funds from sixteen (16) Arterial Life Cycle Program (ALCP) projects and use the funding to design, purchase right-of-way, and construct a 1.9 mile light rail transit (LRT) extension on Main Street from Mesa Drive to Gilbert Road. Since the funding stream that is associated with the 16 street projects does not align with the timing needed for the light rail construction, Mesa would provide interim funding using Transportation Project Advancement Notes (T-PAN), which would be paid back with federal STP funds.

Please see attached memorandum and analysis for further information.

PUBLIC INPUT:

None.

PROS & CONS:

PROS: The Gilbert Road extension is forecast to significantly increase ridership on light rail by extending the end of line to Gilbert Road. Gilbert Road provides better access to light rail from the eastern portions of Mesa and the East Valley according to the analysis that was conducted as part of the Alternatives Analysis for the Mesa Drive extension that was a component of the Proposition 400 transit program.

CONS: The proposed action deletes funds from the Arterial Life Cycle Program (ALCP) which reduces the amount of federal highway funds available for street improvements. However, most of the streets projects have been or will be completed as development occurs adjacent to the streets.

TECHNICAL & POLICY IMPLICATIONS:

TECHNICAL: The proposed action provides travel options to a broader population than the selected arterial street improvements that are being removed from the ALCP. Most of the streets projects have been or will be completed as development occurs adjacent to the streets. The Higley projects are not deemed feasible due to neighborhood concerns and have been determined by Mesa as not being a viable concept.

POLICY: The proposed amendment is a major amendment to the Regional Transportation Plan (RTP) since more than one-mile of fixed guideway transit is being added. The deletion of the projects from the ALCP are not subject to the major amendment requirements in state law for the RTP. The movement of federal highway funds from the ALCP to the transit program is a change in the RTP. Although the transfer of Proposition 400 sales funds between modes is not allowed under the terms of the proposition and state law, the transfer of federal highway funds is not subject to the same restriction.

ACTION NEEDED:

Recommend approval to (1) remove federal Surface Transportation Program (STP) funds totaling \$153,366,043 (2011\$) from sixteen (16) Arterial Life Cycle Program (ALCP) projects and use the funding to reimburse costs associated with design, purchase of right-of-way, and construction of a 1.9 mile light rail transit (LRT) extension on Main Street, from Mesa Drive to Gilbert Road; (2) program federal STP funds to reimburse costs associated with the LRT Gilbert Road project which are contingent on federal funding revenue streams and subject to the ALCP financial program; and (3) consult with the State Transportation Board, the Maricopa County Board of Supervisors, the Regional Public Transportation Authority, the Indian Communities, the cities and towns in Maricopa County, and the Citizens Transportation Oversight Committee, as required by A.R.S. 28-6353, on the proposal to add a 1.9 LRT extension on Main Street, from Mesa Drive to Gilbert Road to the MAG Regional Transportation Plan 2010 Update and 2011-2015 MAG Transportation Improvement Program as appropriate, contingent on the finding of air quality conformity.

CONTACT PERSON:

Eric Anderson, (602) 254-6300

October 9, 2012

TO: Members of the Transportation Policy Committee

FROM: Eric Anderson, Transportation Director

SUBJECT: ARTERIAL LIFE CYCLE PROGRAM PROJECT REMOVAL AND GILBERT ROAD
LIGHT RAIL EXTENSION

The City of Mesa is requesting to remove federal Surface Transportation Program (STP) funds from sixteen (16) Arterial Life Cycle Program (ALCP) projects and use the funding to design, purchase right-of-way, and construct a 1.9 mile light rail transit (LRT) extension on Main Street, from Mesa Drive to Gilbert Road. Since the funding stream that is associated with the 16 street projects does not align with the timing needed for the light rail construction, Mesa would provide interim funding using Transportation Project Advancement Notes (T-PAN), which would be paid back with federal STP funds.

Arterial Life Cycle Program (ALCP) Overview

The Arterial Life Cycle Program (ALCP) began with the approval of the 2003 Regional Transportation Plan (RTP) and the passage of Proposition 400 in November 2004. Regional funding for the Arterial Life Cycle Program (ALCP) incorporates three revenue sources: federal Surface Transportation Program (STP) funds, federal Congestion Mitigation and Air Quality (CMAQ) funds, and Regional Area Road Funds (RARF), otherwise known as the half-cent sales tax. RARF funds comprise about 46.5 percent of the total ALCP funding, STP accounts for about 45.5 percent of the total funding, and CMAQ makes up the remaining three percent. The ALCP program was added to the Proposition 400 plan to help regionally balance the planned transportation investments. In this regard, the funding is allocated to each jurisdiction for use on approved ALCP projects.

Arizona State Revised Statutes (ARS) 'firewalls' the RARF funds from being transferred from the arterial account to another mode (transit or freeways). The federal STP and CMAQ funds in the ALCP are not subject to this statutory provision but are governed by the ALCP policies that have been established by MAG. Under the ALCP policies, jurisdictions are allowed to transfer funds from one project to another as long as the projects are evaluated and approved through the MAG process. Federal STP funds are the most flexible federal funds and can be used on highway projects or transit projects. Unlike the transit and freeway life cycle programs, the RTP identified specific projects, fixed reimbursement budgets, and five-year phases for reimbursements per project for the ALCP.

Additionally, like the other life cycle programs in the region, the ALCP has been subject to decreased revenues over the years. To balance the program, each Lead Agency's allocation or "share" of the program has been reduced proportionally according to their share of the ALCP.

Project Changes to ALCP Projects

Per the ALCP Policies, the ALCP is updated annually, and includes the provision to request project changes that can include: scope changes, schedule changes, segmenting projects, cost changes, deletion and replacement projects, exchanges, among other types of changes. Since the first year of the ALCP, 2006, there have been many approved project changes including the deletion of original arterial projects and replacing them with other arterial projects.

The ALCP policy does not address the type of request being made by Mesa to remove 16 street projects and use the federal funding for the extension of the light rail corridor to Gilbert Road. Removal of the sixteen ALCP projects does not trigger a major amendment per state regulations § 28-6301.7, but adding the 1.9 mile LRT extension does.

Mesa provided a list of 16 ALCP projects that they are proposing to delete from the ALCP program. MAG staff analyzed each of the 16 projects being proposed for deletion and in general, the projects fall into three categories: 1) projects that have been substantially completed and/or will be completed by adjacent property developers; 2) projects that are not deemed feasible due to concerns over neighborhood impacts; and, 3) projects that are not needed in the planned time horizon due to a change in the rate and pattern of development. Attachment #1 is a summary of the 16 proposed projects for deletion from the ALCP with detailed project overviews and maps.

MAG staff has examined each project and have confirmed the analysis. In addition, MAG staff has run the regional travel demand model without the projects that are not expected to be completed during the plan time horizon and determined that the impact on system performance is minimal.

Major Amendment Definition and Process

If the Mesa request to use the federal funds to build another 1.9 miles of light rail is approved, this action would trigger the RTP major amendment process that was part of the Proposition 400 legislation and can be found in ARS § 28-6301.7, which includes "the addition or deletion of a freeway, route on the state highway system or a fixed guideway transit system as a major amendment."

The Major Amendment Process and schedule related to this specific request is outlined in Attachment #2. Once MAG takes action to approve the Mesa request, the proposed change to the RTP is sent to the Maricopa County Board of Supervisors, the Regional Public Transportation Authority (RPTA), and the State Transportation Board, who each must take action on the proposed change to approve, modify, or disapprove the proposed change and provide MAG written notice of the action within 30 days. Following that consultation, the item would be brought back to the MAG Management Committee, Transportation Policy Committee, and Regional Council for approval.

If any of these three organizations do not recommend approval, then a vote of 17 members of the Transportation Policy Committee is needed to move the recommendation forward to the MAG Regional

Council. The Citizens Transportation Oversight Committee (CTOC), Native American Indian Communities, and local cities and towns may also provide comments to MAG within the same 30-day period.

Analysis and Information Related to Requests

The City of Mesa, MAG, and METRO staff have worked together to compile the following information related to the request:

1. ALCP Project removal analysis and project overviews
2. Major Amendment Process Schedule
3. Gilbert Rd. LRT project information and analysis
4. Gilbert Rd. LRT financial plan and analysis

Requested Action

Recommend approval to (1) remove federal Surface Transportation Program (STP) funds totaling \$153,366,043 (2011\$) from sixteen (16) Arterial Life Cycle Program (ALCP) projects and use the funding to reimburse costs associated with design, purchase of right-of-way, and construction of a 1.9 mile light rail transit (LRT) extension on Main Street, from Mesa Drive to Gilbert Road; (2) program federal STP funds to reimburse costs associated with the LRT Gilbert Road project which are contingent on federal funding revenue streams and subject to the ALCP financial program; and (3) consult with the State Transportation Board, the Maricopa County Board of Supervisors, the Regional Public Transportation Authority, the Indian Communities, the cities and towns in Maricopa County, and the Citizens Transportation Oversight Committee, as required by A.R.S. 28-6353, on the proposal to add a 1.9 LRT extension on Main Street, from Mesa Drive to Gilbert Road to the MAG Regional Transportation Plan 2010 Update and 2011-2015 MAG Transportation Improvement Program as appropriate, contingent on the finding of air quality conformity.

ATTACHMENT #1: Mesa Arterial Projects Proposed for Removal

RTP Project	Total amount of STP-MAG Funding (FY 2013 ALCP 2011\$)	Years of Funding	Reason For Removal
Baseline Rd.: Power Rd. to Ellsworth Rd.	\$ 8,935,601	2016	1) Project is substantially complete and remaining improvements will be completed by adjacent property developers
Baseline Rd.: Ellsworth Rd. to Meridian Rd.	\$ 9,361,106	2016, 2017	1) Project is substantially complete and remaining improvements will be completed by adjacent property developers
Country Club Dr./Brown Rd.: Intersection Improvements	\$ 4,029,722	2017-2019	3) Project is not needed in the planned time horizon due to a change in the rate and pattern of development
Crismon Rd.: Ray Rd. to Germann Rd.	\$ 12,326,562	2016-2018	1) Remaining improvements will be completed by adjacent property developers
Germann Rd.: Ellsworth Rd. to Signal Butte Rd.	\$ 12,795,322	2016-2019	1) Remaining improvements will be completed by adjacent property developers
Guadalupe Rd.: Power Rd. to Hawes Rd.	\$ 8,789,743	2021-2023	1) Project is substantially complete and remaining improvements will be completed by adjacent property developers
Guadalupe Rd.: Hawes Rd. to Crismon Rd.	\$ 8,921,370	2018-2019	1) Project is substantially complete and remaining improvements will be completed by adjacent property developers
Guadalupe Rd.: Crismon Rd. to Meridian Rd.	\$ 7,558,111	2018-2019	1) Project is substantially complete and remaining improvements will be completed by adjacent property developers
Higley Rd. Parkway: SR 202L to Brown Rd.	\$ 8,581,650	2020-2021	2) Project is not feasible due to concerns over neighborhood impacts
Higley Rd. Parkway: Brown Rd. to US 60	\$ 8,581,521	2021-2022	2) Project is not feasible due to concerns over neighborhood impacts
Higley Rd. Parkway: US 60 to SR-202L Grade Separations	\$ 22,490,292	2021-2024	2) Project is not feasible due to concerns over neighborhood impacts
McKellips Rd./Power Rd.: Intersection Improvements	\$ 3,393,384	2017-2019	1) Project is substantially complete and remaining improvements will be completed by adjacent property developers
McKellips Rd./Val Vista Dr.: Intersection Improvements	\$ 2,910,774	2016-2018	1) Project is substantially complete and remaining improvements will be completed by adjacent property developers
Meridian Rd.: Baseline Rd. to Ray Rd.	\$ 17,223,818	2017-2018	3) Project is not needed in the planned time horizon due to a change in the rate and pattern of development
Meridian Rd.: Ray Rd. to Germann Rd.	\$ 12,721,129	2019-2020	3) Project is not needed in the planned time horizon due to a change in the rate and pattern of development
Thomas Rd.: Gilbert Rd. to Val Vista Dr.	\$ 4,745,938	2020-2021	3) Project is not needed in the planned time horizon due to a change in the rate and pattern of development

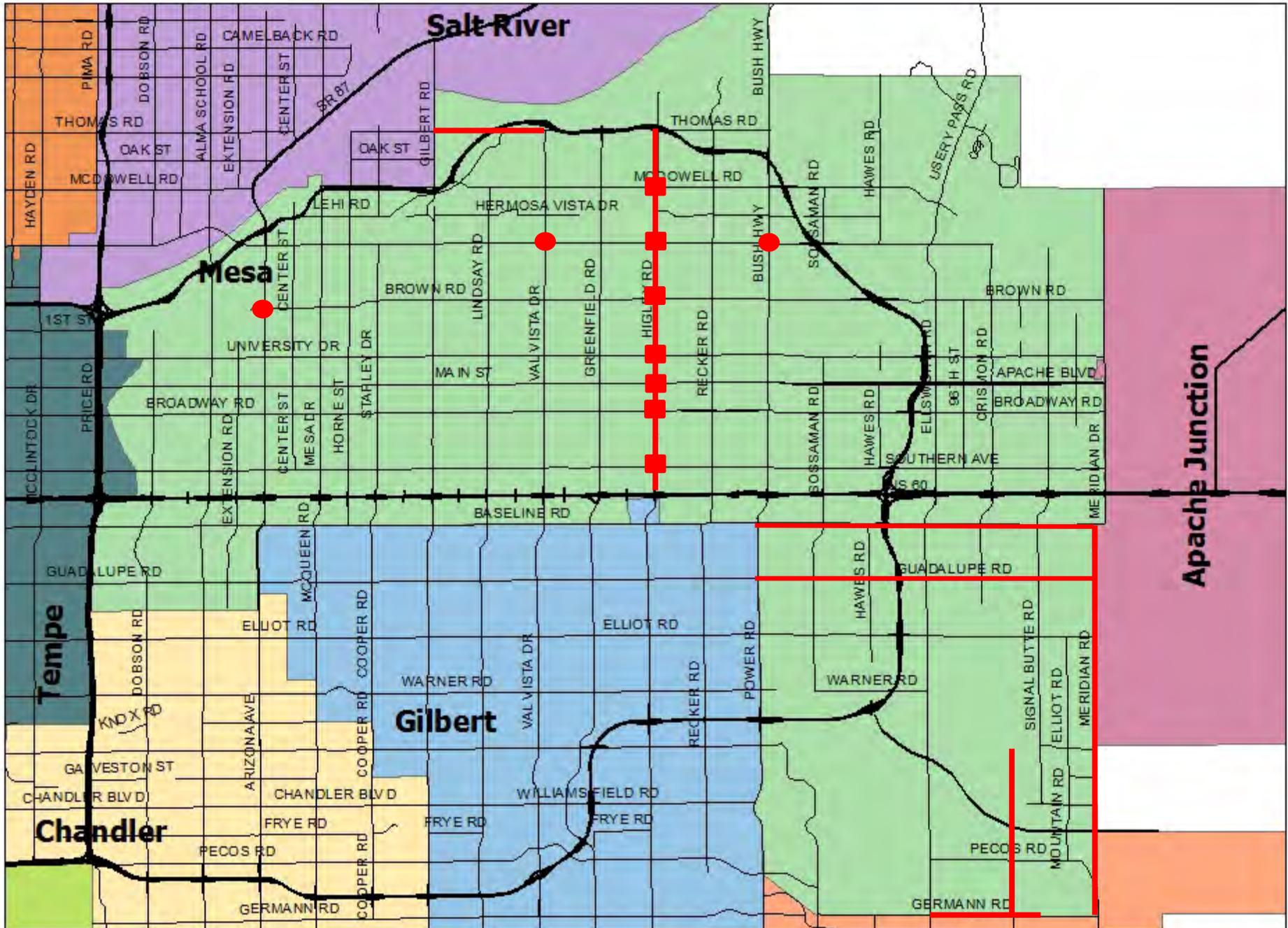
\$ 153,366,043

ATTACHMENT #1: (continued)

Years of STP-MAG Funding Availability

	2016	2017	2018	2019	2020	2021	2022	2023	2024	Total
STP-MAG Funding	\$ 18,764,931	\$ 17,988,020	\$ 24,475,939	\$ 27,492,547	\$ 19,298,987	\$ 14,210,771	\$ 20,682,022	\$ 6,334,126	\$ 4,118,698	\$ 153,366,042

Locations of Requested Removal of 16 Arterial Life Cycle Program Projects



ALCP Project Name: Baseline: Power Rd to Ellsworth

Original ALCP Scope: Baseline to be improved from 4 to 6 lanes. Power, Sossaman, Hawes and Ellsworth intersections will be improved to provide 3-thru lanes, exclusive right turn lanes, bike lanes, dual left turn lanes and if needed bus pullouts.

Lanes in 2004: 4

Lanes in 2012: 5 or 6

Work Completed Between 2004 - 2012: 6 lanes are existing on Baseline Road: Power Road to 1,400ft east of Superstition Springs Blvd. 5 lanes are existing from S 72nd Street to Sossaman Road. 6 lanes are existing on Baseline Road: Hawes Road to 400 ft. east of Loop 202.

Street improvements, as scoped in 2004, have mostly been done by developers.

Projected Improvements Post-2012: Improvements include 4 to 6 lane construction for a length of 4,240 ft. from Sossaman to Hawes Rds. and 1,800 ft. from 1,040 ft. east of Loop 202 to 2,920 ft. East of Loop 202. Improvements also include construction of 1 lane (5 to 6 lanes) at Baseline Road: S 72nd Street to Sossaman Road and Baseline Road: Hawes Road to 400 ft. east of Loop 202. Estimated date 2025.

Reason for Removal: Project is substantially complete, and any remaining improvements are to be done by adjacent property developers with future development.

ALCP Funding: \$8,935,601

After Improvements - Existing in 2012



Legend

- 4 Lanes
- 5 Lanes
- 6 Lanes

Original Project Scope - Defined in 2004



**Baseline Rd:
Power Rd to Ellsworth Rd**



City of Mesa
Transportation Department
Revised: August 2012

ALCP Project Name: Baseline: Ellsworth to Meridian Rd.

Original ALCP Scope: Baseline to be improved from 4 to 6 lanes. Crismon, Signal Butte, and Meridian intersections will be improved to provide 3-thru lanes, exclusive right turn lanes, bike lanes, dual left turn lanes and if needed bus pullouts.

Lanes in 2004: 4

Lanes in 2012: 5

Work Completed Between 2004 - 2012: 4 to 5 lanes have been constructed from Ellsworth to 2,375 feet east of Ellsworth, Crismon to 810 feet east of Crismon and from 1,240 east of Signal Butte to 2,060 feet east of Springwood Boulevard. All segments between these have been fully improved to 6 lanes

Street improvements, as scoped in 2004, have mostly been done by developers.

Projected Improvements Post-2012: 5 to 6 lanes will be constructed from Ellsworth to 2,375 feet east of Ellsworth, Crismon to 810 feet east of Crismon and from 1,240 east of Signal Butte to 2,060 feet east of Springwood Boulevard. From 2,060 feet east of Springwood Boulevard to Meridian Road (1,670 feet) a 3 lane roadway (3 to 6 lane road) will need to be constructed. Estimated date 2025.

Reason for Removal: Project is substantially complete, and any remaining improvements are to be done by adjacent property developers with future development.

ALCP Funding: \$9,361,106

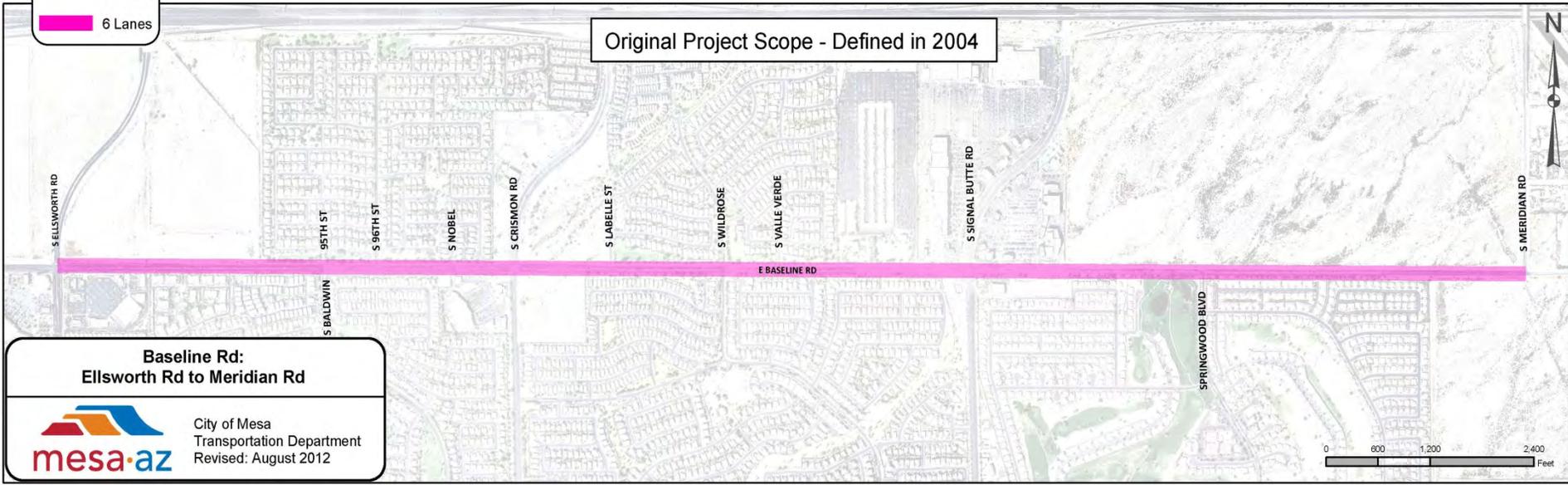
After Improvements - Existing in 2012



Legend

- 4 Lanes
- 5 Lanes
- 6 Lanes

Original Project Scope - Defined in 2004



**Baseline Rd:
Ellsworth Rd to Meridian Rd**



City of Mesa
Transportation Department
Revised: August 2012

ALCP Project Name: Country Club @ Brown: Intersection Improvement

Original ALCP Scope: Country Club Dr/Brown Road intersection will be improved to provide 3-thru lanes, exclusive right turn lanes, bike lanes, dual left turn lanes and if needed bus pullouts in each direction.

Lanes in 2004: 4

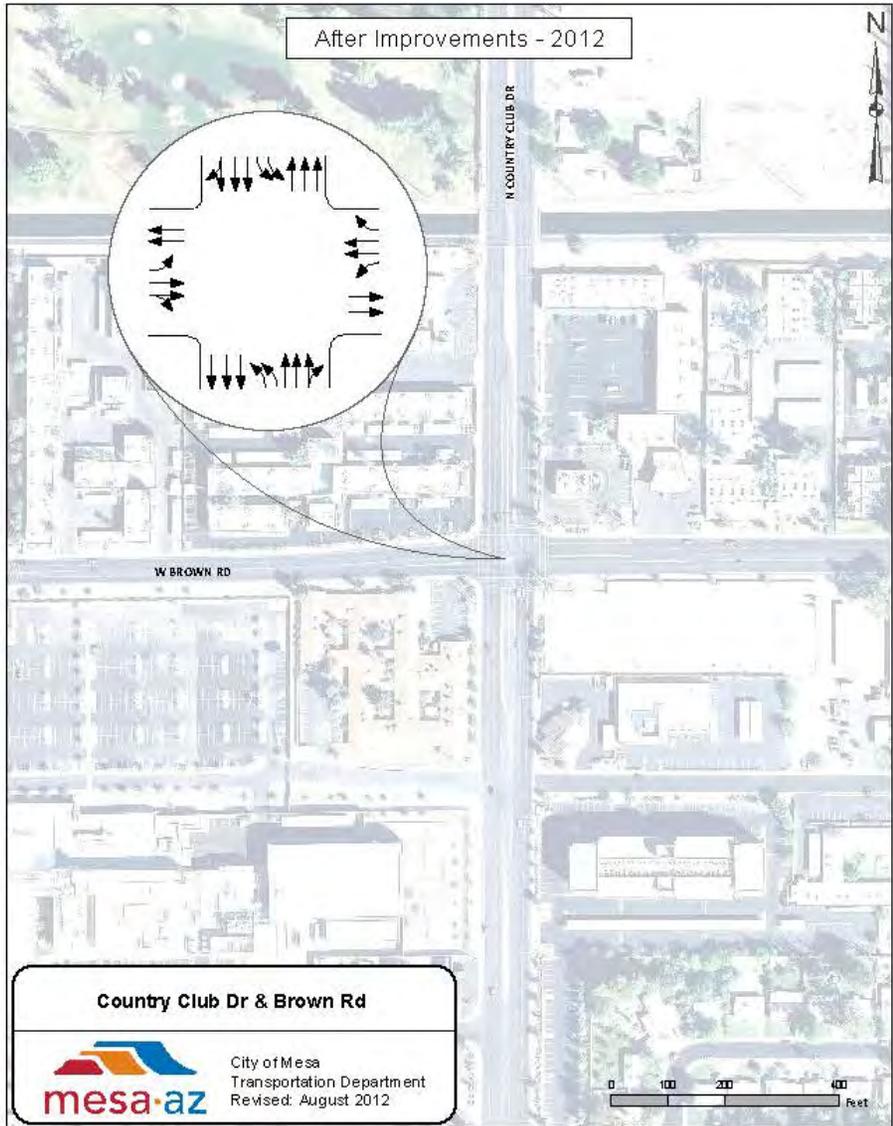
Lanes in 2012: 6

Work Completed Between 2004 - 2012: Currently, Country Club is a 6 lane roadway and Brown Road is a four lane roadway. The MAG 2031 24 hour volumes (run September 14, 2011) has modeled this intersection with the current configuration (no improvements to intersection or widening of roads). The results of this MAG run are volumes on Brown eastbound up to 2000. No improvements to the intersection are needed in light of this result.

Projected Improvements Post-2012: None. Project is not needed in the planned timeframe due to a change in the rate and pattern of development. The revised MAG traffic volume forecast (2031) does not justify the improvements.

ALCP Funding: \$4,029,722

After Improvements - 2012

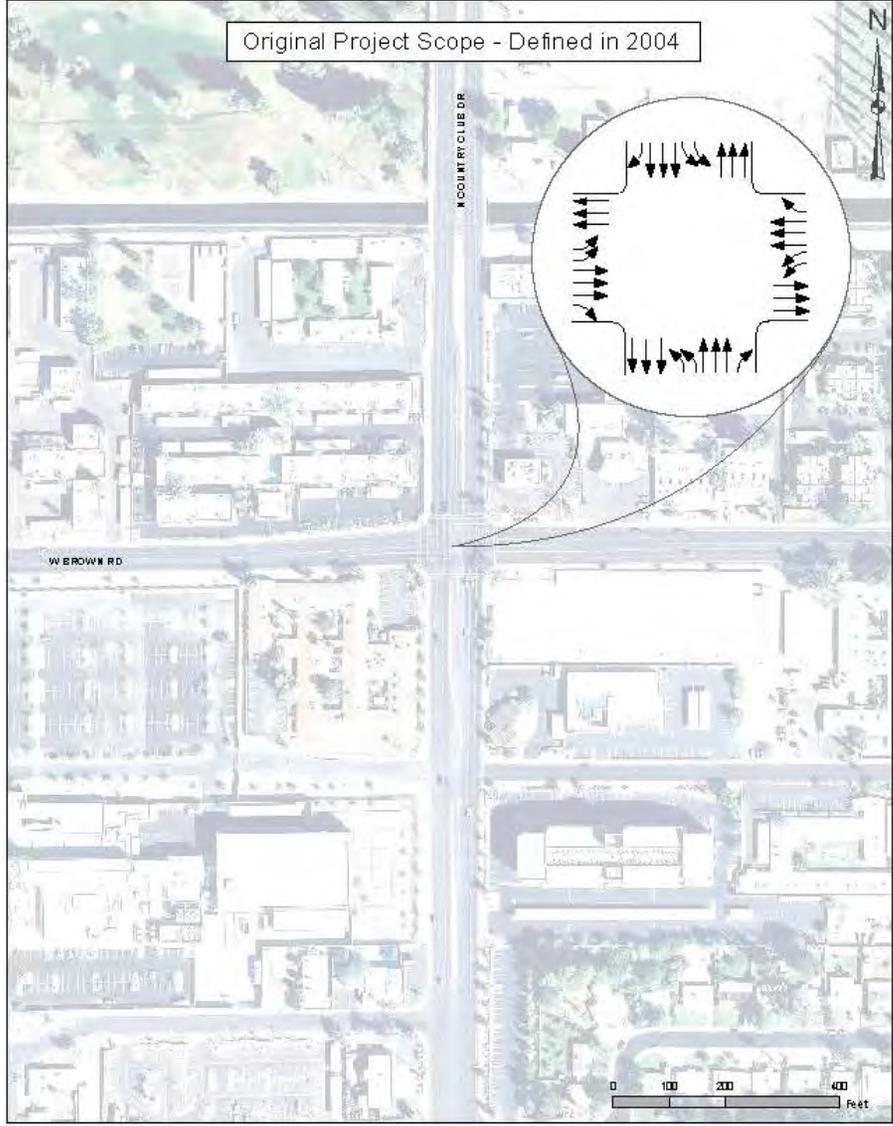


Country Club Dr & Brown Rd



City of Mesa
Transportation Department
Revised: August 2012

Original Project Scope - Defined in 2004



ALCP Project Name: Crismon Rd: Ray Rd to Germann Rd

Original ALCP Scope: Crismon has been identified in the 2025 Transportation Plan as a 6 lane Road.

Lanes in 2004: 0

Lanes in 2012: 0

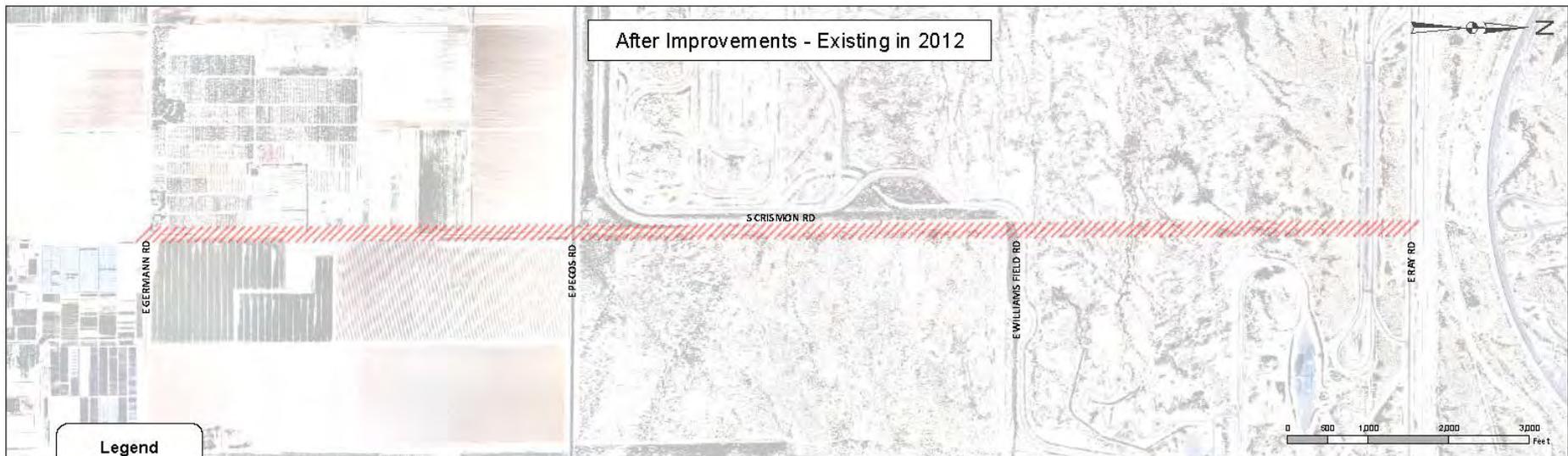
Work Completed Between 2004 - 2012: None.

Projected Improvements Post-2012: Crismon: Ray to Williams Field is part of an approved development as a 4 lane roadway to be built by the private developer. Crismon from Williams Field to Germann is planned to be built as a 6 lane roadway by private development. Estimated date 2020.

Improvements, as scoped in 2004, will be done by developers.

Reason for Removal: Remaining improvements are to be done by adjacent property developers with future development.

ALCP Funding: \$12,326,562



Legend

- 6 Lanes
- No Road



**Crismon Rd:
Germann Rd to Ray Rd**



City of Mesa
Transportation Department
Revised: August 2012

ALCP Project Name: Germann Rd: Ellsworth to Signal Butte

Original ALCP Scope: Germann has been identified as a 6 lane roadway. Ellsworth, Crismon and Signal Butte intersections will be improved to provide 3-thru lanes, exclusive right turn lanes, bike lanes, dual left turn lanes and if needed bus pullouts in all directions.

Lanes in 2004: 2

Lanes in 2012: 2

Work Completed Between 2004 - 2012: From 300 feet east of Ellsworth to Signal Butte, Germann is a 2 lane roadway.

Projected Improvements Post-2012: From 300 feet east of Ellsworth to Signal Butte, Germann will be developed to a 6 lane roadway by private development. Estimated date 2030.

Improvements, as scoped in 2004, will be done by developers.

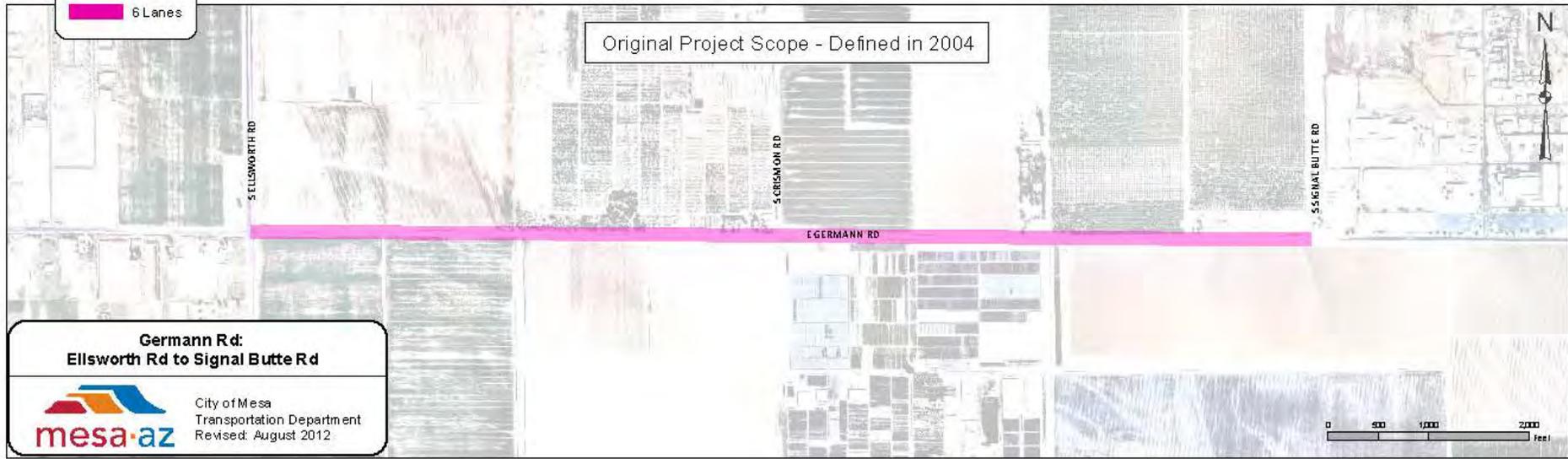
Reason for Removal: Remaining improvements are to be done by adjacent property developers with future development.

ALCP Funding: \$12,795,322



Legend

- 2 Lanes
- 6 Lanes



**Germann Rd:
Ellsworth Rd to Signal Butte Rd**



City of Mesa
Transportation Department
Revised: August 2012

ALCP Project Name: Guadalupe: Power to Hawes

Original ALCP Scope: Guadalupe Road to be improved from 4 to 6 lanes. Power, Sossaman, and Hawes intersections will be improved to provide 3-thru lanes, exclusive right turn lanes, bike lanes, dual left turn lanes and if needed bus pullouts in all directions.

Lanes in 2004: 4

Lanes in 2012: 5 or 6

Work Completed Between 2004 - 2012: Guadalupe from Sossaman to Hawes has been fully improved to a 6 lane roadway. Guadalupe from Power to 1,500 feet east of Power the roadway was improved to a 5 lane roadway.

Improvements, as scoped in 2004, have mostly been done by developers.

Projected Improvements Post-2012: On Guadalupe from Power to 1,500 feet east of Power 1 lane with sidewalk will be constructed. From 1,500 feet east of Power to Sossaman 2 lanes plus sidewalk (4 to 6 lane roadway) will be constructed. Estimated date 2030.

Any remaining improvements are to be done with future development.

Reason for Removal: Project is substantially complete, and any remaining improvements are to be done by adjacent property developers with future development.

ALCP Funding: \$8,789,743

After Improvements - Existing in 2012



Legend

- 4 Lanes
- 5 Lanes
- 6 Lanes

Original Project Scope - Defined in 2004



**Guadalupe Rd:
Power Rd to Hawes Rd**



City of Mesa
Transportation Department
Revised: August 2012

ALCP Project Name: Guadalupe: Hawes to Crismon

Original ALCP Scope: Guadalupe Road to be improved from 4 to 6 lanes. Crismon and Ellsworth intersections will be improved to provide 3-thru lanes, exclusive right turn lanes, bike lanes, dual left turn lanes and if needed bus pullouts in each direction.

Lanes in 2004: 4

Lanes in 2012: 4 or 6

Work Completed Between 2004 - 2012: Guadalupe Road from Joslyn Avenue to Crismon is fully improved to 6 lane roadway. Guadalupe Road from Joslyn Avenue to Hawes is a 4 lane roadway.

Improvements, as scoped in 2004, have mostly been done by developers.

Projected Improvements Post-2012: Guadalupe Road from Joslyn Avenue to Hawes is to be improved to a 6 lane roadway by constructing 2 lanes including sidewalks. Estimated date 2018.

Any remaining improvements are to be done with future development.

Reason for Removal: Project is substantially complete, and any remaining improvements are to be done by adjacent property developers with future development.

ALCP Funding: \$8,921,370

After Improvements - Existing in 2012



Legend

- 4 Lanes
- 5 Lanes
- 6 Lanes

Original Project Scope - Defined in 2004



**Guadalupe Rd:
Hawes Rd to Crismon Rd**



City of Mesa
Transportation Department
Revised: August 2012

ALCP Project Name: Guadalupe: Crismon to Meridian

Original ALCP Scope: Guadalupe Road to be improved to 6 lanes. Signal Butte and Meridian intersections will be improved to provide 3-thru lanes, exclusive right turn lanes, bike lanes, dual left turn lanes and if needed bus pullouts in each direction.

Lanes in 2004: 2

Lanes in 2012: 2 or 6

Work Completed Between 2004 - 2012: Guadalupe from Crismon Road to Signal Butte Road is a 2 lane roadway. Undeveloped State land is located on the north side of Guadalupe. From Signal Butte to Wattlewood Guadalupe is a 6 lane roadway.

Improvements, as scoped in 2004, have mostly been done by developers.

Projected Improvements Post-2012: Guadalupe from Crismon Road to Signal Butte Road will be improved from 2 to 6 lanes with private development. From Wattlewood to Meridian, Guadalupe will be constructed to 6 lanes by private development. This is not foreseen in near future. Estimated date 2035.

Any remaining improvements are to be done with future development.

Reason for Removal: Project is substantially complete, and any remaining improvements are to be done by adjacent property developers with future development.

ALCP Funding: \$7,558,111



After Improvements - Existing in 2012

Legend

- 2 Lanes
- 6 Lanes



Original Project Scope - Defined in 2012

**Guadalupe Rd:
Crismon Rd to Meridian Rd**



City of Mesa
Transportation Department
Revised: August 2012

ALCP Project Name: Higley Rd Parkway: SR202L to Brown Rd

Original ALCP Scope: Higley Road to be a 6 lane roadway

Lanes in 2004: 4

Lanes in 2012: 5 or 6

Work Completed Between 2004 - 2012: Higley Road from Loop 202 to McKellips is a 6 lane roadway missing sidewalks. Higley Road: McKellips to Indigo is a fully improved 6 lane. From Indigo Street to Brown 4 to 5 lanes roadway is existing.

Projected Improvements Post-2012: The impacts to the neighborhood are too severe. The City would have to potentially condemn nearby homes. The community has already expressed opposition to this. The impacts on businesses would also be severe as the City would have to potentially condemn some of their property or impact negatively their driveways or access.

Reason for Removal: Further improvements are not feasible, and the impacts to neighborhoods are too severe.

ALCP Funding: \$8,581,650



**Higley Rd:
Brown Rd to SR 202L**



City of Mesa
Transportation Department
Revised: August 2012

ALCP Project Name: Higley Rd Parkway: Brown Rd to US 60

Original ALCP Scope: Higley Road to be a 6 lane roadway

Lanes in 2004: 4

Lanes in 2012: 4

Work Completed Between 2004 - 2012: Higley Road from Loop 202 to McKellips is a 6 lane roadway missing sidewalks. Higley Road: McKellips to Indigo is a fully improved 6 lane. From Indigo Street to Brown 4 to 5 lanes roadway is existing.

Projected Improvements Post-2012: The impacts to the neighborhood are too severe. The City would have to potentially condemn nearby homes. The community has already expressed opposition to this. The impacts on businesses would also be severe as the City would have to potentially condemn some of their property or impact negatively their driveways or access.

Reason for Removal: Further improvements are not feasible, and the impacts to neighborhoods are too severe.

ALCP Funding: \$8,581,521



**Higley Rd:
US 60 to Brown Rd**



City of Mesa
Transportation Department
Revised: August 2012

ALCP Project Name: Higley Rd Parkway: SR202L to US 60 Grade Separations

Original ALCP Scope: Higley Road to be a 6 lane roadway and grade separated intersections to be completed.

Lanes in 2004: 4

Lanes in 2012: 4, 5 or 6

Work Completed Between 2004 - 2012: None.

Projected Improvements Post-2012: The impacts on businesses would be severe as the City would have to potentially condemn some of their property or impact negatively their driveways or access.

Reason for Removal: Further improvements are not feasible, and the impacts to neighborhoods are too severe.

ALCP Funding: \$22,490,292



Higley Rd:
SR 202L to US 60



City of Mesa
Transportation Department
Revised: August 2012

ALCP Project Name: McKellips @ Power Rd: Intersection Improvement

Original ALCP Scope: McKellips/Power intersection will be improved to provide 3-thru lanes, exclusive right turn lanes, bike lanes, dual left turn lanes and if needed bus pullouts in each direction.

Lanes in 2004: 4

Lanes in 2012: 6

Work Completed Between 2004 - 2012: The north, south, and east legs of the intersection have been fully improved, and provide 3 thru lanes, 2 left turn lanes and 1 right turn lane in each direction. The west leg has 2 through lanes and 2 left turn lanes.

Improvements, as scoped in 2004, have mostly been done by developers.

Projected Improvements Post-2012: Construct 1,193 feet of additional through lane plus a right turn lane on the west leg, to be done by private development. Northbound bus pullout may be needed in future. Estimated date 2025.

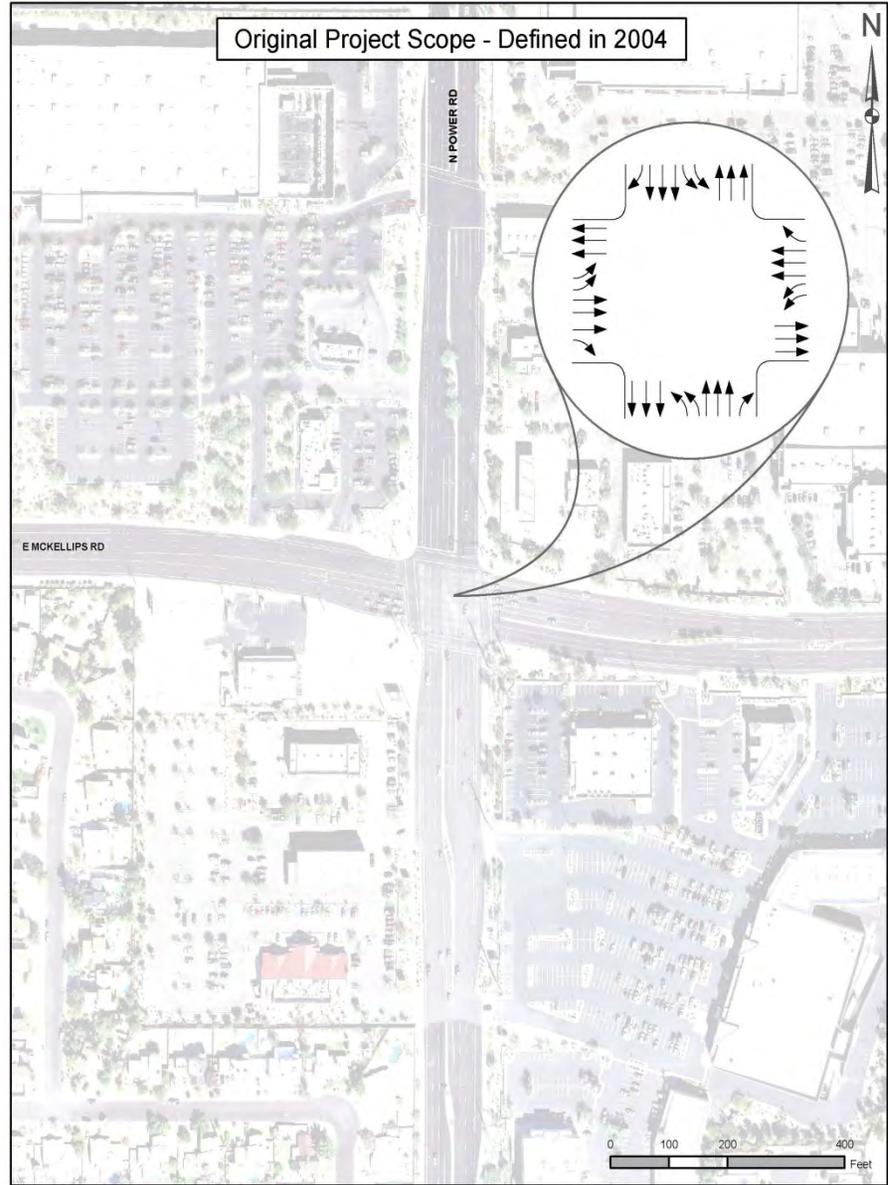
Reason for Removal: Project is substantially complete, and any remaining improvements are to be done by adjacent property developers with future development.

ALCP Funding: \$3,393,384

After Improvements - Existing in 2012



Original Project Scope - Defined in 2004



ALCP Project Name: McKellips @ Val Vista Dr: Intersection Improvement

Original ALCP Scope: McKellips/Val Vista intersection will be improved to provide 3-thru lanes, exclusive right turn lanes, bike lanes, dual left turn lanes and if needed bus pullouts in each direction.

Lanes in 2004: 4

Lanes in 2012: 6

Work Completed Between 2004 - 2012: The north leg is fully improved for 6 through lanes, 1 right turn lane and 1 left turn lane; the west leg is fully improved for 6 through lanes, 2 left turn lanes, and 1 right turn lane; the south leg is fully improved for 6 through lanes and 2 left turn lanes, and the east leg has 4 through lanes and 1 left turn lane.

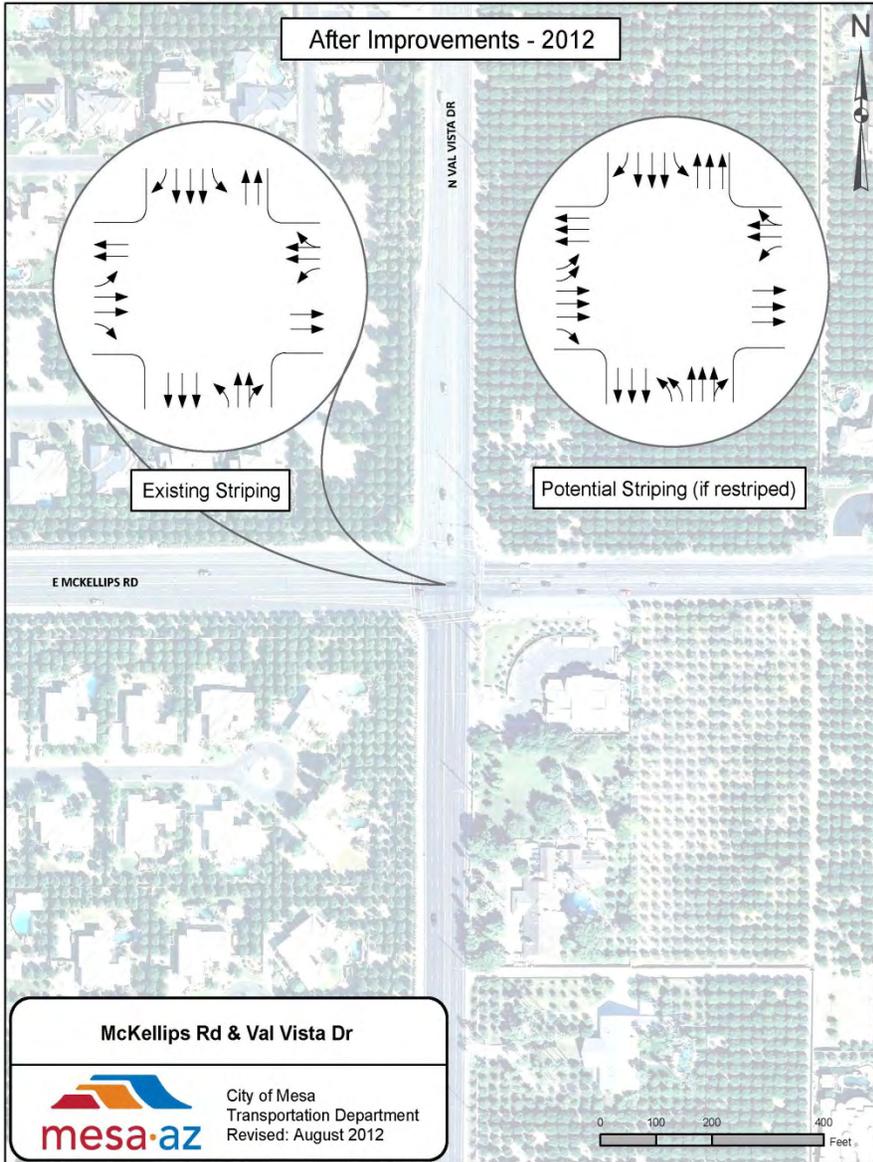
Improvements, as scoped in 2004, have mostly been done by developers.

Projected Improvements Post-2012: The east leg is to be improved with 1 additional through lanes, 1 additional right turn lane and 1 additional left turn lane to be done by private development. Estimated date 2025.

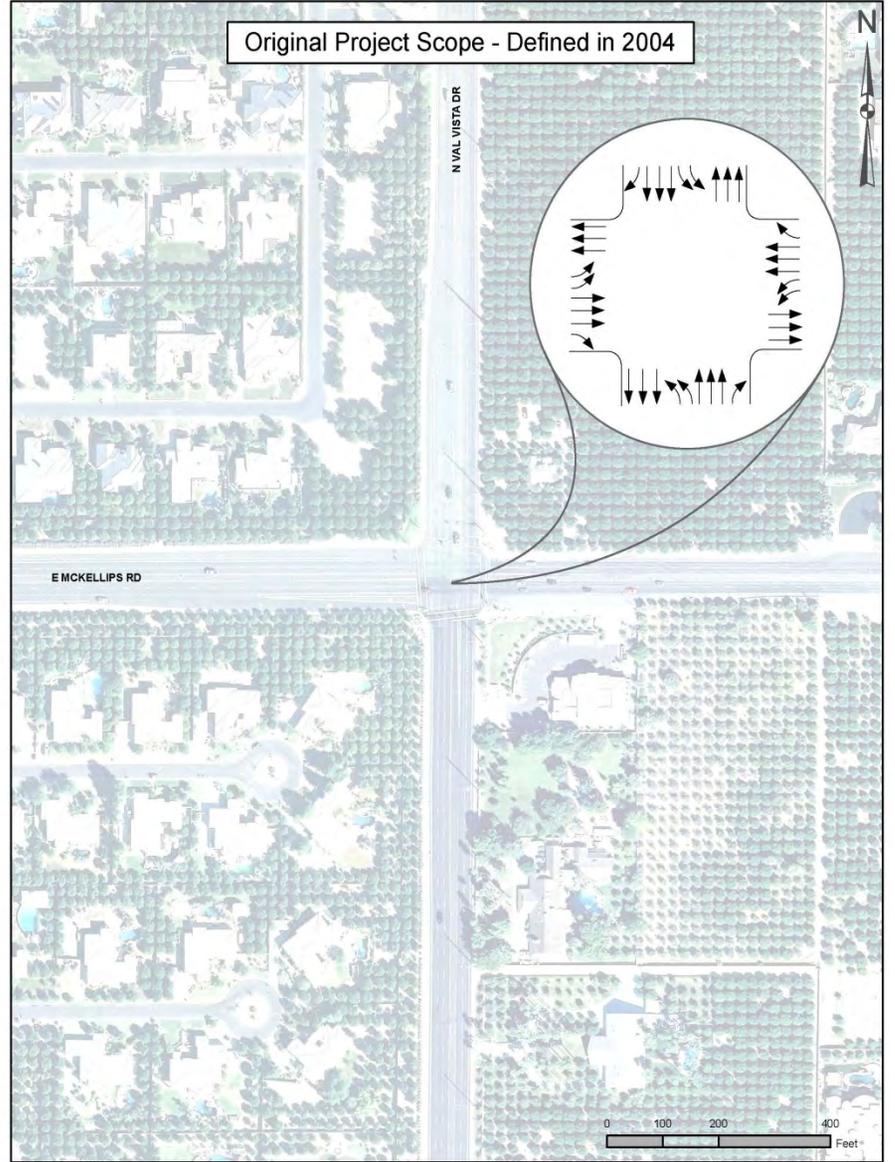
Reason for Removal: Project is substantially complete, and any remaining improvements are to be done by adjacent property developers with future development.

ALCP Funding: \$2,910,774

After Improvements - 2012



Original Project Scope - Defined in 2004



ALCP Project Name: Meridian Rd: Baseline to Ray

Original ALCP Scope: Meridian Rd to be a 6 lane roadway.

Lanes in 2004: 0

Lanes in 2012: 2

Work Completed Between 2004 - 2012: Meridian from Paloma to Warner and Warner to Starfire is a 2 lane roadway. Meridian from Baseline to Paloma and Starfire to Ray will need to be constructed to a new 6 lane roadway.

Projected Improvements Post-2012: The road is at the edge of the City of Mesa and does not lie within Mesa City limits. Mesa's interests in improving these streets are minor. Meridian is being planned as a 6 lane roadway by other jurisdictions.

Reason for Removal: Project is not needed in the planned time horizon due to a change in the rate and pattern of development.

ALCP Funding: \$17,223,818



**Meridian Rd:
Ray Rd to Baseline Rd**



City of Mesa
Transportation Department
Revised: August 2012

ALCP Project Name: Meridian Rd: Ray to Germann

Original ALCP Scope: Meridian Rd to be a 6 lane roadway.

Lanes in 2004: 0

Lanes in 2012: 0

Work Completed Between 2004 - 2012: None.

Projected Improvements Post-2012: The road is at the edge of the City of Mesa and does not lie within Mesa City limits. Mesa's interests in improving these streets are minor. Meridian is being planned as a 6 lane roadway by other jurisdictions.

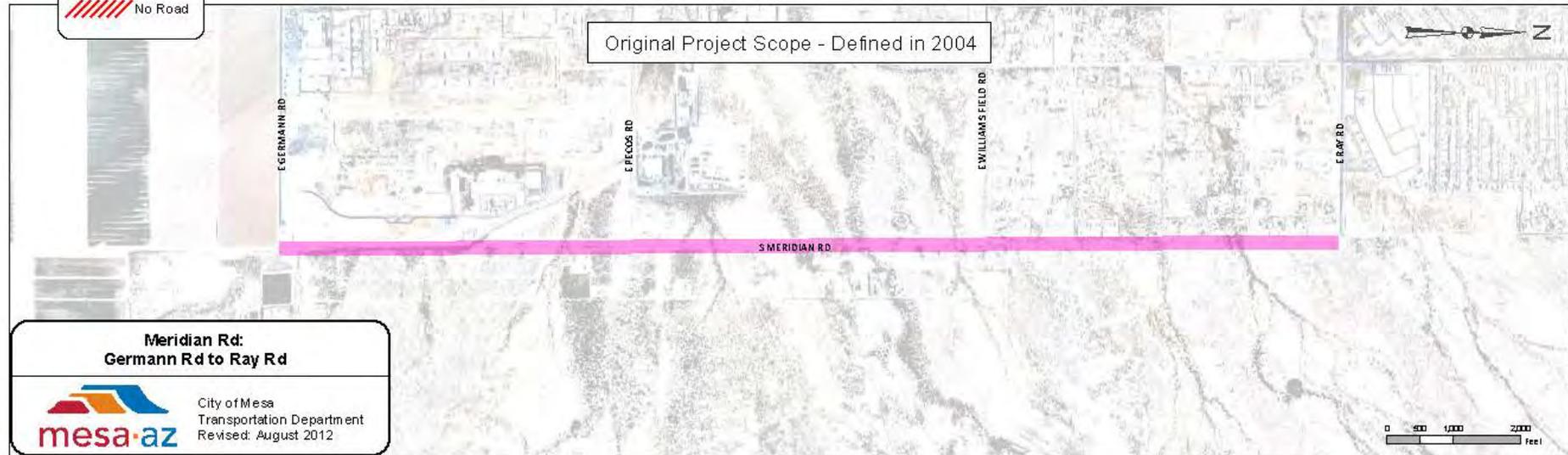
Reason for Removal: Project is not needed in the planned time horizon due to a change in the rate and pattern of development.

ALCP Funding: \$12,721,129



Legend

- 6 Lanes
- No Road



**Meridian Rd:
Germann Rd to Ray Rd**



City of Mesa
Transportation Department
Revised: August 2012

ALCP Project Name: Thomas Rd: Gilbert to Val Vista

Original ALCP Scope: Meridian Rd to be a 4 lane roadway.

Lanes in 2004: 0

Lanes in 2012: 2

Work Completed Between 2004 - 2012: Thomas Rd from Lehi to Val Vista was developer constructed (Lehi Crossing Subdivision) as a 2 lane roadway. Thomas from Lehi to Gilbert is currently a dirt path that provides access to farm land and a mining operation.

Projected Improvements Post-2012: The anticipated traffic volume do not justify the expense, given that there alternative routes available. Low traffic volumes make it a very low priority. Project is not needed in the planned time horizon due to a change in the rate and pattern of development.

ALCP Funding: \$4,745,938

After Improvements - Existing in 2012



Legend

- 2 Lanes
- 4 Lanes
- No Road

Original Project Scope - Defined in 2004



**Thomas Rd:
Gilbert Rd to Val Vista Dr**



City of Mesa
Transportation Department
Revised: August 2012

ATTACHMENT #2 - Schedule for Major Amendment Process

Policy Approval & Major Amendment		
Committee	Date	Action
MAG Transportation Policy Committee	October 17, 2012	Recommend approval to remove federal Surface Transportation Program (STP) funds from sixteen (16) Arterial Life Cycle Program (ALCP) projects and use the funding to design, purchase right of way, and construct a 1.9 mile light rail transit (LRT) extension on Main Street, from Mesa Drive to Gilbert Road.
MAG Regional Council	October 24, 2012	Recommend approval to remove federal Surface Transportation Program (STP) funds from sixteen (16) Arterial Life Cycle Program (ALCP) projects and use the funding to design, purchase right of way, and construct a 1.9 mile light rail transit (LRT) extension on Main Street, from Mesa Drive to Gilbert Road.

Major Amendment		
Committee	Date	Action
RPTA	November 15, 2012	Recommend approval/concur with proposed major amendment to add a 1.9 Light Rail Transit extension on Main St., from Mesa Dr. to Gilbert Rd. to the MAG Regional Transportation Plan 2010 Update.
State Transportation Board	November 16, 2012	Recommend approval/concur with proposed major amendment to add a 1.9 Light Rail Transit extension on Main St., from Mesa Dr. to Gilbert Rd. to the MAG Regional Transportation Plan 2010 Update.
Maricopa County Board of Supervisors	October 31, 2012 or November 14, 2012	Recommend approval/concur with proposed major amendment to add a 1.9 Light Rail Transit extension on Main St., from Mesa Dr. to Gilbert Rd. to the MAG Regional Transportation Plan 2010 Update.
MAG Member Agencies (Indian Communities, cities, towns) and CTOC	30 Days	Comments on proposed major amendment to add a 1.9 Light Rail Transit extension on Main St., from Mesa Dr. to Gilbert Rd. to the MAG Regional Transportation Plan 2010 Update.
MAG Transportation Review Committee	December 13, 2012	Recommend approval of the proposed major amendment to the Regional Transportation Plan (RTP) and that the RTP and other transportation programs be amended subject to the necessary air quality conformity analysis.
MAG Management Committee	January 9, 2013	Recommend approval of the proposed major amendment to the Regional Transportation Plan (RTP) and that the RTP and other transportation programs be amended subject to the necessary air quality conformity analysis.

MAG Transportation Policy Committee	January 16, 2013	Recommend approval of the proposed major amendment to the Regional Transportation Plan (RTP) and that the RTP and other transportation programs be amended subject to the necessary air quality conformity analysis.
Major Amendment (continued)		
Committee	Date	Action
MAG Regional Council	January 23, 2013	Recommend approval of the proposed major amendment to the Regional Transportation Plan (RTP) and that the RTP and other transportation programs be amended subject to the necessary air quality conformity analysis.

TIP/RTP/ALCP New Finding of Conformity and Amendment Approval		
Committee	Date	Action
30-Day Public Review/Notice	January 24, 2013	30 Day (prior to Regional Council)
MAG Transportation Review Committee	January 24 or 31, 2013	Recommend approval of TIP, RTP, and ALCP Amendments
MAG Management Committee	February 13, 2012	Recommend approval of TIP, RTP, and ALCP Amendments and New Finding of Conformity
MAG Transportation Policy Committee	February 20, 2012	Recommend approval of TIP, RTP, and ALCP Amendments
MAG Regional Council	February 27, 2012	Approval of TIP, RTP, and ALCP Amendments and New Finding of Conformity

Information Summary

ATTACHMENT #3



DATE

September 25, 2012

SUBJECT

Gilbert Road Light Rail Transit Extension

PURPOSE

The purpose of this information summary is to provide background information related to the Gilbert Road Light Rail Transit Extension.

BACKGROUND/DISCUSSION/CONSIDERATION

In September 2009, the Maricopa Association of Governments (MAG) Regional Council approved a set of Alternatives Analysis recommendations, which included a locally preferred alternative (LPA) for a 3.1-mile LRT extension along Main Street from Sycamore to just east of Mesa Drive. Also as part of the Alternatives Analysis recommendations, MAG approved consideration of a 1.9-mile LRT extension on Main Street east to Gilbert Road as a future phase.

The extension to Gilbert Road was included in the Regional Transportation Plan (RTP) as an “illustrative” project, meaning the project will be considered in future regional planning efforts, but is unfunded at this time. This was recommended because of strong ridership demand along this segment, opportunities to optimize regional bus connections, and a preferred long-range site for an end-of-line park and ride near Gilbert Road given the travel patterns observed in the regional model.

The Gilbert Road Extension project would also help ensure the equitable distribution of transit services across the city, and support community economic growth initiatives for sustainable development. Investments in transportation infrastructure must produce travel improvements for both personal and economic reasons. An investment in light rail within the corridor will allow for easier and faster movement of people to reach additional desired destinations in Mesa and the central valley region. The need for the project is demonstrated in five areas:

- Accommodating the travel needs of a growing population
- Improving local and regional mobility, especially during peak travel times
- Providing a reliable transportation service and optimize regional transit network efficiency
- Linking Mesa and East Valley populations with regional employment centers and activity destinations
- Maximizing the economic development potential of the corridor

The project is bounded by University Drive to the north, Broadway Road to the south, Gilbert Road to the east, and Mesa Drive to the west (Figure 1).

Ridership

As part of the planning process for the Central Mesa Extension that would extend light rail service through downtown Mesa, ridership was forecast between the current end-of-line station at Sycamore and at various points east towards the Superstition Springs Mall. A series of travel forecast analyses were conducted to estimate potential ridership along Main Street. The findings of these analyses suggested that extension of light rail to Gilbert Road showed high demand and could yield an additional 4,000 daily riders in opening year (Figure 2).

Capital & Operating Costs

The total project capital cost is estimated at \$133 million in year of expenditure dollars. The capital cost estimate is a planning-level estimate, which includes uncertainty in project elements such as stations, right-of-way requirements, placement of underground utilities etc. Valley Metro will refine the cost estimates during the environmental and design phase of the study. Funding for this project would be obtained from federal Surface Transportation Program (STP) funds, with the local match provided by the City of Mesa. Annual operating expenses are estimated at \$3.2 million in 2012 dollars and will be paid from fares and City of Mesa funds. The project is scheduled to open in 2017 (Figure 3).

APPROVAL PROCESS

City of Mesa City Council, May 18, 2009
METRO Board of Directors, June 17, 2009
MAG Regional Council, September 30, 2009

RECOMMENDATION

For information only, no action is required.

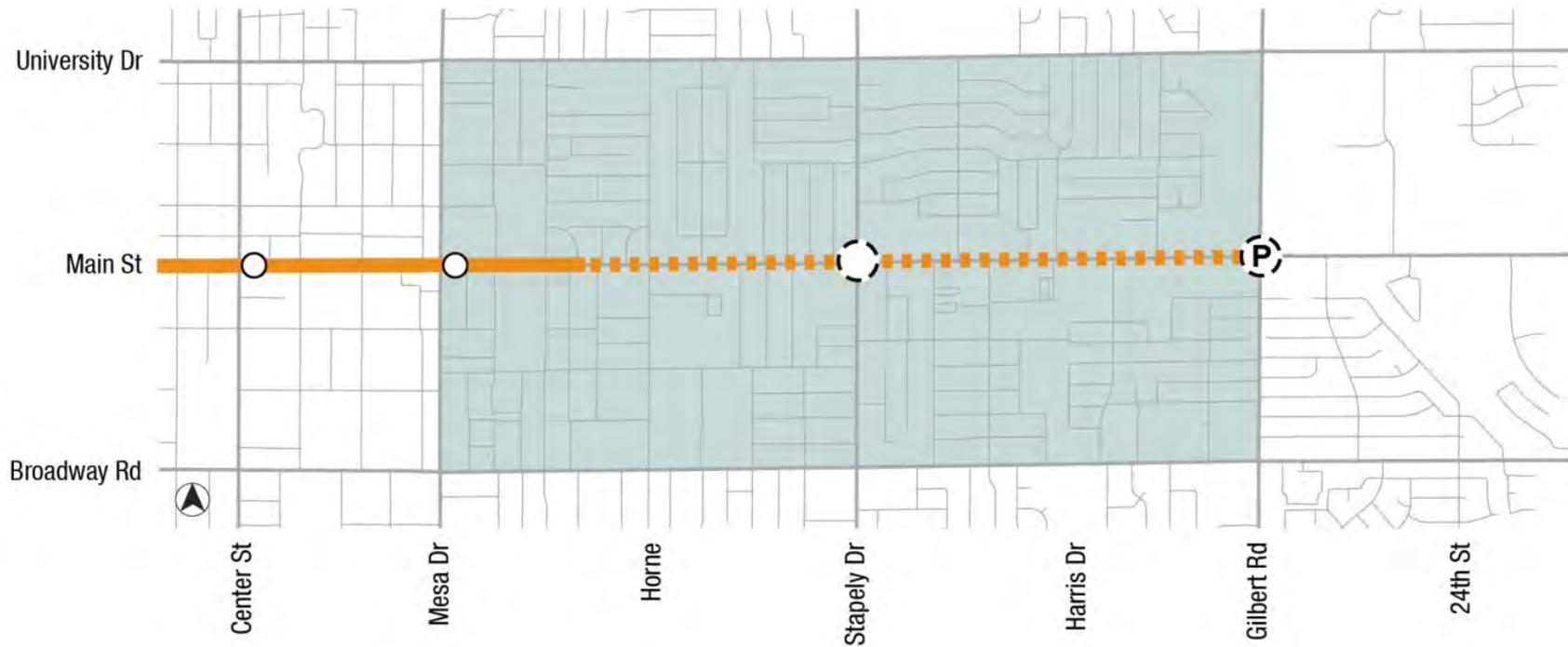
CONTACT

Wulf Grote
Director, Planning and Development
602-322-4420
wgrote@valleymetro.org

ATTACHMENTS

Financing Plan to Extend Light Rail to Gilbert Road in Mesa

FIGURE 1: GILBERT ROAD LRT EXTENSION AND STUDY AREA



LEGEND

- | | | |
|--------------------------------|------------------------|---------------------------|
| Central Mesa Extension | Gilbert Road Extension | Gilbert Road Study Area |
| Central Mesa Extension Station | Station Opportunity | Park-and-Ride Opportunity |

FIGURE 2: GILBERT ROAD LRT EXTENSION RIDERSHIP MARKET

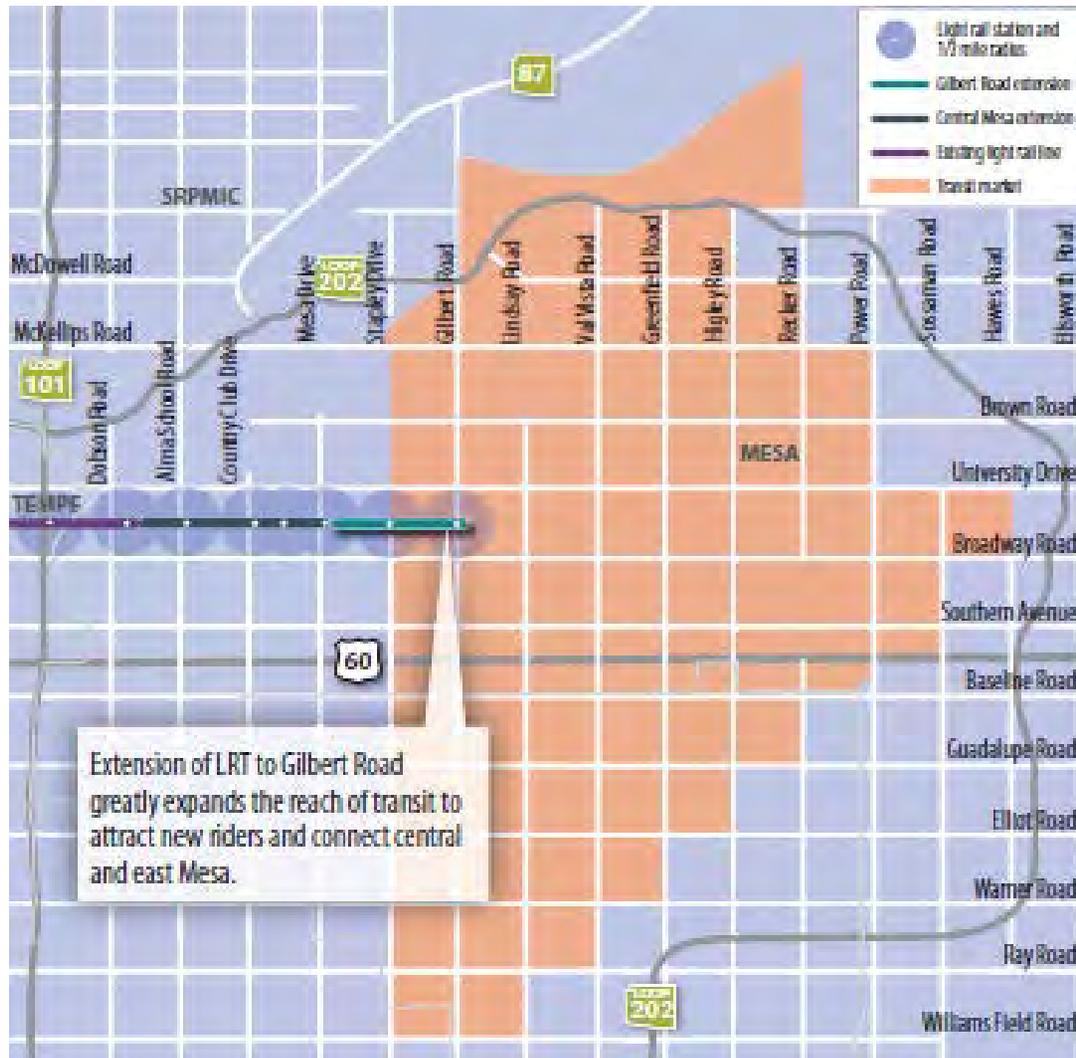
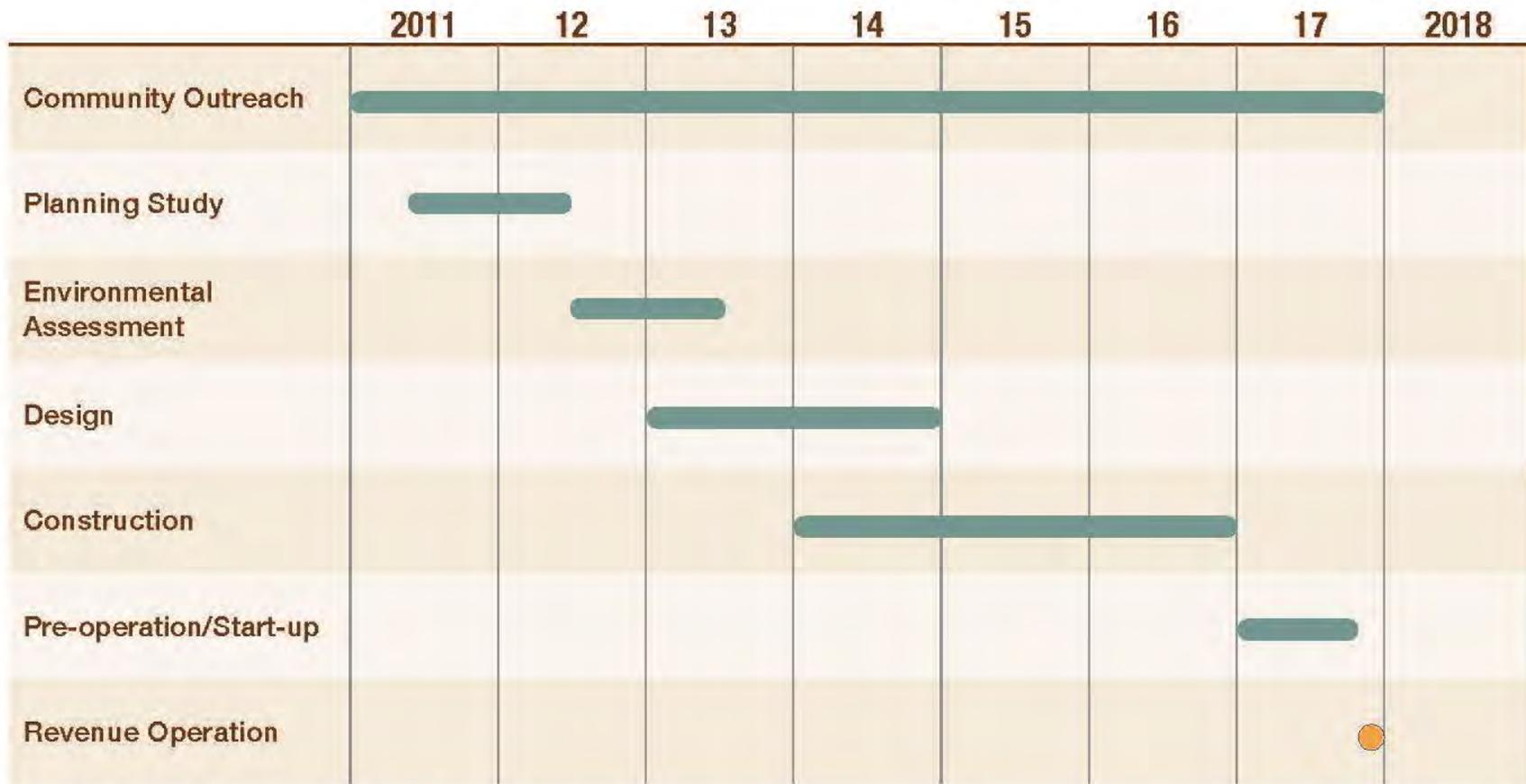


FIGURE 3: GILBERT ROAD LRT EXTENSION PRELIMINARY SCHEDULE



All dates reflect the year the activity is expected to begin.

ATTACHMENT #4

PROPOSED FINANCING TO EXTEND LIGHT RAIL TO GILBERT ROAD IN MESA

Subject: Financing Plan to Extend Light Rail to Gilbert Road in Mesa

Summary: Mesa has requested consideration of a proposal to advance the design, right-of-way acquisition and construction of a 1.9 mile extension of light rail transit (LRT) on Main Street, from Mesa Drive to Gilbert Road. Several planning studies have been conducted on this corridor including an Alternatives Analysis in 2009, which recommended the extension to Gilbert Road. Later that year, the MAG Regional Council adopted the Gilbert Road extension as an illustrative corridor to the MAG Regional Plan. In 2011, a planning study was completed to better define the proposed project and now an Environmental Assessment is underway with completion set for late 2013. Mesa is proposing to begin design and right-of-way acquisition in 2014 following the selection of a design-build contractor by METRO.

The underlying funding for this Project would come from federal Surface Transportation Program (STP) funds totaling \$153.4 million (2011\$) that are currently programmed for 16 Arterial Life Cycle Program (ALCP) projects in Mesa. Mesa is proposing to remove these funds from the ALCP and instead fund the LRT extension. The Mesa City Council established the extension of LRT to Gilbert Road as a Council priority and has determined that the extension is a better use of its limited transportation funds than the 16 ALCP projects. MAG staff also modeled regional travel demand without the ALCP projects proposed for deletion and found the impact on system performance to be minimal.

Since the funding for these ALCP projects does not align with the timing needed for light rail construction, Mesa is proposing to provide interim funding using Transportation Project Advancement Notes (TPANs). These notes would be repaid with federal STP funds as they become available in the program beginning in 2016. The TPAN financing would be secured by the City's excise tax and since Mesa would issue the notes, there would be no impact on the region's financing capacity. This financing is similar to the approach used to accelerate SR 24 by four years which saved the program roughly \$100 million by doing it earlier than planned.

The cost for this extension is currently estimated by METRO at \$112 million in year of expenditure dollars for design, right-of-way and construction. The Project cost also includes contingency funds of over 30% as required by the Federal Transit Administration. The interest expense for this financing is estimated to be about \$21 million for a total Project cost of about \$133 million. As indicated above, the repayment of the interim funding for the Project would come from STP funds totaling about \$153.4 million (2011\$). The additional STP funds being set aside (\$20 million) above the estimated Project cost could be used, if needed, as additional funds to repay the City's advance of interim funding or to fund light rail vehicles in the future if required by METRO policy at some future date.

Mesa understands and agrees that if the schedule for the Project is delayed due to higher program costs and/or lower program revenues, the reimbursement to Mesa would be delayed as other projects are also delayed.

MARICOPA ASSOCIATION OF GOVERNMENTS

INFORMATION SUMMARY... for your review

DATE:

October 9, 2012

SUBJECT:

2012 Annual Report on the Status of the Implementation of Proposition 400

SUMMARY:

Arizona Revised Statute 28-6354 requires that MAG issue an annual report on the status of projects funded by the half-cent sales tax authorized by Proposition 400. The 2012 Annual Report is the eight report in this series, covering progress through the fiscal year ending June 30, 2012, and reviewing the program outlook through June 30, 2026. State law also requires that MAG hold a public hearing on the report after it is issued. It is anticipated that a public hearing on the Draft 2012 Annual Report will be conducted in November 2012.

The Draft 2012 Annual Report on the Status of the Implementation of Proposition 400 addresses project status, project financing, changes to the MAG Regional Transportation Plan, and criteria used to develop priorities. In addition, background information is provided on the overall transportation planning, programming and financing process. All projects for the major transportation modes, as defined in the MAG Regional Transportation Plan, are being monitored, whether they specifically receive sales tax funding or not. The annual report process draws heavily on data from the Freeway/Highway, Arterial Street, and Transit Life Cycle Programs.

At the end of FY 2011, all three life cycle programs were dealing with reduced funding forecasts and an imbalance between costs and revenues. During FY 2012, MAG, ADOT and RPTA worked jointly on schedule and cost adjustments, resulting in rebalanced programs for each of the life cycle programs.

As required by State statutes, the Auditor General conducted a Performance Audit of the Maricopa County Regional Transportation Plan, which was released in report form on December 21, 2011. The audit found no substantial evidence to warrant drastic modifications to the transportation system or specific projects. In addition, the audit provided 27 recommendations aimed at more efficient and effective implementation of the RTP, as well as stronger accountability for the performance of the plan.

A Summary of Findings and Issues from the 2012 Annual Report has been enclosed and the full document is available on the MAG website. This item was presented to the MAG Management Committee on October 3, 2012, for information and discussion.

PUBLIC INPUT:

It is anticipated that a public hearing on the Draft 2012 Annual Report will be held in November 2012 at the MAG office.

PROS & CONS:

PROS: Preparation of the Annual Report on the Status of the Implementation of Proposition 400 is required by State law.

CONS: None.

TECHNICAL & POLICY IMPLICATIONS:

TECHNICAL: The information in the Annual Report represents a “snapshot” of the status of the Proposition 400 program. As new information becomes available, it will be incorporated into subsequent annual updates of the report.

POLICY: The annual report process represents a valuable tool to monitor the MAG Regional Transportation Plan and identify changing conditions that may require plan and program adjustments.

ACTION NEEDED:

Information and discussion.

PRIOR COMMITTEE ACTIONS:

MAG Management Committee: The Draft 2012 Annual Report was included on the MAG Management Committee agenda for October 3, 2012 for information and discussion.

MEMBERS ATTENDING

- | | |
|---|--|
| David Cavazos, Phoenix, Chair | Darryl Crossman, Litchfield Park |
| * Dr. Spencer Isom, El Mirage, Vice Chair | Christopher Brady, Mesa |
| # Matt Busby for George Hoffman,
Apache Junction | Jim Bacon, Paradise Valley |
| Charlie McClendon, Avondale | Carl Swenson, Peoria |
| # David Johnson for Stephen Cleveland,
Buckeye | # Wendy Kaserman for John Kross,
Queen Creek |
| # Gary Neiss, Carefree | * Bryan Meyers, Salt River Pima-Maricopa
Indian Community |
| * Usama Abujbarah, Cave Creek | Dan Worth, Scottsdale |
| Rich Dlugas, Chandler | Chris Hillman, Surprise |
| * Phil Dorchester, Fort McDowell Yavapai
Nation | Chad Heinrich for Charlie Meyer, Tempe |
| Ken Buchanan, Fountain Hills | # Chris Hagan for Reyes Medrano,
Tolleson |
| Rick Buss, Gila Bend | Joshua Wright, Wickenburg |
| * David White, Gila River Indian
Community | Lloyce Robinson, Youngtown |
| Nicole Dailey for Patrick Banger, Gilbert | Floyd Roehrich for John Halikowski,
ADOT |
| Terry Johnson for Horatio Skeete,
Glendale | John Hauskins for Tom Manos,
Maricopa County |
| Brian Dalke, Goodyear | John Farry for Steve Banta, Valley
Metro/RPTA |
| * Bill Hernandez, Guadalupe | |

* Those members neither present nor represented by proxy.
Participated by telephone conference call. + Participated by videoconference call.

CONTACT PERSON:

Roger Herzog, MAG, (602) 254-6300

DRAFT

2012 ANNUAL REPORT ON PROPOSITION 400

SUMMARY OF FINDINGS AND ISSUES

The *2012 Annual Report on the Status of the Implementation of Proposition 400* has been prepared by the Maricopa Association of Governments (MAG) in response to Arizona Revised Statute (ARS) 28-6354. ARS 28-6354 requires that MAG annually issue a report on the status of projects funded through Proposition 400, addressing project construction status, project financing, changes to the MAG Regional Transportation Plan, and criteria used to develop priorities. In addition, background information is provided on the overall transportation planning, programming and financing process. The key findings and issues from the 2012 Annual Report are summarized below.

MAG REGIONAL TRANSPORTATION PLAN

The MAG Regional Transportation Plan (RTP) provides the blueprint for the implementation of Proposition 400. By Arizona State law, the revenues from the half-cent sales tax for transportation must be used on projects and programs identified in the RTP adopted by MAG. The RTP identifies specific projects and revenue allocations by transportation mode, including freeways and other routes on the State Highway System, major arterial streets, and public transportation systems.

- During FY 2012, revenue deficits in the life cycle programs were addressed to re-establish cost/revenue balance in each of the major modal programs.

All three life cycle programs -- freeways, arterial and transit -- have been dealing with lower sales and other tax revenues and a high level of uncertainty about future Federal transportation funding. On September 21, 2011, the MAG Regional Council approved the rebalanced FY 2012 Arterial Life Cycle Program. On May 17, 2012, the Valley Metro RPTA and METRO Board of Directors approved a rebalanced 2012 Transit Life Cycle Program (TLCP) update. On May 23, 2012, the MAG Regional Council approved a rebalancing scenario for the Regional Freeway/Highway Life Cycle Program.

- The results of a performance audit of the Regional Transportation Plan conducted by an independent auditor under contract to the State Auditor General were released in report form.

On December 21, 2011, the *Performance Audit of the Maricopa County Regional Transportation Plan* was released by the State Auditor General.

The audit “found no substantial evidence to warrant drastic modifications to the transportation system or specific projects ... (and) ... the RTP Partners should continue to implement the current transportation system and strive to continually reassess system performance to make modifications as needed.” In addition, the audit provided 27 recommendations aimed at more efficient and effective implementation of the RTP, as well as stronger accountability for the performance of the plan.

On June 25, 2012, the Maricopa Association of Governments (MAG), the Arizona Department of Transportation (ADOT), the Regional Public Transportation Authority (RPTA), and METRO Rail provided a combined, detailed assessment of the efforts made to date in implementing the audit recommendations.

HALF-CENT SALES TAX AND OTHER TRANSPORTATION REVENUES

The half-cent sales tax for transportation approved through Proposition 400 is the major funding source for the MAG Regional Transportation Plan (RTP), providing over half the revenues for the Plan. In addition to the half-cent sales tax, there are a number of other RTP funding sources, which are primarily from State and Federal agencies.

- Fiscal Year 2012 receipts from the Proposition 400 half-cent sales tax were 4.8 percent higher than receipts in FY 2011.

The receipts from the Proposition 400 half-cent sales tax in FY 2012 totaled approximately \$323 million, corresponding to a 4.8 percent increase over FY 2011. With an increase in collections also occurring in FY 2011, this represents the second consecutive year of higher revenues. However, the collections for FY 2012 remain 17.3 percent lower than those in FY 2007.

- Forecasts of Proposition 400 half-cent revenues are 3.4 percent lower for the period FY 2013 through FY 2026, compared to the 2011 Annual Report estimate.

Future half-cent revenues for the period FY 2013 through FY 2026 are currently forecasted to total \$6.5 billion. This amount is \$232 million, or 3.4 percent, lower than the forecast for the same period presented in the 2011 Annual Report. The Proposition 400 half-cent revenue forecasts will be updated again in the fall of 2012

- Forecasts of total ADOT Funds dedicated to the MAG area for FY 2013 through FY 2026 are slightly higher (1.0 percent) than the 2011 Annual Report estimate.

The forecast for ADOT funds for FY 2013 through FY 2026 is \$46 million or 1.0 percent higher, compared to the forecast for the same period in the 2010 Annual Report. These revenues include Federal funds that correspond to the programs as structured in SAFETEA-LU. Federal funds forecasts will be updated in subsequent Annual Reports to correspond to the new Federal transportation legislation (MAP-21) signed into law by President Obama on July 6, 2012.

- Forecasts of total MAG Federal Transportation Funds for FY 2013 through FY 2026 are somewhat higher compared to the 2011 Annual Report estimate.

The forecasted MAG Federal aid revenues for the period FY 2013 through FY 2026 total \$3.7 billion. This forecast is approximately four percent higher than that in the 2011 Annual Report for the same period. This was due primarily to the level of Federal reimbursements projected for the LRT/High Capacity Transit program.

- Although new Federal transportation funding legislation has been approved, the long-term outlook for Federal funding remains uncertain.

On July 6, 2012, President Obama signed legislation known as the 'Moving Ahead for Progress in the 21st Century Act', or 'MAP-21'. This two-year transportation reauthorization bill provides federal funding of transportation programs through September 2014. Total annual funding provided by MAP-21 is generally comparable to that in the previous Federal legislation (SAFETEA-LU). However, since MAP-21 covers only a two-year period, future Federal funding levels will be subject to change within a relatively short time.

FREEWAY/HIGHWAY LIFE CYCLE PROGRAM

The Freeway/Highway Life Cycle Program (FLCP) extends through FY 2026 and is maintained by the Arizona Department of Transportation (ADOT) to implement freeway/highway projects listed in the MAG Regional Transportation Plan (RTP). The program utilizes funding from the Proposition 400 half-cent sales tax extension, as well as funding from state and Federal revenue sources.

- A number of major freeway/highway construction projects were completed, underway, or advertised for bids during FY 2012.

Completed

- Loop 101 (I-10 to Tatum Blvd.): New HOV lanes.
- SR143 (at Loop 202 Access Road): Interchange improvements.
- Loop 202/Santan (Gilbert Rd. to I-10): New HOV lanes. -
- MAG Region (Various Locations): Noise Walls.

Advertised for Bids or Under Construction

- SR 24 (Loop 101 to Ellsworth Rd.): Construct interim freeway.
 - SR 85 (at B-8/Maricopa Rd): Reconstruct intersection.
 - US 60 (Loop 101 to 71st Avenue): Roadway improvements.
 - US 60 (71st Avenue to Van Buren St.): Roadway improvements.
 - Loop 303/I-10: Construct new system interchange.
 - Loop 303 (Thomas Rd. to Camelback Rd.): Construct new freeway.
 - Loop 303 (Camelback Rd. to Glendale Ave.): Construct new freeway.
 - Loop 303 (Glendale Ave. to Peoria Ave.): Construct new freeway.
 - Loop 303 (Peoria Ave. to Mountain View Blvd.): Construct new freeway.
- A project to add high occupancy vehicle (HOV) lane ramps at Loop 101 and Maryland Avenue was added to the FLCP.

On January 25, 2012, the MAG Regional Council approved amendment of the Regional Transportation Plan - 2010 Update to include a new project to add HOV direct connection ramps at the Loop 101 and Maryland Avenue grade separation. Funding for the project was provided by a combination of uncommitted funds in the MAG portion of the Statewide Transportation Acceleration Needs Account and the MAG Regional Freeway/Highway Program. The project is programmed as a design/build project in FY 2013.

- On May 23, 2012, the MAG Regional Council approved a rebalancing scenario for the Regional Freeway/Highway Life Cycle Program.

Cash flow analysis indicated that there was an overall funding deficit of approximately \$390 million and negative year-end cash balances for the FLCP. A rebalancing scenario was approved that: (1) repositioned the SR-202L/South Mountain Freeway and Interstate 10/Maricopa Freeway projects to improve the Program's cash flow, (2) transferred funding from the SR-303L segment between US-60 and Interstate 17 to the SR-303L segment between Interstate 10 and MC-85, and (3) removed \$300 million from the Program's budget for the Interstate 17/Black Canyon Freeway corridor. The long-term financial forecast for the FLCP indicates a positive balance of approximately \$166 million through FY 2026, with no annual deficits.

ARTERIAL STREET LIFE CYCLE PROGRAM

The Arterial Street Life Cycle Program (ALCP) extends through FY 2026 and is maintained by the Maricopa Association of Governments (MAG) to implement arterial street projects in the MAG Regional Transportation Plan (RTP). The Program receives significant funding from both the Proposition 400 half-cent

sales tax and Federal highway programs, as well as a local match component. Although MAG is charged with the responsibility of administering the overall program, the actual construction of projects is accomplished by local government agencies. MAG distributes the regional share of the funding on a reimbursement basis.

- During FY 2012, a total of \$103 million in ALCP project expenses were reimbursed to the implementing agencies.

During FY 2012, a total of \$103 million in ALCP project expenses were reimbursed to implementing agencies. This included reimbursements to eight individual agencies, as well as funding for projects in the MAG ITS program.

- Continuing progress on projects in the Arterial Street Life Cycle Program has been maintained.

As of FY 2012, \$327 million has been disbursed since the beginning of the Program for the completion of 30 projects, covering arterial street widening and intersection improvements throughout the MAG area. In addition, a total of nearly \$31 million in reimbursements has been provided to ITS projects through FY 2012.

- On September 21, 2011, the MAG Regional Council approved a rebalanced FY 2012 Arterial Life Cycle Program, and it is anticipated that a balanced FY 2013 ALCP will be adopted in September 2012.

A \$197 million reduction in the FY 2012 ALCP through FY 2026 was necessitated by lower half-cent sales tax revenue forecasts. A rebalanced FY 2012 ALCP was achieved by proportionally reducing each agency's program allocation.

Due to a continued decline in program revenues, the FY 2013 update of the ALCP encountered an additional deficit of approximately \$40 million through FY 2026. In addition, there was a need to rebalance annual expenditures and revenues, which were out of balance in a number of years. To meet the required program reductions, MAG staff and member agencies are reviewing alternative reprogramming scenarios. It is anticipated that a fiscally balanced, FY 2013 Arterial Life Cycle Program will be considered for approval in September 2012.

TRANSIT LIFE CYCLE PROGRAM

The Transit Life Cycle Program (TLCP) is maintained by the Regional Public Transportation Authority (RPTA) and implements transit projects identified in the MAG Regional Transportation Plan. The RPTA maintains responsibility for administering half-cent sales tax revenues deposited in the Public Transportation

Fund for use on transit projects, including light rail transit (LRT) projects. Although RPTA maintains responsibility for the distribution of half-cent funds for light rail projects, the nonprofit corporation of Valley Metro Rail, Inc. was created to oversee the design, construction and operation of the light rail starter segment, as well as future corridor extensions planned for the system.

- One new supergrid bus route was implemented in FY 2012 and several additional routes will start service during the next five years.

Routes Implemented During FY 2012:

- Arizona Avenue/Country Club Drive (T44); Service start: FY 2012.

Routes Planned for Implementation During FY 2013 through FY 2017:

- Baseline Road (T45); Service start: FY 2013.
- Elliot Road (T53); Service start: FY 2013.
- South Central Avenue Express (T26); Service start: FY 2013.
- Thomas Road (T68); Service start: FY 2013.
- Van Buren Street (T70); Service start: FY 2013.
- McDowell/McKellips Roads (T61); Service start: FY 2014.
- Scottsdale/Rural BRT (T25); Service start: FY 2015.
- Waddell/Thunderbird (T71); Service start: FY 2015.

- Completion of the Northwest Extension-Phase 1 (Bethany Home Rd. to Dunlop Rd.) was accelerated.

Completion of the Northwest Extension-Phase 1 (Bethany Home Rd. to Dunlop Rd.), which had been scheduled to be complete in FY 2024, is now scheduled to be complete in FY 2016. It is expected that utility relocations and street improvements will be completed in the corridor in FY 2013 to facilitate the light rail construction. Phase 2 (Dunlop Rd. to Rose Mofford Sports Complex) is scheduled to be complete in FY 2026.

- On May 17, 2012, the Valley Metro RPTA and METRO Board of Directors approved a rebalanced 2012 Transit Life Cycle Program (TLCP) update.

Due to the continued economic downturn and the decrease in estimated future revenues, in FY 2011 it was determined estimated TLCP costs for FY 2012 to 2026 were not in balance with projected future funds available, with a deficit of approximately \$581 million (2011 \$'s).

On May 17, 2012, the Valley Metro RPTA and METRO Board of Directors approved the 2012 Transit Life Cycle Program (TLCP) update. An updated financial model for bus service is balanced through FY 2018, shows deficits in FY 2019 through FY 2025 and a final positive balance in FY 2026. The high

capacity / light rail transit (HCT/LRT) component of the TLCP has a fund balance of \$39 million in FY 2026 after the completion of all HCT/LRT projects in the RTP, with the exception of construction of the Northeast Phoenix corridor.

Balance was achieved in FY 2012 by delaying the implementation of numerous projects and reducing the scope of many other projects, especially bus route frequencies and routing. During FY 2012, significant efforts were also made to identify further cost savings or to enhance operating revenues.

- Federal discretionary funding for transit continues to be an important issue.

A large part of the funding for the LRT/HCT system is awarded by the US Department of Transportation through the discretionary “New Starts Program”. The timing and amounts of light rail transit new start monies coming to the MAG region will be subject to a highly competitive process at the Federal level.

The recently approved Federal transportation legislation, Moving Ahead for Progress in the 21st Century (MAP-21), makes significant changes to the federal transit funding programs. MAP-21 eliminates many of the discretionary programs in favor of formula based programs. This allows a more predictable stream of federal revenues for planning purposes. RPTA, METRO and MAG will need to monitor the implementation of MAP-21 and evaluate its impact on the RTP.

PERFORMANCE MONITORING PROGRAM

The MAG Transportation System Performance Monitoring and Assessment Program has been established to provide a framework for reporting performance at the system and project levels, and serve as a repository of historical, simulated and observed data for the transportation system in the MAG Region.

- Freeway vehicle miles of travel (VMT) have increased recently.

The total number of freeway vehicle miles traveled in 2011 was 29,495,000, which is a 1.4 percent increase over the level in 2010 and only 0.5 percent below the level in 2007. This is illustrative of the fact that regional economic conditions - generally following the slight upward trend in the national economy - are being reflected in travel demand in the MAG region.