September 8, 2015

TO: Members of the Transportation Policy Committee

FROM: Mayor Jerry Weiers, Glendale, Chair

SUBJECT: NOTIFICATION OF MEETING AND TRANSMITTAL OF TENTATIVE AGENDA

Meeting - 12:00 noon
Wednesday, September 16, 2015
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 luncheon 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
September 16, 2015

	COMMITTEE ACTION REQUESTED
1. Call to Order	
2. Pledge of Allegiance	
3. Call to the Audience 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.	3. Information.

MINUTES

4. Approval of the June 17, 2015, Meeting Minutes	4. Review and approval of the June 17, 2015, meeting minutes.

ITEMS PROPOSED TO BE HEARD

5. Interstate 10/Interstate 17 - "the Spine" - Corridor Master Plan Project Update On April 15, 2015, the Transportation Policy Committee received a presentation on the outcomes from the public meetings, both in-person and on-line, for the Interstate 10/interstate 17 Corridor Master Plan. At that time, the Committee was presented information on how these outcomes established the guiding principles for alternatives development. Since April, the project team has used these guiding principles for establishing the corridor master plan alternatives. An update on this process, as well as the status for the Spine Corridor's Near Term	5. Information and discussion.

Improvement Strategy, will be provided in this briefing.

6. Regional Freeway and Highway Program Update

At the February 2015 meeting of the Transportation Policy Committee, a briefing was provided on the continuing effort for reconciling the Regional Freeway and Highway Program revenues with expenditures, the Cost Risk Analysis program for analyzing project expenditures, and the potential for further refinement to the Program's project scheduling and funding. Since this presentation, varying activities have occurred to provide new information about the Regional Freeway and Highway Program health and status. A briefing will be provided on this continuing effort and the re-balancing schedule anticipated for refining the Program's project funding and programming anticipated for Spring 2016.

6. Information and discussion.

7. Update on the ADOT Passenger Rail Study: Tucson to Phoenix

Staff from the Arizona Department of Transportation (ADOT) will present the next step of the Passenger Rail Corridor Study: Tucson to Phoenix. ADOT plans to publish the Tier 1 draft environmental impact statement for review. This update will provide an overview of the technical and environmental analysis, as well as agency and public feedback on the proposed rail corridor. Please refer to the enclosed material.

7. Information and discussion.

8. Transportation Systems Management and Operations for the Regional Freeway and Highway Program System

In 2008, the Arizona Department of Transportation (ADOT) began providing motorists travel time information on variable message signs posted along freeway routes within Metro Phoenix. This travel time information is designed to inform drivers to help in the decision-making process for route choice between the origin and destination points on their trip. When the program began in 2008, travel time data were

8. Information and discussion.

provided at 15 locations throughout the Valley during weekday peak travel periods between 6:00 a.m. and 9:00 a.m. and from 3:00 p.m. to 7:00 p.m. Recently, ADOT expanded the program to encompass more than 80 locations, and is presently providing travel times between 5:00 a.m. and 11:00 p.m. on weekdays and from 7:00 a.m. to 9:00 p.m. on weekends. The expansion of travel time information on Valley freeways demonstrates ADOT's commitment for improving operations and allowing the system to get more capacity through technology. A briefing will be provided to the Committee on expanding travel time information to motorists and evolving Transportation Systems Management and Operations into a new ADOT division to improve upon the performance of the state highway system.

9. Legislative Update

An update will be provided on legislative issues of interest.

9. Information, discussion, and possible action.

10. 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.

10. Information.

11. 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.

11. Information.

Adjournment

MINUTES OF THE
MARICOPA ASSOCIATION OF GOVERNMENTS
TRANSPORTATION POLICY COMMITTEE MEETING

June 17, 2015
MAG Office, Saguaro Room
Phoenix, Arizona

MEMBERS ATTENDING

Councilmember Jack Sellers, Chandler, Chair
Mayor Jerry Weiers, Glendale, Vice Chair
Mr. F. Rockne Arnett, Citizens Transportation Oversight Committee
* Mr. Dave Berry, Swift Transportation
* Mr. Jed Billings, FNF Construction
# Mayor Cathy Carlat, Peoria
Councilmember Jenn Daniels, Gilbert
Mayor John Giles, Mesa
* Supervisor Clint Hickman, Maricopa County
Mr. Charles Huellmantel, Huellmantel and Affiliates
* Mr. Mark Killian, The Killian Company/Sunny Mesa, Inc.
* Mr. Joseph La Rue, State Transportation Board
* Lt. Governor Stephen Roe Lewis, Gila River Indian Community
Mayor Georgia Lord, Goodyear
* Mayor Mark Mitchell, Tempe
Mayor Lana Mook, El Mirage
* Mr. Garrett Newland, Macerich
* Mayor Tom Rankin, Florence
Councilmember David N. Smith, Scottsdale
* Mayor Greg Stanton, Phoenix
Ms. Karrin Kunasek Taylor, DMB Properties
Mayor Kenneth Weise, Avondale
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 Jack Sellers, at 12:00 p.m.

2. Pledge of Allegiance

The Pledge of Allegiance was recited.

Chair Sellers noted that Mr. Roc Arnett, Mayor Cathy Carlat, and Mayor Kenneth Weise were participating by teleconference.

Chair Sellers announced that on June 10, 2015, the MAG Management Committee recommended approval of agenda items 4C, 4D, 4E, 5 and 6 that were on the TPC agenda.

Chair Sellers 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. He stated that hearing assisted devices, parking garage validation, and transit tickets for those who purchased transit tickets to attend the meeting were available from staff.

3. Call to the Audience

Chair Sellers 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.

Chair Sellers recognized public comment from Mr. Marvin Rochelle, who stated that Mr. Russell Thatcher of Boston, the consultant associated with the 2008 study that recommended a Valleywide Dial-a-Ride system, was at a meeting Mr. Rochelle attended the day prior. He said that Mr. Thatcher is in town to conduct another study, and hopefully, the plan to have a seamless Dial-a-Ride system will be implemented. He explained that in Mr. Thatcher's plan, riders in both the East and West Valleys will be able to ride into downtown Phoenix without having to transfer. Mr. Rochelle stated that there are nine different entities that offer Dial-a-Ride programs in the Valley, and it will take coordination to arrive at an agreement. Chair Sellers thanked Mr. Rochelle.

4. Approval of Consent Agenda

Chair Sellers stated that agenda items #4A, #4B, #4C, #4D, and #4E 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 Sellers asked members if they would like to remove any of the consent agenda items or have a presentation. No requests were noted.

Mayor Sharon Wolcott moved to recommend approval of agenda items #4A, #4B, #4C, #4D, and #4E. Mr. Charles Huellmantel seconded, and the motion passed unanimously.

4A. Approval of the April 15, 2015, Meeting Minutes

The Transportation Policy Committee, by consent, approved the April 15, 2015, meeting minutes.

4B. MAG Public Involvement Progress Report

As part of its adopted public involvement process, MAG provides quarterly progress reports on public involvement activities to MAG policy committees for information and to convey input. MAG responds to all of the comments received as appropriate. The MAG public involvement process adheres to all federal requirements under the current federal transportation planning

legislation and is dedicated to providing all of the region's residents and interested parties an opportunity to comment on transportation plans and programs. This item was on the June 10, 2015, MAG Management Committee agenda for information and discussion.

4C. Project Changes – Amendments and Administrative Modifications to the Fiscal Year 2014-2018 MAG Transportation Improvement Program and as Appropriate, to the 2035 Regional Transportation Plan, Fiscal Year 2015 Arterial Life Cycle Program, and Draft Fiscal Year 2016 Arterial Life Cycle Program

The Transportation Policy Committee, by consent, recommended approval of amendments and administrative modifications to the FY 2014-2018 MAG Transportation Improvement Program, and as appropriate, to the 2035 Regional Transportation Plan, FY 2015 Arterial Life Cycle Program, and draft FY 2016 Arterial Life Cycle Program, contingent on approval of the draft Fiscal Year 2016 Arterial Life Cycle Program. The Fiscal Year (FY) 2014-2018 Transportation Improvement Program (TIP) and 2035 Regional Transportation Plan (RTP) were approved by the MAG Regional Council on January 29, 2014. The new requested project changes include highway, highway safety, light rail, roadway, transit, paving, pedestrian, transportation improvements, private development, and bridge projects. Due to requested changes in the Arterial Life Cycle Program, Transit Life Cycle Program, and private development, some of the project changes are dependent on a new finding of conformity. A new finding of conformity for the projects in Tables A, B, and C will be heard through the MAG Committee process. Other general changes to the Regional Freeway and Highway Program, Arterial Life Cycle Program, general highway and transit projects are included in Tables D, E, and F. Table G includes the Federal Transit Administration, Urbanized Area Section 5307, FY 2015 Program of Projects that is included under a separate agenda item. Congress has yet to approve a continuing resolution or a new Surface Transportation Authorization, and consequently the Federal Highway Administration and Federal Transit Administration cannot determine the final funding amounts for federal fiscal year (FFY) 2015. Based on the federal funding amounts directed to the MAG region for FFY 2015, additional modifications to projects and funding amounts may be needed. The project changes were recommended for approval on May 28, 2015, by the MAG Transportation Review Committee and on June 10, 2015, by the MAG Management Committee.

4D. Draft Fiscal Year 2015 Program of Projects and Amendments and Administrative Modifications to the FY 2014-2018 MAG Transportation Improvement Program, and as Appropriate, to the 2035 Regional Transportation Plan

The Transportation Policy Committee, by consent, recommended approval of the draft Fiscal Year 2015 Program of Projects and amendments and administrative modifications to the FY 2014-2018 MAG Transportation Improvement Program, and as appropriate, to the 2035 Regional Transportation Plan with the following provisions: 1) If final apportionment is above the currently programmed levels, funds will be utilized to advance future Transit Life Cycle Program (TLCP) replacement bus purchase projects at maximum allowable federal match; 2) The balance of funds that cannot be programmed at the maximum allowable federal match for TLCP buses will be programmed to Preventive Maintenance/ Complementary ADA, per the approved methodology.

The Program of Projects (POP) is required by Federal Transit Administration (FTA) to provide an annual listing of transit projects funded by the Section 5307 program to be developed in consultation with interested parties, in coordination with public transportation services providers and subject to public participation requirements. The draft FY 2015 POP was included in the Public Notification process advertised on May 14, 2015. As stated in the MAG Public Participation Plan, MAG's Transportation Improvement Program process is used to satisfy the public participation process of the POP that is required in U.S.C. §5307. The draft FY 2015 Program of Projects was recommended for approval on May 14, 2015, by the MAG Transit Committee, on May 28, 2015, by the MAG Transportation Review Committee, and on June 10, 2015, by the MAG Management Committee.

4E. Proposed Major Amendment to the MAG 2035 Regional Transportation Plan: Add the Central Avenue Light Rail Transit Extension Project from Washington/Jefferson to Baseline Road

The Transportation Policy Committee, by consent, recommended approval of the proposed major amendment to the Regional Transportation Plan to add a five (5) mile light rail transit (LRT) extension on Central Avenue: Washington/Jefferson to Baseline Road and that the Regional Transportation Plan be amended subject to the approval of the air quality conformity analysis which is now complete. This agenda item represents the third step and final action to approve this project, which is a Major Amendment to the MAG Regional Transportation Plan (RTP). The first step was to initiate the RTP Major Amendment Process and request outside consultation as required by state statute. On August 27, 2014, the MAG Regional Council started the Major Amendment process by requesting consultation on the proposed major amendment to the Regional Transportation Plan to add a five (5) mile LRT extension on Central Avenue: Washington/Jefferson to Baseline Road. The second step was to approve the amendment to the RTP for the required air quality conformity analysis. This final action is for final approval to add the project into the RTP subject to the final approval of the conformity analysis by the Regional Council in June 2015. On June 10, 2015, the MAG Management Committee recommended approval of this major amendment.

5. Revisions to the Arterial Life Cycle Program Policies and Procedures

Mr. John Bullen, MAG staff, stated that the Arterial Life Cycle Program (ALCP) is the financial management tool for the arterial component of the Regional Transportation Plan. The Program is guided by the ALCP Policies and Procedures (Policies), last approved by the MAG Regional Council on May 28, 2014.

Mr. Bullen stated that the ALCP Working Group was reconvened during fiscal year 2015 and met seven times over the course of six months to discuss the Policies. He stated that the proposed revisions to the Policies were reviewed by the Managers Working Group on April 29, 2015.

Mr. Bullen stated that proposed changes to the Policies can be grouped into three major categories: (1) detailed procedures when a program deficit or surplus occurs, (2) inclusion of a Project Change

Tool to evaluate proposed project changes, and (3) refinements to federal ALCP project match requirements.

Mr. Bullen reviewed the Deficit/Surplus Policy. If a program deficit occurs, MAG will consult the Managers Working Group and may use elimination of program bonding, elimination or reduction of program inflation, elimination of projects, or a percentage reduction in project funding.

Mr. Bullen stated that at the May 28, 2014, meeting, the Regional Council expressed concerns that these policies were too broad and specific steps needed to be identified. In response, the ALCP Working Group developed the proposed revisions that build upon existing language and follow what has been done in the past.

Mr. Bullen stated that if there is a deficit, bonding and inflation are eliminated before any project reductions. Reductions are then calculated by Lead Agency using their share of the total program. Mr. Bullen noted that Lead Agencies may choose where and when to reduce reimbursements based on their share. Once reductions have been made, reimbursements are deferred to meet cash flow based on project readiness criteria. If there a surplus, the reverse order is followed.

Mr. Bullen stated that in 2010, the Regional Transportation Plan underwent a five-year performance audit, as required by state statute. Most of the audit's findings have since been addressed, however, several findings not yet addressed relate to project changes and performance. Mr. Bullen stated that additional performance requirements are also expected as part of federal transportation authorization.

Mr. Bullen stated that to address the audit findings, the ALCP Working Group created a project change tool, which is composed of evaluative measures and weights based on the goals and objectives of the ALCP of safety and congestion. He noted that the tool provides a technical basis to evaluate project changes but is just one piece of a more comprehensive process. Mr. Bullen stated that project changes must still undergo a technical review by the MAG Street Committee, which is a requirement of the Policies.

Mr. Bullen stated that survey was generated and sent to the ALCP Working Group to establish a starting point and generate consensus for developing the Project Change Tool. The ALCP Working Group ultimately decided on six quantitative measures and three qualitative measures. The quantitative measures are balanced between congestion and safety data. Qualitatively, the project change is weighed on whether the project completes or improves a segment which helps to provide a continuous link between two points of regional importance; whether the project improve safe access for all users above a standard roadway, including pedestrians, bicyclists, and transit riders; and whether the project provide access to existing and/or future business and activity centers.

Mr. Bullen stated that the federal ALCP project match requirements were made less restrictive as part of the May 28, 2014 Policies. Subsequent discussions with Federal Highway Administration and the Arizona Department of Transportation indicated that there was a need for additional federal

match clarifications in the policies. Mr. Bullen stated that the draft Policies have been clarified to require that all expenditures made as part of a federal project must follow federal regulations.

Chair Sellers thanked Mr. Bullen for his report. No questions from the committee were noted.

Mayor Cathy Carlat moved to recommend approval of the proposed revisions to the Arterial Life Cycle Program Policies and Procedures. Mr. Charles Huellmantel seconded, and the motion passed unanimously.

6. Draft Fiscal Year 2016 Arterial Life Cycle Program

Mr. John Bullen then provided a report on the draft Fiscal Year (FY) 2016 Arterial Life Cycle Program (ALCP), which is the financial management tool to implement the arterial component of the Regional Transportation Plan. He noted that the program is updated annually with new revenue forecasts and changes to project schedules. Mr. Bullen advised that there are two constraints: 1) Per state statute, the cost cannot exceed available revenues; 2) Per federal statute, the ALCP must show fiscal constraint in the Transportation Improvement Program window. He added that the detailed project listings are included in agenda item #4C.

Mr. Bullen described the process for developing the ALCP. Step one is to update the project work schedules and costs. MAG staff distributes the project workbooks in late January to the Lead Agencies, which provide updated project costs and schedules. Mr. Bullen stated that reimbursements are then adjusted in accordance with updated schedules and the programming principles. He stated that action by the MAG Street Committee on ALCP project change requests is required by the approved ALCP Policies and Procedures.

Mr. Bullen stated that Step two is to update revenue forecasts. He noted that there was a decrease in the revenue forecast for the Regional Area Road Fund (RARF), which is the half-cent sales tax for transportation, of $11.65 million, or a little over two percent, from last year. Mr. Bullen stated that there was no change in projected federal revenues over last year's forecast, and he added that the federal transportation legislation expires on July 31, 2015.

Mr. Bullen stated that Step three is to adjust reimbursements after the revenue information is received. He said that a conservative approach to last year's ALCP mitigated adverse effects of the RARF decrease. He noted that project work schedule deferrals from Phase III to Phase IV created a large fund balance in the near-term, which could be used to advance reimbursements of other projects. Mr. Bullen advised that since there is still a program deficit, the elimination of program bonding and inflation is continued.

Mr. Bullen addressed the draft FY 2016 ALCP fund balance. He said that new revenue projections result in a program deficit of $18.1 million, however, the program remains in balance from FY 2016 through FY 2022 and no program rebalancing is anticipated due to the variance of revenues.

Chair Sellers thanked Mr. Bullen for his report. He said that he had noticed an encouraging trend in the sales tax collections.

Mayor Georgia Lord moved to recommend approval of the draft FY 2016 Arterial Life Cycle Program. Ms. Karrin Kunasek Taylor seconded, and the motion passed unanimously.

7. Cost Risk Assessment and Value Engineering

Chair Sellers stated that he requested a report on cost risk assessments and value engineering as an agenda item after seeing a presentation at the Roads and Streets conference recently.

Ms. Chaun Hill, MAG staff, stated that staff has been working on cost risk assessment process for projects in the regional freeway/highway system. She said that the intention of the analysis is to address concerns for project costs and schedules. Ms. Hill stated that this process provided risk identification using both a qualitative and quantitative analysis, and utilizing value engineering for response strategies and monitoring tools for project management.

Ms. Hill introduced Mr. Ken Smith, HDR, who continued the presentation. Mr. Smith described the risk management process. Step one is to conduct a cost risk assessment by looking at the cost estimates and project schedules and stripping out the contingencies that have been added on to cover costs that could arise.

Mr. Smith stated that step two of the risk management process is the development of risk response strategies and alternative solutions (value engineering). He said that risks are not just threats, but also could present opportunities to find ways to reduce costs and schedules.

Mr. Smith stated that step three is to continually monitor and control projects to inform whether the best project is being done and whether it is being done for the best value. He said that the data obtained from this process helps in decision making.

Mr. Smith stated that there is a great deal of uncertainty in the cost and schedule at the beginning of the project planning process. He added that the actual cost and schedule are not known until the project is completed, however, this cost risk assessment process quantifies the risks and help develop strategies. Mr. Smith noted that the cost assessment process has been very accurate in other states and is beginning to be utilized here.

Mr. Smith stated that this process is successful when held at a consensus based workshop attended by all of the stakeholders and experts to discuss issues and develop strategies of how they will be managed. He said that the process begins with functional areas. Mr. Smith stated that the risks are all fed into the Monte Carlo Simulation Model, which takes iterations of more than 10,000 combinations and comes up with the probable cost and schedule.

Mr. Smith stated that contractors do not take risks, they price them; otherwise, they would not be in business. He said that potential changes can be written into the contract to avoid surprises and

minimize change orders. Mr. Smith stated that the goal of risk management is to identify opportunities and mitigation strategies to reduce both the likelihood of an event occurrence and the potential effect if it occurs.

Mr. Smith displayed an example of the results of a modeling risk analysis to an ADOT project that showed $10 million could be reduced from the project cost. He showed a tornado diagram of the top threats and help a project manager focus on addressing those factors that can provide the best opportunities on a project.

Mr. Smith stated that the risk assessment uses database information for the analysis and allows that there will be very detailed results. The risk management tool offers the opportunity to monitor and manage projects. One project is being managed at a time, but the details of all the other projects are in there. Mr. Smith stated that the assessment process offers the opportunity to free up budget funds by releasing contingencies, thus funding other projects outside the program. He said that the purpose of this process is decision support, balancing cash flow, and allocating risks based on delivery methods because each type of construction method has its own risks.

Mr. Eric Anderson, MAG staff, stated that this process not only allows identification of specific risks to cost and schedules, but also allows the reduction of double contingencies. Mr. Anderson stated that various methods to estimate construction costs are used when projects are put in the plan with very little design work. He reported that as components of the budget are built, sometimes contingencies are added onto contingencies. Mr. Anderson noted that 76 cents in contingencies was added for each dollar in the South Mountain Freeway budget. The purpose of this process is to unwind each project and ensure that amounts are not being double counted.

Mr. Anderson stated that the workshop sessions are opportunities when all areas of expertise are present and discuss a project and inform each other of various elements. In the past, there have been times when the process was not as collaborative, but with this process, conversations happen that help mitigate impacts and reduce costs of a project. Mr. Anderson stated that each risk that is determined in the assessment will have a person assigned to manage the risk. Milestones are set and once they are reached, contingencies can be reprogrammed.

Ms. Hill continued the presentation. She displayed a chart of the first six projects under design and pointed out that the first column included the pre-workshop/risk assessment cost estimate. Ms. Hill stated that even though there were a couple of minor increases, the savings could allow funding for an additional project and she added that there is the potential for more funding to become available for reallocation.

Ms. Hill noted that the analysis conducted on construction projects differs from the process used on design projects. She indicated that the analysis discovered some unused rights-of-way pots of money. Ms. Hill also noted that blanket percentages were not always the same number for all projects. She stated that this process continues on the South Mountain Freeway project. So far, they have been able to free up an additional $100 million on this project.

Chair Sellers thanked Ms. Hill and Mr. Smith for their reports and asked if there were questions.

Mr. Dennis Smith, MAG, stated that ADOT staff are very conscientious and well meaning and they want to ensure that when they are managing a huge project they will have sufficient money budgeted. Mr. Smith stated that cost risk analysis gets everyone back in the same room and for a very meager investment, the results have been stunning. He said that the more money that is freed up, the more projects that can be funded.

Mr. Anderson indicated that he thought more than $200 million could be freed up through this process and this could allow deferred projects to be brought back into the program. He added that ADOT could incorporate this process and analyze other state projects. Mr. Anderson remarked that preliminary results are very positive and ensure that the right project is being built at the right time for the right amount of dollars.

Chair Sellers expressed that he was impressed with combining the risk assessment process with value engineering.

Mr. Ken Smith stated that he spent 28 years at the Washington State Department of Transportation where he managed its value engineering program. Mr. Smith stated that they developed a cost estimate validation process when they went to line item projects. He said that the project amount had to be set at the planning phase and if there were any revisions, you would have to go back to the Legislature and request the revisions, which resulted in padding budgets. Mr. Smith stated that combining the cost risk assessment with value engineering to develop response strategies and the using the expertise of project management to develop threats and opportunities.

Chair Sellers stated that freeing up $100 million from the South Mountain Freeway at the same time that the State Transportation Board approved the statewide budget that contained only $25 million for all projects statewide is astounding.

Mayor Sharon Wolcott asked the process for bringing back projects deferred during the rebalancing back into the program.

Mr. Anderson stated that they have not started that process yet. He said there are three pieces that need to be carried out first: Complete the analysis process of MAG projects; conduct a detailed analysis of the ADOT cash flow model; and action by Congress on the federal transportation act this summer. Mr. Anderson indicated that new federal transportation legislation could bring additional funding to the region. He stated that he thought they might have a good idea in the autumn of the amount of money this region could have. Mr. Anderson stated that the strategy used probably depends on the amount available. He said they will look at the Proposition 400 projects that were deferred past 2025 and do a technical analysis on the projects to determine the best candidates to be moved back into the program. In addition, there are non-Proposition 400 projects that will be technically evaluated. Mr. Anderson noted that the Transportation Policy Committee would be involved in that discussion, which he thought could occur late this calendar year or early 2016. Mr. Anderson noted that by then, most of the right-of-way for the South Mountain Freeway

will have been acquired and a guaranteed price received from the design/build/maintain contractor and they will have a good idea of the amount of funds that might become available.

Mr. Dennis Smith stated that the acceleration of the Gateway Freeway and the Maryland Avenue Traffic Interchange are good examples of getting the most return for the investment. He indicated that he thought that transportation planning that grow the economy was the direction to go.

Chair Sellers introduced a new member of the Transportation Policy Committee, Councilman David N. Smith, representing the City of Scottsdale.

Councilman Smith stated that he is a newly elected councilman, having served as the City of Scottsdale Treasurer during the recession. He stated that he and Mayor Jim Lane have worked together closely and he would try to respect Mayor Lane's views.

8. Legislative Update

No update on legislative issues of interest was needed.

9. Resolution of Appreciation

Vice Chair Jerry Weiers read a Resolution of Appreciation that was prepared to recognize Chair Sellers, for his service to the MAG region as Chair and Vice Chair of the Transportation Policy Committee.

Mr. Charles Huellmantel moved to adopt the Resolution of Appreciation for Transportation Policy Committee Chair Jack Sellers in recognition of his service to the MAG region. Councilmember Jenn Daniels seconded, and the motion passed unanimously.

10. Request for Future Agenda Items

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

No requests were noted.

11. Comments from the Committee

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

No comments were noted.

Adjournment

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

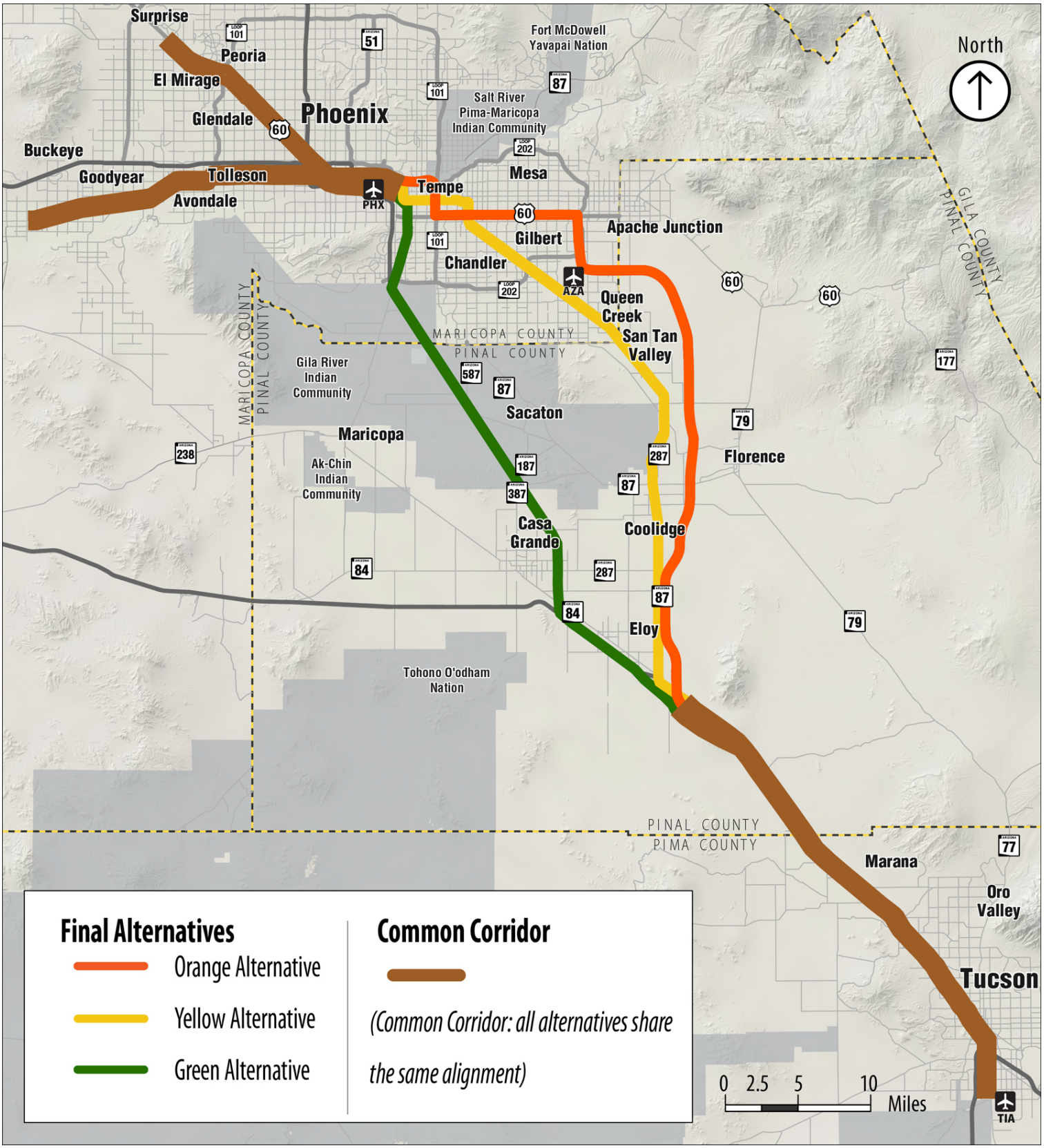
_____

Chair

_____

Secretary

Agenda Item #7

PASSENGER RAIL CORRIDOR STUDY
Tucson to Phoenix

www.azdot.gov/planning/CurrentStudies/PassengerRail/overview