

MINUTES OF THE
MARICOPA ASSOCIATION OF GOVERNMENTS
TRANSPORTATION REVIEW COMMITTEE

March 29, 2010

Maricopa Association of Governments Office
302 North First Avenue, Suite 200, Saguaro Room
Phoenix, Arizona

MEMBERS ATTENDING

Peoria: David Moody	Litchfield Park: Paul Ward for Woody Scoutten
ADOT: Kwi-Kang Sung for Floyd Roehrich	Maricopa County: John Hauskins
*Avondale: David Fitzhugh	Mesa: Jeff Martin for Scott Butler
Buckeye: Scott Lowe	Paradise Valley: Bill Mead
Chandler: RJ Zeder for Patrice Kraus	Phoenix: Wylie Bearup for Ed Zuercher
El Mirage: Lance Calvert	*Queen Creek: Troy White
Fountain Hills: Randy Harrel	RPTA: Bryan Jungwirth
Gila Bend: Eric Fitzer for Rick Buss	Scottsdale: Dave Meinhart
Gila River: Sreedevi Samudrala for Doug Torres	Surprise: Bob Beckley for vacant
Gilbert: Michelle Gramley for Tami Ryall	Tempe: Chris Salomone
Glendale: Terry Johnson	Valley Metro Rail: John Farry
Goodyear: Cato Esquivel	Wickenburg: Rick Austin
*Guadalupe: Gino Turrubiarres	Youngtown: Grant Anderson for Lloyce Robinson

EX-OFFICIO MEMBERS ATTENDING

*Street Committee: Dan Cook, City of Chandler	*Bicycle/Pedestrian Committee: Peggy Rubach, RPTA
*ITS Committee: Debbie Albert	*Transportation Safety Committee: Kerry Wilcoxon, City of Phoenix

* Members neither present nor represented by proxy. + - Attended by Videoconference
- Attended by Audioconference

OTHERS PRESENT

Eric Anderson, MAG	Tom Remes, Phoenix
Alice Chen, MAG	Andy Granger, Peoria
Roger Herzog, MAG	Scott Miller, HDR
Tim Strow, MAG	Clemenc Ligocki, MCDOT
Bob Hazlett, MAG	Mike Sabatini, MCDOT
Kevin Wallace, MAG	Ray Dovalina, Phoenix
Steve Tate, MAG	Jorie, Bresnahan, Phoenix
Patty Camacho, MAG	Thomas Relucio, Glendale
Roger Roy, MAG	Jon Kostaras, Soilworks
Ed Stillings, FHWA	Denise Sumaraul, Soilworks

1. Call to Order

Chairman David Moody from the City of Peoria called the meeting to order at 1:33 p.m.

2. Approval of Draft February 25, 2010 Minutes

Chairman Moody asked if there were any changes or amendments to the February 25, 2010 meeting minutes, and there were none. Mr. David Meinhart from City of Scottsdale moved to approve the minutes. Mr. RJ Zeder from the City of Chandler seconded the motion, and the minutes were subsequently approved by unanimous voice vote of the Committee.

3. Call to the Audience

Chairman Moody stated that he had not received any request to speak cards from the audience and moved onto the next item on the agenda.

4. Transportation Director's Report

Chairman Moody announced that Mr. Roger Herzog, MAG Senior Project Manager, would present the MAG Transportation Director's Report. Mr. Herzog informed the Committee that Mr. Eric Anderson, the MAG Transportation Director, had been called over unexpectedly to a meeting at the State Legislature.

Mr. Herzog reported that Regional Area Road Fund (RARF) revenues in February were seven percent lower than Fiscal Year (FY) 2009. He stated that RARF revenues had declined continually over the previous 30 months. Mr. Herzog reported that year-to-date RARF revenues were 11.5 percent below FY 2009, and that current revenue collections were on par with revenue collections in 2004.

Next, Mr. Herzog addressed transportation federal funding levels. He announced that the US Congress had extended transportation funding until the end of the calendar year. He added the extension also repealed the Federal Fiscal Year (FFY) 2010 rescissions, but maintained the FFY 2009 rescissions. He explained the actions meant the MAG Region would have the anticipated federal funding for FY 2010, but would lose any carry forward from FFY 2009.

Mr. Herzog directed the Committee's attention to a handout at their places. He explained that the Arizona Department of Transportation (ADOT) had been sending a letter to MAG Member Agencies regarding the deobligation of bid savings on projects funded by the American Recovery and Reinvestment Act of 2009 (ARRA). Mr. Herzog stated the language in the letter had raised concerns by member agencies that ADOT would be deobligating ARRA funds and using the funds on State projects. Mr. Herzog explained that the language in the letter was ambiguous and assured the Committee that ADOT would not be deobligating projects at this time.

Chairman Moody asked if there were any questions or comments about this agenda item. There were none, and this concluded the Transportation Director's Report.

5. Consent Agenda

Addressing the next item of business, Chairman Moody directed the Committee's attention to the consent agenda. He asked the Committee if there were any questions or comments regarding the consent agenda items: (5a) the Arterial Life Cycle Program (ALCP) Status Report for October 2009 to March 2010, (5b) the American Recovery and Reinvestment Act (ARRA) Status Report, or (5c) the Update to the Federal Functional Classification System.

Mr. Terry Johnson from the City of Glendale motioned to approve the consent agenda items as presented. Mr. John Hauskins from Maricopa County seconded the motion. Chairman Moody inquired if there were any questions or comments regarding the items on the consent agenda.

Mr. Jeff Martin from the City of Mesa inquired why the ALCP reimbursement for Power Road from Loop 202/Santan to Pecos Road had been deferred. Ms. Christina Hopes, MAG Transportation Planner, replied that the reimbursement had been deferred in the Draft Fiscal Year (FY) 2011 Arterial Life Cycle Program, which would not be presented for approval through the MAG Committee Process until June. She explained the consent agenda item was a status report on projects programmed for work and/or reimbursement in FY 2010 and did not address the programming of reimbursements in the Draft FY 2011 ALCP.

Chairman Moody inquired if there were any additional questions or comment regarding the consent agenda. There were none. The Chairman called for a vote, and the consent agenda was approved by a unanimous voice vote of the Committee. Chairman Moody acknowledged the arrival of Mr. Eric Anderson, MAG Transportation Director, and proceeded to the next agenda item.

6. Project Changes/Amendments and Administrative Modifications to the FY 2008-2012 MAG Transportation Improvement Program

Chairman Moody invited Ms. Hopes to present project changes to the FY 2008-2012 MAG Transportation Improvement Program (TIP). Ms. Hopes directed the Committee's attention to the handout at their places. She explained that the tables listed in the handout included amendments and administrative modifications to projects listed in the FY 2008-2012 TIP and/or the FY 2010 Arterial Life Cycle Program (ALCP).

Ms. Hopes referenced the first page of the handout, which included two tables. She explained that the first table listed project changes for highway and streets projects to be included in the TIP. She stated the second table listed project changes for street projects to be included in both the TIP and the FY 2010 ALCP.

Then, Ms. Hopes referenced a series of tables on pages two through four of the handout. She stated that these tables indicated amendments and administrative modifications to the FY

2008-2012 TIP for transit projects programmed for FY 2009 and FY 2010. Next, Ms. Hopes addressed the table of page five of the handout. She explained that the projects listed in that table were fiscal modifications to ALCP projects that would be reflected in an updated FY 2010 ALCP only.

Members of the Committee requested clarification on the amendments and administrative modifications to the transit projects in the MAG TIP. Mr. Eric Anderson reported that during the update of the Transit Life Cycle Program (TLCP) unprogrammed balances of 5307 and 5309 funds remained. He explained that the MAG Transit Committee had been tasked with reconciling the unprogrammed federal transit funds for FY 2009 and 2010. He stated the requested amendments and administrative modifications coincided with the MAG Transit Committee's programming of the available balances of 5307 and 5309 funds. A brief discussion followed.

Ms. Hopes stated the item was on the agenda for action. Mr. Eric Anderson clarified the motion before the Committee had been adjusted to include recommending the approval of projects to be included in the FY 2010 Arterial Life Cycle Program, as necessary.

Chairman Moody inquired if there were any additional questions or comment regarding the agenda item. There were none. Mr. Wylie Bearup from the City of Phoenix motioned to approve the amendments and administrative modifications to the FY 2008-2012 MAG TIP, the FY 2010 ALCP, and as appropriate, the RTP 2007 Update. Mr. Grant Anderson from the Town of Youngtown seconded, and the motion passed by a unanimous voice vote of the Committee.

7. Conformity Analysis of the Draft FY 2011-2015 MAG Transportation Improvement Program - Listing of Projects

Chairman Moody invited Mr. Herzog to present on the conformity analysis of the Draft FY 2011-2015 MAG Transportation Improvement Program (TIP) project listing. Mr. Herzog directed the Committee's attention to a revised project listing at their places. He stated the handout included the Congestion Mitigation and Air Quality (CMAQ) funded project listing approved by the MAG Regional Council in February.

Then, Mr. Herzog summarized the information provided in the handout. He stated the Draft FY 2011-2015 included 409 street projects, 206 transit projects, 138 freeway projects, 87 Intelligent Transportation Systems (ITS) projects, 69 bicycle and pedestrian projects, 78 air quality or transportation demand management projects, one bridge project, and 20 projects categorized as "other." He also summarized the total funding sources for the projects listed the Draft FY 2011-2015 TIP. Mr. Herzog reported that funding in the Draft TIP included:

- \$1.26 billion for local highways;
- \$244 million for private highways;
- \$2.3 billion for state highways;
- \$977 million for regional highways;
- \$799 million for federal highways;
- \$414 million for local transit;
- \$307 million for regional transit; and,

- \$604 million for federal transit.

Mr. Herzog also summarized the regional (and federal) funding for transit, street and highway projects listed in the Draft FY 2011-2015 TIP. He stated that \$1.3 billion in funding had been allocated to transit projects. He explained the \$1.3 billion was comprised of 5307 funds (\$296 million); 5309 funds (\$190 million); other federal funds (\$4 million); CMAQ funds (\$114 million); PTF funds (\$307 million); and Local funds (\$414 million). Mr. Herzog also reported that \$5.6 billion in funding had been allocated to street and highway projects from several sources, which included:

- \$412 million of IMS/NHS funds;
- \$80 million of STP-AZ funds;
- \$156 million of STP-MAG funds;
- \$150 million of CMAQ funds;
- \$2.3 billion in State funds;
- \$977 million in Regional Area Road Funds;
- \$1.3 billion in Local funds; and,
- \$244 million in Private funds.

Moving on, Mr. Herzog announced outlined the schedule for approving the Draft FY 2011-2015 TIP. He informed the Committee that MAG Staff would conduct conformity analysis in May, hold a final phase public hearing in June, and consider the Draft TIP for adoption in July. Mr. Herzog stated the item was on the agenda for a recommendation to approve a listing of projects to be included in the MAG Air Quality conformity analysis.

Mr. Bryan Jungwirth from Valley Metro/RPTA announced that the lottery funds (LTAF) used for local transit operations had been permanently repealed and swept by the Legislature to balance the State budget. Mr. Jungwirth inquired how transit service changes that would occur due to the funding shortfall would be modeled. Mr. Herzog replied that MAG would accommodate the changes as they were made. He stated that MAG also could amended the approved TIP as needed.

Mr. Jungwirth inquired what impact the reduction of transit service would have on the air quality conformity model. Mr. Herzog replied that most likely the reductions would not have a significant impact on conformity. He added that impact could not be determined at this point because a specific list of changes was not available.

Mr. Jungwirth motioned to approve the list of projects to be included in MAG air quality conformity analysis. Mr. John Hauskins from Maricopa County seconded, and the motion passed by unanimous voice vote of the Committee.

8. Conformity Analysis of the Draft MAG Regional Transportation Plan - 2010 Update

Moving on, Chairman Moody invited Mr. Herzog to present the conformity analysis of the Draft MAG Regional Transportation Plan (RTP) 2010 Update. Mr. Herzog reported that a 2010 Update has been prepared, as part of the continuing regional transportation planning process for the MAG Region. He stated that major factors considered in the update included extending the horizon year to 2031 and reduced revenues. Mr. Herzog informed the

Committee that the Draft RTP Update included a Phase V that spanned from FY 2026 to FY 2031.

Mr Herzog explained that \$58.8 billion in funding was reported in the RTP and listed in year-of-expenditure (YOE) dollars, per federal requirements. Mr. Herzog reported \$29.3 billion in local/other funds and \$29.5 billion in regional funds had been identified in the RTP. He explained that regional funds comprised of MAG Federal highway funds (\$3 billion), MAG Federal transit funds (\$3.1 billion), half-cent sales tax funds (\$15.7 billion), and ADOT funds (\$7.6 billion).

Next, Mr. Herzog discussed the major modal programs addressed in the RTP. He reported that revisions to the highway/freeway, arterial, and transit life cycle programs had been required due to lower revenue projections. He stated the adjustments to the life cycle programs were discussed extensively and conducted cooperatively between MAG, METRO, RPTA and the regional member agencies. He announced that currently all life cycle programs were fiscally balanced. Then, Mr. Herzog displayed a series of maps indicating the phasing of projects in the life cycle programs.

Mr. Herzog stated the item was on the agenda for action to recommend that the Draft MAG Regional Transportation Plan – 2010 Update to undergo an air quality conformity analysis. Mr. Martin inquired why the Central Mesa Light Rail Extension project was shown in Phase III of the Regional Transportation Plan. He stated the majority of funds for the project were programmed in Phase II of the Draft RTP. Mr. Herzog explained that projects were listed according to the fiscal year construction was programmed for completion. Mr. Herzog reported that the Central Mesa Light Rail Extension project was programmed for completion in Phase III although the majority of the work would occur in Phase II. Mr. Martin asked if the listing could be modified. Mr. Herzog replied that a footnote could be added.

Mr. Martin motioned to recommend the Draft RTP 2010 Update with the requested amendment to undergo an air quality conformity analysis. Mr. Meinhart seconded the motion. Mr. Terry Johnson expressed disappoint in the process of updating the Transit Life Cycle Program (TLCP). He stated that the cuts to the TLCP were more substantial in the west valley than in the east valley.

Chairman Moody called for vote on the motion. The motion passed by a majority voice vote of the Committee. Mr. Johnson voted no, citing the TLCP cuts.

9. Programming of Bid Savings of Local/MPO American Recovery and Reinvestment Act (ARRA) Funds

Moving on, Chairman Moody returned to the next item on the agenda and invited Ms. Alice Chen, Transportation Planner, to present the programming of bid savings of local/MPO American Recovery and Reinvestment Act (ARRA) funds. Ms. Chen reported that a memorandum calling for projects was sent to members of the Transportation Review Committee and Intergovernmental representatives on Monday, March 29, 2010. She explained that the call for proposed projects that could use any ARRA funds resulting from bid savings.

Ms. Chen informed the Committee that MAG Staff did not know the amount of bid savings

available for reallocation at this time. She explained that typically, a project could not be added to the MAG TIP and be reviewed by ADOT without federal funds allocated to the project. She announced that ADOT and FHWA had made an exception to the rule due deadlines associated with the obligation of ARRA funds.

Ms. Chen stated that MAG Staff was recommending a technical amendment to the previous recommendation on the reallocation of local ARRA bids savings. She announced that the technical amendment would recommend that:

1. Member agency may apply bid savings to a project within its own jurisdiction if MAG Staff, ADOT and FHWA had determined the project could obligate by August 15, 2010;
2. Any bid savings that could not be utilized within a jurisdiction shall be applied to a sub-regional pool of projects that could obligate by August 15, 2010, and the member agencies within the sub-region would prioritize the project list to be included in the MAG TIP; and,
3. Any remaining funds that could not obligate by August 15, 2010 would be returned to ADOT to be applied towards a statewide project.

Ms. Chen announced that the deadline to submit proposed projects for ARRA funding consideration was April 5, 2010. She added that MAG Staff would coordinate with ADOT and FHWA to determine the likelihood of the proposed projects obligating on or before August 15, 2010.

Mr. Zeder expressed concerns about the City's difficulty in obtaining a project TRACS number from the Arizona Department of Transportation (ADOT). Mr. Paul Ward from the City of Litchfield Park concurred.

Mr. Meinhart inquired if the City of Scottsdale should request to reprogram a CMAQ funded project with ARRA funds. Mr. Eric Anderson replied that the decision to reprogram a project with ARRA funds would be contingent on a variety of factors, including the ability to apply the ARRA funds towards the local match requirement stipulated in the RTP.

Mr. Anderson informed the Committee that member agencies, such as Maricopa County, had started receiving bids higher than the engineers' estimates. Mr. Hauskins reported that one of the County's project bids had come in \$1.2 million higher than the engineering estimate. Mr. Hauskins attributed the higher costs to an increase in the price of asphalt. A brief discussion followed regarding the impact of the costs increases.

Mr. Scott Lowe from the Town of Buckeye inquired how long the bid amount were good. Mr. Eric Anderson replied that he was unsure.

Chairman Moody noted a discrepancy in the attached memorandum regarding the deadline to submitted proposed projects for the reallocation of bid savings. Mr. Anderson replied that the correct deadline to submit proposed projects for ARRA funding consideration was April 5, 2010.

Mr. Rick Austin from the Town of Wickenburg raised concerns about the Vulture Mine project. He reported that the original project amount had been reduced and inquired if funding could be obtained to make the project whole. Mr. Anderson replied that MAG Staff would look into the issue.

Mr. Martin motion to approve the technical programming recommendations as presented. Mr. Zeder seconded the motion citing that the motion allowed for funds to remain in the localized area if a jurisdiction was unable to use the funds. Chairman Moody called for a vote, and the motion passed by a unanimous voice vote of the Committee.

10. Transit Allocation Methodology for Proposed Federal Economic Stimulus Legislation - Potential Changes due to loss of LTAF

Chairman Moody invited Mr. Eric Anderson to discuss the transit allocation methodology for the proposed federal economic stimulus legislation. Mr. Anderson reported that MAG Staff had sent request for transit projects that could obligate within the specified time frame. He reiterated the recommended action presented to the Committee the previous month, which stated that funds that are required to be under contract within ninety days be allocated towards operations (up to maximum allowable), ADA operations and ADA preventative maintenance (10%), and preventative maintenance by applying the principles outlined by RPTA for project savings from ARRA I funds; and amend the FY 2008-2012 MAG TIP as appropriate.

Mr. Anderson reported that the MAG Management Committee had discussed applying a different methodology as a result of the sweep of LTAF funds proposed by legislature. He added that the Management Committee requested the agenda item be brought before the Transit Committee and through the TRC again before approval. Mr. Anderson directed the Committee's attention to two handouts in the agenda packet that addressed the State Shared Revenue and LTAF II estimated distributions, which listed approximate funding by agency from LTAF funds.

Mr. Anderson reported that the motion, as presented last month, had been approved by the Transit Committee. He explained that the motion, as previously presented, was before the Committee again for approval. Mr. Anderson stated that the intent of the Management Committee was to receive the Transit Committee and TRC's input on the recommendation in light of the LTAF sweeps.

Mr. Jungwirth from RPTA clarified that the agenda item was to reaffirm the previous motion. He added that the issue could be addressed later through the MAG Committee process if changes to the LTAF sweeps or stimulus legislation occurred. Mr. Jungwirth motioned to reaffirm the motion. Mr. Wylie Bearup from the City of Phoenix seconded, and the motion was approved by a unanimous voice vote of the Committee.

11. Interim Closeout of the Federal Fiscal Year (FFY) 2010 MAG Federally Funded Program

Chairman Moody asked Mr. Steve Tate, MAG Transportation Planner III, to present on the Interim Closeout of the Federal Fiscal Year (FFY) 2010 MAG Federally Funded Program. Mr. Tate informed the Committee that MAG Staff would conduct the FFY 2010 Closeout process

according to the Draft Federal Fund Programming Principles (Draft Principles). Mr. Tate explained that the purpose of the closeout was to maximize the use available Congestion Mitigation and Air Quality (CMAQ) fund obligation authority (OA) in the current federal fiscal year. He added the caveat that cash balances would need to be taken into account for the closeout due to past rescissions.

Mr. Tate provided an overview the MAG Federal Fund Closeout Process. He explained the member agencies deferring a federally funded project for the second time or more must submit a deferral notification form and justification letter documenting the history, status and intent of the project. He added that a one-time automatic deferral, without justification was permitted.

Next, Mr. Tate discussed the requirements to defer a federally funded project for the second time or more. Mr. Tate stated that the sponsoring agency for the project must submit a justification letter in addition to the deferral request. He listed the key requirements of the justification letter, which required:

- the letter to be signed by the Manager/Administrator of the jurisdiction;
- a detailed explanation of the reason for deferring the project; and,
- an explanation of how the requesting agency would commit to completing the project through the ADOT - Local Government process.

Mr. Tate informed the Committee that projects submitted for use of closeout funds would be considered based on the three priorities established in the Draft Principles. He explained that consideration would be given first to advanced projects of the same mode currently programmed with federal funds in the TIP. The advanced, funded projects would be selected in chronological order of the TIP. Then, consideration would be given to increasing federal funds on an existing, unobligated project, up to the originally programmed, federal-aid maximum, or the maximum established by the mode in the RTP, whichever is less. Finally, funding consideration would be give to new projects.

Mr. Tate announced that request forms were available for download from the MAG-TIP website. He stated that project requests that change the scope of an existing project or create a new project required an addendum providing information needed to calculate a CMAQ cost-effectiveness score.

Next, Mr. Tate encouraged member agencies with project deferrals to notify MAG Staff by April 19, 2010. He announced that the deadline to submit project request forms for funding consideration was also April 19th by noon. Mr. Tate explained the deadline for funding consideration was a hard deadline and that late forms would not be accepted.

Moving on, Mr. Tate discussed the estimated CMAQ funds that would be available for the FFY 2010 Closeout. He noted that past federal fund rescissions had left MAG with zero CMAQ and Surface Transportation Program (STP) cash balances carried into FY 2010 and an OA balance carryover of \$48 million. Mr. Tate explained that MAG had to balance the need to preserve cash for projects programmed in future years of the TIP while maximizing the OA used in FFY10. He stated the projects deferring to FFY 2011 or later would need to reserve funding to avoid over programming federal funds. Mr. Tate reported that in light of these factors the estimated available for FFY 2010 Closeout at \$1,273,000.

Mr. Eric Anderson stated that MAG had very little money to consider for closeout. He explained that the US Congress had wiped out the available federal funds with the FFY09 rescission. Mr. Anderson encouraged member agencies to notify MAG quickly if a federally eligible project could obligate now. He added that it was rare to have spending authority but no cash available to spend.

Chairman Moody inquired if there were any questions or comments about the agenda item. There were none, and the Chair proceeded to the next agenda item.

12. Request for Future Agenda Items

Chairman Moody inquired if the members had any topics or issues of interest they would like to have considered for discussion at a future Committee meeting. Mr. Jungwirth suggested that the LTAF repeal and subsequent be discussed. He asked if MAG Staff could address the use of CMAQ or STP funds to fund transit. Mr. Eric Anderson replied that CMAQ only could be used for developmental projects for the first three years of operation.

Mr. Grant Anderson noted that the ADOT Red Letter Process had not been addressed, as requested, on the current agenda. He repeated his request that the item be added to an agenda. Mr. Grant Anderson also requested an update on the progress of the Federal Fund Working Group. Chairman Moody asked if anyone else would like to propose a future agenda item. The Committee members did not, and Chairman Moody moved onto the next agenda item.

13. Member Agency Update

Chairman Moody asked members of the Committee if they would like to provide updates, address any issues or concerns regarding transportation at the regional level, and asked if any members in attendance would like to address recent information that was relevant to transportation within their respective communities. There were none.

14. Next Meeting Date

Chairman Moody informed members in attendance that the next regularly scheduled meeting of the Committee would be held on April 29, 2010. There be no further business, Chairman Moody adjourned the meeting at 2:37 p.m.