

May 13, 2009

TO: Members of the Transportation Policy Committee

FROM: Mayor Steve Berman, Gilbert, Chair

SUBJECT: NOTIFICATION OF MEETING AND TRANSMITTAL OF TENTATIVE AGENDA

Meeting - 4:00 p.m.
Wednesday, May 20, 2009
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 was discussed at the first meeting of the Committee, proxies would not be allowed. Members who are not able to attend the meeting are encouraged to submit their comments in writing, so that their view would always be 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 Eric Anderson, MAG Transportation Director, or Dennis Smith, MAG Executive Director, at (602) 254-6300.

c: MAG Regional Council
MAG Management Committee

**TRANSPORTATION POLICY COMMITTEE
TENTATIVE AGENDA
May 20, 2009**

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.

4. Approval of Consent Agenda

Prior to action on the consent agenda, members of the audience will be provided an opportunity to comment on consent items that are being presented for action. Following the comment period, Committee members may request that an item be removed from the consent agenda. Consent items are marked with an asterisk (*).

3. Information.

4. Recommend approval of the Consent Agenda.

ITEMS PROPOSED FOR CONSENT*

*4A. Approval of the April 15, 2009, Meeting Minutes

4A. Review and approval of the April 15, 2009, meeting minutes.

*4B. Fiscal Year (FY) 2009 - Arterial Life Cycle Program Regional Area Road Fund Closeout

The Regional Area Road Fund (RARF) Closeout Process was established in Section 260 of the

4B. Recommend approval of advancing reimbursements from fiscal year (FY) 2012 to FY 2009 in the Arterial Life Cycle Program (ALCP) for the selected Regional Area Road Fund (RARF) Closeout Projects: Queen Creek Road from

Arterial Life Cycle Program (ALCP) Policies and Procedures approved by the MAG Regional Council. A financial analysis of ALCP revenues and expenditures as well as the ALCP bonding program was conducted. After reviewing the output of the analysis, MAG staff recommended that two eligible projects be reimbursed in the FY 2009 ALCP RARF Closeout Process. The MAG Transportation Review Committee and the Management Committee recommended approval. Please refer to the enclosed material.

*4C. Project Changes – Amendment and Administrative Modification to the FY 2008-2012 MAG Transportation Improvement Program and FY 2009 Arterial Life Cycle Program

The FY 2008-2012 Transportation Improvement Program (TIP) and Regional Transportation Plan (RTP) 2007 Update were approved by the MAG Regional Council on July 25, 2007, and the FY 2009 Arterial Life Cycle Program (ALCP) was most recently approved by the Regional Council on April 22, 2009. Since that time, there have been requests from member agencies to modify projects in the programs. The proposed amendments and administrative modifications to the FY 2008-2012 TIP that were heard and recommended for approval by the Transportation Review Committee (TRC) are listed in Table A. These include two new projects funded with federal American Recovery and Reinvestment Act (ARRA), and federal aid projects that are requesting to be deferred to a later year in the TIP. The proposed administrative modifications to the FY 2009 ALCP that were heard and recommended for approval by the TRC are listed in Table B, which are reimbursement changes to ALCP projects located in Scottsdale. These funding modifications do not negatively impact ALCP reimbursements in FY 2009, nor increase or decrease overall committed regional reimbursement amounts. Since the TRC met, there were requests to add and modify projects which are noted in Table C and include transportation enhancement projects funded

Arizona Avenue to McQueen Road for \$6.076 million and Lake Pleasant Parkway from Union Hills Drive to Dynamite Road for \$4.793 million, totaling \$10.869 million, and amend the FY 2009 ALCP and Regional Transportation Plan 2007 Update, as necessary.

4C. Recommend approval of amendments and administrative modifications to the FY 2008-2012 Transportation Improvement Program, the FY 2009 Arterial Life Cycle Program and as appropriate, to the Regional Transportation Plan 2007 Update, as shown in the attached tables.

with ARRA funds, local projects funded with ARRA, reprogramming of a project, and other project modifications. On May 13, 2009, the Management Committee recommended approval of Tables A, B, and C. Since the Management Committee meeting, there have been additional requests for project changes for federal bridge and ARRA funded projects, which are included in Table D. Please refer to the enclosed material.

ITEMS PROPOSED TO BE HEARD

5. Development of the FY 2010 Arterial Life Cycle Program

The Arterial Life Cycle Program (ALCP) Policies and Procedures (Policies) require MAG staff to maintain a fiscally balanced program and to update ALCP project information on an annual basis. In addition, the Policies established procedures in the event of a revenue shortfall in the program. MAG staff will provide an overview of the established procedures, current programming efforts, and other pertinent factors affecting the development of the FY 2010 Arterial Life Cycle Program.

6. Proposal to Advance the Design and Right of Way for a Portion of the Williams Gateway Freeway

Mesa has requested consideration of a proposal to advance the design and right of way acquisition for the segment of the Williams Gateway Freeway from the Santan Freeway to Ellsworth Road. A request to accelerate the design, right of way and construction of this segment was approved by the MAG Regional Council in January 2009. The legislature subsequently swept the funds that had been designated for the interest expense for the accelerated project. Mesa is now requesting that only the design and right of way be accelerated and that the funding that has been programmed for the advanced acquisition of right of way in the corridor be used to cover the interest expense associated with the financing necessary to accelerate the design and

5. Information and discussion.

6. Recommend approval of the Mesa request to advance the design and right of way of an interim connection of the Williams Gateway Freeway between the Santan Freeway and Ellsworth Road by approximately three years to be incorporated into the draft FY 2010 to FY 2014 MAG Transportation Improvement Program and the Regional Transportation Plan and that the program funds allocated to the Williams Gateway Freeway for advanced right of way acquisition be used instead to pay for the interest expense associated with the proposed acceleration, and authorize the MAG Executive Director to enter into an agreement with ADOT and Mesa.

right of way activity. In the currently adopted Freeway Life Cycle Program, \$8 million is programmed for right of way protection for FY 2009 through FY 2012. The request to accelerate the design and right of way would allow the acquisition of the needed property at current land values and could take advantage of extremely attractive interest rates. On May 13, 2009, the Management Committee recommended approval of the request. Please refer to the enclosed material.

- 7. Update on the American Recovery and Reinvestment Act of 2009: Arizona Department of Transportation (ADOT) Portion, MAG Sub-Allocation, Transportation Enhancement Portion, and MAG Region Transit Funds

The American Recovery and Reinvestment Act (ARRA) of 2009 was signed by President Obama on February 17, 2009. The Act directs transportation infrastructure funds to both highway and transit agencies in states and metropolitan planning organizations. On March 25, 2009, the MAG Regional Council approved the necessary Transportation Improvement Program (TIP) project changes for ADOT-led freeway projects and MAG regional transit projects that are programmed with ARRA funds. On April 22, 2009, the MAG Regional Council approved the necessary TIP project changes for the majority of the local projects funded with ARRA funds. An update will be provided regarding project development for the MAG sub-allocated transportation ARRA funds, the status of the highway and transit funded ARRA projects, and any new developments.

- 8. Transportation Planning Update - Proposition 400 Regional Freeway Program

The Committee will receive an update on the strategies identified by MAG staff to address the funding gap in the Regional Freeway Program. Topics covered within this presentation include an update on cost saving proposals in the SR-202L/South Mountain Freeway and SR-303L

- 7. Information and discussion.

- 8. Information and discussion.

corridors. The update will conclude with a presentation on overall strategies and scenarios for meeting the Regional Freeway funding gap, based on the corridor-specific cost savings, data collected from the Central Phoenix Peer Review Group, discussions with ADOT and their Management Consultants, and MAG staff recommendations.

9. Legislative Update

An update will be provided on legislative issues of interest.

9. Information, discussion and possible action.

MINUTES OF THE
MARICOPA ASSOCIATION OF GOVERNMENTS
TRANSPORTATION POLICY COMMITTEE MEETING

April 15, 2009
MAG Office, Saguaro Room
Phoenix, Arizona

MEMBERS ATTENDING

- Mayor Steven Berman, Gilbert, Chair
- # Mayor Marie Lopez Rogers, Avondale, Vice Chair
- Councilmember Ron Aames, Peoria
- # Kent Andrews, Salt River Pima-Maricopa Indian Community
- Councilwoman Maria Baier, Phoenix
- * Vice Mayor Gail Barney, Queen Creek
- # Stephen Beard, SR Beard & Associates
- Dave Berry, Swift Transportation
- Jed Billings, FNF Construction
- Mayor James Cavanaugh, Goodyear
- * Mayor Boyd Dunn, Chandler
- # Mayor Hugh Hallman, Tempe
- * Eneas Kane, DMB Associates
- * Mark Killian, The Killian Company/Sunny Mesa, Inc.
- Mayor Jackie Meck, Buckeye
- * David Scholl
- # Mayor Elaine Scruggs, Glendale
- Mayor Scott Smith, Mesa
- * Mayor Jim Lane, Scottsdale
- Mayor Lyn Truitt, Surprise
- Supervisor Max W. Wilson, Maricopa County
- * Felipe Zubia, State Transportation Board
- * Vacant, Citizens Transportation Oversight Committee

* Not present

Participated by telephone conference call

+ Participated by videoconference call

1. Call to Order

The meeting of the Transportation Policy Committee (TPC) was called to order by Chair Steven Berman at 4:10 p.m.

2. Pledge of Allegiance

The Pledge of Allegiance was recited. Chair Berman announced that Mayor Hugh Hallman, Mayor Marie Lopez Rogers, Mayor Elaine Scruggs, Kent Andrews, and Steve Beard were participating by telephone. Mayor Berman noted that revised materials for agenda item #6 that were previously emailed to members were at each place.

3. Call to the Audience

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

Chair Berman noted that no public comment cards had been received.

4. Approval of Consent Agenda

Chair Berman 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. Councilmember Aames moved to recommend approval of consent agenda items #4A, #4B, and #4C. Supervisor Wilson seconded, and the motion carried unanimously.

4A. Approval of the March 18, 2009, Meeting Minutes

The Transportation Policy Committee, by consent, approved the March 18, 2009, meeting minutes.

4B. Update to the Arterial Life Cycle Program Policies and Procedures

The Transportation Policy Committee, by consent, recommended approval of the proposed changes to the previously approved December 19, 2007, ALCP Policies and Procedures. The Arterial Life Cycle Program (ALCP) Policies and Procedures approved by the MAG Regional Council on December 19, 2007, require revisions, which include refinements to policies on the Regional Area Road Fund (RARF) Closeout Process, the addition of substitute projects, and the amendment or termination of signed and effective Project Agreements. Other minor technical refinements are also included. The ALCP Working Group met on November 17, 2008, and January 9, 2009, to discuss the revisions and continued the discussion and refinement process via e-mail. On April 8, 2009, the Management Committee recommended approval of the proposed changes.

4C. Arterial Life Cycle Program Status Report

A Status Report on the Arterial Life Cycle Program (ALCP) is provided for the period between October 2008 and March 2009 and includes an update on ALCP Project work, the remaining FY 2009 ALCP schedule, and ALCP revenues and finances. This item was on the agenda for information and discussion.

5. Update on the American Recovery and Reinvestment Act of 2009: ADOT Portion, MAG Sub-Allocation, and MAG Region Transit Funds

Eileen Yazzie, MAG Transportation Program Manager, reported on the American Recovery and Reinvestment Act of 2009 (ARRA), which provides funds for highway, transit, and transportation enhancement projects. She stated that at the March 2009 meeting, the MAG Regional Council approved the necessary Transportation Improvement Program (TIP) project changes for five ADOT-led freeway projects programmed with ARRA funds. Ms. Yazzie stated that the I-10: Verrado Way to Sarival Road construction project was advertised on March 27, and the other four projects will be advertised between now and the end of June 2009.

Ms. Yazzie stated that also at the March meeting, the Regional Council approved amendments and modifications to the MAG TIP to include 15 transit projects. She noted that the process for the grant application with FTA, the City of Phoenix, RPTA, and METRO light rail is underway and will continue through June and July.

Ms. Yazzie stated that the ARRA legislation designates three percent of the state highway portion of the ARRA funds (\$15.6 million) for transportation enhancement projects. She advised that the Transportation Enhancement Review Committee recommended that due to the time constraints, using the existing projects and also that the existing transportation enhancement funding be replaced by ARRA money plus an additional 50 percent of the current transportation enhancement funding (up to \$250,000), not to exceed the total project cost. Ms. Yazzie stated that applying this formula means that less funding will be required for the local share. She then reviewed the transportation enhancement projects list by saying that 11 of the 23 transportation enhancement projects are in the MAG region and total about \$7.1 million. Ms. Yazzie noted that any amendments or modifications to the MAG TIP will go through the MAG process after the Priority Planning Advisory Committee and the State Transportation Board take action, and she added that this will likely take place in the May/June timeframe.

Ms. Yazzie stated that upon a recommendation by the Transportation Policy Committee in March for the sub-allocated ARRA funds to MAG, the Regional Council approved Scenario #1, Option A, with a minimum agency allocation of \$500,000 plus population, with a due date of April 3, 2009, to define and submit projects to MAG for ARRA funds. She said that the process will then be followed to conduct any necessary air quality conformity or consultations and to administratively adjust or amend the FY 2008-2012 TIP. Ms. Yazzie noted that projects need to be obligated by November 30, 2009, and funds from projects that did not obligate will be reprogrammed to meet the federal obligation date of March 2, 2010. She expressed her appreciation to member agency staff, and she explained that it is not an easy task to understand not only the legislation, but also the policy implications.

Ms. Yazzie stated that the MAG sub-allocated ARRA funds total \$104,578,340, and the projects identified in the MAG region total \$102,621,182. She advised that project identification is still underway with five MAG member agencies, Federal Highway Administration (FHWA), the Bureau of Indian Affairs, and the Federal Transit Administration.

Ms. Yazzie reviewed some of the projects that have been submitted for the sub-allocation funding, including some Americans with Disability Act projects, pavement rehab and reconstruction

projects, bridge projects, intersection and/or capacity improvement projects, ITS projects, pedestrian projects, safety and sign projects, and transit projects.

Ms. Yazzie stated that the next steps include action by the Transportation Policy Committee and Regional Council on amendments and administrative modifications to the MAG TIP and RTP. She noted that ADOT and FHWA are hosting a joint meeting of local governments regarding project implementation and development in April 2009. Ms. Yazzie stated that this item was not on the agenda for action, but for information and discussion. Chair Berman thanked Ms. Yazzie for her report and asked members if they had questions.

Mr. Billings asked if the \$102 million worth of projects for the MAG sub-allocated ARRA amount reflected only construction costs. Ms. Yazzie replied that the amount included pre-design engineering or scoping documents for the majority of projects. She noted that the detailed description of each project is included in the material for agenda item #6.

6. Project Changes – Amendment and Administrative Modification to the FY 2008-2012 MAG Transportation Improvement Program and FY 2009 Arterial Life Cycle Program, Including Funding from the American Recovery and Reinvestment Act of 2009

Ms. Yazzie noted that the Transportation Policy Committee was requested to take action on the administrative modifications and amendments to the Transportation Improvement Program (TIP) and Regional Transportation Plan (RTP) 2007 Update, and the FY 2009 Arterial Life Cycle Program (ALCP) to include projects that previously were approved for funding by the Regional Council.

Ms. Yazzie pointed out that revised materials for this item were emailed to members. She explained that Table C was revised to provide flexible options during implementation of projects funded with ARRA funds, and Table D was added in response to a member agency request to modify reimbursements related to two ALCP projects. Chair Berman thanked Ms. Yazzie for her report. With no questions from the Committee, Chair Berman called for a motion.

Councilwoman Baier moved to recommend approval of amendments and administrative modifications to the FY 2008-2012 Transportation Improvement Program, the FY 2009 Arterial Life Cycle Program and as appropriate, to the Regional Transportation Plan 2007 Update as shown in the attached tables. Mr. Berry seconded, and the motion carried unanimously.

7. Proposed Amendment to Add Stage One of the Phoenix Sky Harbor Automated Train System (Sky Train) to the FY 2008-2012 MAG Transportation Improvement Program and MAG Regional Transportation Plan 2007 Update and Inclusion of Stage Two of the Phoenix Sky Harbor Automated Train System (Sky Train) in the MAG Regional Transportation Plan 2007 Update as an Illustrative Project

Eric Anderson, MAG Transportation Director, described the Sky Train as an automated transit system that will connect the major facilities at Phoenix Sky Harbor International Airport with the

METRO light rail system. He said that Stage One would connect the light rail station at 44th Street and Washington to Terminal Four at Sky Harbor Airport; Stage Two is to continue Sky Train to connect to Terminal Three and Terminal Two and then to the rental car center.

Mr. Anderson reported that this agenda item is a request by the City of Phoenix to amend the FY 2008-2012 MAG Transportation Improvement Program and MAG Regional Transportation Plan 2007 Update to include Stage One of the Sky Train project and to add Stage Two to the Regional Transportation Plan (RTP) 2007 Update as an illustrative project.

Mr. Anderson stated that the City of Phoenix is funding Stage One with airport revenue and passenger facility fees. He explained that the MAG Plan must be fiscally constrained and to add Stage Two to the Plan, it would need to be added as an illustrative project, which is a project that does not have identified funding. Mr. Anderson noted that adding the project to the MAG Plan would allow the City of Phoenix to explore possible federal grants and a federal financing program called Transportation Infrastructure Financing Innovation Act of 1998 (TIFIA). He explained that TIFIA is a federal government loan program to be used for revenue generating projects and in order to be eligible to receive TIFIA funds, a project must be in a TIP and RTP. Mr. Anderson stated that TIFIA loans mainly have been used for toll roads and this might be the first application for airports. He indicated that staff feels this would be a good use of a program not yet used in Arizona and is interested in seeing the results of this loan program being used for Sky Train. Mr. Anderson said that the repayment sources for Stage Two loans will be from passenger facility fees and airport revenue.

Paul Blue, Assistant Aviation Director for the City of Phoenix Aviation Department, continued the presentation. He displayed a map of the Sky Train route and said that Sky Train is a driverless automatic train that will connect with METRO light rail and run through the terminal facilities, public parking facilities, future ground transportation centers, and the rental car center. Mr. Blue stated that the Sky Train is a \$1.5 billion, five-mile long, grade-separated transit system on airport property. He advised that the train's funding will be from airport facility charges and revenue.

Mr. Blue stated that the project will be built in two stages. Stage One will take passengers from the METRO light rail station at 44th Street and Washington to Terminal Four at the airport, and Stage Two will be the completion of the system to the rest of the airport. Mr. Blue noted that Stage One is anticipated to be complete in 2013 and Stage Two in 2020. Mr. Blue stated that the decision to construct Sky Train in two stages was purely financial. He said that the City preferred to build it all at one time, but was constrained by financial capabilities.

Mr. Blue displayed a rendition of the 44th Street and Washington Street station, which showed the METRO stop and the Sky Train. He noted that currently buses are operating there and serve all four terminals. Mr. Blue stated that the plan is that by 2013, the Sky Train station will connect via a pedestrian bridge across Washington and across the canal. Passengers will take an elevator or escalator to a platform, and in four minutes, they will be at Terminal Four, where 80 percent of the airport's customers are located.

Mr. Blue explained how the airport cannot make improvements in certain areas due to constraints by the roadway system and airport gates, and the City sees Sky Train as an option for growing capacity. He commented that the City sees this as an integral part of the surface transportation solution in the region to get people to the airport.

Mr. Blue displayed a rendition of what passengers will see when they disembark from light rail onto the station platform, and noted the location of escalators and the air conditioned moving walkway. He noted that all ground transportation modes – courtesy vans, taxis, buses, etc. – will also be accessible. Mr. Blue showed an animation of how the Sky Train will integrate into the airport. He said that the Sky Train will move along the westbound lanes of 44th Street, and noted that \$80 million was saved by utilizing the existing roadway. Mr. Blue described how the Sky Train moves at-grade and begins its ascent to become elevated. He said that Sky Train will enter Terminal Four at the passenger level.

Mr. Blue stated that the Sky Train has received NEPA approval and construction of Stage One began in November 2008. He noted that completion of Stage One is expected in 2013. He stated that the City of Phoenix is here today to request a recommendation to amend the TIP and RTP to add Stage One of the Sky Train and to include Stage Two of Sky Train to the MAG RTP as an illustrative project in order to move the project forward. Mr. Blue commented that the City thinks Sky Train will be a great part of the airport and regional transportation system and that connecting all of the airport terminals is very important. He stated that MAG approval will provide the opportunity for the City of Phoenix to pursue TIFIA funds that will allow them to free up about \$200 million of its capital capacity to fund the extension of Terminal Four to Terminal Three and Terminal Two. Mr. Blue stated that the City has an opportunity this summer to pursue TIFIA funds, and if they can get started on the extension of Terminal Four to Terminals Three and Two in the next six months, the entire project could be completed in 2013. Chair Berman thanked Mr. Blue for his report and asked members if they had questions.

Supervisor Wilson referenced Mr. Blue's comment that lanes on 44th Street would be used for Sky Train and asked if traffic lanes would be lost in the process. Mr. Blue replied that they would be using the conversion of SR-153, which was previously a highway and was converted to 44th Street south of the airport. He said that the two westbound lanes would be converted for use by Sky Train. Mr. Blue stated that they have done extensive modeling with MAG and ADOT and they are comfortable they have capacity for decades to come.

Supervisor Wilson asked if the modeling studies were available. Mr. Blue replied that studies were available and could be provided to Supervisor Wilson. Supervisor Wilson expressed that he appreciated they were comfortable that there would be sufficient capacity, but he had not heard about this before. He asked how carrying luggage would be accommodated. Mr. Blue replied that they would provide the same type of luggage carts as in the airport. Once off the light rail, and passengers ascend the elevator or escalator, they would find the luggage carts. Mr. Blue noted that the luggage carts can roll right on to the train cars.

Supervisor Wilson asked the cost of the system and whether passengers would pay a fee to use the Sky Train. Mr. Blue replied that the cost is estimated at \$1.5 billion and there is no charge to customers to ride the train. Supervisor Wilson asked how the funds would be generated to pay the cost of the system. Mr. Blue replied that the cost would be funded out of the revenue stream generated at the airport.

Councilmember Aames stated that \$1.5 billion is a lot of money and asked what accounted for the high cost. Mr. Blue responded that the cost is attributed to multiple factors, including the complexity of the automated system, the elevated element, the automated rail cars, and the interface of the stations with air conditioned buildings.

Councilmember Aames asked the frequency of the stops. Mr. Blue replied that the trains will arrive every 90 seconds to two minutes. Councilmember Aames commented that this would add to the expense. Mr. Blue said that was correct; it would require capacity as well as train cars to serve the capacity.

Mr. Berry said that he assumed the City had spoken to the tenant airlines and asked if the project has their support. Mr. Blue responded that the airlines are not directly funding the cost of the project nor its operations. He indicated that it would be fair to say they do not particularly support Sky Train, but also admit they are not funding the project.

Mr. Berry asked the source of airport revenue for Sky Train. Mr. Blue replied that the revenue comes from a \$4.50 fee per passenger flying out of the airport, concessions, parking fees, and commercial activities at the airport with the exception of the airlines. Mr. Berry asked if the costs for Sky Train would impact the \$4.50 fee. Mr. Blue replied that this would be a continuation of the \$4.50 fee, which is charged for a defined set of projects. Once the set of projects is concluded, future sets of projects would be substituted. Mr. Blue noted that the passenger fee has been in place since the late 1990s. Mr. Berry commented that the fee would not change but would stay in place longer. Mr. Blue replied that was correct.

Councilmember Aames asked the proportion of federal funds that are being used. Mr. Blue replied that the City currently has no approval for federal funding for this project. He added that this project is being funded entirely by local funds. Mr. Blue stated that if other financing vehicles might become available, it would allow the City to advance Stage Two; without a grant the City will be paying all the costs itself. He noted that the City has not applied yet to any grant program to secure federal funding.

Councilmember Aames asked the status of an additional \$32 million that will be forthcoming. Mr. Blue responded that there is a discretionary department of transportation program that is part of the stimulus program. He explained that it is a \$1.5 billion pot nationally that is something the City will explore as an option for funding, however, the rules have not been written yet and he was not sure how they could take advantage of the program. Mr. Blue stated that the TIFIA program seems to be a vehicle that could work and provide more flexible financing than what they could find on

their own. Councilmember Aames asked for clarification that this was the purpose of the request. Mr. Blue replied that was correct.

Mayor Cavanaugh complimented Mr. Blue on the presentation. He asked if there was a picture of the Sky Train vehicle. Mr. Blue replied that they are in the middle of the procurement process and it is difficult to describe the model for certain, however, the vehicles would be similar to those in Dallas, Denver, Pittsburgh, and Las Vegas.

Mayor Cavanaugh asked the carrying capacity. Mr. Blue replied that each car could carry 80 to 90 people and luggage carts. He added that the cars are also able to accommodate passengers in wheelchairs. Mayor Cavanaugh asked for confirmation that Stage One is being funded entirely by airport revenue and fees. Mr. Blue replied that was correct.

Mayor Cavanaugh asked Mr. Anderson if Stage Two would be added as an illustrative entry into the Proposition 400 plan. Mr. Anderson replied that was correct. Mayor Cavanaugh asked if the illustrative entry would include a likely funding source. Mr. Anderson replied that if the project is put in the plan, it will say the project is intended to be funded by passenger facility charges, however, due to the uncertainty of the revenue stream and the timing of Stage Two, the airport wants to finish Stage One first, then explore some financing options that would enable them to extend Stage One to Terminals Two and Three. Mr. Anderson stated that it would be written into the plan that it is not fully funded, and that is why it would be an illustrative project.

Mayor Cavanaugh asked if potential funding sources would be included. Mr. Anderson replied that potential funding sources might not necessarily be included, however, TIFIA might be included. He said that it all depended on the timing of the written document and the progress Phoenix has made by that time. Mayor Cavanaugh expressed concern about protecting funding sources that could be used for other requirements rather than transferring those funds to this project. He asked if this would preclude that from happening. Mr. Anderson replied that it was safe to say that the RTP funding would not be used to fund this project.

Mr. Blue stated that the airport has plans to use airport revenue to fund Sky Train and is also pursuing programs with the federal government. He expressed that there is no intention to dislocate existing plans elsewhere in the region or other important surface transportation projects. Mr. Blue commented that if there is an opportunity for federal funds, the City would like to advance the project to provide options for the community to get to the airport.

Mr. Billings asked about the percentage of passengers who use light rail to Terminal Four versus parking structures, and once the system is in place, will parking fees increase or remain the same. Mr. Blue replied that in the original plan, two to three percent of the Sky Train ridership was projected to come from light rail or the bus system. He indicated that with the success of light rail, which is running 25 to 30 percent above projections, it is hard to say, but the influence is probably minor compared to parking demand at the airport. Mr. Blue addressed Mr. Billings' question about the parking fees by saying that they do not envision much change from what has been done with the City Council. He stated that parking fees have been used as a vehicle to manage demand in the

parking facilities. Mr. Blue commented that when Terminal Four closes due to capacity, it is catastrophic to the air carriers, and as a result, they have used parking rates as a vehicle more to manage demand than to make money. Mr. Blue added that there is a concern about balance because fewer people that park mean less revenue.

Councilwoman Baier asked Mr. Blue to confirm that current Proposition 400 funds would not be used for Sky Train. Mr. Blue replied that was correct. Councilwoman Baier asked Mr. Blue to confirm that the Sky Train will be funded by passenger facility charges which will remain stable and will continue to be collected. Mr. Blue replied that was correct. Councilwoman Baier asked Mr. Blue to confirm that the purpose for the City of Phoenix making this request is to ask for the project to be listed in the State and regional transportation plans solely to qualify for the TIFIA program in a timely manner which must be made by this summer. Mr. Blue replied that was the sole purpose of the request and it is not to divert any funding.

Mr. Anderson stated that another advantage is that the Sky Train will serve as a potential stop if commuter rail is established because it is next to the Union Pacific line.

Councilwoman Baier moved to recommend approval of a proposed amendment to add Stage One of the Phoenix Sky Harbor Automated Train System (Sky Train) to the FY 2008-2012 MAG Transportation Improvement Program and MAG Regional Transportation Plan 2007 Update for the necessary air quality conformity analysis, and to include Stage Two of the Phoenix Sky Harbor Automated Train System (Sky Train) in the MAG Regional Transportation Plan 2007 Update as an illustrative project. Councilmember Aames seconded.

Before a vote was taken, a request for public comment was presented by Jerry Spellman, a 30-year resident of Mesa, and coordinator with Unimodal Systems, LLC. Mr. Spellman thanked the Committee for the opportunity to comment. He said that this request that the automated people mover be included in the RTP and TIP is on the agenda so that Phoenix will be eligible to apply for TIFIA funding to enable the airport to expedite this project to connect to light rail. Mr. Spellman stated that he was somewhat of an expert on TIFIA and he has been proposing using TIFIA for a public/private partnership in Arizona on behalf of Unimodal and the Sky Tran system. He said that the difference between Sky Tran and light rail is that Sky Tran can pay for itself; it is also automated, but the cost is less. Mr. Spellman stated that his organization has been an outspoken critic of light rail because of the high cost. When combined with the people mover, the amount of money to serve a few people is obscene. He stated that Sky Train flies in the face of everything good about the TIFIA program, which is meant to encourage public/private investments in transportation. Mr. Spellman's three minute comment period expired. Mr. Spellman stated that TIFIA eligibility criteria include a project of national or regional significance, bringing forward new technologies, and reducing the burden on the taxpayers and on the environment. He said that the only criteria Sky Train meets is that it will be built sooner and will have sufficient revenue generated by bilking passengers with excessive fees to pay back the TIFIA loan. Mr. Spellman stated that Sky Train is only shovel ready to be buried. He commented that it is an outrage when we have PRT systems like Ultra that is being built at Heathrow Airport at a cost of \$15 million per mile and is backed by the British government. Mr. Spellman mentioned that the Swedish

government is also backing a PRT system. He explained that Sky Tran is a personal version of rapid transit, and they are developing the system and testing it in cooperation with NASA at the Ames Research Center in California. Mr. Spellman stated that they recently installed their first vehicle and guideway. He provided copies of his comments, a list of Sky Tran consortium partners, and a flyer that he said he would be handing out at the Mesa public hearing on light rail the next day. Chair Berman thanked Mr. Spellman for his comments. Mr. Spellman thanked the Committee for the extra time to comment.

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

8. Legislative Update

Nathan Pryor, MAG Senior Policy Planner, provided an update on legislative issues of interest. He noted his report on federal legislation at the March meeting that the final FY 2009 Omnibus Appropriations Bill was signed by President Obama and the President's budget framework was released, leading to the reauthorization of SAFETEA-LU that expires September 30, 2009.

Mr. Pryor displayed a graph, which illustrated the unmet need in the region by comparing the transportation projects submitted for the stimulus funds in the amount of \$5.5 billion and the actual amount received of about \$300 million.

Mr. Pryor stated that the Congressional Budget Office baseline for the transportation trust fund shows flat growth for the next ten years, and there should not be an expectation of receiving large amounts of stimulus funds. He noted that by 2019, the federal deficit is expected to be 80 percent of the nation's gross daily product, a level that has not been seen since 1948.

Mr. Pryor displayed a map that showed the amount of gasoline taxes per gallon by state and noted that the Arizona rate is 37.4 cents per gallon, well below the US average of 45 cents per gallon. He noted that there is not much political will, nationally or in the State, to increase the gas tax or implement a vehicle miles traveled approach as potential solutions to funding.

Mr. Pryor explained a draft concept of a federal partnership, which is based on helping those regions who help themselves. He said that the concept is geared toward large regions, such as the MAG region, that have dedicated local taxes that support federal or state systems. Mr. Pryor stated that some of the points in the draft concept that is still under development include federal funds proportionate with regional funding, increased certainty in funding, a streamlined planning process, and reduced bureaucracy.

Mr. Smith noted that the amount the MAG region collects from the sales tax exceeds the federal funds amount received. He said that with this concept, a region's or state's own sales tax could be applied as matching funds, or the federal requirements could be reduced, which might entice other metro areas to tax themselves as MAG has done. Mr. Smith noted that Western cities, such as Denver, Salt Lake City, Las Vegas, and San Diego, where the high growth is going to happen, have implemented their own tax because the federal funds have not kept pace. He added that perhaps

the federal government could be enticed to say that those who have provided their own revenue should be rewarded somehow.

Councilmember Aames encouraged proceeding on the concept. He added that if there are particular programs associated, those cities could be involved.

Mr. Smith stated that he will be meeting with the Intermountain MPOs next week and would be presenting this concept.

Supervisor Wilson asked if there were any indications of what will happen to the value of the dollar, especially on what goods could be received in exchange.

Mr. Anderson replied that there is a lot of uncertainty at the federal budget level and concern regarding the federal deficit. He indicated that he had heard that after the stimulus program has been implemented, national attention will turn to deficit control and there will be little appetite for new spending programs. Mr. Anderson stated that there are a raft of proposals coming out of the administration and congress to implement spending programs. He commented that he personally did not know where the economy was headed nationally, but he thought that long term prospects in the MAG region were good and will return to fiscal stability. Mr. Anderson stated that the Highway Trust Fund, which is key to federal highway and transit funding, is projected to go negative this summer. He advised that last year, Congress had to do an emergency appropriation to transfer \$8 billion to the Fund and is expected to do the same this summer. Mr. Anderson expressed his concern with the current obligations and the expectation that there will be money to fund many things, and he was unsure from where the money would come. He stated that programs where regions or states help themselves might be pushed in Washington to leverage federal dollars with state and local funds.

Supervisor Wilson expressed concern with the amount of goods that eventually could be purchased with dollars. He stated that he hoped the updates would continue on this to allow making appropriate preparations.

Mr. Smith commented that such uncertainty has never been experienced. He said that MAG's job is to put together a 20-year plan and right now, all of the elements included in the plan are shifting.

Mr. Anderson stated that the good news is that a bid opening for one of the Loop 303 projects came in 40 percent under the engineer's estimate. He said they are still analyzing the reasons for the low bid. Mr. Anderson stated that the Proposition 400 revenue is still very weak and was down 15.9 percent from last year. He added that he heard the state sales tax for February 2009 was down almost 20 percent, which is a record decline. Mr. Anderson stated that he felt the bottom had not yet been reached, and consumer confidence, which is key to sales tax collection, has not rebounded. He stated that the challenge is predicting where costs will be in two or four years, because never before has there been so many areas of uncertainty.

Mayor Cavanaugh referenced the GPEC report on the amount of stimulus funds states received. He said that showed that on a per capita basis, Arizona was in last place – 50 out of 50. Mayor Cavanaugh stated that the Arizona Congressional delegation can be effective in Washington, and he suggested that Congressional staff be represented in the beginning of discussions about the concept, which he thought has a lot of potential.

There being no further business, the meeting adjourned at 5:10 p.m.

Chair

Secretary

MARICOPA ASSOCIATION OF GOVERNMENTS

INFORMATION SUMMARY... for your review

DATE:

May 13, 2009

SUBJECT:

Fiscal Year (FY) 2009 - Arterial Life Cycle Program Regional Area Road Fund Closeout

SUMMARY:

The Arterial Life Cycle Program (ALCP) Regional Area Road Fund (RARF) Closeout process is outlined in the approved ALCP Policies and Procedures (Policies). This is the second year of the ALCP RARF Closeout process. This process was established to address the positive balance of funds for the current year in the ALCP RARF account. Each year there are projects scheduled for work in the current year that are deferred for a number of reasons leaving unexpended RARF funds in the account. The ALCP program allows local agencies to advance construct projects with their own funds to be reimbursed in a later year, which the Regional Transportation Plan (RTP) originally established. The ALCP RARF Closeout process evaluates both these two events to determine the possibility of reimbursing advanced completed projects earlier than scheduled.

The ALCP RARF Closeout process begins with a fiscal analysis of the ALCP and proposed ALCP RARF Closeout options. The ALCP RARF Closeout options are connected to eligible, advanced, completed projects; and the priorities established in the ALCP Policies and Procedures. The allocation of ALCP RARF Closeout funds is prioritized by: (1) projects scheduled for reimbursement in the next fiscal year, (2) all other projects according to the chronological order of the programmed reimbursement, (3) the date of the final project invoice, and (4) the date the ALCP Project Reimbursement Request was accepted by MAG staff.

An important part of the Closeout process is the financial analysis done by MAG to determine the impact of proposed ALCP RARF Closeout options. This is explained in the memorandum for this agenda item.

Section 260 of the Policies established RARF Closeout procedures, project eligibility, prioritization, and the allocation process of available closeout funds. A copy of this section of the ALCP Policies and Procedures is in the attachment for this agenda item.

PUBLIC INPUT:

There was no public comment at the April 23, 2009, Transportation Review Committee meeting.

PROS & CONS:

PROS: Once the recommended projects are approved for reimbursements, \$10.869 million of ALCP RARF funds can be reimbursed in FY 2009. In addition, the ALCP RARF Closeout aids in the fiscal management of the life cycle program by recognizing available funds for eligible projects

CONS: If not approved, reimbursements will not be made and the balance of ALCP RARF funds in the account would remain the same.

TECHNICAL & POLICY IMPLICATIONS:

TECHNICAL: MAG will modify the ALCP for the advancement of reimbursements.

POLICY: A.R.S. 28-6352 (B) required that MAG performs life cycle management for the arterial street component of the RTP.

ACTION NEEDED:

Recommend approval of advancing reimbursements from fiscal year (FY) 2012 to FY 2009 in the Arterial Life Cycle Program (ALCP) for the selected Regional Area Road Fund (RARF) Closeout Projects: Queen Creek Road from Arizona Avenue to McQueen Road for \$6.076 million and Lake Pleasant Parkway from Union Hills Drive to Dynamite Road for \$4.793 million, totaling \$10.869 million, and amend the 2009 ALCP and Regional Transportation Plan 2007 Update, as necessary.

PRIOR COMMITTEE ACTIONS:

On May 13, 2009, the Management Committee recommended approval of advancing reimbursements from fiscal year (FY) 2012 to FY 2009 in the Arterial Life Cycle Program (ALCP) for the selected Regional Area Road Fund (RARF) Closeout Projects: Queen Creek Road from Arizona Avenue to McQueen Road for \$6.076 million and Lake Pleasant Parkway from Union Hills Drive to Dynamite Road for \$4.793 million, totaling \$10.869 million, and amend the 2009 ALCP and Regional Transportation Plan 2007 Update, as necessary.

MEMBERS ATTENDING

- | | |
|--|--|
| Charlie McClendon, Avondale, Chair | Sonny Culbreth for Darryl Crossman,
Litchfield Park |
| Mark Pentz, Chandler, Vice Chair | Christopher Brady, Mesa |
| # George Hoffman, Apache Junction | Jim Bacon, Paradise Valley |
| David Johnson for Jeanine Guy, Buckeye | Susan Daluddung for Carl Swenson, Peoria |
| Gary Neiss, Carefree | * Frank Fairbanks, Phoenix |
| Wayne Anderson for Usama Abujbarah,
Cave Creek | John Kross, Queen Creek |
| Spencer Isom for B.J. Cornwall, El Mirage | * Bryan Meyers, Salt River Pima-Maricopa
Indian Community |
| Alfonso Rodriguez for Phil Dorchester,
Fort McDowell Yavapai Nation | John Little, Scottsdale |
| Rick Davis, Fountain Hills | * Randy Oliver, Surprise |
| + Rick Buss, Gila Bend | Charlie Meyer, Tempe |
| * David White, Gila River Indian Community | Chris Hagen for Reyes Medrano, Tolleson |
| George Pettit, Gilbert | Gary Edwards, Wickenburg |
| Jessica Blazina for Ed Beasley, Glendale | Lloyce Robinson, Youngtown |
| Romina Korke for John Fischbach,
Goodyear | Steve Hull for John Halikowski, ADOT |
| RoseMary Arellano, Guadalupe | David Smith, Maricopa County |
| | David Boggs, Valley Metro/RPTA |

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

On April 22, 2009, the Transportation Review Committee voted to advance reimbursements from 2012 to 2009 for the FY 2009 ALCP RARF Closeout for ALCP Projects: Lake Pleasant Parkway and Queen Creek Road from Arizona Avenue to McQueen Road, totaling \$10.869 million, and amend the FY 2009 ALCP, and 2007 RTP Update as necessary.

MEMBERS ATTENDING

- Peoria: David Moody
- ADOT: Steve Hull for Floyd Roehrich
- * Avondale: David Fitzhugh
- Buckeye: Scott Lowe
- Chandler: Dan Cook for Patrice Kraus
- * El Mirage: Lance Calvert
- Fountain Hills: Randy Harrel
- * Gila Bend: Rick Buss
- Gila River: Sreedevi Samudrala for Doug Torres
- Gilbert: Kurt Sharp for Tami Ryall
- Glendale: Terry Johnson
- Goodyear: Cato Esquivel
- Guadalupe: Gino Turrubiarres
- * Litchfield Park: Dave Hedlund for Mike Cartsonis

- Maricopa County: Clem Ligocki for John Hauskins
- Mesa: Brent Stoddard for Scott Butler
- * Paradise Valley: Robert M. Cicarelli
- Phoenix: Ed Zeurcher
- * Queen Creek: Mark Young
- RPTA: Bryan Jungwirth
- Scottsdale: Dave Meinhart for Mary O'Connor
- Surprise: Randy Overmyer
- Tempe: Chris Salomone
- Valley Metro Rail: John Farry
- Wickenburg: Gary Edwards
- Youngtown: Grant Anderson for Lloyce Robinson

EX-OFFICIO MEMBERS ATTENDING

- * Regional Bicycle Task Force: Jim Hash
- * Street Committee: Darryl Crossman
- * ITS Committee: Mike Mah

- Pedestrian Working Group: Brandon Forrey
- * Transportation Safety Committee: Kerry Wilcox

* Those members neither present nor represented by proxy.
+ - Attended by Videoconference # - Attended by Audioconference

CONTACT PERSON:

Christina Hopes, (602) 254-6300.

May 13, 2009

TO: Members of the MAG Transportation Policy Committee

FROM: Christina Hopes, Transportation Planner II

SUBJECT: ARTERIAL LIFE CYCLE PROGRAM (ALCP) - REGIONAL AREA ROAD FUND (RARF) FISCAL YEAR (FY) 2009 CLOSEOUT PROCESS

The Arterial Life Cycle Program (ALCP) Regional Area Road Fund (RARF) Closeout process is outlined in the approved ALCP Policies and Procedures (Policies). After a fiscal analysis of the FY 2009 and Draft FY 2010 ALCP; and advance constructed projects, it is suggested to reimburse two ALCP Projects, Queen Creek Rd from Arizona Ave to McQueen Road for \$6.076 million and Lake Pleasant Parkway from Union Hills Drive to Dynamite Road for \$4.793 million, in the FY 2009 ALCP RARF Closeout.

BACKGROUND

This ALCP RARF Closeout process was established to address the positive balance of funds for the current year in the ALCP RARF account. Each year there are projects scheduled for work in the current year that are deferred for a number of reasons leaving unexpended RARF funds in the account. The ALCP program allows local agencies to advance construct projects with their own funds to be reimbursed in a later year, which the Regional Transportation Plan (RTP) originally established. The ALCP RARF Closeout process evaluates both these two events to determine the possibility of reimbursing advanced completed projects earlier than scheduled.

Section 260 of the ALCP Policies and Procedures details the RARF Closeout procedures, project eligibility, and the allocation process of available closeout funds. A copy of this section has been attached for your reference. Per the Policies, the allocation of ALCP RARF Closeout funds is prioritized by:

1. Projects scheduled for reimbursement in the next fiscal year
2. All other Projects according to the chronological order of the programmed reimbursement
3. The fiscal year work was completed on the project
4. The date of the project's final invoice
5. The date the final Project Reimbursement Request was accepted by MAG staff

MAG staff performed a detailed financial analysis to determine the impact of proposed ALCP RARF Closeout options. As part of the financial analysis, MAG staff reviewed:

- Eligible projects for the ALCP RARF Closeout
- The FY 2009 programmed versus actual project expenditures
- Historical trends in RARF revenue collection
- The FY 2009 and Draft FY 2010 ALCP bonding program
- The impact of the various Closeout reimbursement scenarios on the Draft FY 2010 life cycle budget and bonding program
- Programmed project expenditures for FY 2010 in the Draft FY 2010 ALCP

After reviewing the output of the financial analysis, MAG staff recommends that two eligible projects are reimbursed in the FY 2009 ALCP RARF Closeout: Queen Creek Rd from Arizona Ave to McQueen Road for \$6.076 million and Lake Pleasant Parkway from Union Hills Drive to Dynamite Road for \$4.793 million. The attached table summarizes the list of eligible projects in chronological order of programmed reimbursements and completed fiscal year of work. The first two projects are recommended to be funded through the FY 2009 ALCP RARF Closeout.

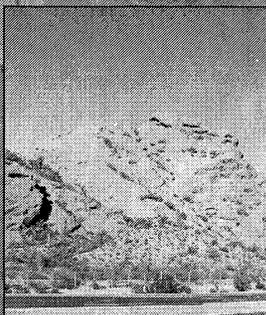
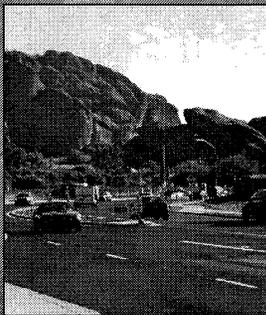
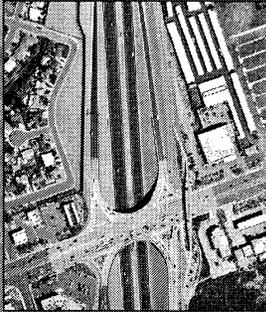
FY2009 Regional Area Road Fund (RARF) Closeout Eligible Projects

Eligible projects are in consecutive order based on the fiscal year the project is programmed for reimbursement and fiscal year for work.

Fiscal Year for Reimb.	RTP ID	Lead Agency	Project Name	Fiscal Year for Work	Amount 2008\$ (millions)	Completed Project Requirements	Recommended for Reimb. to be Advanced to FY09
2012	ACI-LKP-10-03-B	Peoria	Lake Pleasant Pkwy: Union Hills to Dynamite Rd	2008	4.793	PO, PA, PRR	Yes
2012	ACI-QNC-10-03-A	Chandler	Queen Creek Rd: Arizona Avenue to McQueen Rd	2009	6.076	PO, PA, PRR*	Yes
2017	ACI-ELM-10-03-B	Maricopa County	El Mirage Rd: Deer Valley Drive to L303	2009	9.722	PO*	No
2021	All-ARZ-10-03	Chandler	Arizona Ave/Elliot Rd Intersection Improvements	2006	3.714	PO, PA, PRR	No
2021	ACI-SHA-20-03-C	Scottsdale	Shea Blvd at Via Linda (Phase1)	2006	0.945	PO, PA	No
2021	ACI-SHA-20-03-F	Scottsdale	Shea Blvd at Mayo/134th St	2006	0.280	PO, PA	No
2021	ACI-SHA-20-03-A	Scottsdale	Shea Blvd at 90th/92nd/96th Streets	2007	3.500	PO, PA	No
2022	ACI-HPV-20-03-A	Phoenix	Happy Valley: I-17 to 35th Ave	2005	5.439	PO, PA, PRR	No

* In Process

LEGEND	
PA	Project Agreement
PO	Project Overview
PRR	Project Reimbursement Request
Reimb.	Reimbursement



ON THE MOVE



PARTNERS IN PROGRESS

ARTERIAL LIFE CYCLE PROGRAM (ALCP)

POLICIES AND PROCEDURES

April 22, 2009



**MARICOPA
ASSOCIATION of
GOVERNMENTS**

Potential negative impacts to other RTP Projects, including freeway/highway, arterial, public transportation or other mode Projects;

2. Potential negative impacts to meeting all applicable federal, state, regional and local requirements, including but not limited to, any applicable requirements for air quality conformity and any that may be imposed directly or indirectly following a performance audit.

SECTION 240: INFLATION IN THE ALCP

- A. The original Project budgets listed in the 2003 approved RTP were expressed in 2002 dollars. The annual update of the ALCP requires that the remaining budget of ALCP Projects be carried forward to the next year and adjusted to account for the past year's inflation.
- B. The regional funding specified in the original RTP for a Project will be adjusted annually for inflation based on the All Items United States Consumer Price Index (CPI), All Urban Consumers
 1. Information on the inflation factors is located on the US Department of Labor, Bureau of Labor Statistics website at <http://www.bls.gov/cpi>, under 'Get Detailed CPI Statistics.' The specific series used for calculating inflation is All Urban Consumers (Current Series), West Region All Items, 1982-84=100 - CUUR0400SA0.
 - a. The inflation rate is calculated using the month of March of the previous year and March of the current year.

SECTION 250: ALCP ADMINISTRATIVE ADJUSTMENT

- A. An administrative adjustment will adjust the ALCP regional reimbursement Project budgets in the current and later fiscal years of the ALCP due to actual Project expenditures and regional reimbursements.
 1. Administrative adjustments do not require a Program or Project amendment because the adjustment does not qualify as a Project Update (Section 220) and does not cause a negative fiscal impact to the current fiscal year.
 2. Regional reimbursement budgets cannot be moved from a later fiscal year to an earlier fiscal year in an administrative adjustment. This would require an amendment.
- B. An administrative adjustment is needed when:
 1. Project expenditures for a Project work phase or a Project segment are lower than the estimate, causing the 70% regional reimbursement to be less than the amount programmed in the current ALCP.
 2. The remaining regional reimbursement funds may be moved within the original Project, to another work phase or a Project Segment that is programmed in that fiscal year or a later fiscal year.
- C. At that time, the ALCP and Project budgets will be adjusted to reflect the remaining Project funds.
- D. Administrative Adjustments may occur each fiscal quarter. Changes will be reported in the ALCP Status Report, and the ALCP will be reprinted.

SECTION 260: ALCP RARF CLOSEOUT

- A. Annually, MAG Staff will determine the availability of RARF funds to be used for the ALCP RARF Closeout.
 1. MAG Staff will demonstrate the fiscal constraint of the ALCP with proposed ALCP RARF Closeout options.

2. A Project or Project segment in the ALCP may not be adversely impacted, delayed, reduced or removed as a result of the reimbursement of RARF funds in the Closeout process to another Project, portion or segment.
 3. Lead Agencies and other agency(ies)/jurisdiction(s) listed in a Project Agreement that receive RARF Closeout funds will not be liable to reimburse the RARF funds to the Program if a Program deficit occurs in the future.
- B. Lead Agencies should submit a RARF Closeout Notification to MAG per eligible project.
1. MAG Staff will provide a RARF Closeout Notification Form on the MAG ALCP website.
- C. The ALCP RARF Closeout Process will begin at the April TRC and continue through the MAG Committee process in May, one month before the annual update of the ALCP.
1. The ALCP Schedule published annually in the MAG Transportation Programming Guidebook will specify all deadlines pertaining to the ALCP RARF Closeout Process, including due dates to submit RARF Closeout Notification forms and ALCP Project Requirements.
 2. MAG Staff will notify the ALCP Working Group, in advance, if a change in the ALCP Project Schedule is required.
- D. To be considered as an eligible project for reimbursement with RARF Closeout funds:
1. The Project or Project segment must be completed/closed out.
 2. The Lead Agency must completed the following Project Requirements:
 - a. Project Overview
 - b. Project Agreement, and
 - c. Project Reimbursement Request.
 3. All three requirements must be accepted by MAG Staff as complete.
- E. The determination and allocation of ALCP RARF Closeout funds for eligible completed projects will be made according to the following priorities (in sequential order):
1. Projects scheduled for reimbursement in the next fiscal year;
 2. All other Projects according to the chronological order of the programmed reimbursements.
- F. If two or more eligible projects are programmed for reimbursement in the same fiscal year, the reimbursement of the eligible projects will be made according to the following additional priorities (in sequential order):
1. The date of the Project's final invoice.
 2. The date the Project Reimbursement Request was accepted by MAG Staff.

SECTION 270: USE OF SURPLUS OR DEFICIT PROGRAM FUNDS

- A. If a surplus Program funds occurs, existing Projects may be accelerated. Any acceleration will occur according to priority order of the ALCP.
1. For Projects to be accelerated, matching local funds must be committed.
 2. If there are no current Projects ready for acceleration, the next Project scheduled for reimbursement may be accelerated.

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

DATE:

May 13, 2009

SUBJECT:

Project Changes – Amendment and Administrative Modification to the FY 2008-2012 MAG Transportation Improvement Program and FY 2009 Arterial Life Cycle Program

SUMMARY:

The FY 2008-2012 Transportation Improvement Program (TIP) and Regional Transportation Plan (RTP) 2007 Update were approved by the MAG Regional Council on July 25, 2007, and the FY 2009 Arterial Life Cycle Program (ALCP) was most recently approved by the Regional Council on April 22, 2009. Since that time, there have been requests from member agencies to modify projects in the programs.

The proposed amendments and administrative modifications to the FY 2008-2012 TIP that were recommended for approval by the Transportation Review Committee (TRC) are listed in Table A, and proposed amendments and administrative modifications to the FY 2009 ALCP that were recommended for approval by the TRC are listed in Table B. Table A explains project information for two locally sponsored projects that will be funded with American Recovery and Reinvestment Act (ARRA) of 2009 funds, and federal aid projects that are requesting to be deferred to a later year in the TIP. Table B explains financial modification requests for ALCP projects in Scottsdale. These funding modifications requests follow the guidance established in the ALCP Policies and Procedures and do not negatively impact ALCP reimbursements in FY 2009, nor increase or decrease overall committed regional reimbursement amounts.

Since the TRC met, there have been requests to add and modify projects, which are noted in Table C. Table C includes eleven transportation enhancement projects funded with ARRA funds, local projects funded with ARRA funds, reprogramming of projects, and other project modifications. On May 13, 2009, the Management Committee recommended approval of Tables A, B, and C.

Table D includes requests for project changes related to ARRA funded projects and two federal bridge funded projects. These projects will be heard for the first time at the Transportation Policy Committee (TPC) meeting.

The requests to add projects funded with ARRA, as annotated in Tables A and C complete the programming of the MAG sub-allocated portion of the ARRA funds of \$104,578,340.

Please refer to the Attachments: Tables A and B include projects that were recommended for approval at the MAG TRC, Table C were heard at Management for the first time, and project requests in Table D will be heard at TPC for the first time.

PUBLIC INPUT:

None.

PROS & CONS:

PROS: Approval of this TIP amendment will allow the projects to proceed in a timely manner.

CONS: None.

TECHNICAL & POLICY IMPLICATIONS:

TECHNICAL: Projects that wish to utilize transportation federal funds need to be shown in the TIP in the year that they expect to commence and may need to undergo an air quality conformity analysis or consultation.

POLICY: This amendment request is in accord with MAG guidelines.

ACTION NEEDED:

Recommend approval of amendments and administrative modifications to the FY 2008-2012 Transportation Improvement Program, the FY 2009 Arterial Life Cycle Program and as appropriate, to the Regional Transportation Plan 2007 Update, as shown in the attached tables.

PRIOR COMMITTEE ACTIONS:

MAG Management Committee: On May 13, 2009, the MAG Management Committee recommended approval of amendments and administrative modifications to the FY 2008-2012 Transportation Improvement Program, the FY 2009 Arterial Life Cycle Program and as appropriate, to the Regional Transportation Plan 2007 Update, as shown in the attached tables.

MEMBERS ATTENDING

- | | |
|---|---|
| Charlie McClendon, Avondale, Chair | Sonny Culbreth for Darryl Crossman, Litchfield Park |
| Mark Pentz, Chandler, Vice Chair | Christopher Brady, Mesa |
| # George Hoffman, Apache Junction | Jim Bacon, Paradise Valley |
| David Johnson for Jeanine Guy, Buckeye | Susan Daluddung for Carl Swenson, Peoria |
| Gary Neiss, Carefree | * Frank Fairbanks, Phoenix |
| Wayne Anderson for Usama Abujbarah, Cave Creek | John Kross, Queen Creek |
| Spencer Isom for B.J. Cornwall, El Mirage | * Bryan Meyers, Salt River Pima-Maricopa Indian Community |
| Alfonso Rodriguez for Phil Dorchester, Fort McDowell Yavapai Nation | John Little, Scottsdale |
| Rick Davis, Fountain Hills | * Randy Oliver, Surprise |
| + Rick Buss, Gila Bend | Charlie Meyer, Tempe |
| * David White, Gila River Indian Community | Chris Hagen for Reyes Medrano, Tolleson |
| George Pettit, Gilbert | Gary Edwards, Wickenburg |
| Jessica Blazina for Ed Beasley, Glendale | Lloyce Robinson, Youngtown |
| Romina Korkes for John Fischbach, Goodyear | Steve Hull for John Halikowski, ADOT |
| RoseMary Arellano, Guadalupe | David Smith, Maricopa County |
| | David Boggs, Valley Metro/RPTA |

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

MAG Transportation Review Committee: On April 23, 2009, the MAG Transportation Review Committee recommended approval of the amendments and administrative modifications to the FY 2008-2012 Transportation Improvement Program, the FY 2009 Arterial Life Cycle Program and as appropriate, to the Regional Transportation Plan 2007 Update, as shown in Tables A and B.

Peoria: David Moody, Chair
ADOT: Steve Hull for Floyd Roehrich
* Avondale: David Fitzhugh
Buckeye: Scott Lowe
Chandler: Dan Cook for Patrice Kraus
* El Mirage: Lance Calvert
Fountain Hills: Randy Harrel
* Gila Bend: Rick Buss
Gila River: Sreedevi Samudrala for Doug Torres
Gilbert: Kurt Sharp for Tami Ryall
Glendale: Terry Johnson
Goodyear: Cato Esquivel
Guadalupe: Gino Turrubiarres
* Litchfield Park: Dave Hedlund for Mike Cartsonis

Maricopa County: Clem Ligocki for John Hauskins
Mesa: Brent Stoddard for Scott Butler
* Paradise Valley: Robert M. Cicarelli
Phoenix: Ed ZeurcherVacant
*Queen Creek: Mark Young
RPTA: Bryan Jungwirth
Scottsdale: Dave Meinhart for Mary O'Connor
Surprise: Randy Overmyer
Tempe: Chris Salomone
Valley Metro Rail: John Farry
Wickenburg: Gary Edwards
Youngtown: Grant Anderson for Lloyce Robinson

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

CONTACT PERSON:
Eileen O. Yazzie (602) 254-6300.

Request for Project Change

Amendments and Administrative Modifications to the FY08-12 TIP, and Administrative Modifications to the FY09 April 22, 2009 ALCP MAG Transportation Policy Committee - May 2009

Table A													
Highway Projects - TIP FY2008-2012 Amendments & Administrative Modifications													
TIP #	Agency	Project Location	Project Description	Fiscal Year	Fund Type	Federal Cost	Local Cost	Regional Funds	Total Cost	Length (miles)	Lanes Before	Lanes After	Additional Notes
BKY07-704	Buckeye	Various Locations: MC-85/Monroe, Southern Ave, Apache Rd	Pave dirt shoulders	2010	CMAQ	\$ 113,000	\$ 187,000		\$ 300,000				Admin Mod: Defer Project from 2009 to 2010
CVK07-601	Cave Creek	Townwide	Pave dirt roads program	2010	CMAQ	\$ 250,000	\$ 15,000		\$ 265,000				Admin Mod: Defer Project from 2009 to 2010
CHN07-601	Chandler	Commonwealth Ave: Hamilton St to McQueen Rd	Pave dirt road	2010	CMAQ	\$ 325,000	\$ 517,100		\$ 842,100				Admin Mod: Defer Project from 2009 to 2010
ELM09-802	El Mirage	125th Ave and 127th Ave: Varney Rd to Peoria Ave	Pave unpaved roads	2010	CMAQ	\$ 381,031	\$ 1,102,252		\$ 1,483,283				Admin Mod: Defer Project from 2009 to 2010
FTM09-801	Ft. McDowell	Various Locations - Functionally Classified Roadways	Pre-Engineer/Design and Construct Pavement Rehab projects	2009	ARRA	\$518,436			\$518,436	1	n/a	n/a	Amend: New Project with ARRA Funds
GLB04-205	Gilbert	Gilbert Rd: US-60 to Guadalupe Rd; and US-60: Dobson Rd to Gilbert Rd	Install fiber & conduit along Gilbert Rd, fiber only along US-60 (joint with Mesa to link ATMS)	2011	CMAQ	\$ 400,660	\$ 59,840		\$ 460,500				Admin Mod: Defer Project from 2009 to 2010
GLB13-905	Gilbert	Guadalupe Rd, Higley Rd, Williams Field Rd	Gilbert ATMS Fiber East Ring Project - Phase I (Design)	2011	CMAQ	\$ 122,234	\$ 63,000		\$ 185,234				Admin Mod: Defer Project from 2009 to 2010
GLB13-906	Gilbert	Higley Rd, Recker Rd, Guadalupe Rd, Elliot Rd, Warner Rd, Ray Rd, Williams Field Rd	Gilbert ATMS Fiber East Ring Project - Phase II (Design)	2011	CMAQ	\$ 122,234	\$ 63,000		\$ 185,234				Admin Mod: Defer Project from 2009 to 2010
GLN09-609	Glendale	Skunk Creek at Union Hills Drive	Design and construct multi-use underpass under Union Hills Dr	2010	CMAQ	\$ 147,228	\$ 161,772		\$ 309,000				Admin Mod: Defer Project from 2009 to 2010
GLN13-903	Glendale	Olive Ave:75th Ave to 59th ave	Joint Project with Peoria: ITS Fiber and 1 CCTV Camera	2010	CMAQ	\$ 449,450	\$ 219,493		\$ 608,943				Admin Mod: Defer Project from 2009 to 2010
LPK05-101C	Litchfield Park	Litchfield Rd Bypass at Wigwam Boulevard	Construct bicycle underpass	2010	CMAQ	\$ 886,420	\$ 53,850		\$ 940,270				Admin Mod: Defer Project from 2009 to 2010
MES07-315	Mesa	Southern Ave at Country Club Dr	Add 1 right turn lane and three bus pullouts	2011	CMAQ	\$ 910,000	\$ 3,437,000		\$ 4,347,000				Admin Mod: Defer Project from 2009 to 2010

Table A - CONTINUED

TIP #	Agency	Project Location	Project Description	Fiscal Year	Fund Type	Federal Cost	Local Cost	Regional Funds	Total Cost	Length (miles)	Lanes Before	Lanes After	Additional Notes
MES09-605	Mesa	Grand St: Broadway Rd to 6th Ave (Nuestro neighborhood phase 1)	Improve pedestrian facilities	2011	CMAQ	\$ 441,041	\$ 189,018		\$ 630,059				Admin Mod: Defer Project from 2009 to 2010
MES09-809	Mesa	Along sections of Broadway, Dobson, Alma School and Baseline Rds	Establish fiber-optic link on Broadway Rd and connect to west ITS loop	2010	CMAQ	\$ 651,254	\$ 992,746		\$ 1,644,000				Admin Mod: Defer Project from 2009 to 2010
PHX09-871	Phoenix	Various locations	Pave unpaved alleys	2010	CMAQ	\$ 466,667	\$ 200,000		\$ 666,667				Admin Mod: Defer Project from 2009 to 2010
PHX09-872	Phoenix	Various locations	Pave unpaved roads	2010	CMAQ	\$ 1,050,000	\$ 450,000		\$ 1,500,000				Admin Mod: Defer Project from 2009 to 2010
PHX09-624	Phoenix	Various locations	Construct regional ITS fiber optic backbone, phase B-1	2010	CMAQ	\$ 665,000	\$ 1,835,000		\$ 2,500,000				Admin Mod: Defer Project from 2009 to 2010
PHX07-308	Phoenix	16th St at Glendale Ave	Widen intersection	Delete	CMAQ	\$ 800,000	\$ 1,200,000		\$ 2,000,000				Amend: Delete Project
SRP09-801	Salt River Pima-Maricopa Indian Community	Various Locations - Functionally Classified Roadways	Design & Construction of Pavement Preservation/Chip-Seal	2009	ARRA	\$ 653,910			\$ 653,910	2	n/a	n/a	Amend: New Project with ARRA Funds
SUR09-820	Surprise	West of 219th Ave	Pave unpaved roads	2010	CMAQ	\$ 1,602,302	\$ 686,700		\$ 2,289,002				Admin Mod: Defer Project from 2009 to 2010
SUR07-325	Surprise	Various locations	Pave dirt roads	2009	Local		\$ 509,200		\$ 509,200				Admin Mod: Change funding sources from CMAQ to local and funding amounts
SUR08-819	Surprise	Saguaro View Area	Pave unpaved roads	2009	Local		\$ 2,975,000		\$ 2,975,000				Admin Mod: Change funding sources from CMAQ to local and funding amounts

Table B

Arterial Life Cycle Program (ALCP) FY09 - Administrative Modifications

ALCP PROJ #	Agency	Project Location	Project Description	Fiscal Year for Work	Fiscal Year for Reimb.	Fund Type	Local Cost	Regional Cost	Total Cost	Length	Requested Change
ACI-SFN-10-03-A	Scottsdale	SR-101L Frontage Rd: Hayden Rd to Scottsdale Rd	Design	2007	2009	RARF	\$ 261,881	\$ 611,056	\$ 872,937	1.0	Expenditures and ALCP Reimbursements. Actual expenditures resulted in a regional reimbursement project savings of \$80,000. TIP # SCT100-07RW
ACI-SFN-10-03-A	Scottsdale	SR-101L Frontage Rd: Hayden Rd to Scottsdale Rd	Right of Way Acquisition	2007	2009	RARF	\$ 2,667	\$ 6,222	\$ 8,889	1.0	Expenditures and ALCP Reimbursements. Actual expenditures resulted in a regional reimbursement project savings of \$2,546,000. TIP #SCT100-07D
ACI-SFN-10-03-A	Scottsdale	SR-101L Frontage Rd: Hayden Rd to Scottsdale Rd	Construction	2007	2009	RARF	\$ 1,340,493	\$ 3,127,816	\$ 4,468,309	1.0	Expenditures and ALCP Reimbursements. Actual expenditures resulted in a regional reimbursement project savings of \$471,000. TIP # SCT100-06C

Table B - CONTINUED

ALCP PROJ #	Agency	Project Location	Project Description	Fiscal Year for Work	Fiscal Year for Reimb.	Fund Type	Local Cost	Regional Cost	Total Cost	Length	Requested Change
ACI-SHA-20-03-F	Scottsdale	Shea Blvd at Mayo/134th St: Intersection Improvements	Design	2005	2009	RARF	\$ 15,552	\$ 36,288	\$ 51,840	N/A	Project was advanced constructed with reimbursement programmed in 2021. Reimbursement moved from 2021 to 2009 to use Project Savings from ACI-SFN-10-03-A.
ACI-SHA-20-03-F	Scottsdale	Shea Blvd at Mayo/134th St: Intersection Improvements	Construction	2006	2009	RARF	\$ 108,863	\$ 254,014	\$ 362,877	N/A	Project was advanced constructed with reimbursement programmed in 2021. Reimbursement moved from 2021 to 2009 to use Project Savings from ACI-SFN-10-03-A.
ACI-SHA-20-03-C	Scottsdale	Shea Blvd at Via Linda (Phase1): Intersection Improvements	Design	2005	2009	RARF	\$ 31,104	\$ 72,575	\$ 103,679	N/A	Project was advanced constructed with reimbursement programmed in 2021. Reimbursement moved from 2021 to 2009 to use Project Savings from ACI-SFN-10-03-A.
ACI-SHA-20-03-C	Scottsdale	Shea Blvd at Via Linda (Phase1): Intersection Improvements	Construction	2006	2009	RARF	\$ 388,796	\$ 907,191	\$ 1,295,987	N/A	Project was advanced constructed with reimbursement programmed in 2021. Reimbursement moved from 2021 to 2009 to use Project Savings from ACI-SFN-10-03-A.
ACI-SHA-20-03-A	Scottsdale	Shea Blvd at 90th/92nd/96th: Intersection Improvements	Design	2005	2009	RARF	\$ 124,415	\$ 290,301	\$ 414,716	N/A	Project was advanced constructed with reimbursement programmed in 2021. Reimbursement moved from 2021 to 2009 to use Project Savings from ACI-SFN-10-03-A.
ACI-SHA-20-03-A	Scottsdale	Shea Blvd at 90th/92nd/96th: Intersection Improvements	Right of Way Acquisition	2006	2009	RARF	\$ 31,104	\$ 72,575	\$ 103,679	N/A	Project was advanced constructed with reimbursement programmed in 2021. Reimbursement moved from 2021 to 2009 to use Project Savings from ACI-SFN-10-03-A.
ACI-SHA-20-03-A	Scottsdale	Shea Blvd at 90th/92nd/96th: Intersection Improvements	Construction	2007	2009	RARF	\$ 627,418	\$ 1,463,976	\$ 2,091,394	N/A	Project was advanced constructed with reimbursement programmed in 2021. Partial reimbursement moved from 2021 to 2009 to use Project Savings from ACI-SFN-10-03-A.
ACI-SHA-20-03-A	Scottsdale	Shea Blvd at 90th/92nd/96th: Intersection Improvements	Construction	2007	2021	RARF	\$ 772,296	\$ 1,802,024	\$ 2,574,320	N/A	Project reimbursement in 2021 adjusted to reflect the remaining reimbursement for the project.

Table C

Highway Projects - TIP FY2008-2012 Amendments & Administrative Modifications

TIP #	Agency	Project Location	Project Description	Fiscal Year	Fund Type	Federal Cost	Local Cost	Regional Funds	Total Cost	Length (miles)	Lanes Before	Lanes After	Additional Notes
CVK09-807	Cave Creek	Various Locations - Functionally Classified Roadways	Pre-Engineer/Design and Construct Pavement Rehab projects	2009	ARRA	\$ 614,813			\$ 614,813	1.5	n/a	n/a	Amend: New Project with ARRA Funds
GBD09-803	Gila Bend	Gila Bend Airport on SR-85	Design and Construct Carpool and Transit Park & Ride Lot	2009	ARRA	\$ 170,000	\$ -	\$ -	\$ 170,000	n/a	n/a	n/a	Amend: New Project with ARRA Funds
MAG09-617	MAG	Regionwide	Travel Reduction Program	2009	CMAQ	\$ 935,588			\$ 935,588	n/a	n/a	n/a	Admin Mod: Increase funds by \$25,588
MAG09-615	MAG	Regionwide	Regional Rideshare Program	2009	CMAQ	\$ 740,000			\$ 740,000	n/a	n/a	n/a	Admin Mod: Increase funds by \$80,000

Table C - CONTINUED

TIP #	Agency	Project Location	Project Description	Fiscal Year	Fund Type	Federal Cost	Local Cost	Regional Funds	Total Cost	Length (miles)	Lanes Before	Lanes After	Additional Notes
MAG09-802	MAG	MAG region	Purchase safety kits for distribution to all attendees at the 2009 MAG School Crossing Guard Training workshops, to be held in Peoria and in Mesa	2009	SRTS	\$ 30,000			\$ 30,000	n/a	n/a	n/a	Amend: New Project with federal Safe Routes to School Funds
MES09-801	Mesa	Various Locations Citywide - Functionally Classified Roadways	Pre-Engineer/Design and pavement reconstruct and ADA upgrades	2009	ARRA	\$ 9,196,045			\$ 9,196,045	7.5	n/a	n/a	Amend: Delete Project - reprogrammed and split into 2 projects (MES09-80X & MES09-80X)
MES09-802	Mesa	Various Locations Citywide - Functionally Classified Roadways	Pre-Engineer/Design and construct mill and replace pavement	2009	ARRA	\$ 1,588,734			\$ 1,588,734	3.5	n/a	n/a	Amend: Delete Project - reprogrammed and split into 2 projects (MES09-80X & MES09-80X)
MES09-801R	Mesa	Various Locations Citywide - Functionally Classified Roadways	Pre-Engineer/Design and pavement reconstruct and ADA upgrades	2009	ARRA	\$ 1,610,892			\$ 1,610,892	1.5	n/a	n/a	Amend: New Project with ARRA Funds (This project replaces the original MES09-801 project).
MES09-802R	Mesa	Various Locations Citywide - Functionally Classified Roadways	Pre-Engineer/Design and construct mill and replace pavement	2009	ARRA	\$ 970,728			\$ 970,728	2.5	n/a	n/a	Amend: New Project with ARRA Funds (This project replaces the original MES09-801 project).
MES09-803	Mesa	Various Locations Citywide - Functionally Classified Roadways	Pre-Engineer/Design and pavement reconstruct and ADA upgrades, Group 1	2009	ARRA	\$ 2,559,279			\$ 2,559,279	2	n/a	n/a	Amend: New Project with ARRA Funds (This project replaces the original MES09-801 project).
MES09-804	Mesa	Various Locations Citywide - Functionally Classified Roadways	Pre-Engineer/Design and pavement reconstruct and ADA upgrades, Group 2	2009	ARRA	\$ 2,333,311			\$ 2,333,311	2	n/a	n/a	Amend: New Project with ARRA Funds (This project replaces the original MES09-801 project).
MES09-805	Mesa	Various Locations Citywide - Functionally Classified Roadways	Pre-Engineer/Design and pavement reconstruct and ADA upgrades Group 3	2009	ARRA	\$ 3,310,569			\$ 3,310,569	3	n/a	n/a	Amend: New Project with ARRA Funds (This project replaces the original MES09-801 project).
Projects funded with Transportation Enhancement ARRA Funds													
TIP #	Agency	Project Location	Project Description	Fiscal Year	Fund Type	Federal Cost - ARRA	Local Cost	Regional Funds	Total Cost	Length (miles)	Lanes Before	Lanes After	Additional Notes
CHN09-805	Chandler	Paseo Trail, Consolidated Canal: Galveston to Pecos Rd.	Construction of multi-use path	2009	ARRA	\$ 750,000	\$ 411,610		\$ 1,161,610		n/a	n/a	Amend: New Project with ARRA funds (Enhancement Project)

Table C - CONTINUED

TIP #	Agency	Project Location	Project Description	Fiscal Year	Fund Type	Federal Cost	Local Cost	Regional Funds	Total Cost	Length (miles)	Lanes Before	Lanes After	Additional Notes
GLB04-303R	Gilbert	Canal Crossing Project	Design and construction pedestrian bridges over canal crossing	2009	ARRA	\$ 270,000	\$ 410,000		\$ 680,000		n/a	n/a	Amend: New Project with ARRA funds (Enhancement Project)
GLB08-801	Gilbert	Heritage District Downtown Ped Project	Design and construct sidewalks, landscaping and other pedestrian improvements	2009	ARRA	\$ 578,670	\$ -		\$ 578,670		n/a	n/a	Admin Mod: Change year from 08 to 09, funding source to ARRA funds (Enhancement Project), and project costs.
GLN08-611	Glendale	Old Roma Alley	Design and construct pedestrian enhancements and landscape	2009	ARRA	\$ 732,562	\$ -		\$ 732,562		n/a	n/a	Admin Mod: Change year from 08 to 09, funding source to ARRA funds (Enhancement Project), and project costs.
MMA09-725	Maricopa County	Bush Hwy from Usery Pass Rd to Stewart Mtn Rd	Design and construct bicycle lane	2009	ARRA	\$ 750,000	\$ 367,817		\$ 1,117,817		n/a	n/a	Admin Mod: Change funding source to ARRA funds (Enhancement Project) and project costs.
MES09-806	Mesa	Consolidated Canal Pathway, 8th Street and Lindsay	Design and construct 12-foot wide multi-use pathway with lighting and signing	2009	ARRA	\$ 750,000	\$ 759,375		\$ 1,509,375		n/a	n/a	Amend: New Project with ARRA funds (Enhancement Project)
PHX08-641	Phoenix	Arcadia Drive Ind. Sch. Rd. to AZ Canal	Design and construct multi-use trail enhancements	2009	ARRA	\$ 750,000	\$ 70,282		\$ 820,282		n/a	n/a	Admin Mod: Change year from 08 to 09, funding source to ARRA funds (Enhancement Project), and project costs.
PHX08-642	Phoenix	Historic Street Light Rehabilitation Project	Restore 123 historic streetlights	2009	ARRA	\$ 377,970	\$ -		\$ 377,970		n/a	n/a	Admin Mod: Change funding source to ARRA funds (Enhancement Project) and project costs.
SCT09-703	Scottsdale	Crosscut Canal, Thomas Rd to Indian School Rd	Construct new pedestrian/bicycle bridge and multi-use path	2009	ARRA	\$ 1,632,333	\$ 98,667		\$ 1,731,000		n/a	n/a	Admin Mod: Change funding project costs (\$750K is TE-ARRA and \$882,333 is ARRA-MAG).
SCT09-801	Scottsdale	Downtown Canal Bank Improvements	Design and construct transportation enhancements to connect Sun Circle Trail to Goldwater Underpass	2009	ARRA	\$ 600,000	\$ 25,402		\$ 625,402		n/a	n/a	Amend: New Project with ARRA funds (Enhancement Project)
TMP09-704	Tempe	Crosscut Canal from Papago Park to Mouer Park - Tempe	Design and construct multi-use path (phase II)	2009	ARRA	\$ 750,000	\$ 650,000		\$ 1,400,000		n/a	n/a	Admin Mod: Change funding source to ARRA funds (Enhancement Project) and project costs.

**Table D - Project Change Requests, Heard for First Time at TPC
Highway Projects - TIP FY2008-2012 Amendments & Administrative Modifications**

TIP #	Agency	Project Location	Project Description	Fiscal Year	Fund Type	Federal Cost	Local Cost	Regional Funds	Total Cost	Length (miles)	Lanes Before	Lanes After	Additional Notes
PHX08-704T	Phoenix	27th Ave/Baseline Rd	27th Ave/Baseline Park and Ride Construct	2009	ARRA	1,100,000			1,100,000	n/a	n/a	n/a	Admin Mod: Change funding source to ARRA transit funds. ALI: 11.33.04
VMR09-801T	VMR	Central Ave/Camelback Rd	Central/Camelback Park and Ride Expansion	2009	ARRA	1,400,000			1,400,000	n/a	n/a	n/a	Amend: Add new ARRA transit project. ALI: 11.33.04
PHX09-841T	Phoenix	Regionwide	LRT Park and Ride Shade Canopes	2009	ARRA	2,500,000			2,500,000	n/a	n/a	n/a	Admin Mod: Decrease project costs from \$5 million to \$2.5 million. ALI: 11.34.04
DOT09-815	ADOT	I-10: Verrado Way - Sarival Rd	Construct General Purpose Lane	2009	ARRA	\$28,200,000			\$28,200,000	1	4	6	Admin Mod: Decrease project costs by \$15 million from \$43.2 million to \$28.2 million.
DOT09-818	ADOT	I-17: SR74-Anthem Way	Construct General Purpose Lane	2009	ARRA	\$16,868,488			\$16,868,488	5	6	8	Admin Mod: Decrease project costs by \$4 million from \$20,868,488 million to \$16,868,488.
DOT06-613	ADOT	SR 85: Southern Ave I 10	Widen roadway, adding 2 through lanes	2009	ARRA	\$19,000,000			\$19,000,000	2.5	2	4	Admin Mod: Change funding sources to ARRA State funds and decrease project costs by \$15 million from \$34 million to \$19 million
PHX09-829	Phoenix	Various locations	Bridge systems maintenance	2009	BR & HURF	\$ 79,936.00	\$ 4,832.00		\$ 84,768	n/a	n/a	n/a	Admin Mod: Change funding amounts and sources to include Federal Bridge funds.
PHX09-873	Phoenix	Various locations	Bridge inspection rental equipment	2009	BR & HURF	\$ 53,279.50	\$ 3,220.50		\$ 56,500	n/a	n/a	n/a	Admin Mod: Change funding amounts and sources to include Federal Bridge funds.

MARICOPA ASSOCIATION OF GOVERNMENTS

INFORMATION SUMMARY... for your review

DATE:

May 13, 2009

SUBJECT:

Proposal to Advance the Design and Right of Way for a Portion of the Williams Gateway Freeway

SUMMARY:

Mesa has requested consideration of a proposal to advance the design and right of way acquisition for the segment of the Williams Gateway Freeway from the Santan Freeway to Ellsworth Road. A request to accelerate the design, right of way and construction of this segment was approved by MAG in January 2009. The legislature subsequently swept the funds that had been designated for the interest expense for the accelerated project. Mesa is now requesting that only the design and right of way be accelerated and that the funding that has been programmed for the advanced acquisition of right of way in the corridor be used to cover the interest expense associated with the financing necessary to accelerate the design and right of way activity. In the currently adopted Freeway Life Cycle Program, \$8 million is programmed for right of way protection for FY 2009 through FY 2012. The request to accelerate the design and right of way would allow the acquisition of the needed property at current land values and could take advantage of extremely attractive interest rates.

Mesa has proposed issuing Highway Project Advancement Notes (HPAN), which are secured by the city's excise tax, to fund the accelerated design and right of way. Since Mesa would be issuing the debt, there is no impact on the freeway program's financing capacity. The interest expense on the debt would be divided equally between the Freeway Program and Mesa as stated in the MAG Highway Acceleration Policy adopted February 27, 2008. Mesa has requested that the \$8 million of advanced right of way funding that is in the Freeway Life Cycle Program for FY 2009 through FY 2012 be used to cover the interest expense on the financing. Mesa has proposed that 50 percent of these funds would be used to offset the city's interest obligation and the remaining 50 percent be used to offset the Program interest.

The Program share of the interest cost represents an additional cost to the Program, however, this additional cost would be offset by the accelerated acquisition of the right of way for the project as long as the rate of inflation exceeds one-half of the interest rate on the financing. The financial analysis assumes that the interest rate is 3.5 percent on the notes. ADOT currently uses a three (3) percent inflation rate for right of way for the period FY 2012 to FY 2015, therefore, there would be a net cost savings to the program as a result of the proposed acceleration.

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. Policy discussions are currently underway at MAG that could result in substantial changes to the MAG Freeway Program due to lower revenues and higher costs. The revised program schedule could result in changes to the timing of the Williams Gateway Freeway project.

PUBLIC INPUT:

None.

PROS & CONS:

PROS: Accelerating the Williams Gateway Freeway design and right of way acquisition for the connection to Ellsworth Road should result in significant cost savings to the program given current property values and the likelihood that values could escalate substantially as the economy recovers.

CONS: The proposed acceleration does increase the interest expense to the Program although the increase is likely to be offset by the reduced costs related to avoiding future increases in inflation and property values.

TECHNICAL & POLICY IMPLICATIONS:

TECHNICAL: The Environmental Assessment for the Williams Gateway Freeway is currently underway with completion expected in late 2010.

POLICY: The proposed acceleration project meets the MAG Highway Acceleration Policy that was adopted on February 27, 2008. The request also includes a change in the use of the Freeway Program funds that were provided to this project from advanced acquisition of right of way to the payment of the interest expense associated with the acceleration.

ACTION NEEDED:

Recommend approval of the Mesa request to advance the design and right of way of an interim connection of the Williams Gateway Freeway between the Santan Freeway and Ellsworth Road by approximately three years to be incorporated into the draft FY 2010 to FY 2014 MAG Transportation Improvement Program and the Regional Transportation Plan and that the program funds allocated to the Williams Gateway Freeway for advanced right of way acquisition be used instead to pay for the interest expense associated with the proposed acceleration, and authorize the MAG Executive Director to enter into an agreement with ADOT and Mesa.

PRIOR COMMITTEE ACTIONS:

On May 13, 2009, the Management Committee recommended approval of the Mesa request to advance the design and right of way of an interim connection of the Williams Gateway Freeway between the Santan Freeway and Ellsworth Road by approximately three years to be incorporated into the draft FY 2010 to FY 2014 MAG Transportation Improvement Program and the Regional Transportation Plan and that the program funds allocated to the Williams Gateway Freeway for advanced right of way acquisition be used instead to pay for the interest expense associated with the proposed acceleration, and authorize the MAG Executive Director to enter into an agreement with ADOT and Mesa.

MEMBERS ATTENDING

- | | |
|--|--|
| Charlie McClendon, Avondale, Chair | Sonny Culbreth for Darryl Crossman,
Litchfield Park |
| Mark Pentz, Chandler, Vice Chair | Christopher Brady, Mesa |
| # George Hoffman, Apache Junction | Jim Bacon, Paradise Valley |
| David Johnson for Jeanine Guy, Buckeye | Susan Daluddung for Carl Swenson, Peoria |
| Gary Neiss, Carefree | * Frank Fairbanks, Phoenix |
| Wayne Anderson for Usama Abujbarah,
Cave Creek | John Kross, Queen Creek |
| Spencer Isom for B.J. Cornwall, El Mirage | * Bryan Meyers, Salt River Pima-Maricopa
Indian Community |
| Alfonso Rodriguez for Phil Dorchester,
Fort McDowell Yavapai Nation | John Little, Scottsdale |
| Rick Davis, Fountain Hills | * Randy Oliver, Surprise |
| + Rick Buss, Gila Bend | Charlie Meyer, Tempe |
| * David White, Gila River Indian Community | Chris Hagen for Reyes Medrano, Tolleson |
| George Pettit, Gilbert | Gary Edwards, Wickenburg |
| Jessica Blazina for Ed Beasley, Glendale | Lloyce Robinson, Youngtown |
| Romina Korke for John Fischbach,
Goodyear | Steve Hull for John Halikowski, ADOT |
| RoseMary Arellano, Guadalupe | David Smith, Maricopa County |
| | David Boggs, Valley Metro/RPTA |

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

CONTACT PERSON:

Eric Anderson, (602) 254-6300

**WILLIAMS GATEWAY FREEWAY ACCELERATION ANALYSIS
PHASE 1, SANTAN TO ELLSWORTH*
--DRAFT--**

Proposed Acceleration Schedule and Cost**

Element	Cost Estimate (Year of Expenditure \$)	Plan Year	Advanced Year
Design	\$12	2014	2010
Right-of-Way	\$33	2015	2010
Total	\$45		

Summary of Financing

<u>Design and Right-of-Way</u>	<u>Mesa</u>
Interest Expense	\$7,700,000
Application of Programmed SR802 Advance Right-of-Way Funds***	\$8,000,000
Net Interest Cost After****	
Application of Programmed Funds	0

* Acceleration is for SR802 Phase 1, Santan Freeway to Ellsworth Road for design and right-of-way acquisition only. Includes Traffic Interchange with all connecting ramps to the Santan Freeway. Remainder of project is an interim facility which has been valued engineered to include interim ramp connection to Ellsworth Road.

** Cost estimates were provided by ADOT in December, 2008 based on unit costs and quantities. Cost estimates adjusted for inflation using the same inflation factors as ADOT & MAG are using to update the life cycle program.

*** MAG Freeway Life Cycle Program includes a total of \$8 million for right-of-way protection/advance right-of-way acquisition at \$2 per year for FY09 to FY12.

**** The net interest cost after application of \$8 million programmed in MAG Freeway Life Cycle Program for right-of-way protection/advance right-of-way acquisition.