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January 12, 2010

TO: Members of the Transportation Policy Committee

FROM: Mayor Marie Lopez Rogers, Avondale, Chair

SUBJECT: NOTIFICATION OF MEETING AND TRANSMITTAL OF TENTATIVE AGENDA

Meeting - 4:00 p.m.
Wednesday, January 20, 2010
MAG Office, Suite 200 - Saguaro Room
302 N. First Avenue, Phoenix

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

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

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

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

c: MAG Regional Council
MAG Management Committee

A Voluntary Association of Local Governments in Maricopa County

City of Apache Junction ▲ City of Avondale ▲ Town of Buckeye ▲ Town of Carefree ▲ Town of Cave Creek ▲ City of Chandler ▲ City of El Mirage ▲ Fort McDowell Yavapai Nation ▲ Town of Fountain Hills ▲ Town of Gila Bend
Gila River Indian Community ▲ Town of Gilbert ▲ City of Glendale ▲ City of Goodyear ▲ Town of Guadalupe ▲ City of Litchfield Park ▲ Maricopa County ▲ City of Mesa ▲ Town of Paradise Valley ▲ City of Peoria ▲ City of Phoenix
Town of Queen Creek ▲ Salt River Pima-Maricopa Indian Community ▲ City of Scottsdale ▲ City of Surprise ▲ City of Tempe ▲ City of Tolleson ▲ Town of Wickenburg ▲ Town of Youngtown ▲ Arizona Department of Transportation

**TRANSPORTATION POLICY COMMITTEE
TENTATIVE AGENDA
January 20, 2010**

		<u>COMMITTEE ACTION REQUESTED</u>
1.	<u>Call to Order</u>	
2.	<u>Pledge of Allegiance</u>	
3.	<u>Call to the Audience</u>	3. Information.
	<p>An opportunity will be provided to members of the public to address the Transportation Policy Committee on items not scheduled on the agenda that fall under the jurisdiction of MAG, or on items on the agenda for discussion but not for action. Citizens will be requested not to exceed a three minute time period for their comments. A total of 15 minutes will be provided for the Call to the Audience agenda item, unless the Transportation Policy Committee requests an exception to this limit. Please note that those wishing to comment on agenda items posted for action will be provided the opportunity at the time the item is heard.</p>	
4.	<u>Approval of Consent Agenda</u>	4. Recommend approval of the Consent Agenda.
	<p>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 (*).</p>	

ITEMS PROPOSED FOR CONSENT*

*4A.	<u>Approval of the December 2, 2009, Meeting Minutes</u>	4A. Review and approval of the December 2, 2009, meeting minutes.
*4B.	<u>Status Report on the Performance Measurement Framework and Congestion Management Update Study</u>	4B. Information and discussion.
	<p>Proposition 400 was passed by Maricopa County voters in November 2004 extending the half cent sales tax through 2025 and establishing legislative</p>	

statutes that require MAG to develop a multimodal performance monitoring program for the regional transportation system. Beginning in 2010 and every five years thereafter, ARS 28-6313 requires the Auditor General to contract with an independent auditor to conduct a performance audit of the regional transportation plan and projects scheduled for funding during the next five years. The MAG Regional Performance Report completes Phase II of the Performance Measurement Framework and Congestion Management Update Study. A summary of analysis and findings is provided as well as an overview of the Technical Advisory Group collaborative participation on this process. Please refer to the enclosed material.

*4C. Project Changes - Amendments and Administrative Modifications to the FY 2008-2012 MAG Transportation Improvement Program

The fiscal year (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. Since that time, there have been requests from member agencies to modify projects in the programs. ADOT is requesting financial changes to three projects and adding a new pavement preservation project. Additionally, MAG member agencies are requesting changes to project limits related to federal funded projects, and requesting two new projects to be funded with STP-TEA funds; these projects were approved for funding by the ADOT State Board. Tables of proposed amendments and administrative modifications to the FY 2008-2012 TIP and RTP are enclosed. Each of the projects were heard and voted on for approval at their technical advisory committee. This item is on the January 13, 2010, Management Committee agenda. An update will be provided on action taken by the Committee.

4C. Recommend approval of amendments and administrative modifications to the FY 2008-2012 Transportation Improvement Program, and as appropriate, to the Regional Transportation Plan 2007 Update.

*4D. American Recovery and Reinvestment Act (ARRA) Monthly Status Report

A Status Report on the American Recovery and Reinvestment Act (ARRA) funds dedicated to transportation projects in the MAG region details the status of project development. The report covers highway, local, transit, and enhancement projects programmed with ARRA funds and the status of project development milestones per project. The status report is still undergoing updates and will be provided to committee members at the TPC meeting.

4D. Information and discussion.

ITEMS PROPOSED TO BE HEARD

5. ADOT Budget Update

In November, the Arizona Department of Transportation (ADOT) announced layoffs of 115 ADOT staff to reduce expenses as part of an effort to balance a budget suffering from declining transportation revenues and legislative transfers. State transportation funding has been depleted by \$500 million in fund transfers and continued declines in transportation revenues. ADOT has closed rest areas, and announced a plan to shutter a dozen Motor Vehicle Division Offices. ADOT has been under a hiring freeze since 2008. It has cut operational and highway maintenance expenses, deferred maintenance and construction projects and implemented agency-wide furloughs two days per month for all employees to address budget shortfalls. On December 21, 2009, Governor Brewer announced that the FY 2011 budget beginning in July 2010 has an estimated budget deficit of \$3.4 billion. A representative from ADOT will provide information on how the revenue declines and budget cuts are impacting ADOT.

5. Information and discussion.

6. Unobligated American Recovery and Reinvestment Act Local Funds - Technical Programming Modifications

Through the MAG committee process, discussions have been held regarding the anticipated

6. Recommend approval that the guidelines for programming unobligated American Recovery and Reinvestment Act (ARRA) Local funds that were approved by the MAG Regional Council on December 9, 2009, be modified in order that the local agency with the ARRA project savings will

unobligated Local/MPO American Recovery and Reinvestment Act (ARRA) funds due to low project cost bids and projects not obligating by the March 2, 2010 deadline. An approval of policy and programming recommendations by the MAG Regional Council on December 9, 2009 addressed how unobligated American Recovery and Reinvestment Act (ARRA) Local funds (due to either projects not obligating or project cost savings) are to be programmed. Since the approval, the Transportation Review Committee met and has recommended further technical clarifications on programming to be addressed for the policy recommendation to move forward. This item is on the January 13, 2010, Management Committee agenda. An update will be provided on action taken by the Committee. Please refer to the enclosed material.

7. Proposed Federal Economic Stimulus Legislation

On December 16, 2009, the U.S. House of Representatives passed H.R. 2847 which provides additional infrastructure investments to stimulate the economy. The Senate is slated to take up the house bill in the near future and substantial changes could be made before the bill is passed by Congress and signed by the President. As passed by the House, an additional \$27.5 billion of funding for highways and \$8.4 billion for public transit are provided using the same allocation and process that were part of the first stimulus package (ARRA). One important difference is the dramatically shorter time frames to spend the funds. The new bill requires that one-half of the highway and transit funds need to be under contract within 90 days of when the funds become available. Under Contract means the project has been advertised for bid, bids received and evaluated, the bid award made, and the contract signed within 90 days. As an example, under ARRA, 50 percent of the funds allocated to state DOT's had to be obligated within 180 days. Obligation occurs when the FHWA authorizes the project to be advertised to bid. The 90 days deadline for half of the funds to be under contract also applies to funds allocated to local governments through MAG. The timing of

have local discretion to move the project savings to another existing ARRA project in that jurisdiction and/or swap the ARRA funds with ADOT-STP funds and move the project savings to an eligible project, that is above \$200,000 and can obligate before September 30, 2010, including new projects. Any jurisdiction that cannot meet the \$200,000 threshold and obligation deadline of September 30, 2010 will return the project savings to the regional pool for reallocation.

7. Information, discussion and possible action.

final Congressional action on another round of stimulus funding is unknown but March 2010 is being used as a rough target at this time. If the 90-day period remains to have 50 percent of the funding under contract, only projects that are through all of the approval processes required will be likely candidates for funding. Please refer to the enclosed material.

8. Request for Future Agenda Items

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

9. Adjournment

8. Information and discussion.

MINUTES OF THE
MARICOPA ASSOCIATION OF GOVERNMENTS
TRANSPORTATION POLICY COMMITTEE MEETING

December 2, 2009
MAG Office, Saguaro Room
Phoenix, Arizona

MEMBERS ATTENDING

- | | |
|--|--|
| Mayor Marie Lopez Rogers, Avondale,
Chair | # Mark Killian, The Killian Company/Sunny
Mesa, Inc. |
| Mayor Scott Smith, Mesa, Vice Chair | # Mayor Jim Lane, Scottsdale |
| Councilmember Ron Aames, Peoria | Mayor John Lewis, Gilbert |
| # Kent Andrews, Salt River Pima-Maricopa
Indian Community | Mayor Jackie Meck, Buckeye |
| * Stephen Beard, HDR Engineering Inc. | Councilwoman Peggy Neely, Phoenix |
| * Dave Berry, Swift Transportation | David Scholl |
| Jed Billings, FNF Construction | * Mayor Elaine Scruggs, Glendale |
| Mayor James Cavanaugh, Goodyear | Mayor Lyn Truitt, Surprise |
| Mayor Boyd Dunn, Chandler | Supervisor Max W. Wilson, Maricopa County |
| Mayor Hugh Hallman, Tempe | Felipe Zubia, State Transportation Board |
| * Eneas Kane, DMB Associates | * F. Rockne Arnett, 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 Marie Lopez Rogers at 4:05 p.m.

2. Pledge of Allegiance

The Pledge of Allegiance was recited. Chair Rogers noted that Mayor Jim Lane, Kent Andrews and Mark Killian were participating in the meeting by telephone.

Chair Rogers noted materials at each place: For agenda item #7, page six of the memorandum to the RPTA Board that was inadvertently omitted from the agenda packet, and for agenda item #8, a letter from Mayor Hallman submitting a name for the vacant business seat on the TPC.

3. Call to the Audience

Chair Rogers 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 Rogers noted that no public comment cards had been turned in.

4. Approval of Consent Agenda

Chair Rogers stated that agenda items #4A, #4B, #4C, and #4D were on the consent agenda. She stated that public comment is provided for consent items, and noted that no public comment cards had been received. Chair Rogers asked members if they would like to remove any of the consent agenda items or have a presentation. None were noted. Mayor Hallman moved to recommend approval of consent agenda items #4A, #4B, #4C, and #4D. Mayor Dunn seconded, and the motion carried unanimously.

4A. Approval of the October 21, 2009, Meeting Minutes

The Transportation Policy Committee, by consent, approved the October 21, 2009, meeting minutes.

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

The Transportation Policy Committee, by consent, recommended approval of the proposed changes to Section 350 of the Arterial Life Cycle Program (ALCP) Policies and Procedures. In 2004, MAG initiated the development of the ALCP to provide management and oversight for the implementation of the arterial component of the Regional Transportation Plan (RTP). In 2005, the Regional Council approved the ALCP Policies and Procedures (“Policies”) to direct the implementation of the arterial street projects in an efficient and cost-effective manner. On April 22, 2009, the Regional Council approved revisions and refinements to the Policies. Since the approval, MAG member agencies have expressed concerns about the policies regarding ALCP project savings and programming the ALCP when a deficit of revenue occurs. On September 3, 2009, the ALCP Working Group met to discuss these concerns and other issues regarding the definition of a completed project for the Regional Area Road Fund (RARF) Closeout and data issues encountered during the annual update process. The Transportation Review Committee and the Management Committee recommended approval of the revisions to the ALCP Policies and Procedures.

4C. Project Changes – Amendments and Administrative Modifications to the FY 2008-2012 MAG Transportation Improvement Program

The Transportation Policy Committee, by consent, recommended approval of amendments and administrative modifications to the FY 2008-2012 Transportation Improvement Program, and as appropriate, to the Regional Transportation Plan 2007 Update. The FY 2008-2012 Transportation Improvement Program and Regional Transportation Plan 2007 Update were approved by the MAG Regional Council on July 25, 2007. Since that time, there have been requests from member agencies to modify projects in the programs. Requested project changes include funding changes and new projects to be funded with American Recovery and Reinvestment Act funds, and a number of project changes that relate to the approval of conformity. The Transportation Review Committee and the Management Committee recommended approval of projects on pages 1-2 of the attachment. The projects on pages 3-4 of the attachments titled New Requests were provided for the first time at the Transportation Policy Committee.

4D. American Recovery and Reinvestment Act (ARRA) Monthly Status Report

A Status Report on the American Recovery and Reinvestment Act (ARRA) funds dedicated to transportation projects in the MAG region is provided. This report covers the status of project development as of November 24, 2009. It reports on highway, local, transit, and enhancement projects programmed with ARRA funds and the status of project development milestones per project. This item was on the agenda for information.

5. Reallocation of Unused Local/MPO American Recovery and Reinvestment Act (ARRA) Funds Policy Options

Eileen Yazzie, MAG Transportation Program Manager, began her report by saying that to prevent overlap of policy discussion, she would be giving separate presentations on agenda items #5 (Local/MPO ARRA Funds), #6 (Highway ARRA Funds), and #7 (Transit ARRA Funds).

Ms. Yazzie stated that the Local/MPO ARRA funded projects were listed beginning on page four in the November Status Report (agenda item #4D). She pointed out that three Local/MPO projects have already obligated and all projects are projected to obligate by February 2010, with the majority obligating in December 2009. Ms. Yazzie noted the action taken by the Regional Council in October to change the November 30, 2009, obligation deadline to a milestone date.

Ms. Yazzie advised that ARRA Local/MPO funds are likely to become available after the March 2, 2010, federal deadline due to project costs being less than programmed, and those funds will need to be obligated. She reviewed the schedule of actions: December 2009 to January 2010, the remaining Local/MPO ARRA projects will obligate; March 2, 2010, is the federal deadline for obligating ARRA transportation funds; January to April 2010, Local/MPO projects will go out to advertise and bid; March to April 2010, the majority of Local/MPO ARRA project bids and contracts are awarded and the project savings amounts will be known; September 2010, the second federal deadline for obligating ARRA transportation funds realized from lower costs.

Ms. Yazzie noted that MAG staff has been working with the Federal Highway Administration and the Arizona Department of Transportation (ADOT) on determining the main focus for programming. She said that with regard to reporting on ARRA funds, less is better and it is easier to report on one large project than 12 smaller projects. Ms. Yazzie stated that they still need to ensure there are ready to go projects and to continue the original policy to program projects at the local level based on population.

Ms. Yazzie displayed the recommended action onscreen and reviewed what the action would accomplish. She stated that a local jurisdiction has first priority for reprogramming savings from its projects. Ms. Yazzie stated that a project may switch from ARRA funding to Surface Transportation Program (STP) funding with ADOT. She explained that the reporting requirements are greater for ARRA funds than STP funds. Ms. Yazzie stated that ADOT would then use the ARRA funds on a MAG Regional Freeway project. She stated that another recommendation in the action is that a local agency could use ARRA to lower its 30 percent local cost share. Ms. Yazzie advised that RTP policy requires an overall local match of 30 percent and this recommendation would lift that requirement in order to move projects forward.

Ms. Yazzie stated that the recommended action simplifies ARRA savings, allows the savings to be moved to a larger project, and releases much of the reporting requirements. The action also includes a deadline of September 2010 for obligating STP funds. She remarked that a slight disadvantage to STP funds is the requirement of a local match of 5.7 percent, and gave as an example that a \$500,000 project would need a local match of \$28,500. Ms. Yazzie noted that local projects utilizing the ARRA funds would still need to go through the ADOT Local Governments process.

Ms. Yazzie advised that there are three technical programming areas that need to be resolved: 1) Establishing a threshold related to programming ARRA/STP project savings on local projects; 2) Establishing a regional project prioritized list for cost savings that do not meet the threshold; 3) Local projects funded with STP. Ms. Yazzie indicated that work will begin on these areas at the December Transportation Review Committee meeting.

Chair Rogers thanked Ms. Yazzie for her presentation and asked members if they had questions.

Mayor Hallman asked for clarification that an opportunity is still provided to have funds available for transit items. He said that ARRA funds transferred to STP funds will be surface transportation dollars and not transit dollars. Mayor Hallman stated that the goal was to keep the money in the transit programs. He asked how that was going to be met. Ms. Yazzie replied that she would be addressing Transit ARRA funds under agenda item #7. She explained that with this local policy, no funds are going to transit at all, and even though this is at the local level, they have not seen transit projects that are ready to go. Mayor Hallman commented that this was the reason Ms. Yazzie had separate presentations for the three ARRA agenda items. Ms. Yazzie replied that was correct. She said that the priorities for transit savings are transit operations and ADA operations.

Mr. Anderson stated that if the City of Tempe has additional ARRA funds from bid savings, it may be possible to flex the funds to transit. Mr. Anderson continued that they understand ARRA Highway funds cannot be used for transit or ADA operations – only Transit ARRA funds can be used for those purposes.

Chair Rogers asked those participating via teleconference if they had questions. None were noted.

Mayor Dunn moved to recommend approval that any unobligated American Recovery and Reinvestment Act (ARRA) Local funds due to either projects not obligating or project cost savings, are to be programmed at the local discretion first, and may remain ARRA funds or may be exchanged with the Arizona Department of Transportation (ADOT) for ADOT Surface Transportation Program (STP) funds. ADOT would then use the ARRA funds on highway projects in the MAG region and ADOT will transfer an equivalent amount of ADOT STP funds that can be used by MAG members on local federally funded projects. If applicable, the local agency may use project cost savings from their own original ARRA allocation to lower the 30 percent local cost share on projects programmed under the 70/30 cost share policy. Councilman Aames seconded, and the motion passed unanimously.

6. Revision of Highway Projects to Be Funded with American Recovery and Reinvestment Act Funds

Ms. Yazzie stated that since the MAG Regional Council approved reprioritizing the ARRA Highway project list based on the ability to obligate in September 2009, highway projects have continued to move forward with advertising, bids, and contract awards. She advised that there have been cost savings due to lower bid/contract award amounts, such as the US-60 Grand Avenue project estimated at \$44 million that came in with a bid of \$22 million. Ms. Yazzie stated that the project savings were applied to the projects on the priority list and currently there are additional savings of approximately \$2.6 million which need to be programmed. Ms. Yazzie stated that it is recommended to add the SR-143 project at \$35.1 million to the approved ARRA Highway project list to be funded based on the ability to obligate. She advised that cost savings are anticipated to continue, and could be applied to the SR-143 project.

Chair Rogers thanked Ms. Yazzie for her report and asked members if they had questions.

Mayor Cavanaugh asked for a description of the SR-143 project. Mr. Anderson replied that the SR-143 project provides access from SR-143 to I-10 to those exiting Sky Harbor Airport eastbound. He explained that currently, drivers must exit onto old SR-153, then go to 40th Street and then to I-10.

Councilman Aames asked for clarification if the Local option still existed. Mr. Anderson replied that these are Highway funds only.

Chair Rogers asked those participating via teleconference if they had questions. None were noted.

Mayor Hallman asked for clarification of Mr. Anderson's response to Councilman Aames's question. He asked if the source was ADOT funding that would be supplanted with ARRA funding. Mr. Anderson replied that was correct. He explained that the SR-143 project is a Proposition 400 project that is ready to go to bid. Mr. Anderson stated that this project is programmed with federal and RARF funds and is eligible for ARRA funds. He explained that bid savings from other projects would go to fund this project and would free up money from the program that could be used for other regional freeway projects. Mayor Hallman asked if it is ADOT's commitment to move funding toward this project. Mr. Anderson replied yes.

Mayor Dunn asked for clarification if the ARRA funds were needed to fully fund the SR-143 project. Mr. Anderson replied that the SR-143 project is fully funded and what this action does is to allow replacing the federal dollars currently allocated with ARRA funds, which have a short timeframe to obligate, and frees up federal dollars that could benefit other projects in the region.

With no further discussion, Mr. Killian moved to recommend adding the SR-143 project to the American Recovery and Reinvestment Act Highway project list to be funded based on the ability to obligate. Mayor Dunn seconded, and the motion passed unanimously.

7. Additional Transit Projects to Be Funded with American Recovery and Reinvestment Act Funds

Ms. Yazzie provided a presentation on the Transit ARRA funds. She explained that originally, the legislation did not allow American Recovery and Reinvestment Act (ARRA) funds to be used for operations, but this was amended to allow 10 percent of the Transit ARRA funds for transit operations and 10 percent for ADA operations. Ms. Yazzie noted that the bids for transit projects, like the highway projects, have been coming in under the programmed costs, which result in available ARRA transit funds that need to be programmed. She noted that the capital transit projects are funded.

Ms. Yazzie noted that the memorandum from the Regional Public Transportation Authority (RPTA) was included in the agenda packet. She noted that the additional ARRA funds were considered through the RPTA process and then she reviewed the RPTA Board recommendation. Ms. Yazzie stated that the Board approved priority guidelines, the methodology by which operating and preventive maintenance funds are allocated to Bus, Rail and ADA, and recommended to amend the MAG 2008-2012 TIP to include operating and ADA assistance.

Ms. Yazzie noted that the 11 projects recommended by the RPTA Board to be added to the MAG 2008-2012 TIP, were shown on the table included in the material sent for agenda item #4C. They include six operating assistance projects that total \$1.75 million and five ADA complimentary paratransit projects that total \$1.75 million, and account for project savings of \$3.5 million. Ms. Yazzie advised that once additional project savings come in, the 11 line items for operating assistance and ADA complimentary paratransit could be increased up to \$6.4 million.

Chair Rogers thanked Ms. Yazzie for her presentation and asked members if they had questions.

Mr. Killian asked if any transit operations were operating in the black. Bryan Jungwirth, RPTA staff, replied no. Mr. Killian stated that none of the transit is operating in the black and we are losing money. He questioned how spending money could be justified during the current economic situation and with recovery not in the near future. He asked if the federal funds were expected to continue and if the state continues with its reckless behavior how can spending this money be justified. Mr. Killian remarked that every city and town, the County and the State are in fiscal trouble and he did not understand how we can continue to run projects in the red.

Mayor Hallman said that the analogy he would draw is that the highways are not running in the black, either. He remarked that funding through the gas tax has fallen drastically and we are using ARRA funds to replace those funds to build freeways. Mayor Hallman stated that these funds are specifically identified for transit use and some can be used toward capital projects and 10 percent can be used toward operations. He expressed that he felt we were better off not building out additional projects we cannot afford to operate but instead continue to carry the services we have provided until the economy returns to a level that can support those services. Mayor Hallman stated that as a policy matter it makes sense. He expressed appreciation for Mr. Killian's point, but these funds are specifically allocated to transit. The question is whether it is better to spend the funds on capital projects we cannot afford to operate or allow ten percent of the funds to be used for the operation of projects that have already been built. Mayor Hallman expressed that he thought spending a portion on operations was a good idea.

Mr. Killian asked for clarification that capital money was being shifted to operations. Ms. Yazzie replied that these are funds that are unprogrammed because there were project savings from a BRT projects. She stated that one option provided by ARRA legislation is to use some of the funds for operations. Ms. Yazzie stated that this recommendation from the RPTA Board is to use the funds for operating and ADA assistance projects as a first priority.

Mr. Killian asked the amount for operations. Ms. Yazzie replied that the Board recommended six operating assistance projects that total \$1.75 million and five ADA complimentary paratransit projects that total \$1.75 million, a total of \$3.5 million.

Mr. Killian asked the length of time the funds would be provided. Mr. Anderson replied that under the ARRA legislation, 10 percent of the total transit allocation of \$64 million can be used for these categories. He explained that initially, the allocation of ARRA for transit operations assistance and ADA assistance was not allowable, but subsequently, 10 percent was made available for operations. Mr. Anderson stated that this region has \$3.5 million on the table from bid savings from a capital project and has three choices: 1) not program the money and lose it; 2) program the money on a capital project; 3) program the money on operating expenses rather than spending it on new capital projects with ongoing operating expenses.

Mr. Killian asked for clarification that this was a one-time injection of funds. Mr. Anderson replied that was correct, and it would relieve some of the pressure from the operating funds of the transit operators.

Councilman Aames mentioned that transit operations and paratransit operations also have been impacted by reduced revenue from the Arizona Lottery and this is a way to fill that gap. He commented that capital projects are not as meaningful if they cannot be operated. Councilman Aames said that he serves on the RPTA Board and they are hearing that less paratransit and reduced service hours are looming in the future. He stated that this will help fill the gap. Councilman Aames stated that the Board discussed this issue and this is where they would like to see the funds allocated.

Mr. Killian encouraged spending the funds as soon as possible to avoid the possibility of any sweep.

With no further discussion, Mayor Hallman moved to recommend approval of the RPTA recommendation to add operating and ADA assistance projects to the MAG 2008-2012 TIP. Mayor Dunn seconded, and the motion passed unanimously.

8. Solicitation of Names to Submit to the Speaker of the House to Fill a Vacancy on the Transportation Policy Committee

Dennis Smith, MAG Executive Director, stated that Mr. Eneas Kane, a charter member of the TPC, has informed MAG that due to his greater responsibilities at work he would be resigning from the Committee. He noted that Mr. Kane was an appointee of the Speaker of the House and his term on the TPC expires December 31, 2012. Mr. Smith stated that a candidate representing regionwide business is needed to fill the vacancy and a memorandum was sent to the Regional Council to solicit names. Mr. Smith explained that according to state law, MAG can provide input on the names to the Speaker of the House who makes the eventual appointment. He noted that letters were received for four individuals. Mr. Smith added that the input from the TPC will be forwarded to the Regional Council who will consider the name or names next week and could make a recommendation to forward the name or names to the Speaker.

Chair Rogers noted that no action was requested and asked for input.

Supervisor Wilson said that these are outstanding individuals and he recommended all four of the names submitted be forwarded to the Regional Council.

Mayor Cavanaugh stated that Mr. Kane worked for DMB, Mr. Zubia, since his appointment to the State Transportation Board, has begun working for DMB, and one of the candidates works for DMB. He expressed concern having two people from DMB as members of the TPC.

Mr. Zubia clarified that as of the end of 2009 he would be leaving DMB to concentrate full time on his planning, engineering, and design company.

Mayor Hallman noted that no action was requested on the agenda, just information, discussion and input. He said that he thought forwarding all of the names would be the prudent thing to do and he hoped the Regional Council would feel the same and let the Speaker sort it out.

Mayor Dunn asked for clarification that the Speaker was not committed to select the TPC member from the names submitted by MAG. Mr. Smith replied that was correct.

9. Request for Future Agenda Items

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

Mr. Killian asked if staff could provide a report on transportation items for which the TPC is responsible that could be subject to legislative appropriation. He added that the report could bring the TPC up to date and outline the impact to the transportation system.

Mr. Smith stated that there are concerns with ADOT's ability to match federal funds in the future. He asked for clarification that Mr. Killian would like to include an update on the financial condition of ADOT and the impacts of raids on ADOT.

Mr. Killian replied yes, and also mentioned that he would like to know how ADOT will be able to manage the contracts with the cities when their budget continues to be slashed.

Chair Rogers said that this would be on a future agenda.

10. Adjournment

There being no further business, Mayor Hallman moved, Mayor Dunn seconded, and the meeting adjourned at 5:45 p.m.

Chair

Secretary

PERFORMANCE MEASUREMENT FRAMEWORK AND CONGESTION MANAGEMENT UPDATE STUDY

EXECUTIVE SUMMARY 2008-2009

TRANSPORTATION PERFORMANCE MEASURES FOR THE MAG REGION

The MAG Performance Measures Report has been developed in conjunction with a Regional Performance Measurement Framework and a Data Gap Analysis Document as part of Phase II of the Performance Measurement Framework and Congestion Management Update Study. The purpose of the Performance Measures Report is to provide an overview of how the transportation system in the MAG region is currently performing, as well as highlight significant facts regarding performance across selected corridors and facilities.

Data analyzed as part of the Performance Measures Report are primarily from 2006 and 2007, prior to both the dramatic increase in gasoline prices during 2008 and the economic recession which began to gain traction in the middle of that year. As a result, significant changes in transportation system use and performance are likely to have occurred since the data presented in this report were produced. Even so, this report illustrates how tracking transportation system performance data facilitates more informed public decision making, thereby resulting in better public policy, planning, and project selection.

This Executive Summary highlights findings within the reported data that are of significant interest or that have potential future policy implications. Following is a summary and discussion for the principal sections of the Study:

LIMITED ACCESS HIGHWAY AND HOV LANE PERFORMANCE

The freeway system in Maricopa County encompasses fifty-three (53) miles of Interstate highway, and one hundred sixty-three (163) miles of other freeways and expressways. Interstate highways include I-10 (the Maricopa/Papago Freeway) and the I-17 (the Black Canyon Freeway). Other important freeways and expressways include: US-60 (the Superstition Freeway), Loop 202 (the Red Mountain/Santan Freeway), Loop 101 (the Price/Pima/Agua Fria Freeway), SR-51 (the Piastewa Freeway), and SR-143 (the Hohokam Expressway). According to the Texas Transportation Institute's 2009 Annual Urban Mobility Report, the cost of congestion to the greater Phoenix metropolitan area (based on wasted time and fuel) was \$1.89 billion in 2007. The average cost of congestion per traveler during 2007 was \$1,034.

The most heavily traveled freeway segment is I-10 west of downtown Phoenix, which, on an average weekday serves almost 200,000 vehicles. Highest volumes detected on I-10 in 2007

register 265,000 vehicles per day at a sensor located near 7th Street in Phoenix. The I-10 is a heavily congested roadway, moving at an average of just over 35 miles per hour (mph) from SR-51 to 82nd Avenue during parts of both the AM and PM peak periods. Other regional freeways carrying fewer total vehicles are, at times, equally congested. As an example, the Loop 101 (southbound) between the Loop 202 and Guadalupe Road has an average speed of less than 30 mph during the peak of the evening rush hour. In addition, the westbound portion of the Loop 202 is somewhat unique in that it routinely experiences heavy congestion between SR-143 and I-10 during both the AM and PM peak periods.

An important contributor to the MAG area's traffic congestion pattern is the transportation-land use configuration and how it influences travel behavior, especially for commuter trips which tend to concentrate on morning and afternoon periods. One consequence of regional traffic congestion (primarily resulting from high levels of demand and consequent slower vehicular speeds) is that portions of all of the freeways in the MAG region typically and consistently operate at lower efficiencies only during certain hours of the AM and PM periods. That is, as a result of traffic congestion, each of these roads becomes incapable of serving the traffic volumes they were designed to support under more favorable conditions. For example, congestion is frequently so severe during the peak period, that several sections of I-10 actually serve less than 60 percent of the vehicles they were designed to serve, simply because traffic is moving so slowly. Likewise, PM peak period traffic demand along sections of I-17 is so high that these portions of the freeway are able to serve less than 40 percent of their design volumes.

High Occupancy Vehicle (HOV) lanes have been designed and built to encourage carpooling and transit ridership, thus helping in relieving congestion. Nevertheless, congestion is also common on sections of several of the region's HOV lanes, reducing incentives associated with their use. This may be due, in part, to how motorists interact with the HOV lane usage time of day restrictions currently being applied in the region. For example, in the afternoon prior to 3:00 PM, the HOV lanes are open to general purpose (non-HOV) traffic. Consequently, a significant number of single occupancy vehicles (SOV) make use of the HOV lanes right up to the 3:00 PM change-over; in some sections of the corridors, congestion begins to form in some HOV lanes as the usage period transitions. While traffic volumes in the HOV lanes do begin to decline after the HOV restrictions are imposed at 3:00 PM, the volumes remain high enough and the congestion in some sections of the HOV lanes is bad enough, that considerable congestion frequently remains in place until near the end of the peak period. While HOV lane congestion is not nearly as severe as general purpose lane congestion, some sections still perform fairly poorly, limiting the benefits the current HOV lane policy is intended to provide.

With regard to freeway safety, the total crash rates and injury crash rates per million vehicle miles traveled (VMT) appear to be consistent on a year-to-year basis. Total crash and injury crash rates are greatest on I-17 and US-60, followed by I-10 and SR-51. Results indicate that the Loop 101 and Loop 202 consistently have the lowest crash and injury rates as compared to all other freeways analyzed. Although I-10 experiences higher traffic volumes than any other roadway in the MAG region, crash and injury crash rates are lower for the I-10 corridor than for either I-17 or US-60.

Changes in freeway performance from 2006 to 2007 were mixed. Slightly more than half of the corridors showed slight increases in vehicle volume, while slightly less than half showed marginal decreases. Similarly, slightly more than half of the roadway sections examined had

minor declines in average vehicle speed during the peak period, but almost half showed minor improvements.

ARTERIAL PERFORMANCE

Arterials are also responsible for a very high percentage of Maricopa County's regional mobility. The major arterials selected for inclusion in this report were chosen due to the fact that they carry large volumes of traffic across the Valley and represent major traffic movements throughout the region. These arterials in some instances parallel the freeway corridors defined in Section 2 of the Performance Measurement Report, and in other instances carry traffic to and from areas not well-served by freeways.

The 2007 Study results indicate that average hourly vehicle throughput on arterials is consistently higher during the PM peak period than during either the AM peak period or Midday period. Shea Boulevard carries the highest traffic volumes of all the arterial study corridors, with average daily volumes registering more than 22,000 vehicles per day along each direction of travel. Highest two-directional volumes on Shea Boulevard have been documented as high as 54,000 vehicles per day near Scottsdale Road. Considering average traffic along the entire corridor, Bell Road/Sun Valley Parkway is the second highest, with more than 20,000 vehicles per day along each direction. Highest detected two-directional volumes on Bell Road register up to 62,000 vehicles per day near 115th Avenue. The lowest traffic volumes observed in the arterials selected for inclusion in this study occur on Dysart Road, with daily volumes of approximately 7,900 vehicles per day along each direction of the corridor.

With regard to arterial congestion, during the PM peak period, the westbound direction of Glendale Avenue/Lincoln Drive experiences the most significant delay, with well over half of the corridor experiencing average travel speeds less than 75 percent of the posted speed limit. During the AM peak period, the southbound direction of Dysart Road experiences the greatest congestion-related delay, with more than 60 percent of the corridor experiencing average travel speeds less than 75 percent of the posted speed limit. Power Road is also highly congested during the AM peak period and Midday period, with almost half of the arterial (in both directions of travel) experiencing congestion-related delays in the morning, and more than half experiencing significant delays during the middle of the day.

TRANSIT PERFORMANCE

The transit system in the MAG region consists of a combination of local bus service, express bus service, arterial bus rapid transit service, circulator/shuttle services, dial-a-ride services, and as of the end of 2008, light rail service. As per the MAG Regional Transportation Plan, service levels on particular routes are determined by balancing demand for transit along those routes against the availability of funding. The Regional Public Transportation Authority (RPTA), commonly known as Valley Metro, is a membership organization aimed at helping to streamline transit service across the region. RPTA board member agencies include: Avondale, Buckeye, Chandler, El Mirage, Gilbert, Glendale, Goodyear, Maricopa County, Mesa, Peoria, Phoenix, Queen Creek, Scottsdale, Surprise, and Tempe.

The transit-related performance measures contained in the Performance Measures Report reflect data collected by RPTA concerning the operation of the City of Phoenix, RPTA, and City of

Tempe's transit services. As the datasets being analyzed are for 2006 and 2007, only bus-related modes of travel (express, local, and paratransit/dial-a-ride) are included; light rail transit service was not in operation at that time and is consequently not included as part of this report. Although fixed route transit ridership increased from 2006 to 2007, the efficiency of those transit services (i.e., transit boardings per revenue mile driven) declined slightly. The most significant impact of a decrease in boardings per revenue mile is the potential for it to result in an increase in subsidy per boarding.

On-time performance for all transit services in the MAG region increased from 2006 to 2007, with the exception of City of Phoenix's fixed route service, which fell by one percent. Nevertheless, during 2007, all services, both fixed route and Dial-A-Ride, exceeded the 90 percent on-time performance goal laid out by RPTA and the City of Phoenix for their transit services.

BICYCLE AND PEDESTRIAN PERFORMANCE

A number of planning-related efforts have taken place over the past few years with the purpose of improving opportunities for bicycle and pedestrian travel in the region. Tracking performance measures associated with non-motorized (i.e., bicycle and pedestrian-based) modes of travel will provide MAG and its partners with key data concerning the extent to which those efforts have succeeded, as well as increase overall awareness of how travel via these alternative modes is being accommodated.

Based on an analysis of data collected regarding the modes of transportation utilized by commuters, no significant change was apparent in bicycle and pedestrian based travel between 2007 and 2008. Results also indicate that bicycle and pedestrian trips have the shortest commuting trip lengths (6.12 miles and 2.04 miles, respectively).

With regard to the safety of bicycle and pedestrian modes of travel, the annual number of crashes and injury crashes appear to be fairly stable from year to year, increasing or decreasing annually by no more than seven to ten percent.

QUALITY OF LIFE PERFORMANCE

Quality of life-related issues are of growing concern to communities around the nation. The focus being placed on greater environmental quality, sustainable development, and healthy communities are evidence of an emphasis on an improved quality of life. Tracking quality of life-related performance measures is an important first step in providing community leaders with the information needed to implement substantive quality of life enhancement initiatives.

As a first step in assessing quality of life as it relates to the MAG region, the Performance Measures Report contains an assessment of participation in Maricopa County's Trip Reduction Program (TRP), aimed at encouraging the use of alternative (non-SOV based) modes of travel. Results of the analysis indicate continuing high levels of participation in the program (more than 650,000 participants) which, according to the Maricopa County Air Quality Department's Trip Reduction Report, resulted in the elimination of 12,934 tons of air pollution due to the use of alternative modes of travel by program participants during 2008.

MARICOPA ASSOCIATION OF GOVERNMENTS

INFORMATION SUMMARY... for your review

DATE:

January 12, 2010

SUBJECT:

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

SUMMARY:

The fiscal year (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. Since that time, there have been requests from member agencies to modify projects in the program.

To move forward with project implementation for FY 2010, the Arizona Department of Transportation (ADOT) has requested a new pavement preservation project, and project cost modifications to three projects. There are also two new STP-TEA, Enhancement, projects to be added to the TIP led by Valley Metro. The proposed amendments and administrative modifications to the FY 2008-2012 TIP are listed in the attached Table.

In addition, there are three Congestion Mitigation and Air Quality (CMAQ) funded projects: a Fountain Hills pedestrian project (FTH11-701) in 2011, a Chandler ITS project (CHN11-704) in 2011, and a Surprise ITS project (SUR11-715) in 2011 requesting changes to the locations of their projects. Each of the projects were heard and voted on for approval at their technical advisory committee.

All of the projects to be amended may be categorized as exempt from conformity determinations and an administrative modification does not require a conformity determination.

PUBLIC INPUT:

None.

PROS & CONS:

PROS: Approval of this TIP amendment and administrative modification 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 and administrative modification request is in accord with MAG guidelines.

ACTION NEEDED:

Recommend approval of amendments and administrative modifications to the FY 2008-2012 Transportation Improvement Program, as appropriate, to the Regional Transportation Plan 2007 Update.

PRIOR COMMITTEE ACTIONS:

Management Committee: This item is on the January 13, 2010, Management Committee agenda. An update will be provided on action taken by the Committee.

MAG Transportation Review Committee: On December 14, 2009, the Transportation Review Committee recommended approval of amendments and administrative modifications to the FY 2008-2012 Transportation Improvement Program, as appropriate, to the Regional Transportation Plan 2007 Update.

MEMBERS ATTENDING

Peoria: David Moody
ADOT: Kwi-Sung Kang for Floyd Roehrich
Avondale: Shirley Gunther for David Fitzhugh
Buckeye: Jose Herdia Scott Lowe
Chandler: RJ Zeder for Patrice Kraus
El Mirage: Lance Calvert
Fountain Hills: Randy Harrel
Gila Bend: Rick Buss
* Gila River: Doug Torres
Gilbert: Michelle Gramley for Tami Ryall
Glendale: Terry Johnson
Goodyear: Cato Esquivel
#Guadalupe: Gino Turrubiarres

Litchfield Park: Woody Scoutten
Maricopa County: Clem Ligocki for John Hauskins
Mesa: Brent Stoddard for Scott Butler
Paradise Valley: Bill Mead
Phoenix: Ed Zuercher
* Queen Creek: Wendy Kaserman
RPTA: Bob Antilla for Bryan Jungwirth
Scottsdale: Dave Meinhart
Surprise: Bob Buckley for Vacant
Tempe: Chris Salomone
Valley Metro Rail: John Farry
* Wickenburg: Rick Austin
Youngtown: Grant Anderson for Lloyce Robinson

EX-OFFICIO MEMBERS ATTENDING

* Street Committee: Darryl Crossman
ITS Committee: Debbie Albert

#Bicycle/Pedestrian Committee: Peggy Rubach
* Transportation Safety Committee: Kerry Wilcoxon

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

MAG Intelligent Transportation Systems Committee: On December 2, 2009, the MAG Intelligent Transportation Systems Committee recommended approval of the location modifications for Chandler project CHN11-704, and Surprise project SUR11-715.

MEMBERS ATTENDING

Lydia Warnick for Scott Nodes, ADOT
#Soyoung Ahn, ASU
Margaret Boone-Pixley for Gus Woodman, City of Avondale
#Thomas Chlebanowski, Town of Buckeye
Mike Mah, City of Chandler
Jenna Mitchell, DPS
Jerry Horacek, City of El Mirage
Jennifer Brown, FHWA
Kurt Sharp, Town of Gilbert

Luke Albert, City of Goodyear
Faisal Saleem for Nicolaas Swart, Maricopa County
Derrick Bailey, City of Mesa
Steve Blair for Ron Amaya, City of Peoria
Marshall Riegel, City of Phoenix
* Bob Ciotti, Phoenix Public Transit
* Michael Pacelli, Town of Queen Creek
Bruce Dressel, City of Scottsdale
Brian Moberly for John Abraham, Surprise

Avery Rhodes for Debbie Albert, Glendale

* Jim Decker, City of Tempe
Arkady Bernshteyn, Valley Metro Rail

* Members neither present nor represented by proxy.
Participated via teleconference

MAG Bicycle and Pedestrian Committee: On November 17, 2009, the MAG Bicycle and Pedestrian Committee recommended approval of the location and local funding modifications to Fountain Hills project: FTH11-701.

MEMBERS ATTENDING

Brandon Forrey, Peoria, Chair
Reed Kempton, Scottsdale, Vice Chair
Michael Sanders, ADOT
* Michael Eagan, ASLA, Arizona Chapter
Margaret Boone-Pixley, Avondale
Robert Wisener, Buckeye
D.J. Stapley, Carefree
Bob Beane for Rich Rumer, Coalition of
Arizona Bicyclists
Doug Strong, El Mirage

Tami Ryall, Gilbert
Steve Hancock, Glendale
Joe Schmitz, Goodyear
Michael Cartsonis, Litchfield Park
Denise Lacey, Maricopa County
Jim Hash, Mesa
Katherine Coles, Phoenix
Lisa Padilla, Queen Creek
Peggy Rubach, RPTA
Eric Iwersen, Tempe

* Members neither present nor represented by proxy.
Attended via audio-conference

CONTACT PERSON:

Eileen O. Yazzie, Transportation Programming Manager, (602) 254-6300.

**Request for Project Change - 2008-2012 MAG Transportation Improvement Program
MAG Transportation Policy Committee January 12, 2010**

Highway Projects

TIP #	Agency	Project Location	Project Description	Fiscal Year	Length	Fund Type	Local Cost	ARRA Cost	Federal Cost	Regional Cost	Total Cost	Requested Change
DOT09-905	ADOT	101 (Agua Fria Fwy) / 99th Ave: I-10 to Van Buren St	Utilities and R/W	2010	1	RARF				\$ 2,625,000	\$ 2,625,000	Admin Mod: Change project costs from \$2,300,000 to \$2,625,000.
DOT10-817	ADOT	Old US 60: Sossaman Rd - Meridian Rd, WB	Pavement preservation	2010	5	STP	\$ 5,985		\$ 99,015		\$ 105,000	Amend: Create a new pavement preservation project in FY 2010.
DOT10-828	ADOT	87: New Four Peaks - Dos S Ranch Rd	Construct roadway improvements	2010	5.4	ARRA/STP-TEA	\$ 9,804	\$ 21,000,000	\$ 162,196		\$ 21,172,000	Amidin Mod: Change project costs from \$21,000,000 to \$21,172,000, and add new funding source of STP-TEA.
DOT10-840	ADOT	10: Avondale Blvd	TI improvements	2010	0.5	RARF				\$ 2,660,000	\$ 2,660,000	Amend: Change project costs from \$2,000,000 to \$2,660,000. Change funding source from IM to RARF.
CHN11-704	Chandler	Arizona Ave: TMC to Riggs Road	Install fiber-optic cable for interconnecting traffic signals (5 out of 6 miles)	2011	6	CMAQ	\$ 455,950		\$ 344,050		\$ 800,000	Amend: Change Location from Pecos to Riggs to TMC to Riggs Road; and Length from 4 to 6 Miles
FTH11-701	Fountain Hills	Fountain Hills Blvd: Cholla Drive to Crystal Point Dr.	Construct new sidewalk	2011	0.6	CMAQ	\$ 130,000		\$ 300,000		\$ 430,000	Amend: Change project limits from Shea to Crystal Point to Shea to Cholla Dr.
MMA10-819RWZ	Maricopa County	El Mirage Rd: Bell Rd to Deer Valley Dr	Acquisition of Right-of-Way for roadway widening	2010	3	Local	\$ 3,348,860	\$ -	\$ -		\$ 3,348,860	Amend: Add new project to TIP
SUR 11 - 715	Surprise	Peoria Ave: Cotton Lane to Litchfield and Litchfield Road from Peoria to Greenway	Design and Construct fiber optic cable interconnection of existing and future ITS facilities	2011	7	CMAQ	\$ 1,000,000		\$ 700,000		\$ 1,700,000	Amend: Change project limits from Peoria: Litchfield Road to Jackrabbit to Peoria Ave: Cotton Lane to Litchfield and Litchfield Road from Peoria to Greenway

Transit Projects

TIP #	Agency	Project Location	Project Description	Fiscal Year	Length	Fund Type	Local Cost	ARRA Cost	Federal Cost	Regional Cost	Total Cost	Requested Change
VMT10-804T	Valley Metro	Regionwide	Regional Bicycle & Pedestrian Safety Education Program - Round 17- 2009	2010	n/a	STP-TEA	\$ 16,532		\$ 223,000		\$ 239,532	Amend: Add new STP-TEA project to TIP
VMT10-805T	Valley Metro	Regionwide	Regional Bicycle & Pedestrian Safety Education Program - Round 17- 2009	2011	n/a	STP-TEA	\$ 15,300		\$ 254,000		\$ 269,300	Amend: Add new STP-TEA project to TIP

MARICOPA ASSOCIATION OF GOVERNMENTS

INFORMATION SUMMARY... for your review

DATE:

January 12, 2010

SUBJECT:

Unobligated American Recovery and Reinvestment Act Local Funds - Technical Programming Modifications

SUMMARY:

The American Recovery and Reinvestment Act (ARRA) of 2009 was signed by President Obama on February 17, 2009. The ARRA directs transportation infrastructure funds to both highways and transit agencies in states and metropolitan planning organizations. There was \$104.6 million designated to the MAG region for use at the MPO/Local level. The funds were programmed in the Spring and Summer of 2009.

Recently, the Arizona Department of Transportation (ADOT) and local agencies have seen project bids and costs come in 10-50 percent less than originally programmed. Understanding this, it is anticipated that there will be unobligated ARRA Local funds due to project cost savings, and the ARRA Local funds due to project cost savings will need to be reprogrammed.

An approval of policy and programming recommendations by the MAG Regional Council on December 9, 2009 addressed how unobligated American Recovery and Reinvestment Act (ARRA) Local funds (due to either projects not obligating or project cost savings) are to be programmed. The Regional Council approved that any unobligated American Recovery and Reinvestment Act (ARRA) Local funds are to be programmed at the local discretion first, and may remain ARRA funds or may be exchanged with the Arizona Department of Transportation (ADOT) for ADOT Surface Transportation Program (STP) funds. ADOT would then use the ARRA funds on highway projects in the MAG region and ADOT will transfer an equivalent amount of ADOT STP funds that can be used by MAG members on local federally funded projects. If applicable, the local agency may use project cost savings from their original ARRA allocation to lower the 30 percent local cost share on projects programmed under the 70/30 cost share policy.

Since the approval, the Transportation Review Committee (TRC) met and has recommended further technical clarifications on programming to be addressed for the policy recommendation to move forward. The TRC recommended approval that the guidelines for programming unobligated American Recovery and Reinvestment Act (ARRA) Local funds that were approved by the MAG Regional Council on December 9, 2009, be modified in order that the local agency with the ARRA project savings will have local discretion to move the project savings to another existing ARRA project in that jurisdiction and/or swap the ARRA funds with ADOT-STP funds and move the project savings to an eligible project, that is above \$200,000 and can obligate before September 30, 2010, including new projects. Any jurisdiction that cannot meet the \$200,000 threshold and obligation deadline of September 30, 2010 will return the project savings to the regional pool for reallocation.

PUBLIC INPUT:

None.

PROS & CONS:

PROS: The transportation infrastructure portion of the American Recovery and Reinvestment Act (ARRA) of 2009 is time sensitive, there is a federal deadline of all transportation ARRA funds to be obligated by March 2, 2010 and any funds available due to project bid cost savings are to be obligated by September 30, 2010.

CONS: None.

TECHNICAL & POLICY IMPLICATIONS:

TECHNICAL: Projects that wish to utilize transportation federal funds, including the ARRA funds, need to be shown and programmed in the Transportation Improvement Program (TIP) in the year that they expect to commence and may need to undergo an air quality conformity analysis or consultation. This programming process is discussed through the MAG committee process.

POLICY: Federal law requires that the financial plan be developed by the Metropolitan Planning Organization (MPO) in cooperation with the state and transit operator. The state and transit operator must provide the MPO with estimates of available federal and state funds. Also, projects for federal discretionary funds need to be cooperatively developed between MAG and ADOT.

ACTION NEEDED:

Recommend approval that the guidelines for programming unobligated American Recovery and Reinvestment Act (ARRA) Local funds that were approved by the MAG Regional Council on December 9, 2009, be modified in order that the local agency with the ARRA project savings will have local discretion to move the project savings to another existing ARRA project in that jurisdiction and/or swap the ARRA funds with ADOT-STP funds and move the project savings to an eligible project, that is above \$200,000 and can obligate before September 30, 2010, including new projects. Any jurisdiction that cannot meet the \$200,000 threshold and obligation deadline of September 30, 2010 will return the project savings to the regional pool for reallocation.

PRIOR COMMITTEE ACTIONS:

Management Committee: This item is on the January 13, 2010, Management Committee agenda. An update will be provided on action taken by the Committee.

Transportation Review Committee: The TRC met on December 14, 2009 and recommended with a vote of thirteen yes and eight no, that the guidelines for programming unobligated American Recovery and Reinvestment Act (ARRA) Local funds that were approved by the MAG Regional Council on December 9, 2009, be modified in order that the local agency with the ARRA project savings will have local discretion to move the project savings to another existing ARRA project in that jurisdiction and/or swap the ARRA funds with ADOT-STP funds and move the project savings to an eligible project, that is above \$200,000 and can obligate before September 30, 2010, including new projects. Any jurisdiction that cannot meet the \$200,000 threshold and obligation deadline of September 30, 2010 will return the project savings to the regional pool for reallocation.

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* Transportation Safety Committee: Kerry Wilcoxon

* Members neither present nor represented by proxy.
Attended by Audioconference

+ Attended by Videoconference

CONTACT PERSON:

Eileen O. Yazzie, (602) 254-6300.



Arizona Department of Transportation

Office of the Director

206 South Seventeenth Avenue Phoenix, Arizona 85007-3213

Janice K. Brewer
Governor

John S. Halikowski
Director

John A. Bogert
Chief of Operations

John McGee
Executive Director
for Planning & Policy

January 6, 2010

Mr. Dennis Smith
Executive Director
Maricopa Association of Governments
302 North 1st Avenue, Suite 300
Phoenix, Arizona 85003

Dear Mr. Smith:

As you are aware, the House passed a federal bill, HR 2847, "Jobs for Main Street Act, 2010" in December. At this point, the Senate has not taken up the issue, but will likely begin consideration of either a separate jobs bill or the House Jobs bill in the next few months.

The House Jobs bill looks very similar to the original American Recovery and Reinvestment Act (ARRA). For your information, I have put together a comparison of the dollar amounts from each bill below. From what we currently know, this bill, if enacted, would provide essentially the same dollars except there is no discretionary grant money for highways as there was in the first bill. Also, grant funding for airports was reduced.

	ARRA I	HR 2847
Highways:	\$27.5 billion	\$27.5 billion
Highways Tiger Grant	\$ 1.5 billion	\$0
Transit:	\$ 8.4 billion	\$ 8.4 billion
Amtrak:	\$ 1.3 billion	\$ 8 million
Airports:	\$ 1.1 billion	\$ 5 million
FAA facilities & equip	\$ 200 million	\$0
Ship Const.	\$ 100 million	\$ 100 million
Total	\$40.1 billion	\$37.3 billion

I have also outlined the major differences between ARRA and the House Jobs bill.

Highways:

1. ARRA allowed 120 days to obligate 50% of the funds. **The House Jobs bill is 90 days to have 50% of the funds under contract.**
2. ARRA allowed 1 year for obligation of the rest of the funds. The House Jobs bill is 1 year to have the remaining funds under contract.
3. ARRA did not require the sub allocation for cities, towns and counties to meet the first deadline of 120 days, just the one year deadline. **The House Jobs bill does not provide for an exclusion, so it appears that cities, towns and counties would have to meet both deadlines.**

Transit:

1. ARRA allowed 180 days to obligate 50% of the funds and one year for the remainder. ***The House Jobs bill is 90 days to have 50% of the funds under contract and one year for the remainder under contract.***
2. The House Jobs bill allows 10% of the amount to be used for operating costs of equipment and facilities. ARRA did not.
3. The House Jobs bill requires that projects be prioritized to economically distressed areas (EDA). ARRA only required EDA for highway projects.
4. The House Jobs bill requires an equitable geographic distribution of projects. ARRA only required that for highway projects.

As you can see, the House bill tightens the timelines considerably for projects to be under contract. If this bill or a similar bill passes, it will require that we all work together to make sure that we have projects that are ready to go as soon as the bill is signed.

ADOT has already begun working on developing a list of projects for both the federal fiscal year 2010 program and additional projects in the event that a jobs bill is passed. We are currently using the information available in the House Jobs bill as a guide to identify the steps we need to implement in order to be ready. We encourage each entity to do the same and to look for improvements in the process for identifying projects that are ready to go.

A good rule of thumb for a project ***to be under contract in 90 days*** is one that meets the following criteria:

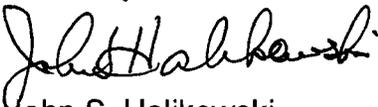
1. Included in STIP or TIP
2. Design – 100%
3. Environmental – 100% clearance
4. Right of way – 100% purchased
5. Utilities – 100% clearance
6. Railroad (if required) -100% clearance
7. Transportation Conformity Plan – no impact

As you have seen through the ARRA program, if these areas are not completed, it takes many months (and sometimes years) to get the project ready for construction.

We will begin holding weekly meetings every Tuesday starting next week from 8:00 am to 9:00 am to discuss how we can work together as we prepare for the possibility of a jobs bill that provides additional funding for transportation infrastructure. You may either attend in person at the Arizona Department of Transportation Administration Building, in our Executive Conference Room, 206 S. 17th Ave., or call in at 1(866) 921-2203, pin number *7406549*

If you have any questions, please contact me at (602) 712-7227.

Sincerely,


John S. Halikowski



**Arizona Department of Transportation
Governmental Affairs**

206 South Seventeenth Avenue Phoenix, Arizona 85007-3213

Janice K. Brewer
Governor

John S. Halikowski
Director

Kevin Biesty
Division Director

January 7, 2010

Dennis Smith
Executive Director
Maricopa Association of Governments
302 North 1st Ave., Suite 300
Phoenix, Arizona 85003

Dear Mr. Smith,

The Director requested that I follow up the letter emailed to you yesterday regarding the potential for a second stimulus bill. It was brought to our attention that a later interpretation by the Federal Transit Administration under the Supplemental Appropriations Act allows current ARRA programs for the Transit Capital Assistance Urbanized Area Program funds and the Transit Capital Assistance Nonurbanized Area Program funds the ability to use up to 10 percent of the amount apportioned for operating expenses, including recipients and subrecipients under the Section 5311(f)- Intercity Bus program.

Please let me know if you have any questions.

Sincerely,

A handwritten signature in cursive script that reads "Eileen Collieran".

Eileen Collieran
ADOT Government Relations