

**MINUTES OF THE
MARICOPA ASSOCIATION OF GOVERNMENTS
TRANSPORTATION POLICY COMMITTEE MEETING**

July 22, 2003
MAG Office, Saguaro Room
Phoenix, Arizona

MEMBERS ATTENDING

Mayor Neil Giuliano, Tempe, Chair
Mayor Elaine Scruggs, Glendale, Vice Chair
Benito Almanza, Bank of America Arizona
F. Rockne Arnett, Citizens Transportation
Oversight Committee
Mayor Steven Berman, Gilbert
Dave Berry, Swift Transportation
Jed S. Billings, FNF Construction
Councilmember Peggy Bilsten, Phoenix
Mayor James Cavanaugh, Goodyear
Councilmember Pat Dennis, Peoria
Mayor Ron Drake, Avondale

Mayor Boyd Dunn, Chandler
Rusty Gant, ADOT
Mayor Keno Hawker, Mesa
Eneas Kane, DMB Associates
#Mayor Mary Manross, Scottsdale
Mayor Lon McDermott, Wickenburg
Diane Scherer, Phoenix Association of Realtors
Vice Mayor Daniel Schweiker, Paradise Valley
Martin Shultz, Pinnacle West Capital Corp.
Supervisor Don Stapley, Maricopa County
Mayor J. Woodfin Thomas, Litchfield Park

* Not present

#Participated by videoconference or telephone conference call

1. Call to Order

The meeting of the Transportation Policy Committee was called to order by Chairman Neil Giuliano at 2:15 p.m.

2. Pledge of Allegiance

The Pledge of Allegiance was recited.

Chairman Giuliano stated that Mayor Mary Manross will be joining the meeting via teleconference call. He reminded members to use the microphones when speaking so that the Mayor can hear.

Chairman Giuliano announced that transit tickets were available for those who used transit to come to the meeting. Validation was available from MAG staff for those who parked in the parking garage.

Chairman Giuliano requested that the audience keep conversations to a minimum during the meeting to ensure that the meeting could be heard.

Chairman Giuliano stated that the revisions to the maintenance resolution reflect ADOT's comments for agenda item #4 were at their place. He noted that the revisions were shown in strikeout and CAPS.

Chairman Giuliano stated that Quest, Cox Communications and Southwest Gas requested a subcommittee be formed with a representative from each company and members of the TPC to look at the issue of utility relocation. He suggested that anyone interested in serving on this stakeholder group should contact him or Dennis Smith. Chairman Giuliano agreed that we need to work with these private sector companies and their request.

3. Call to the Audience

Chairman Giuliano stated that an opportunity is available to members of the public to offer public comment. Citizens will be requested not to exceed a three minute time period for their comments.

Chairman Giuliano recognized public comment from Mr. Bob McKnight. Mr. McKnight stated that the plan lacks ITS. He noted that this committee is not looking at the largest transit component that we have, which is the school bus system and we have done nothing to try to integrate this system. Mr. McKnight stated that the school district in his community of 58,000 receives almost \$1 million in subsidies, which is a sizable amount. He noted that there was an inaugural run of the Rapid and the ridership was low. Mr. McKnight stated that we are paying for bus service that does not have ridership. He gave an example of the Bell Road to SR 51 bus that had only two riders. Mr. McKnight stated that we are taking sales tax money from the people in South Phoenix and using it to provide tour buses. Mr. McKnight showed the committee a thermometer. He noted the temperature of the benches at the bus stops were 112 degrees facing east and 122 degrees facing west. He noted the highest temperature recorded was at 24th Street and Buckeye at 138 degrees. Chairman Giuliano thanked Mr. McKnight for his comments.

Chairman Giuliano recognized public comment from Mr. Blue Crowley. Mr. Crowley thanked the TPC for what they have done so far. He noted that he talked to Mr. Haden regarding I-17 and the plans to elevate the expressway. He noted that this was news to him at the last meeting. Mr. Crowley noted that he has a problem with the process itself. He noted that heavy rail is not being addressed and that he wants an intermodal system with a rail line. Mr. Crowley asked how Mr. Arnett knows what his committee wants done when they meet after the vote at this meeting. He stated that ADOT continues to say that freeways are huge people movers, but what about congestion. He asked the committee to look at a one cent sales tax. Mr. Crowley thanked the TPC again for what they have done so far.

5. Recommendation of Final Draft Stage of Regional Transportation Plan

Chairman Giuliano suggested that the committee move to agenda item number five. He began by stating that this committee has a lot going on. He noted that the TPC's mission, which was adopted at the September TPC retreat, is to work together to develop a 20 year Regional Transportation Plan, to receive input on the plan from the public, local governments, ADOT, Maricopa County and RPTA; and then to incorporate the input into the final plan to be reviewed by the legislature. He stated that this is a noble and honorable undertaking and somewhat of an experiment where elected officials, business leaders and advocates work together for various modes of transportation. Chairman Giuliano stated that there are many members of the Regional Council and the business community not on this committee who are watching this process. Chairman Giuliano reviewed where the committee has been so far. He agreed

that there are no bad projects. Chairman Giuliano began with May 21 when the TPC approved submitting the Alternatives Stage of the plan for a 30-day period review. Then on June 18, the staff presented the TPC with a Hybrid Plan that was \$3.2 billion over-programmed. The staff was then directed to bring a balanced plan to the July 16 TPC meeting. Chairman Giuliano noted that at the July 2 workshop/meeting, staff presented a balanced plan with the I-10 Reliever from the South Mountain to the Loop 303 shown as an interim freeway. He stated that at the July 16 meeting, staff was directed to place the I-10 Reliever back on the map as a full freeway, which would make the plan over-programmed, and to bring back options on how to fund the over-programmed plan.

Chairman Giuliano stated that there has been a lot of give and take and a lot of conversation. He noted that he would like to keep a perspective on this process. Members may seem miles apart, but we do not have to be miles apart. The plan has changed with all aspects, projects have been taken in and out of the plan and the committee has looked at different hybrids. Chairman Giuliano noted that we are looking at a \$15 billion plan. Today the committee needs to hear from staff on the results from the direction to put the I-10 Reliever back on the map and how the plan can be balanced.

Dennis Smith stated that he was just informed that we missed a citizens comment on the Call to the Audience. Chairman Giuliano apologized to DeDe Barker for missing her comment card and recognized her for public comment.

DeDe Barker stated that she believes that there should be water available on buses. She believes that people would buy water on buses and even newspapers. She also noted that she would be willing to pay an extra \$.25 for her bicycle. Ms. Barker stated that we should not have anything that we can not maintain and that operation should come out of the sale tax in our city's treasury. She noted that we can bring more money into the transportation system. Ms. Barker stated that she believes there are free market ways that we can bring money into our transportation system and for the money that we spend on mass transit.

Mayor Drake joined the meeting via conference call.

Ms. Barker stated that we do have a good system, but we need to improve it. She then thanked the committee for the transit tickets. Ms. Barker then referenced the Town Hall report that said two of the top ten transportation spending priorities were traffic lights or ITS and safety for the streets. Ms. Barker asked the committee to think about whether we have the best, safest system for our elderly and disabled citizens. Chairman Giuliano thanked Ms. Barker for her comments.

Chairman Giuliano stated that the committee will take public comment on agenda item number five before discussion.

Randall Overmyer, Senior Transportation Planner for the City of Surprise, stated that he would like to share Mayor Joan Shafer's comments on this agenda item. He noted that in 2025 Surprise will grow to 300,000 people and Buckeye, which is their neighboring city to the west, will grow to over 275,000. Both will double again by 2040. Because of the tremendous growth anticipated for the West Valley, he stated that they are extremely supportive of funding for roadways in the West Valley area. He noted the Surprise also supports full funding for the I-10 and believes that the regional need for that freeway was overwhelmingly demonstrated through the traffic projections at the last meeting. Mr. Overmyer stated there is also concern about the lack of funding and support of additional arterial roadways. He

noted that arterial streets are still the work horse of our surface transportation system. Currently, arterial streets provide about 45 percent of the roadway capacity miles. By 2025, they will still provide about half the capacity during peak travel. Mr. Overmyer stated that Surprise is concerned about Jomax Road. He pointed out that there is a future burden on arterial roadways in Surprise. He requested that at a minimum the funds be acquired to preserve the right of way in the Regional Transportation Plan. He asked the committee not to repeat the mistakes of the past by failing to preserve space for future corridor improvements. Mr. Overmyer thanked the committee for their time. Chairman Giuliano thanked Mr. Overmyer for his comments.

Chairman Giuliano recognized public comment from Mr. Blue Crowley. Mr. Crowley stated that Phoenix demands to get 40 percent, and Wickenburg received zero percent of the last 20 year tax. He noted that this is not the way that he wants this one done. Mr. Crowley stated that we have to look at roads of regional significance. He suggested asking for a one cent sales tax and put one third toward freeways and light rail, one third to transit and commuter rail, and one third to roadways and bike/pedestrian. He noted that he has a problem with the process. In the past, transit was given 50 percent and this is not happening this time. Chairman Giuliano thanked Mr. Crowley for his comments.

Chairman Giuliano recognized public comment from Mr. Thomas Milldebrandt of the Citizens Transit Committee. Mr. Milldebrandt introduced his 11 year old grandson and said that his is the generation that will benefit from this plan. In 20 years, he will be 31 years old and land locked. He agreed that the region needs multimodal. Mr. Milldebrandt stated that we need to think of our children's children so they will have options. Chairman Giuliano thanked Mr. Milldebrandt for his comments.

Chairman Giuliano recognized public comment from Mr. David Hill, a citizen of Scottsdale and also a member of the Scottsdale Citizens Transportation Commission. Mr. Hill stated that he will be speaking as a citizen of Scottsdale. He noted that it is important that the outcome of this committee's work be as unanimous as possible and that a split vote would not send the right message. Mr. Hill stated that we need to remember the words of Ben Franklin "We need to hang together or surely we will all hang separately." He stated the importance of looking 20 years from now, and just because the West Valley communities have little use for transit does not mean we should cut transit in East Valley communities. He noted that cities 20 years from now will use this to develop multimodal options. Mr. Hill recognized that planning transportation requires a long, long view and that 20 years is not even long enough. MAG has a chance to be seen as a wise governing body if you all stand together. Mr. Hill thanked the TPC for their time. Chairman Giuliano thanked Mr. Hill for his comments.

Chairman Giuliano recognized public comment from Steve Dreiseszun. Mr. Dreiseszun stated that he lives in Central Phoenix and is the Chair of FQ Story Historic District Freeway Action Committee. He acknowledged that the TPC's work is enormous and far reaching as they must determine the Regional Transportation needs in Maricopa County for the next 20 years. He noted that in that charge, they also must prioritize the needs and wants of all the communities and their citizens and to maximize the projected revenue from the anticipated extension of the half cent sales tax. We need to expand the regional transportation system to meet the needs of the explosive growth in this region, and to reverse any negative impacts on the communities. Mr. Dreiseszun stated the we need to balance all competing interests and create a valuable thoroughfare. He stated that we need to reverse the ill effects of a negotiation long ago. Mr. Dreiseszun recommended that the I-10 Reliever must be a full freeway connecting with the necessary South Mountain Freeway with noise kept to a minimum. He mentioned that the air quality must be improved especially for those living on the freeway boundary. Mr.

Dreiseszun stated that we have expanding transportation needs and need to address them as well as improve the quality of life for citizens in this region. Chairman Giuliano thanked Mr. Dreiseszun for his comments.

Chairman Giuliano began discussion of agenda item number five and he noted that staff will provide a presentation on where we are in terms of the plan. Chairman Giuliano stated that in his conversations with various TPC members, including those with positions on opposing ends, he mentioned that members had to come together today and find some consensus. He noted that members responded saying things such as “I already have”, or “we’ll see” and even “that it is impossible.” Chairman Giuliano asked the members to remember our mission. He reminded everyone of the importance of the plan.

Eric Anderson reviewed the final draft stage of the Regional Transportation Plan and the proposed Hybrid Plan and its changes since July 16. Dave Berry asked if the line item regarding LRT on the transit program slide should be 25 or 2.5. Mr. Berry stated that he thought it was \$60 million per mile, in which case the numbers do not add up correctly. Mr. Anderson stated that there is a total of 27.5 miles and that 2.5 is correct. Mr. Anderson stated that \$309 million appears to be incorrect and he will have to go back and see what has been added to that number, such as other capital items. He said the net transit change of a reduction of \$86million is correct. Chairman Giuliano asked that the staff provide the background information on the \$309 million. Mr. Anderson continued with his presentation. Mr. Berry wanted to clarify that the east-west leg was referring to I-10 to 51st Avenue. Mr. Anderson confirmed that was correct.

Chairman Giuliano asked everyone to focus on the Funding by Major Mode. He noted that he has heard about this issue from other members. Marty Shultz asked what percentage the \$15.5 million plan was over budget. Mr. Anderson stated approximately 2 percent, which is approximately \$50 million.

Mayor Thomas asked for a breakdown on the 33 percent transit. Mr. Anderson stated 8.5 percent is transit capital, 7.8 percent is operation and maintenance, and 16.7 percent is rail capital. He also noted that one half is rail capital (light rail) and one half is other transit. Mr. Billings asked what Phoenix had in mind by eliminating the South Mountain portion of the freeway and where would the traffic go. Mr. Anderson stated that it was never the intent to eliminate this section, but try to find funding elsewhere. He noted that connection is needed. He noted that Phoenix will be working with the Gila River Indian Community on acquiring additional federal money. Mr. Shultz asked if we are in the position to described what is contemplated by this presentation with regard to the South Mountain loop. Mr. Anderson responded that to federally fund South Mountain would take approximately \$578 million. As an interim corridor it would take \$348 million, of which we have \$136 million identified on that corridor so we are \$212 million short for interim facility at South Mountain. Mr. Shultz asked if it was fair to say that if we embraced an interim facility based on that calculation, the plan would be another \$200 million out of balance or about three and one half to four percent out of balance total. Chairman Giuliano clarified that would be assuming we would not have to go for the other federal funds. Mr. Anderson confirmed.

Councilmember Bilsten stated that Mr. Anderson did a terrific job explaining were Phoenix is on this issue. She stated that the committee has been informed that we do not have enough money to program everything. She noted that Phoenix is willing to put forward projects and she encourages others to do the same. Mr. Anderson continued his presentation. Chairman Giuliano stated that this is another aspect

of the issue of the overall program, how much for capital and how much for operations funding. He encouraged members to look carefully at this information. Mr. Shultz wanted to understand the financial planning. He asked if we were talking about 2003 dollars under the current financial position stated in the presentation. Mr. Anderson responded that we are talking about 2002 dollars. Mr. Shultz stated that this is a projected 20 year plan that has not yet been prioritized. Mr. Anderson confirmed. Eneas Kane asked how much contingency are we carrying total. Mr. Anderson responded that we have contingency built in on each of the items in a number of places across the program. He noted that he does not have a total for that at this point. Mr. Kane noted that it might be important to keep contingency in mind and it is helpful to know.

Mr. Shultz asked if we know how many maintenance dollars are contained in the \$15.5 billion plan. Chairman Giuliano also asked to clarify if those dollars would be in capital or in operations for our definition. Mr. Anderson responded that all maintenance dollars in operations are four percent of sales tax total of \$352 million, or 2.2 percent of the overall program. He stated that the transit operation and maintenance is \$1.233 billion, that represents 13.9 percent of sales tax and 7.8 percent of the total funding. Mr. Shultz asked about the maintenance of transit and that he meant maintenance as the upkeep as opposed to the capital investment and operation. Mr. Anderson said that he does not have that information, but may be able to produce it. Mayor Thomas referred to freeway maintenance at \$354 million and interstate maintenance at \$135 million for a total of \$489 million into the mix. He noted that there is a responsibility to the general populous not just to MAG. Mr. Anderson noted that \$135 is part of \$354 million.

Mayor Hawker apologized for missing the July 16 meeting. He stated that he thought the I-10 Reliever was just an interim roadway. He noted that before the I-10 Reliever became a full freeway, the plan was fiscally balanced. He expressed his concern about jeopardizing contingency to fund a project that does not rank that high. Mr. Shultz stated that the candidate projects included need to satisfy the standard performance requirements of HB2292. He noted that we can almost afford all key projects. Mr. Shultz stated that we can go as far as to ask staff to work on some items from a public sector standpoint and we can work in the private sector to reprogram some areas. Each project would be subject to performance modeling. Mayor Hawker stated that he has a couple other projects that he would like to have modeled to see if there is additional money. Chairman Giuliano explained how the I-10 Reliever got placed back on the map at the last meeting. He again asked the committee to focus on the Funding by Major Mode slide. Chairman Giuliano agreed that we are almost at a balanced plan at just two percent over.

Mayor Cavanaugh stated that the committee put the I-10 Reliever back in the plan, because it was in the plan before. He also agreed with Mr. Kane regarding the contingency. He asked if staff could determine the total amount of dollars in contingency. Mayor Thomas agreed with Mayor Cavanaugh that the contingency dollars are important. He noted that the 2.2 percent is minimal when you look at the 15 percent on various programs. Councilmember Bilsten agreed with Mayor Hawker in that they support the I-10 Reliever as a six lane roadway with the purchase of right-of-way. She noted that the plan was on budget before the I-10 change. She asked if there was time to model again. Councilmember Bilsten stated that in 1985 the Paradise Freeway was cut and contingency funds were not used then. Mr. Smith responded that back in 1985 we had very rough estimates. We were talking about building a freeway system and we did not have one. He said that the construction costs were very crude and this time we have a much better idea as far as construction. Mr. Smith also noted that staff needs to know what the draft plan is and it would take approximately 30 plus days to run the model. Roger Herzog stated that

in 1985 we did not have specific contingency. He noted that we do not view this as a block of money set aside. Mr. Herzog explained that the contingency is just an expression of the uncertainty of the costs. Vice Chair Scruggs stated that at the meeting prior to July 16th, the staff was directed to provide modeling on the traffic volumes on I-10 as a full freeway and as an interim. She also noted that staff was to do the same for Williams Gateway. Vice Chair Scruggs stated that we were provided modeling diagrams for I-10 but did not discuss. In addition, we were given nothing about Williams Gateway. Vice Chair Scruggs noted that another option is Williams Gateway as an interim. She stated that the South Mountain shows more need for the I-10 Reliever. Vice Chair Scruggs expressed the need for more information and her concern about not giving the people what they voted for in 1985. She also asked if staff had a dollar amount for total contingency. Mr. Anderson responded that there is approximately \$900 million of contingency out of \$15.5 billion and that varies by mode and project. Chairman Giuliano asked the staff to provide the committee with the Williams Gateway information Vice Chair Scruggs requested.

Chairman Giuliano asked the committee to look at the two slides on Funding by Major Mode and Capital and Operations Funding. He asked the committee to think about what it is your absolutely not getting that is not already in the plan, or who is getting something they should not be getting. Chairman Giuliano noted that nearly every major piece is represented in this program. Mayor Dunn asked about the Regional Shares slide showing population and funding shares and asked what it is that these slides represent and do they represent the I-10 Reliever as a full freeway. Mr. Anderson responded that it does and also does not include the South Mountain. He also noted that this Hybrid is over programmed. Mayor Dunn stated that this is reflective of some of his concerns. He reflected back to the basis of this plan and its geographic equity. Chairman Giuliano stated that it was agreed that geographic equity would be discussed at the end of the process. Mr. Billings agreed with Vice Chair Scruggs that the South Mountain should be included because the community voted to have it. Mr. Anderson stated that it has not been deleted from the Hybrid because there is no funding change. He noted that if it is deleted there is a \$500 need on I-17. He informed the committee that staff is looking for guidance on this issue. Mr. Billings stated that if it is taken off today, then the model would show no funds and no South Mountain connector. Mr. Anderson stated that is one option. He also noted that an interim facility could be constructed to provide some connectivity on this roadway. He noted that an interim would not carry the volume of a full freeway.

Mayor Thomas agreed that this is an evolving process. He stated that the committee talked about going back to the 1985 agreement. Mayor Thomas questioned if the Paradise Freeway, Grand Avenue, and the 303 had been completed, who knows where the population would be today. He asked how much of an impact Anthem has on I-17. Mayor Thomas stated that impact fees should be considered on major developments. Mr. Berry expressed his concern regarding South Mountain not built as a freeway and forcing traffic through downtown on I-10 without a bypass. He believes that the South Mountain is a critical connector. He noted that without that connection, the Broadway curve would be a parking lot. Mr. Berry stated that early in the process, we agreed on objectives and one was to recognize previously authorized corridors that are currently in the adopted Long Range Plan, i.e. Loop 303 and South Mountain. Then we said for each objective, we will have performance measures. Mr. Berry stated that it seems to have drifted away from performance measures and objectives. Mr. Berry stated that his interest is in seeing this body come up with a plan that will perform. He expressed his concern about this committee not moving along and making a decision. Mr. Smith reviewed the TPC schedule. He noted that according to HB2292, we need to make a recommendation to the Regional Council by September 30, 2003.

Mr. Shultz stated that he believes that we can almost afford this. He suggested that once the committee agrees on the projects, a performance model will be run and we make a decision based on performance measures consistent with HB 2292. Chairman Giuliano agreed that a motion will help bring the committee in focus. Mr. Shultz made a motion to support the Hybrid Plan as presented and ask the staff to assume savings from value engineering on all modes, to apply performance standards on all projects and supply the data, and to move forward with the public hearings. Mr. Shultz also proposed a match component for transit of zero percent the first five years, seven percent for years six through 10 and continuing on through 20 years.

Mr. Berry asked for some basic clarification on the motion. He asked if the motion included South Mountain as a full freeway. Mr. Anderson responded that the Hybrid Plan includes the full South Mountain, but only \$500 million on I-17. Chairman Giuliano clarified that the Hybrid Plan today does not include the City of Phoenix suggestion. Mr. Berry then asked how many dollars are in the arterial streets. Mr. Anderson stated that the total street component was \$1.2 billion with \$784 million funded out of the half cent sales tax. Mr. Berry asked if the total for freeways included South Mountain and \$500 million on I-17. Mr. Anderson confirmed and noted that the Phoenix suggestion does not change the allocation because it is within the freeway component. Mr. Berry then asked about the cost of the collector reliever at the Broadway Curve. Mr. Anderson responded \$500 million. Mr. Berry asked if this has the I-10 Reliever discussed at the last meeting. Mr. Anderson confirmed I-10 as a full freeway and an interim to SR85 with the purchase of the right-of-way. Mr. Berry asked what is in the proposal for SR85. Mr. Anderson responded that there is \$90 million programed for SR85 from Gila Bend to I-10 as a four lane divided facility. He noted that the additional amount in the chart is allocated to have a full freeway controlled access facility for that full 80 mile stretch. Mr. Berry asked what the assumption level of match was for transit. Mr. Anderson responded a zero local match, but his understanding was that the motion would change that percent after five years. Mr. Berry asked how many new miles of light rail are in this plan. Mr. Anderson replied there are 27.5 of new light rail. Mr. Shultz stated that he understood that there are 20 miles of back bone system and 27 additional miles not specified. Mr. Berry asked about utility relocation and funding. Mr. Anderson replied that is a concern with light rail. Chairman Giuliano stated that a subcommittee will be formed from the TPC committee to address utility relocation issues. Mr. Berry asked about the connection to the I-10 Reliever from the South Mountain. Mr. Anderson replied that it includes a connection at 55th Avenue. The I-10 Reliever is an east/west facility that runs parallel with I-10. Mr. Berry confirmed the connection to Loop 303 and then at SR 85. He then asked about the 27.5 new mile of light rail and if we have the lines on the map for these miles. Mr. Anderson stated that we do.

Chairman Giuliano asked for any further clarification on the motion. Mayor Berman reviewed the Regional Shares chart and stated that the East Valley will receive 29 percent of funding, the West Valley will receive 27 percent of funding and Phoenix will receive 42.8 percent of funding. Chairman Giuliano replied that all projects are subject to performance modeling data. Mayor Berman expressed his concern regarding the matching fund issue. Mayor Dunn requested numbers in the matching percentage. Chairman Giuliano stated that information may be hard to get today. Mayor Dunn suggested amending the motion. He agreed that the numbers on matching funds are a crucial factor. Rusty Gant stated that he is in favor of a full freeway for I-10 and believes that the South Mountain should not be removed. Councilmember Pat Dennis asked if the 15 percent proposed for transit included the fare box. Mr. Anderson stated that transit operation and maintenance are not part of the fare box revenue and have been taken off. Mr. Berry stated that his understanding of the motion is that we use the performance measures to help us sift through the best performing projects to get on budget. He suggested the I-17

be included. Mr. Shultz suggested that it would be wise to put in some increment set aside for I-17. Chairman Giuliano asked Mr. Shultz if he was changing the motion. Mr. Shultz stated that he was changing the motion to include \$500 million for I-17. Chairman Giuliano restated the motion. Supervisor Stapley spoke to the percent match and stated that the committee seems to be pulling numbers out of the air. Mr. Shultz stated that the percentages were based on some policy consideration after hearing testimony. Mr. Billings asked how we go about modeling to determine if I-17 or South Mountain or something else has to go. Mr. Shultz stated that all projects are important and we can use the performance modeling information to make the tough decisions. Vice Chair Scruggs stated since I-17, I-10 and the South Mountain all work together, is the motion proposing that the modeling be with all three improvements versus the other two. She noted how they are all interwoven. Mr. Shultz stated that the assumption is that we put them all in and evaluate them and then we will have a decision in the end. Mayor Manross express her concerns regarding the local match.

Chairman Giuliano asked for a second to the motion. Mayor Cavanaugh second the motion. Mayor Manross, once again, expressed her concern regarding the local match and smaller communities. Councilmember Peggy Bilsten stated that she supports the City of Phoenix plan to take out South Mountain and have those dollars for I-17. She stated that she was against a local match and that we either support transit or we do not. Councilmember Bilsten asked if the 42.8 percent of funding shares included federal funds. Mr. Anderson confirmed that it does. Councilmember Bilsten made a substitute motion to adopt the previous plan that was fiscally balanced with the I-10 Reliever as a roadway with six lanes and purchase the right-of-way to make it a full freeway in the future. Mr. Shultz asked if that motion means the South Mountain Loop would be taken off the map on Pecos Road and no substitute offered. Councilmember Bilsten stated that is correct. Supervisor Stapley stated that he does not believe Mr. Shultz motion is regional and thinks the match is a necessity. He noted that we should be modeling Alternative Stage Plan B. Councilmember Bilsten included \$138 million for the expressway but not on Pecos Road. Chairman Giuliano restated Councilmember Bilsten's motion to adopted the fiscally balanced plan and include \$138 million extension, not on Pacos Road, with no local match. Diane Scherer second the motion. Chairman Giuliano asked for discussion on whether to substitute Councilmember Bilsten's motion for Mr. Shultz's motion. Mayor Drake stated no. Chairman Giuliano noted the Councilmember Bilsten's motion does not deal with the local match issue. Mayor Manross stated that she supports a zero local match.

Mayor Thomas expressed his concern regarding movement of the Pacos Road alignment, which is a continuation of the San Tan Freeway which avoids having the "T" intersection. He noted that we could end up having a two "T" intersection rather than a smooth transition from east to west. Mr. Thomas stated that he is also surprised that Phoenix cannot see the benefit of the I-10 Reliever for the truck traffic through Phoenix. Mayor McDermott stated that he does not support the substitute motion and will support Mr. Shultz's motion. Mayor Hawker asked what \$138 million will provide on the South Mountain portion. Jack Tevlin stated that the residents of Ahwatukee do not want the South Mountain through their community, and Gila River Indian Community would like the freeway, but have differences within their community. He added that it is uncertain where the east/west leg of the South Mountain will be, which is why Phoenix would like to move the \$500 million to the I-17. Mayor Dunn stated that he would vote no to both. He stated that the South Mountain is a deal breaker and key to the City of Chandler. He added that he would support eliminating the local match. Mayor Dunn expressed his concern with geographic equity and then apologized for not being at last week's meeting. Mr. Billings stated that he would vote no on both also. He thinks the City of Phoenix needs to consider the

financial shortfall of the South Mountain and be willing to give up 10 miles of transit if this money cannot be funded in a certain period of time. Councilmember Bilsten stated that Phoenix does support the I-10 Reliever as a six lane interim roadway and the purchase of right-of-way.

Councilmember Dennis stated that she supports the zero percent match. She asked after the 27.5 miles are built out of the half cent sales tax, do the cities have operation and maintenance dollars to run those facilities. Mr. Anderson stated that some federal money is being matched but it is not guaranteed federal money. Mr. Gant asked what the \$138 million provides. Mr. Anderson responded that it depends on where the east/west leg ends up and that cannot be determined now. Mr. Gant stated that would result in no connection there, which is difficult. Mayor Thomas stated that approximately three billion for Loop 303 and 202, which again is the prior commitment. He noted that if we take that out, that would be 20 percent of overall plan, which is a significant impact on the West Valley.

Vice Chair Scruggs discussed geographic equity and looked back at 1985. She noted that only two percent was designated to plan transit. The result was 80.5 miles not built in the West Valley. She then referenced the outer loop, which is in both the West Valley and the East Valley. That is 27.5 miles now in the West Valley and 27.5 added to the East Valley for a total of 108 miles not in the West Valley. Vice Chair Scruggs referenced the Regional Shares chart and stated that the West Valley receive 27.5 miles in comparison. She explained the importance of the I-10 Reliever as a full freeway that benefits both the West Valley and the East Valley drivers. Mr. Berry asked if the Chairman could call for a vote on the substitute motion.

Chairman Giuliano called for a vote on Councilmember Bilsten's substitute motion, which was to adopt the fiscally balanced plan and include \$138 million extension with no local match. Diane Scherer second the motion. The vote was taken on the motion. Chairman Giuliano reported that the motion failed and discussion turned to the original motion as presented by Mr. Shultz.

Mayor Thomas stated that he was concerned and asked how the transit portion fits into the plan. He asked what opportunities there are to adjust the plan after modeling and the public involvement process. He noted that the congestion mitigation factor concerned him the most. Mr. Kane stated that the committee needs to look at South Mountain and the issue of trading it for improvements to the I-17. He noted that he understands the importance of both. Mr. Kane stated that it would help if we knew that we are truly talking about a delay in timing in the South Mountain and that it will be built. Mr. Kane suggested taking the local match issue off and proceed with the other aspect of the motion. Mr. Shultz agreed to remove the local match concept of the motion. Mayor Cavanaugh, who seconded the motion, agreed. Benito Almanza asked for clarification on I-17 only at \$500 million. Chairman Giuliano stated that is included in the motion of an additional \$500 million, which will bring it to \$1 billion. Mr. Almanza agreed with Mr. Kane about the zero match and looking at value engineering and performance modeling. He asked if the South Mountain was a timing issue only and that it will be completed.

Mr. Smith stated that the modeling does not consider funding implications. He suggested modeling I-17 as a double deck, South Mountain as a full facility, I-10 as a full freeway from South Mountain to Loop 303 with a two lane connection to SR85, and provide the committee with volume information and performance numbers to make a decision. Councilmember Bilsten asked how much the plan is over funded under the proposed motion. Mr. Anderson responded approximately \$800-900 million. Mayor Berman expressed his concern regarding the contingency and stated that construction always comes in higher. He noted the East Valley is six percent short of what the population ratio indicates we should

receive. He stated that he will vote no on the motion. Ms. Scherer stated that she feels that it is fiscally irresponsible to support an over funded plan, and it is really irresponsible to go out for public hearings on a project that is not balanced. Mr. Shultz explained that he will support the motion because the idea is to bring back additional information on the money and performance measures to review and cut according to performance modeling. Vice Mayor Schweiker stated that he will support this motion because we will get the opportunity to review the performance of each project.

Chairman Giuliano asked Mr. Anderson about the Funding by Major Mode and capital and operations and what we are talking about regarding the motion. Mr. Anderson noted that freeways numbers will go up by approximately \$500 million for the funding of I-17, however, the percentage will vary because we are over programmed. Mayor Manross noted that we are discussing geographic equity and performance standards and every member will have to give a little. She stated that she supports the zero match and asked each member to really look to see if the geographic equity is out of line for them. Mayor Berman stated that almost \$1 billion is too far out of line.

Chairman Giuliano call for a vote on the motion. Mr. Shultz moved to support the hybrid plan as presented with no local match on transit, including the South Mountain as a freeway, an additional amount of \$500 million for the I-17 freeway, and the I-10 Reliever as a freeway; to assume savings from value engineering on all modes; to apply performance standards on all projects; and to move forward with the public hearings. Mayor Cavanaugh seconded, and the motion passed with Mayor Manross, Mayor McDermott, Councilmember Dennis, Mr. Shultz, Mayor Drake, Mr. Gant, Mr. Berry, Mr. Billings, Vice Chair Scruggs, Vice Mayor Schweiker, Mayor Thomas, Mr. Kane and Mayor Cavanaugh (13) voting yes and Supervisor Stapley, Mr. Almanza, Councilmember Bilsten, Chairman Giuliano, Ms. Scherer, Mayor Berman, Mayor Dunn, Mr. Arnett and Mayor Hawker (9) voting no.

4. Maintenance Resolution

Tom Remes updated members on the maintenance resolution developed by the Maintenance Stakeholders Group. He noted that a revised resolution was at their places. The points of the resolution: 1. Dedicate part of the extension of the half-cent sales tax for maintenance of the freeways. 2. Create a dedicated funding stream. 3. Track maintenance expenditures through the Annual Report for the MAG Regional Freeway Program and increase communication on the budget process. 4. Partnering between ADOT and cities to encourage Adopt-a-Highway sponsors. 5. Develop a long-term litter prevention program. Mr. Remes stated that we are looking for comments from the TPC before it moves on to the Regional Council. He noted that the Maintenance Subcommittee was striving for a multifaceted maintenance resolution.

Chairman Giuliano commented that given the action that has been taken in the earlier motion, he expressed his concern about having action on this item which would affect the data and performance standards since maintenance is an issue within the plan. Diane Scherer proposed tabling the resolution until after the final plan is adopted. Mayor Dunn seconded and the Maintenance Resolution was tabled until September by a unanimous vote.

Chairman Giuliano addressed the site visit to Dallas, which includes a multimodal system of freeways, buses, rail and commuter rail. Mr. Smith stated that the idea is for the TPC members to go to Dallas where they can view, first hand, all modes in operation and see system performance. Mayor Thomas

asked if Dallas has light rail and commuter rail. Mr. Smith confirmed that they do have all modes. Mr. Shultz stated that he thought the trip would be worthwhile.

Chairman Giuliano stated that the Hybrid Plan as adopted will be back before the TPC in September with the modeling details and the recommendation will then move on to the Regional Council.

There being no further business, the meeting adjourned at 5:00 p.m.

Secretary

Chairman