

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

May 18, 2005
MAG Office, Saguaro Room
Phoenix, Arizona

MEMBERS ATTENDING

| | |
|--|---|
| Mayor Elaine Scruggs, Glendale, Chair | Mayor Boyd Dunn, Chandler |
| * Councilmember Peggy Bilsten, Phoenix, Vice Chair | +Rusty Gant, ADOT |
| * Kirk Adams, The Adams Agency | * Mayor Hugh Hallman, Tempe |
| F. Rockne Arnett, Citizens Transportation Oversight Committee | Mayor Keno Hawker, Mesa |
| + Mayor Ron Badowski, Wickenburg | * Eneas Kane, DMB Associates |
| Stephen Beard, SR Beard & Associates | Mayor Mary Manross, Scottsdale |
| Mayor Steven Berman, Gilbert | Jacob Moore, Salt River Pima-Maricopa Indian Community |
| Dave Berry, Swift Transportation | David Scholl, Westcor |
| Jed S. Billings, FNF Construction | # Councilmember Daniel Schweiker, Paradise Valley |
| Mayor James Cavanaugh, Goodyear | Supervisor Max W. Wilson, Maricopa County |
| Vice Mayor Pat Dennis, Peoria | # Mayor J. Woodfin Thomas, Litchfield Park |
| Mayor Ron Drake, Avondale | |

- * 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 Elaine Scruggs at 4:15 p.m.

2. Pledge of Allegiance

The Pledge of Allegiance was recited.

Chair Scruggs announced that Councilmember Dan Schweiker and Mayor Woody Thomas were participating via telephone conference call and Mayor Ron Badowski and Rusty Gant were participating via videoconference call. Chair Scruggs stated that transit tickets for those who used transit to attend the meeting and parking garage ticket validation were available from MAG staff. Chair Scruggs noted materials that were at each place: For agenda items #4B and #4C, revised summary transmittals that reflected public comment and actions taken at the Management Committee and Executive Committee meetings; for agenda item #5B, the revised ALCP Policies and Procedures document; for agenda item #6, the legislative bill summary chart.

3. Call to the Audience

Chair Scruggs 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. She noted that an opportunity is provided to comment on agenda items posted for action at the time the item is heard.

Chair Scruggs recognized public comment from Laurel Arndt, an environmental planner who resides in Phoenix. Ms. Arndt commented that she sits on many boards and committees and understood what it was like when citizens approach her when she is not fully versed on a topic. She said that the Ahwatukee neighborhood has concerns about the South Mountain/Loop 202 and would be coming before MAG and the Governor's Office in the next couple of months to comment on those concerns. Ms. Arndt expressed her appreciation for the support of the City of Phoenix to her community. She commented on a study whose primary task was the analysis of pass through traffic, not destination traffic. Ms. Arndt commented on reduced travel times resulting from the South Mountain freeway. She commented that her area needs improved internal roads and applauded ADOT for agreeing to improvements on I-10. Ms. Arndt stated that the plan is creating an induced growth pattern. Ms. Arndt's three minute comment period expired and she said she had three additional points to cover. Chair Scruggs thanked Ms. Arndt for coming to the meeting and presenting her comments. She said she would have to ask Ms. Arndt to conclude her comments in fairness to the other citizens who also wished to comment. Chair Scruggs suggested that because Ms. Arndt had extensive technical information to present that she submit her points in writing, which would then be distributed to every committee member. She added that she appreciated Ms. Arndt's comments and said that Ms. Arndt was welcome to continue attending the meetings.

Chair Scruggs recognized public comment from William 'Blue' Crowley, who said that he appreciated the efforts of cities and towns to say that they are not going to compete for development. Mr. Crowley commented that the citizen is the one who loses in the incentives battle. He stated that the legislative change to CTOC creates a conflict because CTOC reviews the plan that one of its members, who sits on the TPC, helped to create. Mr. Crowley stated that he spoke to the Governor about it, but he did not feel that she understood citizen input. He asked if the Truck Travel Survey in the MAG Work Program would be doing a baseline for pollutants in the CANAMEX corridor. Mr. Crowley stated that ozone affects him quickly. He stated that he needed MAG to do multimodal planning and be more in tune with the environment. Mr. Crowley stated that MAG's job is to do transportation in an ecologically sensitive manner. Chair Scruggs thanked Mr. Crowley for his comments.

4. Approval of Consent Agenda

Chair Scruggs stated that any member of the committee can request that an item be removed from the consent agenda and considered individually. Chair Scruggs stated that agenda items #4A, #4B, and #4C were on the consent agenda.

Chair Scruggs recognized public comment from Mr. Crowley, who said that the TIP and RTP are reviewed by MAG, CTOC, RPTA and the State Transportation Board. He said that ADOT and CTOC had a quorum at the April public hearing, but not MAG. Mr. Crowley stated that MAG is supposed to be proactive. If Regional Council members do not attend the hearing, it is disrespectful to the citizens

who do come. Mr. Crowley stated that bus, bike and transit need to be addressed when roadways are updated, constructed, or maintained, and this is something the County does. He said that Grand Avenue from 43rd Avenue to 67th Avenue is bicycle, pedestrian, and transit unfriendly. Mr. Crowley stated that for 13 years, Phoenix has not addressed the I-10 Deck Park terminal and there is no timeline for completion. He stated that TEA-21 says projects must be completed before new ones are started. Mr. Crowley stated that Proposition 200 passed and it was not completed, and now they want Proposition 400 funds to pay for it. Chair Scruggs thanked Mr. Crowley for his comments.

Chair Scruggs asked members if there were any questions on the consent agenda items. Mr. Berry asked if the private funds, as shown in the table for agenda item #4C, could be developer or similar funds. Eric Anderson replied that was correct.

Apache Junction Councilmember Dave Waldron, who was attending the meeting via videoconference, clarified that part of the Ironwood project in Apache Junction was Pinal County money, in addition to developer money.

With no further discussion on the consent agenda, Chair Scruggs called for a motion. Mayor Hawker moved to approve consent agenda items #4A, #4B, and #4C. Mayor Drake seconded, and the motion carried unanimously.

4A. Approval of April 20, 2005 Meeting Minutes

The Transportation Policy Committee, by consent, approved the April 20, 2005 meeting minutes.

4B. New Finding of Conformity for the Amended FY 2004-2007 MAG Transportation Improvement Program and Regional Transportation Plan

The 2005 MAG Conformity Analysis concludes that the amended Transportation Improvement Plan (TIP) and Regional Transportation Plan (RTP) as a whole meet all applicable federal conformity requirements and are in conformance with applicable air quality plans. The proposed amendment includes requests by Maricopa County and the City of Apache Junction to add new projects to the TIP that are considered regionally significant. In addition, a conformity determination on the TIP and RTP for the new eight-hour ozone standard must be completed by June 15, 2005. Following a 30-day public review and comment period, MAG conducted a public hearing on April 25, 2005 on the proposed amendment to the TIP and 2005 Conformity Analysis for the FY 2004-2007 MAG TIP and RTP. On May 5, 2005, the MAG Air Quality Technical Advisory Committee made a recommendation to approve the draft conformity analysis. The Management Committee concurred with the recommendation. The MAG Regional Council Executive Committee approved the new Finding of Conformity on May 16, 2005. Ratification of the Executive Committee's action will be considered by the Regional Council on May 25, 2005. This item was on the agenda for information and discussion.

4C. Amendment to the FY 2004-2007 MAG Transportation Improvement Program for Maricopa County and Apache Junction Highway Projects

The Transportation Policy Committee, by consent, recommended ratification of the Executive Committee action to approve an Amendment to the FY 2004-2007 MAG Transportation Improvement Program to add five new privately and locally funded Maricopa County projects and one privately

funded widening project in Apache Junction, contingent upon a finding of conformity. On November 25, 2003, the FY 2004-2007 MAG Transportation Improvement Program (TIP) was approved by the MAG Regional Council. Since that time, Maricopa County has notified MAG of five new roads that are being constructed in the northwest and southwest Valley and Apache Junction of a nearly 10-mile planned widening of Ironwood Road. All of these projects require an Amendment to the TIP to be able to proceed. All of the projects are regarded as regionally significant projects for air quality conformity analysis purposes and a new Finding of Conformity for this item is considered as a separate agenda item. The results of the conformity analysis conclude that the amended TIP and Regional Transportation Plan as a whole meet all applicable federal conformity requirements and are in conformance with applicable air quality plans. The Transportation Review Committee and the Management Committee recommended approval of a TIP amendment for these projects, pending completion of the air quality conformity analysis. The MAG Regional Council Executive Committee approved the Amendment on May 16, 2005. Ratification of the Executive Committee action will be considered at the May 25, 2005 Regional Council meeting.

5A. Interim Draft of the Arterial Life Cycle Program Policies

Mr. Anderson reviewed the four policy issues that were discussed at the April 2005 TPC meeting and were included in the revised Draft Policies and Procedures document that was e-mailed and faxed to members prior to the meeting. He noted that the revised document incorporated comments received at the May 13 workshop. Mr. Anderson stated that one of the changes was the elimination of Section 400 on Memorandum of Understanding and Project Agreements, which will be added in at a later date. He stated that the section was eliminated in order to focus on finalizing the policies and procedures. Mr. Anderson stated that the goal for tonight's meeting was to receive a recommendation on some of the policies and added that further refinements will be expected as the program is implemented.

Mr. Anderson reviewed the four policies discussed at the April 20, 2005 TPC meeting. He referenced the policy for the Reimbursement Amount for Advanced Projects in Section 220 (D). Mr. Anderson stated that according to TPC discussion, the reimbursement would be treated as any other project and the reimbursement includes an inflation allowance.

Mr. Anderson referenced the policy for Program Adjustments for Revenue Shortfalls in Section 120 (E). He said that according to TPC discussion, in the event that revenues are less than expected, projects would be delayed in order and all projects would remain in the program, with some going beyond 2025. Mr. Anderson stated that projects could be funded with ongoing federal funds and perhaps by an extension of the sales tax.

Mr. Anderson reviewed the policy for Program Adjustments for Surplus Program Funds in Section 120 (E). He said that as the TPC discussed, existing projects would be advanced in order. New projects would be added to the end of the program.

Mr. Anderson reviewed the policy for the Use of Surplus Project Funds in Section 350. According to TPC discussion, surplus project funds could be used to augment another RTP project in the jurisdiction up to 70 percent of costs. If the jurisdiction has no project, then a new project could be added in the jurisdiction at the end of the program to use the surplus project funds. Mr. Anderson stated that per discussion at the May 13 workshop, an item was added to this section. He stated that this item, Section 350(B)(2), says that surplus project funds could be used to advance a portion or an entire existing ALCP

project or projects in the jurisdiction in the current year up to the amount of available surplus funds. Mr. Anderson stated that it was important to note that this item was not discussed by the TPC in April.

Chair Scruggs opened the floor for questions on the four policies.

Mr. Beard stated that we need to be sure we have sufficient program funds in addition to project funds. We do not want to add projects if we do not have program funds to match up. Mr. Anderson suggested that a clause could be added to Section 350, “reallocated in that jurisdiction, subject to the availability of program funds and approval through the MAG committee process.”

Chair Scruggs asked members if they felt comfortable with this. She added that this mirrored the discussion of the TPC last month that the whole plan has to be built.

Mr. Berry asked how flexible the document would be in the future. Mr. Anderson replied that the TPC could change the document in the future. He said that he felt that there were bound to be circumstances not anticipated and it was realistic to think the document might require adjustments. He added that this is setting the general framework.

Mr. Berry asked if a change process should be decided. Mr. Anderson replied that would be appropriate. Mr. Berry asked about the time frame when the spending of the new sales tax money would begin. Mr. Anderson replied that sales tax funds would start flowing in March 2006. Mr. Berry asked if the policies and procedures would need to be approved before that spending began. Mr. Anderson replied that would be preferred. He added that some cities are ready to move forward with project agreements because they have work underway on some of the projects. Mr. Anderson stated that we want to have policies and procedures agreed to so work can proceed on project agreements. Mr. Berry asked if the policies and procedures had been reviewed by legal counsel. He said that it seemed important for all policies and procedures to comply with State law. Mr. Berry commented that in the event that someone was unhappy with a decision, they might look for a way to challenge it, and the usual way is to challenge the process. Mr. Anderson replied that the MAG general counsel could review the policies and procedures. He added that the individual project agreements would be reviewed by legal counsel.

With no further discussion on the four policies, Chair Scruggs asked for a motion. Mayor Drake moved to recommend approval of the Arterial Life Cycle Program Policies discussed at the April 20, 2005 TPC meeting. Mr. Beard seconded, and the motion carried unanimously.

Chair Scruggs noted that the TPC would address the process for changes at a future meeting.

5B. Interim Draft of the Arterial Life Cycle Program Policies and Procedures

Chair Scruggs stated that Mr. Anderson would go over the policies and procedures section by section with discussion and possible recommendation by the TPC after each section.

Mr. Anderson stated that the document was broken down into five sections: I. Program Management & Administration; II. Project Requirements; III. Project Details; Appendix A: Glossary and Definitions; and Appendix B: Examples of enhancements.

Mr. Anderson stated that Section 100, Program Objectives, includes Effective and Efficient Implementation of the RTP; Fiscal Integrity; Accountability; Transparency; Compliance with state and federal requirements.

Chair Scruggs asked if there were questions or discussion on Section 100. No questions were noted.

Mr. Anderson moved on to Section 110, Applicability of ALCP Policies & Procedures. He stated that Section 110 (A) says that this applies to street projects in the RTP that receive regional funds; Section 110 (B) says that those projects receiving federal funds must also follow federal rules and regulations, in addition to the ALCP policies and procedures.

Chair Scruggs asked if there were questions or discussion on Section 110.

Mayor Hawker asked if a project received an earmark with federal funds, if that would go toward the local share or into the regional pot. He commented that he did not feel a jurisdiction should be penalized for obtaining additional money; however, he felt this could be an issue if many jurisdictions were to compete for federal funds in order to use them for their local share. Mr. Anderson replied that he believed that the conceptual answer would be if the funds were new money, the funds probably could be counted toward the local share; if the funds were already coming into the region or state, that probably would not be used toward the 30 percent. Mr. Anderson stated that incentives are needed for jurisdictions to find new money.

Chair Scruggs stated that this item would need to be added to the list of items to be addressed.

Mr. Berry stated that the current highway bill, which has not yet been voted on, says that earmarked funds fall into the redistribution category and is not new money. He said that earmarked funds are counted against the total allocation to a state. Mr. Berry stated that we need to remain true to putting all funds into the regional pot to get all of the projects done. He added that there is a good chance this might stay in the legislation. Dennis Smith stated that if a project receives an earmark, there is a federal obligation to implement the project.

No further questions were noted on Section 110.

Mr. Anderson moved on to Section 120, Programming the ALCP. He said that Section 120 (A) and Section 120 (B) say that projects must be consistent with the approved RTP and TIP; Section 120 (C) says that the programming of projects must be consistent with the ALCP and its policies and procedures. Section 120 (D) says that the annual update of project budgets will be adjusted for the past year's inflation. Mr. Anderson stated that some concern was expressed for using the U.S. Consumer Price Index because construction costs increase faster than the general price inflation rate. He added that if this goes on for an extended period, it could cause a disconnect between the total cost of projects and the regional share, which could be a financial concern for cities. Mr. Anderson added that there may be a way to look at overall growth and determine what is over and above our projections. Mr. Anderson stated that Section 120 (E) deals with the use of surplus or deficit regional funds.

Mr. Berry asked for clarification of Section 120 (C) (3) about federal funds being allocated preferentially to projects. Mr. Anderson stated that the federal process is more lengthy and has more requirements. He commented that because of this, cities may prefer to have their projects funded by the sales tax,

however, some will have to use federal funds. Mr. Anderson noted that in constructing the arterial program we have about \$500 million in federal money to allocate. He stated that what this policy says is the funds will go to those who say they will take them, have a large project, or will be going through a more extensive environmental process.

Mr. Moore asked if jurisdictions have the opportunity to decide if they will be funded by federal money or is the choice made for them? Mr. Anderson replied that not all projects can be funded with the sales tax, although that is the preference. He said that staff is trying to work cooperatively with agencies and ask for those who will take the federal funds. Mr. Anderson stated that if federal funding causes problems for a jurisdiction, there is the flexibility to move funds around. He added that if all we have is federal money, a jurisdiction might not have an option.

Mr. Berry asked if there was a better word to use than ‘preferentially.’ He commented that someone has got to take federal money, so will it be the last project left that gets the federal funds. Mr. Anderson replied that could potentially happen. Mr. Berry asked if MAG had the ability to mandate the type of project that should use the federal funds. Mr. Smith stated that there are only a few jurisdictions, such as Phoenix, Tempe, and Maricopa County, that are self-certified and will be able to move a project faster. He added that most other agencies will have to go through ADOT. Mr. Berry asked if Mr. Smith thought that problems might be anticipated. Mr. Smith replied that if an issue arose where no one could use the funds, it could be brought back before the TPC. He added that staff will be working closely with agencies on using federal funds.

Mr. Anderson stated that there are large projects that will have to use federal funds—Rio Salado and the Northern Avenue Parkway. He said that the hope is to work out who gets federal funds but we might be in the position that federal funds are all that are available. Mr. Anderson added that with reauthorization, we might receive additional federal funding. He remarked that he thought it will be worked out among the member agencies. Mr. Berry stated that now is the time to put that in the policies and procedures, before a problem arises.

Mayor Thomas asked if federal funds were allocated with the projects in the RTP. Mr. Anderson replied that project costs were done in total, but specific federal or sales tax funds were not allocated to projects.

Mayor Hawker commented that from a city standpoint, if a city uses federal funds, the scope will be larger. It makes the 30 percent contribution larger if you take federal funds. He said that he thought we needed a way for a city to not be penalized if it takes federal funds by having to increase its 30 percent match. Chair Scruggs asked Mayor Hawker if he had suggestions on direction. Mayor Hawker replied that we would probably have to look at the sales tax base and figure out the federal ramifications scenario for the same project and make it that the city would not be penalized for accepting the federal funds. Mayor Hawker commented that no one will want projects funded federally and the federal funds will be forced on the last one standing. Chair Scruggs asked if he thought this would be a fair use of surplus project funds. Mayor Hawker replied that it depended on what is done with the 30 percent. It would have to be balanced out and the difference split between those who used sales tax funds and those who used federal funds.

Vice Mayor Dennis asked if there was any idea of the difference. Mr. Anderson replied that he did not, because it had more to do with the process at the front end of the project.

Mr. Anderson noted that he heard Mayor Hawker say that a city should be held harmless if federal funds are used and he would put this on the list of issues to be addressed. Mr. Anderson stated that staff will sit down with ADOT to discuss this.

Vice Mayor Dennis asked if that could have a small reduction in what a city might have to add, depending on the percentage, if it did not change the program. Mr. Smith stated that when a city runs a project through ADOT, a surcharge is added. If a jurisdiction is self-certified, it could be a little less. Mr. Smith added that staff could come up with some numbers.

Mr. Berry suggested adding into the policies and procedures that MAG staff has the power to allocate. He encouraged setting guidelines for federal funds. Mr. Berry commented that in negotiations, it would be helpful if staff had a superior position. Mr. Smith stated that funding sources are identified in the TIP. If a city disagrees, it would be known prior to approval of the TIP. Mayor Manross thought the TIP process might be the right process to make it work.

Mr. Anderson then moved on to Section 120(F), Moving Projects, which covers Advancement by Jurisdiction, Deferment by Jurisdiction, and Substitute Projects. Mr. Anderson stated that (2)(a) was added to Section 120 (F) to say that a requested deferral of a project needed to be documented. He said that MAG cannot force a jurisdiction to build a project, but the feeling was that it seems fair if there is a valid agreed-to reason for deferring a project, such as unforeseen environmental issues, that a city could offer a substitute project for the same amount of money at the regional level.

Chair Scruggs asked members if there was discussion or questions.

Vice Mayor Dennis asked what would happen if a jurisdiction did not have its local funds. Mr. Anderson replied that it could request a deferral. He said there was discussion at the workshop if there would be a limit on the number of deferrals allowed. Mr. Anderson advised that city staff felt deferrals could not be limited; however, it is important that a project not be deferred every year for 10 years, for example. Mr. Anderson added that the policy says that a deferral would need to come back through the committee process. Vice Mayor Dennis asked if a jurisdiction deferred a project because it did not have its local funds, and then did have the funds, would it have the right to be back in order. Mr. Anderson replied it would take a new place in order.

Chair Scruggs commented that after three deferrals a project might move to the next phase but the inflation figure stays where it was. Chair Scruggs commented that everyone worked hard to get their projects at the beginning of the program. She expressed that she was uncomfortable with no limit on deferrals because it holds the program hostage to a certain degree. However, to say you are moved out of the plan seems too harsh. Chair Scruggs stated that it is better to have a policy so a jurisdiction knows how to plan.

Mr. Beard suggested adding that the Lead Agency in submitting the request for deferral should also include where in the timeline the project will be ready. He added that this could come back through the committee process also.

Mr. Scholl asked if the MAG committee process was able to respond quickly to requests for substitute projects. Mr. Anderson replied that if a new project is added in the next five years, MAG will have to amend the TIP and do an air quality conformity analysis, per federal requirements. He pointed out that

a project addition might be able to be enacted with a vote, depending on the year. Mr. Anderson stated that staff is currently working on putting the TIP amendment process on a more regular basis. Mr. Scholl asked Mr. Anderson for confirmation that new substitute projects would be with no deficit in the program. He expressed concern with projects not in the plan suddenly being given a priority while other projects in the plan not being able to move forward because of a deficit in the plan. Mr. Anderson replied that substitute projects would be paid in the same year, and should be no net change or impact to the program.

Chair Scruggs asked for clarification on what was meant that the substitute project should serve the same 'general area' served by the deleted project. Mr. Anderson replied that this was intentionally left vague because it is unknown if a jurisdiction might have a project in the immediate area. He said that a jurisdiction will need to make the case why a project is worthy to replace the deferred project. Chair Scruggs stated that a clearer definition of 'general area' was needed. She added that a substitute project needs to work together with surrounding communities. Mr. Anderson stated that he agreed in concept, but it was difficult to put into words. He commented that the issue is if the project is linked to other projects.

Mr. Beard remarked that any substitute project will come through the MAG committee process. He said that the linkage, the impacts on neighboring communities and other system issues are things he will want to know before he votes to replace a project.

Chair Scruggs commented that she felt it important to have it defined. Otherwise, substitutions become political and awkward for staff.

Mayor Cavanaugh stated that the point is how do you define substitution? He said that each project has a purpose. If a project cannot accomplish the purpose, a true substitute would be a project that can satisfy those requirements. If the project cannot satisfy those requirements, then it is a new project and should be treated as such.

Mayor Manross stated that she thought Mayor Cavanaugh's comments covered the issue. She said that she thought the policy should have flexibility and not be narrowed down too much. Mayor Manross commented that every few years, we might look at the policies because some policies might work more effectively than others.

Chair Scruggs stated her agreement with Mayor Cavanaugh. She said that the definition would not be down to a specific measurement, such as a mile, but a definition that says a project that serves the same purpose and accomplishes the same linkages established originally is a substitute project, otherwise it is a new project that jurisdictions can bring up if they have surplus funds.

Mr. Anderson stated that neighboring community impact through deferrals and advancements is the same concept as the freeway acceleration policy. He added that this really applies to the entire Section 120 (F) and staff will do more work on this.

Mayor Hawker commented that the amount of advance notice needed for planning the TIP is probably a year. He said that on a deferral, the order could be lowered and then reinsert it at the new date. He brought up other options, such as if a project is dropped, a penalty of at least five years would be

imposed, or put it at the end of the 20-year program. Mayor Hawker commented that a jurisdiction is already being penalized for inflation because he thought the construction costs will exceed inflation.

Mr. Berry stated that the definition of regional funds, such as in Section 110 (A) and Section 120 (F) (3) (b) needed to be more precise because they do not specify if the funds are sales tax funds or federal funds. Mr. Anderson stated that Section 120 (F) is a key section and staff will continue to work on it. He added that any action taken by the TPC tonight would not include Section 120 (F).

Mr. Anderson continued on with Section 120 (G), Working with ADOT, who will maintain the arterial fund and will be responsible for issuing bonds on behalf of the arterial program. He stated that MAG will also work with ADOT regarding the budget, invoicing, and other fiscal matters. Mr. Anderson explained that ADOT will cut the check to the jurisdiction from the authorized bill received from MAG. He stated that Section 120(H), Reporting, deals with the process for the annual reports and audits and the process for providing the information needed for the reports.

Chair Scruggs asked members if they had questions or comments on Section 120(G) or Section 120(H).

Mr. Berry stated that Section 120 (H) (2) says that “All participating agencies must be willing to provide information.” He suggested rephrasing it to “All participating agencies shall provide information.” Mr. Berry also noted that Section 120 (H) (3), Audit, says “Participating agencies must cooperate and provide requested information if available.” Mr. Berry commented that it should say what datasets are required so everyone will be prepared for the audits. Mr. Anderson stated that it is uncertain what information the auditor will want to collect, and we did not want to impose onerous data collection that jurisdictions are not collecting already. Mr. Berry commented that network performance was an objective from the beginning and it seems that information will be needed for the audit. Mr. Anderson stated that jurisdictions will provide basic traffic count information. He added that the major item that was dropped was the measurement of before and after conditions because with growth, changes cannot necessarily be attributed to an improvement. Mr. Berry asked if the federal government imposes performance measurements for arterials. Mr. Anderson said they did not. He advised that the new MAG Work Program starting in July includes a position for a performance measurement engineer. Mr. Anderson stated that one of the first tasks of the engineer will be to define which data elements we need to monitor. Mr. Berry stated that he thought there should be a provision for the minimum dataset a jurisdiction needs to provide.

Mr. Anderson moved on to Section 130, MAG Committee Process. Mr. Anderson stated that final decisions for the ALCP will rest with Regional Council, with recommendations from the TPC, Management Committee, Transportation Review Committee, and other technical committee input as needed and in consultation with CTOC.

Chair Scruggs asked if members had any questions on Section 130. No questions or comments were noted.

Mr. Anderson reviewed Section 140, Approval and Amendment of the ALCP. Mr. Anderson advised that this policy says that ALCP Policies and Procedures, authorization to proceed for agreements for a project, or changes to the scope, budget or schedule of ALCP projects in the TIP and RTP can only be changed through the MAG committee process. No comments nor questions were noted for Section 140.

Mr. Anderson moved on to Section 200, Project Eligibility. Section 200 (A) says that projects to be funded or constructed must be consistent with the project as described in the RTP. Section 200 (B) defines eligible types of facilities. Section 200 (C) says that projects will be designed to the standards of local jurisdictions. Mr. Anderson noted that imposing one set of design standards could cause problems. He said that staff will make sure that lane configurations will line up when they cross jurisdictional boundaries. Mr. Anderson went on with the review of Section 200. Section 200 (D) says that eligible projects in the Program will be defined by a design concept report or similar study to identify the scope in detail, to identify more detailed cost estimates, and to develop recommendations for implementation. Mr. Anderson stated that Section 200 (E) and Section 200 (F) define reimbursable and non-reimbursable elements. Section 200 (G) says that the use of federal funds may involve other requirements. Section 200 (H) defines eligible local match. Section 200 (I) says that the project agreement will identify all project components for ALCP, local, or other funding. Mr. Anderson noted that Section 200 (J) says that the final determination of eligibility of a project component rests with the MAG committee process.

Mayor Hawker suggested that in consideration of time, the committee could be asked if there were any questions or comments on any of the section 200 series and if there were none, to move on to the series of the 300 section.

Chair Scruggs asked members if they had had sufficient review of the document to begin with questions on the Section 200 series. She noted no objections to Mayor Hawker's suggestion. Chair Scruggs remarked that she wanted to make sure everyone was aware of what the policies were saying.

Mr. Berry asked if Section 200 (E) (4) (b), Utility Relocations, was a new point. Mr. Anderson replied that it had always been a part of the document. Mr. Berry referred to Section 200 (E) (4) (m), "noise, privacy, and screen walls, and other buffers, if found to be necessary to meet applicable local, state or federal standards," as reimbursable items for regional funding. He asked if this meant a jurisdiction would need only to request them and they would be funded. Mr. Anderson replied that jurisdictions would have to have policies on noise and screen walls. This policy says that components would be eligible for reimbursement if required under the standard jurisdictional process.

Vice Mayor Dennis referred to project exchanges in Section 220 (F). She asked how it is balanced if the exchanged project is more expensive than the deferred project. Mr. Anderson replied that there may be enough cash flow to accommodate a larger project because a cash balance is maintained, however, it depends on the cash balance. Vice Mayor Dennis suggested that the phrase "subject to funding availability," might be added to Section 220 (F).

Chair Scruggs asked if there were any further questions on the Section 200 series—200, 210 or 220. None were noted.

Mr. Berry asked if the policies and procedures would be looked at again by the TPC. Chair Scruggs replied that they would be discussed again at the June meeting with action anticipated at that meeting.

Chair Scruggs asked members if there were any questions or discussion on the Section 300—300, 310, 320, 330, 340, or 350.

Mayor Hawker asked how the dates were designated in Section 340. Mr. Anderson explained that November 1, 2002 was the due date for submitting RTP project requests, and November 25, 2003 was the date the RTP was approved by the MAG Regional Council. Mr. Anderson noted that July 1, 2000 was selected as the cutoff date for prior right of way purchase or work credits. Mayor Hawker asked if that encompassed all right of way, including purchased or developer contributed. Mr. Anderson replied that was correct.

Chair Scruggs asked Mr. Anderson to confirm her understanding that a developer would not be reimbursed with regional funds for right of way the developer contributed. Mr. Anderson replied that was correct. He added that the value of contributed right of way could be a part of the local match, but the developer would not be reimbursed for that.

Mr. Anderson noted a change made to Section 320 (D) to clarify the language to say that the Lead Agency shall send the invoice to MAG for reimbursement from ADOT. Mayor Hawker asked if there would be costs associated because ADOT would be functioning somewhat as a bank. Mr. Anderson replied that ADOT would not assess charges.

Mayor Thomas requested an example for Section 310 (E) (2) because that is where there will be surplus funds or where agencies will have to come up with additional money. Mr. Anderson explained that if a \$10 million project, of which \$7 million is funded regionally and \$3 million is funded locally, increases to \$15 million, the regional reimbursement would remain as if it was a \$10 million project—which is \$7 million. However, if the project cost decreases, the regional share also decreases—it remains at 70 percent of the cost. Mayor Thomas asked if the difference between the \$15 million project and the \$10 million project would ever be reimbursed, such as from surplus funds from another project. Mr. Anderson replied that was not a part of the policies right now.

Vice Mayor Dennis asked if savings realized from a project coming in at a lower cost could be applied to another project in the same jurisdiction. Mr. Anderson replied that they could.

Chair Scruggs asked if there were any further questions or comments on the Section 300 – 300, 310, 320, 330, 340, or 350. None were noted. No questions were noted on Appendix A or Appendix B.

Chair Scruggs recognized public comment from Mr. Crowley, who stated that he had a problem with Section 200 (E). He said that he did not see right of way acquisition and striping for pedestrians and bicycles. Mr. Crowley stated that on page 7 in the MAGAZine is a map that shows insufficient roadway development in the western part of the County. He said that nine percent of the funding for streets is inadequate. Mr. Crowley stated that not all of the Indian Communities are members of MAG. He asked how are the other Indian Communities going to get sales tax money. Mr. Crowley stated that MAG has no plan for these areas, is not looking to the future and needs to do planning regionwide. Chair Scruggs thanked Mr. Crowley for his comments.

6. Legislative Update

Tom Remes provided an update on legislative issues of interest. He said that the Legislature adjourned May 13. HB 2123, the HELP loan bill, was signed into Chapter Law by the Governor on April 20.

Mr. Remes stated that SB 1119 was transmitted to the Governor on May 12. This bill establishes a parity fund for salaries and benefits for DPS personnel. He said that this would be accomplished by redirecting Vehicle License Tax funds and HURF funds. Mr. Remes noted that the Executive Committee discussed this issue and the committee reached a consensus that continuing to fund DPS with HURF dollars would jeopardize the ability to fund transportation needs. Mr. Remes stated that a letter from Mayor Hawker, as Chair of the Regional Council, was sent to the Governor expressing that MAG wants to work with the Legislature and Governor on this issue for future years.

Mr. Remes stated that HB 2122 expanded the audit requirements for light rail. He added that the language was similar to HB 2292, which was defeated. Mr. Remes stated that HB 2122 failed in the Senate and there was a motion to reconsider; however, the President of the Senate did not set a date for the second vote.

Mr. Remes stated that HB 2499 is the tax incentives bill, similar to SB 1201. He said that HB 2499 was transmitted to the House, but did not receive a final read. Chair Scruggs thanked Mr. Remes for his report. No questions from the committee were noted.

There being no further business, the meeting adjourned at 6:00 p.m.

Chair

Secretary