

**MINUTES OF THE
MARICOPA ASSOCIATION OF GOVERNMENTS
REGIONAL COUNCIL MEETING**

February 25, 2009
MAG Office, Saguaro Room
Phoenix, Arizona

MEMBERS ATTENDING

Councilwoman Peggy Neely, Phoenix, Chair	* Mayor Frank Montiel, Guadalupe
Mayor Thomas Schoaf, Litchfield Park, Vice Chair	Supervisor Max W. Wilson, Maricopa Co. Vice Mayor Kyle Jones for Mayor Scott Smith, Mesa
# Councilmember Robin Barker, Apache Junction	* Mayor Vernon Parker, Paradise Valley
# Mayor Marie Lopez Rogers, Avondale	Councilmember Ron Aames for Mayor Bob Barrett, Peoria
Mayor Jackie Meck, Buckeye	# Mayor Arthur Sanders, Queen Creek
* Mayor Wayne Fulcher, Carefree	* President Diane Enos, Salt River
* Councilmember Dick Esser, Cave Creek	Pima-Maricopa Indian Community
Mayor Boyd Dunn, Chandler	Mayor Jim Lane, Scottsdale
Mayor Fred Waterman, El Mirage	Mayor Lyn Truitt, Surprise
# Treasurer Pamela Mott for President Clinton	# Mayor Hugh Hallman, Tempe
Pattea, Fort McDowell Yavapai Nation	* Mayor Adolfo Gamez, Tolleson
Mayor Jay Schlum, Fountain Hills	# Mayor Kelly Blunt, Wickenburg
Mayor Fred Hull, Gila Bend	Mayor Michael LeVault, Youngtown
Lt. Governor Joseph Manuel for Governor	Felipe Zubia, State Transportation Board
William Rhodes, Gila River Indian	Victor Flores, State Transportation Board
Community	Vacant, Citizens Transportation Oversight Committee
# Mayor Steven Berman, Gilbert	
Mayor Elaine Scruggs, Glendale	
Mayor James M. Cavanaugh, Goodyear	

* Those members neither present nor represented by proxy.

Attended by telephone conference call.

+ Attended by videoconference call.

1. Call to Order

The meeting of the MAG Regional Council was called to order by Chair Peggy Neely at 5:10 p.m.

2. Pledge of Allegiance

Mayor Lane led the Pledge of Allegiance.

Chair Neely noted that Mayor Steve Berman, Mayor Kelly Blunt, Mayor Hugh Hallman, Mayor Marie Lopez Rogers, Mayor Arthur Sanders, Councilmember Robin Barker, and Treasurer Pamela Mott as proxy for President Clinton Pattea, were participating by teleconference.

Chair Neely welcomed Mayor Jim Lane, Scottsdale, to the MAG Regional Council and presented him with his Regional Council membership certificate.

Chair Neely introduced Lt. Governor Joseph Manuel as proxy for Governor William Rhodes, Councilmember Ron Aames as proxy for Mayor Bob Barrett, and Vice Mayor Kyle Jones as proxy for Mayor Scott Smith.

Chair Neely noted materials at each place included the addendum to the agenda (item #5I) and background material; revised agenda item #6 and supplemental material, and a bill summary chart for item #10. Chair Neely announced that agenda items #5D and #7 had been removed from the agenda.

Chair Neely requested that members of the public who would like to comment fill out a blue public comment card for Call to the Audience or a yellow public comment card for Consent Agenda items or items on the agenda for action. She said that parking garage validation and transit tickets for those who used transit to attend the meeting were available.

3. Call to the Audience

Chair Neely noted that public comment cards were available to members of the audience who wish to speak 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 are requested to not exceed a three minute time period for their comments. A total of 15 minutes is provided for the Call to the Audience agenda item, unless the Regional Council requests an exception to this limit. Those wishing to comment on agenda items posted for action will be provided the opportunity at the time the item is heard.

Chair Neely recognized public comment from Dianne Barker, who said that she had come to the meeting by bus, bike and light rail. She said that she thought more education on the light rail fare boxes is needed and mentioned that ASU students are given transit cards. Ms. Barker stated that light rail is timely, although she preferred to have elevated rail instead of rail in the middle of the road. She stated that the accidents are unfortunate, but if the accident rates of buses and light rail are going to be equated with that of cars, we should remember the 40,000 deaths nationally each year in cars. Ms. Barker encouraged looking at the whole mode and the financing of them. Chair Neely thanked Ms. Barker for attending the meeting and being timely with her comments.

Chair Neely recognized public comment from Joseph Ryan, who noted that he had provided a written statement regarding the overriding of ITS by METRO. Mr. Ryan referenced Ms. Barker's statement on ASU students using light rail. He stated that tuition at Arizona State University is only about \$8,000 per year, while at other universities it is about \$20,000 to \$25,000 per year. He said that the ASU students are subsidized by tax money, which is supposed to be for educational services, not transit services. Mr. Ryan stated that ASU has canceled its nursing program, and this region needs nurses. He

said that ASU should be marketing the fact that it can train nurses. Mr. Ryan stated that the class of 2011 will graduate 24 doctors, with a maximum of 48. He noted that the State needs 1,500 new doctors per year. Mr. Ryan said that there is a lot of turnover with doctors because they return to their homes in other states and we pay the cost by not training our own. He stated that METRO is a \$1.6 billion investment and an analysis is needed to see the costs. Mr. Ryan stated that interest cost alone is \$14 per passenger. Chair Neely thanked Mr. Ryan for attending the meeting and being timely in his comments.

4. Executive Director's Report

Dennis Smith, MAG Executive Director, provided a report to the Regional Council on activities of interest. He stated that MAG received a record award of \$24.5 million from the Department of Housing and Urban Development (HUD) for a homelessness grant. He noted that this award represents an increase of \$3.1 million from the amount received in 2007. Mr. Smith stated that Maricopa County received the Rapid Rehousing for Homeless Families grant of \$1.8 million. He stated that three new projects were funded for a total of \$3.2 million and provide housing and services to 240 families and more than 60 chronically homeless individuals. Mr. Smith stated that 53 additional projects were also funded. He acknowledged MAG staff, Amy St. Peter and Brande Mead, for their work on this effort.

Mr. Smith announced that the MAG Fiscal Services Division and the majority of the Communications Division moved into the previous bank space on the first floor of the building. He expressed appreciation to Monique de los Rios Urban for her architectural skills in designing the office space and to Audrey Skidmore and the MAG Information Technology Division for their efforts on the move.

No questions from the Council for Mr. Smith were noted.

5. Approval of Consent Agenda

Chair Neely recognized public comment from Ms. Barker, who stated that she was the only citizen who testified at the recent ozone public hearing. Ms. Barker stated that she made a statement at the February Management Committee meeting that was corrected. She said that she prepares before she speaks at meetings and in the MAG library she read information about MTBE. Ms. Barker stated that MTBE is a carcinogen and a mutagen. She stated that she had served on the Valley Citizens Air Quality Task Force in 1988. Ms. Barker stated that the Legislature took out MTBE from gasoline in 2001 or 2002, but she knew about the dangers 12 years before that. She stated that as a cornerstone of the ozone program, gas is being reformulating to not have as many emissions, but benzene (a carcinogen) and sulphur are in gas. Ms. Barker commented that when you play with chemistry, there is a by-product. She said that she knew the Regional Council cared about Arizona, and for the same reason she chose to be multimodal. Ms. Barker commented on ITS at intersections. Chair Neely thanked Ms. Barker for her comments.

Chair Neely recognized public comment from Mr. Ryan, whom she allowed an extra minute of public comment added on to his three minutes. Mr. Ryan stated that the last 20-year planning period in Maricopa County was underfunded by the half cent sales tax for transportation. He noted that the Loop 303, the Paradise Parkway, and the South Mountain Freeway were not built and the Deck Park tunnel

and traffic interchanges were underbuilt so there are now traffic backups. Mr. Ryan stated that he objected to the plan for the Loop 303/Grand Avenue interchange, but nothing has changed and now it will cost a lot of money to fix. He stated that the traffic congestion causes a lot of breathing problems and cancer. Mr. Ryan stated that when he goes to the Mayo Clinic from Sun City West via Loop 101 he comes to a complete stop at least seven times due to traffic. He stated that professionals do not do things that are dangerous, but the transportation system was built to a dangerous level because of underfunding. Mr. Ryan encouraged that two laws should be canceled: the first is that ADOT must purchase right of way, not at its current value, but at the value it will be after the highway is built. The second law is that after acquiring right of way, ADOT must build the highway in 24 months. Mr. Ryan requested that the Regional Council speak to their Legislators about this. Chair Neely thanked Mr. Ryan for his comments.

Chair Neely asked members if they had questions or requests to hear an item individually. None were noted.

Chair Neely called for a motion to approve Consent Agenda items #5A, #5B, #5C, #5E, #5F, #5G, #5H, and #5I. Mayor Boyd Dunn moved, Vice Chair Thomas Schoaf seconded, and the motion passed unanimously.

5A. Approval of the January 28, 2009, Meeting Minutes

The Regional Council, by consent, approved the January 28, 2009, meeting minutes.

5B. Recommendation to ADOT's Safe Routes to School Program

The Regional Council, by consent, approved the ranked list of projects to be submitted to the Arizona Department of Transportation for the Safe Routes to School Program. A total of \$2,255,000 is available statewide for safety improvement projects through grants from the Arizona Department of Transportation's (ADOT) Safe Routes to School (SRTS) Program. The program provides grants to public and non-profit agencies for projects that improve road safety and encourage more K-8 children to walk or bike to their neighborhood schools. This is the third cycle of the program, and grants will be provided to projects that implement infrastructure improvements as well as projects that would involve education, training and encouragement. In response to the ADOT request for proposals announced in October 2008, a total of 17 project applications from the MAG region was received by ADOT. The ADOT proposal review process stipulates that MPOs and COGs are required to recommend a ranked list of projects to ADOT by February 28, 2009. These recommendations will be considered by a statewide SRTS panel that will make a final recommendation to ADOT. The MAG Transportation Safety Committee reviewed all project proposals, and on January 27, 2009, recommended a ranked list of projects from the region as the MAG recommendation to ADOT. The MAG Management Committee concurred with the recommendation.

5C. Pedestrian and Bicycle Design Assistance Programs

The Regional Council, by consent, approved the following projects for funding for the Pedestrian Design Assistance Program: Phoenix - 11th Street Streetscape in Historic Garfield District (\$80,000); and

Fountain Hills - Saguaro Ranch Park (\$70,000); and approval of the following projects for the Bicycle/Shared-Use Design Assistance Program: Tempe/Mesa Rio Salado Shared-Use Path (\$142,000; Buckeye - BID Canal Multi-Use Path (\$58,000); and Glendale - Neighborhood Access Improvements for Multi-Use Pathways (\$50,000). The FY 2009 MAG Unified Planning Work Program and Annual Budget, approved by the MAG Regional Council in May 2008, includes \$150,000 for the Pedestrian Design Assistance Program and \$250,000 for the Bicycle/Shared-Use Design Assistance program. According to federal law, any project which is not constructed after being designed with federal transportation funds could be required to return the funds used for design to the Federal Highway Administration. Eight project applications were submitted by member agencies for the program. On January 20, 2009, the MAG Bicycle Task Force and the MAG Pedestrian Working Group recommended five projects for approval. The MAG Transportation Review Committee and the MAG Management Committee recommended the five Design Assistance projects for approval.

5D. Conformity Consultation

This item was removed from the agenda.

5E. MAG Eight-Hour Ozone Redesignation Request and Maintenance Plan for the Maricopa Nonattainment Area

The Regional Council, by consent, adopted the MAG Eight-Hour Ozone Redesignation Request and Maintenance Plan for the Maricopa Nonattainment Area. The MAG Eight-Hour Ozone Redesignation Request and Maintenance Plan demonstrates that the eight-hour ozone standard of .08 parts per million will continue to be met through 2025 with existing measures in place. This standard was established by the Environmental Protection Agency in 1997. No violations of this ozone standard have occurred since 2004. The Environmental Protection Agency is being requested to redesignate this area to attainment status. The MAG Air Quality Technical Advisory Committee and the MAG Management Committee recommended adoption of the MAG Eight-Hour Ozone Redesignation Request and Maintenance Plan for the Maricopa Nonattainment Area.

5F. MAG Regional Human Services Plan for FY 2010

The Regional Council, by consent, approved the MAG Regional Human Services Plan for FY 2010, which includes recommending approval of the Social Services Block Grant allocation recommendations and the new human services transportation coordination goals. The MAG Regional Human Services Plan approved by the MAG Regional Council in 2006, has been updated to reflect funding allocation recommendations for the Social Services Block Grant (SSBG) and to identify new human services transportation coordination goals as required by SAFETEA-LU. The plan also presents an assessment of human services delivery in the region while highlighting useful practices implemented by member agencies to address the impact of the economy on human services. On January 8, 2009, the MAG Human Services Technical Committee recommended approval of the SSBG allocation recommendations and the major elements to be included in the MAG Regional Human Services Plan for FY 2010. On January 20, 2009, the MAG Human Services Coordinating Committee recommended approval of the MAG Regional Human Services Plan for FY 2010 including the new human services transportation

coordination goals and the SSBG allocation recommendations. The MAG Management Committee concurred with the recommendation of the Committee.

5G. MAG Continuum of Care Regional Committee on Homelessness Regional Plan to End Homelessness

The Regional Council, by consent, approved the MAG Continuum of Care Regional Committee on Homelessness Regional Plan to End Homelessness. The MAG Regional Plan to End Homelessness, developed by the MAG Continuum of Care Regional Committee on Homelessness, was approved by the MAG Regional Council in 2005. The Committee, with more than 70 stakeholders, developed a new Regional Plan that takes a fresh look at the issues surrounding homelessness in the region with goals and action steps to address homelessness in the community. The MAG Continuum of Care Regional Committee on Homelessness and the MAG Management Committee recommended approval of the Plan.

5H. Development of the FY 2010 MAG Unified Planning Work Program and Annual Budget

Each year, the MAG Unified Planning Work Program and Annual Budget is developed in conjunction with member agency and public input. The Work Program is reviewed each year by the federal agencies in April and approved by the Regional Council in May. To provide an early start in developing the Work Program and Budget, staff is providing a draft of the program's proposed new projects. These projects will continue to be reviewed and refined leading up to the adoption of the FY 2010 MAG Unified Planning Work Program and Annual Budget in May. To gain additional input, a Budget Webinar was scheduled for February 19, 2009. This item was on the agenda for information.

5I. Approval for MAG to Support a Grant Application by ECotality for a U.S. Department of Energy \$20 Million Grant Proposal and to Participate in an Electric Vehicle Micro-Climate Working Group with ECotality and Nissan North America

The Regional Council, by consent, approved MAG to support a grant application by ECotality for a U.S. Department of Energy \$20 million grant proposal and to participate in an Electric Vehicle Micro-Climate Working Group with ECotality and Nissan North America. ECotality, an Arizona-based renewable energy company that acquires and commercially advances clean electric technologies and applications, and Nissan North America, are looking to partner with key local stakeholders on a grant proposal to the U.S. Department of Energy to assist the development and implementation of electric vehicle infrastructure in the MAG region. The intent of the grant will be to fund the development of smart grid enabled charge infrastructure in the Valley and use of the Idaho National Lab to collect both utility energy use data and vehicle use data. This technology will be available for use by all car manufacturers. Nissan has selected Arizona as one of the first five states to partner with the company in the launch of their pure electric vehicles. It is anticipated that this grant will help foster the successful transition from gas to electric vehicles, assist the introduction of supporting infrastructure to fully prepare the market for the adoption of electric vehicles, and facilitate the addition of private sector investment to build out the remainder of the infrastructure needed to support electric vehicles in the market. At the February 17, 2009, MAG Executive Committee meeting, ECotality invited MAG to participate in an Electric Vehicle Micro-Climate Working Group that will bring together a select group of Arizona policymakers, utilities, civic group and private businesses to address issues in establishing Arizona as a leading market for electric transportation. On February 19, 2009, at the direction of the

MAG Executive Committee, staff participated in a meeting with representatives from ECOTality and Nissan.

6. American Recovery and Reinvestment Act Update

Nathan Pryor, MAG Senior Policy Planner, provided an overview of the stimulus plan legislation. He stated that President Obama signed the American Recovery and Reinvestment Act (ARRA) on February 17, 2009. He noted that the national highway infrastructure investment component of the legislation is \$27.5 billion with a new \$1.5 billion surface transportation competitive grants component. Mr. Pryor stated that the State of Arizona is expected to receive about \$521 million for highway infrastructure, about \$100 million for transit, and about \$15 million for transportation enhancement grants.

Mr. Pryor reviewed the amounts that could be coming to the MAG region. He said that the Highway - ADOT/State fund amount is approximately \$129 million to \$185 million, with a suballocation to MAG of about \$88.7 million. Mr. Pryor stated that these highway funds total about \$218 million to \$273 million. Mr. Pryor stated that transit funds coming to the MAG region total about \$65 million to \$75 million.

Mr. Pryor reviewed the transportation amounts for Indian reservations and tribal communities. He said that three tribal communities are MAG member agencies. Mr. Pryor stated that the funding amount for the Indian reservation roads program is approximately \$310 million, distributed through a formula and administered by the Federal Highway Administration (FHWA) and the Bureau of Indian Affairs (BIA). He said that the tribal transit program of about \$17 million would be a grants program. Mr. Pryor stated that the BIA construction amount for roads is about \$135 million and would be largely BIA discretionary funds.

Mr. Pryor stated that the ARRA funds are to be made available no later than 21 days after enactment (March 10, 2009), after which the clock starts ticking for the “use it or lose it” provision. He explained that states have 120 days to obligate at least 50 percent of the funds (July 8, 2009), and transit has 180 days to obligate 50 percent of the funds (September 6, 2009). Mr. Pryor stated that Metropolitan Planning Organizations (MPOs) have no short term obligation provision, and all three entities have one year to obligate 100 percent of the funds (February 17, 2010). He advised that states that have obligated their funds will be eligible to apply for the balances that were not obligated by other states.

Mr. Pryor stated that the details on the competitive grants for the transportation portion have not been finalized and staff will provide the detail when available. Mr. Pryor reviewed the reporting requirements. He said that a Website, www.recovery.gov, has been set up where the reports will be posted for public view. He stated that those using the economic recovery funds will be required to report on the amount of funds appropriated, the number of projects that have been put out to bid, the contracts that have been awarded, and the number of direct, on-project jobs created or sustained. Mr. Pryor stated that as more direction on the reporting is provided by FHWA, it will be communicated to member agencies. He noted that the first report is due in 90 days, the second in 180 days, and annually for the third, fourth and fifth years.

Eric Anderson, MAG Transportation Director, reviewed the federal requirements that MAG needs to consider. He said that any project in the Transportation Improvement Program and Regional Transportation Plan has to undergo an air quality conformity analysis. In addition, because MAG is in a nonattainment area, federal law requires that MAG and ADOT cooperatively develop and agree on the funding estimates and projects that go into the plan. Mr. Anderson noted that to accomplish this, MAG staff and ADOT staff collaborate on a regular basis.

Mr. Anderson stated that in 1998, Congress passed TEA-21, which provided an increase in federal funding to Arizona for transportation. He noted that at the same time, MAG was undergoing the certification process to ensure its planning processes were in compliance with federal law, and the Federal Highway Administration said that the MPOs and ADOT were not cooperatively developing the revenue estimates and the list of projects. Mr. Anderson stated that after the passage of TEA-21, MAG went to ADOT about programming the funds and found that ADOT had already programmed all of the funds. He said that in April 1999, Mary Peters, who at the time was ADOT Director, convened a group of transportation professionals in Casa Grande, and they all signed a document called the Casa Grande Resolves. Mr. Anderson explained that in the Casa Grande Resolves, all entities in Arizona agreed to work cooperatively on revenue estimates and projects using a common information base.

Mr. Anderson stated that the Resource Allocation Advisory Committee (RAAC) within ADOT came as a recommendation of the Casa Grande Resolves. He explained that the RAAC makes recommendations to the ADOT Director and to the State Transportation Board on how ADOT discretionary funds should be distributed in the State. Mr. Anderson said that according to the RAAC formula, 37 percent of the ADOT Five Year Program should come to the MAG region, 13 percent to the PAG region, and 50 percent to the remaining counties.

Mr. Anderson provided the basis for the fair share formula, and noted that the following factors were included as part of the allocation. Mr. Anderson explained that about \$1.3 billion per year is collected statewide through Highway User Revenue Funds (HURF), which is composed of fuel taxes, vehicle license tax, motor carrier fees and registration fees. Mr. Anderson stated that 50 percent of the HURF is distributed to ADOT, and about 49.5 percent is distributed to cities and counties across the state. Mr. Anderson noted that state statute says that 12.6 percent of the HURF allocation to ADOT has to be spent in the MAG region, and there is also a State Transportation Board policy that says another 2.6 percent of the State Highway Fund comes off the top for the MAG region.

Mr. Anderson noted that the local economy also benefits because ADOT spends money in the MAG region for administrative expenses. He stated that federal law also provides a direct allocation of Surface Transportation Program (STP) federal funds and federal planning (PL) funds to MAG. Mr. Anderson noted that all Congestion Mitigation Air Quality (CMAQ) funds allocated to the State come to MAG. He added that the purpose of CMAQ is to reduce congestion and improve air quality and cannot be used to add capacity in the system. Mr. Anderson stated that CMAQ funds have many reporting requirements. He advised that the federal formula used to distribute CMAQ across all the states includes only the Maricopa County population, which makes it clear that the CMAQ funds should come to this region. Mr. Anderson noted that if the MAG region were to receive a dollar for dollar return on state or federal gas taxes, it would receive about 42 percent of the remaining ADOT program, but the RAAC formula leaves five percent on the table for the rest of the state. He commented that the

state needs a good transportation system, which is used by and benefits the citizens of this region who drive in other parts of the state.

Mr. Anderson advised that the important factor to consider is that MAG receiving 37 percent through the RAAC allocation assumes MAG will also receive the other funds he just described on top of the 37 percent. Mr. Anderson stated that the RAAC formula, therefore, is not appropriate to be used for new revenue sources, such as the stimulus funds or state appropriations like the Statewide Transportation Acceleration Needs (STAN), and should be applied only to existing revenues.

Mr. Anderson stated that the \$307 million STAN account of general fund dollars was set up by the Legislature in 2006 to accelerate needed transportation projects statewide. He noted that 60 percent of these funds (\$184 million) was dedicated to the MAG region, and funded the HOV lanes on Loop 101 from Tatum to Princess and the HOV lanes on Loop 101 in Chandler. He advised that \$104 million of the 2006 STAN allocation to the MAG region was swept by the Legislature in January 2009 to balance the 2009 state budget. Mr. Anderson stated that this funding was for three projects: I-10: Verrado to Sarival (\$43.2 million), I-17: SR-74 to Carefree Highway (\$30.5 million), and SR-802: right of way acquisition (\$20.4 million). Mr. Anderson noted that the I-10 and I-17 projects were ready to obligate in October 2008, and if the bids had been advertised, the projects would have been obligated and the Legislature would not have been able to sweep the funds. He added that the \$20.4 million for the SR-802 was from a Regional Council action in January 2009 to accelerate a portion of the Williams Gateway Freeway and use it for interest reimbursement on the financing. Mr. Anderson stated that in conversations with ADOT staff, member agencies, and legislators, there was an expectation of economic stimulus funding coming to MAG if the STAN funds were swept.

Mr. Anderson stated that the STAN II account was established by the Legislature in 2007, but the funds were a part of the State Highway Fund. He said that MAG staff's argument was that these were not new funds and this should not happen. Mr. Anderson stated that they had a number of conversations that STAN appropriations should be for new money, instead of taking it from one pot and putting it into another. Mr. Anderson stated that the MAG region has benefitted from STAN II; \$10 million is being used to defray the interest expense on I-10 west, the project acceleration that was sponsored by Avondale, Goodyear and Litchfield Park.

Mr. Anderson then explained three bar charts that showed options for the allocation of ADOT stimulus funds. The first bar chart was the unanimous State Transportation Board action on February 20, 2009, to allocate about \$129.5 million to MAG. He noted that this allocation did not include any funds to replace the STAN funds that were swept. Mr. Anderson stated that the second bar chart showed the \$188.7 million the MAG region would have received if the region had been held harmless from the STAN sweep. He explained that MAG staff recommended that the \$94 million be taken off the allocation ADOT receives, then the remainder would be split according to the RAAC allocation. Mr. Anderson stated that the third bar chart showed an allocation to MAG of about \$176 million, about \$46 million more than the Board allocated. He noted that the \$176 million included the I-10 and I-17 projects that were ready to obligate in October 2008, but were held specifically so that the funds would be available for a sweep by the Legislature to balance the budget. Mr. Anderson stated that this was the option that was recommended by ADOT staff to the State Transportation Board.

Mr. Anderson explained some of the key indicators between MAG, PAG and the other 13 counties. He said that MAG accounts for 60 percent of the population and PAG accounts for 15 percent. Mr. Anderson noted that Maricopa County accounts for 64 percent of the change in unemployment in the State from December 2006 to December 2008, and 78 percent of the construction jobs lost. He pointed out that these figures demonstrate the disproportionate impact of the economic downturn on Maricopa County. Mr. Anderson stated that when the fair share analysis was done ten years ago, Maricopa County accounted for about 55 percent of the gas tax, which has now increased to about 60 percent.

Chair Neely asked Mr. Anderson to clarify the ADOT staff recommendation for allocation of the stimulus funds. Mr. Anderson replied that ADOT staff recommended that the \$74 million for the two STAN projects be taken off the top, then the balance of funds would be allocated according to the RAAC formula. Chair Neely stated that she wanted the Regional Council to understand that what the Board approved was not the recommendation of ADOT staff.

Vice Mayor Jones stated that it was important to say that when the STAN funds were swept from the three projects there was agreement with the Governor's office and the legislators that they were taking the funds to balance the budget and that MAG would be made whole. He remarked that the STAN funds should have come off the top for those projects.

Mr. Anderson displayed a map of cooperatively developed projects that represented the distribution of funding. He said that when the Regional Transportation Plan (RTP) was put together, there were different needs across modes across the region. Mr. Anderson noted that the Red Mountain and the Santan in the East Valley, both part of Proposition 300, were completed, but the Loop 303 and South Mountain were not. He stated that this is why a lot of the RTP freeway investments are in the West Valley and a lot of the arterial street improvements and transit improvements are in the East Valley and Phoenix.

Mr. Anderson noted that at each place was a revised project list. He explained that the projects are the same but notes were added to indicate projects #5 and #7 were ready to go and a column to show the cumulative total. Mr. Anderson stated that the projects were in priority order from a staff perspective and added that staff had worked with ADOT on this. Mr. Anderson stated that there are five projects that will not be ready in the 120-day period. One of the projects is #3, the Williams Gateway Freeway STAN project. Mr. Anderson noted that 50 percent of ADOT's funds need to obligate in 120 days, and 100 percent within one year of enactment. He remarked that ADOT would like to obligate 100 percent of its funds in the 120-day period.

Mr. Anderson stated that projects #10, #11, #12, and #13 are still in the project development stage and cannot obligate in the 120-day period, but may be able to obligate within the one-year period (February 17, 2010). He mentioned that the environmental assessment for project #3 is underway, and added that staff had a discussion with FHWA about this project's eligibility. Mr. Anderson noted that FHWA indicated that eligibility depends on whether the environmental assessment is completed in time so the design and right of way can move forward. He said that MAG staff will meet with FHWA on March 30th and hope to receive clarification on this. Mr. Anderson noted that the project was on the list because the funds were swept.

Chair Neely thanked Mr. Anderson for his presentation. She said that the Regional Council would comment and discuss this item, followed by public comment.

Supervisor Wilson asked if there was any consideration to MAG completing its projects in order to be in a position to apply for additional revenue from areas that did not obligate their stimulus funds. Mr. Anderson replied that staff understands that 50 percent of the ADOT funds need to be obligated in 120-days (July 10, 2009) from the time the money is apportioned (March 10, 2009). He said that there is \$182 million in ADOT projects in the region and statewide that he believed will meet the obligation timeline.

Mayor Waterman asked if the SR-802 project was on the list only because it could be shovel-ready in one year. Mr. Anderson replied that it was on the list because it was part of the \$94 million of STAN sweep. He said that the project's environmental assessment was scheduled to be completed by the end of calendar year 2009, and they will work with FHWA on that. Mr. Anderson stated that the acceleration proposal before the Regional Council in January 2009 was to do the interim construction of the first mile from the Santan Freeway to Ellsworth Road. He advised that this alignment is set and there is no alternative alignment. Mr. Anderson stated that the full environmental assessment for the Williams Gateway Freeway goes into Pinal County, and a lot of different alternatives are being considered for the connection there. Mr. Anderson indicated there might be an opportunity to work with FHWA to move the design efforts forward.

Mayor Waterman asked if this does not materialize, if the \$20 million would be put in play or just taken out and hope for the best. Mr. Anderson stated that the decision would be the Regional Council's. He advised that the project could not obligate in the 120-day period. He said that partly, it depends on the amount of money coming to the region. Mr. Anderson explained that at the \$130 million level, the I-10 and I-17 projects would use a little less than half and there are other projects that can use the remainder, and if the level is \$176 million to \$180 million, there might be an opportunity to fund Williams Gateway Freeway. Mr. Anderson stated that this is the best information currently available and there is still uncertainty with this one project.

Mayor Cavanaugh asked if there were any other projects in the State that went to bid in October 2008. Mr. Anderson replied that there were a number of projects that went to bid in October, but they were not using STAN funds. He noted that one of the projects that was advertised in October was one of the connections of Loop 303 to I-17.

Mayor Cavanaugh stated that there was an expectation that MAG would be made whole, but he did not think there was any documentation of any agreement. He asked if the State Transportation Board members could provide an explanation of the rationale behind the Board's decision to not give MAG the funds off the top.

Chair Neely asked Mr. Zubia if he would like to hear the rest of the Council's comments first and then address members on how the Board reached its decision.

Mr. Zubia stated that he would be happy to address the Regional Council and maybe their questions would be answered.

Councilmember Aames asked for clarification that the \$130 million is the amount MAG needs to allocate in 120 days in the ADOT category. Mr. Anderson stated that tonight, the Regional Council needs to provide ADOT with a list of prioritized projects so ADOT will be able to obligate as much of the list as possible. He explained that is why there are projects totaling \$183 million on the list because the number could change. Councilmember Aames asked if the STAN projects were not on the list it would be an entirely different list. Mr. Anderson replied that was correct.

Chair Neely asked the two State Transportation Board members, Mr. Zubia and Mr. Flores, if they both represent Maricopa County on the Board. Mr. Zubia replied that they were selected from Maricopa County and represent the State.

Mr. Zubia referenced Mayor Cavanaugh's comments regarding an understanding with the Governor or legislators that MAG would be made whole, but he did not recall any discussion with staff and none with decision makers on this. He said that given his years in public service, he thought this situation was not different from a staff member who works with a developer and feels they have agreement, but the executive who makes the decision does not think the project is the best for the overall community. Mr. Zubia commented that it is important to look at the Board's decision in this context.

Mr. Zubia said that he would also like to put the funding in perspective. Mr. Zubia referenced the three bar charts, and said that the Board selected bar chart one. He pointed out that Mr. Anderson also showed pie charts of other MAG funding sources beside the 37 percent. Mr. Zubia asked Mr. Anderson if the bar chart included the total amount of transportation dollars MAG would receive. Mr. Anderson replied that the analysis did not include transit funds, either taxes or revenue funds. Mr. Zubia asked the total amount expected, including all transportation-related funds. Mr. Anderson replied that the amount of transportation-related funds expected to come to Arizona is \$621 million. Mr. Zubia commented that the Board has control over a small portion of the total funds being discussed, and noted that there are three other pots of money over which the Board has no control: Local, Transit, and Transportation Enhancement funds.

Mr. Zubia stated that in totality, when you look at transportation funds and the amount being distributed for Maricopa County, the amount is actually 50 percent. He commented that he saw no reference to that in the presentation, and the only thing he heard was regarding a small portion over which the Board has control.

Chair Neely stated that was not referenced in the presentation due to the fact that the stimulus funding was the only item MAG is seeking action on tonight. She asked Mr. Anderson if she was correct. Mr. Anderson replied that she was correct. He offered clarification that the bar charts include the suballocation amount coming to the MAG region and not subject to discussion tonight, but was discussed by the Transportation Policy Committee (TPC) on February 18, 2009. Mr. Anderson pointed out that bar chart three is a combination of the ADOT stimulus share approved by the Board on February 20, 2009, and MAG's estimate of funds being suballocated. He noted that this is consistent with the calculation of fair share and the RAAC formula he presented earlier. Mr. Anderson stated that the combined allocation of highway stimulus funds to the MAG region is about 43 percent.

Mr. Zubia stated that in totality, MAG gets 50 percent of the funds, some of which are determined by federal formulas and over which the Board has no control. He said that the Board was given three options on spending the ADOT funds that the Board controls. Mr. Zubia stated that the Board also represents regions with dire need of improvements, and the decision was to maintain the RAAC allocation formula for that portion of the funds. He advised that this was a unanimous decision by the Board, and added that he knew this was a decision not everyone supported. Mr. Zubia commented that as the Board represents a larger region, it needs to consider other issues, such as Highway 87 that closed down last year for six days due to a landslide. He noted that this road is a lifeline to Payson and many businesses along that road closed down because there was no direct link to the Valley. Mr. Zubia stated that the repairs were an unforeseen expense for ADOT, and could cost up to \$18 million. He asked where would that money come from, and where would the money come from for maintaining the pavement in Yuma? Mr. Zubia stated that there are a lot of issues that the Board has to consider. He said that some people may disagree, but the Board has to consider the totality of Arizona.

Mayor Scruggs asked if the Casa Grande Resolves had anything to do with transit. Mr. Smith replied that transit funds were not included in the formula that came from the Casa Grande Resolves, just highway funds.

Mayor Scruggs asked for clarification that the Board took the totality of all of the funds, including transit, and applied the 37 percent. Mr. Zubia replied that when he said totality, it also includes the needs around the state, including unforeseen situations, plus STAN I, of which the Board allocated 60 percent, based on population, to MAG. He stated that virtually all of STAN I went to improving the Sun Corridor – MAG, PAG, and I-10 in Pinal County – not a single cent went to Yuma or any of the rural areas. Mr. Zubia asked where was the equity there, and said that is not being discussed this evening. Mr. Zubia stated that this was the totality the Board considered in making its decision.

Mr. Anderson stated that the STAN I allocations were set by the Legislature according to the population percentages. He said that on the allocation of those funds, MAG weighed in, but did not weigh in on the allocation of the other funds.

Mayor Dunn asked if the recommendation of ADOT staff was considered or not considered by the Board. Mr. Zubia replied that it was considered, but rejected for the reasons he presented. He said that in their own jurisdictions, at some point, the elected officials on the Regional Council may have gone against a staff recommendation in favor of their better judgment.

Mr. Flores stated that it was unfortunate that he did not know the history of how the Casa Grande Resolves were developed, but he did not believe this would have changed his vote and even if he had changed his vote, it would not have changed the outcome. Mr. Flores stated that it would not have mattered to him if a deal had been cut in regard to the funds that were swept by the Legislature. He said that he looked at this as \$130 million was coming to this region, rather than \$74 million was not being made up. Mr. Flores added that it was an easy decision for him to make.

Mr. Zubia asked the difference between the amount ADOT staff recommended and what the Board approved. Mr. Flores replied that the MAG region would have received another \$46 million. Mr. Zubia

commented that this was a lot of money, but \$46 million goes very quickly, and could represent one project in some instances.

Mr. Zubia stated that we have major issues, not only with funding, but also with the way the Legislature looks at transportation funds as a grab bag when it needs additional funds to balance the budget. He commented that it is unfortunate, but it is the Legislature's the right to do this. Mr. Zubia stated that Mr. Ryan attends MAG meetings and has made some good comments. Mr. Zubia stated that it would behoove MAG to take a position on right of way acquisition. He said that there is no reason why ADOT should have to pay market value dollars for right of way when it is taxpayer dollars making the improvements. Mr. Zubia remarked that this is unconscionable as far as he was concerned and increases the cost of transportation beyond belief. He stated that another issue that the MAG body, with all its power, could do something about is condemnation of right of way. Mr. Zubia explained that if right of way is condemned state statute says that something must be done with it within 24 months, and asked how was this realistic and why was it in state statute. Mr. Zubia stated that these are the types of issues he thought MAG should be dealing with, not \$46 million that could have gone to a project.

Chair Neely expressed that she disapproved of Mr. Zubia's position, because \$46 million is a lot of money, especially because of the way that projects might have to be modified. She said that the Legislature is the body that makes the rules and decided to sweep the STAN funds and if they are the body that has jurisdiction over this money and they say they will replace those swept funds with the stimulus money, MAG should take advice from them and follow that. Chair Neely stated that she understood that Mr. Zubia was an appointed political person who looks at the state overall and has the right to vote the way he decides, but he does come from Maricopa County. She said that this is about a statewide increase to transportation, not from a tax passed, and she thought he equated the two as the same thing. Chair Neely stated that she had a problem because Phoenix has cut its budget and has lost HURF dollars. She said that Phoenix has a plan to resurface its streets every six years and \$46 million goes a long way. Chair Neely commented that it is cavalier for Mr. Zubia to say it is only \$46 million. Chair Neely said that she thought MAG needs to send a message to those who swept the funds and said they would find a way with the stimulus to bring the money back, to have this issue that occurred last week reviewed. She expressed appreciation for Mr. Zubia's and Mr. Flores's volunteerism and service, but \$46 million is a huge amount of money for some municipalities and she was very concerned.

Mr. Zubia clarified that the stimulus funds need to be spent on state highways, it could not be used to resurface Phoenix streets.

Chair Neely responded that she only brought that up because Mr. Zubia mentioned maintaining pavement in Yuma as one of his examples. She added that she wanted the Board members to be aware that \$46 million was very important.

Mr. Smith commented that what was unconscionable is what happened with the I-10 and I-17 STAN-funded projects at ADOT. He stated that in late 2008, Mr. Anderson reported to the TPC that design work on the I-17 and I-10 projects was not complete. In January 2009, Mr. Anderson received an email from ADOT engineering staff saying that the projects had been ready since October. Mr. Smith stated that the projects were ready at ADOT and no one told MAG they were ready so we could get them out the door. He stated that this creates some responsibility at ADOT.

Mayor Scruggs suggested that some at the table think that the work on I-10 and I-17 are statewide projects. She said that there is a real problem that we are being asked to absorb the cost for those roadways that serve not only this region and this state, but other states, and contribute to economic development. Mayor Scruggs stated that it was her understanding that if the amount of highway stimulus funds to MAG is \$130 million and if project #3 gets ready to obligate, then MAG could get through the first four projects on the list, but if project #3 is not ready to obligate then MAG could probably go through project #6. If the amount is put back to \$176 million, as recommended by ADOT staff, and project #3 was ready, MAG could probably get through project #8 and if project #3 is not ready, then MAG could be able to go through to project #13. She asked if her statement was correct. Mr. Anderson replied that she was correct.

Mayor Scruggs noted that this project list represents voter approved projects, so there is no worry about the President saying MAG put forth pet projects, and there is agreement with ADOT and MAG that the projects meet the criteria, construction, and the economic impacts, and are shovel ready.

Vice Mayor Jones said that staff does a lot of work before the Regional Council gets to meetings. Vice Mayor Jones stated that he found it hard to believe that the Board members were unaware of the discussion that took place between ADOT staff and legislators. He said that MAG was assured that if the stimulus funds came to Arizona, they would replace the STAN funds, and now we are looking at a credibility challenge that is very unsettling to him. Vice Mayor Jones stated that he felt MAG needed to pursue this because it was already worked out. He noted that even the MAG priority list has been worked on very extensively by staff. Vice Mayor Jones noted that as Mayor Scruggs said, if for some reason project #3 is not ready in the appropriate time, MAG has a whole list ready to go so MAG is not in jeopardy of losing any funds and will be able to use all of them.

Mr. Zubia stated that he would like to respond to the credibility issue.

Chair Neely stated that she would come back to him after the other Council members had an opportunity to speak.

Councilmember Aames stated that the Maricopa County representatives on the Board did not pay attention to our needs and he thought it was appalling.

Mayor Hallman stated that the math still needed to be worked out. He stated that if project #3 is deemed not ready to obligate in 120 days, and it looks like #10, #11, #12, and #13 are not ready, we would move farther down the list. Mayor Hallman stated that the biggest issue is that STAN funds were swept, so we start with a credibility issue for ADOT that we had funding that could have been made available to service these projects and not have to consider if they should be first on the list. He said that there are jurisdictions who will not see any of the STAN funds coming to their community with this model, and added that Tempe, like other cities, submitted a long list of projects that were ultimately ranked by MAG staff and ADOT as those that could qualify. Mayor Hallman expressed his agreement with Chair Neely that \$46 million is a lot of money, but he also thought that when it is spread around it gets thin, unless it is applied to projects with regional results. He said that little can be done about the STAN funds being swept, and suggested that members should be talking to their legislators about this, which has been a great detriment to the Valley. He thought that the first priority is to restore the STAN projects and move

forward in order provided. Mayor Hallman noted that the only criteria is be sure the projects can obligate in 120 days, so all the funds are spent. Mayor Hallman stated that projects #10, #11, #12, and #13 might not qualify and MAG ought to ensure there are enough projects that could qualify. He express that he thought it is in the region's best interests to stop quibbling over the order and do everything possible to reach a regional impact that can get us a little farther down the road.

Mayor Dunn expressed his agreement with Mayor Hallman, and said that this list has been worked out extensively and carefully. Mayor Dunn stated that MAG still has to discuss the \$88 million in suballocation funds and this reflects back to Proposition 400 discussion about being fair and regional. Mayor Dunn stated that there is a need to have highway projects on the west side to catch up with what was done on the east side, and that is very important. He suggested keeping that in mind in discussion of the suballocation funds because it also talks about job stimulus and we would like to have jobs stimulated across the Valley, if possible. Mayor Dunn expressed his hope that with the willingness to do this now, perhaps the regional outlook could be considered when sharing the funds.

Mayor Hallman stated that graciousness begets graciousness.

Chair Neely stated that Proposition 400 has significant downfalls in its funding source and MAG is trying to get out as many projects as possible.

Mr. Zubia stated that he has worked with 80 percent of Regional Council members, and he did not think he had ever had his credibility questioned, so he took exception to that. Mr. Zubia stated that he did not know there had been any deals cut with the Governor or the Legislature on the STAN funds. He said that he knew Eric Anderson gave a presentation asking the State Transportation Board to take the STAN projects off the top, but he had no knowledge of anything being done or deals made with the sweeping of STAN funds.

Mayor Cavanaugh stated that everyone wants to see parity throughout the state, but there is some subjectiveness associated with that term. He stated that no other highway has the statewide and national significance of I-10 west, and it is probably the heaviest commercially traveled road in the country. Mayor Cavanaugh stated that the other issue is I-17, which connects I-40 and I-10. He said that these highways might be within the MAG region, but they have statewide and national significance. Mayor Cavanaugh commented that if you believe in parity you have to consider those roads on a statewide basis, rather than a regional basis. He suggested that if the Board could reconsider its decision, to look at this not as MAG, but as statewide significance, it would be to everyone's interest and benefit.

Vice Mayor Jones expressed to Mr. Zubia that was not trying to make this personal, but his frustration was with the Legislature.

Mayor Scruggs moved to approve the attached list of projects listed in priority order for the Arizona Department of Transportation portion of the American Recovery and Reinvestment Act funds of 2009 and that the projects be forwarded to the Arizona Department of Transportation contingent upon projects finally selected receiving the necessary administrative adjustments and amendments to the MAG Transportation Improvement Program and air quality conformity and consultation. Further moved that the Chair of the Regional Council to send a letter to the State Transportation Board and Chairs of the

Arizona House and Senate committees with the responsibility for transportation on behalf of the Regional Council requesting that the formula for the ADOT portion of the American Recovery and Reinvestment Act funds take the State Transportation Acceleration Needs (STAN) projects in this region totaling \$94 million off the top of the funds before the allocation is made. Intervention by the State legislative leadership is requested due to ADOT previously being directed to hold two of the MAG projects totaling \$74 million that were ready to advertise in October 2008 and one project ready in January 2009 for \$20 million. This enabled the Arizona Legislature to sweep the funds from this region to assist with state budget issues, with the legislative understanding being that the funding swept would come off the top of the ADOT American Recovery and Reinvestment Act funds before the allocation is made in order to not penalize the MAG region.

Mayor Scruggs commented that as this request is made, she indicated that many believe very strongly that I-17 and I-10 are statewide issues. She said that the MAG region accepts the cost to maintain these interstates in the region from the MAG allocation.

Mayor Truitt seconded the motion.

Chair Neely recognized public comment from Mr. Ryan, who said that Mayor Cavanaugh and Mayor Scruggs were correct in their comments that I-10 and I-17 are national issues. He said that Regional Council members are team leaders, and when those members of the team – those who live in the towns – get stirred up, 60 percent of the state's population is stirred up. Mr. Ryan stated that he sees too much parochialism. He said that the cost of the market basket in this region is \$6 more than the country's average, and one of the reasons is I-10. Mr. Ryan stated that the Regional Council voted for 22 roadways onto I-10 west of the White Tank Mountains, and he asked how that will affect transportation in this area. He said that Regional Council members need to think before they have an item on the consent agenda with a unanimous vote. Mr. Ryan stated that each city has construction workers out of work, and many have companies such as Cavco that manufacture homes. He suggested that instead of giving money directly to poor countries to build clinic buildings, etc., have companies built structures here and ship them over. Mr. Ryan stated that the federal law needs to be changed to allow this. He stated that Arizona needs to work with California to reduce the traffic on I-10. Mr. Ryan mentioned a proposal years ago by John Shaw for a wide-bodied vehicle to go to ports. Mr. Ryan commented that everything is made in China and where do these goods arrive? To make venture capital possible, you have to give them air rights for rapid transit to the piers on the Pacific Ocean. Chair Neely thanked Mr. Ryan for his comments.

Chair Neely asked members if there was discussion of the motion.

Mayor Dunn expressed his agreement that I-10 and I-17 are vital routes for the state and the nation. The sooner we recognize their importance, we will enter the 21st century in as better light. Mayor Dunn stated that I-10 south is one of the most dangerous freeways in the country, and it is time ADOT steps up and addresses that. Mayor Dunn said that if we want to talk about credibility, it is time that ADOT recognizes that issue with the Gila River Indian Community and not ignore it.

Mayor Waterman stated that he thought MAG would be going down a slippery slope if SR-802 might not qualify.

Mayor Lane asked for clarification of the motion regarding projects #1, #2, and #3.

Mayor Scruggs explained that the motion says that the three projects would be completed, but that the allocation of funding be completed with the funding off the top of the ADOT funds and if that is done, the MAG region would get \$179 million. She stated that the three projects would still be completed, MAG would get more money, and we would get through the list of the 13 projects.

Mr. Zubia stated that given the motion, he would abstain on the vote. He indicated his agreement with comments on I-10 and I-17 and added that he still did not know why the three West Valley cities were required to pay half of the interest for a road of national significance. Mr. Zubia stated that this was a decision that he thought should have been looked at. Regarding the Gila River Indian Community, he felt that a solution was possible, but the Board has not had the opportunity for discussion with the Community. Mr. Zubia stated that he felt there was a commitment with the new administration and Councilman DiCiccio to finding a solution.

Chair Neely expressed her appreciation to Mr. Zubia and Mr. Flores for volunteering their valuable time to serve on the Board. She said that they heard a lot of passion at the table. Chair Neely stated that there was a lot of give and take in Proposition 400, and many people recall those discussions. Chair Neely expressed her hope to keep this moving and convey that \$46 million is a lot of money. It may be only one project, but it is a project that would be vital to this region.

With no further discussion, the vote on the motion passed, with Mr. Zubia and Mr. Flores abstaining.

7. Project Changes – Amendment and Administrative Modification to the FY 2008-2012 MAG Transportation Improvement Program for Funding from the American Recovery and Reinvestment Act of 2009

This item was removed from the agenda.

8. Transportation Planning Update

This item was not considered.

9. Proposed Strawman Option for a Revised Eight-Hour Ozone Nonattainment Area Boundary

Lindy Bauer, MAG Environmental Director, stated that last year, the Environmental Protection Agency had strengthened the eight-hour ozone standard. She reported that the Arizona Department of Environmental Quality (ADEQ) has been conducting a stakeholder process to discuss a Strawman Option for a Revised Eight-Hour Ozone Nonattainment Area Boundary. Ms. Bauer stated that the new boundary for the strawman option is much the same as the current boundary, but adds in some power plants, which she pointed out on a map, and includes the Harquahala power station, the Gila power station near Gila Bend, and the SRP power plant in the southeast valley. Ms. Bauer also noted that the boundary also includes the Queen Valley monitor, which has been going over the standard. She explained that the power plants are major sources, and if they want to expand, they will be required to show a net air quality benefit.

Ms. Bauer stated that comments are due to ADEQ by February 26, 2009, and in March, ADEQ is scheduled to make a recommendation to the Governor. She noted that by March 12, 2009, the Governor is required to make a recommendation to EPA. Ms. Bauer stated that if EPA makes any changes, it has until November 12, 2009, to provide notification of any modifications. She said that this is followed by EPA finalizing the ozone boundary designations by March 12, 2010, and a new air quality plan is due to EPA by 2013.

Chair Neely thanked Ms. Bauer for her presentation. She asked for clarification if MAG did nothing, which agency would make a recommendation. Ms. Bauer replied that if MAG did not make a recommendation, ADEQ would still be making a recommendation to the Governor.

Mayor Dunn moved to support the Proposed Strawman Option for a Revised Eight-Hour Ozone Nonattainment Area Boundary proposed by ADEQ. Councilmember Aames seconded.

Chair Neely recognized public comment from Mr. Ryan, who said that it was a team situation; if you reduce automobile pollution, you do not have to worry about power plants. He stated that the carbon footprint of a passenger on light rail is heavier than if that person traveled by car, because the power for that operation is made in the Four Corners area with the worst type of coal imaginable. Mr. Ryan commented on helping each other. He said that he attended a Board meeting where Victor Mendez reported twice that he was running out of money, and the Board did nothing. Mr. Ryan stated that Mary Peters said you cannot raise the 18-cent federal gas tax, which is where the money is, but have toll roads from here to Prescott. Mr. Ryan stated that the Regional Council needs to get together to raise the federal gas tax. He said not to do it here, because people will fill up on fuel before entering the state or wait until after they leave.

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

10. Legislative Update

Chair Neely stated that the bill summary chart was at each place and no report would be given.

11. Comments from the Council

An opportunity will be provided for Regional Council members to present a brief summary of current events. The Regional Council is not allowed to propose, discuss, deliberate or take action at the meeting on any matter in the summary, unless the specific matter is properly noticed for legal action.

Chair Neely acknowledged that the Town of Buckeye has slated its first park and ride. She congratulated Mayor Meck for moving forward on that.

Mayor Scruggs said that she would like for MAG to look into the laws mentioned by Mr. Zubia. She added that as we go into the legislative update, perhaps we can look at some bills that might be more helpful.

Chair Neely asked if Mr. Zubia and Mr. Flores would like to partner on this legislative process.

Supervisor Wilson stated that he wanted to ensure that projects are lined up to resubmit for funds not obligated in other areas.

Chair Neely said that she thought this was a great idea, and she believed there was going to be opportunities not only statewide, but nationally. She thanked Mr. Smith and told him that he and MAG staff were doing a great job.

Lt. Governor Manuel stated that before being elected, he was a Community Manager and sat on the MAG Management Committee for three years. Lt. Governor Manuel stated that Governor Rhodes will not be at Regional Council meetings and he would be representing the community. He expressed that the community is open to meeting with anyone on anything. Lt. Governor Manuel stated that the Community is a partner in Arizona and is moving forward. He expressed that the Community has concerns about a proposal in the Glendale/Peoria area and would like to speak with the Glendale and Peoria mayors on that issue.

Chair Neely expressed she was excited to have that involvement, which helps the region move more in sync with all needs. She thanked Lt. Governor Manuel for creating the opportunity to be involved. Chair Neely stated that she herself would be calling Lt. Governor Manuel because it is important to work through issues.

Mayor Meck stated that several members, both east and west, mentioned the word regional, and he appreciated that. He said that what is good for Buckeye is good for Mesa, and so on. Mayor Meck expressed that he was proud to be a part of the group because of that.

Chair Neely said that she felt Mayor Meck was exactly right, and she would encourage members to take off their city hats at Regional Council meetings from now on. She stated that MAG will be a better region by doing that.

Mayor Lopez Rogers stated that better communication with ADOT staff and MAG staff will help the connection with the State Transportation Board, and expressed her hope that the working relationship will improve with the new Director and we can move forward.

Mr. Smith noted that he and Mr. Anderson have met with the new Director and there is a positive relationship. He said that a meeting with himself, the ADOT Director, and the Pima Association of Governments Director is scheduled for March 2nd.

There being no further business, the Regional Council meeting adjourned at 7:05 p.m.

Chair

Secretary