

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

May 27, 2009
MAG Office, Saguaro Room
Phoenix, Arizona

MEMBERS ATTENDING

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

* 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 Vice Chair Thomas Schoaf at 5:05 p.m.

2. Pledge of Allegiance

The Pledge of Allegiance was recited.

Vice Chair Schoaf noted that Chair Peggy Neely, Mayor Kelly Blunt, Mayor Hugh Hallman, Mayor Jim Lane, Mayor Art Sanders, Mayor Elaine Scruggs, Mayor Fred Waterman, and Supervisor Max Wilson were participating by teleconference. He introduced Lt. Governor Joseph Manuel as proxy for Governor William Rhodes.

Vice Chair Schoaf noted that due to the time zone difference, agenda item #8, Amendment of the FY 2009 MAG Unified Planning Work Program and Annual Budget to Include Funding to Participate in a Brookings Intermountain Partnership, would be moved up on the agenda to the first item to be heard. Vice Chair Schoaf noted the following materials at each place: a revised summary transmittal and updated table D for agenda item #5C, a revised summary transmittal and conformity consultation memorandum for agenda item #5F, an Executive Summary from the Brookings Institution for agenda item #8, and replacement pages for the Appendix of the Work Program for agenda item #9.

Vice Chair Schoaf 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. He said that parking garage validation and transit tickets for those who used transit to attend the meeting were available.

Vice Chair Schoaf noted that this was the last meeting for Mayor Steve Berman. He read the Resolution of Appreciation that was prepared in recognition of Mayor Berman's service to the MAG region.

Mayor Berman, upon accepting the Resolution, expressed his thanks, especially to Dennis Smith. He said that he admired Mr. Smith's sensitivity. Mayor Berman stated that of all of the plaques he has received, this Resolution one was the most sensitive. He stated that sometimes, Regional Council members seem closer to their fellow Regional Council members than they are with their town or city councilmembers. Mayor Berman wished the Regional Council well.

Vice Chair Schoaf recalled Mayor Berman's kindness to him when he was a new member on the Executive Committee. He wished Mayor Berman good luck in the future.

3. Call to the Audience

Vice Chair Schoaf 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.

Vice Chair Schoaf recognized public comment from Dianne Barker, who expressed her appreciation for the transit tickets she received for using transit to come to the meeting. Ms. Barker said that she had come to the meeting a different way that day and the bus was half packed at 4:00 p.m. She stated that she got off the bus and rode her bike because the bus was boarding a disabled person. Ms. Barker stated that she met a rider on light rail who is a security guard at Brophy Prep and resides in South Phoenix.

The rider has a car but feels it is easier to ride transit than drive. Ms. Barker stated that last month she said she saw no politicians, engineers or planners using transit, but since then she has seen a politician. She added that she understands that some of the MAG planners use multimodal transportation. Ms. Barker stated that using transit eases the demand on our resources. She referred to the problems with the light rail fare boxes and said she was glad she had a ticket when they used a wand to check her pass. Ms. Barker stated that those who are caught without a ticket will have to pay \$67 in costs the first time and \$134 the second time; the third time is jail. Vice Chair Schoaf thanked Ms. Barker for her comments.

4. Executive Director's Report

Dennis Smith, MAG Executive Director, reported to the Regional Council that MAG will conduct a joint transportation public hearing with transit on June 18, 2009, at 5:00 p.m., at the MAG office in the Saguaro Room. He said that reports will be provided on the draft Transportation Improvement Program, the Regional Transportation Plan 2010 Update, and an update on the American Recovery and Reinvestment Act (ARRA). Vice Chair Schoaf thanked Mr. Smith for his report. No questions for Mr. Smith were noted.

5. Approval of Consent Agenda

Vice Chair Schoaf noted that agenda items #5A, #5B, #5C, #5D, #5E, #5F, #5G, and #5H were on the Consent Agenda. He noted that no public comment cards had been received. Vice Chair Schoaf asked members if they had questions or requests to hear an item individually. No requests were noted.

Councilmember Esser moved to approve the Consent Agenda. Mayor Berman seconded, and the motion passed unanimously.

5A. Approval of the April 22, 2009, Meeting Minutes

The Regional Council, by consent, approved the April 22, 2009, meeting minutes.

5B. Fiscal Year (FY) 2009 - Arterial Life Cycle Program Regional Area Road Fund Closeout

The Regional Council, by consent, approved advancing reimbursements from fiscal year (FY) 2012 to FY 2009 in the Arterial Life Cycle Program (ALCP) for the selected Regional Area Road Fund (RARF) Closeout Projects: Queen Creek Road from Arizona Avenue to McQueen Road for \$6.076 million and Lake Pleasant Parkway from Union Hills Drive to Dynamite Road for \$4.793 million, totaling \$10.869 million, and amend the FY 2009 ALCP and Regional Transportation Plan 2007 Update, as necessary. The Regional Area Road Fund (RARF) Closeout Process was established in Section 260 of the Arterial Life Cycle Program (ALCP) Policies and Procedures approved by the MAG Regional Council. A financial analysis of ALCP revenues and expenditures as well as the ALCP bonding program was conducted. After reviewing the output of the analysis, MAG staff recommended that two eligible projects be reimbursed in the FY 2009 ALCP RARF Closeout Process. The MAG Transportation

Review Committee, the MAG Management Committee, and the Transportation Policy Committee recommended approval.

5C. Project Changes – Amendment and Administrative Modification to the FY 2008-2012 MAG Transportation Improvement Program and FY 2009 Arterial Life Cycle Program

The Regional Council, by consent, approved amendments and administrative modifications to the FY 2008-2012 Transportation Improvement Program, the FY 2009 Arterial Life Cycle Program and as appropriate, to the Regional Transportation Plan 2007 Update, as shown in the attached tables. The FY 2008-2012 Transportation Improvement Program (TIP) and Regional Transportation Plan (RTP) 2007 Update were approved by the MAG Regional Council on July 25, 2007, and the FY 2009 Arterial Life Cycle Program (ALCP) was most recently approved by the Regional Council on April 22, 2009. Since that time, there have been requests from member agencies to modify projects in the programs. The proposed amendments and administrative modifications to the FY 2008-2012 TIP that were heard and recommended for approval by the Transportation Review Committee (TRC) are listed in Table A. These include two new projects funded with federal American Recovery and Reinvestment Act (ARRA), and a cost modification to the regionwide trip reduction program. The proposed administrative modifications to the FY 2009 ALCP that were heard and recommended for approval by the TRC are listed in Table B, which are reimbursement changes to ALCP projects located in Scottsdale. These funding modifications do not negatively impact ALCP reimbursements in FY 2009, nor increase or decrease overall committed regional reimbursement amounts. Requests made since the TRC meeting to add and modify projects are noted in Table C and include transportation enhancement projects funded with ARRA funds, local projects funded with ARRA, reprogramming of a project, and other project modifications. The Management Committee recommended approval of Tables A, B, and C. Since the Management Committee meeting, there have been additional requests for project changes for federal bridge and ARRA funded projects, which are included in Table D. On May 20, 2009, the Transportation Policy Committee recommended approval of Tables A, B, C and D.

5D. Update and Review of Project Deferral Requests for Federal Fiscal Year (FFY) 2009 MAG Closeout

The Regional Council, by consent, approved a list of projects to be deferred from FFY 2009 to FFY 2010 or later, approval of a list of projects requesting to remove federal funds from the project, and making the necessary amendments and modifications to the FY 2008-2012 MAG Transportation Improvement Program, and as necessary to the Regional Transportation Plan 2007 Update. An update is provided on the amount of funds available for FFY 2009 MAG Federal Fund Closeout (Closeout) and project deferral requests for the FFY 2009 Closeout. The deadline for FFY 2009 Closeout project submittal and project deferral requests was April 20, 2009. As of April 23, 2009, there were six projects that requested deferral for a second time or more, eleven projects that requested the project deferral for a first time, and there were three requests to remove federal funds from projects programmed in the FY 2008-2012 TIP. These requests were recommended for approval by the Transportation Review Committee and the MAG Management Committee. Projects submitted for use of Closeout funds will be reviewed at the June Regional Council meeting.

5E. Update on the American Recovery and Reinvestment Act of 2009: Arizona Department of Transportation (ADOT) Portion, MAG Sub-Allocation, Transportation Enhancement Portion, and MAG Region Transit Funds

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

5F. Conformity Consultation

The Maricopa Association of Governments is conducting consultation on a conformity assessment for an amendment and administrative modification to the FY 2008-2012 MAG Transportation Improvement Program (TIP). The proposed amendment includes several projects, including Cave Creek, Fort McDowell Yavapai Nation, and Salt River Pima-Maricopa Indian Community projects for the MAG sub-allocated portion of the American Recovery and Reinvestment Act. The proposed administrative modification includes several projects, including cost changes for the Travel Reduction Program and the Regional Rideshare Program. The amendment includes projects that may be categorized as exempt from conformity determinations. The administrative modification includes minor project revisions that do not require a conformity determination. This item was on the agenda for consultation.

5G. Progress Report on MAG Regional Human Services Summit Projects

The Regional Council, by consent, approved the 2009 Progress Report on the 2007 MAG Regional Human Services Summit. In June 2007, participants of the MAG Regional Human Services Summit proposed eight projects to improve the way the region addressed human services topics such as domestic violence, juvenile crime, and aging. In October 2007, the MAG Regional Council approved the report. Since that time, MAG has been working collaboratively with community partners to implement the projects. A progress report on all eight projects was developed and has been recommended for approval by the MAG Human Services Technical Committee, the MAG Human Services Coordinating Committee, and the MAG Management Committee.

5H. Census Funding Opportunities

The Maricopa Association of Governments (MAG) Count to '10 Census Outreach Group recently received information from Pamela Lucero, Coordinator for Partnership & Data Services for the Denver Regional Census Center, regarding potential funding opportunities. Beginning May 1, 2009, active partners in government and nongovernment are able to submit applications for a "Partnership Support Program Proposal" for small purchases. To be a partner, agencies must have a signed partnership

agreement with the Census Bureau. Active partners are able to apply for micro-purchases up to \$2,499 for services and up to \$2,999 for products. Funds can be obligated this summer for a future event to be held later. One item of note is that partnership agreements can be signed with individual city departments. Local governments are not limited to a single partnership agreement. For example, a public works department might propose the purchase of banners for water trucks, while a library department might propose the purchase of bookmarks. Both could have separate partnership agreements to make them eligible for the micro-purchase proposal. Guidelines and proposal forms have been distributed to member agencies through the Count to '10 Committee, or can be made available by the local Partnership Specialist who is in contact with the partner. In addition to the Partnership Agreements, which are for micro-purchases, the Denver Regional Census Center Director has the authority to review a promotion proposal with a budget above the small purchase amount. These larger proposals are called Special Initiatives and can range in the thousands. Examples of a Special Initiative might be producing a fotonovela, a radionovela, hosting a minority media conference, conducting a special program targeted to seniors, etc. The procurement process for Special Initiatives is a federal acquisition process with vendor bids involved and is intended for larger, more substantial projects.

8. Amendment of the FY 2009 MAG Unified Planning Work Program and Annual Budget to Include Funding to Participate in a Brookings Intermountain Partnership

This agenda item was taken out of order.

Mr. Smith stated that the item before the Regional Council was to work with five states and the Brookings Institution on a project to advance prosperity in their region. He reported that the proposed project would be jointly funded by MAG, the Central Arizona Association of Governments (CAAG), and the Pima Association of Governments (PAG). Mr. Smith noted that CAAG and PAG had already agreed to participate.

Mark Muro, Brookings Institution Fellow and Policy Director, provided the presentation via videoconference from Washington, DC. Mr. Muro stated that the Brookings Institution is one of the oldest and most respected major public policy organizations in Washington, DC. He said that its mission is to conduct high quality, independent research to provide innovative, practical recommendations especially focused on economic and social welfare opportunities. Mr. Muro then provided background on some of the Institution's past work, including the Mountain Megas report. He said that the sister states and metro areas in the Intermountain region would work on some federal issues, especially transportation reauthorization, in the proposed project. Mr. Muro stated that Brookings proposes to drill down and help sharpen an agenda for the ethical reauthorization of the transportation bill. He said that they seek to work with MAG and under MAG's priorities, provide research support or framed ideas. Mr. Muro stated that Senator Harry Reid challenged them, by saying that he would look favorably upon multi state and multi metro efforts in upcoming legislative action. Mr. Muro expressed that he thought it would be beneficial to consult with key MPOs in the Intermountain West.

Mr. Muro stated that the Brookings Institution could help with producing quality, hard-hitting policy memoranda, helping marshal top quality research to support key requests, working with agencies to hold Capitol Hill briefings, pursuing national media coverage, and helping with briefing local or state leaders.

Vice Chair Schoaf stated that MAG had been speaking about this for several meetings, so there was some familiarity with the project. He asked members participating by teleconference if there were any questions. None were noted. He asked members at the table if they had questions.

Mayor Lopez Rogers said that the report mentions one year and 18 months and asked if that was the timeline. Mr. Smith replied that was the approximate timeline and it would depend upon when the project was launched.

Mayor Lopez Rogers stated that the report says that compact memoranda would be produced. She asked if that would be the vehicle of communication to the Regional Council and what would be the frequency of communication. Mr. Muro replied that a significant amount of funding is included to allow them to be present physically at key moments. He said they plan to execute a workshop, and provide communication by email and videoconference. Mr. Muro said that they assume they will work closely with key people who the Regional Council feel are the right contacts in the region.

Mayor Lopez Rogers asked if this was basically a lobbying effort. Mr. Muro replied that he would not characterize this as a lobbying effort and added that they cannot lobby. He said that they can help inform all parties on particular issues. Mr. Muro stated that they have a deep interest in transportation reauthorization that supports the needs of emerging metro regions. He added that he thought it was a need for education and strong framing of particular perspectives that the Regional Council wants to articulate. Mayor Lopez Rogers commented that she would disagree at that point.

With no further discussion, Vice Chair Schoaf read the requested motion was to approve amending the FY 2009 MAG Unified Planning Work Program and Annual Budget to include \$14,902 of MAG federal funds to participate in the Brookings Metropolitan Policy Program Intermountain partnership. Mayor Smith moved, Mayor Dunn seconded, and the motion passed, with Mayor Lane voting no.

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

Bob Hazlett, MAG Senior Engineer, reported that the City of Mesa has requested consideration of its proposal to advance the design and right of way acquisition for the segment of the Williams Gateway Freeway from the Santan Freeway to Ellsworth Road. He said that a request to accelerate the design, right of way and construction of this segment was approved by the MAG Regional Council in January 2009 using the Statewide Transportation Acceleration Needs (STAN) funds that had been allocated to the project in 2006. Mr. Hazlett explained that soon after the Regional Council approval, the legislature swept the funds that had been designated for the accelerated project.

Mr. Hazlett stated that the City of Mesa is now requesting that only the design and right of way be advanced, which is a total commitment of about \$45 million – approximately \$12 million for design and approximately \$32 million for right of way. Mr. Hazlett explained that the City of Mesa has proposed issuing Highway Project Advancement Notes (HPAN), which are secured by the city's excise tax, to fund the accelerated design and right of way, and he added that since Mesa would be issuing the debt, there is no impact on the freeway program's financing capacity. Mr. Hazlett stated that Mesa has requested that the \$8 million of advanced right of way funding that is programmed for this project in the

Freeway Life Cycle Program for FY 2009 through FY 2012 be used to cover the interest expense on the financing.

Mr. Hazlett referenced the onscreen map of the area and noted that the alignment for this segment of Williams Gateway Freeway is set, although alternatives for the alignment in Pinal County are under consideration as part of the environmental assessment process underway and which is due to be completed in late 2010. He added that although the project may advance through the MAG process this month, actual work probably will not begin until next year when ADOT's environmental work concludes.

Vice Chair Schoaf thanked Mr. Hazlett for his report and asked members if they had questions.

Mayor Lopez Rogers stated that the Regional Council will be discussing the strategies and scenarios for addressing the shortfall in the Proposition 400 program in the next agenda item, and she realized that the Williams Gateway Freeway is important to the development of the airport. She asked if MAG has evaluated the parkway option on SR-802 as it has with SR-801. Mr. Hazlett replied that at this time, no formal studies on a parkway for SR-801 have been done, and added that a parkway option for SR-802 has not completely been evaluated yet. Mayor Lopez Rogers stated that with limited funds, a parkway might be a cost savings option. She asked Mayor Smith if he had any comment on this.

Mayor Smith stated that Mesa's primary concern is the interchange between Loop 202 and SR-802 and getting beyond it to the airport. He said that beyond that, Pinal County has not identified any funding source for the extension to the east. Mayor Smith added that the Town of Queen Creek is also interested in options to get this done to serve the area. He stated that he feels that options will be addressed through the process, and what they are concentrating on is the connection of SR-802 and Loop 202.

Councilmember Esser asked for clarification that the \$8 million programmed for right of way protection in the Freeway Life Cycle Program for FY 2009 through FY 2012 is to preserve and protect. Mr. Hazlett replied that Councilmember Esser was correct, that was the intent of the request. He stated that it has already been identified and programmed in the TIP.

Councilmember Esser asked if they knew the parcels that are involved and need to be acquired. Mr. Hazlett replied that he believed all studies had been completed and parcels identified for the interim alignment and the full construction of the interchange at Loop 202 and the Santan and the connection in this particular area.

Mayor Dunn stated that the TPC had discussed parkways and heard that parkways in some locations, such as the South Mountain corridor, might not be the answer they thought they might be. Mr. Smith stated that he thought a parkway option would be location specific. In a rural area, a lot could be accomplished with a parkway option, but with the South Mountain, heavy volumes are anticipated and building a freeway would carry traffic for many years.

Mayor Dunn said that he thought it was good to consider options, and noted that the TPC received this presentation from Mr. Hazlett that brought forth new and innovative designs. Mayor Dunn stated that

he thought this project was especially critical in the development of a regional airport that will help the Valley as a whole and relieve demand from Sky Harbor Airport. He stated that he understood this is a critical element in the development of the infrastructure.

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

Vice Chair Schoaf asked members if they had any comments.

Mayor Sanders expressed appreciation for getting the project to this point. He stated his support for the motion.

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

9. Approval of the Draft FY 2010 MAG Unified Planning Work Program and Annual Budget and the Member Dues and Assessments

This agenda item was taken out of order.

Becky Kimbrough, MAG Fiscal Services Manager, reported on the draft FY 2010 MAG Unified Planning Work Program and Annual Budget and the member dues and assessments that were on the agenda for approval. She stated that the MAG dues and assessments were presented in January 2009 with a proposed overall decrease of 50 percent due to economic conditions. Ms. Kimbrough stated that newly proposed consultant and pass through projects comprise transportation modeling and database efforts.

Ms. Kimbrough thanked the Federal Highway Administration for agreeing to pay one-half of the cost of media buys in the MAG region for the Census 2010 using federal Surface Transportation Program funds assigned to planning, and this amounts to a total savings of \$213,408.

Ms. Kimbrough stated that the MAG planning area has been updated to show the urbanized area for the next 20 years and the revised Eight-Hour Ozone Nonattainment area was recommended by the Regional Council and the Governor to the Environmental Protection Agency.

Ms. Kimbrough stated that the annual Intermodal Planning Group meeting, which was held this year on April 17, 2009, provides a forum for MAG as the Metropolitan Planning Organization, the Arizona Department of Transportation, transit operators and federal agencies to discuss planning issues and the overall MAG Work Program. She reported that the representative from the Federal Transit

Administration noted that MAG should not delegate its responsibility for programming Federal Transit funds to another agency.

Ms. Kimbrough noted that in the past, MAG budgeted a five percent increase in staff salaries based on annual performance reviews, however, due to the economy, MAG has proposed no budgeted annual performance evaluation salary increases based on merit evaluations for FY 2010. She stated that three positions were added in FY 2009. Ms. Kimbrough stated that a transportation engineer position is included in the draft FY 2010 budget for work associated with Phase I of the Inner Loop traffic operations project.

Ms. Kimbrough stated that MAG builds into the budget a 15 percent contingency amount that can be used for funding future projects, and she noted that this year the amount is \$1.5 million. She stated that the draft FY 2010 budget and carryforward show a decrease of 4.27 percent from the FY 2009 budget. Ms. Kimbrough advised that there are no significant increases in the draft budget for operating costs compared to the FY 2009 budget. She expressed her appreciation to the Regional Council for their input while the budget was being developed.

Ms. Kimbrough stated that the Regional Council was requested to approve the resolution adopting the Draft FY 2010 MAG Unified Planning Work Program and Annual Budget and the member dues and assessments. Vice Chair Schoaf thanked Ms. Kimbrough for her report and asked members if they had questions. None were noted.

Councilmember Esser moved to approve the resolution adopting the Draft FY 2010 MAG Unified Planning Work Program and Annual Budget and the member dues and assessments. Mayor Truitt seconded, and the motion passed unanimously.

7. Transportation Planning Update - Proposition 400 Regional Freeway Program

Mr. Hazlett stated that staff has been working on costs and options to address funding shortfalls in the Regional Freeway Program. He said that the TPC was given a presentation on the findings and the beginnings of a possible strategy to deal with the program funding shortfall. Mr. Hazlett stated that the original budget for the Regional Transportation Plan was approximately \$9.4 billion, and the current cost opinion by ADOT is approximately \$15.9 billion. He stated that projects already obligated or that will obligate through FY 2010 total approximately \$2.7 billion, and the approximate cost for completing the Regional Freeway Program from FY 2011 to the end of the program is approximately \$13.236 billion, which leaves a projected deficit of \$6.6 billion.

Mr. Hazlett noted that the available funding for the balance of the Regional Freeway Program, which includes the half cent sales tax, ADOT, and federal funds, is approximately \$6.6 billion. He advised that the sales tax is still dwindling and the report for April 2009 showed that revenue was down 17.8 percent compared to April 2008.

Mr. Hazlett stated that the presentation tonight would focus on the \$6.6 billion deficit and some of the options to address the deficit that staff has drafted. He expressed appreciation to ADOT and the

management consultants for their assistance, and in this effort, they had attended more than 60 hours of meetings.

Mr. Hazlett stated that over the past few months, staff has been trying to find a way to mitigate the sales tax deficit. In January 2009, three tentative scenarios were presented – Trend Line (stay the course and extend the program), Maintain Budget (build projects with the funds available), and Blend.

Mr. Hazlett explained that staff took the four main strategies of management strategies, value engineering, deferrals, and staying the course, as ways to deal with the deficit in the Regional Freeway Program. With management strategies, they looked at whether there was a better way to do construction, right of way, and systemwide costs. With value engineering, they looked at two specific corridors, the South Mountain and Loop 303, and tried to identify if there could be some cost savings. Mr. Hazlett stated that with deferrals, projects would still stay in the Regional Transportation Plan, but deferred to a later date. Mr. Hazlett stated that with the rising gasoline prices, they looked wherever they could to advance the HOV lane system, and also invoked more transportation management strategies. With staying the course, Mr. Hazlett noted that there are a number of projects that will stay on schedule.

Mr. Hazlett stated that recent construction project bids and right of way costs on the Regional Freeway System have been lower than the engineer's estimate. He said that they took an overall ten percent reduction on construction and right of way costs and a reduction in the right of way cost estimates by seven percent for projects after FY 2011.

Mr. Hazlett then addressed value engineering on the South Mountain Freeway, which is one of the most critical corridors in the Regional Transportation Plan. He said that the original estimate in the Regional Transportation Plan was approximately \$1.1 billion and the current estimate is about \$2.5 billion. Mr. Hazlett noted options that were looked at: to continue with current plans as a freeway or consider a narrower footprint or parkway. He said that the results of traffic demand modeling indicated that the South Mountain wants to behave like a freeway. Mr. Hazlett stated that if the South Mountain could not be built as a parkway, they considered what could be done to trim costs. They focused on segments eight and nine, which were the most expensive elements of the corridor. Mr. Hazlett stated that they suggested moving the alignment to 59th Avenue, which represents a cost savings of approximately \$130 million.

Mr. Hazlett stated that another element on the South Mountain was the cross section. He said that the original intent was to construct the South Mountain as six lanes, and ultimately widen it to ten lanes, with outside/inside widening. Mr. Hazlett stated that this is contrary to the designs of Proposition 300 freeways and added that returning to the Proposition 300 design would help along Pecos Road, where ADOT already owns about 95 percent of the right of way to build the Proposition 300 cross section. Mr. Hazlett stated that in terms of savings, using the 59th Avenue alignment would save about \$128 million, the Proposition 300 cross section could save approximately \$105 million, lower right of way and construction costs could save about \$204 million, and other value engineering could save about \$132 million. He noted that the cost could be reduced to about \$1.9 billion, which includes HOV lanes for the entire corridor, versus the ADOT identified cost of \$2.5 billion.

Mr. Hazlett addressed Loop 303. He said that the original cost estimate in the Regional Transportation Plan was \$1.4 billion, and the current estimate is approximately \$3.1 billion. Mr. Hazlett explained two key interchanges planned on Loop 303: at US-60 and at I-10. He stated that the original design for the interchange at US-60 is a stacked SPUI, with ramps on both sides of Grand Avenue, and the left turning movements would be at the traffic signals under the decks. Mr. Hazlett also noted that the BNSF railroad would be located within the traffic interchange footprint. He stated that as proposed, the cost for the interchange at US-60 is about \$200 million. Mr. Hazlett stated that as part of an access management study by MAG and the City of Surprise on US-60 that is underway, they looked at a partial cloverleaf design, and a traffic analysis showed that this design will carry traffic at a quite acceptable level of service through the year 2030. Mr. Hazlett stated that they asked ADOT to revisit this, and he noted that going to this design could save approximately \$150 million.

Mr. Hazlett addressed the proposed system traffic interchange of Loop 303 with I-10. He said that the cost to build this system traffic interchange is about \$760 million, and represents 53.5 percent of the cost to build all of Loop 303 identified in the Regional Transportation Plan from MC-85 to I-17. Mr. Hazlett stated that they have met with ADOT and Federal Highway Administration to look at the interchange to determine if there were economies without sacrificing safety and capacity.

Mr. Hazlett addressed some of the anticipated savings on the Loop 303 corridor, which include simplifying the interchange with I-10 at a cost savings of about \$370 million and potentially deferring the construction of the MC-85 to I-10 segment at a cost savings of \$240 million. He noted that using the Proposition 300 cross section could save almost \$1 billion. Mr. Hazlett stated that the cost of Loop 303 could be reduced to \$2 billion from \$3 billion.

Mr. Hazlett addressed potential deferrals, and advised that they recommend building out the HOV system as a traffic management consideration. He noted that they looked at deferrals for SR-801, SR-802 between Ellsworth and Meridian, additional general purpose lanes on the freeways, and the direct HOV ramp connections at I-10 and Loop 101, and I-17 and Loop 101. Mr. Hazlett commented that even with the potential project deferrals, there is still a fair amount of projects being built out as planned in the Regional Transportation Plan.

Mr. Hazlett stated that the Durango Loop of I-17 between the Split and the Stack is nearing the end of its service life, and funds perhaps could be shifted to this area to make it a more cohesive project. He commented on leaving in the traffic interchange for west Sky Harbor access, and added that Homeland Security is looking at ways to better control traffic in the Sky Harbor Airport area.

Mr. Hazlett recalled the \$6.6 billion deficit mentioned at the beginning of the presentation. He stated that with the savings he described on the South Mountain and Loop 303 corridors: deferring new freeway segments; add general purpose lanes, and direct HOV ramps and traffic interchanges; lowering right of way contingency and construction costs; and reducing systemwide costs, the cost of the program is about \$9.5 billion and the net savings to the program are approximately \$6.6 billion, which matches up with the program deficit. Vice Chair Schoaf thanked Mr. Hazlett for his presentation and asked members if they had any questions.

Supervisor Wilson commented that MAG analyzes costs to save money, but also tries to compute where growth will be in the next 10 to 15 years. He said that knowing what it costs to modify existing freeway systems, was there anything that could be done in this plan to accommodate that in order to avoid costly rebuilding of freeways. Mr. Hazlett replied that the TPC requested that recommendations be looked at holistically as possible and to identify points of no return, which means if a design is changed, the option of returning to the original design has been eliminated. Mr. Hazlett commented that they are trying to ensure both carrying capacity to the 2030 horizon and ultimate safety on the regional freeway system. Poor telephone reception limited Supervisor Wilson's next question.

10. Legislative Update

No report was provided for this agenda item.

11. Presentation on Regional Readiness in Preparing for the Swine Flu

Dr. Bob England, Director of the Maricopa County Public Health Department, presented information regarding the Swine Flu. He said that he would report to the Regional Council on the implications of what could happen in a severe flu outbreak and the measures that could be taken.

Dr. England stated that the Swine Flu case count is now irrelevant because the numbers reflect only who was tested, not the number of cases. He said that in reality there have been thousands of cases. Dr. England advised that the issue is how sick it is making people, and all indications show it is behaving like the regular flu. He stated that this outbreak is acting like the 1968 flu and the mortality rate is no greater than the seasonal flu, which kills about 36,000 annually.

Dr. England stated that there are three prerequisites for the start of a pandemic – a new virus must emerge to which people will have little or no immunity, the new virus must be able to replicate in humans and cause disease, and the new virus must be efficiently transmitted from one human to another. Dr. England noted that there is also a fourth variable – how sick the virus makes people.

Dr. England reported that there were three pandemics in the last century – 1918, 1957, and 1968. The 1957 outbreak was not much worse than a seasonal flu. Dr. England stated that pandemics come in multiple waves; the first wave of the 1918 flu started out mild in the springtime and came back with a vengeance in the fall. He commented that it seems as if we have dodged a bullet with this Swine Flu, but that will not last and it will come back. Dr. England stated that the key is whether it mutates as did the 1918 flu to make it more virulent.

Dr. England displayed a graph of infectious diseases in the 20th century and noted that early in the century, people were more accustomed to death from infectious disease, but the 1918 flu killed many people and caused incredible social disruption. He commented that action taken from now on is not only to keep people healthy, but also to hold society together or the result will be calamity.

Dr. England stated that now that the crisis has died down in the media, his department is busy focusing on surveillance and making decisions on how they are going to intervene, and issuing guidance to the

health care community. He noted that they have added a lot of information and links to their Web site and said that people can sign up for Twitter updates. Dr. England stated that they are utilizing partners, such as the Community Information and Referral Service, to give out information that the Department provided.

Dr. England advised that the County Health Department has a serious role in distributing medication according to the federal Pandemic Plan, which includes social distancing and community mitigation. He said that the Plan also includes simple things such as covering your cough or staying home when sick, and more extreme measures, such as closing schools and cancelling public gatherings, which are disruptive to the community and could do much damage to the economy and society. Dr. England noted that in 1918, before there were vaccines, these were the only types of measures people had.

Dr. England noted the value of social distancing during a pandemic, by explaining that in 1918, the City of Philadelphia sounded the all-clear too early and had a much more severe flu outbreak than the City of St. Louis, which canceled schools and community gatherings and informed people to not go out in public unless necessary.

Dr. England advised that any time there is an outbreak or epidemic, a strategy implemented at the start of the occurrence will be more effective than a strategy implemented later. He stated that in communities with successful interventions, however, the waves last longer, so any intervention needs to continue for a long time and that has implications for disrupting society.

Dr. England stated that the federal Pandemic Plan would distribute the vaccine by dividing the population into four groups. In priority order they are: (1) homeland security personnel; (2) critical infrastructure personnel; (3) health care personnel; and (4) general population. He said that the Plan determined who would get the vaccine and in what order because it takes a long time to make the vaccine, and it is unlikely there will be sufficient quantity for everyone. Dr. England stated that it could come to the point where a health care facility is given enough vaccine for one-fourth of its workers and is told to choose who gets it. He commented that the families of workers who receive the vaccine might have to wait two months to receive their vaccines. Dr. England stated that he would not relish having to explain this to the public, and added that it will be a difficult education message and is a recipe for significant social disruption.

Dr. England stated that the federal tiered plan is not geared toward those who spread the virus, but to those who most need to be protected. He stated that one alternative is to vaccinate children, and explained that the Advisory Committee on Immunization Practices recommended that all children get flu shots, mostly because they are the main disseminators of the flu. Dr. England stated that there is a lot of scientific data on this, for example, in Japan, infection rates plummeted when school children were vaccinated and rose when the requirements were relaxed.

Dr. England reported that if 20 percent of school-aged children received the vaccine, the total cases in the community would be reduced by 50 percent, and if the vast majority of school-aged children received the vaccine, the total cases in the community would be reduced by more than 90 percent. Dr. England stated that they are working very hard on what they will need to do this summer. He said there

are a lot of unknowns: how much vaccine will be produced, when it will arrive, how effective it will be, and the number of doses each person will need. Dr. England also said that they do not know if they will be able to pass emergency regulations requiring vaccination in schools because the vaccine might not be licensed for children. He stated that the licensing process is more onerous for children and they do not know if there will be a waiver.

Dr. England stated that they do not know a lot about this virus, and said that it may not mutate and preparations might not be necessary. He stated that if the 1918 numbers are applied to the Valley, they are looking at potentially 35,000 deaths in Maricopa County, mostly children and young adults. Dr. England stated that if they get the vaccine, they must be ready to vaccinate an unprecedented number of children in the community – about 100,000 per day, as quickly as possible in a short period of time. He stated that they will need all of the partners – cities, towns, school districts, and the health care community – to help implement this. Dr. England added that if this is not done soon enough, they will have to vaccinate according to the tiered groups.

Dr. England commented that it seems this Swine Flu has gone away, but this is a perilous time and there is a reasonable chance a mutation will occur to make the virus much worse. If that happens, they will need the cooperation of all partners.

Vice Chair Schoaf thanked Dr. England for his efforts. He asked members if they had questions. None were noted.

12. Maricopa County Clean Air Initiative

Lawrence Odle, Director of the Maricopa County Air Quality Department, updated members on the County's new clean air campaign. Mr. Odle stated that he has provided this presentation to 11 cities and town councils in the County and has six more planned, in order to develop a relationship with the jurisdictions on the program before they have to use it.

Mr. Odle stated that most people think of power plant stacks when they think of air pollution, but it is really the result of man's attempt to attain a higher standard of living. He remarked that air pollution has been around a long time: King Henry VIII issued a proclamation that whoever burned coal within the sound of his voice would suffer the loss of his head.

Mr. Odle noted that Maricopa County has concerns with the black cloud and deals with particulate problems. He explained that the EPA provides guidelines on what can be exceeded without harming public health, but some occurrences are not manmade; they are a result of nature. Mr. Odle noted that Maricopa County has requested that eleven of the twelve occurrences be categorized as exceptional events, because they were caused by windstorms. He stated that while Maricopa County is severe for particulates, it does not exceed the particulate standard in areas that have not been disturbed by man.

Mr. Odle stated that there are consequences for a series of not meeting the guidelines, including the potential loss of up to \$7 billion for transportation funding. To avoid that, the Five Percent Reduction Plan needs to be implemented. Mr. Odle said that the starting point for the region's particulate matter

emissions was 100,000 tons per year and it is now 74,000 tons per year. Mr. Odle stated that Maricopa County is unique in that particulate pollution comes from fugitive dust rather than pollution from stacks.

Mr. Odle addressed the control strategies that Maricopa County Air Quality Department is utilizing the Five Percent Plan, including revising rules at the County and establishing a fund to assist cities and towns with paving dirt roads. He stated that the Department's goals are to attain the standard and trying to get the community to understand they are contributing to the problem and are the source of the solution.

Mr. Odle stated that due to Senate Bill 1552, the cities and towns had to meet many requirements. He reported that the Department held a workshop for cities and towns to discuss how the County could help them implement the requirements. Mr. Odle said that many good recommendations were received and cities and towns requested assistance with training, enforcement, and funding. He stated that the City of Scottsdale developed a memorandum of understanding for a long-term event.

Mr. Odle stated that the next issue is dealing with the region's ozone problem. He noted that last year, the EPA lowered the ozone standard, and strategies in the future to reduce ozone will be challenging.

Mr. Odle displayed a photo of the County's new mobile air monitoring van, which has the ability to analyze a number of pollutants. He noted that the County is doing public outreach activities, such as going to cities, and asking policy makers, stakeholders, industry and the public to be a part of the program and help attain health-based standards.

Mr. Odle stated that since he came to the Department in October 2008, some new policies have been initiated, including assigning a liaison to jurisdictions and establishing an ombudsman's office to assist in resolving issues, establishing an advisory committee, and holding an annual air quality conference, which is scheduled for September.

Mr. Odle stated that the Department is trying to create a positive approach to clean air and one of the tools is the CleanAirMakeMore.com Web site. He introduced Riester staff, Joe Yuhas, who works on the program. Vice Chair Schoaf thanked Mr. Odle for his report. No questions from the Council were noted.

13. 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.

Vice Chair Schoaf noted that a memorandum from Mayor Cavanaugh, Chair of the MAG Nominating Committee, which reported the action taken by the Committee, was at each place. The slate recommended by the Nominating Committee: Chair, Councilmember Peggy Neely from Phoenix; Vice Chair, Mayor Thomas Schoaf from Litchfield Park; Treasurer, Mayor Hugh Hallman from Tempe; At-Large Members, Mayor Marie Lopez Rogers from Avondale, Mayor Scott Smith from Mesa, and

Mayor Jim Lane from Scottsdale. The Past Chair, Mayor James Cavanaugh from Goodyear, also serves on the Executive Committee.

There being no further business, the Regional Council meeting adjourned at 6:35 p.m.

Chair

Secretary