

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

April 22, 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. Mayor Scott Smith, Mesa
# Councilmember Robin Barker, Apache Junction	Councilmember Scott LeMarr for Mayor Vernon Parker, Paradise Valley
Mayor Marie Lopez Rogers, Avondale	# Mayor Bob Barrett, Peoria
Mayor Jackie Meck, Buckeye	* Mayor Arthur Sanders, Queen Creek
* Mayor Wayne Fulcher, Carefree	* President Diane Enos, Salt River Pima-Maricopa Indian Community
Councilmember Dick Esser, Cave Creek	# Mayor Jim Lane, Scottsdale Mayor Lyn Truitt, Surprise
# Mayor Boyd Dunn, Chandler	Mayor Hugh Hallman, Tempe
# Mayor Fred Waterman, El Mirage	* Mayor Adolfo Gamez, Tolleson
* President Clinton Pattea, Fort McDowell Yavapai Nation	# Mayor Kelly Blunt, Wickenburg Mayor Michael LeVault, Youngtown
Mayor Jay Schlum, Fountain Hills	* Felipe Zubia, State Transportation Board
* Mayor Fred Hull, Gila Bend	* Victor Flores, State Transportation Board Vacant, Citizens Transportation Oversight Committee
Lt. Governor Joseph Manuel for Governor William Rhodes, Gila River Indian Community	
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 5:03 p.m.

2. Pledge of Allegiance

Mayor Steve Berman led the Pledge of Allegiance.

Chair Neely noted that Councilmember Robin Barker, Mayor Bob Barrett, Mayor Kelly Blunt, Mayor Boyd Dunn, Mayor Jim Lane, and Mayor Fred Waterman were participating by teleconference.

Chair Neely announced that the Transportation Policy Committee recommended approval of the Update to the Arterial Life Cycle Program Policies and Procedures. She noted materials at each place included revised material for agenda items #5G, and #7 and a memorandum announcing the appointments to the Nominating Committee for agenda item #11. Chair Neely advised that for agenda item #9, the Brookings Policy Program has requested that the Brookings Intermountain Study be considered at the May Regional Council meeting.

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 Roger Champagne, who said that he had questions on the Northern Parkway. He said that he found out about the impacts of this project to his property by accident and he added that he had spoken to staff at the City of Glendale. Chair Neely advised that Mr. Champagne's questions could not be answered at the meeting because this topic was not agendized, however, staff would follow up with him later. She asked Mr. Champagne to provide his questions for the record. Mr. Champagne listed his questions: 1. When will the Parkway project begin? 2. Why were the residents of Butler Drive not notified about this project? 3. How many properties will be affected? 4. Will their properties be bought or will the residents be landlocked? 5. According to the plan, the water well at 143rd Avenue and Butler Drive will end up in the westbound lanes of the Parkway. Does this mean the residents will not have water? 6. Will residents be paid for part of their properties or for their entire parcels? Chair Neely thanked Mr. Champagne for coming to the meeting and providing comment. She requested that staff meet with him.

Chair Neely recognized public comment from Dianne Barker, who expressed her appreciation for the transit tickets she received for coming to the meeting by bus and bike. Ms. Barker described her success in receiving free passes for various entertainment opportunities through Twitter. She stated that many people are surprised when she tells them how she is able to get around so effectively using transit, and she thought additional advertising might be helpful to informing the public. Ms. Barker indicated that she supported elevated rail over light rail because it is faster. She urged members to encourage their

relatives and friends to use transit, and if they are scared, to sit by the driver. Chair Neely thanked Ms. Barker for her 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 the Government Finance Officers Association awarded the Certificate of Achievement for Excellence in Financial Reporting to the MAG Comprehensive Annual Financial Report. Mr. Smith noted that MAG has received this award for the 11th consecutive year. He stated that for the last reporting year, 3,569 certificates were granted and only 20 Regional Councils in the United States received the award. Mr. Smith noted that there are 500 Regional Councils in the United States. He acknowledged the efforts of the MAG Fiscal Services Division and its Manager, Becky Kimbrough. Chair Neely congratulated MAG staff.

Mr. Smith stated that on April 17, 2009, Intermodal Planning Group representatives from Federal Highway Administration, Federal Transit Administration (FTA), Environmental Protection Agency, the Arizona Department of Transportation, and the Arizona Department of Environmental Quality attended the meeting to review the MAG FY 2010 Work Program. He reported that after the review, they requested that the Resolution on Metropolitan Transportation Planning and Programming be updated by the time of certification next year, and they also commented that MAG as the MPO should be programming its FTA federal funds and not delegating the task to another agency.

Mr. Smith stated that the Continuum of Care Regional Committee on Homelessness Appreciation Luncheon was held April 20, 2009. He noted that 150 people attended the luncheon and 100 people attended the Regional Plan to End Homelessness Implementation Summit held in the morning. Mr. Smith extended his appreciation to Jerry Bisgrove, who sponsors the luncheon each year.

Mr. Smith stated that Governor Jan Brewer recommended to the Environmental Protection Agency (EPA) the eight-hour ozone boundary that was recommended by the MAG Regional Council. He advised that EPA action on this recommendation is expected in approximately one year. Chair Neely thanked Mr. Smith for his report. No questions for Mr. Smith were noted.

5. Approval of Consent Agenda

Chair Neely noted that agenda items #5A through #5H were on the Consent Agenda. She noted that no public comment cards had been received. Chair Neely asked members if they had questions or requests to hear an item individually. No requests were noted.

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

5A. Approval of the March 25, 2009, Meeting Minutes

The Regional Council, by consent, approved the March 25, 2009, meeting minutes.

5B. Update to the Arterial Life Cycle Program Policies and Procedures

The Regional Council, by consent, approved the proposed changes to the previously approved December 19, 2007, Arterial Life Cycle Program (ALCP) Policies and Procedures. The Arterial Life Cycle Program (ALCP) is a key part of Proposition 400 and represents more than \$1.7 billion of regional investment over the next 20 years. The ALCP Policies and Procedures provide guidance to MAG and to MAG member agencies to ensure that the program is implemented in an efficient and effective manner. Revisions are now required to the ALCP Policies and Procedures that were approved by the MAG Regional Council on December 19, 2007. The proposed revisions include refinements to policies on the Regional Area Road Fund (RARF) closeout process, the addition of substitute projects, and the amendment or termination of signed and effective Project Agreements. Other minor technical refinements are also included. MAG staff and the ALCP Working Group met on November 17, 2008 and January 9, 2009 to discuss and develop the suggested technical changes to the December 19, 2007 ALCP Policies and Procedures. A draft version of the suggested changes was disseminated via email to the ALCP Working Group for additional review and comments. Policy language was incorporated to provide guidance on the reimbursement of High Priority Projects (HPP) with funds in the Arterial Life Cycle Program. Language specifying circumstances when an ALCP Project Agreement between MAG and a Member Agency would require an amendment or termination also was incorporated in the ALCP Policies and Procedures. Refinements regarding policies and procedures to change the scope of an ALCP project or to substitute a new project for an existing ALCP project were made. Under the new provisions, agencies must present justification and information on the proposed changes to the MAG Street Committee for a technical review and recommendation for inclusion in the ALCP. Specific deadlines pertaining to Regional Area Road Fund (RARF) Closeout and the ALCP annual update process were removed from the ALCP Policies and Procedures. Instead, deadlines will be published annually in the MAG Transportation Programming Guidebook. Removing the deadlines from the ALCP Policies and Procedures allowed MAG Staff to be flexible to member agency programming needs. Other technical refinements to the ALCP Policies and Procedures include the addition of Capital Improvement Program disclosures, requiring Signature Cards on an annual basis, and expanding the list of project expenditures ineligible for reimbursement. The Management Committee and the Transportation Policy Committee recommended approval.

5C. Arterial Life Cycle Program Status Report

A Status Report on the Arterial Life Cycle Program (ALCP) is provided for the period between October 2008 and March 2009 and includes an update on ALCP Project work, the remaining FY 2009 ALCP schedule, and ALCP revenues and finances. This item was on the agenda for information and discussion.

5D. Section 5310 Elderly Individuals and Individuals with Disabilities Transportation Program Priority Listing of Applicants

The Regional Council, by consent, approved forwarding the priority listing of applicants for FTA Elderly and Persons with Disabilities Transportation Program to the Arizona Department of Transportation. The Federal Transit Administration (FTA) provides Section 5310, Elderly Individuals and Individuals with

Disabilities Transportation Program funding, to the Arizona Department of Transportation (ADOT). These capital assistance awards support agencies and public bodies that provide transportation services for older adults and for people who have a disability. The Councils of Governments, including MAG, prepare priority listings of applications for ADOT to be used when determining awards. In March 2009, the MAG FTA Elderly and Persons with Disabilities Transportation Program Ad Hoc Committee met three times to receive training on the application process, to interview all applicants, and to develop a priority listing. This year, 13 agencies submitted requests for 23 vans and two mobility management projects. The priority listing reflects 24 requests because the committee determined one of the mobility management projects did not fulfill FTA guidelines. Approximately \$3.9 million is available statewide for funding this year's projects. This funding comprises traditional FTA 5310 formula funds and federal Surface Transportation Program (STP) Flexible Funds. The latter is from additional funding targeted by the State Transportation Board to augment rural-area programs. Applicants within small and large urban planning regions are eligible for STP funding if they can substantiate predominately rural routes or service areas within these regions. On April 8, 2009, the Management Committee recommended forwarding the priority listing to ADOT.

5E. Regional Community Network Reporting Structure

The Regional Community Network (RCN) is a fiber optic communications network connecting member agency Traffic Management Centers (TMCs) that, when completed, would connect all MAG member agencies for the primary purpose of coordinating traffic control operations between neighboring agencies. The first phase of the project is currently being implemented by Arizona Department of Transportation through an Intelligent Transportation Systems (ITS) project in the FY 2008 MAG Work Program. The network is being created by closing the gaps between agency-owned fiber optic infrastructure. The active electronics will be installed after the fiber optic infrastructure is in place and the first year of network management will be included in that contract. After that time, responsibility for management of the network will revert to MAG. The RCN Working Group, consisting of agencies represented on the ITS Committee and Technology Advisory Group (TAG) is working to identify network management strategies for moving forward. This will be done through a number of documents that will outline the proposed place of the network in the MAG reporting structure, the roles and responsibilities of all involved parties, and recommended policies and procedures for the operation, maintenance and expansion of the network. The document under consideration is a framework for how management of this network might fit into the MAG reporting structure and allow technical decisions on simple service additions and the day-to-day operation of the network to take place in the technical committees following policies established by the Regional Council. This framework is modeled on the MAG 911 Oversight Committee which invests some decision making abilities in a technical committee. This structure has been recommended for adoption by the ITS and TAG Committees and approval by the Transportation Review Committee and the Management Committee.

5F. ADOT Red Letter Process

The Regional Council approved the Red Letter Process in 1996 to provide early notification of potential development in planned freeway alignments. Development activities include actions on plans, zoning, and permits. Key elements of the process include: Notifications - ADOT will periodically forward Red

Letter notifications to MAG. Notifications will be placed on the consent agenda for information and discussion at the Transportation Review Committee, Management Committee, and Regional Council meetings. If a member wishes to take action on a notification, the item can be removed from the consent agenda for further discussion. The item could then be placed on the agenda of a subsequent meeting for action. Advance acquisitions: ADOT is authorized to proceed with advance right-of-way acquisitions up to \$2 million per year in funded corridors. Any change in the budgets for advance right-of-way acquisitions constitutes a material cost change as well as a change in freeway priorities and therefore, would have to be reviewed by MAG and would require Regional Council action. With the passage of Proposition 400 on November 2, 2004, the Regional Transportation Plan (RTP) includes funding for right-of-way acquisition as part of the funding for individual highway projects. This funding is spread over the four phases of the Plan. Funding for advance acquisitions may be made available on a case-by-case basis. For information, the ADOT Advance Acquisition policy allows the expenditure of funds to obtain right-of-way where needed to address hardship cases (residential only), forestall development (typical Red Letter case), respond to advantageous offers or, with remaining funds, acquire properties in the construction sequence for which right-of-way acquisition has not already been funded. In addition to forestalling development within freeway corridors, ADOT, under the Red Letter Process, works with developers on projects adjacent to or close to existing and proposed routes that may have a potential impact on drainage, noise mitigation, and/or access. For this purpose, ADOT needs to be informed of all zoning and development activity within one-half mile of any existing and planned facility. Without ADOT input on development plans adjacent to or near existing and planned facilities, there is a potential for increased costs to the local jurisdiction, the region and/or ADOT. ADOT has forwarded a list of notifications from July 1, 2008 to December 31, 2008. Of the 254 notices received, 92 had an impact to the State Highway System. This item was on the agenda for information and discussion.

5G. 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 and administrative modification involve several projects, including two FY 2009 paving projects from the City of Phoenix that require cost and scope changes. In addition, MAG is conducting consultation on a conformity assessment for an amendment and administrative modification to the TIP for member agency projects for the distribution of the MAG sub-allocated portion of the American Recovery and Reinvestment Act (ARRA) funds. 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.

5H. Discussion and Update on the Draft FY 2010 MAG Unified Planning Work Program and Annual Budget

Each year, the MAG Unified Planning Work Program and Annual Budget is developed incrementally in conjunction with member agency and public input. The Work Program is reviewed each year in April by the federal agencies and approved by the Regional Council in May. Since the budget presentation in March, there have been no significant changes to the draft budget. This item was on the agenda for information and discussion.

6. Update on the American Recovery and Reinvestment Act of 2009: ADOT Portion, MAG Sub-Allocation, and MAG Region Transit Funds

Eileen Yazzie, MAG Transportation Program Manager, reported on the American Recovery and Reinvestment Act of 2009 (ARRA), which provides funds for highway, transit, and transportation enhancement projects. She stated that at the March 2009 meeting, the MAG Regional Council approved the necessary Transportation Improvement Program (TIP) project changes for five ADOT-led freeway projects programmed with ARRA funds. Ms. Yazzie stated that two highway projects have already gone out to bid, with bid openings in mid-May and the other three highway projects will be advertised within the next three months.

Ms. Yazzie stated that also at the March meeting, the Regional Council approved amendments and modifications to the MAG TIP to include 15 transit projects submitted by the Regional Public Transportation Authority (RPTA). She noted that MAG is coordinating with Federal Transit Administration, City of Phoenix, RPTA, and METRO for the grant application and concurrence letters.

Ms. Yazzie stated that the ARRA legislation designates three percent, about \$15.6 million, of the state highway portion of the ARRA funds for transportation enhancement projects. She advised that the Transportation Enhancement Review Committee recommended using the list of existing enhancement projects, replacing the transportation enhancement funding with ARRA money, and allocating additional ARRA funding to the projects. Ms. Yazzie stated that this means that the local share will be lower. She said that 11 of the 23 transportation enhancement projects are in the MAG region and total about \$7.1 million. Ms. Yazzie noted that any amendments or modifications to the MAG TIP will go through the MAG process after the State Transportation Board takes action, and she added that this will likely take place in the May/June timeframe.

Ms. Yazzie stated that for the ARRA funds sub-allocated to MAG, the Regional Council approved Scenario #1, Option A, with a minimum agency allocation of \$500,000 plus funding based on population. She said that the process will then be followed to conduct any necessary air quality conformity or consultations and to administratively adjust or amend the FY 2008-2012 TIP.

Ms. Yazzie stated that the MAG sub-allocated ARRA Funds total \$104,578,340, and to date, 61 projects have been identified in the MAG region totaling about \$103,200,000. She expressed her appreciation to member agency staff for their work on identifying projects. Ms. Yazzie advised that project identification is still underway with five MAG member agencies, Federal Highway Administration, the Bureau of Indian Affairs, and the Federal Transit Administration.

Ms. Yazzie reviewed some of the projects that have been submitted for the sub-allocation funding, including some Americans with Disability Act projects, pavement rehabilitation and reconstruction projects, bridge projects, intersection and/or capacity improvement projects, ITS projects, pedestrian projects, safety and sign projects, and transit projects. She advised that pavement rehabilitation projects, at almost \$50 million, represent the largest portion of the sub-allocation.

Ms. Yazzie stated that the next steps include action to approve the amendments and administrative modifications to the MAG TIP and RTP, which is addressed in agenda item #7. She noted that a joint meeting of local governments with ADOT and FHWA is scheduled for April 28, 2009, and the meeting notification has been sent to the Management Committee, Transportation Review Committee, and Intergovernmental Representatives.

Ms. Yazzie stated that MAG staff will be providing a status report on ARRA funds and requested that staff would like to know the Regional Council's preference for a reporting timeline. Chair Neely noted that the consensus was to receive a status report monthly. No questions from the Council were noted.

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

Ms. Yazzie stated that the Regional Council was requested to take action on the administrative modifications and amendments to the Transportation Improvement Program (TIP) and Regional Transportation Plan (RTP) 2007 Update, and the FY 2009 Arterial Life Cycle Program (ALCP) to include projects that previously were approved for funding by the Regional Council. She referenced the material at each place, dated April 20, 2009, by saying that 59 of the 61 ARRA-funded projects she had mentioned in agenda item #6, and the other two projects will begin the MAG approval process at the Transportation Review Committee meeting the following day. Ms. Yazzie stated that additionally, there are a few projects that require minor technical changes. Chair Neely thanked Ms. Yazzie for her report. No questions by the Council were noted.

Mayor Smith moved approval of 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. Mayor Berman seconded, and the motion passed, with Vice Chair Schoaf voting no.

8. Proposed Amendment to Add Stage One of the Phoenix Sky Harbor Automated Train System (Sky Train) to the FY 2008-2012 MAG Transportation Improvement Program and MAG Regional Transportation Plan 2007 Update and Inclusion of Stage Two of the Phoenix Sky Harbor Automated Train System (Sky Train) in the MAG Regional Transportation Plan 2007 Update as an Illustrative Project

Eric Anderson, MAG Transportation Director, described the Sky Train as an automated transit system that will connect the major facilities at Phoenix Sky Harbor International Airport with the METRO light rail system. He said that Stage One would connect the light rail station at 44th Street and Washington to Terminal Four at Sky Harbor Airport; Stage Two is to continue Sky Train to connect to Terminal Three and Terminal Two and then to the rental car center.

Mr. Anderson reported that this agenda item is a request by the City of Phoenix to amend the FY 2008-2012 MAG Transportation Improvement Program and MAG Regional Transportation Plan 2007 Update

to include Stage One of the Sky Train project and to add Stage Two to the Regional Transportation Plan (RTP) 2007 Update as an illustrative project.

Mr. Anderson stated that the City of Phoenix is funding Stage One with airport revenue and passenger facility fees. He explained that the MAG Plan must be fiscally constrained and to add Stage Two to the Plan, it would need to be added as an illustrative project, which is a project that does not have identified funding. Mr. Anderson noted that adding the project to the MAG Plan would allow the City of Phoenix to explore a US Department of Transportation financing program called Transportation Infrastructure Financing Innovation Act of 1998 (TIFIA). He explained that in order to be eligible to receive TIFIA funds, a project must be in the TIP and RTP of a metropolitan planning organization. He advised that the City of Phoenix has no intent to pursue any Proposition 400 funding for the Stage One or Stage Two, and this request is just to accommodate the City's attempt to acquire additional federal funds. Mr. Anderson said that the repayment sources for Stage One financing are from passenger facility fees and airport revenue, and the repayment sources for Stage Two will be similar sources, but the City also needs to look at alternative programs for financing.

Jane Morris, Assistant Aviation Director for the City of Phoenix Aviation Department, continued the presentation. She introduced her colleague at the Aviation Department, Mr. Paul Blue, who was also present at the meeting to answer any questions. Ms. Morris said that she was at the meeting to provide an overview of the Sky Train project. She emphasized that the City is not requesting any Proposition 400 funding for the project, but is requesting an amendment to the FY 2008-2012 MAG Transportation Improvement Program and MAG Regional Transportation Plan 2007 Update to include Stage One of the Sky Train project and to add Stage Two to the Regional Transportation Plan (RTP) 2007 Update as an illustrative project to allow the City to be eligible for TIFIA, a credit enhancement program. Ms. Morris advised that the train's funding will be from airport facility charges and revenue.

Ms. Morris displayed a map of Sky Harbor Airport and pointed out the METRO light rail station will be co-located with the Sky Train station at 44th Street and Washington. She said that Sky Train will provide a seamless connection from the station to the east economy parking lot.

Ms. Morris stated that the decision to construct Sky Train in two stages was purely financial; the City preferred to build the \$1.5 billion project all at one time, but was constrained by financial capabilities. She displayed the route of Stage Two and said that the whole system received NEPA approval about three years ago.

Ms. Morris displayed a rendition of the 44th Street and Washington Street station, which showed the METRO light rail stop and the Sky Train station. She said that passengers will disembark light rail, and take an escalator to an air conditioned walkway over Washington Street, which will take them to the Sky Train station. Ms. Morris advised that service is a three to five minute headway time. She pointed out that they have been seeing more than 1,000 riders per day, and up to 1,300 riders, making the connection to light rail at the Washington Street station. Ms. Morris stated that this number of riders has exceeded expectations, and they think the trend will continue and increase.

Ms. Morris then showed a real-time animation of a Sky Train ride, and said that the train's guideway will run on the southbound lanes of 44th Street and private vehicle traffic will be reassigned to the northbound lanes. She acknowledged the support of ADOT and MAG to return this road to the City. Ms. Morris stated that Stage One will take passengers from the METRO light rail station at 44th Street and Washington to Terminal Four at the airport, and Stage Two will be the completion of the system to Terminals Two and Three and the rental car center.

Chair Neely thanked Ms. Morris for her report. She said that the City has been hearing that people are anxious to ride light rail and be connected with the airport. Chair Neely added that the City is looking forward to making the connections seamless. No questions from the Council were noted.

Mayor Lopez Rogers moved approval of a proposed amendment to add Stage One of the Phoenix Sky Harbor Automated Train System (Sky Train) to the FY 2008-2012 MAG Transportation Improvement Program and MAG Regional Transportation Plan 2007 Update for the necessary air quality conformity analysis, and to include Stage Two of the Phoenix Sky Harbor Automated Train System (Sky Train) in the MAG Regional Transportation Plan 2007 Update as an illustrative project. Mayor Berman seconded, and the motion carried unanimously.

9. Amendment of the FY 2009 MAG Unified Planning Work Program and Annual Budget to Include Funding to Participate in a Brookings Intermountain Study and to Include Funding for Arizona State University's North American Center for Transborder Studies to Provide Research Regarding the Global and North America Forces Impacting the MAG Region and the Sun Corridor

Mr. Smith referenced the announcement made earlier in the meeting that the Brookings Metropolitan Policy Program portion of this agenda item would be heard at the next Regional Council meeting. He explained that Brookings wanted to present at this meeting, but had an unavoidable conflict. Mr. Smith introduced Dr. Rick Van Schoik, Director of the North American Center for Transborder Studies, for a presentation on ASU's proposal for a paper on the Sun Corridor area.

Dr. Van Schoik expressed his appreciation on behalf of the university and Dr. Crow for the opportunity to work with MAG. He stated that most people think of borders as those with Canada and Mexico, but the ASU North American Center for Transborder Studies thinks about borders in general, and feel there is an opportunity to connect Phoenix, Maricopa County, and Arizona to the rest of the world.

Mr. Van Shoik displayed a quote by Professor Arnold Maltz, which states that, "As a 'pass through' state, Arizona gains relatively little from the majority of the movement in the state. A continuing challenge is determining how to improve the economic yield from this traffic either by value-added and/or leveraging the availability of this traffic to attract new business." Dr. Van Schoik noted that Professor Maltz, as a former truck driver, understands the issues.

Dr. Van Schoik stated that the objective of the study is to describe how global forces are impacting the three regions – MAG, the Pima Association of Governments, and the Central Arizona Association of Governments – individually and collectively, and how the three regions working together could mutually benefit by taking advantage of these opportunities to be more globally competitive in the Sun Corridor.

Dr. Van Schoik stated that planning and analysis is necessary to develop the Sun Corridor, the Intermountain West and eventually the entire NAFTA corridor, and a focus is required, not only on infrastructure and transportation, but also on creating jobs and an economic development “cluster.”

Dr. Van Schoik stated that recently, the Brookings Institute demonstrated the immense pressure from fast demographic growth in the Sun Corridor and Intermountain West, and even though the Center will not be working with Brookings on the ASU study, the Center will be informed by the Brookings findings.

Dr. Van Schoik stated that the three regions are already connected by corridors to employment centers and recreation and have overlapping air quality boundaries. He said that the future could be optimized by working together instead of individually. Dr. Van Schoik stated that one challenge is the “white map syndrome,” where people are not able to think outside the boundary because they are informed only about what is inside their boundary. He added that the study will help with knowledge of what is happening outside our immediate boundaries.

Dr. Van Schoik stated that North American and global factors have implications for regions both today and in the future. He explained that he has been working with Dennis Smith on a draft outline of elements they would like to include in the report, such as current actual and projected freight shipments through Arizona by modality, regional transportation scenarios, economic “cluster” hypotheses, political and economic climate and outlook, air, sea, rail, and trucking ports of entry potentials, natural competitive advantage, and sustainability challenges and public-private partnership options. Dr. Van Schoik stated that they are already working with partners who have insights into these elements, and they will be able to consult with them on what they think would be important considerations. He indicated that they think the ability to telescope the perspective from local to national to global provided by the report will be valuable. Chair Neely thanked Dr. Van Schoik for his report and asked if there were questions.

Mr. Smith advised that the Pima Association of Governments and the Central Arizona Association of Governments have informed MAG that they would participate in the study. Mr. Smith noted that the cost to MAG would be \$8,942. Chair Neely asked Mr. Smith for clarification of the action needed. Mr. Smith replied that the Regional Council is requested to amend the FY 2009 MAG Unified Planning Work Program and Annual Budget to include \$8,942 of MAG federal funds to have the Arizona State University North American Center for Transborder Studies conduct a study to describe the global and North American forces that impact the MAG region and the Sun Corridor. Mr. Smith added that the Brookings study would not be a part of action taken.

Mayor Berman moved, Councilmember Esser seconded, and the motion passed unanimously.

10. Legislative Update

Nathan Pryor, MAG Senior Policy Planner, provided an update on legislative issues of interest. He noted that the focus of his presentation would be more on the federal side due to the State being bogged down with the FY 2010 budget. He said that he reported at the March meeting that the final FY 2009

Omnibus Appropriations Bill was signed by President Obama and the President's budget framework was released, and the pending reauthorization of SAFETEA-LU that expires September 30, 2009.

Mr. Pryor displayed a graph, which illustrated the unmet need in the region by comparing the transportation projects submitted for the stimulus funds and the actual amount received. He said that in addition to the many needed transportation projects, wastewater, public housing, and public safety projects also were submitted.

Mr. Pryor stated that the Congressional Budget Office baseline for the transportation trust fund shows flat growth for the next ten years, and there should not be an expectation of receiving large amounts of stimulus funds. He noted that by 2019, the federal deficit is expected to be 80 percent of the nation's gross daily product, a level that has not been seen since 1948.

Mr. Pryor displayed a map that showed the amount of gasoline taxes per gallon by state and noted that the Arizona rate is 37.4 cents per gallon, well below the US average of 45 cents per gallon. He noted that there is not much political will, nationally or in the State, to increase the gas tax or implement a vehicle miles traveled approach as potential solutions to funding.

Mr. Pryor explained a draft concept called "A New Federal Partnership," which is based on helping those regions who help themselves. He said that the concept is geared toward large regions, such as the MAG region, that have dedicated local taxes that fund federal or state systems. Mr. Pryor stated that some of the points in the draft concept that is still under development include federal funds proportionate with regional funding, increased certainty in funding, a streamlined planning process, and reduced bureaucracy. Mr. Pryor stated that Mr. Smith will meet later in the week with the Executive Directors of the Intermountain MPOs to discuss the draft concept.

Mr. Smith stated that the MAG region, in 1985, was one of the first in the nation to implement its own sales tax for transportation, which was then renewed in 2004. He noted that the amount the MAG region collects from the sales tax exceeds the amount of federal funds received. Mr. Smith noted that if Secretary LaHood sees the flat line of funding for transportation, it may be to the USDOT's advantage to encourage regions to follow the MAG example. He stated that incentives could include mode neutral funding, considering a region's own tax as matching funds, and streamlining bureaucracy in the process.

Mr. Smith noted that Western cities, such as Denver, Salt Lake City, Las Vegas, and San Diego, where the high growth is occurring, have implemented their own tax due to the lack of federal funds. He stated that a pilot program could provide a relaxation of some of the requirements and it could end up helping the federal government. Mr. Smith commented that if there is a lack of money nationally, perhaps the regulations could be eased.

Chair Neely commented that she thought MAG could encourage something like that. She asked Mr. Smith if he had spoken to regions similar to MAG about the draft concept. Mr. Smith replied that so far, he had spoken to the Pike's Peak Council of Governments in Colorado Springs, Colorado, and would be speaking to the rest of the Intermountain COGs the next day. Mr. Smith also noted that the Draft Concept Paper was under review by the MAG Intergovernmental Representatives.

11. Nominating Committee

Each April, the Chair of the Regional Council appoints a five-member Nominating Committee from the Regional Council. According to the Nominating Process, revised by the Regional Council in April 2002, the Nominating Committee develops a slate of seven candidates. These candidates include a Chair, Vice Chair, Treasurer, the Past Chair, and three members at-large. If the Past Chair is not a current member of the Council, the Nominating Committee nominates an additional at-large member. The past Chair of the Regional Council, if still a current member, serves as Chair of the Nominating Committee. The Nominating Committee is required to provide a balanced slate of officers. The slate of nominations is forwarded to all of the Regional Council members at least two weeks prior to the annual meeting in June.

Chair Neely noted that a memorandum regarding the appointment of the members of the Nominating Committee was at each place. She announced that Mayor James Cavanaugh, Goodyear, will Chair the Committee. Other members of the Committee include Councilmember Dick Esser, Town of Cave Creek; Mayor Boyd Dunn, City of Chandler; President Diane Enos, Salt River Pima-Maricopa Indian Community; and Mayor Lyn Truitt, City of Surprise. Chair Neely thanked the members of the Nominating Committee for agreeing to serve. She requested that those interested in being nominated for the Executive Committee to contact Mayor Cavanaugh. Chair Neely stated that the Nominating Committee meets immediately prior to the May Regional Council meeting.

12. 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 commented that the MAG communities had been busy submitting projects for the ARRA funds and it looked like a lot of work will be going on in the region.

There being no further business, the Regional Council meeting adjourned at 5:50 p.m.

Chair

Secretary