

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

June 21, 2006
MAG Office, Saguaro Room
Phoenix, Arizona

MEMBERS ATTENDING

Mayor Elaine Scruggs, Glendale, Chair Councilmember Peggy Bilsten, Phoenix, Vice Chair F. Rockne Arnett, Citizens Transportation Oversight Committee	Mayor Boyd Dunn, Chandler * Mayor Hugh Hallman, Tempe Mayor Keno Hawker, Mesa * Eneas Kane, DMB Associates Joe Lane, State Transportation Board Mayor Marie Lopez-Rogers, Avondale Mayor Mary Manross, Scottsdale
* Mayor Ron Badowski, Wickenburg * Stephen Beard, SR Beard & Associates Mayor Steven Berman, Gilbert * Dave Berry, Swift Transportation Jed S. Billings, FNF Construction Mayor James Cavanaugh, Goodyear Councilmember Pat Dennis, Peoria	* David Scholl, Westcor Councilmember Daniel Schweiker, Paradise Valley Supervisor Don Stapley, Maricopa County

* Not present
Participated by telephone conference call
+ Participated by videoconference call

1. Call to Order

The meeting of the Transportation Policy Committee (TPC) was called to order by Chair Elaine Scruggs at 4:15 p.m.

2. Pledge of Allegiance

The Pledge of Allegiance was recited.

Chair Scruggs announced that Mayor Marie Lopez-Rogers was participating via teleconference.

Chair Scruggs stated that transit tickets for those who used transit to attend the meeting and parking garage ticket validation were available from MAG staff. She noted that a memorandum reflecting the unanimous recommendations for approval by the MAG Management Committee on agenda items #4B, #4C, #4D, and #6 was at each place. She added that for agenda item #4D, a memorandum clarifying the priority of projects recommended for additional, supplemental, or redistributed obligation authority was at each place.

Vice Chair Bilsten announced that this was Mayor Scruggs's last meeting as Chair of the TPC. A certificate of appreciation was presented by Vice Chair Bilsten to Chair Scruggs. Vice Chair Bilsten noted Chair Scruggs's active participation in Proposition 300. She said that many times as the TPC deliberated on drafting the Regional Transportation Plan, Chair Scruggs returned to keeping the promises that were made during Proposition 300. Vice Chair Bilsten stated that Chair Scruggs participated in the reprioritization of the plan in 1994, the acceleration of the Regional Freeway System in 1999, the composition of the TPC, and Proposition 400. Vice Chair Bilsten stated that it had been an honor to serve with Chair Scruggs on the TPC. She commented on Chair Scruggs's vision and how it has transformed the City of Glendale.

Chair Scruggs expressed that it had been an honor to serve as Chair of the TPC. She said that the accomplishments of the TPC had been phenomenal, and the Committee came together in the best possible way.

3. Call to the Audience

Chair Scruggs stated that an opportunity is provided to the public to address the Transportation Policy Committee on items that are not on the agenda that are within the jurisdiction of MAG, or non action agenda items that are on the agenda for discussion or information only. Citizens will be requested not to exceed a three minute time period for their comments. She noted that an opportunity is provided to comment on agenda items posted for action at the time the item is heard. No requests for public comment were received.

4. Approval of Consent Agenda

Chair Scruggs stated agenda items #4A, #4B, #4C, #4D, and #4E were on the consent agenda. Public comment is provided for consent items. Each speaker is provided with a total of three minutes to comment on consent agenda.

Chair Scruggs stated that any member of the committee can request that an item be removed from the consent agenda and considered individually. Chair Scruggs asked members if they wanted to hear any of the consent agenda items. Councilmember Dennis requested that agenda items #4D and #4E be removed from the consent agenda.

Chair Scruggs called for a motion to recommend approval of consent agenda items #4A, #4B, and #4C. Mayor Dunn moved, Supervisor Stapley seconded, and the motion passed unanimously.

4A. Approval of April 19, 2006 Meeting Minutes

The Transportation Policy Committee, by consent, approved the April 19, 2006 meeting minutes.

4B. Changes to the Approved January 25, 2006 Arterial Life Cycle Program (ALCP) Policies and Procedures

The Transportation Policy Committee, by consent, recommended approval of the proposed changes to the previously approved January 25, 2006 ALCP Policies and Procedures. A number of technical corrections need to be made to the ALCP Policies and Procedures. The proposed changes have been discussed with MAG member agencies at an ALCP Working Group meeting, which was held on April

25, 2006. The MAG Transportation Review Committee and the Management Committee recommended approval of the proposed changes.

4C. ADOT Request for a Quiet Pavement Project

The Transportation Policy Committee, by consent, recommended approval that a previously deferred Quiet Pavement project be initiated in FY 2006 in the amount of \$9.3 million. The Arizona Department of Transportation has requested that a previously deferred Quiet Pavement (rubberized asphalt) project be added to the FY 2006 program. The project would combine \$4.1 million of FY 2006 funds with \$5.2 million of funds that are programmed for the Quiet Pavement program in FY 2007. The FY 2007 funds were originally programmed for FY 2006, but were moved to the next fiscal year to balance the program cash flow. Due to the delay of two months in the advertisement of the construction bid for the Jomax Road/Dixileta interchange at I-17 due to a right of way acquisition issue, these funds are now available this fiscal year. This change would allow the design work for the rubberized asphalt paving of I-10 from 67th Avenue to Dysart Road to move forward this fiscal year so that the paving could begin during the fall of 2006. On June 14, 2006, the Management Committee recommended approval.

4D. Federal Fiscal Year 2006 MAG Federal Funds Interim Closeout and Amendments/Adjustments to the FY 2006-2010 MAG Transportation Improvement Program and FY 2006 and FY 2007 MAG Unified Planning Work Programs and Annual Budgets

This item was removed from the consent agenda.

In April 2006, the Regional Council approved the deferral of 18 projects, totaling \$11.2 million. Since that time, two additional projects have been requested to be deferred. The deficit of funding at the beginning of the year has been increased due to two rescissions of federal funds. With the deferrals included, in this phase of the closeout process, approximately \$3.3 million is available for the interim closeout, plus a possible \$1 million in redistributed Obligation Authority. Approximately \$12.4 million in project requests have been received for the funds available. To utilize the available funds, on May 25, 2006, the TRC recommended nine projects, totaling \$3.2 million, plus an additional \$1.4 million in contingency projects if any further funds become available or if any projects unexpectedly drop out. On June 14, 2006, the Management Committee recommended approval. The TPC was requested to recommend approval of the interim closeout of Federal FY 2006, as shown in the attached Tables and recommend amending/adjusting the FY 2006-2010 MAG TIP and the FY 2006 and FY 2007 MAG Unified Planning Work Programs and Annual Budgets to allow the projects to proceed.

4E. Status Report on the Arterial Life Cycle Program

This item was removed from the consent agenda.

Each quarter, MAG staff will provide member agencies with an update on projects in the Arterial Life Cycle Program (ALCP). As the program progresses, the information provided in this report will be updated. This is the first Status Report, January – March 2006, and includes changes to the approved October 26, 2005 ALCP that are in the Draft FY 2007 ALCP, a status report on ALCP Projects, an ALCP Revenue/Financial Section, and an upcoming ALCP schedule.

Councilmember Dennis stated that she had requested removing agenda items #4D and #4E from the Consent Agenda because she had concerns that when freeways are expanded, funds are not available to improve the traffic interchanges. She said that this had not been addressed in the ALCP.

Eric Anderson stated that this issue came up in a discussion with the City of Peoria and ADOT on the Thunderbird Road and Loop 101 interchange which needs improvements. Mr. Anderson stated that they discussed the need to create a line item in the ADOT Life Cycle for minor projects, which include traffic interchange projects such as this. Mr. Anderson indicated that this would be addressed in the next Life Cycle update. He added that ADOT also indicated that a fund was needed for rehabilitating and improving traffic interchanges over the next 20 years. Mr. Anderson noted that there is approximately \$33 million allocated each year to subprogram amounts, which could be used for these types of projects, in addition to other sources that might be tapped. He stated that staff are working on this and hope to incorporate it into the next ADOT Life Cycle. Mr. Anderson added that this could provide a few million dollars each year for minor improvements.

Councilmember Dennis said that she was concerned because Peoria is examining improving roadways, but there is no money from ADOT for interchange improvements. Councilmember Dennis stated that the roads might be improved, but with no improvement to the interchanges, one bottleneck is replaced with another. She also asked how it would be addressed if a jurisdiction was unable to pay the difference between the budgeted cost of a project and the actual cost.

Mr. Anderson stated that when the policies and procedures were first drafted, it was anticipated that changes to the Life Cycle would be needed. He added that the results of recent costs increases are being reflected in the budget. Mr. Anderson stated that when the RTP was drafted, the projects had not been scoped in detail. When the projects were scoped, sometimes unanticipated issues arose. Mr. Anderson noted that in the ALCP regional dollars are held constant at a three to five percent level. To protect the integrity of the Life Cycle program, it was thought it would be inappropriate to expose the entire program to cost increases. Mr. Anderson explained that the program has only one source of funds, the sales tax, whereas cities have other avenues for funding. He commented that some projects may become too expensive and a community might find it cannot proceed with a project as envisioned. Mr. Anderson indicated that a community would have two choices: 1) Pare the project down to be more affordable. 2) Decide not to proceed with the project, in which case the project could be deleted through the MAG process and the funds reallocated to another eligible project in that community. Mr. Anderson stated that the sales tax is 15 percent higher than last year's, and the ALCP is eight percent over projections for the year. He indicated that the program has more than \$900 million in sales tax programmed over 20 years, so it is imprudent to make adjustments on the regional cost share at this time, although that could be considered in the future.

With no further discussion, Chair Scruggs called for a motion on agenda items #4D and #4E. Councilmember Dennis moved, Mayor Manross seconded, and the motion carried unanimously.

5. Litter Prevention and Education Program for the Regional Freeway System in the MAG Region

Matthew Clark began the presentation with background information, noting that the Regional Transportation Plan includes \$279 million for landscape maintenance to improve visual aesthetics along the MAG freeway system. Proposition 400 provides additional funding to support litter removal and public education efforts. Mr. Clark stated that on January 18, 2006, the TPC authorized the expenditure

of freeway maintenance funds in a MAG approved schedule/work program. He added that the Regional Council approved \$200,000 of Proposition 400 funding to be spent on litter prevention and education, augmenting \$100,000 in baseline ADOT funding. Mr. Clark displayed a chart of the budget for litter pickup, sweeping, litter prevention/education, and landscape maintenance. Mr. Clark stated that the MAG Work Program, approved by the Regional Council in May 2006, includes additional funding to support litter education.

Mr. Clark noted that members of the Freeway Maintenance/Noise Mitigation Subcommittee include Councilmember Peggy Bilsten, Chair; Mayor James Cavanaugh; Councilmember Pat Dennis; Mayor Hugh Hallman; Councilmember Dan Schweiker; and Supervisor Don Stapley. Mr. Clark noted that Supervisor Fulton Brock has taken a keen interest in the issue and frequently attends subcommittee meetings.

Mr. Clark stated that at its March 2006 meeting, the TPC Subcommittee heard presentations regarding successful litter control efforts in California. He noted that the California program was developed in Fresno by the California Department of Transportation (Caltrans) as a result of contamination from stormwater runoff. Mr. Clark indicated that California research identified the primary target audience as single, 18-to 24-years old, with an overlap for people ages 25 to 34. He said that Caltrans, which operates the California campaign, allows other states to utilize the “Don’t Trash” slogan and other advertising materials. Mr. Clark stated that California feels allowing this sharing of resources reinforces the message with out-of-state travelers. He added that the State of Ohio is currently in the process of implementing a “Don’t Trash Ohio” anti-litter campaign.

Kelly Taft continued the presentation with an overview of the proposed Request for Proposals (RFP). She said that research suggests that prevention programs can change public perception and habits regarding litter. Ms. Taft noted that properly maintained freeways are important to the region’s quality of life, as well as to tourists and to economic development.

Ms. Taft stated that the firm selected for the campaign will conduct public relations, marketing/advertising, develop value-added partnerships with businesses and organizations, provide an evaluation component and cost estimates for implementation. She added that the campaign would need to be adaptable to both English-speaking and Spanish-speaking audiences.

Ms. Taft stated that the proposed tasks in the RFP would include a review of existing litter programs in Arizona and other states; defining the problem; developing measurement criteria to monitor the impact and success of the program; developing an implementation plan; implementing the program; and evaluating the program to determine success in reducing freeway litter. Ms. Taft noted that the campaign needs to be identified as a MAG/ADOT program.

Ms. Taft stated that if the TPC approved the draft Scope of Work, the RFP would be issued on June 22, 2006. Following this, a consultant recommendation would be forthcoming at the July 19, 2006 TPC meeting for a possible recommendation to the Regional Council on July 26, 2006. Chair Scruggs thanked Mr. Clark and Ms. Taft for their presentations.

Vice Chair Bilsten expressed her appreciation with the efforts on this issue. She moved to approve the Draft Scope of Work for the Litter Prevention and Education Program for the Regional Freeway System

in the MAG Region and approve publishing the Request for Proposals on June 22, 2006. Councilmember Schweiker seconded.

Before a vote was taken, Councilmember Schweiker stated that the Town of Paradise Valley believes so much in the education aspect that the Town Council has budgeted \$25,000 to add to the \$200,000 for education. He remarked that the Council believes that a direct impact can be made through education.

Vice Chair Bilsten expressed that she hoped this would be a catalyst for other contributions and would encourage a statewide effort. She said that the City of Phoenix contributed \$75,000 to efforts last year and she would look into an amount for this year.

Chair Scruggs expressed her appreciation for the work of the Subcommittee.

With no further discussion, the motion passed unanimously.

6. Draft FY 2007 Arterial Life Cycle Program (ALCP)

Mr. Anderson introduced Eileen O'Connell, MAG Transportation Planner, who has been working on the Arterial Life Cycle Program (ALCP) for the past year, and worked with member agencies to develop the program from scratch.

Ms. O'Connell provided an overview of the ALCP. She noted that the arterial system carries about one-half of the vehicle miles traveled in the region. Ms. O'Connell displayed a map of the MAG region and pointed out that 94 arterial street projects are included in the Regional Transportation Plan. She noted that the ALCP has an estimated \$2.8 billion committed in regional and local funding. Ms. O'Connell stated that just over 25 percent of the ALCP projects are being accelerated by local jurisdictions. She indicated that some of the projects are segmented and a jurisdiction may choose to accelerate one of their segments. Ms. O'Connell expressed that without the dedicated commitment of the participating member agencies, the ALCP would not be where it is today.

Ms. O'Connell then reviewed the programs accomplishments since June 2005. 1) The first ALCP was approved in October 2005 and the FY 2007 ALCP is anticipated to be approved in June 2006. 2) The projects in the ALCP were updated, meeting the deadlines for the TIP Report, the RTP Update and Air Quality Conformity Analysis. 3) The Project Agreement template, the Project Overview and the Project Reimbursement Request forms were finalized. 4) The ALCP Status Report was created. 5) The ALCP Policies and Procedures have been updated twice. 6) A yearly ALCP Schedule was established.

Ms. O'Connell stated that to-date, MAG has signed six Project Agreements. She noted that today, MAG sent the first Project Reimbursement Request to ADOT, for Lake Pleasant Parkway for more than \$7 million. Ms. O'Connell noted that the RARF has collected approximately \$9.4 million. She stated that for the FY 2007 ALCP, all projects have been updated by the lead agencies and are in fiscal balance. Ms. O'Connell noted previous recommendations for approval by the Transportation Review Committee and the Management Committee. Chair Scruggs thanked Ms. O'Connell for her presentation. No comments from the Committee were noted.

Mr. Arnett moved to recommend approval of the Draft FY 2007 Arterial Life Cycle Program (ALCP). Councilmember Dennis seconded, and the motion carried unanimously.

7. Legislative Update

Matthew Clark provided an update on legislative issues. He stated that the FY 2007 budget was signed this morning by the Governor.

Mr. Clark stated that House Bill 2865 created the Statewide Transportation Acceleration Needs (STAN) account. The account is to be used for the acceleration of the construction or reconstruction of freeways, state highways, bridges, and interchanges that are included in the Regional Transportation Plan. Mr. Clark noted that the Maricopa County region will receive 60 percent of the \$307 million account, Pima County area 16 percent, and the remainder of the state 24 percent. He explained that STAN monies may only be used for material and labor, acquisition of right-of-way for highway needs, design and other engineering services, and other directly related costs approved by the board. Mr. Clark stated that the legislation requires MAG to establish a process to review and approve transportation projects eligible to receive STAN funds. He explained that following approval of the projects, MAG will submit the list to the State Transportation Board for approval. Mr. Clark noted that approval of the list must be on the agenda for the next Board meeting. Mr. Clark noted that funds in the STAN account will be used to supplement not supplant current funding. He added that MAG would be required to report on or before Dec. 15th to the House and Senate Transportation Committees on approved projects and the money spent on these projects. Mr. Clark noted that the HURF repayment of \$62 million has been added to the STAN account.

Mr. Clark advised that the Trip Reduction Program has been fully funded in the amount of \$948,000.

Mr. Clark stated that HCR 2001 was voted off the House floor, sent to the Senate, and likely to the Governor. This would place a measure on the ballot that would allow cities to increase bonding capacity from six percent to 20 percent.

Mr. Clark noted that the River of Trade Corridor Coalition (ROTCC) recently requested that MAG join the coalition. He said that the ROTCC was created to open a corridor of trade from Long Beach, California, to Ontario, Canada. He said that the ROTCC was formed in Houston in cooperation with Dallas to open a corridor of trade. Mr. Clark noted that the River of Trade starts at Interstate 10 in Long Beach and continues to Ontario, Canada. Mr. Clark and pointed out on a map the high priority corridors Congress has put together and noted that the I-10 that runs through Arizona, New Mexico, and most of Texas is not a high priority corridor. He stated that 750,000 to 1,000,000 trucks use these corridors annually.

Mr. Clark advised that the US Department of Transportation is putting together a new plan to alleviate congestion on the nation's highways. He noted that I-10 in Arizona, New Mexico, and most of Texas has not been designated a high priority corridor. Mr. Clark stated that ROTCC has asked MAG to be a part of the coalition that will lobby Congress and the federal government to add the I-10 in Arizona to Tucson to New Mexico to Texas to Canada as a high priority corridor in this plan.

Mr. Clark stated that staff are in the process of putting together a presentation that will be given to the TPC in July.

Mr. Lane asked Mr. Clark about Sine Die. Mr. Clark replied that it would likely take place within the week.

Mayor Cavanaugh asked if the acceleration of freeways with the STAN account was consistent with MAG policies. He also asked if the acceleration would be the State government as the bonding authority or would it be used for increased construction costs. Mr. Clark replied that the STAN account could be used for a number of things, such as construction materials, labor, or right-of-way. He said that it would be up to the MAG committees to formulate a process to be used in their deliberations on which projects move forward.

Mayor Cavanaugh remarked that it was great to have the money, and was concerned about modifying the process previously agreed to. Mr. Anderson stated that staff is still trying to decipher the bill language and how it fits in with the adopted MAG acceleration policy. He noted that the bill includes language that the STAN account cannot be used to supplant existing funding. Mr. Anderson remarked that at face value, this means we cannot use this money to replace committed funds. He commented that it is somewhat troubling as to how it will be interpreted. Mr. Anderson stated that the intent is to provide additional funds to move projects ahead. He added that there will be cost increases. In addition, some projects cannot be accelerated because they are not ready. Mr. Anderson commented that the TPC could begin discussion on the policies for the use of STAN account funds. Once guidance has been provided, staff will meet with ADOT to resolve any issues. Mr. Anderson remarked that clarification of some provisions might be needed at the next Legislative session. He stated that of the \$307 million STAN account, MAG will receive \$185 million. Mr. Anderson said that he heard that the Legislature would like to do this again next year, depending on the budget situation, so we want to use the funds effectively.

Chair Scruggs if there was a deadline for using the funds or they would be lost. Mr. Anderson replied that there was no deadline specified. However, if the funds are not committed, the Legislature could take them back. Mr. Anderson indicated that the funds need to be obligated or they could be lost.

Mr. Smith stated that staff could prepare a table that shows those projects that could not be accelerated because they are too soon in the queue and those projects not ready because environmental documents are not ready. He indicated that this would show those projects remaining. Mr. Smith stated that acceleration was discussed at the Transportation Summit hosted by the Arizona Chamber of Commerce. He said that staff reminded attendees of the promise to the voters to build the Plan. Mr. Smith noted commodity issues that need to be addressed, in addition to cement plant permitting issues. He stated that the Arizona Portland Cement Company has been working on an expansion permit since 1998. Once the permit is issued, it will still take two years to do the expansion. Mr. Smith mentioned that another issue is the single tracked railroads, which bring both cement and asphalt into the region. He stated that costs also need to be monitored to see if they are remaining at the 27 percent level. Mr. Smith noted that homebuilding has slowed somewhat, and this could lessen the cement shortage.

Mayor Hawker commented that he assumed that the RTP would be built in the approved order. The issue is those projects that are possible to accelerate. He stated that it would appear that projects would have to be accelerated in order or it could deteriorate to be pork barrel. Mayor Hawker stated that he was glad the Legislature appropriated the funds in this manner as opposed to being project specific. However, he was disappointed in the ambiguity in the language. Mayor Hawker stated that he was concerned that the money would be swept if there was an economic downturn and it was not obligated.

He commented that the TPC will be busy developing the concepts and do what the Legislature wants—which is to build more projects faster. Mayor Hawker stated that the process would be complicated, although he was glad to have the money.

Supervisor Stapley commented that the Legislature’s intentions vary depending on which Legislator you speak to. He said that there was wisdom in Mayor Hawker’s words.

Chair Scruggs asked about beginning discussion on the STAN account. Mr. Smith replied that it would be better to begin discussion sooner than later due to the December 15 deadline. The Committee discussed that this was an important subject and full discussion by the TPC was needed.

Mr. Arnett stated that it is important to show successful wins. The Legislature will see the wins and perhaps provide funds next year and the next.

Mr. Smith stated that there will be an important meeting at the League of Arizona Cities and Towns Conference on August 24, 2006. The COG Directors met recently to discuss statewide growth, state infrastructure and meeting needs. Mr. Smith commented that there was discussion about a highway plan, but the RTP is a multimodal plan, and we need to look at everything.

Chair Scruggs asked how eminent domain regulatory takings in could affect building the RTP. Mr. Clark replied that regulatory takings results in more difficulties because of property values. Potential court action could add three to five years onto efforts, and the impact could be very harmful. Chair Scruggs noted that there is misinformation about the process. She added that citizens have expressed that they are concerned that the government can take their homes if there is something it does not like about them. Chair Scruggs reported that she was told by one person circulating a petition on eminent domain that the Secretary of State would not let the petition proceed if it was not true.

Mayor Berman commented that in his community, many feel that the eminent domain legislation would make it more difficult for the government to take your house.

Mr. Smith announced that the Regional Transportation Plan had received the Federal Highway Administration/Federal Transit Administration National Transportation Planning Excellence Award for Leadership. Mr. Smith noted that Chair Scruggs will receive the award at a ceremony in July. He said that Transportation Policy Committee members will be asked to stand at the Desert Peaks Awards on June 28, 2006 when a formal announcement of the award is made.

Chair Scruggs expressed that it had been a privilege to serve as Chair. She thanked everyone for the hard work and to continue on so we can build the plan and declare victory.

There being no further business, the meeting adjourned at 5:08 p.m.

Chair

Secretary