

DRAFT MINUTES OF THE
MARICOPA ASSOCIATION OF GOVERNMENTS
TRANSPORTATION REVIEW COMMITTEE

March 24, 2005

Maricopa Association of Governments Office
302 North First Avenue, Suite 200, Saguaro Room
Phoenix, Arizona

MEMBERS ATTENDING

Scottsdale: Jan Dolan, Chairperson	Litchfield Park: Mike Cartsonis
ADOT: Bill Hayden for Dan Lance	Maricopa County: Mike Ellegood
Avondale: David Fitzhugh	Mesa: Jim Huling for Jeff Martin
Chandler: Mike Normand for Patrice Kraus	*Paradise Valley: Robert M. Cicarelli
*El Mirage: B.J. Cornwall	Peoria: David Moody
*Fountain Hills: Randy Harrel	Phoenix: Tom Callow
*Gila Bend: Lynn Farmer	Queen Creek: Mark Young
*Gilbert: Tami Ryall	RPTA: Bryan Jungwirth
Glendale: Terry Johnson	*Surprise: Randy Overmyer
Goodyear: Cato Esquivel	Tempe: Carlos De Leon
*Guadalupe, Antonio Figueroa - Iturralda	*Wickenburg: Shane Dille

EX-OFFICIO MEMBERS ATTENDING

*Regional Bicycle Task Force: Randi Alcott, RPTA	*Pedestrian Working Group: Eric Iwersen, City of Tempe
*Street Committee: Larry Shobe, City of Tempe	*Telecommunications Advisory Group:
*ITS Committee: Alan Sanderson	
* Members neither present nor represented by proxy.	

OTHERS PRESENT

Eric Anderson, MAG	Ali Makarachi, City of Phoenix
Ken Hall, MAG	Steve Wilcox, DMJM & Harris
Paul Ward, MAG	Clemenc Ligocki, MCDOT
Kwi-Sung Kang, ADOT	Bob Antila, Valley Metro/RPTA
Steve Tate, MAG	Dave Meinhart, City of Scottsdale
Mary O'Connor, City of Scottsdale	Chris Plumb, MCDOT
Peggy Carpenter, City of Scottsdale	Tom Remes, MAG
Roger Herzog, MAG	Don Herp, City of Phoenix

1. Call to Order

Chairperson Jan Dolan called the meeting to order at 10:08 a.m.

2. Approval of February 24, 2005 Draft Minutes

Addressing the first order of business, Chairperson Dolan asked if there were any changes or amendments to the meeting minutes. Mr. Mark Young moved to approve the minutes as presented. Mr. David Fitzhugh seconded, and the minutes were subsequently approved by unanimous voice vote of the Committee.

3. Call to the Audience

Chairperson Dolan stated that she had not received any request to speak cards from the audience, and moved to the next item on the Agenda.

4. Transportation Director's Report

Chairperson Dolan introduced Mr. Eric Anderson, MAG Transportation Director, to provide the Transportation Director's report. Mr. Anderson informed the Committee that sales tax revenues for February were up by 9.4 percent over the previous year, and were higher than originally forecasted. Mr. Anderson then informed the Committee that there would be a public hearing tonight at the East Campus of Arizona State University in Mesa, to discuss various corridor alignments for the Williams Gateway Freeway. He then stated that the Arizona Department of Transportation (ADOT) and Valley Metro/RPTA were currently working on the Transit and Freeway/Highway Life Cycle Programs.

Mr. Anderson then informed the Committee that Mr. Chris Voigt had recently announced his resignation from MAG. He said that Mr. Voigt had been with MAG for over five years, and that efforts to recruit for his position would begin shortly. In addition, Mr. Anderson also stated that Mr. Clyde Hahn, a Decision Support Analyst in the Transportation Modeling section, is expected to formally resign on April 1, 2005, and has been with MAG for over 30 years. There were no questions, and this concluded Mr. Anderson's report to the Committee.

5. Interim Closeout of the Federal Fiscal Year (FFY) 2005 MAG Federally Funded Program

Addressing the next order of business, Chairperson Dolan introduced Mr. Paul Ward, MAG Transportation Programming Manager, to provide an update on the Interim Closeout of the Federal Fiscal Year (FFY) 2005 MAG Federally Funded Program. Mr. Ward informed the Committee that \$93.7 million in spendable Obligation Authority (OA) is expected to be available in FFY 2005. He said that a total of \$89.1 million in projects had been programmed to date, leaving a total of approximately \$4.6 million in uncommitted project funds.

Mr. Ward then stated that MAG had received a total of 15 deferred projects. He explained that these were projects that have requested to be deferred from FFY 2005 to FFY 2006 or later. He noted that the total amount of projects requesting deferment amounted to approximately \$12.96 million dollars. He then noted that MAG had received approximately \$300,000 in reimbursements, to date. Mr. Ward informed the Committee that between the total of \$4.6 million in uncommitted project funds; \$12.96 million in requested deferments; and approximately \$300,000 in reimbursements, that MAG would have a total of approximately \$18.0 million dollars that would be available for projects. Mr. Ward then informed the Committee that there may possibly be a total of up to \$30.0 million in available Obligation Authority. Mr. Ward explained that this was due to a possible increase in funding as a result of pending reauthorization, in addition to the fact that he has recently received notice that several more project deferments may take place very soon.

Mr. Ward then addressed possibilities on how to expend the available OA money, and suggested a number of candidate project priorities. In priority order, Mr. Ward suggested the following: (1A) the advancement of existing Congestion Mitigation and Air Quality (CMAQ) and Surface Transportation Program (STP-MAG) programmed projects from FY 2006; (1B) advancing existing CMAQ and STP-MAG programmed projects from future years; (2) adding more funds to current year projects, under limited conditions; and (3) then entertaining the possibility of adding any other projects after the first three options have been exhausted. Mr. Ward stressed that all projects must be sufficiently developed so that the funds can be obligated by the end of FFY 2005. Mr. Ward said that any community wishing to utilize year end closeout funds must have completed the federal project development process, and be in a position to go to bid on a project by the end of the Federal Fiscal Year.

Mr. Ward then answered a number of questions from the Committee concerning the application process; clarification on the OA process; possibly adding park-and-ride lots; and the potential of future CMAQ funding to be utilized toward light rail transit. Discussion followed, and Mr. Ward again emphasized that projects requesting to utilize closeout funds have to meet the criteria, and be developed to sufficient standards. Such criteria include the completion of a design concept report; obtaining environmental, right-of-way, and utility clearances; and having a signed Intergovernmental Agreement, prior to a project being ready to obligate.

Mr. Ward then addressed the expected time-line for FFY 2005 Interim Closeout process, and informed the Committee that project requests were due to MAG by April 29, 2005. He stated that all potential project submittals would then be reviewed and considered for TRC recommendation at the May 26, 2005 meeting, and would then be forwarded to the MAG Management Committee and MAG Regional Council for action during June of 2005. He informed that Committee that all project details, such as clearances, right-of-way and intergovernmental agreements were due to ADOT by August 1, 2005, and that obligation would need to occur by September 30, 2005. There were no further questions, and this concluded Mr. Ward's presentation to the Committee.

6. Proposed Amendment to the FY 2004-2007 Transportation Improvement Program (TIP) for a Highway Project

Addressing the next order of business, Chairperson Dolan introduced Mr. Paul Ward, MAG Transportation Programming Manager, to provide information on a proposed amendment to the FY 2004-2007 TIP for a highway project. Mr. Ward called the Committee's attention to Attachment Two, located at the back of the TRC Agenda Packet, and stated that the City of Phoenix has been awarded Federal transportation funds to start design on the Rio Salado Parkway Corridor. Mr. Ward informed the Committee that while \$1.6 million is listed in Federal costs for the project, a total of \$2.5 million was identified in the appropriations bill. He noted that the city could obtain up to a maximum amount of \$2.5 million as identified in the appropriations, and that the source would come from HPS funds, which are essentially Federal high priority demonstration funds. Discussion followed, and Mr. Mike Ellegood moved to recommend approval of an amendment to the FY 2004-2007 MAG TIP to add the Federally funded, Phoenix Rio Salado Parkway design project. Mr. David Moody seconded the motion.

Discussion followed prior to a formal vote, and clarification was provided concerning funding; whether the project was perceived as being problematic; and the alternative connections for the Rio Salado Parkway to the forthcoming South Mountain Freeway. Mr. Bill Hayden stated that a Draft Environmental Impact Statement identified 55th Avenue, 71st to 75th Avenues, and 94th Avenue as possible connections, and that a forthcoming decision on a preferred alternative was anticipated during May of 2005. Chairperson Dolan then asked for a formal vote on the motion. The motion by Mr. Mike Ellegood to recommend approval of an amendment to the FY2004-2007 MAG TIP to add the Federally funded, Phoenix Rio Salado Parkway design project, which was seconded by Mr. David Moody, was unanimously approved by voice vote of the Committee. There were no further questions, and this concluded Mr. Ward's presentation.

7. Project Changes to the FY 2006-2010 Draft MAG Transportation Improvement Program

Addressing the next order of business, Chairperson Dolan introduced Mr. Paul Ward, MAG Transportation Programming Manager, to provide information on project changes to the FY 2006-2010 Draft MAG Transportation Improvement Program (TIP). Mr. Ward called the Committee's attention to Attachment Three located at the back of the TRC Agenda Packet. Mr. Ward said that during the February 2005 TRC Meeting, the Committee recommended approval of the FY 2006-2010 Draft MAG TIP to undergo an air quality conformity analysis. Mr. Ward stated that since the February meeting, a number of changes have taken place.

Mr. Ward informed those in attendance that once the Draft TIP goes forward for formal approval, the errata sheet process typically begins. He stated that there are opportunities to make changes for several months, and that changes can be made up until July of 2005. However, Mr. Ward stated that all projects considered to be "regionally significant" would have to be approved by the MAG Regional Council by April of 2005.

Mr. Ward then called the Committee's attention to page one of the table located in Attachment Three, and stated that while the Town of Buckeye project (Verrado Way: I-10 to Sunrise Lane) was listed as completed, it was not. Mr. Ward then addressed the ADOT SR 85 project on page one of the table, and informed the Committee that funding on the project was changed to reflect NHS funds. Then Mr. Ward addressed the Northern Avenue, Phase A2 project, located on page three of the table. He informed the Committee that this project was divided into three equal parts and advanced to 2009. Mr. Ward also informed the Committee that he received requests from other agencies that are not on the list, and that these projects, in addition to other changes, would be added onto a future errata sheet and forwarded to the MAG Regional Council at their April meeting.

Mr. David Moody called Mr. Ward's attention to the ADOT US 60 (Grand Avenue: Loop 101 to 83rd Avenue) project on page three, and said that the project needs to extend west of the Maricopa Bridge. Discussion followed, and Mr. Ward said that he would have to identify this issue on an individual basis, as he anticipates many such changes in the upcoming weeks. Mr. Terry Johnson then addressed the ADOT US 60 (Grand Avenue: New River Road to McDowell Road) project listed on page two of the handout, and asked why it was identified as being deleted. Discussion followed, and Mr. Kwi-Sung Kang of ADOT addressed the Committee. He informed those in attendance that ADOT is in the process of meeting with their management consultant, and that ADOT will be taking that project over in the near future and completing the work. Mr. Kang said that this project would not be deferred, and that ADOT anticipated its timely completion.

Discussion followed, and Mr. David Moody moved to recommend approval of the changes to the Draft FY 2006-2010 MAG TIP for an air quality conformity analysis. Mr. Terry Johnson seconded, and the motion was unanimously approved by subsequent voice vote of the Committee. There were no further questions, and this concluded Mr. Ward's presentation to the Committee.

8. Modifications to the MAG Regional Transportation Plan

Addressing the next order of business, Chairperson Dolan introduced Mr. Roger Herzog, MAG Senior Project Manager, to address the modifications to the MAG Regional Transportation Plan. Mr. Herzog called the Committee's attention to Attachment Four of the TRC Agenda Packet, and informed those in attendance that this represented the second round of project modifications. He noted that last month, there were a set of projects that came before the Committee for recommendation. Mr. Herzog informed the Committee that the projects identified in Attachment Four would represent the last modifications until the FY 2006-2010 Draft MAG TIP and the Arterial Life Cycle Program Policies and Procedures were approved by the MAG Regional Council during July of this year. Mr. Herzog said that after the TIP and Arterial Life Cycle Program Policies and Procedures are adopted, additional modifications will follow.

Mr. Herzog stated that the MAG Regional Council adopted an Interim Advancement Policy for the Arterial Life Cycle Program in 2003, which specifically addressed funding for project phase changes. Mr. Herzog informed the Committee that in adhering to Arizona House Bill

2292, he sent notification of the project changes out to the required recipients, and that the consultation process would be over on March 26, 2005. Mr. Herzog stated that he had received written comments from Maricopa County, and that the county requested that it may be beneficial for MAG to wait until the Arterial Life Cycle Program Policies and Procedures are adopted, prior to making additional modifications.

Mr. Herzog reminded the Committee that this item was for action, and then answered several questions from the Committee. Discussion followed, and Mr. Mike Ellegood moved to recommend inclusion of the proposed project phase modifications in the MAG Regional Transportation Plan and in the Draft MAG FY 2006-2010 TIP, as appropriate, for air quality conformity analysis, contingent on comments from the agency consultation process. Mr. Jim Huling seconded, and the motion was unanimously approved by subsequent voice vote of the Committee. There were no further questions, and this concluded Mr. Herzog's presentation to the Committee.

9. Interim Draft of Arterial Life Cycle Program Policies and Procedures

Addressing the next order of business, Chairperson Dolan introduced Mr. Eric Anderson, MAG Transportation Director, to address the Interim Draft of the Arterial Life Cycle Program Policies and Procedures. Mr. Anderson called the Committee's attention to the PowerPoint presentation at the front of the room, and informed those in attendance of the fact that this was the same presentation that was recently provided to the MAG Transportation Policy Committee (TPC). Mr. Anderson stated that the MAG Regional Transportation Program (RTP) Arterial Program is estimated to cost approximately \$1.5 billion dollars, which includes \$1.3 billion for 62 street projects; \$113 million for 34 intersection projects; and \$50 million for arterial ITS projects. He noted that \$863 million would be generated from half-cent sales tax funds, \$105 million would come from Federal Congestion Mitigation and Air Quality (CMAQ) funds, and the remaining \$497 million would come from Federal Surface Transportation Program (STP) funds.

Mr. Anderson then provided an overview of the Life Cycle Budget process, and said that it requires MAG to adopt a budget process which ensures that the estimated cost of the arterial street mode does not exceed the total amount of revenue estimated to be available for the street mode. He stated that the primary objectives of the Arterial Life Cycle Program are fiscal integrity, effective and efficient RTP implementation, accountability, transparency, and compliance. Mr. Anderson then addressed a number of factors that needed to be considered throughout the process of implementing the Arterial Life Cycle Program. Mr. Anderson noted that the MAG TPC expressed a concern that there needed to be enough money to be able to complete each of the projects as originally identified in the RTP arterial mode. Mr. Anderson also stated that member jurisdictions should be able to advance construct projects and be reimbursed according to the adopted schedule. He informed the Committee of the fact that MAG was working on an updated set of Draft Arterial Life Cycle Program Policies and Procedures, and would include factors associated with reimbursements and inflation prior to adoption of the policies and procedures by the MAG Regional Council.

Mr. Anderson informed those in attendance of the remaining tasks that were associated with developing the life cycle program, and stated that MAG was working through a model project agreement to make sure that there is a system in place that works. He noted that MAG was also in the process of annualizing the last three Phases of the RTP, and completing the 20-year life cycle budget.

Mr. Anderson then addressed a number of policy issues affiliated with the Arterial Life Cycle Program, and stated that these issues were discussed at the March 16, 2005, meeting of the MAG TPC. He said that a major concern of the TPC was the use of surplus program funds. Mr. Anderson said that if there was surplus sales tax money available, then there was an option of advancing existing projects in the program, in project order, and possibly adding new projects to the end of the Arterial Life Cycle Program. He stated that another option was to keep surplus cash reserves in the bank in anticipation of a potential downturn in the economy. This concept of banking surplus sales tax revenues would protect all of the later projects included in the life cycle program, by providing the money to cover the existing project construction expenses in the event of periods of lower revenues at the end of the program.

Another area of concern had to do with the reallocation of surplus project funds. Mr. Anderson said that if a jurisdiction completed a project and had funds left over, some of the options included the possible return of the money back to the regional program; keeping the dollars within the jurisdiction, and having the money reimbursed at the end of the program; or using the surplus funds to construct another project within the community. He then addressed the issue of reimbursements for projects that decide to advance construct from a later to an earlier stage. He noted that the MAG Interim Advancement Policy does not allow for inflation, and that MAG is considering options for this policy. Mr. Anderson said that they were considering inflation factors to adjust 2002 dollars over to 2005 dollars. He also stated that some of the options being considered for calculating inflation adjustments were focused on the Consumer Price Index, the Gross Domestic Product deflator, and the Federal Highway Administrations's (FHWA) Highway Construction Cost Index. Mr. Anderson then displayed graphs of RTP Sales Tax Projections from 2006 to 2025, and projections in the Annual Percent Change in RTP Sales Tax collections from 2006 and 2025.

Mr. Anderson informed those in attendance that the arterial policies and procedures were going to be further discussed at next month's meeting of the TPC. Discussion followed, and Mr. Don Herp stated that the first priority is to make sure that all of the projects were completed on time, prior to bringing new projects into the program. Mr. Mike Ellegood addressed the Committee, and expressed his concerns over the fact that the needs of the region will continue to change as we grow and develop, and that it isn't always possible to foresee what is needed in the future. He noted the Town of Queen Creek, and the alarming rate of growth in the far Southeast Valley as an example. Mr. Ellegood said that in the process of finalizing the policies and procedures, we need to recognize the dynamic nature of regional growth. Several Committee members expressed the importance of local staff and local elected officials being in agreement on some of the primary issues affiliated with the life cycle program. Further discussion followed concerning potential changes to the Arterial Life Cycle Program Policies and Procedures over time, advancement savings, interest accrument and scenarios, and the need to be sensitive to the inflation component for

advance constructing projects. Mr. Terry Johnson addressed the US 60 Grand Avenue project for \$636,000 in Year 2006 of the 2006 to 2010 TIP. He informed the Committee that since ADOT had the project covered by their management consultant, that the money should rightfully go back to the US 60 project for completion purposes. There was no further discussion on this item, and this concluded Mr. Anderson's presentation to the Committee.

10. Next Meeting Date

Chairperson Dolan informed members in attendance that the next meeting of the Committee would be held on April 28, 2005. There being no further business, Chairperson Dolan adjourned the meeting at 11:14 a.m.