

MINUTES OF THE
MARICOPA ASSOCIATION OF GOVERNMENTS
TRANSPORTATION REVIEW COMMITTEE

April 24, 2008

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

MEMBERS ATTENDING

Phoenix: Tom Callow	Guadalupe: Jim Ricker
ADOT: Kwi-Sung Kang for Floyd Roehrich	*Litchfield Park: Mike Cartsonis
Avondale: Janeen Gaskins for David Fitzhugh	Maricopa County: John Hauskins
Buckeye: Scott Lowe	Mesa: Brent Stoddard for Scott Butler
Chandler: Patrice Kraus	Paradise Valley: Robert M. Cicarelli
El Mirage: Lance Calvert	Peoria: David Moody
*Fountain Hills: Randy Harrel	*Queen Creek: Mark Young
*Gila Bend: Lynn Farmer	RPTA: Bryan Jungwirth
*Gila River: David White	Scottsdale: Dave Meinhart for Mary O'Connor
Gilbert: Tami Ryall	Surprise: Randy Overmyer
Glendale: Terry Johnson	Tempe: Carlos De Leon
Goodyear: Cato Esquivel	Valley Metro Rail: John Farry
	Youngtown: Lloyce Robinson

EX-OFFICIO MEMBERS ATTENDING

*Regional Bicycle Task Force: Jim Hash City of Mesa	*Pedestrian Working Group: Brandon Forrey, City of Peoria
*Street Committee: Darryl Crossman, City of Litchfield Park	*ITS Committee: Mike Mah

* Members neither present nor represented by proxy. + - Attended by Videoconference
- Attended by Audioconference

OTHERS PRESENT

Eric Anderson, MAG	Dan Cook, City of Chandler
Maureen DeCindis, MAG	Greg Montes, City of Glendale
Monique de los Rios-Urban, MAG	Ken Hall, City of Mesa
Roger Herzog, MAG	Chris Casey, City of Phoenix
Nathan Pryor, MAG	Ray Dovalina, City of Phoenix
Steve Tate, MAG	Lynn Timmons, City of Phoenix
Kevin Wallace, MAG	Gary Edwards, Town of Wickenburg
Eileen Yazzie, MAG	Bob Antila, Valley Metro/RPTA
Shirley Gunther, City of Avondale	Paul Ward, Olsson Associates

1. Call to Order

Chairperson Tom Callow called the meeting to order at 10:05 a.m.

2. Approval of March 27, 2008 Draft Minutes

Mr. Callow asked if there were any changes or amendments to the meeting minutes, and there were none. Mr. David Moody from the City of Peoria moved to approve the minutes as presented. Mr. Lance Calvert from the City of El Mirage seconded, and the minutes were subsequently approved by unanimous voice vote of the Committee.

3. Call to the Audience

Mr. Callow stated that he had not received any request to speak cards from the audience, and moved on to the next item on the agenda.

4. Transportation Director's Report

Mr. Callow invited Mr. Eric Anderson to present the Transportation Director's Report. Mr. Anderson informed the Committee that the March RARF revenues decreased 1.6 percent from the previous year and that year-to-date RARF revenues were down 1.8 percent from the previous year. He explained that the March revenues are derived from business activities in February, which included Superbowl activities.

Mr. Anderson reported that MAG and John McGee, the Chief Financial Officer for the Arizona Department of Transportation (ADOT), are collaborating on interim revisions to the short-term sales tax projection. He added that the projected revenue for the life of the tax would not change appreciably from the official forecast; however, the short-term projections would be lowered for the next three to four years. He announced that the official forecast would be released in late November 2008.

Mr. Anderson announced that MAG would be sponsoring the Arizona Transportation Summit on May 29, 2008 in Litchfield Park. Two panels at the Summit would focus on Public-Private Partnerships and Building a Quality Arizona (BQAZ). He stated that MAG Staff was attempting to secure additional speakers on to discuss transportation finance.

Next, Mr. Anderson briefly summarized the April meeting of the MAG Regional Council. One of the items discussed at the meeting, was the Transportation & Infrastructure Moving AZ's Economy (TIME) Coalition's ballot initiative measure. He reported that Victor Mendez, ADOT Director, and Marty Schultz discussed the ADOT critical needs list and the ballot initiative. Mr. Anderson commented that conflicting information was provided during the presentation and questions and answer period. To add the initiative to the ballot, the TIME Coalition must obtain more than 153,000 valid signatures by the deadline on July 3, 2008.

Mr. Anderson informed the Committee that the critical needs list is being characterized as a

preliminary list of representative projects that may be funded by the ballot initiative. He reported that the addition of new projects would be considered a major change to existing plans and would require a plan amendment. He added that MAG cannot accept or approve a plan or program without adhering to Arizona Revised Statutes (ARS), federal regulations, and the MAG process. In order to approve or accept the ballot measure, MAG staff would need to undergo a lengthy consultation process, an extensive public involvement process, and air quality conformity analysis to comply with state and federal law.

Mr. Moody noted the scheduling conflict of the Transportation Summit with May meeting of the TRC. Mr. Anderson acknowledged the conflict and stated that MAG Staff would reschedule the May TRC meeting and electronically notify the Committee within the next week of the revised date and time. Mr. Callow asked if there were any additional questions for this agenda item. There were none, and this concluded the Transportation Director's Report.

5. Update on the Federal Fiscal Year (FFY) 2008 MAG Closeout

Mr. Callow invited Ms. Eileen Yazzie, MAG Transportation Programming Manager, to discuss the Federal Fiscal Year (FFY) 2008 Closeout. Ms. Yazzie stated that the agenda item would address the status of federal funds in FFY2008, the federal funds closeout process, and the current and draft MAG federal funds guidelines.

Ms. Yazzie reported the availability of \$123.6 million in Congestion Mitigation and Air Quality (CMAQ), Surface Transportation Program (STP-MAG) funds, and carry forward funding for FFY2008. She stated that of the \$135 million in CMAQ and STP-MAG funds programmed by MAG Staff in 2008 that \$37.6 million had been deferred or removed (deleted) from the projects by member agency request leaving an unobligated balance of \$26.2 million.

Next, Ms. Yazzie explained that MAG is responsible for managing the fiscally constrained Arterial Life Cycle Program (ALCP). In the ALCP, Northern Parkway, a joint project led by Maricopa County, is slated to spend \$21 million in STP-MAG funds in FFY09. Ms. Yazzie continued, stating it was MAG Staff recommendation to carry forward \$21 million of the unobligated balance to ensure fiscal constraint of the ALCP. As a result, the remaining unobligated balance for FFY08 Closeout would be \$5.2 million, additional deferrals notwithstanding.

Ms. Yazzie announced MAG Staff had received 31 notifications requesting to defer or delete \$37.6 million in federal funds by the initial notification deadline in April. Notifications to defer projects funded with CMAQ or STP-MAG funds comprised 28 of the 31 notification. The three remaining notifications were to delete federal funds from projects being completed with local funds. Ms. Yazzie announced that MAG Staff would continue to work closely with member agencies and John Dixon from ADOT on final notifications.

Then, Ms. Yazzie acknowledged the improvement from the \$50 million in deferrals in FFY07. She lauded the efforts of the City of Avondale, which has no project deferrals, and the cities of Peoria, Scottsdale and Tempe who were only deferring one project each. In addition, she acknowledged the efforts of Chandler and Phoenix that had more projects obligated than deferred. Ms. Yazzie asked if there were any questions or comments at this point, and there

were none.

Moving to the next topic, Ms. Yazzie directed the Committee's attention to closeout guidelines included in the agenda packet. She summarized the March TRC discussion about continuing closeout by the RTP allocations, removing of projects deferring more than twice, and prohibiting new projects from consideration for closeout funds. She announced that three items discussed March TRC meeting were included in the draft guidelines, which were also provided in the agenda packet. Ms. Yazzie asked the Committee if there were any questions about the draft guidelines or suggestions for additional guidelines. Discussion followed.

Mr. Anderson suggested delaying the approval of the draft guidelines until additional discussions and revisions could be made after using the guidelines on a work basis for the current closeout. A discussion followed about the deadlines established for the FFY08 Federal Funds Closeout Process and the Regional Area Road Fund Closeout. Mr. Meinhart from the City of Scottsdale expressed concerns about meeting the funding allocation percentages established in the Regional Transportation Plan (RTP) each year. He suggested that the Committee consider the possibility of meeting the allocations over a period of time in lieu of meeting a hard rule of doing so an annual basis.

Ms. Yazzie announced that 20 projects were submitted for federal closeout. Of those, 18 projects requesting \$14 million in funding were eligible for the federal closeout. Approximately \$1.5 million in funding was requested for advanced projects. The remaining \$12.5 million requested was for new or additional funding. She added that more information would be provided at the May meeting of the TRC.

Mr. Brent Stoddard from City of Mesa expressed concerns about the timing of the prioritization discussion and the project submittals deadline. He suggested that the discussion should occur prior to the deadline to allow member agency staff to develop submittals accordingly. Mr. Carlos de Leon from the City of Tempe suggested that MAG Staff return to the May TRC with finalized draft and an outline of how principles would be tested for the FFY08 Process. Discussion followed.

Mr. Meinhart emphasized the need for additional information in writing about how any policy decision would impact the RTP. He also requested the Ms. Yazzie make a technical correction to Section 700(2) of the draft guidelines. Ms. Yazzie stated the change would be made.

Mr. Callow asked Ms. Yazzie if a motion was required to approve the list of deferred projects was needed if the Committee was not proceeding with the approval of the draft guidelines. Ms. Yazzie affirmed the need to approve the list of deferred projects. Mr. Johnson moved to approve the deferral of the projects listed, and Mr. Moody seconded. The motion passed by a unanimous voice vote of the Committee.

6. 2008-2012 Draft TIP Amendment

Ms. Yazzie presented the 2008-2012 draft Transportation Improvement Program (TIP)

amendment. She summarized the previous discussions at TRC on the need to amend the TIP as opposed to developing a 2009-2013 TIP. Ms. Yazzie directed the Committee's attention to a series of handouts that had been disseminated at the start of the meeting. She explained that the handouts detailed the list of projects included the draft amendment.

According to Ms. Yazzie, the criteria used for the inclusion projects in the TIP amendment included projects programmed for FY 2008-2012; projects advanced to FY2008-2010; regionally significant projects, and projects receiving regional funding. In addition, projects with a change in location, length, work description, funding, fiscal year for work, and the number of lanes were also included. Ms. Yazzie requested that member agencies review the proposed amendments and return comments to MAG Staff by May 16, 2008. She added that MAG Staff would conduct air quality conformity analysis in June and July and that a final draft of the TIP amendment would probably be presented to the Committee in June.

Mr. Callow asked if there were any questions or comments. There were none, and this concluded Ms. Yazzie's presentation on the 2008-2012 Draft TIP Amendment.

7. Arterial Life Cycle Program Status Report

Next, Mr. Callow invited Ms. Christina Hopes from MAG to provide an update on the Arterial Life Cycle Program (ALCP) for October 2007 to March 2008. Ms. Hopes reported that \$190.5 million in Regional Area Road Fund (RARF) revenues were collected for all modes during the 6-month period. Of that, \$20 million was allocated to the ALCP for arterial capacity and intersection improvements. She reported that actual revenues were seven percent lower than \$205 million forecasted for that period. Next, Ms. Hopes informed the Committee that revenue collection for March, which included any additional revenue generated by the Super Bowl, had negligible effect on RARF Revenues for the month. She reported that March revenues were \$500,000 lower than March 2007 despite the economic impact of the Super Bowl on the region.

Ms. Hopes stated that each year during the annual update process, an inflation factor is applied to the remaining ALCP project reimbursements programmed in the ALCP. She announced that an inflation factor of 3.679%, obtained from the Bureau of Labor Statistics would be used during for the current annual update. Ms. Hopes also informed the Committee that as of the publication of the FY2009 Arterial Life Cycle Program, reimbursements would be shown to the dollar by project and to the thousand by work phase. She added that MAG Staff now required Project Agreements and Project Reimbursement Request amounts be shown to the dollar. However, the new requirement would not impact any Project Agreements or other project requirements submitted to date.

Next, Ms. Hopes briefly discussed the RARF Closeout Policies established in Section 260 of the *ALCP Policies and Procedures*. She explained that for an ALCP project to be eligible for RARF Closeout the project and/or project must be completed and all ALCP project requirements must be submitted to MAG by the June 1st deadline. Ms. Hopes announced that Ms. Yazzie would discuss the RARF Closeout Process in greater detail during the next agenda item.

In closing, Ms. Hopes briefly summarized miscellaneous events and activities pertaining to the

ALCP. The items touched upon included the publication of the ALCP in book format, revised forms available for download from the MAG website, and completed project requirements submitted to MAG between October 2007 and March 2008. Mr. Callow thanked Ms. Hopes for her presentation and asked if there were any questions or comments for the agenda item. Being none, he continued onto the next agenda item.

8. Fiscal Year 2008 - Arterial Life Cycle Program (ALCP) Regional Area Road Fund (RARF) Closeout

Ms. Yazzie explained that the agenda item was for information, discussion, and possible recommendation to approve the project reimbursements for the FY08 ALCP RARF Closeout and to amend the FY08 ALCP, 2008-2012 TIP, and 2007 RTP Update as necessary. Ms. Yazzie summarized the history of the Arterial Life Cycle Program (ALCP) and explained that the life cycle program is fiscally balanced program with capped reimbursements.

Ms. Yazzie reiterated the RARF Closeout Policies from the ALCP Policies and Procedures approved by the MAG Regional Council on December 19, 2007. Section 260 of the Policies requires MAG Staff to consider the fiscal constraint of the ALCP with proposed ALCP RARF Closeout options and prohibits the RARF Closeout process from having adverse impacts, delays, reductions or removals of ALCP reimbursements. Section 260 also established project eligibility guidelines. Eligible projects or project segments must be completed and/or closed out and must submit all ALCP project requirements (project overview, project agreement, and project reimbursement request) by June 1st of the current fiscal year. Ms. Yazzie reported that seven projects were eligible for RARF Closeout.

MAG Staff determined the availability and allocation of ALCP RARF Closeout funds for eligible completed projects according to the priorities established in the Policies. Prioritization occurs in sequential order and includes projects scheduled for reimbursement in the next fiscal year and all other projects according to the chronological order of the programmed reimbursements. Based on the criterion established, the projects eligible for RARF Closeout in priority order included Lake Pleasant Pkwy: Union Hills to Dynamite Rd (\$8.044 million - FY2012/2013); Arizona Ave/Chandler Blvd: Intersection Improvements (\$3.582 million - FY2014); Val Vista Dr: Warner Rd to Pecos Rd (\$3.352 million - FY2014); Arizona Ave/Elliott Rd Intersection Improvements (\$3.582 million - FY2021); Shea Blvd at Via Linda - Phase 1 (\$945,000 - FY2021); Shea Blvd at Mayo/134th St (\$280,000 - FY2021); Shea Blvd at 90th/92nd/96th Streets (\$3.5 million - FY2021); and Happy Valley: I-17 to 35th Ave \$5.439 million - FY2022).

Ms. Yazzie explained that during the financial analysis conducted, MAG Staff reviewed six impacts to determine the amount eligible for RARF Closeout. The six impacts assessed were the number of eligible projects, programmed versus actual expenditures in FY2008, historical trends and future projection in RARF revenues, the FY2009 draft ALCP bonding program, scenarios, and programmed expenditures in the FY2009 draft ALCP. Based on the outcome of the financial analysis, three projects were recommended to receive \$14.978 million for FY2008 RARF Closeout.

Ms. Yazzie offered to provide more detailed information on the financial analysis and scenarios

reviewed at the Committee's discretion. Mr. Callow asked if there were any questions or comments on this agenda item, and there were none. Mr. Moody motioned to recommend the three projects to receive \$14.978 million through the RARF Closeout process. Ms. Tami Ryall from the Town of Gilbert seconded, and the motion was subsequently approved by a unanimous voice vote of the Committee.

9. Pedestrian Design Assistance and Bicycle Design Assistance Applications for 2008 Funding - Phase II

Moving onto the next order of business, Mr. Callow invited Ms. Maureen DeCindis from MAG to present the next agenda item. Ms. DeCindis explained that the FY2008 MAG Unified Planning Work Program and Annual Budget included \$200,000 in funding for the Pedestrian Design Assistance Program and \$300,000 for the Bicycle/Shared-Use Design Assistance Program. She reported that in September 2007 the MAG Pedestrian Working Group and the MAG Bicycle Task Force recommended that four projects receive \$345,000 of the programmed funding.

Ms. DeCindis informed the Committee that the application deadline for the second round of the selection process was January 14, 2008. She reported that seven project applications were received by the deadline; however, three were withdrawn from consideration by their jurisdiction(s). According to Ms. DeCindis, on March 18, 2008, the MAG Pedestrian Working Group and the MAG Bicycle Task Force recommended that three projects receive \$152,000 in funding. Projects recommended to receive funding included the Adobe Road Complete Street Project - Mesa (\$30,000); the Garden Lakes Sidewalk Project - Avondale (\$60,000); and the Third Street Promenade - Phoenix (\$62,000). In closing, Ms. DeCindis announced that the agenda item was for information, discussion, and possible recommendation to approve the projects for the Design Assistance Program.

Mr. Callow asked if any one had questions or comments for Ms. DeCindis, and there were none. Mr. Carlos de Leon from the City of Tempe motioned to recommend to approve the projects listed for the Design Assistance Program, and Mr. John Hauskins from Maricopa County seconded the motion. Then, the motion was approved by a unanimous voice vote of the Committee.

10. Member Agency Update

Mr. Callow asked members of the Committee if they would like to provide updates; address any issues or concerns regarding transportation at the regional level; and asked if any members in attendance would like to address recent information that was relevant to transportation within their respective communities. There were no member comments at this time.

11. Next Meeting Date

Acknowledging the scheduling conflict discussed earlier, Mr. Callow reiterated that MAG Staff would send electronic notification to the Committee membership and other meeting attendants with the revised date and time of the May committee meeting. There being no further business,

Mr. Callow adjourned the meeting at 11:10 a.m.