

MINUTES OF THE  
MARICOPA ASSOCIATION OF GOVERNMENTS  
TRANSPORTATION REVIEW COMMITTEE

November 13, 2009

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

MEMBERS ATTENDING

Peoria: David Moody	Litchfield Park: Woody Scoutten
ADOT: Steve Hull for Floyd Roehrich	Maricopa County: John Hauskins
*Avondale: David Fitzhugh	Mesa: Brent Stoddard for Scott Butler
Buckeye: Jose Herdia Scott Lowe	Paradise Valley: Bill Mead
Chandler: RJ Zeder for Patrice Kraus	Phoenix: Ed Zuercher
El Mirage: Lance Calvert	Queen Creek: Wendy Kaserman
Fountain Hills: Randy Harrel	RPTA: Bryan Jungwirth
Gila Bend: Rick Buss	Scottsdale: Dave Meinhart
Gila River: Sreedevi Samudrala for Doug Torres	Surprise: Bob Maki
*Gilbert: Tami Ryall	Tempe: Chris Salomone
Glendale: Terry Johnson	Valley Metro Rail: John Farry
Goodyear: Cato Esquivel	Wickenburg: Rick Austin
Guadalupe: Gino Turrubiarres	Youngtown: Grant Anderson for Lloyce Robinson

EX-OFFICIO MEMBERS ATTENDING

*Street Committee: Darryl Crossman, City of Litchfield Park	Bicycle/Pedestrian Committee: Peggy Rubach, RPTA
*ITS Committee: John Abraham, City of Surprise	*Transportation Safety Committee: Kerry Wilcoxon, City of Phoenix

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

OTHERS PRESENT

Eric Anderson, MAG	John Carlson, Sundt Const.
Christina Hopes, MAG	Frank Fletez, Guadalupe
Nathan Pryor, MAG	Paul Ward, Olsson
Eileen Yazzie, MAG	Jeanne Sapon, Sundt
John Dickson, ADOT	Wendy Sapon, Sundt
Clem Ligoeki, MCDOT	Shane Silsby, Phoenix
Kwi-Sung Kang, MAG	John Merritt, ADOT
Linda Branch-Dasch, MCDOT	Bob Antilla, Valley Metro/RTPA
Ray Dovalina, Phoenix	Wendy Miller, Phoenix
Bill Vachon, FHWA	Joris Bresnanhan, Phoenix

1. Call to Order

Chairman David Moody from the City of Peoria called the meeting to order at 10:04 a.m.

2. Call to the Audience

Chairman Moody stated that he had received a request to speak card from Mr. Mark Shreffler, a citizen from the City of Phoenix. Chairman Moody invited Mr. Shreffler to address the Committee. Mr. Shreffler thanked the Committee for the opportunity to speak and expressed concerns about the lighting and spacing of light poles on the freeway system. In particular, Mr. Shreffler expressed concerns about the lighting on the Loop 202.

Mr. Shreffler referenced the current conference at the Phoenix Convention Center sponsored by the US Green Building Council. He stated that he, as well as the Council, were interested in promoting the use natural light to reduce lighting load. Mr. Shreffler inquired about planning efforts on freeway lighting and the costs of lighting the freeway system. He also expressed concerns about the procurement of lighting, engineering costs, the life cycle costs of energy and materials, and emissions.

Chairman Moody stated he was unsure what the accurate answers to his questions were. Chairman Moody encouraged Mr. Shreffler to provide MAG Staff with additional contact information and directed MAG Staff to determine the proper individuals to provide Mr. Shreffler with the information requested and any opportunities for public input.

Mr. Shreffler requested input from the Committee on the topic. Mr. Eric Anderson, MAG Transportation Director, stated that under the open meeting law, the Committee could not discuss an item that was not formally on the agenda adding that the Committee could add the item to a future agenda. A brief discussion followed about the technical process for adding the item to the agenda. Mr. Anderson stated that MAG Staff would assist Mr. Shreffler with obtaining additional information about the subject.

3. Re-allocation of Unused Local/MPO American Recovery and Reinvestment Act (ARRA) Funds Policy Options

Moving on, Chairman Moody invited Ms. Yazzie to present on the reallocation of unused Local/MPO American Recovery and Reinvestment Act (ARRA) funds. Ms. Yazzie directed the Committee's attention to a memorandum and attached table that had been disseminated to the Committee electronically. She stated that the handouts were also available at the meeting.

Ms. Yazzie quickly summarized the discussion on the agenda item at the October 29<sup>th</sup> meeting on the Committee. She stated that the focus of the current agenda item was the policies and programming of the unobligated Local ARRA funds that failed to obligate by the established

deadline or project savings from lower bids.

Ms. Yazzie reported that three factors were considered by MAG Staff, the Federal Highway Administration (FHWA) and the Arizona Department of Transportation (ADOT) in the development of the policy option being presented. Ms. Yazzie emphasized the need to obligate all of the Local/MPO by ARRA funds by the federally mandated deadline. She expressed the importance of obligating any project bid savings after the initial deadline as well.

Ms. Yazzie reported that MAG was coordinating frequently with ADOT and FHWA on ARRA funded projects. She stated that MAG Staff had met weekly with ADOT and FHWA to identify and resolve issues in an efficient manner. Ms. Yazzie reported that FHWA and ADOT were focused on administrative and review work on clearances in an effort to obligate all local, regional and state ARRA funds by February 1, 2010. She explained that FHWA's deadline was to allow the local office sufficient time to balance the books and ensure that all ARRA funding was obligated by the federally mandated deadline of March 2, 2010.

Ms. Yazzie explained that MAG was looking at two deadlines, pre- and post- March 2010. She stated that 'pre' March, funds were likely to be available due to the inability for some projects to obligate by the March 2, 2010 deadline or due to project costs being less than programmed. She stated that the 'post' March 2, 2010, ARRA local funds were likely to be available due to project costs being less than programmed.

Next, Ms. Yazzie informed the Committee that the recommendation of MAG Staff with input from FHWA and ADOT was that any unobligated ARRA Local funds, due to either projects not obligating or project cost savings, be exchanged with ADOT for ADOT STP funds. She stated that by allocating the ARRA funds to the larger highway projects, the MAG Region could reduce the potential of not obligating all of the ARRA funding by the March 2, 2010 deadline. Ms. Yazzie announced that ADOT would then use the ARRA funds on highway projects in the MAG region. She stated that MAG would then have a like amount of STP funds transferred back to the region for use by MAG members on local federally funded projects.

Ms. Yazzie summarized the pros and cons of the policy option. She explained a 'pro' of the option included allowing a flexible, local solution that would simplify ARRA process. Ms. Yazzie stated that during previous policy discussions at TRC, MAG Member Agencies expressed interest in keeping the Local ARRA sub-allocation within each jurisdiction. She explained that by swapping the ARRA funds for STP funds, local agencies would be allowed that flexible solution. She added that the option also extend the obligation deadline to the deadline to obligate ADOT STP funds, which was September 2010.

Ms. Yazzie reported that one negative of the proposed policy option was that local agencies would need to meet the 5.7 percent minimum local match requirement. She stated that with ARRA funds, a local match was not required; however, using STP funds would require the minimum local match established under the Surface Transportation Program guidance.

Continuing on, Ms. Yazzie stated policy and programming considerations that would need to be addressed for the policy option presented to be implemented. She stated that for cost

savings that did not meet an established threshold funds should be returned to the region to be programmed. She explained the minimum threshold was needed for projects where the project savings did not cover a substantial amount of the total project cost. Ms. Yazzie then gave a few examples to demonstrate the point.

Ms. Yazzie stated another issue for further consideration was project readiness. She explained that new projects likely would not obligate by the September 2010 deadline for federal funds. She stated that projects selected to receive the reallocated ARRA/STP funds should be underway and in the process of obtaining clearances. Ms. Yazzie reported that a prioritized regional project listing would need to be developed under the option. She stated the prioritized project list could include current ARRA funded, current federal funded, or current local funded projects that could obligate by the established deadlines. She added that the list did not need to be developed and approved immediately.

Next, Ms. Yazzie informed the Committee the policy option could allow Local ARRA cost savings to be applied to the 30 percent local match established in the RTP. She explained that the application of ARRA savings towards the local match only would be applicable for projects within the jurisdiction with the cost savings. Ms. Yazzie stated the policy option presented was the option suggested by MAG Staff, FHWA, and ADOT; however, other policy options could still be considered at the discretion of the Committee.

Chairman Moody asked the Committee if there were any questions regarding the policy option presented by MAG Staff. Mr. John Hauskins from Maricopa County requested clarification about the threshold. Ms. Yazzie stated that if project savings exceeded the minimum threshold, then under the policy option, the cost savings would be returned to the local agency for reprogramming. She added that for project savings that did not meet the minimum threshold, the funds would be returned to the region for reprogramming. She emphasized that under the policy option presented, the priority was with local jurisdiction discretion. She explained the threshold was added to the policy option due to the administrative expense and time needed for a project to obligate. Discussion followed.

Mr. Cato Esquivel from the City of Goodyear inquired which of the policy options presented considered projects that could obligate by the February 1, 2010 deadline. Ms. Yazzie replied none. She explained that MAG's approach had shifted from 'pre' and 'post' March deadline to the policy option being presented before the Committee. Ms. Yazzie stated that many projects at the local level are not ready-to-go, and for that reason, the ARRA/STP swap would benefit most of the member agencies.

Mr. Esquivel inquired how projects that would be ready-to-go by the February deadline would be prioritized and/or considered. Ms. Yazzie stated that all projects that would ready-to-go by February deadline had been programmed with ARRA funds. She explained that the option presented would allow member agencies to develop additional projects that could obligate by the STP deadline of September 2010. Ms. Yazzie added that under the policy option presented, local discretion and flexibility would be increased due the extended time frame. Discussion followed about the feasibility of funding various types of projects under the proposed option.

Ms. Yazzie emphasized that local discretion was the first priority under the option presented.

She explained that the additional categories under the option were in the event that local agencies did not have additional projects that could use the ARRA/STP funds in the established time frames.

Mr. Terry Johnson from the City of Glendale stated the policy presented may not take advantage of ready-to-go projects in jurisdictions that had met the sub-allocation of Local ARRA funds and could use additional ARRA funds. He cited ARRA projects in Glendale that could use additional ARRA funds to due increased project costs. Mr. Johnson questioned if monies should be swapped with ADOT if existing local ARRA projects could use the additional funds.

Ms. Yazzie replied that under the policy presented, MAG was looking to hold the original sub-allocation of ARRA funds to each member agency. She inquired if Mr. Johnson would prefer to have project savings from other jurisdictions reallocated to member agencies, where applicable, before the swap. Mr. Johnson stated that was an option for the Committee to consider. Ms. Yazzie summarized Mr. Johnson's option for the Committee. A brief discussion followed.

Mr. Grant Anderson from the Town of Youngtown asked why the STP obligation deadline was September 2010. Ms. Yazzie explained that the deadline was based on the availability of ADOT-STP funds for Federal Fiscal Year (FFY) 2010. Mr. Eric Anderson further explained that ADOT had received a notable rescission notice for FFY 2009 and carrying forward the ARRA/STP funds may be problematic. He added that it was the goal of the region to obligate all federal funds by the established deadlines. Ms. Yazzie added that the intent of the September deadline was to keep in line with the spirit of the ARRA legislation and stimulate jobs in the region.

Mr. Grant Anderson stated that under these deadlines that only projects "on the books" would be able to take advantage of the policy option. Ms. Yazzie agreed. Mr. Grant Anderson stated that the proposed approach would only reallocate additional funds to existing projects. He inquired if the Magnificent Seven policies regarding STP funds would need to be revisited under the circumstances. Ms. Yazzie replied that the Draft Federal Fund Programming Principles, which evolved from the Magnificent Seven's STP guidance, would not need to be revised. She explained revisions were not needed because the swapped funds would be ADOT-STP funds not MAG-STP funds.

Mr. RJ Zeder stated that the City of Chandler was in a similar position to other jurisdictions citing ARRA projects that could use additional funds. He recognized that the original Local ARRA sub-allocation was determined based on a minimum allocation plus a population allowance to ensure that smaller communities would receive a portion of the Local ARRA funds. Mr. Zeder stated that based on this, he felt local jurisdictions should be given priority to allocate any unused ARRA funds before redistributing those funds to other agencies. He continued, adding that if local agencies did not have ready-to-go projects, then the funds should be redistributed to the region. Mr. Zeder finished his comments by expressing support for the policy option presented by MAG Staff.

Mr. Dave Meinhart from the City of Scottsdale echoed Mr. Zeder's sentiments regarding the sub-allocation of Local ARRA funds to each MAG Member Agency. He stated the first step

in addressing the issue would be to keep the funds within the original jurisdiction. He expressed support for the policy option presented as a means to allow smaller jurisdiction additional time to obligate funds.

Mr. Johnson stated that both options were viable options. He expressed support for the approach to extend the obligation deadline to September with an STP wash. He explained the approach would help smaller jurisdictions to maximize the amount of sub-allocation of funds obligated. Mr. Johnson expressed concerns about the annual trend in the region not to obligate all of the STP funds in a timely manner.

Chairman Moody acknowledged Mr. Bill Vachon from the local Federal Highway Administration (FHWA) Office and Mr. John Dickson from the Arizona Department of Transportation (ADOT) Local Governments Section and inquired if either would like to speak to the issue. Mr. Vachon stated that most of the Local ARRA funds should be obligated by the February deadline based on current data. He opined that the issue would not be failure to obligate the ARRA funds by the established deadline, but how to address bid savings. Mr. Vachon stated the ARRA/ADOT-STP swap would allow for additional time for the smaller member agencies to obligate projects in their jurisdictions.

Mr. Zeder motioned to approve the recommendation of MAG Staff as presented in the attachment, which stated that:

- 1) MAG would exchange any unobligated ARRA Local funds, due to either projects not obligating or project cost savings, with ADOT in exchange for ADOT STP funds;
- 2) ADOT would then use the ARRA funds on highway projects in the MAG region;
- 3) MAG would then have a like amount of STP funds that can be used by MAG members on local federally funded projects.

Mr. Lance Calvert from the City of El Mirage seconded the motion as presented. Chairman Moody inquired if there were any questions about the motion as presented. Mr. Hauskins suggested that either the Committee or MAG Staff determine the threshold before voting on the motion. Mr. Hauskins also requested the issue of preserving the 70/30 split in the Regional Transportation Plan (RTP) be discussed.

Ms. Yazzie replied that three issues did not need to be addressed as part of the agenda item, including the threshold amount, the 70/30 RTP split, and the prioritization of projects for reallocated funding. She stated that the membership may want to consider these points further and make a decision at a later meeting. However, she welcomed the Committee to decide the points at the current meeting if that was the prerogative of the Committee membership.

Chairman Moody stated that from the standpoint of the City of Peoria, he would like the 70/30 split discussed at the current meeting because of the potential ramifications on one of the City's projects. Chairman Moody then inquired if anyone had additional questions or comments on the motion. Mr. Zuercher inquired if the motion before the Committee would allow member agencies to place project bid savings on another ARRA funded project to increase the amount of ARRA funds on a project. Mr. Eric Anderson stated yes with the caveat that projects receiving the additional funds needed to be ready to obligate.

Mr. Zeder clarified that the intent of his motion was that there was not a minimum threshold applied to the local jurisdictions project bid savings from the original sub-allocation of Local

ARRA funds. Mr. Zuercher stated that he understood the motion to be as presented by Mr. Zeder. Mr. Woody Scoutten from the Town of Litchfield Park requested clarification that ready-to-go projects meant projects that could obligate by February 1, 2010. Mr. Eric Anderson clarified that ready-to-go meant projects that could obligate by September 2010.

Mr. Vachon replied that FHWA did not believe there would be an issue with obligating projects by the February and March 2010 deadlines. He stated the issue would be project bid savings that would occur afterwards. Mr. Vachon added that the project bid savings could be applied to an existing ARRA project or to a new project that would be able to obligate by the September 1, 2010 deadline.

Mr. Meinhart expressed support for allowing local jurisdictions to apply project bid savings from their original sub-allocation of Local ARRA funds to reduce the 70/30 split established in the RTP. He stated, however, that he did not support using project savings from another jurisdiction to reduce the RTP local match requirement.

Mr. Zeder stated he would amend the motion to include a provision that local agencies could apply project bid savings in that jurisdiction to meet any of the local match requirements. Mr. Calvert seconded the amended motion.

Chairman Moody inquired if there were any questions or comments about the amended motion. Mr. Vachon cautioned that if a jurisdiction experienced minimal project bid savings, the jurisdiction should consider the administrative costs for ARRA funded projects when determining how to reallocate the ARRA funds within that jurisdiction. Mr. Vachon added that if ARRA savings were reallocated to another project that the federal reporting requirements would still apply.

Chairman Moody stated that the Committee should discuss the threshold further at some point given the administrative costs and reporting requirements associated with ARRA funds. Mr. Grant Anderson thanked Mr. Vachon for the clarification. Ms. Yazzie stated the ARRA reporting requirements was a consideration in recommending the swap of ARRA funds with ADOT-STP funds. She explained that by swapping the funds, ADOT would be responsible for the reporting requirements on the ARRA funded highway projects in the region, and the local jurisdictions would not be required to meet the ARRA reporting requirements for local projects using the ADOT-STP funds. Discussion followed.

Mr. Hauskins moved to call the vote to question. Chairman Moody requested the motion be repeated. Ms. Yazzie stated the amended motion as stated by Mr. Zeder was to recommend that any unobligated ARRA Local funds, due to either projects not obligating or project costs savings, would be programmed:

- 1) At the local discretion first, and may remain ARRA funds or may be exchanged with ADOT for ADOT-STP funds; then,
- 2) ADOT would use the ARRA funds on highway projects in the MAG Region, and ADOT would transfer an equivalent amount of ADOT-STP funds that could be used by MAG Members on local federally funded projects; and,
- 3) If applicable, local agencies may use project cost savings from their original ARRA allocation to lower the 30 percent local cost share on projects programmed under the 70/30 cost

share policy in the Regional Transportation Plan.

Mr. Zeder verified the motion as summarized by Ms. Yazzie. Chairman Moody called for a vote, and the motion was approved by a unanimous voice vote of the Committee.

4. Request for Future Agenda Items

Chairman Moody inquired if the members had any topics or issues of interest they would like to have considered for discussion at a future Committee meeting. There were none, and Chairman Moody moved onto the next agenda item.

5. Member Agency Update

Chairman Moody 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.

Ms. Peggy Rubach, the Bicycle/Pedestrian Committee representative, announced that the Maricopa Department of Public Health would be applying for a \$20 million twenty four month ARRA grant to the Center for Disease Control on Monday, November 23, 2009. She encouraged member agencies to consider submitting potential projects as part of a consolidated project and funding proposal. Ms. Rubach also announced that Valley Metro would hold a combined Valley Metro Grants Technical Advisory Committee and 2010 Valley Bike Month Committee meeting on Tuesday November 17, 2009 to discuss the funding opportunity and encouraged the various member agencies to attend the meeting.

6. Next Meeting Date

Chairman Moody informed members in attendance that the next regularly scheduled meeting of the Committee would be held on December 14, 2009. There be no further business, Chairman Moody adjourned the meeting at 11:15 a.m.