



Executive Director's Report

Our February Regional Council meeting saw spirited discussion regarding the statewide allocation of funds that will come to Arizona through the American Recovery and Reinvestment Act of 2009. Staff reported that out of \$350 million available statewide for the Arizona Department of Transportation (ADOT) portion of the funds for highway infrastructure, approximately \$129.4 million (37 percent) was allocated to the MAG region by the State Transportation Board. In our opinion, this decision inappropriately used an existing formula that has never been used before for a single revenue source. The Board also did not take into account that ADOT held two MAG projects totaling \$74 million, which were ready to advertise in October 2008, enabling these funds to be swept by the State Legislature.

Central to our discussion was the fundamental unfairness of this decision, especially considering that 78 percent of the construction job loss has been in Maricopa County and we have 80 percent of the state's unemployment. We represent 60 percent of the state's population and our residents contribute 59 percent of the gas tax.

It was reported to the State Transportation Board that the two highest ranked projects on the MAG list of projects, I-17 North and I-10, West previously had been funded with State Transportation Acceleration Needs (STAN) funds. These projects, representing \$74 million, were ready to bid in October 2008 and held by ADOT. The State Legislature swept the STAN funds in January to help balance the state budget. MAG staff had testified at a State Transportation Board Study Session on February 5, 2009, that MAG should be made whole from the sweep of MAG's portion of STAN funds by the Legislature. Another \$20.4 million to advance a portion of the Williams Gateway Freeway was approved by the Regional Council in January but these funds were also swept. It was our understanding that MAG would not be penalized for the STAN sweep and that our region would be made whole when stimulus funds became available. The Regional Council made it clear in its motion to approve a prioritized list of projects that the \$94 million in STAN funding should come off the top of the ADOT portion of the highway funds.

Following the Regional Council meeting, the State Transportation Board met on March 3rd to select projects and again heard testimony regarding the allocation of funds. It was stated in our testimony that we had a long-standing partnership with the State Transportation Board in constructing the Regional Freeway System in Maricopa County. We noted that the citizens in Maricopa County had taxed themselves in 1985, and renewed the tax in 2004, to make transportation improvements possible. In fact, citizens agreed to allow their tax dollars to be placed

on a federal Interstate system to improve I-10 and I-17, recognizing the extreme lack of funds coming from the federal government for transportation.

We also explained to the board that the 37 percent funding allocation formula was developed in a process that took into consideration all of the other MAG transportation funds our region receives. With multiple funding sources included, MAG would achieve close to its fair share of 55 to 60 percent of the funding. The 37 percent allocation formula has never been used for a single revenue source, and we strongly believe that it is an inappropriately low percentage to use for allocating the stimulus funds.

Following our testimony, the board went into executive session, and returned to announce that it had decided to reaffirm its decision to provide only 37 percent to the MAG region. In subsequent testimony, MAG staff noted that the priority order of projects approved by the Regional Council would need to be clarified with the ADOT staff.

As we previously noted, the majority of the job losses are in Maricopa County. It is unfortunate that the State Transportation Board could not be convinced to allocate additional funding to meet the greatest need in Arizona.

For more information, please contact Dennis Smith, MAG Executive Director, (602) 254-6300.

Regional Council Meeting Report for Wednesday, February 25, 2009

Action Items



The American Recovery and Reinvestment Act of 2009 includes \$27.5 billion in national Highway Infrastructure Investment funding. The state of Arizona is expected to receive \$521.9 million for highway infrastructure. For transit, \$8.4 billion was allocated nationally, with Arizona expected to receive \$100.5 million. The legislation also contains \$1.5 billion nationally for a competitive grants component.

For the highway portion of the legislation, the Arizona Department of Transportation (ADOT) has 120 days to obligate 50 percent of the funding. The ADOT portion is \$349.7 million, plus \$15.66 million for transportation enhancements. Funds are expected to be available March 10, 2009, after which the clock starts ticking for “use it or lose it” provisions in the bill.

Due to the short time period to obligate ADOT projects, the Regional Council was asked to submit a list of projects in priority order for the ADOT portion of the recovery funds. Before approving the list, the Regional Council discussed a recent action by the State Transportation Board, which failed to take into account the sweep of \$94 million in Statewide Transportation Acceleration Needs (STAN) funding in its recommended allocation of \$129.4 million to the MAG region.

The Regional Council agreed to forward the list of projects contingent upon projects receiving the necessary adjustments and amendments to the MAG Transportation Improvement Program and air quality conformity. However, the Regional Council additionally requested that the MAG Chair send a letter to the State Transportation Board and the Chairs of the Arizona House and Senate committees responsible for transportation, requesting that the formula for the ADOT portion of recovery funds take the STAN projects in this region totaling \$94 million off the top of the funds before the allocation is made, and to not penalize the MAG region for the funding sweep.

For more information, please contact Dennis Smith, MAG Executive Director, (602) 254-6300.

Air Quality Actions

The MAG Regional Council approved a request by MAG to the U.S. Environmental Protection Agency (EPA) to redesignate the Maricopa area to attainment for the 1997 eight-hour ozone standard. No violations of the standard of 0.08 parts per million (ppm) have occurred since 2004, the same year the area was designated to be in nonattainment of the standard as required under the Clean Air Act.

In addition to the redesignation request, the Regional Council also approved a “maintenance” plan that provides monitoring data to support the finding that the standard has been met and demonstrates that the standard of .08 ppm will continue to be maintained through 2025.

Ground-level ozone is a gas formed by a chemical reaction between nitrogen oxides and volatile organic compounds in the presence of sunlight during the summer months. Motor vehicle exhaust, industrial emissions, gasoline vapors, chemical solvents, and even natural vegetation contribute to ozone formation. Valley residents can help reduce ozone pollution by reducing driving, minimizing the use of gasoline-powered lawn and garden equipment, waiting until evening to fuel vehicles, and making sure vehicle tires are properly inflated.

In addition to the above actions, the Regional Council also supported a proposed “strawman option” for a revised eight-hour ozone nonattainment area boundary for the new 2008 ozone standard of .075 ppm. The Arizona Department of Environmental Quality is proposing to extend the boundary only where absolutely necessary, primarily to include some power plants. The Governor must submit a recommendation for the boundary to the Environmental Protection Agency by March 12, 2009.

For more information, please contact Lindy Bauer, MAG Environmental Director, (602) 254-6300.

Approval of Pedestrian and Bicycle Design Assistance Programs

The FY 2009 MAG Unified Planning Work Program and Annual Budget includes \$150,000 for the Pedestrian Design Assistance Program and \$250,000 for the Bicycle/ Shared-Use Design Assistance program. Eight project applications were submitted for funding, five of which were recommended for approval by the MAG Bicycle

Task Force, MAG Pedestrian Working Group, and Management Committee. The MAG Regional Council approved the following projects for funding:

PEDESTRIAN:

- Fountain Hills: Saguaro Ranch Park (\$70,000)
- Phoenix: 11th Street Streetscape in Historic Garfield District (\$80,000)

BICYCLE/SHARED USE:

- Buckeye: BID Canal Multi-Use Path (\$58,000)
- Glendale: Neighborhood Access Improvements for Multi-Use Pathways (\$50,000)
- Tempe/Mesa: Rio Salado Shared-Use Path (\$142,000)

For more information, please contact Maureen DeCindis, MAG Transportation Planner, (602) 254-6300.

Safe Routes to School Projects

A total of \$2.2 million is available statewide for safety improvement projects through grants from the Arizona Department of Transportation's (ADOT) Safe Routes to School Program. The program provides grants for projects that improve road safety and encourage more K-8 children to walk or bike to school. A total of 17 project applications from the MAG region was received by ADOT. The proposal review process stipulates that MAG submit a ranked list of projects. The MAG Transportation Safety Committee reviewed the project proposals and recommended a ranked list of projects. The MAG Management Committee concurred with the ranked list. The MAG Regional Council approved the list to be submitted to ADOT for the Safe Routes to School Program.

For more information, please contact Sarath Joshua, MAG ITS and Safety Program Manager, (602) 254-6300.

Human Services, Homeless Plans Receive Approval

The Regional Council approved two plans related to human services planning efforts. The first plan, the MAG Regional Human Services Plan for FY 2010, includes recommendations for Social Services Block Grant allocations and the new human services transportation coordination goals. The second plan, the MAG Continuum of Care Regional Committee on Homelessness Regional Plan to End Homelessness, takes a fresh look at issues surrounding homelessness in the region with goals and action steps to address homelessness in the region.

For more information, please contact Amy St. Peter, MAG Human Services Manager, (602) 254-6300.

Next Regional Council Meeting

The next meeting of the MAG Regional Council is scheduled for Wednesday, March 25, 2009, at 5:00 p.m. in the Saguaro Room, 302 N. 1st Avenue, Phoenix. Agenda items are expected to include discussion and possible action on the ADOT and MAG Sub-Allocation portions of the American Recovery and Reinvestment Act Funds; Census 2010 planning update; and an update on the FY 2010 MAG Unified Planning Work Program and Annual Budget. Additional items are pending.

For more information, please contact Dennis Smith, MAG Executive Director, (602) 254-6300.