



## Executive Director's Report

The last Regional Council meeting of the year provided an opportunity to reflect on the mission of MAG and the people essential to the organization. One of those people has been Fredda Bisman, who is retiring after serving as MAG's general counsel for 17 years. Fredda has a long career in municipal law, previously serving as the City Attorney for the City of Scottsdale and currently serving as the Attorney for the Town of Queen Creek. She helped guide MAG through the development of administrative processes and provided great legal advice for a wide variety of contracts. Fredda's professionalism and dedication is an impressive example of public service to MAG staff and its member agencies.

Two key issues were addressed at the meeting that illustrate MAG's commitment to persevere on what's right for our region and our residents. First, the border crossing card initiative, which we have been working to extend for more than four years. We first explored an administrative rulemaking approach and now we are seeking a legislative solution (*see legislative update, below*). Four past and current chairs of the Economic Development Committee, as well as elected officials, business leaders and staff, have devoted time and effort to extend Arizona's welcome mat to visitors from Mexico. According to a University of Arizona study, this initiative could bring more than \$181 million to our economy every year. Through grit and tireless efforts, this important economic issue is closer to becoming a reality. MAG is determined to see this effort succeed and has the support from the majority of regional planning agencies in Arizona. We thank Senator John McCain and Representative Martha McSally for supporting this initiative and preparing the legislation for Congress.

The second effort involves introducing legislation to allow for early implementation of control measures to keep the region's air clean. We have outstanding air quality and intergovernmental staff at MAG, who have been following this important issue closely and working with our national consultant in Washington, D.C., to pursue the best path to a resolution. It has been a long road, but we have finally found a Congressional vehicle and look forward to next steps to protect the health of our residents.

Progress on these issues demonstrate how MAG is truly a special place where elected officials provide the leadership and have the courage to advocate for what will truly make a difference in the lives of present and future generations of the region. As we look ahead to a new year, MAG is committed to continue taking on the tough initiatives that will benefit all of our residents.

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



## Meeting Report for Wednesday, December 6, 2017

### Action Items

#### MAG Federally Funded, Locally Sponsored Project Development Status Report

Members of the Regional Council were provided the latest Project Development Status Report, in which local agencies report their progress on their federally funded projects. MAG programming guidelines require each agency to submit their information twice a year, along with a commitment letter assuring their project(s) will obligate federal funds as noted in the federally approved Transportation Improvement Program (TIP). This report helps determine the availability of “closeout” funds (budgeted dollars that have not been spent that can be reapplied to other projects), as well as ensures that all federally allocated funds to the region are spent.

Staff noted that the funding carry-forward from the Federal Highway Administration has met the target for the past five years. This year’s \$300,000 carry forward funds will be returned to the program by the Arizona Department of Transportation (ADOT) next year. The Regional Council accepted the Project Development Status Report, allowing the projects to proceed in a timely manner and that best fits their project development schedule.

**For more information, please contact Teri Kennedy, MAG Transportation Improvement Project Manager, (602) 254-6300.**

### Information Items



#### 2017 Annual Report on the Status of the Implementation of Proposition 400

State statute requires that MAG issue an annual report on the status of projects funded by the half-cent sales tax. The tax is authorized by Proposition 400 and funds the MAG Regional Transportation Plan. The report addresses factors such as project status, financing, and the outlook for implementation. The 2017 Annual Report is the 13th report in the series and covers the status of the life cycle programs for freeways and highways, arterial streets, and public transit. MAG held a public hearing on the 2017 Annual Report on the Status of the Implementation of Proposition 400 on November 14, 2017.

Staff noted that forecasts of Proposition 400 half-cent revenues are 3.1 percent lower than last year’s estimate for the period FY 2018 through FY 2026. This decrease reflects a combination of a lower base-year estimate and the recently implemented annual withholding to cover administrative costs for the collection of the tax. Forecasts of total MAG federal transportation funds for FY 2018 through FY 2026 are 19.3 percent higher than last year’s estimate, largely due to the assumed increase in Federal Transit Administration discretionary funding with proposed light rail extensions.

Highlights from the Freeway/Highway Life Cycle Program in 2017 include five projects completed, three projects advertised for bid or under construction, and construction underway on the Loop 202/South Mountain Freeway. A key achievement came with Regional Council approval of the rebalancing of the program, with an ending cash flow balance of \$194.1 million.

Major achievements in the Arterial Life Cycle Program in 2017 include two completed projects, additional funding for the Gilbert Road Bridge over the Salt River, and additional funding for the Gilbert Road light rail extension. More than \$88 million was distributed to member agencies in 2017 and \$746 million has been reimbursed to date. The ending cash flow balance is \$26.9 million.

In the Transit Life Cycle Program, service improvements were made on three routes, and new or improved service is planned for nine routes from FY 2018 to FY 2022. Construction efforts continued on the 50th street light rail station and the Gilbert Road light rail extension. The ending cash flow balance is \$283.9 million.

**For more information, please contact John Bullen, MAG Transportation Planner III, (602) 254-6300.**

### **Update on the Montreal Delegation Trip**

Staff briefed the Regional Council on the upcoming delegation trip to Montreal. The trip is being held in conjunction with Air Canada's inaugural flight from Phoenix to Canada's second largest city. Phoenix Mayor Greg Stanton noted that the goal of this trip is to strengthen and expand the region's economic and tourism ties with the Montreal metropolitan area, and to ensure the future success of this nonstop flight through business and tourism opportunities. He encouraged elected officials to join representatives from the Arizona Commerce Authority, the Arizona Office of Tourism, the Greater Phoenix Economic Council, and the Canadian Consulate in Los Angeles for the February 22-24 tour. On February 23rd, there will be a full day of meetings with companies in industries such as aerospace, manufacturing, software and information technology, an opportunity to meet with the new mayor of Montreal, and a tourism-focused breakfast.

**For more information, please contact Denise McClafferty, MAG Regional Program Manager, (602) 254-6300.**

### **Legislative Update**

As mentioned above in the Executive Director's Report, staff reported progress on two key issues: air quality legislation and the Tourism and Shopping Initiative. House Bill 4496 has been introduced in Congress, which would allow early implementation of air quality contingency measures. Staff noted that as the lead agency in air quality planning, MAG is committed to keeping our air clean. The air quality bill allows the region to continue implementing backup measures before a violation of standards occurs, which in turn protects the health of residents.

These measures include simple actions such as paving dirt roads and using dust-reducing street sweepers that help keep dust levels down and keep residents from breathing in dust particles. Besides the health aspect, there are also important economic consequences. More than \$7.1 billion of transportation projects in the MAG transportation plan are in jeopardy due to a U.S. Ninth Circuit Court ruling that prohibits early implementation of these measures. The region served by the Ninth Circuit Court is the only region in the country that is not allowed to implement these measures early. MAG staff encouraged elected officials to voice their support of this amendment to Arizona's Congressional Delegation.

Staff reported that positive movement also is evident on efforts to extend the border crossing card zone from its current 75-mile limit to the entire state of Arizona. MAG launched the initiative four years ago to extend the zone to increase tourism revenue. Border crossing card holders are frequent, low-risk travelers to the U.S. from Mexico who have undergone rigorous security checks. A study done by the University of Arizona found that extending the limit to the entire state would result in a \$181 million increase in revenues in the first year. Arizona Senator John McCain and House Representative Martha McSally from Arizona's Second District are in support and are preparing legislation to move this forward.

**For more information, please contact Nathan Pryor, MAG Government Relations Manager, (602) 254-6300.**

## **Next Meeting**

The next meeting of the MAG Regional Council will be held on Wednesday, January 31, 2018, at 11:30 a.m. at the MAG offices, 302 N. 1st Avenue, Phoenix, second floor, Saguaro Room. Agenda items are pending.

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