



## Executive Director's Report

Our last Regional Council meeting of the year provided an important opportunity to reflect on the core business at MAG, with important items covering air quality, federal transportation funding, and the implementation of Proposition 400. Before we heard these items, I mentioned that MAG had received a number of significant awards in recent months. These awards not only demonstrate that MAG continues to be a high-performing organization, they also are testament to the trust that the MAG Regional Council places in MAG staff.

The awards cover several areas, including the Engineering Excellence Award by the American Council of Engineering Companies of Arizona, which honored MAG for its work with the Arizona Department of Transportation (ADOT) in analyzing program costs. These efforts have helped “true up” budgeted costs and returned tens of millions of dollars to the program. MAG also was granted the 2016 Best Intelligent Transportation Systems Planning Project. This award was for the safety and congestion benefits realized by locating Department of Public Safety troopers at the ADOT traffic operations center. MAG was recognized by the Public Relations Society of America for litter prevention efforts through Don't Trash Arizona, and the agency received a commendation by the National Federal Highway Administration Traffic Model Improvement Program for our transportation modeling practices. All are great indicators of the importance MAG places on providing the best service possible for our region.

We saw the results of that same dedication during our air quality update and the Regional Council's adoption of the “Moderate Area Plan” for eight-hour ozone (see summary, below). The plan demonstrates attainment of this ozone standard in 2017, using 93 control measures. The MAG air quality staff is among the best in the nation, and the reclassification from serious area to moderate area in May 2016 demonstrated the professionalism of the MAG air quality staff.

The professionalism of the MAG staff and attention to core business could be seen in the other updates at our meeting. The approval of projects to improve traffic light timing on our arterial system, which carries the majority of our traffic, will help Valley communities move traffic better. The annual update on Proposition 400 showed that we are finally surpassing 2007 revenues after a decade lost to the Great Recession. An important report was made to the Council on how federal transportation funds are allocated. MAG staff is working in cooperation with

ADOT to ensure that vital Congestion Mitigation and Air Quality Improvement Program (CMAQ) funds are distributed appropriately to this region for projects that we count on in our air quality analysis. Federal funding formulas are complex and MAG is fortunate to have a professional staff that can unravel this complexity. For more information, please contact Dennis Smith, MAG Executive Director, (602) 254-6300.

## **Meeting Report for Wednesday, December 7, 2016**

### **Action Items**



#### **Regional Council Adopts Eight Hour Ozone Moderate Area Plan**

The Regional Council adopted the MAG 2017 Eight-Hour Ozone Moderate Area Plan for the Maricopa Nonattainment Area. The Plan is designed to meet requirements of the Clean Air Act and demonstrate attainment of the 2008 ozone standard (0.075 parts per million) by the attainment date of July 20, 2018. The deadline to submit the plan to the Environmental Protection Agency (EPA) is January 1, 2017.

The plan addresses the Moderate Area requirements. Staff noted that the plan must show at least a 15 percent reduction in volatile organic compound emissions over a six-year period (2012-2017). Since the attainment date is in the middle of the summer ozone season, the plan is required to demonstrate attainment in the prior 2017 ozone season. The region will need three years of clean data at the monitors (2015-2017 monitoring data) to meet the standard.

Staff reported that the plan includes 93 existing control measures approved by EPA in prior air quality plans and existing federal control measures. It also demonstrates reasonably available control measures. No new or strengthened measures were necessary to demonstrate attainment or meet reasonable further progress requirements. The plan demonstrates attainment of the standard in 2017, with a design value of 0.075 parts per million. Modeling was conducted for 153 days in the ozone season using a subset of the 93 control measures.

Staff reported on contingency measures in the plan. The measures must be implemented without further action if the area fails to attain the standard or make reasonable further progress. The measures must represent one-year's worth of progress, which is a three percent reduction in the 2011 base year emissions. Staff noted that existing measures in the plan provide continuing emission reduction benefits of 3.86 percent above and beyond attainment that are used to meet the contingency requirements.

One outstanding issue for the contingency measures in the plan is that in September, the 9th Circuit Court ruled against EPA's longstanding policy of early implementation. EPA filed a petition for rehearing in October. In 2004, the 5th Circuit Court had upheld early implementation.

MAG will now submit the plan to the Arizona Department of Environmental Quality and the EPA.

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

### **Traffic Signal Projects**

The Regional Council approved the list of FY 2017 Traffic Signal Optimization Program projects. Eleven project applications were received. The MAG Intelligent Transportation Systems Committee recommended seven of the proposed projects, which include 85 intersections in seven communities, plus two additional projects that would involve before and after evaluations and a workshop to provide training on traffic signal timing software.

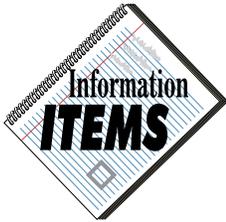
Staff reported that the execution of the projects would help improve traffic signal coordination along a number of major arterial street corridors. Also known as "synchronized" lights, staff noted that signals are set to the "speed of progression" and that the timing of traffic lights improves traffic flow and efficiency. Coordination can be disrupted due to crashes and passing emergency vehicles. Traffic signals need to be adjusted at least once every three years to match current traffic flow patterns.

Benefits of signal coordination include reduced traffic congestion; reduced emissions leading to improved air quality; reduced fuel and operating costs; reduced driver frustration; and improved road safety.

The total cost for all nine projects is estimated to be \$282,000. The projects will be carried out using MAG on-call consultants. Staff noted that the typical Benefit/Cost Ratio ranges from 17/1 to 40/1. A recent MAG TSOP project evaluated by ADOT showed a Benefit/Cost Ratio of 68/1. This means that \$68 of benefit was gained for every dollar invested.

A total of 120 projects have been completed by MAG over the last ten years, with improvements made at nearly 1,200 signalized intersections. There are of a total number of 3,300 intersections in the region.

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



## Information Items

### Resource Allocation Advisory Committee Update

MAG staff provided an update on the November meeting of the ADOT Resource Allocation Advisory Committee. The Federal Highway Administration (FHWA) FASTLANE grant program represents approximately \$800 million a year. In order to fund these grants, the formula funding to states and metropolitan planning organizations (MPOs), was reduced. This included CMAQ and surface transportation program (STP) funds.

Staff explained that due to delays in the FASTLANE grant program, projects were not obligated before the end of the federal fiscal year, so the \$800 million was available to be redistributed to states in August. That is when the Federal Highway Administration scoops up all of the unused highway funds and redistributes the funds to states to ensure all of the money is used each year. This year, ADOT received \$62 million of redistributed funds, including about \$16.8 million related to the FASTLANE grant program. Staff indicated that ADOT uses these redistributed funds to support the state highway program. Other programs, such as the CMAQ and the STP funds allocated to MPOs in Arizona, do not benefit from these reallocated funds.

For FY 2017, FHWA is reserving funding for two rounds of the FASTLANE grant program. One round is to fund the projects that were awarded during the last call for projects, which occurred in FY 2016, and another round for FY 2017 projects. In order to accommodate these two rounds of funding this year, the allocations for all of the various highway programs were reduced. This means that the CMAQ and STP funding for the MAG region is going to be reduced twice. The CMAQ and suballocated STP funds were reduced for the FY 2016 program and twice in FY 2017, amounting to a net loss of approximately \$7 million to the MAG region and approximately \$10 million statewide. The state highway program actually benefitted from the FASTLANE delays.

Staff noted that MAG continues to discuss this issue with ADOT and has had positive meetings with the agency director. Staff indicated it is an issue of fairness and MAG should not suffer the consequences due to delays in the FASTLANE grant program.

**For more information, please contact Eric Anderson, MAG Transportation Director, (602) 254-6300.**

### Annual Report on Proposition 400

Voters of Maricopa County approved Proposition 400 in 2004 to authorize the extension of the half-cent sales tax for transportation. State law requires that MAG

issue an annual report on projects included in Prop 400, addressing factors such as project status, funding and priorities.

MAG staff noted that total collections of the half cent sales tax are projected to be \$5.1 billion from fiscal years 2017 to 2026, representing growth of 5.3 percent. Staff noted sales tax revenue for FY 2016 was \$397 million. Those revenues mark the first time that half-cent sales tax collections have exceeded those of 2007, demonstrating the “lost decade” of revenues experienced as a result of the Great Recession. FY 2016 revenue is \$6 million higher than 2007.

Staff noted that due to provisions of Fixing America’s Surface Transportation (FAST) Act, the region also has seen an increase in forecasted federal revenue. Compared to last year, there is anticipated 8.5 percent growth. This additional revenue has helped the three major Life Cycle Programs.

For the Regional Freeway and Highway Program, four projects were completed in 2016, and six were advertised for bid or are under construction. Staff reported that the biggest accomplishment in 2016 was the beginning of construction on the Loop 202/South Mountain Freeway. The program shows an ending cash flow balance of \$787 million, with an anticipated increase in that balance as the cost risk analysis and value engineering process continues and the South Mountain Freeway right-of-way costs are finalized.

For the Arterial Life Cycle Program, staff stated that \$73.3 million in project expense reimbursements were issued to MAG member agencies in FY 2016. Eight projects or project segments were completed. There is an ending fund balance of \$19 million.

For the Transit Life Cycle Program, there were service improvements on one route in FY 2016. Service on nine additional routes is planned from FY 2017 to FY 2021. The program continues to fund routes already in the program. Operations began on the Central Mesa and Northwest Extension light-rail extensions in FY 2016. There is a positive fund balance of \$182 million for the transit program.

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

## **Next Meeting**

Please note that the next meeting of the MAG Regional Council will be held on Wednesday, January 25, 2017, 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.**