

MINUTES OF THE
MAG MANAGEMENT COMMITTEE MEETING
May 14, 2014
MAG Office, Saguaro Room
Phoenix, Arizona

MEMBERS ATTENDING

Dr. Spencer Isom, El Mirage, Chair	Gregory Rose, City of Maricopa
Miranda DeWitt for Christopher Brady, Mesa	* Jim Bacon, Paradise Valley
# Matt Busby for George Hoffman, Apache Junction	Carl Swenson, Peoria
David Fitzhugh, Avondale	Tom Remes for Ed Zuercher, Phoenix
George Diaz for Stephen Cleveland, Buckeye	* Greg Stanley, Pinal County
* Gary Neiss, Carefree	Tracy Corman for John Kross, Queen Creek
Peter Jankowski, Cave Creek	* Bryan Meyers, Salt River Pima-Maricopa Indian Community
Rich Dlugas, Chandler	* Fritz Behring, Scottsdale
* Charles Montoya, Florence	Chris Hillman, Surprise
Phil Dorchester, Fort McDowell Yavapai Nation	Andrew Ching, Tempe
Ken Buchanan, Fountain Hills	# Chris Hagen for Reyes Medrano, Tolleson
Rick Buss, Gila Bend	Joshua Wright, Wickenburg
* David White, Gila River Indian Community	# Jeanne Blackman, Youngtown
Patrick Banger, Gilbert	Trent Kelso for John Halikowski, ADOT
Brent Stoddard for Brenda S. Fischer, Glendale	John Hauskins for Tom Manos, Maricopa County
Brian Dalke, Goodyear	Jyme Sue McLaren for Steve Banta, Valley Metro/RPTA
# Rosemary Arellano, Guadalupe	
Darryl Crossman, Litchfield Park	

* Those members neither present nor represented by proxy.

Participated by telephone conference call. + Participated by videoconference call.

1. Call to Order

The meeting of the MAG Management Committee was called to order by Chair Dr. Spencer Isom, El Mirage, at 12:00 p.m.

2. Pledge of Allegiance

The Pledge of Allegiance was recited.

Ms. Rosemary Arellano, Ms. Jeanne Blackman, Ms. Chris Hagen, and Mr. Matt Busby joined the meeting via teleconference.

Chair Isom noted that material for agenda items #5H, #10, and #12, previously provided, was at each place and on each side of the room.

Chair Isom announced that public comment cards were available to members of the public who wish to comment. Parking validation for those who parked in the MAG parking garage was available from staff and transit tickets were available from Valley Metro/RPTA for those who purchased transit tickets to come to the meeting. Hearing assisted devices were available from MAG staff.

3. Call to the Audience

Chair Isom stated that Call to the Audience provides an opportunity to the public to address the Management Committee on items that are not on the agenda that are within the jurisdiction of MAG, or non-action agenda items that are on the agenda for discussion or information only. Those wishing to comment on agenda items posted for action will be provided the opportunity at the time the item is heard. Public comments have a three minute time limit. A total of 15 minutes will be provided for the Call to the Audience agenda item, unless the committee requests an exception to this limit.

Chair Isom recognized public comment from Mr. Pat Vint, who expressed his respects to Dr. Marvin Rochelle. Mr. Vint stated that he did not want to keep repeating himself, but it seemed that is the only way to get anything done. He stated that nothing happens at the City of Phoenix because there is no management. Mr. Vint commented that Phoenix Police and Phoenix Fire are at war and he added that they are not treated equally. He spoke of the shifts worked by Phoenix Fire and that they are paid time and a half for training in their hours off. Mr. Vint stated that they are guaranteed \$500,000 per year in overtime. He stated that police cars are nowhere to be found on the street and the only way to see firemen is at the park playing basketball or volleyball, which they say is to stay in shape. Mr. Vint stated that running or carrying bags of sand over your shoulder can help people stay in shape. He said that the Phoenix city manager and council need to do their jobs. Chair Isom thanked Mr. Vint for his comments.

Chair Isom recognized public comment from Mr. John Rusinek, who spoke on his ongoing dust problem. Mr. Rusinek stated that he and Mr. Vint met with his councilman for one hour on Wednesday. He said that he had requested 20 minutes to set up his evidence before the meeting started, but his councilman arrived early and not everything was put out. Mr. Rusinek stated that the councilman did not look at any of his material. Mr. Rusinek stated that he read the city, state, and county ordinances to the councilman, who Mr. Rusinek said responded that everyone violates ordinances and laws. He passed around packages of different sized gravel and reported that his councilman said there was not much difference between sizes. Mr. Rusinek stated that the ordinance for parking surfaces says that they must be surfaced with material appropriate for stabilization. Chair Isom thanked Mr. Rusinek for his comments.

Chair Isom recognized public comment from Ms. Dianne Barker, who stated she was a resident of downtown Phoenix. Ms. Barker expressed that multimodalism feels good and that she demonstrated the benefits of multimodalism by doing a cartwheel and splits at the Regional Council meeting. Ms. Barker stated that she was invited by some Regional Council members to

come and get their members off the dais. She referenced the potential high speed train between Tucson and Phoenix and noted that there is a new plant in Gilbert that produces algae, which can be used in fuel. Ms. Barker noted that former Mesa Mayor Scott Smith indicated that the Sun Corridor includes 81 percent of the state's population and generates 84 percent of the state sales tax and is where ADOT is proposing a high speed train. She expressed her support for ADOT considering this and she added that people say rail is expensive, but Phoenix is paying \$90 million per mile for at-grade rail and it will not be completed until 2025. Ms. Barker remarked that more than half of the cost is for utilities. She expressed that all alternatives need to be considered and costs compared. Chair Isom thanked Ms. Barker for her comments.

4. Executive Director's Report

Mr. Dennis Smith, MAG Executive Director, stated that the ribbon cutting ceremony for the opening of State Route 24/Gateway Freeway recently took place. Mr. Smith commented that this effort is a testament to the cooperative work between Mesa and the Arizona Department of Transportation. He explained that the freeway's construction was accelerated through alternative financing by the City of Mesa.

Mr. Smith announced that MAG had received the Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting for MAG's Comprehensive Annual Financial Report for fiscal year 2013. He congratulated the MAG Fiscal Services Division for their accomplishment and he noted that this is the 16th year in a row MAG has received the award.

Mr. Smith congratulated the City of Glendale for winning the 2014 Best Age-Friendly Community award at the All Ages, One Region Conference on March 27, 2014, at the Glendale Civic Center. He added that the MAG region received the Best Intergenerational Community award.

Mr. Smith reported on the effort to streamline the border crossing process for Mexican citizens who want to visit Arizona. He stated that eight agencies and the Intertribal Council are now participating with MAG in this process.

Chair Isom thanked Mr. Smith for his report.

5. Approval of Consent Agenda

Chair Isom stated that agenda items #5A, #5B, #5C, #5D, #5E, #5F, #5G, #5H, and #5I were on the Consent Agenda.

Chair Isom recognized public comment from Mr. Vint, who commented on agenda items #5E, regarding the mobility of seniors, and #5I, to ensure that the public has input. Mr. Vint stated that more people need to come to MAG meetings. He said there is some reason people are afraid to show up at MAG, but there is no reason for this. Mr. Vint noted that there are detectives present at meetings. He stated that there is a chance that people will break. He asked why do bad things happen and there is a good reason – elected officials should be responsible and accountable. Mr.

Vint stated that the City of Phoenix charter says that the mayor and council cannot speak to any employee about work ethics and it must go through the city manager.

Mr. Crossman made a Point of Order. He remarked that he did not think the comments were relevant to the Consent Agenda.

Chair Isom requested that Mr. Vint restrict his comments to topics on the Consent Agenda.

Mr. Vint stated that his comments were relevant to the City of Phoenix, which is a MAG member. He asked Mr. Crossman if he was saying Mr. Vint had no right to comment on the City of Phoenix at MAG meetings.

Chair Isom requested that Mr. Vint address the body as a whole.

Mr. Vint stated that he would take on all of you – it did not matter. Mr. Vint stated that he was 83 years old and had been in business in Phoenix for 57 years. He expressed his wish that he had not settled in Phoenix because it is a disaster in progress, a DIP city. Mr. Vint's time expired and Chair Isom thanked him for his comments.

Chair Isom recognized that Mr. Crossman was accurate in making a Point of Order.

Chair Isom recognized public comment from Mr. Rusinek, who filled out a comment card for agenda item #5F. He said that the agenda material says, "Title VI and Environmental Justice activities are mandated by the federal government to ensure that people of all races, income levels, ages, and abilities have an equal voice in the planning process and receive equal benefit from the results of such planning. Environmental Justice activities as a sub-recipient of federal funding." Mr. Rusinek stated that everyone should be treated equally. He mentioned how his councilman thought the different sized aggregate looked the same and wondered if he was making fun of Mr. Rusinek because he was 79 years old. Chair Isom thanked Mr. Rusinek for his comments.

Chair Isom recognized public comment from Ms. Barker, who stated that she, Mr. Vint, and Mr. Rusinek thought the April Management Committee minutes accurately reflected comments. Ms. Barker commented on agenda item #5F, by saying that compliance is needed on federal funding rules in order to receive transportation funding. She said that Environmental Justice ensures that programs and plans will be heard by everyone. Ms. Barker stated that she thought at times some Environmental Justice areas have been polluted and the money removed. She said that MAG wants to ensure that does not happen. Ms. Barker expressed her hope that the Management Committee would table agenda item #5I because it does not reflect that citizens will be heard. Ms. Barker said that MAG staff told her that state law does not require public comment from citizens, but this would be in conflict with federal law. She added that the plan addresses responding to criticism and she said the body can have staff add items to the agenda. Chair Isom thanked Ms. Barker for her comments.

Chair Isom asked members if they had questions or requests to hear a presentation on any of the Consent Agenda items.

Mr. Patrick Banger moved to remove agenda item #5B, Freeway Management System Expansion - Revised Budget and Schedule, from the Consent Agenda. Chair Isom seconded, and the motion passed unanimously.

Chair Isom called for a motion to recommend approval of the remaining items on the Consent Agenda, items #5A, #5C, #5D, #5E, #5F, #5G, #5H, and #5I. Mr. Rich Dlugas moved, Mr. Brian Dalke seconded, and the motion passed unanimously.

5A. Approval of the April 9, 2014, Meeting Minutes

The MAG Management Committee, by consent, approved the April 9, 2014, meeting minutes.

5C. Acceptance of \$350,000 of Strategic Highway Research Program Implementation Assistance Program Funding in the Draft FY 2015 MAG Unified Planning Work Program and Annual Budget and to Add the Funding to the Corresponding On-Call Consultant Project

The MAG Management Committee, by consent, recommended acceptance of \$350,000 of Strategic Highway Research Program Implementation Assistance Program Funding in the Draft FY 2015 MAG Unified Planning Work Program and Annual Budget and to add the funding to the corresponding on-call consultant project. Understanding freight flows and forecasting them are critical to determining the need for future transportation capacity on the regional highways or other modal infrastructure. MAG staff has identified a need for the future development of the regional freight forecasting models. On February 13, 2014, MAG, the Arizona Department of Transportation (ADOT) and the Pima Association of Governments (PAG) submitted a joint application for implementation and technical assistance funds in Round 3 of the Federal Highway Administration (FHWA) Strategic Highway Research Program Implementation Assistance Program (SHRP2). MAG was the lead agency in the Freight Demand Modeling portion of the proposal submitted to FHWA. On March 28, 2014, FHWA and AASHTO announced that MAG was one of the organizations selected in Round 3 of SHRP2 implementation assistance for freight demand modeling. Up to \$350,000 for each applicant is available to be applied to the implementation of Behavior-Based Freight Modeling. The main purpose of the project is to develop a new generation regional freight model based on the principles identified in the SHRP2 C20 products and consistent with MAG freight flows forecasting needs. It is anticipated that the request for qualifications for on-call consultants to support the work will be issued upon approval of the FY 2015 Work Program.

5D. FY 2015-2017 MAG Transportation Alternatives Non-Infrastructure Safe Routes to School Projects

The MAG Management Committee, by consent, recommended approval of the listed Transportation Alternatives Non-Infrastructure Safe Routes to School projects for Fiscal Years 2015-2017. The current federal transportation program authorization, Moving Ahead for Progress in the 21st Century (MAP-21) consolidated three previous programs (Transportation Enhancements, Safe Routes to School, and Recreational Trails) into a new federal funding category named Transportation Alternatives. The MAG region receives about \$4.4 million per year in Transportation Alternatives funds, which can be used to fund two categories of projects:

Transportation Alternatives Infrastructure projects and Transportation Alternatives Non-Infrastructure Safe Routes to School projects. Through previous MAG action, \$400,000 per year out of the total Transportation Alternatives allocation has been set aside for Safe Routes to School projects. In response to a MAG call for Safe Routes to School projects for Fiscal Years (FY) 2015-2017, issued on January 9, 2014, three project applications were received. All three projects were recommended for approval on March 25, 2014, by the MAG Transportation Safety Committee and on April 24, 2014, by the MAG Transportation Review Committee. A second call for projects is planned to program the remaining Transportation Alternatives funds for FY 2015-2017.

5E. FFY 2014 Section 5310 Enhanced Mobility of Seniors and Individuals with Disabilities Transportation Program Recommendation for the Phoenix/Mesa Urbanized Area

The MAG Management Committee, by consent, recommended approval of the priority listing of applicants with funding amounts for the Federal Fiscal Year (FFY) 2014 Federal Transit Administration Section 5310 Enhanced Mobility of Seniors and Individuals with Disabilities Transportation Program for the Phoenix/Mesa Urbanized Area, of forwarding the listing to the City of Phoenix Public Transit Department, and of amendments and administrative modifications to the FY 2014-2018 MAG Transportation Improvement Program and as appropriate, to the 2035 Regional Transportation Plan. The Federal Transit Administration (FTA) provides Section 5310, Enhanced Mobility of Seniors and Individuals with Disabilities Transportation Program funding for capital assistance awards. This award program is available to agencies and public bodies that provide transportation services for older adults and people who have a disability. MAG prepares the Section 5310 priority listing of applications for the Phoenix/Mesa Urbanized Area (UZA) which is approved through the MAG committee process, and forwarded to the City of Phoenix Public Transit Department for submission to the FTA. Approximately \$3 million is available for this year's Section 5310 Phoenix/Mesa Urban UZA projects. The available funding amount includes approximately \$2.9 million in FTA apportionment for the Phoenix/Mesa UZA, more than \$400,000 in carry over from the FY 2013 Section 5310 process, and minus the ten percent administration fee to the City of Phoenix as the Designated Recipient. On April 23, 2014, the MAG Elderly and Persons with Disabilities Transportation Program Ad Hoc Committee developed a priority listing of applicants with funding amounts to be forwarded for Section 5310 funding for the Phoenix/Mesa UZA.

5F. Draft Title VI and Environmental Justice Program

The MAG Management Committee, by consent, recommended approval of the draft Title VI and Environmental Justice Program. Title VI and Environmental Justice activities are mandated by the federal government to ensure that people of all races, income levels, ages, and abilities have an equal voice in the planning process and receive equal benefit from the results of such planning. MAG is actively engaged in Title VI and Environmental Justice activities as a sub-recipient of federal funding. In order to facilitate a thorough understanding of these activities, a Title VI Program has been developed. The Program reflects activities that fulfill the responsibilities assigned to Metropolitan Planning Organizations as set forth by the Federal Transit Administration circular FTA C 4702.1B under chapter six. The following committees recommended approval of the draft Title VI and Environmental Justice Program: the MAG

Human Services Technical Committee (April 10, 2014), the MAG Human Services Coordinating Committee (April 23, 2014), and the MAG Transportation Review Committee (April 24, 2014).

5G. Northern Arizona Council of Governments Loan Request and Proposed Project Advancements

The MAG Management Committee, by consent, recommended approval to enter into a loan with the Northern Arizona Council of Governments in the amount of \$4,252,198 in Federal Fiscal Year 2014 Surface Transportation Program funds and to advance federal funding on three Arterial Life Cycle Program projects: Northern Parkway Phase II, Avenida Rio Salado, and Gilbert Road Light Rail Extension. The Northern Arizona Council of Governments (NACOG) has requested that MAG enter into a loan agreement to assist them with \$4,252,198 in Federal Fiscal Year (FFY) 2014 Surface Transportation Program (STP) funds from the Federal Highway Administration (FHWA) that they cannot utilize this year, with repayment across multiple years from FFY 2016-2019. The proposed loan would have no negative impacts to the MAG region and requires a minimal amount of accounting time to track. The FFY 2014 loan request from NACOG with the MAG region for STP funding will adhere to repayment terms as prescribed in the Arizona Department of Transportation loan program. The main benefit to the region includes early advance federal funding for projects that are currently underway and can meet federal and state rules and policies. Three projects in the Arterial Life Cycle Program have been identified that meet the requirements to accept advancement of the FHWA STP funding. On April 24, 2014, the Transportation Review Committee recommended entering into the loan agreement and advancing funding to the three projects.

5H. Conformity Consultation

The Maricopa Association of Governments is conducting consultation on a conformity assessment for an amendment and administrative modification to the FY 2014-2018 MAG Transportation Improvement Program (TIP) and 2035 Regional Transportation Plan. The amendment and administrative modification involve several projects, including several new Arizona Department of Transportation projects and other miscellaneous projects. The amendment includes projects that may be categorized as exempt from conformity determinations. The administrative modification includes minor project revisions that do not require a conformity determination.

5I. Approval of the Draft MAG Public Participation Plan

The MAG Management Committee, by consent, recommended approval of the draft MAG Public Participation Plan. The Maricopa Association of Governments (MAG) conducts a robust four-phase public involvement process dedicated to ensuring that all people in the region have an opportunity to provide input into transportation planning and programming process. To conduct this process, MAG utilizes a Public Participation Plan. This plan details the ways in which MAG incorporates public input into the decision making process. The plan has been updated to reflect the requirements of new federal guidelines known as Moving Ahead for Progress in the 21st Century (MAP-21). As with previous federal guidelines known as TEA-21 and SAFETEA-LU, MAP-21 requires the Public Participation Plan to “define a process for providing citizens, affected public agencies, representatives of public transportation employees, freight shippers, providers of freight transportation services, private providers of transportation, representatives of users of

public transportation, representatives of users of pedestrian walkways and bicycle transportation facilities, representatives of the disabled, agencies or entities responsible for safety/security operations, providers of non-emergency transportation services receiving financial assistance from a source other than Title 49, United States Code (U.S.C), Chapter 53, and other interested parties with reasonable opportunities to be involved in the transportation metropolitan planning process.”

5B. Freeway Management System Expansion - Revised Budget and Schedule

The Regional Transportation Plan identifies the Freeway Management System (FMS) as a key regional strategy for managing operations on the freeway system, and includes funds for ADOT to implement its expansion. The previous implementation schedule developed by the Arizona Department of Transportation (ADOT) would have completed the FMS expansion by 2025. However, due to cost savings in recent years, ADOT has been able to expand FMS coverage faster than originally planned and has requested MAG approval of a revised budget and schedule. This is necessary for ADOT to move ahead with FMS projects in the Five-Year Highway Construction Program. On March 4, 2014, the ITS Committee recommended approval of the revised budget and schedule and also recommended that MAG perform a study, by 2017, on a comprehensive reevaluation of the life cycle of FMS-related technology infrastructure. On March 24, 2014, the Transportation Review Committee recommended approval of the schedule and revised budget for fiscal years 2015 through 2019 and the MAG study.

This item was removed from the Consent Agenda.

Mr. Banger stated that he did not need a presentation, but he would like answers to questions that had been asked at the April Transportation Review Committee (TRC) meeting regarding the proposed study’s scope and cost, which were unknown at that time.

Mr. Sarath Joshua, MAG staff, stated that as a result of the discussion by the TRC regarding the scope and cost of the study, the item was taken back to the ITS Committee and they formed a working group to look at the study and develop the project’s scope. Mr. Joshua noted that they anticipate that the proposed project would be included in the draft Fiscal Year 2016 MAG Unified Planning Work Program and Annual Budget.

Mr. Banger asked the anticipated timeline of the study. Mr. Joshua replied that they anticipate the study could begin after the Fiscal Year 2016 MAG Unified Planning Work Program and Annual Budget is approved (July 1, 2015). He added that he estimated that the study would take approximately one year to complete, possibly by August 2016.

Mr. Banger asked if there was a good understanding of how this study would work into the schedule with other studies, and how those studies could be impacted. Mr. Joshua explained how the study would be discussed as part of the development of the FY 2016 Work Program. Mr. Banger asked for clarification if the intention was to move this item forward to the Regional Council before the questions were answered. Mr. Joshua explained the process for including a study in the MAG Work Program. He said that at MAG, a program manager will propose projects to the draft Work Program based on discussions at the committee level. Mr. Joshua stated that

the projects and the draft Work Program are reviewed through the MAG committee process until the Work Program is approved in May.

Mr. Banger asked Chair Isom if a report on this item could be brought back when the questions have been answered. Chair Isom assented and asked Mr. Smith if he had any comments.

Mr. Dennis Smith stated that staff think this is a worthwhile request by ADOT and feel that the study should come out of MAG. He added that staff feel comfortable with developing the scope, keeping a time schedule, and bringing it back to the Management Committee.

Chair Isom asked Mr. Banger if he was satisfied to proceed with this item. Mr. Banger replied yes.

With no further questions, Mr. Buss moved approval of the proposed budget and schedule for the expansion of the Freeway Management System (FMS) for fiscal years 2015-2019 and of MAG conducting a study for a comprehensive reevaluation of the life cycle of current FMS-related technology infrastructure to be performed by the year 2017 in agenda item #5B. Mr. Dalke seconded, and the motion passed unanimously.

6. Regional Economic Development and Core Competencies Survey Results

Donna Kent, of Tallwave, a venture development firm that works with cities to develop opportunities for them to grow and expand, addressed the Management Committee.

Ms. Kent noted that in 2012, \$484 million was invested in venture capital in Arizona and about 45 percent went to three fairly significant deals, however, less than \$20 million went to pre-seed investments and only nine percent went to women invested companies. She remarked that this left many pre-seed opportunities unsupported, and she added that investment nationwide is low in women invested companies.

Ms. Kent stated that many of the cities in this region have incubators and a lot of good energy is surrounding these incubators. She said that one of the things they are working on with the cities is developing more connectivity. Ms. Kent stated that while entrepreneurs are growing and scaling their companies, we could develop ecosystems, strategies and support systems, such as what is being done in other states that are attracting more venture capital and seed money, which is the critical component we are lacking.

Ms. Kent stated that at the request of the Management Committee, Tallwave surveyed the region's jurisdictions to develop an inventory of core competencies. She thanked Mr. Rick Buss for his suggestion to conduct this survey. Ms. Kent stated that the survey results showed that 75 percent of cities indicated they are looking at innovation strategies; 50 percent are targeting new, building, and establishing ways for startups to grow, scale or commercialize in their city; 58 percent of the cities have incubators; 65 percent said they had allocated funds to support innovation and growth leading to job creation; 88 percent see innovation and start up activity as key to the city economic development strategy. Ms. Kent added that health care was at the top of the core competencies, but that they are also starting to see aerospace, small manufacturing, education tech, and agri and

water related innovation. She added that several cities are still unsure of their path to the innovation economy to support their growth so Tallwave is taking on the challenge to meet with cities and help them develop strategies.

Ms. Kent stated that Arizona is number one or two in the country with the number of innovative ideas, but is grossly lacking seed funding. She remarked that it is difficult getting accelerators, innovators, incubators and universities to where scale and commercialization can become a reality. Ms. Kent noted two recent successes: Web PT and Infusion Soft, but more are needed to compete with Denver and Salt Lake City, and the up-and-coming New Mexico.

Ms. Kent stated that more early ventures and commercialization, better connectedness, a strategy at the government level, and a seed money strategy are needed to move Arizona ahead.

Ms. Kent added that by working with Tallwave, accelerators, or incubators, cities are able to facilitate greater opportunity for commercialization and expansion of early stage companies in their community. She discussed the Arizona entrepreneurial ecosystem, which includes university partnerships, incubator partnerships, and city engagement. Ms. Kent stated that in order to build an innovation economy, an increase in early venture companies, more activities associated with commercialization strategies, better alignment among key players and identifying a strategy at the government level will be needed. She noted that in the past, large companies had their own research and development branches, such as Bell Labs, to spawn innovation. Ms. Kent stated that this is no longer the case and companies now look to entrepreneurs to fill this gap.

Ms. Kent stated that if companies can get to the state of growth and scale after connecting innovation and commercialization strategies, the venture capitalists will invest. She added that prior to that is the area of concern.

Ms. Kent stated there are a lot of great resources across the state and region that they including in the economic development discussion with startups and entrepreneurs.

Chair Isom thanked Ms. Kent for her presentation. He asked Mr. Buss, who was essential in bringing forward the Tallwave presentation to the committee, if he had any comments.

Mr. Buss stated one of the next steps is Tallwave meeting with cities. He noted that he suggested compiling an inventory of core competencies of each city and pillars of economic development that would reflect areas of proficiency. He said that he thought that all cities having that information would be beneficial to this region performing globally. Mr. Buss noted that a city might be approached by a business that is looking for a particular proficiency. The city might not have that capability, but by consulting the inventory, the city could refer the business to another city that has the capability, thus keeping the economic development within the region. Mr. Buss expressed that he thought having this type of inventory would be most helpful as one of the next steps.

Ms. Kent replied that they would like to do that. She added that they do not have a good understanding of that except for more mature cities. Ms. Kent stated that the cities are starting to mature and Tallwave can help them build programs. She said that organizations such as Tallwave

or the Arizona Commerce Authority, can push entrepreneurs into cities, but they need appropriate facilities and an academic platform to build their companies. Ms. Kent stated that she hoped Tallwave could come back at a later date and provide more information on an inventory. She said it was an objective and they would be moving forward. Mr. Buss thanked Ms. Kent for all of their work.

Mr. Chris Hillman said that he and Mayor Sharon Wolcott recently visited *1871*, which is an incubator in Chicago, Illinois, and relates to the connectivity being discussed today, which creates an environment and eco-culture conducive to entrepreneurs. Mr. Hillman stated that some of the newer incubators include space for venture capitalists and universities. He indicated they have a lot of political backing and a much more regional base than having individual incubators in individual cities. Mr. Hillman stated that they could be tied to the innovation centers that the federal government has announced where significant amounts of money are forthcoming for these types of innovations.

Mr. Rose asked how Arizona compared to other states in the area of business startups. Ms. Kent replied that Arizona is typically number one or two in startups, but falls behind in commercialization. Ms. Kent stated that \$484 million in venture capital in Arizona is not a large amount of money for a state. The focus should be the pieces up front – getting them in an incubator, and getting them seed money – followed by an accelerator. Ms. Kent stated that phenomenal ideas begin in Arizona but it's disparate. She said there are incubators located all over and good training in some areas, but it is not a smooth relay – the project is not handed off as successfully as possible. Ms. Kent stated that the biggest question asked by entrepreneur after being in the incubator is, "What's next?" She added that there is no answer for that question and she felt working on an answer is important.

Mr. Smith thanked Ms. Kent for all of her work. He asked if Tallwave was the coordinator and would report back to MAG, or there was another group to provide this function. Ms. Kent replied that she thought some of the larger cities were doing economic studies to see what innovation centers could look like. She said that GPEC and others are looking at a concept called Velocity and they hope one piece will remain focused on entrepreneurship to develop an entrepreneurship to drive that from an economic development perspective. Ms. Kent stated that she could not pinpoint one collaborative group that has indicated it will not compete with other cities.

7. Emergency Management Programs at the Arizona State University School of Public Affairs

Nicole Boryczka, Arizona State University (ASU) School of Public Affairs, announced two new offerings for those with an interest in working in the emergency management sector. Ms. Boryczka stated that for those who have completed an Associate of Applied Science degree, ASU offers the Bachelor of Applied Science in Emergency Management, and for those who have already completed a bachelor's degree in any area, ASU will also be launching a Master of Arts in Emergency Management in Fall 2014. Ms. Boryczka stated that this degree will consist of 30 credit hours and will be completed entirely online. She remarked that this is a good option for busy working professionals to get their Master's and advance their careers. Ms. Boryczka stated offered her assistance to members if they would like more information on the program. She noted

that the Bachelor of Applied Science program is live and the Master of the Arts program will be live in approximately one to two weeks, with classes beginning in the fall.

Chair Isom thanked Ms. Boryczka for her report.

8. Introduction of a Near-Term Improvements Strategy for the Interstate 10/Interstate 17 Corridor

Bob Hazlett, MAG staff, provided a report on some near-term improvements that could be made to the 35-mile, north-south Interstate 10/Interstate 17 corridor between the Loop 202 Pecos Stack and the Loop 101 North Stack. He introduced project staff, Steve Beasley and Trent Kelso from the Arizona Department of Transportation (ADOT), and Aryan Lirange from the Federal Highway Administration (FHWA).

Mr. Hazlett described the area of reference as a 35-mile corridor representing the transportation “spine” of Metro Phoenix. Mr. Hazlett stated that \$1.47 billion is programmed in the Regional Transportation Plan for improving the corridor. He noted that 43 percent of all daily trips in the Valley use some portion of the Spine. Mr. Hazlett then explained that previous corridor and environmental impact statement studies for Interstate 10 and Interstate 17 were recommended for cancellation by MAG and ADOT with FHWA concurrence, because the improvements shown in the studies were too extensive and did not meet the region’s goals for the corridor. In addition, conditions have changed and new multimodal ideas have been discussed.

Mr. Hazlett stated that a path forward was identified at a Spine workshop on October 31, 2012, attended by representatives from ADOT, FHWA, the cities of Chandler, Phoenix, and Tempe, Valley Metro/RPTA, and MAG. He said that the path forward includes identifying near-term improvements, developing a corridor master plan, conducting environmental studies, and implementing the design, construction and operation of the Spine.

Mr. Hazlett said that this Near Term Improvements Strategy is still under development and study by ADOT. He explained that options under consideration include alternatives targeting bottlenecks and enhancing traffic operations. Mr. Hazlett emphasized that candidate projects must rapidly meet environmental requirements and a near-term construction timeframe. Mr. Hazlett noted that in his presentation he would be referencing “inbound” (heading into downtown Phoenix), and “outbound” (heading out of downtown Phoenix).

Mr. Hazlett stated that the Mini-Stack interchange on Interstate 10 between SR-51/SR-202L and US-60 is one of the most congested segments under study, particularly the high occupancy vehicle (HOV) lanes. He said that one potential option is striping another lane on the outbound side. Mr. Hazlett stated that sufficient pavement width exists to accommodate this safely. He noted that the lane could be an HOV lane or a general purpose lane, and added that this is still under study.

Mr. Hazlett then addressed some potential improvements to Interstate 10 between SR-143 and US-60. He noted that another potential improvement is implementing a ramp braid on the inbound segment to eliminate traffic weave and improve operations. Mr. Hazlett noted that sufficient right-of-way exists at the interchange to accommodate this. He noted that in the outbound direction between US-60 to SR-143, because a flyover cannot be accommodated, they

are considering adding a collector/distributor road to eliminate the weave between the two freeways.

Mr. Hazlett stated that extra general purpose lanes inbound and outbound could be added on Interstate 10 between Baseline Road and SR-202L/Santan Freeway.

Mr. Hazlett stated that the best option for near term improvements to Interstate 17 without a master plan is to add auxiliary lanes between the interchanges in the segment from 16th Street to 19th Avenue. He remarked that adding any improvements outside this segment is difficult without a major environmental process. Mr. Hazlett also noted that work has begun on improvements to Interstate 17 at Pinnacle Peak and Happy Valley Roads. He noted that advancing the projects is important to the city of Phoenix.

Mr. Hazlett addressed improvements to traffic operations and ITS enhancements, in addition to improvements to the Freeway Management System. He said that congestion begins at approximately 1,600 vehicles per hour per lane, however, capacity for a freeway lane is approximately 2,200 vehicles per hour per lane. Mr. Hazlett stated that adding such improvements to traffic operations and ITS enhancements could add back that capacity. He pointed out the importance of coordinating ramp metering, which would be most helpful to Interstate 17.

Mr. Hazlett stated that next steps include the possible inclusion of potential projects in the Transportation Improvement Program this fall. He added that the corridor master plan project website, www.spine.azmag.gov will be operational in the next few weeks.

Chair Isom thanked Mr. Hazlett for his report and asked members if they had questions.

Mr. Dennis Smith stated that FHWA, ADOT, and MAG have worked hard on these near term improvements. He noted that at one time, 24 lanes were recommended for the Interstate 10 freeway going through Tempe. Mr. Smith explained that with the ramp braids, etc., additional capacity can be achieved while mostly staying in the existing right-of-way. He expressed appreciation for pausing the project and capturing the work that had already been done in order to make improvements immediately within the existing right-of-way without a major environmental impact statement study. Mr. Smith expressed his hope that FHWA could be convinced that some of the near-term improvements are simpler and could provide immediate improvement.

Mr. John Hauskins expressed that this looked like a great first effort to improve those corridors and added his congratulations on the effort. He said that in the past year, he has noticed an increased number of drivers who are ignoring the ramp meter signals, and he thought an effort was needed to get more drivers to follow the meter signals.

9. Revisions to the Arterial Life Cycle Program Policies and Procedures

Mr. John Bullen, MAG staff, provided a report on revisions to the Arterial Life Cycle Program (ALCP) Policies and Procedures. Mr. Bullen stated that the ALCP is the financial management tool for the arterial component of the Regional Transportation Plan. He noted that the program is

guided by the ALCP Policies and Procedures, which were last approved by the MAG Regional Council on December 9, 2009.

Mr. Bullen stated that last spring, the Managers Working Group held a meeting to discuss changes to the Policies and Procedures. He reported that there was general consensus to address project commitment, better define the program's annual development and budget process, and develop a toolkit of program rebalancing and methodologies. Mr. Bullen stated that the Working Group felt that any program rebalancing caused by a deficit or surplus should first go to the Managers Working Group for direction.

Mr. Bullen stated that two elements were added to the policies to strengthen project commitment: requiring an annual city manager commitment letter to certify staff and resources are available and creating Programming Principles. He stated that the ALCP Working Group first looked at the feasibility of a deferral policy, however, numerous challenges associated with such a policy were identified.

Mr. Bullen stated that discussion then proceeded with the Programming Principles policy addresses reimbursements programmed in the short-term, establishes work-based milestones as the basis of programming decisions during the annual update, and creates advancement priorities to fill in the gaps.

Mr. Bullen stated that the Working Group then addressed the annual program development/budget process. He said that the Managers Working Group requested more involvement when there is a program deficit/surplus. Policies were revised so that any program deficit/surplus first goes to the Managers Working Group for direction. Mr. Bullen explained that a toolbox of rebalancing methodologies was developed that will provide options for their consideration.

Mr. Bullen stated that the revisions to the Policies and Procedures also addressed some inconsistencies. They established a federal fund invoice approval and payment process, streamlined administrative requirements, and addressed the match requirement for federally funded projects.

Chair Isom thanked Mr. Bullen for his report and expressed his appreciation to all of the staff members who worked on this effort. No questions from the Committee were noted.

Mr. Buss moved to recommend approval of the proposed revisions to the Arterial Life Cycle Program Policies and Procedures. Mr. Hauskins seconded, and the motion passed unanimously.

10. Draft Transit Oriented Development Regional Strategy

Ms. Eileen Yazzie, MAG staff, presented the Draft Transit Oriented Development (TOD) Regional Strategy. Ms. Yazzie explained that the TOD strategy is a joint strategy between MAG and Valley Metro. She noted that the strategy was approved by the Valley Metro Board in April 2014 and has been recommended for approval by the MAG Transit Committee and MAG Transportation Review Committee.

Ms. Yazzie stated that the system currently includes 20 miles of light rail and 28 stations. She noted that within four years from now, another 8.2 miles of light rail and nine stations will open, and by 2026, an additional 13 miles and 13 stations are planned to be open. Ms. Yazzie said that this brings the total miles of light rail to 41.2 and total stations to 50. She noted that this does not include the Tempe Streetcar or Glendale Extension or the Northeast Extension. All told, light rail and streetcar lines in the region will total approximately 60 miles.

Ms. Yazzie stated that this strategy leverages public dollars. She advised that the cost of the 20-mile starter system was approximately \$1.4 billion, and coupled with that, there has been approximately \$5.4 billion of private development along the light rail line. Ms. Yazzie stated that light rail currently operates in Phoenix, Mesa and Tempe, and Glendale will be added in the future. She stated that each city has its own TOD overlays, and this strategy is for the agencies, nonprofits, and the development community to collaborate and continue to leverage transportation investments and promote land use integration in order to attract and retain ridership.

Ms. Yazzie stated that Valley Metro, MAG, and the relevant cities will participate in creating a regional TOD plan that show the successes, benefits, and differences between each of the TOD policies, and define any gaps.

Chair Isom thanked Ms. Yazzie for her report and asked members if they had questions.

Ms. Jyme Sue McLaren expressed her appreciation to MAG and the cities for the collaboration in developing these policies that bring attention to TOD development as the rail corridor is developed.

Ms. McLaren moved to recommend approval of the draft Regional Transit Oriented Development (TOD) Strategy and to move forward with developing a regional TOD plan. Mr. Dalke seconded, and the motion passed unanimously.

11. Amendment to the FY 2014 Unified Planning Work Program and Annual Budget and the Burgess & Niple, Inc., Contract for the US-60/Grand Avenue Corridor Optimization, Access Management Plan, and System Study (COMPASS)

Mr. Bob Hazlett provided an update on the requested amendment to the contract for the COMPASS study, which is intended to provide a vision and plan for the Grand Avenue corridor, from Loop 303 in Surprise to downtown Phoenix. He said that this study began approximately 20 months ago. Mr. Hazlett stated that the COMPASS project charter was signed by officials of Grand Avenue jurisdictions.

Mr. Hazlett stated that the study began after ADOT expressed concern that Grand Avenue was no longer functioning as a regional facility, whereas the MAG members thought that it was. Mr. Hazlett stated that the charter partners developed four concepts: Continue with planned improvements from the Regional Transportation Plan, reconsider the US-60/Grand Avenue Expressway option, plan for commuter rail with operational improvements, and identify other high capacity transit options with US-60 enhancements.

Mr. Hazlett stated that a concept screening was conducted. He said that the material for this study can be found online on the MAG website. Mr. Hazlett stated that the US-60/Grand Avenue Expressway option was eliminated, based on cost, disruption, and the difficulty to acquire right-of-way. Mr. Hazlett stated that other high capacity transit options also dropped out due to demographics not supporting that option, however, support for commuter rail was prevalent.

Mr. Hazlett stated that a COMPASS Framework was developed and included continuing with planned improvements from the Regional Transportation Plan, establishing a corridor-wide Access Management System, addressing remaining bottlenecks and congestion points, and planning for commuter rail with operational improvements, which is the area where additional budget is needed.

Mr. Hazlett reviewed the tasks going forward that were presented to the Regional Council and Management Committee at the end of 2013: Complete committed highway projects for Grand Avenue (i.e., Bell Road, Thunderbird-Thompson Ranch), examine the near-term funding shortfall for Phase V Regional Transportation Plan projects, work with Valley Metro on the light rail extension, acknowledge a long-term commuter rail project, and ensure proposals integrate well with all modes.

Chair Isom thanked Mr. Hazlett for his report. No questions from the Committee were noted.

Mr. Chris Hillman moved to recommend amending the FY 2014 Unified Planning Work Program and Annual Budget and increasing the Burgess & Niple, Inc. contract by \$56,500 of Regional Area Road Funds (RARF) to conduct the additional work for the US-60/Grand Avenue Corridor Optimization, Access Management Plan, and System Study (COMPASS). Mr. David Fitzhugh seconded, and the motion passed unanimously.

12. Project Changes - Amendment and Administrative Modification to the FY 2014-2018 MAG Transportation Improvement Program, 2014 Arterial Life Cycle Program, and as Appropriate to the 2035 Regional Transportation Plan

Ms. Teri Kennedy, MAG staff, provided a report on the requested project changes to the FY 2014-2018 MAG Transportation Improvement Program, which include 50 ADOT requested changes, modifications, and new projects based on the current year update and the draft five-year program; 12 ALCP general project changes; project changes related to the NACOG loan; 10 MAG sub-allocated Highway Safety Improvement Program project changes (2014 and 2015); eight Transportation Alternatives-MAG new non-infrastructure projects; five ADOT programmed Safe Routes to School and one Transportation Enhancements project change; 31 FTA Section 5310 new projects and one ADOT 5310 project; 24 general public transit changes (5307, 5337, 5339); three FTA Section 5311 project changes; 11 locally sponsored project change requests; and assorted place holders for transfers and funding checks and clerical corrections.

Chair Isom thanked Ms. Kennedy for her report. No questions from the Committee were noted.

Mr. Ken Buchanan moved to recommend approval of the amendments and administrative modifications to the FY 2014-2018 MAG Transportation Improvement Program, the 2014 Arterial

Life Cycle Program, and as appropriate to the 2035 Regional Transportation Plan. Mr. David Fitzhugh seconded, and the motion passed unanimously.

13. Approval of the Draft FY 2015 MAG Unified Planning Work Program and Annual Budget and the Member Dues and Assessments

Ms. Becky Kimbrough, MAG staff, provided a report on the Draft FY 2015 MAG Unified Planning Work Program and Annual Budget and the Member Dues and Assessments that were being presented for a recommendation of approval.

Ms. Kimbrough stated that the draft Work Program has been presented incrementally since January. She noted that the 2015 Grand Avenue Transit Users Feasibility Study, a joint project headed up by RPTA in the amount of \$100,000, was added to the list of new pass-through projects. Ms. Kimbrough stated that besides this change, there are no additional appreciable differences from the information presented last month.

Ms. Kimbrough noted that the overall increase for the FY 2015 draft Work Program and Annual Budget is .67 percent. She explained that the largest dollar increase is in budgeted pass-through agreement costs. Ms. Kimbrough stated that this increase reflects an increase for street sweepers, the aforementioned Grand Avenue Transit Feasibility Study, and the On-Board Survey of Transit Users. She added that personnel costs impacted the budget. Ms. Kimbrough stated that the next largest increase to the budget is for maintenance and repair costs which have increased due to copier and computer equipment and software maintenance. Ms. Kimbrough stated that the largest dollar decrease in overhead is for capital outlays which essentially includes replacement computer equipment.

Ms. Kimbrough stated that MAG submits its Work Program each year to the Government Finance Officer's Association for review and application for the Distinguished Budget Presentation Award. She noted that MAG has received this award for the 15th consecutive year for the FY 2015 Work Program, and she added that the FY 2015 MAG Work Program will be submitted for the 16th consecutive year in August 2014.

Chair Isom thanked Ms. Kimbrough for her report. He commented on the Grand Avenue Transit Feasibility Study in the Unified Planning Work Program. He said that this item does give the flexibility to study public transportation opportunities and challenges in the Grand Avenue corridor and is not mode specific since the US 60/COMPASS group is still working to define options that will ease congestion and promote economic development along the corridor.

Mr. Smith stated that the Work Program start date is July 1, 2014, and the \$100,000 would not be effective until after this date and after contract paperwork could be processed. He indicated that he felt there was ample time for the COMPASS group to meet and he thought that consensus was important.

Ms. McLaren expressed her concurrence with Chair Isom's statements that a variety of options in the corridor should be considered.

Chair Isom moved to recommend approval of the draft FY 2015 MAG Unified Planning Work Program and Annual Budget and the Member Dues and Assessments. Ms. McLaren seconded, and the motion passed unanimously.

14. Legislative Update

Mr. Nathan Pryor and Ms. Teri Kennedy provided an update on legislative issues of interest. Mr. Pryor first discussed two federal issues. He reported that MAP-21, the federal surface transportation authorization, is set to expire at the end of September 2014. Mr. Pryor stated that the White House and the Senate Environment and Public Works Committee have released their versions of a reauthorization bill.

Mr. Pryor stated that MAG staff has been working with a few national associations to understand the potential implications of these bills, in particular, their impact on metropolitan planning organizations. He stated that we are on an unsustainable path in regard to federal funding for surface transportation.

Ms. Kennedy continued the presentation with a report on the shortfall in the Highway Trust Fund, which has a long term issue and a short term issue. In the long term, the federal gasoline sales tax feeds the Highway Trust Fund, and statewide, 75 percent of projects are federally funded. She noted that last year, this region received \$450 million in federal highway funding and federal transit funding.

Ms. Kennedy said that the short term issue is cash flow. She stated that the Highway Trust Fund should maintain a \$4 billion balance threshold in order to meet reimbursements. Ms. Kennedy advised that the Federal Highway Administration must take action to implement cash management measures if the threshold is not maintained and Congress has not taken action to infuse the fund with money from the General Fund. Ms. Kennedy pointed that dropping below the \$4 billion threshold is projected to occur at the end of July 2014.

Ms. Kennedy explained FHWA methods to address Highway Trust Fund cash flow should Congress not act: 1) Move from daily to weekly reimbursements (this would result in little to no effect on ADOT and local agencies). 2) Align reimbursements with Trust Fund deposits twice monthly (this could slow down requested reimbursements). 3) Make proportional payments to states based on available Trust Fund cash, for example, reimburse 60 percent of each request. The remaining \$40 would be rolled over to the next reimbursement which would be at 60 percent. (This could be a major impact to state and local agencies and could result in contract amendments, project delays, etc.).

Ms. Kennedy stated that ADOT recommends that local agencies review their obligated federally funded projects, close out inactive projects, request reimbursement for expenses incurred, and move from quarterly requests to monthly requests for reimbursement. She noted that Phoenix has also requested monthly reimbursements for transit requests.

Chair Isom thanked Ms. Kennedy and Mr. Pryor for their reports. No questions from the Committee were noted.

15. Request for Future Agenda Items

Topics or issues of interest that the Management Committee would like to have considered for discussion at a future meeting were requested.

No requests were noted.

16. Comments from the Committee

An opportunity was provided for Management Committee members to present a brief summary of current events. The Management Committee is not allowed to propose, discuss, deliberate or take action at the meeting on any matter in the summary, unless the specific matter is properly noticed for legal action.

Chair Isom stated that the Cities of El Mirage, Avondale, and Apache Junction established the Arizona Metropolitan Trust, a pool for medical and dental insurance. He said that they are opening up membership to other agencies and he added that the Trust might be sending letters to MAG member agencies.

Adjournment

There being no further business, the meeting was adjourned at 1:30 p.m.

Chair

Secretary