

**MINUTES OF THE  
MARICOPA ASSOCIATION OF GOVERNMENTS  
REGIONAL COUNCIL MEETING**

January 30, 2013  
MAG Office, Saguaro Room  
Phoenix, Arizona

**MEMBERS ATTENDING**

Mayor Marie Lopez Rogers, Avondale, Chair	Mayor Thomas Schoaf, Litchfield Park
Mayor Scott Smith, Mesa, Vice Chair	* Supervisor Steve Chucuri, Maricopa Co.
# Councilwoman Robin Barker, Apache Junction	Mayor Scott LeMarr, Paradise Valley
Mayor Jackie Meck, Buckeye	* Mayor Bob Barrett, Peoria
# Mayor David Schwan, Carefree	Mayor Greg Stanton, Phoenix
# Councilman Dick Esser, Cave Creek	Mayor Gail Barney, Queen Creek
Mayor Jay Tibshraeny, Chandler	* President Diane Enos, Salt River
Mayor Lana Mook, El Mirage	Pima-Maricopa Indian Community
* President Clinton Pattea, Fort McDowell	Mayor W. J. "Jim" Lane, Scottsdale
Yavapai Nation	Mayor Sharon Wolcott, Surprise
Mayor Linda Kavanagh, Fountain Hills	Mayor Mark Mitchell, Tempe
* Mayor Ron Henry, Gila Bend	* Mayor Adolfo Gamez, Tolleson
* Governor Gregory Mendoza, Gila River Indian	Mayor John Cook, Wickenburg
Community	Mayor Michael LeVault, Youngtown
Mayor John Lewis, Gilbert	Victor Flores, State Transportation Board
Mayor Jerry Weiers, Glendale	Joseph La Rue, State Transportation Board
Mayor Georgia Lord, Goodyear	Roc Arnett, Citizens Transportation Oversight
* Mayor Yolanda Solarez, Guadalupe	Committee

\* Those members neither present nor represented by proxy.

# Attended by telephone conference call.

+ Attended by videoconference

1. Call to Order

The meeting of the MAG Regional Council was called to order by Chair Marie Lopez Rogers at 11:35 a.m.

2. Pledge of Allegiance

The Pledge of Allegiance was recited.

Councilmember Robin Barker, Mayor David Schwan, and Councilmember Dick Esser joined the meeting via teleconference.

Chair Rogers requested that members of the public who would like to comment fill out a blue public comment card for the Call to the Audience agenda item or a yellow public comment card for Consent Agenda items, or items on the agenda for action. Transit tickets for those who used transit to attend the meeting and parking validation were available from staff.

Chair Rogers introduced a new member of the MAG Regional Council, Mayor Jerry Weiers from Glendale.

Mayor Tibshraeny commented that he was glad to be working with Mayor Weiers again; they had previously served together in the Arizona State Legislature.

Chair Rogers announced that Resolutions of Appreciation had been prepared for individuals who recently retired and had made significant contributions to the MAG region: Ken Davis from the Federal Highway Administration, Nathan Banks from the Federal Highway Administration, and Terry Johnson from the City of Glendale. She thanked them for all of their hard work.

Dennis Smith, MAG Executive Director, noted that Mr. Banks and Mr. Davis assisted greatly in guiding MAG through federal regulations when the region's freeways were being planned. Mr. Smith stated that Mr. Johnson was one of the hardest workers Mr. Smith had ever seen and totally dedicated. He remarked that the contributions of these three gentlemen made a difference and enabled the public to drive on freeways today.

### 3. Call to the Audience

Chair Rogers noted that the Call to the Audience provides an opportunity to members of the audience who wish to speak on items not scheduled on the agenda that fall under the jurisdiction of MAG, or on items on the agenda for discussion but not for action. Citizens are requested to not exceed a three minute time period for their comments. A total of 15 minutes is provided for the Call to the Audience agenda item, unless the Regional Council requests an exception to this limit. Those wishing to comment on agenda items posted for action will be provided the opportunity at the time the item is heard.

Chair Rogers recognized public comment from Pat Vint, who requested that people speak into the microphones so he could hear them. Mr. Vint stated that he had come to Luke Air Force Base 60 years ago from Korea and he took an oath to protect the United States from its enemies. He stated that no one at the City of Phoenix has helped him except for Ed Zuercher. Mr. Vint stated that Korea was the first place the United States could not win a war and it has been a (expletive) joke ever since. He stated that it is a disgrace to send our young people over so they can return with no arms, legs, or faces. Mr. Vint stated that he was (expletive) (expletive) off and he was not going to take it any more. He referenced the \$500 ad he bought that appears in the newspaper he handed out, and commented that he cannot get anyone at the City of Phoenix to listen to him. Mr. Vint stated that Mayor Stanton is in Las Vegas kissing the President's behind. He wondered what to call illegals since coming here illegally is breaking

the law. Mr. Vint's time expired and he asked what the (expletive) that was. Chair Rogers offered additional time to Mr. Vint. He spoke about his cane and going to breakfast at the Eye Opener restaurant. Mr. Vint stated that the City of Phoenix used his money and other residents' money to pay for the work around there. He stated that he got his water bill and that is a bunch of bull. Mr. Vint stated that it was nice that Mayor Stanton showed up and he said that he thought Mayor Stanton was in Las Vegas with the Muslim President. Mr. Vint said that he has a right to say any (expletive) thing he wanted. Mr. Vint's extra time expired, which he acknowledged. Chair Rogers asked Mr. Vint to conclude his public comment. Mr. Vint requested that the Regional Council use their microphones when speaking. He noted that this was the largest audience he had seen at MAG. Chair Rogers asked Mr. Vint to conclude his public comment. Mr. Vint stated that people are going to hear him and he called attention to his cane and reported that he was accused of threatening a city staff member with it. Chair Rogers asked Mr. Vint to conclude his public comment, which he did.

Chair Rogers recognized public comment from John Rusinek, of 2930 E. Turney, who spoke about dust. Mr. Rusinek stated that he has kept an eight-year log of traffic on the driveway next door to Mr. Rusinek's home. He noted that the driveway was not dust-proofed for 7.5 years. Mr. Rusinek stated that he first reported the non-dustproofed driveway in 2005, when 11 vehicles were parked in the back yard and a four-vehicle garage was rented for storage. Mr. Rusinek stated that in September 2007, City of Phoenix staff came to his house and told him they saw no evidence of travel in the driveway, but Mr. Rusinek had photos that showed tracks. Mr. Rusinek says he was advised by Phoenix staff he would have to testify, which was a scare tactic. He stated that a City inspector told him in January 2012 that the driveway was not dust-proofed. Chair Rogers thanked Mr. Rusinek for his comments.

Chair Rogers recognized public comment from Dianne Barker, who stated that she now lives in downtown Phoenix and can see the City of Phoenix building. Ms. Barker stated that she used transit to come to the meeting. She noted that she is on SSDI and she urged establishing an enterprise where people with disabilities could get work. Chair Rogers thanked Ms. Barker for her comments.

Chair Rogers recognized public comment from Marvin Rochelle, who said he has lived in the Valley for 69 years. Mr. Rochelle stated that he volunteers more than 2,400 hours per year, helping people at MAG, Valley Metro, RPTA, and City of Phoenix. He expressed his strong objection to the statements made by Mr. Vint. Mr. Rochelle stated that Mr. Vint is way off base, but we live in the United States and Mr. Vint has the right to his opinions. Mr. Rochelle stated that if Mr. Vint would like to discuss his prejudices, he would be glad to meet him after the meeting. Chair Rogers thanked Mr. Rochelle for his comments.

#### 4. Executive Director's Report

Dennis Smith, MAG Executive Director, reported on items of interest to the MAG region. Mr. Smith stated that MAG hosted the meeting of the Intermountain West transportation management. He added that the National Association of Regional Councils is holding a regional roundtable on February 1, 2013, at the MAG Office to examine and discuss the implementation of the Moving Ahead for Progress in the 21st Century (MAP-21) legislation from the perspective of metropolitan planning organizations and councils of governments.

Mr. Smith stated that MAG was named a recipient of the Government Finance Officers Association Distinguished Budget Presentation Award for the 14<sup>th</sup> consecutive year. To receive this award, MAG had to satisfy nationally recognized guidelines for effective budget presentations.

Mr. Smith stated that he recently attended the groundbreaking for the Northwest Light Rail Extension in Phoenix, which extends the system 2.3 miles from Montebello Avenue to Dunlap Avenue. He added that the segment is anticipated to open in late 2015 or early 2016 and will serve 20,000 residents. Mr. Smith noted that Congressman Ed Pastor, who has been a champion of light rail, was at the groundbreaking.

Mr. Smith stated that the MAG Regional Council, the MAG Economic Development Committee and regional businesses have been invited to attend the Binational Economic Forum in Nogales, Sonora, on March 22, 2013. He noted that MAG is arranging for a bus for the one-day trip. Mr. Smith stated that one of the events on the trip includes the tour of a plant in Mexico. He expressed that he hoped Regional Council members would be able to attend.

Mr. Smith stated that Sun Corridor Retreat is planned for March 6, 2013, from 10:00 a.m. to 2:00 p.m. at Wild Horse Pass Hotel. Mr. Smith stated that the implementation of the MAG Freight Framework Study will be featured. He noted that the big picture is connecting from Mexico to Canada, while paying special attention to the segment from Maricopa County to Nogales.

Mr. Smith displayed maps of foreclosed and pending foreclosure residential properties as of December 2012. He noted that these properties total 16,233, compared to the 63,000 distressed properties in March 2010. Mr. Smith noted that Phoenix made the most gain in home prices: 23 percent improvement, with San Francisco next at 12.7 percent, and Detroit at 11.9 percent.

Chair Rogers thanked Mr. Smith for his report. No questions for Mr. Smith were noted.

5. Approval of Consent Agenda

Chair Rogers noted that agenda items #5A, #5B, #5C, #5D, #5E, #5F, #5G, #5H, #5I, #5J, #5K, and #5L were on the Consent Agenda.

Chair Rogers recognized public comment from Ms. Barker, who commented on the reallocation of funds to accommodate the light rail extension. She stated that she is an advocate for transit, but wanted to appeal to the Regional Council because of air quality. Ms. Barker stated that she did not support at grade light rail, and she felt that buses could have been utilized better. She wondered how taking projects out will affect us not only now, but in the future. Ms. Barker expressed concern this would have on air quality. Chair Rogers thanked Ms. Barker for her comments.

Chair Rogers asked members if they had questions or requests to hear a consent agenda item individually. None were noted.

Mayor Tibshraeny moved approval of the Consent Agenda. Mayor LeVault seconded, and the motion passed unanimously.

5A. Approval of the December 5, 2012, Meeting Minutes

The MAG Regional Council, by consent, approved the December 5, 2012, meeting minutes.

5B. American Recovery and Reinvestment Act Project Completion in the MAG Region

The American Recovery and Reinvestment Act (ARRA) was passed by Congress and signed into law by President Obama in February 2009 to jump-start the economy and to create and save jobs. The Federal Highway Administration and Federal Transit Administration ARRA funding was programmed for projects in the MAG region. The deadline for completing the ARRA projects is fast approaching and the Arizona Department of Transportation has set dates for final expenditures and project closeouts.

5C. MAP-21 - A Federal Highway Administration Program Overview and Estimated Funding Levels for the MAG Region

On July 6, 2012, President Obama signed into law P.L. 112-141, the Moving Ahead for Progress in the 21st Century Act (MAP-21). MAP-21 restructures core highway formula programs and merges and consolidates formula programs. Although MAP-21 achieves dramatic policy and programmatic changes, reform of the way highway and transit programs are funded remains a challenge for the future. Available funding for the MAG region under MAP-21 is about 10.8 percent lower than last year, with 16.1 percent and 13.4 percent reductions in Surface Transportation Program (STP) and Congestion Mitigation and Air Quality (CMAQ) funds. There is expected to be an increase of about \$300,000 in highway safety funds and the new Transportation Alternatives program is expected to give the region about \$4.2 million of new funding for the former Transportation Enhancement (TE) and Safe Routes to School (SRTS) programs. MAG will be issuing a call for projects for the new Transportation Alternatives program later this year.

5D. MAG Federally Funded Locally Sponsored Project Development Status Report and Project Changes

The MAG Regional Council, by consent, approved federal fund projects to be deferred, deleted, advanced, and changed, and of the necessary amendments and administrative modifications to the FY 2011-2015 MAG Transportation Improvement Program, and as appropriate, to the Regional Transportation Plan 2010 Update. The MAG Federal Fund Programming Guidelines & Procedures, approved by the MAG Regional Council on October 26, 2011, outlines the requirements for local agencies to submit status information on the development of their federally funded projects. The MAG Federally Funded Locally Sponsored Project Development Status Report (Status Report) focuses mainly on projects funded with Congestion Mitigation and Air Quality (CMAQ) funds that are programmed to obligate in federal fiscal year (FFY) 2013 and FFY 2014. The information collected in the Project Development Status workbook enables the completion of a financial analysis of the Transportation Improvement Program (TIP) and the calculation of available funding for closeout. The Status Report contains all information gathered for a Tier 1 evaluation. Tier 2 information is also included where

project sponsors are requesting to advance projects from FFY 2014 to FFY 2013. This item was recommended for approval at the December 10, 2012, Street Committee and the December 13, 2012, Transportation Review Committee. Additionally, an integrity check was performed on the ALCP changes approved on September 26, 2012, and minor administrative corrections to the TIP included in the project change sheet. This item was recommended for approval by the MAG Management Committee on January 16, 2013, and by the Transportation Policy Committee on January 23, 2013.

5E. Recommendation of Projects for the FY 2013 Traffic Signal Optimization Program

The MAG Regional Council, by consent, approved the list of FY 2013 Traffic Signal Optimization Program projects. On October 25, 2012, MAG announced a request for new projects for the FY 2013 Traffic Signal Optimization Program (TSOP). The budget available for new TSOP projects is \$243,000. A total of eight project applications was received. On November 15, 2012, the MAG Intelligent Transportation Systems (ITS) Committee reviewed all applications and recommended all eight projects plus two additional before-and-after evaluation projects. The completion of these projects would lead to improved traffic operations in a number of arterial corridors and would directly impact operations at 176 traffic signals in eight affected jurisdictions. The total cost for these projects is estimated at \$243,000. All projects will be carried out using MAG on-call consultants. The proposed list of TSOP projects has been recommended for approval by the MAG Transportation Review Committee on December 13, 2012, and the MAG Management Committee on January 16, 2013.

5F. Year End Closeout Report of Federal Fiscal Year 2012 Funds, and Evaluation of Federal Fiscal Year 2013 Funding Levels for Tier 3 Programming

The MAG Regional Council, by consent, approved Scenario Two for the Tier 3 closeout of Federal Fiscal Year (FFY) 2013 projects. Scenario Two funds all Congestion Mitigation and Air Quality (CMAQ) project phases that will obligate in FFY 2013 at the maximum federal share, up to 94.3 percent, of eligible project costs, and fund the design phases that can obligate by June 28, 2013, for currently programmed FFY 2014 CMAQ construction and procurement projects; and of the necessary amendments and administrative modifications to the FY 2011-2015 MAG Transportation Improvement Program, and as appropriate, to the Regional Transportation Plan 2010 Update. The MAG Regional Council approved the MAG Federal Fund Programming Guidelines & Procedures (Guidelines), on October 26, 2011. Programming of Federal funds is a dynamic process and MAG staff continuously monitor the approved Transportation Improvement Program (TIP) projects throughout the year, and an evaluation in detail of the projects included in the TIP is completed twice each year. After the detailed analysis of the TIP, and if funding is available or projected to be available for the current and/or upcoming fiscal year, Tiers 2 and 3 processes are undertaken as described in the Guidelines. For FFY 2013, two scenarios were proposed for discussion to address available funds. This item was recommended for approval by the Transportation Review Committee on December 13, 2012, the MAG Management Committee on January 16, 2013, and the Transportation Policy Committee on January 23, 2013.

5G. Appointment of Mayor Jerry Weiers, City of Glendale, to Serve as One of the Seven Largest Cities/Towns Elected Officials on the Transportation Policy Committee

The MAG Regional Council, by consent, approved the appointment of Mayor Jerry Weiers, City of Glendale, as the one of the seven largest cities/towns elected officials on the Transportation Policy Committee. The composition of the Transportation Policy Committee (TPC), established by the Regional Council on April 24, 2002, includes elected officials from the seven largest cities/towns. The new mayor for the City of Glendale, Mayor Jerry Weiers, has notified MAG that he is requesting appointment as the City of Glendale representative on the TPC. The appointment of Mayor Jerry Weiers to the TPC by the Regional Council as one of the seven largest cities/towns elected officials was requested.

5H. Status of Remaining MAG Approved PM-10 Certified Street Sweeper Projects That Have Not Requested Reimbursement

A status report was provided on the remaining PM-10 certified street sweeper projects that have received approval, but have not requested reimbursement. To assist MAG in reducing the amount of obligated federal funds carried forward in the MAG Unified Planning Work Program and Annual Budget, MAG is requesting that street sweepers be purchased and reimbursement be requested by the agency within one year plus ten calendar days from the date of the MAG authorization letter.

5I. Conformity Consultation

The Maricopa Association of Governments is conducting consultation on a conformity assessment for an amendment and administrative modification to the FY 2011-2015 MAG Transportation Improvement Program (TIP). The amendment and administrative modification involve several projects, including revisions to projects for Fountain Hills, Glendale, Goodyear, Mesa, Peoria, Phoenix, and Youngtown. 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. Comments were requested by January 25, 2013.

5J. Status Update on the June 30, 2012 Single Audit and Management Letter Comments, MAG's Comprehensive Annual Financial Report and OMB Circular A-133 Reports (i.e., "Single Audit") for the Fiscal Year Ended June 30, 2012

The MAG Regional Council, by consent, accepted the audit opinion issued on the MAG Comprehensive Annual Financial Report and Single Audit Report for the year ended June 30, 2012. The accounting firm of LarsonAllen, LLP has completed the audit of MAG's Comprehensive Annual Financial Report (CAFR) and Single Audit for the fiscal year ended June 30, 2012. An unqualified audit opinion was issued on November 12, 2012, on the financial statements of governmental activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information. The independent auditors' report on compliance with the requirements applicable to major federal award programs, expressed an unqualified opinion on the Single Audit. The Single Audit report indicated there were no reportable conditions in MAG's internal control over financial reporting considered to be

material weaknesses, no instances of noncompliance considered to be material and no questioned costs. The Single Audit report had no new or repeat findings. The CAFR financial statements and related footnotes were prepared in accordance with the Government Finance Officers Association's (GFOA) standards for the Certificate of Achievement for Excellence in Financial Reporting awards program. Management intends to submit the June 30, 2012, CAFR to the GFOA awards program for review. If awarded the certificate for the June 30, 2012, CAFR, this would be the agency's 15th consecutive award. This item was recommended for acceptance by the MAG Management Committee on January 16, 2013, and by the MAG Regional Council Executive Committee on January 22, 2013.

5K. Discussion of the Development of the FY 2014 MAG Unified Planning Work Program and Annual Budget

Each year, the Unified Planning Work Program and Annual Budget is developed in conjunction with member agency and public input. The Work Program is reviewed each year by the federal agencies in the spring and approved by the Regional Council in May. This overview of MAG's draft Dues and Assessments and the proposed budget production timeline provides an opportunity for early input into the development of the Work Program and Budget.

5L. MAG 208 Water Quality Management Plan Amendment for the Service Area Expansion of the Litchfield Park Service Company Doing Business As Liberty Utilities Palm Valley and Sarival Water Reclamation Facilities

The MAG Regional Council, by consent, approved the MAG 208 Water Quality Management Plan Amendment for the Service Area Expansion of the Litchfield Park Service Company Doing Business As Liberty Utilities Palm Valley and Sarival Water Reclamation Facilities. The City of Glendale has requested that the MAG 208 Water Quality Management Plan be amended to allow subdivisions and facilities located within the Glendale Municipal Planning Area to be included in the service area for the Litchfield Park Service Company doing business as Liberty Utilities, formerly Liberty Water, Palm Valley and Sarival Water Reclamation Facilities. The facilities are located within the Goodyear Municipal Planning Area and are identified in the current MAG 208 Plan with reserve capacity to accommodate the sewer service needs of the expanded area. The project is within three miles of the City of Avondale, City of El Mirage, City of Goodyear, City of Litchfield Park, City of Peoria, City of Phoenix, Town of Youngtown, Luke Air Force Base, and unincorporated Maricopa County, and all have indicated no objections. A public hearing on the draft amendment was conducted on December 13, 2012. Following the hearing, the MAG Water Quality Advisory Committee recommended approval of the Draft 208 Plan Amendment. The MAG Management Committee recommended approval on January 16, 2013.

6. Proposed Major Amendment to the MAG Regional Transportation Plan to Add the Light Rail Transit Extension on Main Street: Mesa Drive to Gilbert Road

Eileen Yazzie, MAG staff, provided a report on the proposed major amendment to the MAG Regional Transportation Plan to add the light rail transit extension on Main Street: Mesa Drive to Gilbert Road. Ms. Yazzie noted that this is the middle step in the approval process of the proposed major amendment.

She noted that the MAG Regional Council last received a presentation on this item in October 2012 from Eric Anderson.

Ms. Yazzie stated that on January 23, 2013, the Transportation Policy Committee recommended approval of the proposed major amendment subject to the necessary air quality conformity analysis. She explained that the project, which is estimated to cost \$133 million, is to add a 1.9 mile light rail transit extension to the light rail segment already under construction.

Ms. Yazzie reviewed prior committee actions. She said that in October 2012, the Transportation Policy Committee and Regional Council took action to approve the concept and request consultation on proposed major amendment, which triggered the major amendment process. Ms. Yazzie stated that consultation on the proposed major amendment is required with the State Transportation Board, the Regional Public Transportation Authority (RPTA), and the Maricopa County Board of Supervisors. She noted that all three agencies took action to support the amendment. Ms. Yazzie stated that the MAG Management Committee, in addition to the Transportation Policy Committee, recommended approval subject to the necessary air quality conformity analysis.

Ms. Yazzie stated that following Regional Council action, the air quality conformity analysis process and technical modifications to the Regional Transportation Plan (RTP) and the Transportation Improvement Program (TIP) can move forward, and final approval of the amendments to the TIP and RTP will be requested at meetings of the Transportation Review Committee in February, and the Management Committee, Transportation Policy Committee, and Regional Council in March.

Chair Rogers thanked Ms. Yazzie for her report. She noted that a major amendment is important and this is the first to add more than one mile of light rail to the Regional Transportation Plan. Mayor Rogers stated that she supported the project but wanted to ensure that people were aware a major amendment to the Regional Transportation Plan would be made. She added that she thought it was a great process and she commended Mesa for its creativity.

Mayor Wolcott stated that this is a monumental moment. She recalled how she fought for 12 years in another state to have this kind of flexibility, to ensure that transportation investments meet the needs of the users on the ground and not what is in the back of people's minds. Mayor Wolcott stated that for Mesa to lead the way and meet people's needs makes a lot of sense and she was thrilled to see us move forward.

Vice Chair Smith stated that before he was mayor, the City of Mesa used innovative financing mechanisms, such as HPAN, to accelerate by six years the completion of Loop 202 through Mesa. Vice Chair Smith stated that this provides an example that infrastructure, especially transportation infrastructure, does create economic activity. He stated that Phoenix-Mesa Gateway Airport has been an incredible success – serving 1.4 million passengers. Vice Chair Smith credited its success to the completion of Loop 202. He explained that carriers were not willing to go in to an airport without freeway access, and Loop 202 originally was not scheduled for completion until about right now. Vice Chair Smith stated that with these advanced financing tools, economic opportunity could be created. He said that he thought it essential to look at things that drive the economy, besides just getting people from

Point A to Point B. Vice Chair Smith expressed that economic opportunity is what drove the City of Mesa to make these types of investments.

Vice Chair Smith moved approval of the proposed major amendment to the Regional Transportation Plan to add a 1.9 mile light rail transit extension on Main Street, from Mesa Drive to Gilbert Road and that the Regional Transportation Plan and the FY 2011-2015 MAG Transportation Improvement Program be amended subject to the necessary air quality conformity analysis. Mayor Wolcott seconded. With no further discussion, the vote on the motion passed unanimously.

7. Report by the National Association of Regional Councils

Chair Rogers introduced Erica Young, the Transportation Director from the National Association of Regional Councils (NARC). Chair Rogers expressed that she looked forward to interacting with NARC during her duties as the President of the National League of Cities.

Ms. Young stated that Fred Abousleman, the NARC Executive Director, was unable to attend the Regional Council meeting in person and sent his regrets. She noted that a brochure on the organization's 2012 highlights was at each place. Ms. Young stated that NARC was created by the National League of Cities and the National Association of Counties, and each organization has a seat on the NARC board. She noted that Mayor Rogers will be sitting on the board in her capacity as President of the National League of Cities. Ms. Young stated that NARC also works with the U. S. Conference of Mayors, and noted Mayor Smith's involvement with that organization.

Ms. Young thanked the Regional Council for their support of NARC. She noted that MAG serves as the Chair of the NARC Funding and Finance Subcommittee and NARC Transportation Committee. She added that she works very closely on issues with Eric Anderson, MAG Transportation Director. Ms. Young thanked MAG for hosting the meeting of the Intermountain West metropolitan planning organizations and transportation management areas to see what MAP-21 will mean for them.

Chair Rogers thanked Ms. Young for her report to the Regional Council. No questions were noted.

8. Report on the Freight Transportation Framework Study

Tim Strow, MAG staff, provided an overview of the results of the Freight Transportation Framework Study. He stated that the study has been underway for about 18 months. It is managed by MAG through the Joint Planning Advisory Council (JPAC), which consists of members representing the Pima Association of Governments, Central Arizona Governments, and MAG. Mr. Strow offered to come out to jurisdictions and make presentations on the study. Mr. Strow stated this presentation would report on the framework findings, discussion of Sun Corridor supply chain opportunities, and recommendations.

Mr. Strow stated that the study began in 2010, when during a bad economic market, the JPAC wanted to explore diversifying economic development opportunities. He said that one of the hot topics of the day was inland ports (where all modes of transporting goods, such as trains, airports, and trucking terminals and distribution facilities, are co-located) and everyone wanted one.

Mr. Strow stated that they purchased significant commodity flow data that provided information about the types of goods shipped, the mode used to ship the goods, and the cost. He stated that the study included a survey of 2,500 shippers (approximately 4,500 individuals) throughout the United States, to help understand how businesses move their products, why they move their goods by certain modes, where they saw themselves located in the near future, and how the Sun Corridor could fit in their supply chain. Mr. Strow stated that one common perception was that Arizona was a pass-through state and there was a lack of understanding regarding the benefits of this region as part of the supply chain.

Mr. Strow stated that when the composition of Arizona exports was studied, it found that Mexico is Arizona's number one trading opportunity. Mr. Strow noted that California, Nevada, and Texas have been working on their trade plans for more than 20 years, and have been quite successful.

Mr. Strow stated that the goal of the Freight Transportation Framework Study is to identify and develop freight related economic development opportunities. Regionally, the objective is to stop looking at ourselves as a pass-through state, capitalize on a strategic position relative to goods movement and ultimately create a plan that will create jobs in the region.

Mr. Strow stated that one of the biggest hurdles was that Arizona is not on anyone's radar and we do not do enough self promotion. He added that most of the shippers they surveyed concentrated more on Southern California.

Mr. Strow stated that all three of the initial findings must work together or there is no opportunity. The first finding is that northbound and westbound commodity flows offer the greatest opportunity for the Sun Corridor. The second finding is that the Sun Corridor is an anchor market, due to its population size. The third finding is near shoring, because it is more cost effective to do business in Mexico than Asia. Mr. Strow noted that Mexico is now the lowest cost producer of many goods and is also in the same time zone. He spoke of the companies who spoke about their relocations to Mexico at conferences hosted by Arizona State University.

Mr. Strow showed examples of supply chain roles and the steps for shipping goods from Asia, and goods being shipped from Mexico through Arizona to a hub in Tucson. Mr. Strow stated that they analyzed zip codes to identify the types of goods being shipped in the three counties. They then identified focus areas for freight development. He said that 16 areas in the Sun Corridor were included in the analysis, looking at such things as land use, education levels, freight forecasts, travel times, and real estate, and then focused in on four areas. These four emerging areas were at the junction of Interstate 8/Interstate 10, in the West Valley, at Phoenix-Mesa Gateway Airport, and at Tucson International Airport. Mr. Strow stated that each of the four was labeled with a typology and will be available on the BQAZ website later.

Mr. Strow then addressed the recommendations from the study: 1) Cooperate locally to position and market the Sun Corridor for freight development. He said that there are many different economic development groups and cities in competition with each other, but they are not competing using the same plan; 2) Establish a Sun Corridor Freight Development Zone with a special land use designation; 3) Implement strategic transportation improvements to support efficient freight distribution; 4) Assist

municipal governments with related amendments to public policy; 5) If freight will be developed as an industry, prepare conceptual business plans for specific freight related opportunities.

Mr. Strow stated that topical White Papers are being developed and will be discussed at the March 6, 2013, JPAC Retreat. He noted that the White Papers will identify agencies who have been successful and could identify the agency that might promote this effort. Mr. Strow added that a freight study of Maricopa County will kick off in two months.

Chair Rogers thanked Mr. Strow for his report and asked if there were questions.

Mayor Lewis asked if Regional Council members could reach out to business leaders to see if they would like to attend the retreat. Mr. Strow replied that business leaders are absolutely welcome to attend.

Chair Rogers encouraged attendance at the JPAC retreat.

9. Assignment of Designated Recipient for Federal Transit Administration Section 5310 Enhanced Mobility of Seniors and Individuals with Disabilities Program in the MAG Region

Teri Kennedy, MAG staff, stated that in MAP-21 legislation, urbanized areas of more than 200,000 in population, in coordination with a state, may determine which agency will be their Designated Recipient of Federal Transit Administration (FTA) Section 5310 program funding.

Ms. Kennedy stated that typical subrecipients of grants are small and medium private or nonprofit agencies and member agencies where no private or nonprofit is available to provide service. The program provides transportation to elderly persons, persons with disabilities, and transportation related services that go beyond Americans with Disabilities Act (ADA) requirements. Ms. Kennedy stated that the program for the Phoenix-Mesa urbanized area is approximately \$2.5 million per year.

Ms. Kennedy stated that several agencies are eligible to accept the responsibilities of the Designated Recipient for the Phoenix-Mesa urbanized area. She noted that FTA guidance was announced in November 2012 and two letters of interest were received from the Arizona Department of Transportation (ADOT) and the City of Phoenix Transit Department. Ms. Kennedy stated that once the Regional Council takes action on a recommended agency, a letter of preference is sent to ADOT, which then forwards the letter to the Governor, who forwards it to the FTA. Once the Designated Recipient is finalized, it will implement the program and issue the call for projects. Awards for the program will occur in Fall 2013.

Ms. Kennedy reported that the MAG Transportation Review Committee, the MAG Human Services Technical Committee, the MAG Ad Hoc Elderly & Persons with Disabilities Transportation Committee, the MAG Transit Committee, the MAG Management Committee, and the MAG Human Services Coordinating Committee have recommended approval that the City of Phoenix Transit Department be the Designated Recipient for the Phoenix-Mesa urbanized area.

Chair Rogers thanked Ms. Kennedy for her report and asked members if they had questions. Hearing none, she called for a motion.

Mayor LeVault moved approval that the City of Phoenix Transit Department assume the responsibility as the FTA Designated Recipient of Section 5310 Enhanced Mobility of Seniors and Individuals with Disabilities Program for the Phoenix-Mesa urbanized area, beginning FFY 2013. Mayor Tibshraeny seconded, and the motion passed unanimously.

#### 10. Legislative Update

Nathan Pryor, MAG staff, provided an update on legislative issues of interest. He first addressed sequestration by saying that staff has been analyzing and researching the legislation to gain an understanding of the impacts this legislation might have on employment and services. Mr. Pryor stated that a presentation is being developed and will be given at the February Economic Development Committee meeting. He added that staff will report back on the impacts to the Regional Council.

Mr. Pryor stated that the Arizona Legislature is now in session. He noted that a summary of legislation of interest to the MAG region was at each place. Mr. Pryor stated that the governor's budget has proposed there be a transfer of \$126.74 million from the Highway User Revenue Fund (HURF) to the Department of Public Safety. Mr. Pryor explained that since 2001, approximately \$800 million of HURF funds have been transferred, mostly since 2007, and the allocation per Arizona law is \$20 million per fiscal year. Mr. Pryor noted the negative impacts to ADOT bonding capacity and to the economy.

Mr. Pryor addressed House Bill 2005, which makes political subdivision entities subject to the Open Meeting Law. Mr. Pryor noted that MAG already complies with open meeting laws, although extra measures might need to be implemented in regard to archiving if this legislation passes.

Mr. Pryor stated that House Bill 2006 would prohibit new employees of political subdivision entities from joining the Arizona State Retirement System. He noted that there are 15 entities, including MAG, that this bill would impact. Mr. Pryor stated that the ASRS staff projected that the total cost of contributions to ASRS will increase by approximately \$27.6 million over 30 years. This equates to a contribution effect from zero percent in 2013 to .03 percent in 2022, which will have to be borne by ASRS members. Mr. Pryor noted that MAG is 99.995 percent public funded and its work is done in support of government and public programs.

Chair Rogers recognized public comment from Joseph Ryan, who expressed concern for what MAG has done in transportation planning. Mr. Ryan noted that he spent 40 years in the transportation field and MAG is on the wrong track. He noted that the average housewife in this region spends nine dollars more on groceries than the national average, and one of the reasons is transportation costs. Mr. Ryan stated that light rail is the most expensive, slowest, most uneconomical modes of travel in the world. It slows everyone down and increases air pollution. He added that when executives are looking to locate their companies they look for offices close to home with a short commute time to the airport. Mr. Ryan stated that this region does not have the commuter rail that they are looking for. Mr. Ryan's three minutes elapsed and he requested additional time. Chair Rogers stated that she would give him an additional 30

seconds. Mr. Ryan stated that he would like 30 minutes. Mr. Ryan stated that MAG's entire transportation system is wasteful, but John Shaw's plan is fabulous – less expensive and faster than light rail. Chair Rogers thanked Mr. Ryan for his comments.

11. Request for Future Agenda Items

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

No requests were noted.

12. Comments from the Council

An opportunity was provided for Regional Council members to present a brief summary of current events. The Regional Council 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.

No comments were noted.

Adjournment

There being no further business, Councilman Esser moved, Mayor Lord seconded, and the meeting adjourned at 12:40 p.m.

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Chair

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Secretary