

MINUTES OF THE
MAG MANAGEMENT COMMITTEE MEETING
March 14, 2007
MAG Office Building - Saguaro Room
Phoenix, Arizona

MEMBERS ATTENDING

- | | |
|---|--|
| Ed Beasley, Glendale, Chair | * Mark Johnson, Guadalupe |
| Brad Lundahl for Jan Dolan, Scottsdale,
Vice Chair | Darryl Crossman, Litchfield Park |
| + Bryant Powell for George Hoffman,
Apache Junction | Christopher Brady, Mesa |
| Charlie McClendon, Avondale | Tom Martinsen, Paradise Valley |
| Dave Wilcox, Buckeye | Terry Ellis, Peoria |
| * Jon Pearson, Carefree | Frank Fairbanks, Phoenix |
| * Usama Abujbarah, Cave Creek | Mark Young for John Kross, Queen Creek |
| Mark Pentz, Chandler | * Bryan Meyers, Salt River Pima-Maricopa
Indian Community |
| * B.J. Cornwall, El Mirage | Sintra Hoffman for Jim Rumpeltes, Surprise |
| Alfonso Rodriguez for Orlando Moreno, Fort
McDowell Yavapai Nation | # Amber Wakeman for Will Manley, Tempe |
| # Tim Pickering, Fountain Hills | * Reyes Medrano, Tolleson |
| * Lynn Farmer, Gila Bend | Shane Dille, Wickenburg |
| Joseph Manuel, Gila River Indian
Community | Lloyce Robinson, Youngtown |
| George Pettit, Gilbert | Dale Buskirk for Victor Mendez, ADOT |
| * Stephen Cleveland, Goodyear | Kenny Harris for David Smith,
Maricopa County |
| | David Boggs, Valley Metro/RPTA |

- * Those members neither present nor represented by proxy.
- # Participated by telephone conference call.
- + Participated by videoconference call.

1. Call to Order

The meeting was called to order by Chair Ed Beasley at 12:05 p.m.

2. Pledge of Allegiance

The Pledge of Allegiance was recited.

Chair Beasley noted that MAG staff was available to assist members of the public in turning in their public comment cards, who will bring the cards to the Chair. Chair Beasley stated that transit tickets were available from Valley Metro/RPTA for those using transit to come to the

meeting. Parking validation was available from MAG staff for those who parked in the parking garage.

Chair Beasley stated that Tim Pickering, Amber Wakeman, and Bryant Powell were participating by telephone.

Chair Beasley noted materials at each place: the Draft FY 2008 Work Program for agenda item #4F; the summary transmittal for agenda item #4G, which was revised to reflect the support of the Town of Buckeye for this project; the Suggested List of Measures for agenda item #5; and a bill summary chart for agenda item #7.

3. Call to the Audience

Chair Beasley 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. Chair Beasley noted that 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 and there is a timer to help the public with their presentations. Chair Beasley noted that no public comment cards had been received.

4. Approval of Consent Agenda

Chair Beasley stated that agenda items #4A, #4B, #4C, #4D, #4E, #4F, and #4G were on the consent agenda. He reviewed the public comment guidelines. Chair Beasley noted that after hearing public comments, any member of the Committee can request that an item be removed from the consent agenda and considered individually. He noted that no public comment cards had been turned in. Chair Beasley asked if any member of the Committee had questions or a request to have a presentation on any agenda item. None were noted.

Mr. McClendon moved to recommend approval of consent agenda items #4A, #4B, #4C, #4D, #4E, #4F, and #4G. Mr. Fairbanks seconded, and the motion carried unanimously.

4A. Approval of February 14, 2007 Meeting Minutes

The Management Committee, by consent, approved the February 14, 2007 meeting minutes.

4B. Regional Economic and Growth Outcomes

The Management Committee, by consent, recommended approval of the proposed Regional Economic and Growth Outcomes Work Plan. In December 2002, the Regional Council approved a regional development scope of work. Since that time, staff has initiated and completed the components of the scope of work. With these projects now complete, staff is recommending that several tasks either be discontinued or consolidated into a single work area. This project, Regional Economic and Growth Outcomes (REGO), would combine significant components of various projects including socioeconomic projections, Building a Quality Regional Community,

Regionally Significant Development Projects, and the Regional Report. The REGO analysis would include data collection, job center analysis, describing and analyzing sub regions and various regional analyses as needed. The information and analysis from this project would be available in calendar year 2007.

4C. Approval of the July 1, 2006 Maricopa County and Municipality Resident Population Updates

The Management Committee, by consent, recommended approval of the July 1, 2006 Maricopa County and Municipality Resident Population Updates. On February 27, 2007, the MAG Population Technical Advisory Committee (POPTAC) recommended approval of the July 1, 2006 Municipality Resident Population Updates. The Updates are used to allocate approximately \$23 million in lottery funds, set expenditure limitations, and develop local budgets. The updates were prepared based on the Arizona Department of Economic Security's (DES) July 1, 2006 Maricopa County Resident Population Updates, data from the 2005 Census Survey, and a methodology approved by MAG's POPTAC. If approved, these July 1, 2006 updates for Maricopa County and municipalities will replace the Interim Population Updates that were provided to the Economic Estimates Commission in December of last year. The MAG Population Technical Advisory Committee unanimously recommended approval of the July 1, 2006 Maricopa County and Municipality Resident Population Updates.

4D. Consultation on Proposed Transportation Conformity Processes for the 2007 MAG Conformity Analysis

Federal and State conformity regulations require that Metropolitan Planning Organizations consult with federal, state, and local air quality and transportation agencies on proposed processes for the conformity analysis on the transportation improvement program and transportation plan. On March 6, 2007, MAG distributed for interagency consultation the conformity processes on the selection of proposed models, associated methods, and assumptions, identification of exempt projects, and ensuring the expeditious implementation of transportation control measures. The proposed processes will be applied in the upcoming conformity analysis for the FY 2008-2012 MAG Transportation Improvement Program (TIP) and the MAG Regional Transportation Plan - 2007 Update. Comments regarding this material are requested by March 23, 2007. This item was on the agenda for consultation.

4E. Consultation on Potentially Regionally Significant Projects of the FY 2008-2012 MAG Transportation Improvement Program

Federal and State conformity regulations require that Metropolitan Planning Organizations consult with federal, state, and local air quality and transportation agencies regarding which transportation projects will be considered "regionally significant" for the purposes of regional emissions analysis. On March 6, 2007, MAG distributed for interagency consultation the regionally significant projects subject to conformity requirements. Comments on the list of potentially regionally significant projects are requested by March 23, 2007. This item was on the agenda for consultation.

4F. Discussion of the Draft FY 2008 MAG Unified Planning Work Program and Annual Budget and Expenditures and Projects in the MAG Unified Planning Work Program and Annual Budget

Each year, the MAG Unified Planning Work Program and Annual Budget is developed incrementally in conjunction with member agency and public input. The Work Program is reviewed each year by the federal agencies and approved by the Regional Council in May. This presentation and review of the draft FY 2008 MAG Unified Planning Work Program and Annual Budget represents the budget document development to-date. The elements of the budget document are about 80 percent complete. This item was on the agenda for input.

4G. Response to U.S. Department of Transportation Congestion Initiative

The Management Committee, by consent, recommended forwarding the proposed concept for the I-10 Integrated Corridor Management System to the USDOT for consideration. On December 8, 2006, the U.S. Department of Transportation (USDOT) issued a notice of solicitation for applications to enter into urban partnership agreements (UPA) as part of the Congestion Initiative to demonstrate strategies for reducing traffic congestion. A program has been announced under the UPA that would provide funding support for carrying out operational tests using Intelligent Transportation Systems (ITS) applications to mitigate congestion. Approximately \$100 million will be made available nationwide for the implementation of selected ITS projects over three years. Two applications are being prepared by a team led by the Arizona Department of Transportation and MAG. The first would seek to qualify the MAG region as an Urban Partner, and the second would seek funds for a corridor project for utilizing ITS technology solutions to better manage the travel demand and traffic flow in the I-10 corridor from I-17 to Loop 303. The USDOT grant is estimated to be in the range of \$10 to \$15 million. The proposed concept for the I-10 Integrated Corridor Management System was reviewed and recommended by the MAG ITS Committee.

5. Suggested List of Measures for the Five Percent Plan for PM-10

Lindy Bauer, MAG Environmental Programs Director, stated that the MAG Air Quality Technical Advisory Committee held three meetings of three and one-half hours each to make a recommendation on a preliminary draft comprehensive List of Measures to reduce PM-10. She said that the measures cover sources in the emissions inventory, which identifies the tonnage coming from various sources. Ms. Bauer advised that based on preliminary estimates, it appears that the impact of the measures should be sufficient for the MAG Five Percent Plan for PM-10. Chair Beasley thanked Ms. Bauer for her report and asked members if they had questions.

Mr. Ellis stated that his city has been receiving many comments from citizens and elected officials regarding the dust emanating from county islands adjoining the City of Peoria. He added that the comments have increased with the acknowledgment that PM-10 is a problem. Mr. Ellis asked if there was a possibility of creating a project where the cities and towns could put together a list of roads that might benefit from dust treatment and submit the list to the County. He stated that County staff has indicated they would like to deal with the problem, but have no funds in their budget. Mr. Ellis stated that his city would be supportive of helping the County put together a program. He added that this is an emerging problem in his community,

and might be in others as well. Ms. Bauer replied that this is an excellent suggestion and added that one of the suggested measures is prohibiting new dirt roads and paving existing dirt roads. Mr. Ellis stated that he was not suggesting paving roads, because then there would be issues such as drainage, but maybe dealing with the problem with the application of dust palliatives. Mr. Ellis commented that his city has had success with treatments such as chip seal. He stated that he would be willing to participate if the County agreed and MAG would coordinate. Dennis Smith stated that he and Mr. Kenny Harris had discussed that cities and towns could submit lists of dirt roads on county islands within their jurisdictions. Mr. Smith stated that this would be a good way for the Maricopa County Department of Transportation to verify the amount of dirt road miles in its database.

Mr. Harris stated that the County would be glad to receive the information and would be happy to work with MAG on this effort. Mr. Harris noted that he had met with Ms. Bauer to rectify the problems around the monitors. Mr. Smith noted that a memorandum could be sent.

Ms. Robinson stated that Mr. Ellis's idea was excellent. She stated that it will cost the Town of Youngtown more than \$1 million to treat its alleys. Ms. Robinson stated that this is a huge amount of money for a town with a \$3.3 million operating budget. She asked if there might be a way to identify contractors who would be interested in working on these types of projects with small towns at a reasonable price.

Mr. Pentz asked for clarification of the tonnage reduction. Ms. Bauer explained that to accomplish the PM-10 reductions, the plan will need approximately 4,600 tons of reductions per year for 2008, 2009, and a third year for contingency. She said that staff thinks it appears the measures will be sufficient. Ms. Bauer said it appears a strong likelihood that this will also be sufficient for attainment at the monitors.

Mr. McClendon asked about the incentives mentioned in Measure #21. Ms. Bauer replied that the thinking was that private companies might be able to be given some incentives. She said that the private sector indicated that it is difficult to plan business activities on high pollution advisory days. Also, shifting hours is difficult because they need to deliver their products. Ms. Bauer noted that it is a complicated measure, but the Committee thought there might be potential for some incentives.

Chair Beasley noted that no public comment cards had been received. He asked for a motion. Mr. Pettit moved to recommend approval of the Suggested List of Measures to Reduce PM-10 Particulate Matter. Mr. Fairbanks seconded, and the motion carried unanimously.

6. Update on the Regional Office Center

Denise McClafferty, MAG Management Analyst, stated that presentations were provided at the February Board and Management meetings of the partnering agencies. She noted that answers to questions asked at those meetings were addressed at a workshop that took place on March 5, 2007.

Ms. McClafferty recapped the questions heard to date. She said that the MAG cost is \$38 per square foot. The capital cost to MAG is approximately \$39.7 million, and the total cost of the Regional Office Center is estimated at \$86.9 million. Ms. McClafferty stated that the break even year for MAG is 2022. She stated that the Management Committee is being asked to recommend authorization to enter into a Memorandum of Understanding for the Regional Office Center, and to move forward to the Executive Committee/Building Lease Working Group and to the Regional Council with this item.

Chair Beasley thanked Ms. McClafferty for her report. He asked if the operating expenses had been addressed based on the review. Ms. McClafferty replied that they had been addressed in the detailed information packet, broken down by the building as a whole and by agency, both for operations and tenant improvements costs, by year.

Chair Beasley asked for clarification of those numbers. Ms. McClafferty replied that Exhibit D shows those costs per year for the length of the mortgage. She said that the costs vary each year. Ms. McClafferty stated that the first full year's operating expenses are estimated at \$2.2 million, and ranges to a high of \$4.6 million.

Chair Beasley asked if MAG would assume Arizona Municipal Water Users Association office space without that cost being passed on. Ms. McClafferty replied that was correct. Chair Beasley asked about arrangements now taking place to reduce the costs per square foot. Mr. Smith stated that staff has been asked about exploring any savings that might result from the building being a part of Phoenix downtown redevelopment. He explained that Phoenix would be doing a Government Property Lease Excise Tax (GPLET), where the property tax would be abated for the first eight years, and then on a sliding scale for the remainder of the lease. Mr. Smith said that this means that MAG's square foot cost of \$38 would be reduced by about \$3, to \$35 per square foot. He added that projections show the lease rates downtown at the end of MAG's current lease will be about \$28 per square foot.

Mr. Ellis moved to recommend authorizing MAG to enter into a Memorandum of Understanding for the Regional Office Center with the Phoenix Industrial Development Authority and the Regional Office Center LLC; and to execute a lease for 30 years in accordance with the terms and conditions set forth in the staff report. Mr. Boggs seconded, and the motion passed, with Mr. Pettit voting no and Mr. Buskirk abstaining.

7. Legislative Update

Matthew Clark, MAG Senior Policy Planner, reported on legislative items of interest. He first reported on transportation bills. Mr. Clark stated that SB 1172, which increases the maximum maturity date for state highway bonds from 20 years to 30 years, has stalled in the Senate. He indicated that this might be included in the budget discussion. Mr. Clark stated that SB 1591 adds language that states if the light rail system is not completed on or before January 1, 2009, a separate performance audit will be conducted within 12 months after the minimum operating segment has opened. He reported that this bill passed the Senate and has moved on to the House.

Mr. Clark stated that Mr. Clark stated that SB 1635 deals with public/private partnerships and converting HOV lanes to toll lanes. The bill has stalled and is sitting in Rules, and he was told it likely will not pass. Mr. Clark reported that HB 2569 adds a provision to the HELP loan program that would set aside \$20 million to be used for street improvements in cities with a high growth rate. This bill has moved from the House to the Senate. Mr. Clark stated that another bill being watched is HB 2570, which deposits \$650,000 for rail right-of-way. Mr. Clark stated that HB 2612 would increase the number of representatives on the State Transportation Board based on population. This bill has moved from the House to the Senate. Mr. Clark stated that HB 2682 establishes a Blue Ribbon Transportation Committee. It has moved from the House to the Senate and is gathering momentum.

Mr. Clark reported on an air quality bill, SB 1552, which deals with the adoption of local ordinances in regard to air pollution. This bill is being held pending MAG's recommendations on the Suggested List of Measures for the Five Percent Plan for PM-10.

Mr. Clark reported that SB 1265 would define Voice Over Internet Protocol (VoIP) as a telecommunications service, allowing it to be subject to the excise tax for 911. He said that the bill passed the Senate third read.

Chair Beasley thanked Mr. Clark for his report. No questions from the Committee were noted.

8. Comments from the Committee

An opportunity will be 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.

No comments from the Committee were noted.

There being no further business, the meeting adjourned at 12:30 p.m.

Secretary

Chairman