

MINUTES OF THE  
MARICOPA ASSOCIATION OF GOVERNMENTS  
TRANSPORTATION REVIEW COMMITTEE

January 29, 2009

Maricopa Association of Governments Office  
302 North First Avenue, Suite 200, Saguaro Room  
Phoenix, Arizona

MEMBERS ATTENDING

Phoenix: Tom Callow  
ADOT: Steve Hull for Floyd Roehrich  
#Avondale: David Fitzhugh  
Buckeye: Scott Lowe  
Chandler: Patrice Kraus  
El Mirage: Lance Calvert  
Fountain Hills: Randy Harrel  
\*Gila Bend: Vacant  
Gila River: Sreedevi Samudrala for David White  
Gilbert: Rebecca Hecksel for Tami Ryall  
Glendale: Terry Johnson  
Goodyear: Cato Esquivel  
Guadalupe: Jim Ricker  
Litchfield Park: Mike Cartsonis

Maricopa County: Clem Ligoeki for John Hauskins  
\*Mesa: Scott Butler  
\*Paradise Valley: Robert M. Cicarelli  
Peoria: Chris Kmetty for David Moody  
\*Queen Creek: Mark Young  
RPTA: Bryan Jungwirth  
Scottsdale: Dave Meinhart for Mary O'Connor  
Surprise: Randy Overmyer  
Tempe: Carlos de Leon  
Valley Metro Rail: John Farry  
#Wickenburg: Gary Edwards  
Youngtown: Lloyce Robinson

EX-OFFICIO MEMBERS ATTENDING

\*Regional Bicycle Task Force: Jim Hash, City of Mesa  
\*Street Committee: Darryl Crossman, City of Litchfield Park  
\*ITS Committee: Mike Mah  
\* Members neither present nor represented by proxy.

Pedestrian Working Group: Brandon Forrey, City of Peoria  
\*Transportation Safety Committee: Kerry Wilcoxon, City of Phoenix

+ - Attended by Videoconference  
# - Attended by Audioconference

OTHERS PRESENT

Eric Anderson, MAG  
Maureen DeCindis, MAG  
Monique de los Rios-Urban, MAG  
Dean Giles, MAG  
Bob Hazlett, MAG  
Roger Herzog, MAG  
Nathan Pryor, MAG  
Steve Tate, MAG  
Kevin Wallace, MAG  
Eileen Yazzie, MAG  
John Dickson, ADOT  
Don Mauller, ADOT

Nathan Banks, FHWA  
Bob Antilla, Valley Metro/RPTA  
Paul Hodgins, Valley Metro/RPTA  
Peggy Rubach, Valley Metro/RPTA  
Alfonso Rodriguez, Fort McDowell Yavapai Nation  
Jenna Goad, Glendale  
Dan Cleavenger, City of Mesa  
Robert Baer, City of Phoenix  
Ray Dovalina, City of Phoenix  
Jennifer Jack, SRP-MIC  
Chuck Eaton, AECOM

1. Call to Order

Mr. Tom Callow from the City of Phoenix called the meeting to order at 10:01 a.m.

2. Approval of December 4, 2008 Draft Minutes

Mr. Callow asked if there were any changes or amendments to the meeting minutes, and there were none. Mr. Bryan Jungwirth from RPTA moved to approve the minutes. Mr. David Meinhart from the City of Scottsdale seconded the motion, and the minutes were subsequently approved by unanimous voice vote of the Committee.

3. Call to the Audience

Mr. Callow stated that he had not received any request to speak cards from the audience, and moved on to the next item on the agenda.

4. Transportation Director's Report

Mr. Callow invited Mr. Eric Anderson from MAG to present the Transportation Director's Report. Mr. Anderson informed the Committee that the Regional Area Road Fund (RARF) revenues continued to deteriorate. He reported that December revenues decreased 14.8 percent from the previous fiscal year (FY), and the year-to-date revenues were down 11 percent. He explained that the decrease equated to a \$40 million reduction in revenues for FY 2009.

Mr. Anderson announced that the Arizona Department of Transportation (ADOT) would be conducting an interim revision to the RARF Revenue Forecast published in November 2008. He explained that the revised revenue forecast would be lower due to current economic conditions and forewarned the Committee that the revised forecast would predict lower RARF revenues over the life of the tax. Mr. Anderson reminded the Committee that the current forecast was based on an expert panel meeting held in August prior to freeze in the credit market and other economic indicators.

Mr. Anderson stated that the end to the economic downturn was uncertain. He cautioned the Committee to be prepared for the next wave of commercial and industrial foreclosures. According to Mr. Anderson, the market was undergoing a revaluation of properties. He added that Member Agencies would likely experience decreased property tax revenues as a result.

Next, Mr. Anderson announced that an agenda item on the economic stimulus package had been added to agenda. He stated that Ms. Eileen Yazzie and Mr. Nathan Pryor from MAG would discuss the package in detail. Mr. Anderson reported that the U.S. House of Representatives (House) had passed the Bill the previous evening. He stated that the Bill was now at the U.S. Senate (Senate), which was expected to finalize the Bill by mid to late February. He reported

that the House Bill lengthened the timeline to obligate projects, which would be a benefit to the region.

Continuing on, Mr. Anderson briefly summarized the outcome of the MAG Regional Council meeting held the previous night. He announced the Regional Council approved the request to accelerate the first mile of the Williams Gateway Freeway from the Santan Freeway to Ellsworth Road. He cautioned that the project was contingent on the \$20.4 million in State Transportation Acceleration Needs Account (STAN) funding that was allocated to that project.

Mr. Anderson cautioned that it was likely that the STAN funding would get “swept” by the State to address the current budget crisis. He reported that two additional STAN projects were at risk of being swept, the Interstate 10 widening and the Interstate 17 project from Carefree Highway to Anthem. He informed the Committee that it was likely that \$104 million in STAN funding set aside in 2006 would be “swept.” As a result, STAN projects would only receive \$94 million of the \$193 million anticipated. (Note: A portion of the STAN funding was “swept” from outside the MAG Region.)

Mr. Anderson also announced that the Regional Council voted to approve \$250,000 in funding to ADOT for the operating expenses related to the message boards on the freeway system. He informed the Committee that MAG would work with ADOT to develop different funding strategies to ensure the signs stayed operational. Mr. Callow asked what operational expenses would be covered by the \$250,000. Mr. Anderson replied electricity.

Mr. Bryan Jungwirth from RPTA stated that either the House or Senate Bill included a non-supplanting provision. He asked what the ramifications would be if the State swept the STAN funding given this provision. Mr. Anderson stated he was unsure of the ramifications and indicated the provision would be discussed in greater detail as part of the economic stimulus agenda item. He added, however, that if the money was swept before the Bill was enacted that the funds probably would not be subjected to the non-supplanting provision.

Mr. Randall Overmyer from the City of Surprise asked Mr. Anderson to provide an update on the Loop 303 STAN funding. Mr. Anderson replied that he believed the funding for that project would be “swept” as well. He informed the Committee that MAG was working with ADOT to determine which project would be affected; however, specific information was unavailable at this time.

Mr. Callow asked if there were any additional questions or comments about this agenda item. There were none, and this concluded the Transportation Director’s Report.

5. FY 2009 Design Assistance Program Funding

Mr. Callow announced that funding for the Design Assistance Program for Fiscal Year (FY) 2009 was on the consent agenda for approval. He noted that no public comment cards had been received and asked members if they had questions about the agenda item. Mr. Callow called for a motion to approve consent agenda item. Mr. Meinhart from the City of Scottsdale motioned to approve funding for the bicycle and pedestrian projects through the Design Assistance

Program as ranked by the Technical Advisory Committee (TAC). Mr. Carlos de Leon from the City of Tempe seconded the motion, and the motion was approved by a unanimous voice vote of the Committee.

6. TRC Guidelines for Recommending Projects for Federal Funding

Ms. Eileen Yazzie MAG Transportation Programming Manager, addressed the Committee about the *Transportation Review Committee (TRC) Guidelines for Recommending Projects for Federal Funding (Guidelines)* and directed the Committee's attention to the agenda attachment. Ms. Yazzie explained that the Guidelines were before the Committee for recommendation for approval. In addition, she announced that the Guidelines would be used for the next agenda item, the programming of PM-10 Pave Unpaved Road Projects, which would be delayed if the Guidelines were not approved at this time.

Ms. Yazzie summarized the progress on the development of the *Guidelines*. In June 2008, the Management Committee and TRC agreed to work under the draft FY09 MAG Federal Fund Programming Principles. Since then, numerous discussions on the draft *Guidelines* had been conducted including Working Group meetings and discussions at TRC in August and October 2008 and January 2009. Ms. Yazzie reported the most recent discussion on the draft *Guidelines* was held on January 6, 2009.

According to Ms. Yazzie the proposed *Guidelines* would follow the TRC's actions over the previous years. The draft *Guidelines* outline the process for recommending projects to receive federal funds, which included:

1. the rank ordered project application list from the Technical Advisory Committees (TAC);
2. the quantitative analysis of calculated emission reductions and cost-effectiveness for projects proposed to receive Congestion Mitigation and Air Quality (CMAQ) funding;
3. the qualitative assessment provided by project review information sheets from the TACs as well as how the project(s) related to the MAG Regional Transportation Plan (RTP) funding allocations, goals, and priority criteria; and,
4. the list of CMAQ funded projects in the current approved MAG Transportation Improvement Program (TIP).

Ms. Yazzie added that the *Guidelines* included four appendices that addressed CMAQ programming. The appendices included the US Department of Transportation Federal Highway Administration's (FHWA) *Final Guidance on the Congestion Mitigation and Air Quality (CMAQ) Program, Section VII. Project Selection Process – General Conditions* (Appendix A); the funding allocation recommendations from the RTP (Appendix B); the RTP goals (Appendix C), and the RTP priority criteria (Appendix D).

Next, Ms. Yazzie addressed concerns expressed at the Working Group meetings. Concerns were voiced about the two-tiered review process, the Air Quality TAC ranking, and the Street Committee review process. She explained that the expressed concerns pertained primarily to the programming of projects. As a result, the comments would be incorporated into the draft of the *MAG Federal Fund Programming Principles (Programming Principles)* in lieu of the draft *Guidelines*. She announced that work on the final draft of the *Programming Principles* would begin late Spring or early Summer. Mr. Anderson cited the Committee's earlier decision

to test the draft *Programing Principles* in the current fiscal year before approving a final draft. Ms. Yazzie explained that despite the concerns raised at the Working Group meeting, the participants were in agreement to recommend the current draft Guidelines for approval.

Mr. Callow asked if there were any questions about Ms. Yazzie's presentation, and there were none. Ms. Patrice Kraus from the City of Chandler motioned to approve the *Transportation Review Committee Guidelines for Recommending Projects for Federal Funding*. Mr. Clem Ligocki from Maricopa County seconded, and the agenda item was approved by a unanimous voice vote of the Committee members in attendance.

#### 7. PM-10 Pave Unpaved Road Projects

Continuing on, Mr. Callow invited Ms. Yazzie to present on the programming of PM-10 paving of unpaved road projects for FY 2011 and 2012. Ms. Yazzie explained that the attachment included materials for recommending projects based on the *Guidelines* approved in the previous agenda item. She explained that the four step programming process, which included:

1. a review of complete, on-time applications and
2. project eligibility;
3. a two-tiered review by the Street Committee that assessed project information and the ranking the eligible projects by the Air Quality TAC, and
4. the TRC review of the evaluations and analyses completed by the TACs.

Ms. Yazzie informed that Committee that during the two-tiered review process project sponsors may answer questions posed by the TACs to clarify project information. In doing so, the project sponsor had the opportunity to clarify information on the application at the Committee's request. She stated that after the TRC reviewed the evaluations and analyses that the Committee's role was to recommend projects to be programmed with federal funds based on established guidelines.

After reviewing the process, Ms. Yazzie presented project specific information for FY 2011 and 2012. She explained that four categories are programmed with CMAQ funds: bicycle/pedestrian projects, arterial – intelligent transportation systems projects, paving unpaved roads projects, and other air quality projects. Ms. Yazzie reported that the available funding for paving of unpaved road projects was \$3,658,000 (FY 2011) and \$5,004,000 (FY 2012). She informed the Committee that 39 complete, on-time applications were submitted; however, six applications were removed due to federal eligibility requirements. Of the 33 remaining project applications, 22 requested \$14,043,196 in funding for FY 2011, and 11 requested \$9,425,013 for FY 2012.

Next, Ms. Yazzie directed the Committee's attention to the cost effectiveness rankings provided by the Air Quality TAC. She explained that the cost effectiveness rankings were calculated by the cost per metric ton. According to the rankings, the six most cost effective projects for FY 2011 were:

1. Fort McDowell-Yavapai Nation
  - Requested Funding \$1,122,877/Cost effectiveness \$179
2. Gilbert
  - Requested Funding \$162,760/Cost effectiveness \$275

3. Buckeye
  - Requested Funding \$64,456/Cost effectiveness \$291
4. Fort McDowell-Yavapai Nation
  - Requested Funding \$1,187,709/Cost effectiveness \$291
5. El Mirage
  - Requested Funding \$222,000/Cost effectiveness \$604
6. Salt River Pima-Maricopa Indian Community
  - Requested Funding \$938,285/Cost effectiveness \$625

Ms. Yazzie informed the Committee that the requested amount for the six highest ranked projects for FY 2011 exceeded available funding for the fiscal year by \$39,725. Similarly, the seven highest ranked projects for FY 2012 exceeded available funding by \$264,873. Ms. Yazzie suggested reducing the amount of funding for one project by the difference or by another means proposed by the Committee. According to the rankings, the seven most cost effective projects for FY 2012 were:

1. Salt River Pima-Maricopa Indian Community
  - Requested Funding \$924,140/Cost Effectiveness \$587
2. Gilbert
  - Requested Funding \$87,038/Cost Effectiveness \$589
3. El Mirage
  - Requested Funding \$281,000/Cost Effectiveness \$602
4. Salt River Pima-Maricopa Indian Community
  - Requested Funding \$957,145/Cost Effectiveness \$655
5. Gilbert
  - Requested Funding \$53,279/Cost Effectiveness \$901
6. Surprise
  - Requested Funding \$956,800/Cost Effectiveness \$1,544
7. Phoenix
  - Requested Funding \$2,009,471/Cost Effectiveness \$1,553

After presenting an overview of the project submission and rankings, Ms. Yazzie briefly summarized the role of the Committee in recommending projects. She explained that the Committee may recommend projects to be selected and programmed with federal funds based on the approved *Guidelines*. In addition, the Committee may make recommendations to change a project scope, schedule, or budget during the project selection process. Ms. Yazzie stated that if a change was recommended by the TRC, the Member Agency must review and accept the changes. As a result, the programming process may be delayed.

Ms. Kraus inquired about the priority ranking of projects during the Federal Fund Closeout Process if a project's funding was reduced during the programming process. Ms. Yazzie replied that the option was available at the discretion of the Committee. However, Ms. Yazzie cautioned, the closeout process only applies to the current year's funding, which may not pertain to the project in question.

Ms. Lloyce Robinson from the Town of Youngtown requested additional clarification on the process. She noted erroneous project information for Youngtown listed on the attached documents and asked how to update the data. Ms. Yazzie explained that an opportunity for corrections and revisions was provided during the two-tier review process adding that changes could no longer be made at this point in the process.

Mr. Clem Ligocki from Maricopa County asked if projects submitted for FY 2011 could also be considered for funding in FY 2012. Ms. Yazzie stated that MAG Staff conducted the analysis based on the information submitted and would not make the assumption that local agency funding would be available in a different fiscal year. She added that it was at the discretion of the Committee to change a project's schedule or budget. Thus, if the Committee elected to fund the project in FY 2012, it was within their ability to do so.

Mr. Callow asked if there were any questions or comments. Mr. Ligocki acknowledged MAG's efforts and requested that the Committee consider funding a County project at 87<sup>th</sup> Avenue from Deer Valley to the Peoria city limits. He explained that citizen involvement in the area was high and that County was working hard to remedy the issue.

Ms. Yazzie directed the Committee's attention to the project ranking list. She reminded the Committee that the amount of funding requested exceeded the amount of available funding. Ms. Yazzie also remind the Committee that it was at their discretion to allocate funding and recommend projects for approval. She added that historically, the Committee had reduced funding for the lowest ranked project recommended for approval to meet the available funding limits.

Mr. Chris Kmetty from the City of Peoria asked about the variations in cost effectiveness rankings for projects of similar length. Ms. Yazzie responded that the Street Committee's responsibility was to clarify and verify project information submitted. She explained that during the review the Street Committee inquired how average daily traffic and other quantitative data was determined for each project. Project sponsors were asked to address these concerns during the review process and verify the data presented. Subsequently, the responses were summarized in the Street Committee review sheets.

Ms. Yazzie added that at the Working Group meeting, participants recommended that the Street Committee conduct a more detailed quantitative review and provide a project ranking in the future. As a result of the input, the recommendations would be incorporated into the final draft of the *Programming Principles*. A brief discussion followed.

Mr. Ligocki asked Member Agencies with the highest ranked projects if they would forego some funding in order to allocate funds to the County's 87<sup>th</sup> Avenue project. Mr. Callow suggested that the Committee consider reducing the funding amounts for the recommended projects, which would receive the highest allocation of CMAQ funding based on project cost and ranking in a given fiscal year. He referenced the project listing where two jurisdictions were slated to receive almost 90 percent of available funding in FY 2011.

Ms. Jennifer Jack from the Salt River Pima-Maricopa Indian Community (SRP-MIC) stated she would be willing to reduce their allocation to meet the available funding for that FY 2011. In addition, Ms. Jack stated that SRP-MIC could reduce the mileage for their FY 2012 project in order to meet the funding availability for FY 2012. Mr. Callow inquired if the Fort McDowell-Yavapai Nation would considered reducing their allocation to accommodate Mr. Ligocki's request. Mr. Alfonso Rodriguez from the Fort McDowell-Yavapai Nation agreed to a reduced allocation for his agency due to on-going procurement issues.

Mr. Callow explained that Mr. Rodriguez would need to verify the reduction in funding with his agency pending the recommendation of funding from the Committee. Ms. Yazzie requested the Committee's clarification on the funding discussion. She inquired if the Committee's suggestion was to reduce SRP-MIC funding allocation by \$39,725 in FY 2011 and by \$264,873 in FY 2012. The Committee agreed. In addition, Ms. Yazzie asked if the Committee's suggestion was to reduce Fort McDowell-Yavapai Nation's funding by the amount of the 87<sup>th</sup> Avenue project. The Committee agreed.

Mr. Ligocki thanked the Committee as well as Mr. Rodriguez for their assistance. He stated that if the County was able to locate alternative funding for the project or to proceed before FY 2011, that the County would relinquish their allocated funding for the benefit of the region.

Mr. Callow asked if there were any questions about Ms. Yazzie's presentation, and there were none. Mr. Lance Calvert from the City of El Mirage motioned to approve the project listing as amended. Mr. Clem Ligocki from Maricopa County seconded, and the agenda item was approved by a unanimous voice vote of the Committee members in attendance.

8. Status of Local Sponsored Federal Funded Projects

Mr. Anderson informed the Committee that the presentation on the Status of Local Sponsored Federal Funded Projects would be rescheduled for another Committee meeting. He strongly encouraged each Member Agency to review the project listing. He cautioned that numerous projects were listed to obligate in the current fiscal year; however, ADOT had not moved forward with these projects as of yet. Mr. Anderson explained that early notification of project deferrals would allow MAG to reallocate the available funding as quickly as possible.

Ms. Kraus inquired if the lack of progress was attributed to the Member Agencies, ADOT, or both. Mr. Anderson replied that many of the projects had not received clearances or submitted information to ADOT. He added that ADOT Local Governments Section had hired a consultant team to assist with expediting projects. Mr. Anderson asked the Committee to notify Ms. Yazzie or Mr. Steve Tate at MAG if the status report included any erroneous information. A brief discussion followed.

Mr. Callow asked if there were any questions or comments about the agenda item. There were none, and the Committee moved onto the next agenda item.

9. Federal Economic Recovery/Stimulus Update

Next, Mr. Callow invited Mr. Nathan Pryor from MAG to present on the federal economic recovery/stimulus package update (stimulus package). Mr. Pryor reported that MAG Staff had been working closely with Member Agencies to compile a list of potential infrastructure projects to receive funding through the stimulus package. Mr. Pryor thanked the Member Agencies, ADOT, and the FHWA for their assistance with the process. To date, over 750 projects in the amount of \$7.4 billion had been submitted. Mr. Pryor informed that a project listing compiled in October 2008 was available for download from the MAG website, and added that a revised project listing would be posted in the near future.

Mr. Pryor reported that MAG Staff was working with local and national associations and groups on the stimulus package. He stated that in December, MAG Staff met with members of the Arizona Delegation to discuss the regional infrastructure needs. He reported that relaxing or collapsing existing processes to expedite improvements was stressed during these discussions. Despite this, the current drafts of the stimulus package do not contain such provisions.

Mr. Pryor informed the Committee that the U.S. House of Representatives (House) had approved the Bill, tentatively called the American Recovery and Reinvestment Act of 2009 (ARRA). He stated that the U.S. Senate (Senate) was slated to hear the Bill shortly. According to Mr. Pryor the House Bill include \$30 billion for highway/bridge infrastructure improvements while the Senate draft included \$27.1 billion.

Although, Mr. Pryor explained, the Senate Bill included a lower funding amount for highway/bridge infrastructure improvements that the Senate draft included a provision for \$5.5 billion in competitive surface transportation grants. He reported that the grant provisions should be released within 75 days of the Bill's enactment. According to Mr. Pryor, the House Bill included \$522,668,808 for highway infrastructure investment and \$89,800,880 in transit capital for the State of Arizona. The Senate draft included \$502,431,000 highway infrastructure investment and \$125,160,000 transit capital for the State as well as the competitive surface transportation grants, which were not included in the House Bill.

Continuing on, Mr. Pryor discussed the potential impact to the MAG Region. Based on the information contained in the current drafts, the MAG Region would receive between \$206,453,784 (House Bill) and \$249,706,000 (Senate draft) for highway infrastructure investment as well as a suballocation of \$147,469,572 in the Senate Bill. If the region received these funds, between 5.4 percent (House Bill) and 6.5 percent (Senate draft) of the infrastructure projects submitted would be funded. Mr. Anderson emphasized that the figures included the House and Senate Bills were subject to change.

Mr. Pryor then summarized the deadlines incorporated into the House Bill. According to the House Bill, projects must obligate 50 percent of the project within 75 days at the Metropolitan Planning Organization (MPO) level and within 90 days at the State level. The Senate draft tentatively required the project to be obligated, in its entirety, within one year.

Mr. Anderson asked if the definition of obligation had been reconciled. Ms. Yazzie explained that the definition of obligation had be amended from when the contract was signed to what is currently in federal law. She explained that a project is obligated after all clearances had been obtained, the project has been approved by the Local Governments Section, and the project had been submitted to FHWA for their approval. Mr. Anderson explained that once a project has been obligated that the project sponsor may send the project out to bid.

Mr. Meinhart inquired if the House Bill established a deadline to obligate the remaining 50 percent of the project. Mr. Pryor stated he believed it was August 2010. He added that a redistribution methodology was included in both versions of the Bill. According to the provisions, any unobligated funds at the MPO level would be reallocated to the State. Furthermore, any unobligated funds at the State level would be reallocated to the national level for distribution to other states.

Next, Mr. Pryor summarized the discussion held by the MAG Regional Council the previous evening. He stated that Regional Council was contemplating submitting a letter to the Arizona delegation. The letter would request an increase in available funding as well as respond to a report from the Congressional Budget Office, which was pessimistic about the ability of States and MPOs to obligate the funds within the established time frame.

Mr. Pryor announced that special meetings of the TRC, Management Committee, Transportation Policy Committee, and Regional Council may be held during the month of February in regards to the stimulus. In the interim, MAG Staff would continue to explore available options. Mr. Pryor asked if there were any questions or comments about his portion of the presentation. There were none, and Mr. Pryor invited Ms. Yazzie to proceed with her portion of the presentation.

Ms. Yazzie announced that MAG was preparing to program the economic recovery funding. Toward that end, MAG Staff was developing criteria to determine project eligibility for the economic recovery funding. Ms. Yazzie explained that many of the project eligibility criteria were tied to the timeframe to obligate listed in the draft Bills. Potential criteria included:

1. Federal eligibility criteria
2. Federal requirements
  - Clearances for right-of-way/utility relocation/design
  - Environmental clearances/NEPA requirements
3. Project Status in the MAG Transportation Improvement Program (TIP)
  - project listed in the TIP and STIP
  - conformity exemption
  - new conformity determination

Ms. Yazzie reported that based on the content of the draft Bills, the stimulus package funding would be available for projects meeting the federal eligibility criteria for STP, Bridge, Federal Aid Systems, Interstate Maintenance (IM), Planning, Safety and CMAQ funding programs. In addition, the funds would be distributed according to the current STP distribution formula. She emphasized that the STP, Bridge, IM, Safety programs required eligible projects to be located on a functionally classified roadway. Ms. Yazzie informed the Committee that MAG coordinates with ADOT on updating the functionally classified roadway, which was available for download from the ADOT website at <http://tpd.azdot.gov/gis/fclass/fcmaps.php>. She explained that projects on local, residential streets, parking lots, drainage, landscaping, infrastructure on non-classified streets would not be eligible under the current language.

Mr. John Farry from Valley Metro asked if the funds would come to the region as Surface Transportation Program funds. Ms. Yazzie stated no and that the projects would come to the region as economic recovery/stimulus funds. However, project eligibility would be tied to the existing federal programs. Mr. Farry asked that given the flexibility of the STP funds would it be possible to allocate additional funds to transit through the program. Ms. Yazzie directed the question to Mr. Nathan Banks from the Federal Highway Administration. Mr. Banks stated he believed the funds could be allocated to transit, but could not verify that information at this time. Ms. Yazzie stated that MAG Staff intended to meet with Valley Metro/RTPA and other transit officials to determine project eligibility and conduct analysis in preparation of the Bill's enactment.

Continuing on, Ms. Yazzie discussed categorical exclusions (CATEX), which were included

in the initial analyses for the draft Bill. She explained that due to the tentatively established timelines and the need to meet federal requirements many project that would receive funds would have a categorical exclusion in group one or two which circumvented the need for certain environmental clearances. Mr. Anderson added that the projects that included right-of-way acquisition or utility relocation would not be eligible under CATEX Groups 1 and 2.

Ms. Yazzie informed the Committee that MAG would code projects to determine project eligibility for economic recovery/stimulus package funding. Project would be coded by environmental clearance/NEPA Status and TIP status. According to Ms. Yazzie, the codes for the environmental clearance/NEPA status included:

A = Approved, OR CATEX Group 1, or CATEX Group 2 submitted

B = CATEX Group 1, or CATEX Group 2 not submitted or NEPA published and decision expected soon

C = Long Term NEPA , Projects that have not started the Process and are not CATEX Groups 1 or 2

Next, Ms. Yazzie provided examples of categorical exclusions. For CATEX Group 1, potential projects include pavement preservation on or within an area of existing pavement, striping for bike lanes, and the purchase or installation of operating/maintenance equipment within transit facilities. For CATEX Group 2, examples included pavement preservation, guardrails, new/adjusted curbs, sign/signal/lighting upgrades, and curb ramps in compliance with Americans with Disabilities Act (ADA). Codes for the TIP status included:

A = projects currently in the TIP.

B = projects that could be handled with amendment to the TIP, such projects exempt to air quality conformity analysis or no new conformity finding needed.

C = projects that would require long term amendment, such as roadway capacity improvements, that would require new air quality conformity determination.

Mr. Kmetty asked who would be responsible for the coding of projects. Ms. Yazzie replied that MAG Staff would work in conjunction with ADOT to develop a preliminary list of coded projects. Then, MAG Staff would work with each Member Agency to ensure the accuracy of the data. A brief discussion followed.

Ms. Yazzie explained that packages of projects that could meet the categorical exclusion requirements included regional pavement preservation, traffic signal optimization, signal replacement, and sign replacement. Mr. Anderson also emphasized that all projects required specific locations and cost estimates to ensure eligibility and proper coding.

Ms. Yazzie added that the list of coded projects probably would include two tiers. The first tier would be projects that meet all of the necessary requirements without requiring air quality conformity analysis. The second tier would include longer term projects that would require the analysis.

Next, Ms. Yazzie summarized possible timelines and steps associated with the stimulus package. She informed the Committee that MAG Staff would conduct Working Group meetings throughout February. She explained that a TIP amendment could be approved through TPC on February 18<sup>th</sup> and Regional Council on February 25<sup>th</sup>.

Ms. Yazzie encouraged each Member Agency to prepare for the undertaking. Toward that end, she encouraged agencies to attend Working Group meetings, review project listings, determine the specific project locations, and prepare cost estimates. In addition, she encouraged the Member Agencies to review submitted projects for the federal eligibility requirements, TIP status, and environmental/NEPA clearances.

Mr. Anderson informed the Committee that MAG had not established the project priority selection process at this point. He explained that the first priority was coding projects and determining the magnitude of the potential funding. He stated that MAG Staff would conduct meetings to discuss the project prioritization in greater detail.

Ms. Kraus asked if Ms. Yazzie would provide copies of the presentation to the Committee. Ms. Yazzie replied that she would. Mr. Ligocki inquired if additional clarification about the supplanting provision could be provided. Mr. Anderson requested that Mr. Banks from FHWA address the Committee on this point. Mr. Banks recommended that the Member Agencies assume that the federal funding currently allocated to projects would be doubled. He encouraged the Committee to use this guidelines as the basis for the fiscal documents as of now.

Mr. Anderson stated that projects receiving economic recovery funds may be funded at 100 percent although the specific details of those circumstances have yet to be determined. Mr. Anderson stated that if funds stay within transportation activities that moving funds would not be considered supplanting. He emphasized that this information was based on the current draft Bills and had yet to be determined officially. Mr. Anderson also informed the Committee that projects receiving economic recovery funds would be subject to additional reporting and certification requirements.

Mr. Banks added that the intent of the legislation was to supplement existing funding. He stated that the certification requirement was made to the Governor by the FHWA, which was subsequently approved. Mr. Jungwirth inquired about the enforcement mechanism for supplanting projects. He stated that the Federal Transit Authority (FTA) had recommended switching funding on existing projects currently in the Transportation Improvement Program.

Mr. Banks reported that several states had requested clarification on supplanting and the transfer of funds. According to Mr. Banks, if a project is funded with state or local funds and those funds are transferred to another transportation project in the same fiscal year, then the original funds are not considered supplanted. A brief discussion followed. Several Committee members expressed their gratitude for the efforts of FHWA, particularly Mr. Banks, ADOT, and MAG Staff.

Mr. Ligocki inquired if the economic recovery funds could be used to fund the environmental clearance process as well as the staff time with expediting the projects. Ms. Yazzie stated that this may be a possibility; however, MAG Staff would have to make additional inquiries and work ADOT Local Governments Section to see if this was a possibility.

Mr. Callow asked if there were any additional questions or comments. There were none, and Mr. Callow moved to the next agenda item.

10. Member Agency Update

Mr. Callow asked members of the Committee if they would like to provide updates; address any issues or concerns regarding transportation at the regional level; and asked if any members in attendance would like to address recent information that was relevant to transportation within their respective communities. There were none, and Mr. Callow moved to the next agenda item.

11. Next Meeting Date

Mr. Callow informed members in attendance that the next meeting of the Committee would be held on February 26, 2009. There being no further business, Mr. Callow adjourned the meeting at 11:32 a.m.