

MINUTES OF THE  
MAG MANAGEMENT COMMITTEE MEETING  
February 13, 2002  
MAG Office Building - Saguaro Room  
Phoenix, Arizona

MEMBERS ATTENDING

Fred Carpenter, Wickenburg, Chairman	Tom Martinsen, Paradise Valley
Scott Schrader, Avondale	Terry Ellis, Peoria
*Joe Blanton, Buckeye	Frank Fairbanks, Phoenix
*Jon Pearson, Carefree	Cynthia Seelhammer, Queen Creek
*Usama Abujbarah, Cave Creek	*Bryan Meyers, Salt River Pima-Maricopa Indian Community
Donna Dreska, Chandler	Roger Klingler for Jan Dolan, Scottsdale
Stuart Brackney, El Mirage	Bill Pupo, Surprise
*Paul Nordin, Fountain Hills	Randy Gross for Will Manley, Tempe
Shane Dille, Gila Bend	Ralph Velez, Tolleson
*Urban Giff, Gila River Indian Community	*Mark Fooks, Youngtown
George Pettit, Gilbert	MaryLynn Tischer for Victor Mendez, ADOT
Terry Zerkle for Ed Beasley, Glendale	Tom Buick for David Smith, Maricopa County
Stephen Cleveland, Goodyear	Ken Driggs, RPTA
Tom Morales, Guadalupe	*+Curtis Shook, Apache Junction
Horatio Skeete, Litchfield Park	
Mike Hutchinson, Mesa	

\*Those members neither present nor represented by proxy.

+ Non-voting

# Participated by videoconference or telephone conference call.

1. Call to Order

The meeting was called to order by Chairman Fred Carpenter, Wickenburg, at 12:02 p.m.

2. Pledge of Allegiance

Roger Klingler led the Pledge of Allegiance.

Chairman Carpenter informed members that a revised set of January 16, 2002 meeting minutes was at each place.

Chairman Carpenter stated that transit tickets were available following the meeting from the RPTA.

3. Approval of January 16, 2002 Meeting Minutes

Chairman Carpenter asked if there were any changes to the revised minutes. Hearing none, he asked for a motion to approve.

Ralph Velez moved to approve the minutes of the January 16, 2002 meeting. Horatio Skeete seconded and the motion carried unanimously.

4. Call to the Audience

Chairman Carpenter stated that a timer was available to assist the public with their presentations. He noted that public comments have a three minute time limit. Chairman Carpenter stated that for members of the audience who wish to speak, cards are available from the staff who will bring it to the Chairman. Public comment is provided at the beginning of the meeting for non-agenda items. Public comments are limited to three minutes.

Chairman Carpenter recognized public comment from Joe Ryan, who stated that it is the responsibility of MAG mayors to make or break the economy of Maricopa County. He mentioned Supervisor Stapley's comments at the January Regional Council meeting that the public does not hold MAG in high regard. Mr. Ryan stated that Chairman Rimsza ignored the protests of a citizen who had requested public comment, although three others had been recognized. Mr. Ryan referred to a handout he provided. He stated that the streetcar project will add to traffic congestion. Mr. Ryan stated that this project is a highway destruction program that will take away traffic lanes to put in the trolley and the stations. Mr. Ryan stated that he would pass around a copy of a transit plan. He indicated that the Transit 2000 ballot stated there would be 66 miles of light rapid transit. Chairman Carpenter thanked Mr. Ryan for his comments.

Chairman Carpenter welcomed Terry Zerkle, new Assistant City Manager, Glendale.

James M. Bourey offered clarification on public comment by Mr. Ryan that Chairman Rimsza ignored a citizen's request to speak at Regional Council. Mr. Bourey explained that the citizen turned in a card to speak on a non-action item. According to the rules, comment is not taken on non-action items. Therefore, the citizen's public comment was not heard.

5. Executive Director's Report

Mr. Bourey stated that support for the half cent sales tax extension and to go forward this year with enabling legislation were extended at the Greater Phoenix Business Leadership Coalition Forum.

Mr. Bourey stated that the Valley Forward Association has drafted transportation and governance principles. A copy was at each place.

Mr. Bourey stated that he serves on the Ad hoc Study Committee on Noise Attenuation Barriers, established by the State Legislature. Their findings will be significant because the outcome may be a more aggressive plan where noise barriers will be built, and that could have a fiscal impact.

Mr. Bourey provided an update on legislation. Copies of the following legislation were at each place. He stated that MAG is very concerned with HB 2660, which establishes transportation planning and programming requirements and takes away the responsibility from the MPOs. Mr. Bourey expressed that he did not feel the federal requirements that give these responsibilities to the MPOs could be superseded. Mr. Bourey stated that HB 2502 establishes two additional seats on the State Transportation Board, one for Maricopa County and one at-large. HB 2496 would increase the State Transportation Board by two members, one for Maricopa County and one for Pima County. HB 2588 and SB 1244 increase HURF parity bond caps. HB 2628 establishes a uniform building code statewide. He commented that MAG has not yet discussed this bill nor taken a position. Mr. Bourey stated that Executive Order 2002-3 established a Governor's Advisory Council on Aviation and could have implications for the RASP.

Mr. Bourey stated that three budget workshops have been scheduled in different parts of the region to provide an overview of the next Work Program. Dates for the workshops include February 15 in Peoria, February 21 in Chandler, and February 25 in Phoenix. Mr. Bourey stated that participation at the workshops would provide an opportunity for open discussion by member agency staff on Work Program tasks. He encouraged attendance at the workshops to increase understanding of the Work Program development process.

Mr. Bourey stated that as a part of the approved Work Program, a video on MAG was produced. The video was shown. Mr. Bourey acknowledged the efforts of Kelly Taft, MAG Communications Manager, in the production of the video.

Shane Dille asked the impacts of HB 2628. Mr. Wolfe explained that the bill, just received, would be discussed at the Building Codes committee meeting next week. He stated that committee members had been provided a copy of the bill. Currently, no discussion has taken place on the bill. Mr. Dille requested input from MAG on the impacts and that it be on the Building Codes Committee for action.

6. Approval of Consent Agenda

Chairman Carpenter stated that public comment is provided at the beginning of the meeting for action items on consent. Each speaker is provided with a total of three minutes to comment on the consent agenda. He stated that any member of the Committee may request that an item be removed from the consent agenda and considered individually.

Chairman Carpenter recognized public comment from Blue Crowley, who stated that the issue is conformity. RPTA's documents say "minor" revisions, but in fact, we don't have that money at all. Mr. Crowley gave a double thumbs up for intercity transit. He commented this will lead to a more multimodal system. Mr. Crowley stated that at a community rail meeting, it was discussed that the railroad could connect to Peoria and other cities. He stated that with all of the money being spent on the rail project, buses are what we are doing. He stated that only one-fifth of the bus facilities have the infrastructure they are supposed to have. Mr. Crowley stated that if there are 11 individual bus boardings, there should be a bench. Many stops only have a sign. Mr. Crowley stated that it was discussed at the BRT meeting on February 19th, that the I-10 the express terminal would not be a part of the BRT plan. Buses are being purchased that do not fit in the facility. This facility was to be a part of the connection with light rail on Central Avenue. Why was this built at taxpayer cost if it is not going to be used? Mr. Crowley stated that revisions should be detailed, not just referred to as "minor revisions." Chairman Carpenter thanked Mr. Crowley for his comments.

Bill Pupo moved to recommend approval of consent agenda item #7. Frank Fairbanks seconded, and the motion carried unanimously.

7. Conformity Consultation

The Regional Public Transportation Authority has requested an amendment for seven transit projects in the FY 2002-2006 MAG Transportation Improvement Program. The amendment is necessary to revise funding and scheduling for right-of-way acquisition, final design, and construction for fixed guideway corridor projects. In addition, an amendment is required to add two Maricopa County projects to the TIP for FY 2002: Work Links and Southwest Inter-City Transit. MAG has reviewed the projects for compliance with the federal transportation conformity rule and has found that the amendment requires consultation on the conformity assessment. The amendment includes minor revisions to existing projects in the TIP that do not necessitate a change to the most recent conformity analysis. The amendment also includes new projects that may be categorized as exempt, for which a conformity determination is not required.

8. Discussion of Federal Transportation Funding for FY 2002 to 2007

Eric Anderson stated that TEA-21 guides the distribution of Highway Trust Funds, from fuel taxes, truck and trailer sales, and miscellaneous excise taxes. He stated that in FY 2000, Arizona paid \$583.1 million in federal transportation taxes and received back 90.5 percent, which is the minimum guaranteed to all states. He noted that some states receive back more than 100 percent. Mr. Anderson stated that in FY 2001, MAG received about \$35 million in STP funds, of which \$34.1 million was allocated to the freeway program. He informed members that MAG recently received notice that there was an error in calculating federal appropriations. Mr. Anderson explained that 1990 urbanized area population figures were used with state 2000 figures, which resulted in an erroneous calculation. He stated that FHWA originally did not want to change the allocations, but then decided they will go back and recalculate using the 1990 figures. Mr. Anderson noted that our allocation could increase if the 2000 figures are used sometime this summer. This amount for 2002 could be \$35 to \$38 million.

Mr. Anderson stated that about \$34 million in CMAQ funds were allocated to MAG in 2001. He explained that the ADOT five year program receives about \$500 million per year, two-thirds of which are federal funds. MAG has been working with ADOT to increase the region's fair share of the funds, which will rise from about 21.5 percent in 2002 to 42.8 percent in 2006. Mr. Anderson stated that Revenue Aligned Budget Authority, or RABA, was designed to automatically adjust federal transportation funding for changes in trust fund receipts. He noted that RABA increased annually in 2000, 2001, and 2002. However, the amount is negative \$4.4 billion for 2003, because tax receipts came in lower than projected for FY 2001. Mr. Anderson stated that there may be a reduction of \$8.5 billion in federal transportation funding in 2003, compared to 2002. He mentioned that this reduction caught all by surprise and there had been no indication of this situation. Mr. Anderson stated that an audit was conducted and the results were received that morning. He added that not much change in the reduction is anticipated.

Mr. Anderson reviewed other impacts to transportation budget, such as ADOT revised HURF projections and transfers of funds to Department of Public Safety. He explained that if HB 2588 passes, ADOT's HURF bonding cap would be increased \$300 million, which would help ADOT mitigate impacts of funding reductions. Mr. Anderson displayed a table that showed the possible funding reductions by category by year. He added that the numbers were currently draft and ADOT was running the numbers. The numbers represented only one-third of the impact statewide. Mr. Anderson stated that if the \$4.4 billion is restored by Congress, the region could

have additional funds, so the amount of reduction shown on the table would be cut in half. Mr. Anderson reviewed the next steps that need to be taken. He noted that it would be a very aggressive schedule in order to complete all steps in time for action on the conformity analysis in April and final approval in July. Mr. Anderson added that one of the objectives is maintaining as much of the program as possible.

Mr. Cleveland asked for clarification of fiscal year funding reductions. Mr. Anderson replied that funding was fine for FY 2002, but could be reduced for FYs 2003 and 2004. Mr. Cleveland asked for clarification that \$4.4 billion of the \$8.5 billion decrease may be restored. Mr. Anderson replied that was correct. Furthermore, if the HURF bonding bill passes, the cuts for the ADOT Program might not be needed. If not, then adjustments to the program would be needed. Mr. Cleveland noted that the issue will be how the decreases will impact other years of the TIP.

Mr. Bourey stated that if the bond bill passes soon, there would not be a need to go through these exercises to adjust the ADOT Program if there is a major cut in funding. If the Legislature waits to take action on the bill, we will have to draft the adjustments. Mr. Bourey noted that support of the bonding bill is needed. Mary Lynn Tischer reiterated the importance of the bonding bill and monitoring at the Congressional and State levels.

Ken Driggs stated that it is unconscionable to have this \$8.5 billion mistake in federal funding. He noted that transit is not affected by the error, and actually, an increase in transit funding is shown. Mr. Driggs stated that letters are being sent by affected agencies in support of having the flex funds restored. Mr. Driggs commented that the funding reductions could have huge impacts on jobs and major highway projects. This is a problem that could have ripple effects on all transportation modes.

Donna Dreska asked the process for determining the projects that may or may not be deleted. Mr. Anderson stated that one consideration is project readiness. He stated that the reductions impact FYs 2003 and 2004. Carry forward projects from 2002 to 2003 would not do much good. Mr. Anderson stated that impacts to future years are not as great. He noted that air quality projects in the TIP are key to conformity and it is important that they be maintained. Mr. Anderson mentioned that discussion of the methodology is in the beginning phase, and would be discussed at the next TRC meeting. Ms. Dreska emphasized the importance of a systematic approach with established criteria to determine the projects. All need to be present during the process. Mr. Anderson noted that the process needs to take place within the next four weeks.

Tom Morales requested a copy of the information displayed in the slide presentation. Copies were provided. Mr. Bourey noted the caveat that the information was current, but subject to change.

Chairman Carpenter asked the prospects for the legislation's passage? Mr. Anderson stated that the bill moved through the House Transportation Committee on Monday, February 11th by a vote of nine to one. He indicated that the bill should be ready for House action.

Chairman Carpenter noted that a public comment card had been turned in, but would not be taken because the item was not for action.

9. Initial and Interim Closeouts of the FY 2002 MAG Federally Funded Program

Paul Ward provided a review of the annual MAG closeout process to ensure that all of the federal funds for the current federal fiscal year are spent. The estimated federal funds available total \$82.7 million. Mr. Ward stated that MAG's FY 2002 Obligation Authority totals \$75.3 million and is roughly split between \$37.9 million in STP funds and \$37.3 in CMAQ funds.

Mr. Cleveland asked for clarification between the \$82 million and the \$75 million figures. Mr. Ward explained that MAG was informed this year that approximately 90 percent Obligation Authority would be authorized. He explained that Obligation Authority is spending authority that is derived from the annual appropriations legislation and is often less than 100 percent. Mr. Ward stated that MAG's funding commitments total \$71.4 million, so there is \$1 million in STP and \$2.8 million in CMAQ funds that are unprogrammed.

Mr. Ward reviewed the interim closeout process. Agencies need to notify MAG staff by March 1 of FY 2002 of any projects that need to be deferred or withdrawn, then the unprogrammed funds are added to determine the total amount of uncommitted funds for FY 2002. Mr. Ward stated that we need to find a way to spend an expected \$1 million STP and \$7.8 million CMAQ funds. The projects to utilize the uncommitted funds need to be identified by early April. Mr. Bourey noted that the money must be obligated by September 30, 2002. Mr. Ward added that paperwork would need to be submitted by ADOT to FHWA by the end of August.

Mr. Cleveland asked the deadline for member agencies to provide their lists of projects that need to be deferred. Mr. Ward responded that the list is needed by March 1, 2002. He added that MAG has been in contact with those agencies with relevant projects on an individual basis to determine those projects that will need deferment.

Mr. Driggs commented that the money referred to by Mr. Ward for projects can't proceed will be deferred, so it's not new money. Mr. Ward stated that we have more money to obligate than projects. Mr. Bourey stated that some projects could be deferred, some could be eliminated, or it could be a combination of both.

10. Amendment to the FY 2002-2006 MAG Transportation Improvement Program

Mr. Ward referred to the table included in the agenda packet that showed the project changes to the TIP. All of the projects involve FTA funds. He stated that the FTA has indicated that the amount of federal transit funding for the Light Rail Project in the FY 2002-2006 TIP needs to be reduced to reflect the actual amount of likely Section 5309 funds expected to be available. They have suggested that the amount be limited to \$80 million per year. Mr. Ward explained that local funds need to be increased in 2003-2006 to offset the reduction of federal funds. The increased amount of local funds will be repaid by federal funds in later years, as permitted by FTA. He noted that this will not impact the conformity analysis. An amendment to the FY 2003-2006 MAG TIP is needed to reflect the projects' most recent financial plan. Mr. Ward stated that the TIP also needs to be amended to add two Maricopa County projects to the TIP for FY 2002: Work Links and Southwest Inter-City Transit using Job Access and Reverse Commute (JARC) funds. He added that we have been recently notified that we were successful in receiving these funds.

Mr. Ward stated that the requested action was to recommend approval of an amendment to the FY 2002-2006 MAG Transportation Improvement Program to reflect the revised financial plan

for the Light Rail Project, and to add two Maricopa County projects to the TIP: the Work Links and Southwest Inter-City Transit projects.

Chairman Carpenter recognized public comment from Mr. Ryan, who commented on a cost reduction program and a loss reduction program. He stated that 80 people work on the light rail project, which will not be completed until 2006. Mr. Ryan commented on the “spend it while you can” notion, if the money is there, spend it. The money is still taxpayer money. Mr. Ryan commented on the 66 miles of light rail with rapid transit routes. He stated that if the EIS is considered, light rail will increase congestion. I-10 and I-17 will be more congested. In Arizona, people are buying more SUVs and trucks, which have higher gas consumption per mile than other vehicles. More vehicles moving slower will not reduce pollution. Chairman Carpenter thanked Mr. Ryan for his comments.

Chairman Carpenter recognized public comment from Mr. Crowley, who commented on public input at TRC, Management Committee and Regional Council meetings. He stated that by the time comment is taken at these meetings, the fix is in. Mr. Crowley stated that conformity is being multimodal. When a park and ride is built on Central, people will need to drive there to use it. Mr. Crowley asked where is the I-10 terminal? There was an intergovernmental agreement between Phoenix and the State to build it. The reason it was built was to connect bus with light rail. Mr. Crowley stated his objections to the way this is being done. Mr. Crowley commented on the lack of bus service on Roosevelt Street, in one of the oldest neighborhoods in the City. Mr. Crowley said to do the job right and that means other modes than light rail.

Ken Driggs moved to recommend approval of an amendment to the FY 2002-2006 MAG Transportation Improvement Program to reflect the revised financial plan for the Light Rail Project, and to add two Maricopa County projects to the TIP: the Work Links and Southwest Inter-City Transit projects. Mr. Hutchinson seconded, and the motion carried unanimously.

11. Conducting a 2005 Special Census or Using an Estimate to Gauge Mid-Decade Population

Harry Wolfe stated that MAG contracted with the Census Bureau in 1985 and 1995 to conduct a mid-decade special census for this region. In 1985, the cost of the Special Census was \$3.5 million, and in 1995 it was about \$9 million. Mr. Wolfe stated that the reasons to conduct a special census are to distribute state-shared revenue, which totals \$1.1 billion annually, and to provide an accurate base for local and regional planning. Mr. Wolfe stated that the Census Bureau has provided an early cost estimate of about \$30 million to conduct a 2005 special census.

Mr. Wolfe stated that if all jurisdictions participate, the cost is estimated at \$8.33 per person. If only some of the jurisdictions participate, the cost is estimated at \$9 to \$10 per person. Mr. Wolfe stated that the high cost of conducting a special census would require budgeting and the costs could be distributed over four years. Mr. Wolfe noted that authorization from the FHWA to use funds for half of the cost would need to be pursued. He explained that planning for a special census requires several years of extensive planning.

Mr. Wolfe stated that a state law in 1994, which has sunset, allowed use of alternatives. There would need to be new legislation to allow for use of an estimate in . Mr. Wolfe stated that a census is more accurate than an estimate and provides for a more complete data set at a smaller level of geography. An estimate would be less expensive, however.

Mr. Wolfe stated that there are several factors to consider if undertaking a special census. Will there be adequate FHWA funds? Will sufficient enumerators be found? Mr. Wolfe stated that the Census Bureau wants four enumerators hired for every enumerator needed because of the turnover rate. Will the Legislature authorize use of an estimate? Will an estimate in 2005 be accurate as before or less accurate? Mr. Wolfe stated that options include a region-wide special census, a region-wide estimate if the law is changed, or local governments contracting individually with the Census Bureau. Chairman Carpenter thanked Mr. Wolfe for his presentation.

Chairman Carpenter asked when a decision is needed on whether to proceed with the Special Census. Mr. Wolfe replied that a decision would be needed by next year. He added that the Census Bureau would not be releasing cost estimates until the end of this year. Mr. Bourey stated that the budget is adopted in May, so a decision would be needed by April in order to include Special Census assessments in the budget.

Dennis Smith noted that the DES estimates are developed through MAG's POPTAC process, and are approved by the DES.

Mr. Driggs commented on alternatives, such as mailout, to keep costs down. He commented on the lower cost to accomplish earlier special censuses. Mr. Wolfe explained that the reasons that the costs are higher include increases in labor costs and expenses, more vigorous methods would be used, and more people to count.

Mr. Smith stated that the least desirable option is to not have all participate. He stated that conducting a special census is very difficult and there was some merit to the estimate option.

Mr. Fairbanks expressed concern with the estimates being below actual and some cities being undercounted. He stated that the City of Phoenix is more confident in census numbers, whether they be 2000 or 2005 numbers, than in POPTAC estimates. Mr. Fairbanks mentioned that last year's counts showed dramatic under- and over-counts.

Mike Hutchinson commented on working on the established process to improve it, so Phoenix would be more comfortable with its accuracy. He expressed concern with the costs associated with conducting a special census.

Mr. Fairbanks stated that the easy solution would be to use the 2000 census figures. There would be no need to do anything more.

Mr. Wolfe stated that the number of housing units, the percent of units occupied and number of persons per unit occupying have been problematic. If there is an interest in an estimate, there needs to be a way to enhance these categories. Mr. Fairbanks commented that surveys or similar could be possible options.

Terry Ellis expressed interest in seeing a few sample scenarios assembled by staff. Mr. Bourey stated that a decision would be needed by May if the assessments were to be spread over a full four years. He stated that scenarios could be developed for the Management Committee. Mr. Bourey stated that the POPTAC could work on this issue at their next meeting.

There being no further business, the meeting adjourned at 1:40 p.m.

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Chairman

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Secretary