



**South Mountain Corridor Study
Citizens Advisory Team
Meeting Summary**

Date: January 28, 2010
Time: 6 p.m.
Location: South Mountain Community College

SMCAT Members Attending:

Ahwatukee Foothills Chamber of Commerce, Carola Tamarkin
Ahwatukee Village Planning Committee, Paul Everett
Calabrea HOA, Brian Smith
City of Avondale, Carnell Thurman
Cottonfields Community HOA, Timmothy Stone
Estrella Village Planning Committee, Peggy Eastburn
Foothills Club West HOA, Michael Hinz
Foothills Reserve HOA, Jim Wesley
Kyrene School District, Karin Smith
Lakewood HOA, Chris Boettcher
Laveen Village Planning Committee, Wes Lines
Maricopa County Farm Bureau, Clayton Danzeisen
Mountain Park Ranch HOA, Diane Krecker
Pecos Road/I-10 Landowners Association, Nathaniel Percharo
Phoenix Mountains Preservation Council, Michael Goodman
Sierra Club, Sandy Bahr
Southwest Valley Chamber of Commerce, Woody Thomas
The Foothills HOA, Chad Blostone
Valley Forward, Steve Barclay

SMCAT Members Absent:

Arlington Estates HOA, Camilo Acosta
Arizona Public Health Association, Al Brown
Gila River Indian Community
Laveen Citizens for Responsible Development, Laurie Prendergast
South Mountain Village Planning Committee, Tamala Daniels
South Mountain/Laveen Chamber of Commerce, Lisa Bray

Staff and Consultants

Michael Bruder, ADOT
 Larry Langer, ADOT
 Doug Nintzel, ADOT
 Rebecca Swiecki
 Timothy Tait, ADOT
 Nan Wilcox, ADOT
 Ray Dovalina, City of Phoenix
 Alan Hansen, FHWA
 Ken Davis, FHWA
 Eric Anderson, MAG
 Bob Hazlett, MAG

Ami Brogan, HDR
 Brent Cain, HDR
 Heather Honsberger, HDR
 Janet Gonzalez, HDR
 Ben Spargo, HDR
 Scott Stapp, HDR
 Jack Allen, Jacobs
 Fred Erickson, KCA
 Tom Keller, KCA

Citizens:

Michael Brady
 Tim Cornelius
 Michael DiGioia
 Michelle Dodds
 Michell Eastburn
 Biff Hoffman
 Paula Hoffman
 Jim Jochim
 Brian Johnson
 Tim Lank
 Pat Lawlis
 Hayden Mayhard
 Mayda Mooney
 Doug Murphy

Robert Oppermann
 Patrick Panetta
 Bob Pikora
 Lisa Percharo
 William Ramsay
 Joe Rowan
 Sreedevi Samudrala
 Scott Sayles
 Ray Schumacher
 Robin Shismido
 Connie Squires
 Jerry VanBasse
 Lori Wallace

Meeting Agenda	Speaker
Welcome and introductions	Tom Keller, KCA
SMCAT role and responsibilities	Tom Keller, KCA
SMCAT communication process	Tom Keller, KCA All
Update to the Regional Transportation Plan Freeway Program	Eric Anderson & Bob Hazlett, MAG
SMCAT questions and comments	All
Upcoming SMCAT meeting topics	Timothy Tait, ADOT
SMCAT questions and comments	Tom Keller, KCA
Visitor questions	Tom Keller, KCA

Meeting began at 6:02 p.m.

Tom Keller: Good evening everyone. Can we begin please? Thank you.

Welcome to the January 28 Citizens Advisory Team meeting for the proposed South Mountain Freeway. Welcome back, it has been 15 months since we met last. We have a couple new members to introduce:

Paul Everett, Ahwatukee Village Planning Committee

Diane Kreckler, Mountain Park Ranch HOA

Karin Smith, Kyrene School District

Thanks everyone for joining our team. Did I miss any body? We have a process to go through tonight and I want to introduce a few folks before we get started.

First from the Maricopa Association of Governments, Eric Anderson, Transportation Director; and Bob Hazlett, Senior Engineer. From ADOT: Timothy Tait, Mike Bruder, Rebecca Swiecki, and Nan Wilcox. Thanks for joining us folks, we appreciate it. From the Federal Highway Administration, Ken Davis and Alan Hanson

Did I miss anybody? No, alright.

A couple of things to go over before we start. The body that sits here at the table is the South Mountain Citizens Advisory Team. This team was formed a number of years ago and several of the people who are on this committee have been here for a long time. When this committee re-engaged 2.5 years ago we formed a new operating agreement that we all signed. This operating agreement stressed a number of things from meeting protocol to how we are going to operate as a group. So we have some rules and regulations that we tend to follow and I am sure all the members remember the process we go through and those of you from the community we want to let you know how we do this at every meeting.

We have a formalized agenda which we will show you in a minute. We also have a series of procedures that help us get us through the discussions and topics every evening, but also is the chance for input and for questions to be asked from the public. I believe Janet helped you as you came in, with the blue cards and there are more on the table back there. As we go through the process this evening if you have questions about topics we discussed or questions you want to bring to the body, please fill out one of these cards.

The reason for filling out the cards is this: depending on the amount of time we have left, sometimes we don't have the chance to answer all your questions. We answer them after the meeting in a "parking lot memo" and this is posted on the study Web site. For those of you that have multiple questions, as some of you do from time to time. If you will number them in a priority order and I am going to move from one person to the next so

that I can get as many questions answered as we can. I might not be able to get all of your questions, so I want to get through questions of the highest priority. Take your time to number these and when we get to that portion on the agenda and we'll collect them and go from there. Clear enough?

Our agenda on the screen is typical of the format that we have been following for some time. The only change we have to the actual protocol from tonight is that we move the questions that normally we have from the body here from the beginning to after the break because it has been 15 months and many of the topics and questions that you may have on your minds today may be covered in the presentations today. Also, we are going to go from 6 to 8.

I should mention as a reminder to everyone that the people sitting at this table are members of the team, they signed the operating agreement and they represent other organizations, not themselves. Whether it's an HOA or community organization of some type and that such it is their responsibility to gather the information that they leave here (comments and questions) to take them back to the organization they represent and keep them informed. There is a purpose statement in the agreement which essentially outlines their role and the basic premise is that this body serves a communication conduit to ADOT and to FHWA on the proposed South Mountain Freeway. It is a voluntary advisory board and not a decision-making body. And they are not responsible for any decisions made by ADOT or FHWA. The single purpose of this body is to provide a recommendation as to whether to build or not build the proposed freeway.

Our meeting protocol includes welcome and introductions, the establishment of the quorum which we have tonight, so we can officially transact business. We have an agenda that we formalize every time we meet. There is a timekeeping process that's pretty open tonight as you will see from the agenda. But we do manage time through a parking lot process. So if we start going down a path of questions and answers which we know we are not going to have time for tonight we put them into the parking lot and get around to them and get to them on the Web site or they become topics for future meetings.

This is a discussion, debate and recommend process. We have certainly done our share of discussing and debating over time and I expect that to continue beginning tonight once again.

Welcome to all of you, our visitors, the parking lot issues will be tracked by my partner, Fred, as we go.

The behavior protocol, I won't spend a lot of time on this, the members know it. We are going to be treating each other with respect and dignity. As you might imagine over time we have had some heated discussions and they will continue to be heated. But one of the things that I am proud of the last several times that we have met, we have been able to keep this, to a level of discussion that has been positive and productive. It doesn't mean

we won't raise our voice from time to time, but we will treat each other with respect and dignity as part of what we do.

Any unacceptable behavior will be dealt with by the team in terms of being asked to be replaced by another member of the organization which they represent. There will be session feedback forms for the members around the table, these are the forms that you have been filling out at the end of each meeting and we will do that right after the end of the break. That helps us hopefully do a better job from meeting to meeting. Does anyone have anything else? Any comments or questions from the group about protocol or procedure? We will have a whole hour for questions after the break.

At this point I would like to introduce Eric Anderson and Bob Hazlett from MAG.

Eric Anderson: Good evening and thank you all for being here tonight. I understand it has been a long time since you have met together as a group. I'm the Transportation Director for Maricopa Association of Governments; we are the metropolitan planning organization for the Valley. We have a federal responsibility to do all the regional transportation and planning which includes highways, major streets, as well as transit planning and programming. We have some unique responsibilities under Proposition 400 which was the ½-cent sales tax passed in November 2004, and we have the fiduciary oversight responsibility for the program. Prop 400 came out of the *Regional Transportation Plan* in 2003, which involves about at \$15-\$16 billion overall program including a major highway program, but also a major transit investment and a \$1.5 million street program.

As I think most of you have probably followed in the papers over the last year or so, we have gone through a very extensive and exhaustive process trying to rebalance the program and Bob is going to share with you some of the overall financial information for the Valley. Bob will provide an overview of the process that we went through, and explain the different policy options to rebalance the program. We have gone through a fairly extensive process going back to balance that program and looked at every aspect of the program, so Bob I am going to turn it over to you, you can go through all the nitty-gritty details.

Bob Hazlett: Eric already touched on this little bit about what is MAG, who we are, and what are our responsibilities are. The paragraph you see on this slide pretty much summarizes exactly who we are and what we are. We are mandated by the Federal Highway Administration and we're designated by the governor of the State of Arizona and our responsibility is mainly planning, and in this case transportation planning. We are governed by all of these member agencies you see, in fact that we have regional council of 32 members; 26 of them are representatives from every City in the Valley and we also have 2 members from the State Transportation Board and 1 member from the Citizens Transportation Oversight Committee that helps with ADOT and their governance and then last, but certainly not least, are the native American communities, Ft. McDowell, Salt River, and Gila River who are members of MAG. These are the

agencies that oversee MAG to make sure that we are doing the right things as we move forward.

As Eric stated too, our responsibilities are rooted in a couple of different areas, first areas you see which are under federal law, which is again the Federal Highway Administration. Metropolitan planning organizations exist with a population of over 50,000. What makes us unique is that we are one of the largest metropolitan planning organizations, so we have a designation of being a transportation area or TMA and it also gives us a lot of other responsibilities as you can see down towards the bottom. We are also the lead for air quality planning, lead for solid waste planning, water quality planning, and then of course, we are the Metropolitan Planning Organization (MPO) and have been since 1973. So that's our Federal side.

We also have the state side. A lot of folks, when I first started working for MAG almost 5 years ago, they say, "Oh you are working for Maricopa County." No, I don't work for Maricopa County. "You work for ADOT." No I don't work for ADOT, I work for MAG and MAG is kind of that layer that is the glue, I guess, that pulls a lot of things together. So, as I showed, we have our federal responsibility and we also have responsibility from the state government that they entrust to us. We are responsible for identifying population projections. We do that in concert with our member agencies. We are responsible for the Regional Freeway Program and the Arterial Street Program, these are two life-cycle programs that are part of Prop 400 that Eric had just talked about. We have the Human Services element as well as others that we are responsible for.

The last chart, I know it is awfully small, but I kind of put that up there just so you can get an idea, not only do we have our regional council at the very top, that oversees everything, we also have a number of other committees and number of other processes that some are mandated and some are not that help us oversee our processes at MAG. In fact, I want to say at last count, that we have something in the neighborhood of 30 committees at MAG that help us from everything from Transportation Planning, Safety Management, Intelligent Transportation Systems, Human Services, Continuum of Care Committee, Air Quality, etc. Then there are also designees from the different cities that help us make decisions about how we move forward with our planning throughout the Valley. So you can see that is where we are coming from and that's where our responsibilities lie.

One of the things that we're responsible for and probably the biggest thing we manage is called the *Regional Transportation Plan*. The *Regional Transportation Plan* has been around for a number of years, but it went through a major update in the early part of the last decade and what was identified was a regional freeway/highway program that I will be talking about over here in some detail, two other very important components are our Arterial Program and Arterial Life Cycle Program, Transit Life Cycle Program, or the Regional Transit Program and we get help on managing that program through RPTA, which is the Regional Public Transportation Authority, as well as Valley Metro and Valley Metro Rail. All those folks help us manage that program. This formed the basis

for Prop 400 that many of you voted upon back in 2004, to extend the ½-cent sales tax that we have collected since 1985. The way that the previous tax worked, the ½-cent sales tax, through Prop 300, that all went strictly to the freeways and that's what gave us facilities like the Loop 101, the Agua Fria, the Pima and the Price Freeways, as well as the extension of the Piestewa Freeway SR 51, as well as the Red Mountain and Santan Freeways and enhancements to the Superstition Freeways. That all came from Prop 300. When Prop 400 came about the idea was to take this ½-cent sales tax and also throw everything else into the pot, that means all the Federal Funds that we get from D.C., the funds that we get from the gas tax, and put that all in together and start dividing these things up into these different programs.

This is roughly a \$16 billion transportation plan, but out of that, roughly 58 percent goes to the freeway and highway program, 10 percent goes to the Arterial Program and the balance, roughly 30 percent goes to the actual transit program itself. In other words, what happened under the Prop 300 program where it all went to the freeways; in Prop 400 it was divided up and starts to go to these other programs. In doing this, we continue the whole Life Cycle Program, where we try to make certain that our revenues are in line with what our needs are and we try and make certain that we don't get to far ahead of the curve in terms of planning as well as implementing the various elements of these programs.

What is also important to note here are that there are firewalls in between these different programs, meaning monies that have been designated to transit, stay with transit, money that is designated to the highway program, stays with the highway program, monies that goes to the Arterial Program, stays with the Arterial Program. You can't transfer money between the different programs. So we do our balancing, we do it based on these different programs that you see right here. What's been prompting all of this, and what you have probably reading about in the newspapers, has been that we have been a little bit in a fiscal crisis, as many of you see on a day-to-day basis about things that are happening about all the cities and even Maricopa County. Our sales tax revenues are simply down. Our sales tax revenues pay for a lot of things.

As you can see this is the sales tax revenue through September of last year, we could have updated the chart but it doesn't get any better. What you can see is that the sales tax revenue has been on a pretty big decline since early summer of 2007. This is really unprecedented. In Maricopa County, since sales taxes have been collected since the 1920s or 1930s, there has never been a decline in this county, until now. As a result of that, we have a decline in revenues and we have less money to do what we need to do with our particular programs and the Proposition 400 Program, the Regional Transportation Program was impacted by that.

This chart, to give you an idea as to where things slid and how far they slid, in terms of collection, things started to peak toward the middle of 2007 and back closer to 2010, they have slid to levels we saw back in 2005. As a result of that, inflation has hit and we have had to go back and say –we have to spend less money on this particular program.” How

much less money that we have to work through? This is the summary chart that will give you an idea for the freeway highway program side of the ledger. As Eric has stated, the whole program is roughly \$16 billion; the freeway highway program is roughly \$9.5 billion. When we started taking a look at this program we went to ADOT and asked what their current cost opinion was for completing the entire intent of Prop 400. Their cost opinion from last year was roughly about \$16 billion. We already had seen some significant increases from the budget. When you take out what has been obligated from this fiscal year, because these are projects that are already getting under way, that leaves our cost opinion of \$13.2 billion to complete what we have on the table for Prop 400 and for the regional freeway and highway program. What we have here is the next line, the frightening line where we take out revenues that we lost thus far and we have already obligated money that has already been worked through so you take the \$2.7 billion and the \$6.6 billion and you almost get the \$9.4 billion and that's the balance. This is how we get our deficit. It just so happens that the balance and the deficit are about the same. We had to balance out \$6.5 billion out of our regional freeway and highway program to make it balance and to move things forward.

When we presented this to our Transportation Policy committee, which is the arm of the Regional Council that makes program recommendations. The TPC asked about the strategy moving forward. What we did is put together a Tentative Scenario and this is what you probably read about in the newspapers.

This Tentative Scenario was developed the spring of 2009, based on essentially four different principles. The first area we looked at was management strategies. Last year, we found that construction costs came down dramatically. In fact, we were looking at bids that we started receiving. For Loop 303, the extension of Loop 303 from Happy Valley Road to I-17 in the Northwest Valley, we noticed that construction bids were coming in almost 30 percent under what was the program amount. Here were some construction cost savings. Maybe, what happened in the mid part of the last decade, is that construction costs were getting artificially high. We had one school of thought that said let's take the 30 percent see what we get. But then we took a conservative approach because there is still another 15 to 20 years in the program. So, MAG developed a figure of 10 percent, and we took a 10 percent across the board reduction in that \$16 billion cost opinion from ADOT. We removed this 10 percent off the top and included lower construction costs.

The next principle we looked at was how ADOT was acquiring right-of-way and their policy. When ADOT makes a right-of-way purchase, contingencies are included. That contingency is meant to be for things like relocation, attorney fees, closing costs, and items that are included in the property acquisition process. In the middle part of the last decade, ADOT raised that contingency fairly high because real estate prices were just going up, and they had to account for the volatility in the market. Since that time, property values have gone down, and as a result of that, we went back to the way that we did right-of-way contingencies previously. This gave us some cost savings.

The next thing we looked at the system-wide costs, and there was roughly \$1 billion to take care of a lot of things. There is the whole cost of administering the program, and programs such as Don't Trash Arizona, and a variety of programs including the ITS program, and the freeway management system program. So we worked out the system with ADOT, who had a rough estimate of \$1.5 billion, and we worked to remove \$500 million and to maintain what we had originally in the plan. So we were able to do that and we put that all together with our management strategies and we were able to cut down about \$750 million, \$762.4 million, to be precise out of that. So we are on our way to get our \$6.6 billion reduction.

The next area that we looked at was something that we called value engineering. Now VE means different things to different people, but here in the planning side of the arena what we did is we started taking a look at, with ADOT's MC, are we maybe biting off more than we should on these particular facilities? Are we maybe putting more into it than we need to or is there a better way that we might start constructing these facilities? And the VE really focused on the two corridors, brand new ones, the first one being Loop 303 and the second one being South Mountain Freeway.

The other thing that we also did, we also looked at deferring projects, trying to figure out whether or not we can get by and maybe defer projects. Here we looked at different corridors, there were wholesale deferrals, such as general purpose lanes, Direct HOV ramps, different right-of-way protection items, and traffic interchanges. Then the lastly, we examined "Stay the Course Recommendations" and make some core enhancements to the actual program. So again, with the management strategies, VE, deferrals and stay the course – those were all the principles that we had.

This slide represents the changes that we made to the program, across the Valley. As you can see, there were a lot of changes made to the program it wasn't just picking on one side of the Valley; it was pretty much even throughout in terms of all the recommendations that were made. There were recommendations in the West Valley, and the East Valley, as well as the Central Valley.

I am going to take a little time here and go through what all these different things are and point back again to the guiding principles we had. The VE recommendations, we mainly focused on those two brand new corridors that were under construction. The first one being the Loop 303, and the second one being Loop 202 South Mountain Freeway. Loop 303, with the facility that has been identified in the *Regional Transportation Plan*, actually extends from the south at roughly the Interstate 10 Reliever Freeway (SR 801) and extends north through the West Valley through Surprise, to I-17, the Black Canyon Freeway, roughly a distance of about 45 miles. The cost opinion that ADOT had for that corridor was around \$3 billion and the RTP had about \$1.4 billion dollars, so we had to figure out how to improve the situation with Loop 303. Most issues were related to the system traffic interchanges. This is where you have two freeways meeting each other and on Loop 303 we had three system traffic interchanges one at I-10, one at Grand Avenue, and one at I-17, the Black Canyon Freeway. The I-17 interchange was already obligated

and under construction, so there wasn't too much we could do with that. However, we looked at both the US 60 and I-10 and we were able to figure out some pretty significant changes to bring those costs down.

The result, we were able to recommend a little more money in the RTP for Loop 303. Also we recommended that a section of I-10, and the I-10 Reliever in Goodyear, is deferred at this time and I'll explain that a little bit later in the future here when we talk about the corridor deferrals. The last thing was some right-of-way protection that we had for Loop 303 into the southern parts of Goodyear. Again, we did add a little extra money to it and that was our recommendation for Loop 303. As you can see, this is how we were able to justify that by going with the different traffic interchanges and we took into account the right-of-way contingency and the core construction costs and other VE savings as well, giving us a savings in the corridor of about \$1.1 billion. So, again, we are moving towards that \$6.6 billion figure, if you're keeping score we are roughly about at \$1.8 billion.

The next corridor that we looked at, and I know is of interest to this community and committee, is the South Mountain Freeway. We looked at different options and different ideas for this. I am going to spend a little bit of time on South Mountain, because who you area and also to get you some ideas of what we had looked at, in terms of trying to VE the South Mountain Freeway corridor. What is important to remember is the numbers for the 2003 RTP estimate was roughly spending about \$1.1 billion on the South Mountain Freeway. The ADOT cost opinion was about \$2.5 billion, more than doubled that cost. And what we did, we were able to work some things around and we were able to settle upon about \$1.9 billion for the corridor, adding about another \$830 million to the corridor, but at the same time too, doing some things that we hope that will make the corridor a little bit easy to work with and also will make it a little bit cheaper in terms of where we are moving with that.

One of the first things that I am certain that a lot of you read about in the newspapers was that we did take a look at different options and different things we could do with South Mountain, instead of just building a freeway. Well, (options listed on slide) we said we'll just continue with the current plans and ultimately have it built, the ultimate 10-lane freeway, or we might look at something else in terms of just a 6-lane freeway by itself with a provision for a HOV lane, so you have is the 3-general purpose lanes and the 1 HOV lane in each direction. We looked at something we call the SR51 option and looked at an even narrower footprint than what we had. Additionally, we looked at the parkway options as well.

On the parkway options, I want to concentrate on those: we did look at a high type parkway, where you would have indirect left-turn movement, still have traffic signals on it, and we looked at all those different types of options. But when we ran it through a model, it really kind of blew up a number of different areas. More specifically, Baseline Road. Right now, Baseline Road now is already experiencing a number of issues around I-10 and what we found is that if we were to build this as a parkway, the Baseline Road

problem would extend all the way over to the South Mountain Corridor. There was still a fair amount of traffic on South Mountain Freeway. Everything it told us was that this corridor wants to behave like a freeway, and it does not want to behave like a parkway, so why even consider the parkway option. The commendations that was made to TPC, and subsequently to the Regional Council, was to go ahead and keep it as a freeway, but let's do something a little bit different than what has been proposed thus far.

The first thing that we looked at was the segments of the freeway. The freeway is divided into nine segments and we said, "Where the most expensive part of this freeway is and what can we do to improve on some of the construction here?" Contrary to popular belief, the most expensive part of the freeway is between Lower Buckeye Road and I-10 over here in the West Valley. It is not the cut through the mountain. And so we started taking a look at different options and different things that we could possibly do with segments eight and nine and try to figure out whether there was some way that we might be able to reduce some of the costs. The options that we developed as we started looking at the 55th Avenue option that had been identified and we identified the 59th Avenue corridor that has some existing right-of-way owned by the City of Phoenix. Instead of buying all new right-of-way, why don't we take advantage of some of the existing right-of-way and go ahead and move this alignment over to 59th Avenue. We talked about this with the City of Phoenix at some length. Phoenix City staff was really excited about this, because it would move the freeway away from the fuel tank farm and relocated the alignment further west. As a result of this we challenged the engineer on the project, is there some cost savings and does this make sense? They found that we could probably save close to \$130 million alone just by moving the alignment over to 59th Avenue. That was the first recommendation that we made and asked that we go ahead and include that in the program. I know it sounds like a small amount, when you are talking about \$2.5 billion, but you take what can get from time to time here.

The next thing we said was, "Say ADOT, are we maybe proposing too wide of a cross-section?" "Are we going too wide here?" And we took a look at what they call their Prop 400 cross-section, which was a little bit wider, where you can include the initial or future widening (HOV and a general purpose lane) and put that all in the median. There was a lot of costs savings in the future, but what that was doing was requiring a ton of right-of-way right up front. When we looked at the cost estimates for South Mountain alone, the right-of-way was about \$1 billion and we went back to ADOT and said, "Well we can buy the right-of-way, but we can't build the freeway." So what can we do and what is so different about this new approach that is making it so expensive? And we said, wait a second when we did the cost estimates we looked at this and also looked at the long-term viewpoints of what South Mountain would be and where would it go and it was really no different of what we see right now in SR51. So we said, "Let's go back to that cross-section. When we did, we noticed you don't need as much land as you originally needed. ADOT owns closer to 85 percent of the right-of-way along Pecos Road, not 95 percent. But the point is that ADOT already owns the majority land on Pecos Road in order to make this cross-section happen."

At the same time, we noticed that for the initial construction it made a lot of sense to put in the HOV lane up front, instead of going back and constructing it later. So, we included the HOV lane in the upfront construction costs and design. So the recommendation that was made was to go back to the Prop 300 cross-section and to go back to the 3 + 1 configuration [three general purpose lanes and one HOV lane] and go ahead and build the HOV lanes up front. When you put a lot of those things together, the right-of-way contingencies, also some potential savings in VE and trying to reach our cost opinion of that \$1.9 billion, what we were able to accomplish here was roughly about \$572 billion in savings and that represented a pretty significant portion that helped us out with the South Mountain Corridor. And again, the recommendation is to go ahead and build the HOV lanes up front so that way ADOT can get in, build the corridor and get out.

So the Value Engineering for both Loop 303 and Loop 202 we are able to save about another \$1.7 billion. So we are getting there towards our \$6.6 billion goal. Where did the majority of this happen? The ability to build Loop 303 and Loop 202, there were other things we would have to do and that would be deferrals. And that would mean that we would move them out of the funded portion of the Prop 400, they still would remain in the *Regional Transportation Plan*, but these would be funded by a future funding source.

We looked at the deferrals and a number of different ways. We looked first at the corridors and figured out which ones can we really live without right now, and the biggest one was I-10 Reliever Freeway (SR 801). SR 801 has been identified for construction at the very end of Prop 400. It was supposed to be built about 2024-2025 and we said, "Well, let's go ahead and defer it to this next phase of Transportation Plan and call it Phase 5." And we found if we do that the delay is only going to be about three to four years, but we had to go ahead and defer it. At the same time, we went ahead and put that little spur there on Loop 303 between I-10 and SR 801 to defer that because of the way the traffic patterns work. We could go ahead and build a freeway, but it probably wouldn't have the traffic volumes due to lower volumes on SR 801.

We also recommended a deferral for SR 802 (Williams Gateway Freeway) from Ellsworth Road to Pinal County. The primary reason is planning for 802 is under way in Pinal County and we are not certain exactly where SR 802 is going to line up. Additionally, there is limited funding in Pinal County to construct SR 802, so we felt that was appropriate to defer.

The last thing you see is a partial deferral for SR 85. ADOT was recommending moving forward with some freeway-type options, especially in the section approaching I-10. This does not mean deferring and taking away the 4-lane facility that is under construction and will be in place here within the next couple of years between I-10 and I-8. The intention is to place on hold some of the freeway options, but to finish the 4-lane construction. We have a 4-lane divided facility that goes between I-10 to I-8, posted at 65 mph, and that can still function as part of the bypass route and also to try to improve this route as soon as possible for some of the access between 85 and I-8 down in Gila Bend. So, again still moving forward with as much as we can with 85, keeping the 4-lane facility, but again try

and take some of those freeway recommendations out for right now, because funds just aren't available. In addition, some improvements are outside the scope of the *Regional Transportation Plan*. Those were the corridor deferrals and those were the probably the biggest items we had to do.

The next thing we had was looking at general purpose lane construction, and something we call DHOV, direct HOV ramp deferrals. As we were putting this together, there is a big system in there for completing all of the HOV lanes on Loop 101 and Loop 202. We held that principle throughout this entire process, we thought it was very important to go ahead and build out that HOV system here in the Valley. In fact, I am certain that many of you have seen the SR 51 HOV lanes are all the way up to Loop 101 now, and on Loop 101 from SR 51 to Chandler. Those are all open now too. We said, "Let's keep those HOV lanes and get those constructed, it gives us a lot of bang for our buck. They're the most inexpensive things to construct, gives us more capacity and also takes out the cable barriers.

That left the general purpose lanes, and we took at the traffic lanes and whether there were some general purpose lanes that we can do without. Most of them are all in the final phase of the *Regional Transportation Plan*, meaning they would only be constructed between 2020 and 2025. We would not have had to make all the recommendations for all the corridors outlined in red. And, we go ahead and defer those at this time. The 3 DHOV ramps that we have asked to be deferred are I-10 and Loop 101. The other one at I-17 and Loop 101, the costs for those are getting extremely expensive because when those traffic interchanges were constructed, there was really no provision for putting in those DHOV ramps. DHOV ramps are like what we have right over here on the Superstition where you can go from HOV to HOV lane. We went ahead and said, "Let's go ahead and defer those right now at I-10 and Loop 101 because that would almost mean taking down the entire traffic interchange to fit that DHOV lane in. We had the same situation at I-17 and Loop 101. The DHOV at the Santan and Superstition we asked to be deferred because that was also a Phase 4 project.

The last item we had were right-of-way protection deferrals. We have had some monies for right-of-way protection along SR 74 in the Peoria/Surprise area. As I pointed out earlier, Loop 303 right-of-way deferral that was looking for future corridors down here in the southern part of Goodyear and reaching down towards the Maricopa area Those are Phase 4 projects as well.

Last, but certainly not least, there were a number of traffic interchanges that have been identified. These were all in various stages of development, but most of them were in the Phase 3 or Phase 4 timeframe. At US60 and Lindsay Road, Loop 202 and Mesa Drive, and three interchanges along Grand Avenue that haven't been identified yet. Along Grand Avenue, to improve the capacity, we recommended that those be deferred. Again, those were all later phase projects. When you put them all together, you can see that the majority of the balancing was in the deferrals to make the program balanced.

The last area that we had was what we call –stay the course” and core enhancements. What we wanted to do there is review previous decisions regarding monies that have been placed for these other facilities. The first one I am going to tackle is I-17. Right now there is just roughly \$1 billion parked on I-17 between the AZ Canal and the stack interchange to make some type of improvement. Our recommendation was to spread that out and take this section around the Durango Curve, all the way over to the split, and do a count as well and split the \$1 billion around that entire area. There is always been concern regarding the tunnel in terms of making east and west connections. A Peer Review group identified a part of the Interstate that we were not really looking; the oldest part of I-17 around the Durango Curve. The recommendation was to go ahead and spread that out and go ahead and get four general purpose lanes and one HOV lane in each direction between the split all the way over to Loop 101.

In addition, we had some money to add a general purpose lane on I-10 between the Loop 101 and the I-17 stack interchange based on some of the recommendations. Why don’t we take some of that money there and repackage it a little bit to accommodate the Loop 202 South Mountain traffic interchange. The last –stay the course recommendation” was given to us by Phoenix Sky Harbor - the West Sky Harbor traffic interchange that feeds in and serves downtown and connects downtown to Sky Harbor. The City’s Aviation Department is concerned about that traffic interchange because of some Homeland Security issues. They asked to maintain some money in the program or advance some of the money to try to improve that interchange; otherwise Sky Harbor access would be cut off and the only way to get there would be from the East Valley.

The cost opinion, including the management strategies – about \$760 million, the Value Engineering savings from the Loop 202 South Mountain, Loop 303, and then the deferrals - there was a little additional money there for –Stay the Course.” We were able to bring the program back in balance to the \$9.4 billion that we had identified.

On the MAG Web site, we have the report if anyone is interested where you can actually read. It is roughly a 100-page document and contains all the tables and charts and everything that we use to help balance this particular program. A couple of other things I want to point out is that we have these other documents that are online, including a report on Prop 400. I know there is a lot of information in here, but if you want to see some more info, financials and how we are trying to move forward in these challenging economic times. The actual *Regional Transportation Plan* is online – the entire document. Our 2007 update to the RTP is also on line. These documents are available to you if you’d like to take a look as to what we are doing.

To wrap things up, I want to note our balancing isn’t ending, as you saw with those revenues. We’re thinking we may need to balance more money out of the program. We’re hoping not, and we’re hoping the economy starts to come back. But the way things are going recently, the Regional Council went ahead and adopted this scenario and they instructed us to review in about 18 months, which is March 2011, to see if more balancing is necessary. So along the way, we have been working with a number of

different principles to try to figure out other ways to bring additional money into the program. We need to do closer revenue monitoring. We're working with ADOT and ADOT staff that receives information from the Department of Revenue to make certain we have timely information regarding our balances how we move forward.

The next area that also is important is future federal funds. Many of you may know that the current Surface Transportation Policy Act has sunset, but we have continued resolutions, which means Congress is doing its best to develop a new highway/transportation bill. That's probably not going to happen for another year and a half. The interesting thing is when the new federal funds come in, they actually fund it higher than what we had before. This happened in the early 1990s with something called ISTEA [Intermodal Surface Transportation Efficiency Act] and we had to balance Prop 300. We found out we had more money and so were able to advance some things so the Regional Freeway Program that was Prop 300, which is Loop 101 and 202 being constructed by 2014. It actually was constructed by 2008.

We're also doing our best to look at other federal funding sources. Those traffic interchanges along Grand Avenue, we're going to check to see if there is some federal railroad money that we might be able to use because all of those intersections impact the Burlington Northern and Santa Fe rail line. We're working with ADOT right now to look at alternate project delivery methods, in terms of doing things like Construction Management at Risk or Design Build. All of those things in the past have proved that we have some cost savings.

The last thing we are doing is, especially on the SR 801 corridor, is working with Goodyear, Avondale, Phoenix and Buckeye to see what we can do with better right-of-way preservation. So that way, we can may bring some of these right-of-way costs down.

That completes my presentation of everything we are doing on the Regional Freeway and Highway Program. I hope that gives you a good idea of where we are. We're not completely broke, but I think we have done pretty decent job of bringing the program back into balance and moving some of these projects forward.

Ton Keller: Thank you, Bob. Before we go into the Q&A part of this for Bob and Eric, one of things we found that worked well the last time we were together, is when you have questions, many times you have several follow up questions to your original question, so what I would want to be able to do is if you'd ask a question, I'll keep an eye on others who want to ask a question, I may ask you to defer the follow-ups in order to get as much participation as we can. Is that a good idea for everybody?

Anyone like to start?

SMCAT Question: The reduction in the Loop 202 from a 10-lane configuration to 6-lane, how does this match up with the traffic projections that were anticipated for 10-lane freeway?

Bob Hazlett: The Regional Transportation Plan identified the freeway as 6-lanes. ADOT was trying to plan for the future and widen, and MAG would come up with the funding. ADOT was trying to be proactive for growth. The RTP identified a 6-lane facility. This is what our modeling for air quality and traffic was based on. We looked at the cost to add the HOV lane up front, and this cost was minimal. So we felt it was best to include this, to have HOV lane at peak time, and off peak it would be open to all traffic. Keep freeway at 8-lane cross section up front and get back to what we had in the RTP and not worry about going to the 10-lane freeway.

Does this mean we couldn't go back and put the 9th and 10th lane in? We probably could, but it would be more expensive. The other question is, will our future generations want the 9th and 10th lane? For these reasons, we said let's go back to facility identified in the RTP and balance what the air quality modeling is telling us to do, let's go back to that facility.

SMACT Question: Can you share with the group the history of ADOT and MAG regarding coming in over or under budget, and the history of cost overruns?

Bob Hazlett: I'd like to defer that to my boss.

Eric Anderson: My MAG career started in 1992 when I was brought in to manage the MAG fiscal analysis unit that came out of an audit that was done in 1991. My whole purpose in life was to make sure the whole freeway program stayed on budget. We did that. The last project we did on Red Mountain was significantly over budget, but that had a lot to do with a lot of issues relative to the park and CAP canal issues in Red Mountain. In fact, we ended the program with a little bit of surplus in Prop 300 that actually rolled into Prop 400. What happened, those of you who knew about the freeway program when it started in 1986, there were a lot of issues. ADOT had not built many urban freeways at that time and we didn't have a track record on costs; right-of-way acquisitions in urban areas was a new phenomenon for ADOT. In fact the 1985 Prop 300 vote – the Pima Freeway – was a parkway with lights. The original Prop 300 program didn't include the freeway to freeway interchanges. Which, in retrospect we learned that those were important to keep the freeways moving. Those kinds of things really added to the costs. If you really want to know the history of the costs in the program, the Pete Marwick audit that was done in 1991 is a very illustrative document to look at. It goes into all the reasons that the costs went out of control back in the 1980s. Since 1992, the program has been managed very well. The lesson learned in all of this, as we saw our revenues start to decline and the costs escalating, keep in mind, when we approved our plan in November 2003 to July 2008, highway construction costs went up 77 percent nationally. So we were tracking all of this and the good news on Prop 400, because of the management practices that were put in place as a result of the lessons learned in Prop 300, we were dealing with the issue right then. What happened in the late 1980s, a lot of the issues were being pushed under the table; no one was paying any attention to the revenues or the costs. So we are managing this program very tightly now. The sort of activity that Bob just went

through would not have happened in 1989. We are pretty much managing on a daily basis with our partners at ADOT.

SMCAT Question: Eric, you made the comment that Red Mountain CAP canal that added significant expense to that project. Would you say that any of these complicated sites, these complex sites, the more complex the site is the more difficult it is to cost?

Eric Anderson: No I wouldn't say that. What it means is, that you have to do more engineering work to develop a cost estimate. You have to gather more information so that you understand those uncertainties.

SMCAT Question: Was the analysis on Red Mountain lacking now?

Eric Anderson: No, the analysis on Red Mountain, the preliminary planning estimate was \$100 million. As the Design Concept Report was produced, working with the CAP on the maintenance access, maintenance and other issues, that's really when the costs started to go up at that point.

SMCAT Question: Sure, but was that not identified when it was initially planned?

Eric Anderson: That's correct. But nothing had been done, not even the level that, in this case, South Corridor has completed a lot more analysis than what was done at that point and time.

SMCAT Question: You mentioned, Design Build or Construction Management at Risk option, does ADOT have the experience building transportation facilities with those methods of construction?

Bob Hazlett: Absolutely, in fact right now the widening of the 202 Red Mountain, from the State Route 51/I-10 mini-stack all the way out to Loop 101 is a Design Build that is under way right now.

SMCAT Question: Who's the contractor?

Bob Hazlett: It's Sundt/Kiewit Joint Venture and then US 60 widening the Design-Build project that was started in 2001/2002 came in significantly under budget - \$100 million under budget, it was remarkable. The I-17 widening that was done, was one of the first Design Build projects that ADOT completed. Currently, a significance portion of Loop 303 is being looked at for Construction Management at Risk.

SMCAT Question: I assume that the analysis at this point as far as the east lane of the southbound freeway is building it at grade or above grade and I am wondering what the impact cost impact would be if it was done below grade?

Bob Hazlett: The cost estimates to go below grade is staggering, as I am certain this group already knows from information that has been given to you so far. The drainage, to be able to keep the drainage off the Gila River Indian Community is probably the most important thing that you have to do. We have to treat that a little bit differently because they are a sovereign nation and they have a lot of protections involved with that. If you think about it, the drain, the water flows coming off South Mountain, all of a sudden they come down the South Mountain, the hit a big trench which would be the South Mountain depressed freeway. All of a sudden you get water filling up in there and stuff like that so you have to be very careful about that.

SMCAT Question: I've heard this argument before, and the concept is building simple aqueducts across the depressed freeway at very low cost would maintain the same water that we have today so I don't see what the issue is.

SMCAT Question: Again, this is the information that the management consultant and ADOT has been expressing to us. I am certain that they are also looking at that and will try to come up with an idea. Again, based on our experience and how we did our best to include everything, we wanted to assume, what is called the Prop 300 cross section. This is how the Santan was constructed, and we kept with that type of profile.

SMCAT Comment: The 202 in Chandler is depressed, I don't see what the issue is.

SMCAT Question: First, you did a nice job in your presentation. I wish you could have had copies of the slides which we have had in the past so we would be able to create informed questions. I have a couple of really basic questions that might sound like we are regressing. What is the traffic capacity of the 6/8 lane proposed 202?

Bob Hazlett: The roughly daily capacity of that type of facility, is roughly around 200,000-210,000 ADT [average daily traffic]. That's roughly what you get with a 8-lane facility.

SMCAT Question: This is in stark contrast to what we were originally presented years ago, which was a 10-lane facility was required for 170,000 plus vehicles and the whole purpose and need of a 10-lane was to carry that amount of traffic. We are surprised that a 6-8 lane facility will still meet the purpose and need, when they said we definitely had to have a 10-lane facility. According to ADOT, the whole purpose to build the freeway was based on that 10-lane facility.

Bob Hazlett: Again, what as working with the 10-lane facility in the past was that ADOT was trying to plan for the future, and being able to clear it, up front for the actual 10-lane right-of-way. Again, the numbers that I gave you, those are roughly the numbers that we are working with.

SMCAT Question: Before we always heard, a 10-lane facility at 170,000 vehicles a day. Now we are looking at 6-8 lane facility that's going to be over 200,000 vehicles a day?

Bob Hazlett: No, that's the capacity. The roadway is still going to carry around 170,000.

Eric Anderson: I figure it's important to distinguish between projected roadway volumes and roadway capacity – those are two different numbers. 170,000 is our 2030 traffic volumes, approximately, depending on where you are on the facility. The capacity issues are different. Put into context, the Pima Freeway in Scottsdale is carrying about 180,000 right now as a 6-lane, that was before the HOV lanes.

SMCAT Question: How much since you brought that up, that freeway stretch, how much of that freeway goes into a failing capacity/flow during what time of day, during commute time does it go into a failure rate?

Eric Anderson: I couldn't tell you right off the top of my head, it varies depending on what section of freeway you're on. Obviously it's going to bottleneck by the 202 Interchange.

SMCAT Question: I was curious about how the changes that you outlined affect the air quality issues. We're told repeatedly that more freeways and major freeways are good for our air and so I wonder about the affects by shifting/reducing, I assume you have looked at that.

Eric Anderson: I am not air quality expert, so I am not the right person to answer your question. We did run the air quality models with this reduced capacity, and we passed all of the conformity tests. In fact, our new plan will be doing the conformity analysis and we will probably have an air quality hearing on that in June and then approval in July. That will be the official plan document moving forward with all the changes in it.

SMCAT Question: With those projections you are talking about, did you also reduce the number of cars or the amount of growth in the neighborhoods? I assume the reduced revenue has direct result in reduced activity.

Eric Anderson: No, we have not adjusted the social economic projections.

SMCAT Question: You had indicated you were going to defer improvements to 85?

Bob Hazlett: Yes.

SMCAT Question: Which is the designated bypass that you referred to in the past as the reliever for any truck bypass traffic? What impact is that going to have on total buy-in with the 202 and when will you come back to 85 to provide relief?

Bob Hazlett: The most important thing to note is that in the *Regional Transportation Plan*, the modeling that we've done, we've always shown SR 85 as a 4-lane divide highway, capable of carrying up to 65 mph traffic and of course the bypass traffic that

would go around Phoenix. That hasn't changed, but what was in the program, including limited access/freeway type improvements in the Buckeye area. So we said, wait a second that's not in the original *Regional Transportation Plan*, let's pull back on that for right now. Again, the 85 has always been in as a 4-lane divided facility, we did not change that from the modeling that we had done for the projections for this study. It's the exact same coding that it was before. The numbers are the same. It's really no difference.

Eric Anderson: One of the things we are doing, and Bob's right, it was the 4-lane divided in the plan, ultimate concept to be a freeway and at some point in time the whole 30 miles. One of the things that we are working on with ADOT now, is at the southern end by Gila Bend where the 85 connects to I-8, right now that connection is really bad, and it's dangerous. So we've actually developed a project with ADOT to improve that connection there, especially for the heavy trucks. Because that's one of the issues right there because you have almost a hairpin turn to get on the ramp as you go up that steep grade as you're going south to get on I-8. So we are working with ADOT, Town of Gila Bend and think we have identified some safety funds to actually improve that connection, which will make it a lot more attractive for truckers to use that as the bypass. 85 is a signed bypass and has been a signed bypass for air quality for the county for probably at least 15 years. But until 1985 was 4-lane divided, it use to be a 2-lane highway in the 1960s, very dangerous, a lot of truck traffic and so now its 4-lanes divided with that last element to be fixed down in the in Gila Bend area. I think you'll see there is already substantial truck traffic on it, but I think we can improve that as a top-notch bypass.

Bob Hazlett: And one other thing was cleaning up the intersection of Maricopa Road and SR 85, as well, which was a high accident location. We're not ignoring 85, but still make certain that we get the 4-lane divided section in, so it still remains an attractive bypass.

Eric Anderson: And the 4-lane divided handles the traffic through 2030.

Bob Hazlett: Absolutely.

Tom Keller: We have another question before we go to the second go-round.

SMCAT Question: I represent the Estrella Village which includes 59th Avenue. You hit upon using 59th Avenue instead of 55th Avenue, which really affects a lot of the commercial and industrial properties in that area. Are you looking at using 59th itself, or are you looking to go to the east or the west? I was just really curious what you were looking at in that area?

Bob Hazlett: This is just kind of a preliminary look at it, but what essentially what it is that 59th Avenue itself would still remain in place. It would be like what we did along the Price Freeway where Price Road now actually has a northbound and southbound side and the freeway is in the middle. That's essentially what has been recommended right here. Again, going to that tighter cross-section of the 3+1 cross-section versus having to plan for that 4+1, and making certain that we use more drainage along the area. That is what

we recommended along 59th Avenue to try and minimize as much property it takes as we possibly can we can, but do take advantage of the fact that we do have 60 feet of right-of-way in that area and go ahead and work with that type of facility.

SMCAT Question: So by that, what you're looking at is shifting it to the east?

Bob Hazlett: Well this is not the final.

SMCAT Question: What I am saying, to the west is residential and to the east is commercial.

Bob Hazlett: Yes, The other thing we also noticed too, in doing this, we are only able to affect the traffic interchanges on I-10. By taking 55th Avenue, you were having changes to I-10 almost down to about 39th Avenue and back over here to almost 75th Avenue. By doing this, we are able to pull back some of the improvements needed to I-10, so that way we didn't have as a great as an impact to I-10.

SMCAT Question: You talked a lot about modeling, can you tell us when that modeling program was developed, relatively what year that program was developed? Then also, have you compared from other roads that have been built, have you compared your forecasting, pre-built forecasting to post-built action?

Bob Hazlett: The model that we have at MAG is an evolving tool and has been around since the 1980s. It is what we call a 4-step process, where we take a look at social economic information and from there we generate traffic according to that. The model figures out where the traffic is coming from and going to, and it figures out what mode it is goes into, whether it's going to go on a bus, personal vehicle, commercial vehicle, or light rail vehicle.

Eric Anderson: Can we stop for a minute?

Bob Hazlett: Yes.

Eric Anderson: You said the modeling overall design was back in the 1980s. In fact the modeling overall design in fact is updated all the time. We did a major update about a year ago, and I wanted to make sure you don't think we're using models from years ago. That's not the case at all. The methodology goes back to the 1980s.

Bob Hazlett: Yes, I was trying to illustrate that we have the history with it. But the model itself, again, after it's done figuring out what vehicles are doing. The traffic would be assigned from there. Again, this model was developed back in the 1980s, but it is always being updated with new data and new modeling techniques. In fact, in the 1990s, and into the early part of the last decade, with the issues of the Clean Air Act, we had to go back and significantly revamp the model to incorporate that type of information. We

have always tried to work with the state of the practice modeling techniques to make certain that we are getting the best possible data that we can possibly get.

The Federal Transit Association takes a very close look at our model, because our model is full of projections that we have to do for the transit side and for New Starts. Then, at the same time, the ADEQ [Arizona Department of Environmental Quality], as well as EPA [Environmental Protection Agency] takes a look at our models to make certain that is all being met to their standards. And then just about 1½ years ago our models went up under what we call a Peer Review, where the Federal Highway Administration, the Transit Administration, and also experts from around the country came and took a look at our model and looked at the validation that we have. Because that's what models do, is that it simulates the traffic and then we compare it to ground counts to make certain that we are in the ballpark. They said that our model, especially the highway side, is one of the best validated models that they have ever seen in the United States, and so it's always being updated. In fact right now we are looking into updating it again and looking into new modeling protocol called "Activity-Based Modeling," which takes into account what we call dispersed activity centers. Again, our modeling is extremely intricate. At MAG we have a staff of 15 people, alone, that take a look at the model. We have another 8 or 9 staff that do the air quality side of it, to make certain that we are meeting the federal regulations and to make sure the model is working well.

Eric Anderson: We spend \$3 to \$4 million a year on model maintenance and that includes all the data collection, traffic counts, revalidation, recalibration, all of that.

SMCAT Question: So, to just answer the second part of that question. If they graded Santan and Red Mountain did those models work?

Bob Hazlett: Yes, as far as we know. Traffic is flowing.

SMCAT Question: One of the things we talked about previously was that Pinal County residents put a huge impact and pressure on the freeway system in the Southeast Valley. And I wanted to know, since you are MAG, what have you done to engage Pinal County and get them involved in the *Regional Transportation Plan*? So they participated in the planning, but also participate in the costs, instead of Maricopa County bearing the costs and the brunt of their transportation needs, where basically they are piggy-backing on us without the responsibility of costs?

Eric Anderson: We started working closely with Pinal County 10 years ago and our transportation model goes into Pinal County, and almost down to the junction of I-8 and I-10. We did that, because as you absolutely said, the residents are part of our commute shed and we have to take that into account with all of our models. If we don't, we are not going to accurately reflect the performance of our transportation system. So we engaged Pinal County on a number of planning studies, the last one we did was the Hidden Valley Study, and we just wrapped that one up. We've worked with Pinal County on the socio-economic forecast; we've also funded part of it, because we need to have good numbers.

We helped them develop their transportation networks, which are really key - in terms of our models too.

One thing that we have not addressed is the funding piece – are they paying for any improvements here? Obviously, because they are part of our commute shed and they are there are a lot of people that live in Maricopa that work here. They also spend money here too. So to the extent that they are spending money here, we are capturing their sales-tax dollars, and probably part of their highway user revenue fund dollars, from buying cars here and other things. We are capturing that part of their tax base. So there is not any direct money coming into Maricopa County from Pinal County. But, from a planning side, we are all linked together, from a technical side we're linked together and then from a funding, tax-based standpoint, they are spending money here. Their tax-base is very small, our sales tax revenues in this county this year were like over \$300 million and Pinal County gets \$12-13 million out of the half-cent sales tax through transportation. So this gives you the sense of their sales tax base, which is very small. A lot of spending ends up here in Maricopa County.

SMCAT Question: That's fine. I understand all that. The thing that really concerns me, by their piggy-backing on our transportation plan, we're putting the freeway that carries them into our communities. I don't see a study area, no regional transportation plan that reaches into Pinal County and extends the loop or the system into them, so they have to bare some of the brunt, community-wise, instead of having them go through our communities and do all of that.

Eric Anderson: The premise of your statement is incorrect, because we have done joint planning that identifies freeway corridors in Pinal County that link Maricopa and Pinal County. The Williams Gateway Freeway, leaves Maricopa County and goes out Highway 79, it connects into which call the Picacho Vista Freeway. Which came out of a 2002 joint planning study MAG did with Pinal County to define how are those people are going to get back and forth in Pinal County. The Hidden Valley Transportation Study we just finished, has a whole raft of highway improvements that link back into the Maricopa County area, as well as defining high capacity transit corridors.

I just came back from a meeting in Casa Grande to talk about inter-city rail Phoenix-Tucson, as well as commuter rail and how we jointly, people from Pima County, Tucson, and PAG were there, Maricopa, CAAG, which is the planning agency for Pinal County. I was there, MAG, talking about how we can provide better transportation connections in Central Arizona. So those efforts are going on too. We are not just doing freeways in Maricopa County; we are trying to figure out how we provide better transportation for all Central Arizona because we are all connected. What happens in Pinal County certainly has a great impact on Maricopa County.

Just one story of when we did our 2002 joint study with Pinal County. We came out, the study had these freeway corridors. The discussions with Pinal County officials at the time and ADOT said that we can't afford to build that, so we're just going to put in arterial

streets. Pinal County was almost going to accept that, because they were happy being a bedroom community near Maricopa County. And we said that's not going to work, long-term, that's not sustainable. Pinal County's Comprehensive Plan, that was just approved, has now defined employment centers. They are looking to how we develop our own job base in Pinal County, which is good thing for Maricopa County. If we need to, they need to have their own job base so we don't have this massive amount of commutation back and forth.

Bob Hazlett: And I think it is also important to just look at a little statistics. Maricopa County population is over 4 million and Pinal County is 350,000. Even if they grow to 1 million people, that's going to be a lot of trips back and forth, but by then we will be up to 6 million people. So, clearly a lot of the stuff that we are planning for is mainly for Maricopa County, where as it's not for Pinal County residents.

SMCAT Question: Some of those involvements in your planning that involved Pinal County, it would be nice to see presented and the only reference that I saw in your presentation on Pinal County, was the Williams Gateway project that you guys either transferred or deferred.

Eric Anderson: That's because this is Prop 400, which is only Maricopa County and that's where the tax comes from. We could do a bigger presentation.

Bob Hazlett: I would say go to www.BQAZ.org and you can find all the information about our framework studies identifying ways to provide better connections with Pinal County.

SMCAT Question: On the topic of funding, and Eric you were touching on this, but I know Prop 400 is going to have some challenges to this transportation plan and some elements. Are there opportunities for the \$787 billion stimulus package to help with the RTP changes?

Eric Anderson: Under the first stimulus act, the American Recovery Reinvestment Act, that we are just wrapping up now, MAG originally received \$130 million for highway funding. That went right into the freeway program, and we also had \$105 million of other highway funds for local projects and that was distributed across all of the MAG member agencies, and 99 percent of those projects have been obligated. They have not all gone out for bid yet. But they are going to, and you are going to see a lot of these projects, which are street projects, intersections, bicycle and pedestrian projects. There are a whole bunch of things going to come out.

Last night, our Regional Council, approved an amendment for the Transportation Improvement Plan, for a possible Stimulus 2 package that was passed by the U.S. House of Representative in December- due to be taken up in the Senate next week or the week after. I don't know exactly how much funding may come out of that, but we identified two highway projects for the highway portion of that. Both Design Build projects, one to

build HOV lanes on the Santan Freeway, from the I-10 to Gilbert Road. The second one is \$140 million highway Design Build project to complete the HOV lanes on the 101. So that will complete the HOV lanes from Tatum Boulevard all the way around onto the west side to the I-10. So, if the Stimulus 2 package happens, at a reasonable level of funding, those 2 projects are primed to go. Those would have to be under contract within 90 days, so March, April, May, and we could see those projects under way by June. Once again, we are trying to supplement the highway program here so we can get some of these needed projects.

SMCAT Question: I think that's great because it would be nice to have those earmarked for capacity type projects instead of existing roadways.

Bob Hazlett: The current ARRA projects that they are talking about, the first one is in the West Valley on I-10, and on I-17 going toward Anthem Way. Those are two of the 8 or 9 ARRA projects that are going to be identified on the highway side. Again, these all have to be –shovel-ready.” That means that we have to have them at the point where they can be obligated and of course under contract. And as Eric stated, the two projects that the TIP was just amended for, was the HOV lanes on the Santan, including the DHOV connection here at I-10, as well as at Loop 101. And then the HOV lanes on Loop 101 from I-10 all the way up to SR 51.

Tom Keller: Before we go to your question, we have a decision to make as a group. It's now 7:30 and we are scheduled to end at 8:00. We have the topic of our future schedule and meetings, as well as to take as many questions from the visiting public as we can. Is it your pleasure that we forego the break, and finish up the questions for the night and move on with the rest of the agenda or do we have another option?

SMCAT Comment: Move to skip the break.

Tom Keller: Okay with everybody or do I need to take a vote.

SMCAT decided to skip the break.

Tom Keller: We'll make this the last question for Bob and Eric.

SMCAT Question: My question was simply, if you did that switch and moved the 202 out to the 59th Avenue, would it be an elevated road, above grade, with the cross streets being grade like you proposed in Laveen?

Bob Hazlett: At this point, ADOT has that under study, so I can't really comment on that. I am not certain exactly what they are proposing. But, the goal is to fit it within as much of the existing right-of-way of 59th Avenue, in trying to minimize as much right-of-way as you can take along 59th Avenue and moving it forward. Again, it's under review right now and they are trying to figure out what makes the most sense. I am sure this will be a topic for a future meeting.

SMCAT Question: I just had a question to the stimulus and ARRA funding, does that adjust any of the bottom line figures, as far as the plan and where are those projects right now?

Bob Hazlett: ARRA was incorporated into this.

Eric Anderson: We received about \$130 million from the first stimulus package.

SMCAT Question: So if ARRA 2 came through, is that already factored in here?

Eric Anderson: No, ARRA 2 would add into another \$200-250 million back into the program, some of the deferred projects could get back pulled in.

Tom Keller: Eric and Bob thank you very much we appreciate your input. Take a look at the agenda, we skip the break go on and talk about the future and schedule and topics that we talked about 15 months ago. We have some timelines and some suggested topics, many which you have seen, others need some discussion.

Timothy Tait: Welcome back on behalf of ADOT, FHWA, MAG, etc. The schedule that we've laid out is making the assumption that the study will continue on the track that we are on right now. That means we are moving forward as we expect to. Based on that timeline we expect to have public hearings in the fall 2010. Now again, that is making the assumption that we continue on the track that we are on. I am not going to summarize the news coverage that has been out there re-summarizing – that could certainly influence that, but I have nothing to tell you beyond what you have read in the newspaper. Right now we are moving forward on this track expecting 2010.

So next month we are not going to have a meeting in this room. There is not going to be a CAT meeting in February. Instead we would encourage you to attend the meeting over on 59th Avenue that is a public meeting to talk about the switch from 55th to 59th Avenue. Now this meeting is important for a couple of reasons. This is probably going to be the first time a lot of people in that community have heard about the switch, and it could be a little bit of a surprise to some folks, because 59th Avenue has really not been envisioned in the history of this project. It has really always been 55th Avenue going back some almost 30 years now. Also for this meeting, it is going to be the first official public meeting for this project since 2006. Now we do a lot of meetings like this, but this is not a formal ADOT public meeting. According to the National Environmental Policy Act, we have certain things we have to do for a public meeting. These are not official public meetings, even though the public is here and it is conducted like it is. So it is kind of significant for us that it is going to be the first official public meeting since 2006. Of course the last one in 2005 had very strong attendance, where two meeting were held and I believe some of you were there.

Going forward from there we get to the air quality panel. We've talked a lot about the air quality panel in the past. Then we have a period of flux because we can't talk about the Draft EIS before the Draft EIS is released. So there will be some flexibility while we wait to clear review locally and for Federal legal sufficiency to given the go ahead to release the document. So once that happens, we will have things to talk about – the document itself including a more detailed discussion on air quality that this group requested a while back.

We will move through into the fall for the public hearings and discussions with this group about the document, as part of the public comment window for the project. There is going to be a 90-day public comment period for the project that is twice what we are required to do, and frankly there was no other option for us. We thought 90 days was what was absolutely appropriate. So again, based on the track that we are on, this group will conclude its business at the end of the public comment period. So what we are really stipulating is that if you are planning to get together and provide a recommendation or have a vote to provide a formal recommendation, which needs to happen before the end of the public comment period. It can happen at any point between now and the end of the public comment period. It just cannot go beyond the public comment period. I don't have a date of when that is going to be at this point, but it starts 90 days from when the document is released. So, that is what the schedule looks like. Are their questions on the schedule?

SMACT Question: Could you remind me why we can talk about project specific issues from cultural to alignments to whatever, but not air quality specific prior to the Draft EIS? I remember that we talked about it, but I don't remember what the answer was. I know it seems pretty ridiculous to me.

Timothy Tait: I think there was a need for that for that element to clear all of the review steps to make absolute certain that elements like air quality were in full compliance of Federal expectations, before we started talking about it. For certain, we don't want to get ahead of ourselves on some of these topics. Now, with some of these, with all of these topics in fact, we received Federal clearance to talk about them. Air quality, though, is one that requires a much greater level of analysis and there are specialists who review and who are not necessarily local. So it is really that desire to ensure that what we are presenting is correct and that we haven't missed anything. That the analysis is right and that we followed all of the steps and that FHWA, as the agency that we are completing this study for, agrees with our take and position on that concern. Of course, air quality is one of the topics that is very, very technical and I think most of you appreciate that. I know that I do, having been exposed a little bit to the air quality issues, I know I certainly can.

SMCAT Question: Fifteen or sixteen, probably seventeen months ago, we provided you with names and references we would like to see paneled on this air quality issue. What have you done with those names? What communications have you had with those folks, if any? Where do you stand in this preparation process that you can't talk about it?

Timothy Tait: That is a great question. What we have done with the air quality recommendations for both the pre-release and the post-release is categorize the experts, see if there were overlaps in experts, see if there were any gaps, and ranked and prioritized them. But, we haven't gone beyond that because we can't really call someone up and say –we'd like to schedule you for sometime eight months from now, but we're really not sure when.” We are getting to the point where we are going to have a clearer picture on what the schedule is looking like, and we will be able to be a little bit more definitive towards some of those things. We still have the data. We have worked with it. We have not forgotten it. And, certainly, if you have more ideas on who you would like to see in your air quality panels, please provide names and contact information. We are happy to continue looking at those and compiling them.

SMCAT Question: For scheduling purposes, and I am pretty new and we may have already gone over these, are the February, March and May dates actually set?

Timothy Tait: Yes, they are. We had a set meeting date – the fourth Thursday, 6:00 – 8:00 in this room, except for February. There is a flier on the table in the back on the February date – Feb. 10 from 6 – 8 PM at Sunridge Elementary cafeteria.

SMCAT Question: If your decision to use the freeway alignment is 59th, we had to go through all the different reports and studies, environmental, flooding, social, cultural and so forth. First, will you have to do all those studies for the 59th Alignment and secondly, will this group be given all those studies?

Timothy Tait: Yes, we have to do the full analysis for the change and in fact we have to do (Bob and Eric talked about the narrowing of the footprint for the freeway) so as we narrow the footprint for what we are looking at today which is the preferred E1 and 59th Avenue alignment is going down to 8 lanes. We have to look at other alternatives at that same narrower footprint. So there is a lot of work going on right now for that re-analysis. So that we weigh the alternatives equally so that we are not weighing an 8-lane option against a 10-lane option, because that would obviously be an unfair weigh-in there.

The question of are we going to come back with all that data—No. We are going to spend one meeting talking about essentially in more detail the changes to the E1 and 59th Avenue alignments. Simply, we do not have the time to produce the technical report summaries and to go through with this team all the details and all those technical areas. The technical report summaries were produced specifically for this team and that is a time consuming process. Frankly, the people who do that are busy actually doing the technical reports right now. So we are at a stage where we kind of have to move on some of this material.

Most of the alignment has not changed, as Bob showed you on the map. We'll talk in the meeting in March about those changes in particular. So we will be really focusing on what is different. Beyond what Bob presented, we will be talking about, what is different,

what does it look like and what does it mean. So hopefully that will help you understand what that impact is.

SMCAT Question: We have been off for a year or so, can you refresh my memory on why this EIS appears to be the longest in history and is being postponed until the fall of 2010?

Timothy Tait: That is a good question. All that work that Bob and Eric explained – while they were doing all that, we essentially had to move at a snails pace on some of our issues. We couldn't advance the document until they figured out how to balance the regional freeway system. Because it wouldn't make any sense for us to continue marching forward on a tentative concept and have Bob and Eric say “by the way guys, we aren't paying for 10 lanes”. So the studies in Metro Phoenix, not just South Mountain, had to really go to a crawl, not a stop, they were still working to complete, but they really had change the pace.

Now after the MAG vote in mid-November, things took off again and we started to do analysis and studies and all kinds of update work at a frenetic pace. Now we were anticipating some of these decisions and were already acting on some of that, a little preemptively. So it's that time when it is necessary to incorporate those changes.

SMCAT Question: You were on pause for a little while?

Timothy Tait: Not totally. I don't want to give you the impression we were twiddling our thumbs, because we weren't. But now we are really working at full speed.

SMCAT Question: During the last few months we've been getting information about the potential and having conversation with people on the Indian reservation about the possibility of moving into their area or whatever. Where does that factor in? Are we going to pursue any of that, try to establish some conversations or is that just somebody's dream?

Timothy Tait: I don't know how to exactly answer the question. I think that what you have read in the newspaper to this point is probably the best thing I can point you to since I can't speak for the Tribe. All I can point to is what has been in the newspaper recently.

SMCAT Comment: But it seems like there are two groups of people and they talk about talking, but nobody has taken the first step. Isn't that ADOT's duty or MAG's duty or somebody's duty to approach?

Timothy Tait: Yes, and there have been discussions. As a follow up from the MAG meeting, there has been follow up to that, but at this point there isn't anything to report. To reiterate this to the team, some of you have heard me say this before. We have a positive and ongoing relationship with GRIC on a variety of transportation issues. If you remember, when we were last meeting, there was a big issue of trying to get Tribal

Council approval for the traditional cultural properties and how we were going to address the traditional cultural properties in South Mountain. That was a big hurdle that we needed to get through with the tribe. Well, just two weeks ago, we got approval from the tribe on how to address the traditional cultural properties. Now, that doesn't mean that they support what we are doing, but it does mean that we have come to an agreement on should we build a freeway and should we build it through the mountain, we have come to an agreement on how we can address those sites of significance to the Community. So I think that is probably the best way I can underscore the fact that we are communicating, we do have an open relationship, but on the point specifically about some of the recent news, I don't have anything to tell you.

SMCAT Question: But this seems like the newspaper and Sal [DiCiccio] has a larger ability to actually talk and get some information flowing back and forth. I just find that curious.

Timothy Tait: I can just reiterate again, we do communicate with the tribe, we have a good relationship, but on that point I do not have anything to report.

SMCAT Question: I know that you can't speak for what hasn't been decided or proposed or in front of you, and I am sure that you guys have talked about it within your circle, if a proposal is made to GRIC and a proposal is in fact accepted and would like to be studied, how will that affect your timeline if that proposal is accepted before the EIS is released or even if the proposal is accepted after the EIS is released. Can you tell us how that will affect your timeline?

Timothy Tait: Yes, it will affect the timeline. I would really hesitate to estimate hypothetically how much it would affect the timeline.

SMCAT Question: I am not talking about a time period, but if you get it before the EIS, what will you do?

Timothy Tait: Then we would go after it. We would study it like any alternative that would become available.

SMCAT Question: Then your timeline stops, and the area of study then expands?

Timothy Tait: Exactly, with the same level of fervor that we applied to all the other alternatives.

SMCAT Question: Once the Preliminary EIS is released on whatever date, and then they accept a proposal. Now what?

Timothy Tait: There are provisions that would allow us to incorporate other alternatives into the document at different stages. Either through revisions to the document or through a supplemental document, and we have talked with Federal Highway's preliminarily

about should this happen, what are those different opportunities to ensure that the door remains open. The director of ADOT, John Halikowski (by the way, in the 15 months we've been gone, ADOT has a new director) has reiterated that the door will remain open for as long as possible, which is a long time from here. We have a lot of process in front of us yet.

SMCAT Question: I know that once it is released [Draft EIS] and the timeline starts clicking, so it will remain open ended if a proposal is accepted, even though the EIS has been released?

Timothy Tait: That doesn't close the door on it. We have a lot of process ahead of us yet. So there is a lot of opportunity for changes anywhere in the corridor.

SMCAT Question: Can I ask a question that on the 59th Avenue versus 55th Avenue alignment, there was a statement made that when you met with the City of Phoenix, they were "excited" about your proposal. Can you tell me who specifically was excited from the City of Phoenix? I would just like a name to go along with who was excited please, about the change in the alignment?

Timothy Tait: I was looking for a City person, but I think he has departed us. I believe the City Council Transportation Subcommittee actually approved the resolution supporting this shift to 59th Avenue.

SMCAT Comment: The only thing I could say, that they would be happy about, is where the alignment is right now takes out a lot of the properties. I think the last count was 118 in that corridor area, so a lot of businesses would have to relocate. A lot of businesses are looking to relocate out of the City of Phoenix. They are looking at Tolleson, Buckeye, and further west. I know most of the businessmen that own on 55th Avenue also own property along 59th Avenue.

SMCAT Question: Is it possible to start construction in the west, while studying in the east?

Timothy Tait: No, there are two provisions that we have to follow: independent operation and local termini, that is from point A to point B.

SMCAT Question: The Draft EIS has termini?

Timothy Tait: We need to have environmental clearance on the entire document in order to move forward.

Tom Keller: You all should be receiving a postcard inviting you to the February 10th public meeting. Additionally, we want to remind the team members of the SMCAT communication protocol. As part of our transparent process, we ask that questions and

comment for the study team's consideration be submit to Fred and me. Questions and answers are then submitted to the SMCAT via the email/monthly report.

Do we have an approval of the schedule? Motion passes.

Okay, blue question and comment cards have been submitted by individuals from the public.

Public Written Question: Considering regional mobility and traffic congestion reduction mandates, what is the rationale for prioritizing SM 202 near the top versus other options?

Bob Hazlett: MAG sets the prioritization for regional freeway projects. The rationalization is that Loop 202 South Mountain Freeway is scheduled in Phase 1 and 2 of the Regional Transportation Plan. The projects within 2005-2015 are still a priority.

Public Comment: Why is it the priority?

Bob Hazlett: The South Mountain Freeway corridor has been looked at since the 1980s. We examine how the overall system functions, not just at individual projects. I-10 and Loop 101 are the only east-west facilities that move this traffic, that is why it's a priority. It makes sense to plan for the future, today.

Public Question: Part of the original design strategy was to leave Pecos Road open. Now with cost reductions being planned, will Pecos Road still be open to traffic during the entire construction period. If not, why? How long would the Loop 202 timeframe construction be in years?

Response: That information would be part of the implementation process/plan. We need to establish a project first. We don't know if we're even building a freeway, so we don't know how it will be implemented.

Public Written Question: Has ADOT negotiated in good faith with the Gila River Indian Community or tried to make an official proposal to the GRIC to build the South Mountain Freeway of their land? (ADOT led us to believe they had done so when, in fact, they had not). Why not explore that much more reasonable alternative before you spend/waste dollars on the Pecos alignment?

Timothy Tait: I'd like to address this —urban myth.” We've worked with the Gila River Indian Community on a variety of levels over a number of years. The Community passed two resolutions against the freeway, including a letter from their Governor stating their opposition to the freeway. The tribe had no interest in the freeway, but we have kept communication open and have an active discussion and dialogue with the tribe. ADOT doesn't bully their neighbors, either tribal or municipalities. I think our recent TCP concurrence demonstrates our ongoing and frequent conversations with the Community.

Public Written Question: Since you spend so much money on modeling, where is/are your most recent regional transit (light rail, rapid, etc) model/models? Show it please, and discuss it and how 32 percent of the RTP (\$16 billion) will be spent.

Response: *No answer, the MAG representatives had left the meeting. This question will be answered in the parking lot issues memo.*

Public Written Question: Of the projected 170,000 vehicles per day for the South Mountain Freeway, how many will be ~~in~~“induced” traffic (e.g., traffic that would otherwise use SR 85) and what percentage of the ~~in~~“regular” traffic and what percentage of the ~~in~~“induced” traffic will be truck traffic?

Response: The South Mountain Freeway would carry between 10-13 percent truck traffic, similar to other Valley freeways. At the Broadway curve, the ADT is 230,000 with 10 percent truck traffic.

Public Question: What about induced traffic?

Response: ADOT doesn't study induced traffic.

Tom Keller: It is now 8 p.m. Before I ask for a motion for adjournment, please remember to turn in your session feedback forms. See you at the public meeting in February and the next SMCAT meeting will be March 25, 2010.

SMCAT Question: Does anyone represent the apartment of homes impacted along 59th Avenue?

SMCAT Response: Yes, through the Estrella Village Planning Committee.

Tom Keller: Is there a second?

SMCAT Member: I second the motion.

Tom Keller: All in favor?
The meeting is adjourned.

Meeting ended at 8:07 p.m.