

CITIZEN'S TRANSPORTATION OVERSIGHT COMMITTEE
Arizona Department of Transportation

Minutes
May 19, 2009

A Citizen's Transportation Oversight Committee (CTOC) meeting was held at the Arizona Department of Transportation, 206 South 17th Avenue, Phoenix, Arizona 85007 on May 19, 2009, with Leyton Woolf presiding.

Members Present:

Jeffrey Schwartz, Maricopa County District 2
Nelson Ladd, Maricopa County District 3
Leyton Woolf, Maricopa County District 4
Peggy Jones, Maricopa County District 5

Members Absent:

None

Others Present:

Randall Overmyer, City of Surprise
Lynn Sugiyama, PPAC
Tim Wolfe, Maintenance District Eng.
Don Mauller, Multimodal Planning Div.
Bob McKnight, Citizen
Julian Avila, CCP - ADOT
Kwi Kang, Regional Fwy System Office
Jack Lunsford, WESTMARC
Elizabeth Neville, Assist. CTOC
Adrienne Weinkamer, Atty Gen's Office
Michelle Manley, RFS Office
Bob Hazlett, Maricopa Assoc. of Gov's

Dianne Barker, Citizen
Brock Barnhart, CCP Relations
Marilyn Mays, Henry & Horne, LLP
Joe Ryan, Citizen
Jason Watson, Horrocks Engineering
Mike Taylor, Valley Metro
Craig Rudolphy, Financial Mgmt. Services
Bill Cowdrey, HDR Consultants
David Martin, Assoc. of General Contractors
Steve Hull, Special Assist. RFS
Tim Tait, CCP – ADOT
Kevin Biesty, Legislative Services

1. Call to Order:

Leyton Woolf, Board Member Called to Order the Citizen's Transportation Oversight Committee meeting at 4:00 p.m.

Due to an unforeseen delay of one of the departing members we will proceed to Agenda Item Number 5.

5. Appointment of Acting Chairman:

Steve Hull, Special Assistant Regional Freeway System explained that currently three of the seven positions are vacant, the Chairman and Member-at-Large in which the Governor appoints and a District 1 representative. It takes four members to conduct business and there are four Members present. Until the Governor appoints a Chairman, it would be appropriate for the Board to name an Acting Chairman to ease the conducting of business and to represent CTOC at meetings.

Board Member Discussion:

Peggy Jones, Member stated she is not interested in being a candidate.

Jeff Schwartz, Member nominated Leyton Woolf.

Nelson Ladd, Member also stated he was not interested in being a candidate.

Board Action: Mr. Schwartz motioned to appoint Leyton Woolf as Acting Chairman. The motion was seconded by Mr. Ladd. The motion carried unanimously.

Board Questions:

Mr. Woolf asked about the timing of the Governor's appointment for a new chair.

Mr. Hull replied that it was uncertain when the Governor would make new appointments.

Mr. Woolf asked about the meetings that the Acting Chairman might have to attend.

Mr. Hull stated that the Acting Chairman is not required to attend, however, is welcome at the MAG Regional Council meetings and the MAG Transportation Policy Committee meetings and that the Acting Chairman does not have a statutory right to sit and /or vote on the committees; however, the Acting Chair is welcome to attend.

6. Welcome and Opening Comments:

Acting Chairman Leyton Woolf welcomed the public, public officials, members of CTOC and staff to the meeting. Chairman Woolf also stated he appreciated the Boards nomination and he will do his best.

7. Call to the Public:

Chairman Woolf reminded the public and that the blue "Public Comment Form" is to be filled out if anyone wants to submit written comments for the record. The yellow "Call to the Public" form is for anyone wanting to speak.

Joe Ryan, citizen interrupted to say that he had marked his blue form to both, speak and submit written comments.

Chairman Woolf reminded the public that there is a 3 minute time limit and it is for each speaker and not each individual subject.

Dianne Barker, Citizen, asked if she could give some of her time to another speaker.

In reply, the Chairman Woolf answered no in all fairness.

Ms. Barker stated she came here today because I am a multi-modal person. I use not only roads but light rail and buses. She continued explaining her route getting to the meeting and how quickly she arrived. She stated what we have is working. She remarked that she spoke with MAG and told them she has never seen any planners, engineers or politicians on any rail or bus. It was reported in the MAG minutes and they corrected her and said they do have some planners that use the systems.

We have sixteen transit stations; 66 local buses and four express rapids with about 24 express buses. When I started using the system 23 years ago, we certainly didn't have as many.

Today, the Dash was packed, it was free and the light rail was free too. If we don't have a good accounting for the money coming in to the fare box its because they have given so many free passes away, we might look at the reason why.

Phoenix has it right - the people in this area call transit a common good.

Thank you for the time and I hope we're all multi-modal here.

Chairman Woolf thanked Ms. Barker for her comments.

Joe Ryan, Citizen, said you all have this document that is about five pages long and I wish to enter it into the minutes and I wish for you to act on it because I have been around for seventeen years and still waiting for a matter of oversight to become an action item on a CTOC agenda. One of my fellow citizens in Sun City West managed to get something on the agenda which was the failure to put sound barriers on the Loop 303 bridge; however, since it wasn't an action item, nobody has heard since. So CTOC is not fulfilling its duty to discuss these things, to vote on these things, refer them to the State Board of Transportation and MAG Board. We all pay taxes for education. I found out that ASU is moving their nursing school from the west valley to downtown which makes it more inconvenient my way to get to nursing school. More importantly is the fact that monies are being paid to transportation organizations by Valley Metro that are education dollars. When people are taxed money that is given, state money, federal money, given to ASU for education for that to turn around and subsidize a trolley car, to my mind that is not good government. I think you should make a note of this and find out what degree Valley Metro is billing ASU, being paid with education dollars. I would like to find out the specific government employees who happen to be able to use Valley Metro - get a freebie. I would like you to raise this point at the next meeting, to put it on the agenda as an action item. The fact that some government employees get a freebie ride or reduced ride and some government employees cannot. Thank you.

Chairman Woolf informed Mr. Ryan he had time left and if he wanted to speak on items 10 and 13.

Mr. Ryan said no, that he would speak on those later.

Chairman Woolf reminded Mr. Ryan that now is the time for the public to speak, not later.

Mr. Ryan said that we can speak on action items; that is part of the rules. I will sit on that one sir. This is suppose to be an opportunity for the public to speak and for you to have to get out of here in time, where I came from, the public meeting started at seven and if necessary they lasted until midnight. People could speak as long as they wanted, as long as it was reasonable and as long as it was on the subject. And that is another thing I wish to put on your agenda is to discuss the time that this meeting takes place. You have so few people of the general public, sure you have employees of the government here but this is supposed to be the Citizens Transportation Oversight Committee meeting discussing oversights.

Chairman Woolf then called on Bob McKnight.

Bob McKnight, citizen, stated that if the public gets three minutes per person, then everybody should get three minutes. Fair is fair. No matter how big the subject is. I go to the budget meetings; there is no time limit there. You get as long as you need to cover the subject.

When you're going down the road with the light rail. If you are going down Washington Street, it tells you if there is a trolley ahead of you or behind you. I don't know what good that does. If I come at an angle, I do not have any warning of the light rail. There are no signs.

For people coming in to the airport, Metro sent 6,000 brochures to tell people about the light rail as if that would be sufficient. If somebody comes in to town and rents a car, nothing is told about the light rail system. There has been no education to the public on the light rail. I would like to know where the half million dollars went, besides the three fold 8 1/2 by 11 sheet of paper they published. How long will 6,000 brochures last at the airport?

Chairman Woolf thanked Mr. McKnight for his comments.

2. Recognition of Departing Members:

Mr. Hull, Special Assistant RFS presented a certificate of appreciation from Governor Janet Napolitano to David Martin as Chairman for representing the citizens of Maricopa County on the Citizens Transportation Oversight Committee and for his dedicated commitment and service.

Mr. Hull then presented another certificate of appreciation also from Governor Janet Napolitano to Jack Lunsford as Member-at-Large for representing the citizens of Maricopa County on the Citizens Transportation Oversight Committee and for his dedicated commitment and service. Both Mr. Martin and Mr. Lunsford expressed their appreciation to everyone including appreciation to Elizabeth Neville CTOC Assistant.

3. Recess for Light Refreshments to Honor Departing Members:

A recess was held and refreshments were served in appreciation to both David Martin and Jack Lunsford as outgoing Board Members.

4. Call to Order after Recess:

Chairman Woolf called the meeting back to order following the recess.

The normal order and remaining agenda items then resumed.

8. Approval of Minutes:

Chairman Woolf called for a motion to approve the minutes of the January 27, 2009, meeting.

Board Action: Mr. Ladd moved to approve the January 27, 2009, minutes. The motion was seconded by Mr. Schwartz and carried unanimously.

9. Update on the American Recovery and Reinvestment Act for Funding and Projects in the MAG Area:

Bob Hazlett, MAG Senior Engineer, provided an update on the American Recovery and Reinvestment Act (ARRA) for funding and projects in the MAG area. The status included updates on highway funds, transit funds and MAG sub-allocated funds. Projects were cooperatively developed between ADOT and MAG for the use of ARRA funds. The six funded projects were described and include I-17: SR-74 to Anthem Way, Loop 101: Beardsley Road/Union Hills TI, US-60: SR 303L to 99th Avenue, US-60: 99th Avenue to 83rd Avenue, I-10: Verrado Way to Sarival and SR-85: Southern Avenue to I-10. Due to lower cost for I-10, SR-85 project is being approved for ARRA funding this month. Most of the ARRA bids are coming in under the engineer's estimates allowing projects to be moved up the list. Fifteen transit projects were prioritized and submitted by Valley Metro/RTPA for a total of \$66.4 million. A map indicating the projects was shared. Transit projects were approved for amendments and modifications in the MAG TIP by Regional Council on March 25, 2009 and are being coordinated with Federal Transit Administration, City of Phoenix, RTPA and Metro-Rail. The MAG sub-allocated ARRA funds go directly to the cities. Working through the process, the direction given by Regional Council was for a minimum allocation of at least \$500,000 to each city plus funding based on population. A pie chart was shared indicating the member agency allocation. The total amount is about \$104.5 million. There are 63 projects identified in the MAG region and 60 programmed in the TIP and three moving through the MAG committee process this month. Projects include two ADA ramp projects for the City of Phoenix, pavement rehab and ADA ramp for the City of Mesa, three bridge projects for the City of Phoenix and City of Tempe, intersection and/or capacity improvement projects in the cities of Tolleson, Fountain Hills, Peoria, Gilbert and Phoenix for about \$8 million, ITS projects for about \$8.6 million in the cities of Glendale, Phoenix and Scottsdale, pavement reconstruction in the cities of Gilbert, Apache Junction and Surprise, 26 pavement rehab projects totaling \$49.7 million, 5 pedestrian projects for \$7.7 million, 3 safety, sign and landscape projects for \$700,000 and three transit projects totaling \$1.2 million. More information is provided and updated on the web site.

Questions Asked:

Mr. Ladd, asked about the Intelligent Transportation System, ITS.

Mr. Hazlett replied, Intelligent Transportation System projects include an array of things that help to get better information to the driver. This includes signing, reader boards, and getting information back to the transportation management centers.

Chairman Woolf asked about the bids coming in under expectations and the overall percentage.

Mr. Hazlett stated that it varies from project to project. We are seeing 15 to 20 percent under on average.

Mr. Ryan asked if he could make a comment.

Chairman Woolf told him no, explaining that he already had time to speak during the public comment agenda item.

Mr. Ryan continued to speak.

10. Update on the Regional Transportation Plan Tentative Five-Year Freeway Program:

Mr. Hull, Special Assistant RFS, provided an update on the Regional Transportation Plan Tentative Five-Year Freeway Program. Every year ADOT goes through a planning process to develop a Five-Year Transportation Program. It is in State Statute that it must be adopted by June 30 of each year. The Tentative Program was first presented at a Board Study Session in April 2009. Public Hearings have been held in Phoenix and Flagstaff and upcoming in Tucson and at the State Board Meeting for adoption in June. Programming considerations include revenue, costs, STAN, ARRA and bond revenue. Revenue is down. Fiscal year-to-date revenue totals are down about 12 percent. In March, sales tax revenue was down 17 percent. Costs have risen over the last few years. Costs for right-of-way and construction are backing off a bit due to the economy. The MAG Area Freeway Program lost about \$94 million in STAN funds when the Legislature swept the funds in January to balance the state budget. The stimulus funds or the ARRA funds brought about \$130 million to the MAG area. There is still bonding capacity. ADOT adopted a Tentative Program Five-Year program consistent with available cash flow including potential bond revenue. By the year 2026, at the end of the Prop 400 tax life, there is about a \$5-6 billion gap between estimated costs of the program and estimated revenue. MAG is charged with leading the effort to balance the program. They have been talking with ADOT and MAG members to begin the process and expect to start presenting concepts of proposed changes in the near future. ADOT is under statutory requirement to adopt a program by June 30th. The program that ADOT has moved forward is to maintain the program adopted last year and add in the fifth year work that was already in the transportation plan. It will change. The State Transportation Board will adopt a plan contingent on potential changes. There is about \$3.77 billion dollars in the Five Year Program. However, there is a \$6 billion deficit in future years that will need rectified. In summary, the first four years of the program 2010-2013 were rebalancing of last year's Five Year Program such as repackaging. Schedules are being updated to match current project status. There are a couple, new, small right-of-way projects. There is one new project MAG Prop 400 noise walls. The total program changes for the first four years is \$102 million increase out of about \$3 billion programmed for the first four years. In the fifth year, 2014, there is money available by using the bond capacity. Five construction projects, four right-of-way projects, five design projects plus system-wide expenses that include litter and land maintenance and other ongoing costs total \$613 million. This is tentative and subject to change. ADOT is going through the process to adopt by the deadline.

Questions Asked:

Mr. Ladd asked about the \$5-6 billion deficit and it being based on projections. How is this arrived at when you don't know what the costs will be?

In reply Mr. Hull stated that we estimate the best cost using data from today and prior experience. Historic data and trends are used to project those costs forward. As the program evolves, more accurate estimates are possible. ADOT convenes a panel of experts to determine estimates.

Chairman Woolf made note of the numbers being revised every year.

In reply Mr. Hull stated that is correct. Costs are updated every year based on the latest studies, data and revenue.

Mr. Schwartz asked about the cost of right-a-way as a percentage of total costs.

In reply Mr. Hull stated that it varies depending on where the project is, how developed the land is, how much land needs to be bought. Examples and discussion included right-of-way for the 303 being acquired. If you get ground at a reasonable price, things will recover.

Chairman Woolf asked if there is any opportunity for ADOT to acquire that.

In reply Mr. Hull stated that ADOT does have funds available for advance acquisition of right-of-way. Decisions are made on a case-by-case basis.

Mr. Ryan attempted to speak.

Chairman Woolf advised him to stop disrupting the meeting.

Chairman Woolf asked about a way to budget for condemnation awards that come in excess.

Mr. Hull replied that right-of-way is typically budgeted at what the land will cost and adding about 40-50 percent to account for those parcels that may go in to condemnation.

11. Update on the Hidden Valley Framework Study, part of the MAG Long Range Transportation Plan:

Bob Hazlett, MAG Senior Engineer, provided an update on the Hidden Valley Framework Study, part of the MAG Long Range Transportation Plan. Based on information from the cities, growth is still scheduled to happen, albeit at a different pace than expected. Looking at the communities and what they programmed now is the time to start planning. In 2006, a Framework Study was launched in the Hassayampa Valley. There was a review of the entitled development and what kind of transportation network is needed for communities to plan. Moving forward, the project that was cut off at the Gila River was reviewed with questions about what is happening south of that, toward the southern part of Goodyear, toward Gila Bend. And an opportunity to look at a framework in Pinal County. The study was launched in mid 2007 and was an effort to look at a build out scenario. A framework is not a plan. It allows us to look at build out and the demands we need to plan for. The Hidden Valley is an area of about 3,200 square miles with a National monument in the middle and a potential for about 3 million people. Build out including Metropolitan Phoenix, Hassayampa Valley, Hidden Valley, Superstition Vistas and Northern Pinal County together could accommodate about seven million people with current population about 4.5 million. This project was a joint project funded by MAG, ADOT, Maricopa County Department of Transportation, Pinal County Department of Public Works, Town of Buckeye, City of Goodyear and City of Maricopa. In-kind contributing partners include Central Arizona Association of Governments and City of Casa Grande. A Study Review Team is overseeing the project and members were listed in a power point presentation. Key stakeholders include about 180 groups or people to find out what their concerns and needs are for this area. Discussions with railroads are important. The Framework Study helps identify the need to preserve critical right-of-way. The Hidden Valley is in the middle of the Sun Corridor which means the major metropolitan areas are starting to grow together. The study area boundaries were described. Population and employment projections were shared. The area currently has about 100,000 people. If trends continue, perhaps 700,000 by 2030 and 2.4 million at build out. This is based on what has been entitled, what developers have been given rights to develop. As part of the study, an environmental scan was completed; items reviewed include cultural resources, air quality, slopes, natural vegetation, utility corridors and more. Two areas include roadways and transit which included high capacity alternatives and others. Route alternatives and their benefits were described. There is movement toward SR 85 becoming a freeway between I-10 and I-8. There is definition to Loop 303 and a small freeway corridor identified by Casa Grande. A number of Arizona parkways were identified on a map as well as arterial roadways. SR 587 and SR 87 have been identified for safety and operational improvements. SR 347 is in need of better definition. Transit opportunities and transit corridors were identified. HOV lanes were identified on SR 85, Loop 303 and I-10. Commuter rail to the southwest and southeast was identified as well as transit connections for Tucson. Connections are being matched up

with ADOT's Central Arizona Framework Study. Next steps include identifying preliminary cost options, developing an implementation plan and completing a project document and executive summary brochure. The goal is to move toward MAG and CAAG acceptance in September 2009.

Questions Asked:

Chairman Woolf asked when build-out would be.

Mr. Hazlett stated it could be 2100, 2150, 2050, it depends on the economy.

Mr. Ladd asked about our water supply.

Mr. Hazlett replied that one statistic from ASU President Crow is current projects of actual holding capacity in Arizona, what the population can support is 28 million. Nelson Ladd asked about the water levels in the pump west of Phoenix. In reply, comparing cotton to houses, you gain 2 acre foot a year. And this only applies if you retire farm land.

12. Financial Compliance Audit Update:

Mr. Hull, Special Assistant RFS, provided an update on the Financial Compliance Audit. A.R.S. 28-6356(F) (5) requires that CTOC contract with an independent auditor who is a certified public accountant to conduct a Financial Compliance Audit of all expenditures of the Regional Area Road Fund and the Public Transportation Fund. That audit is to include FY 2007 and 2008 to catch up and 2009 will begin in a couple of months. The audit is to be performed in accordance with generally accepted auditing standards and the firm will provide the report to CTOC. ADOT pays for the cost of the audit. Two proposals were presented in November. CTOC rejected the proposals because the letter requesting those proposals perhaps did not express clearly what is expected. For the January CTOC meeting, a new letter was drafted. The letter was sent in April 2009 to four firms pre-qualified by the Arizona Department of Administration to perform auditing work for State agencies. The firms included Deloitte & Touche, LLP, Heinfeld, Meech & Co. P.C; Henry & Horne, LLP and RSM McGladrey, Inc. Proposals were received from Heinfeld, Meech and Henry & Horne and sent to the CTOC Board. Heinfeld - Meech's proposal reads as not to exceed a lump sum cost of \$37,750 with the contract to be executed in June 2009, work starting in July 2009 and a complete report by October 2009. Henry & Horne proposal is \$10,500. Work starting in early June and completion by August 2009. A selection needs to be made on one of the proposals. A vote cannot be made during the meeting today.

Questions Asked:

Ms. Jones asked about the last audit proposals, costs and scope.

Mr. Hull, stated the scope did not increase; however a more detailed description of the scope was provided. At the November meeting, it was felt that perhaps the letter did not make it clear enough that both the public transit fund and the RARF be audited.

Mr. Schwartz stated that it is difficult to determine how many hours are allocated for the cost; therefore, the information is not sufficient to make a decision.

Adrienne Weinkamer, Legal Counsel, recommended tabling the discussion, asking for a new agenda item and obtaining answers to questions prior to the next meeting.

Chairman Woolf asked if there was a motion.

Board Action: Mr. Schwartz moved to table the Financial Compliance Audit Update agenda item and requested a special meeting to discuss and act on moving forward with the Financial Compliance Audit after receiving questions and comments from CTOC members.
Mr. Ladd seconded the motion. The motion carried unanimously.

13. Recommendation of Future Agenda Items:

Ms. Jones talked about problems with public comments that many organizations have. She is sympathetic to Mr. Ryan that he may not be able to comment on items he has not seen or heard. She asked if we may be willing to discuss the policy on call to the public again.

Chairman Woolf stated he also is sympathetic but less so when citizens of the community are disruptive in our meetings. If we have further discussions, we need a mandate what the policy is.

Mr. Ladd suggested an executive session to discuss the problems and present the problems to the group of the whole and allow for comment. He does not understand why a small discussion is not allowed on items before an action is taken as long as a time limit is established.

Chairman Woolf stated that it does not matter if comments are early in the meeting or late, as long as we have consistent rule that is known and followed.

Ms. Weinkamer, Legal Counsel stated that executive session for this would be limited to legal advice which has been given in the past. She offered to send a memo to the group in terms of what is required regarding calls to the public.

Chairman Woolf asked if there was a motion.

Board Action: Ms. Jones moved to put a review of the call to the public policy on the next regular meeting agenda for general discussion by the Board.
Mr. Schwartz seconded the motion. The motion carried.

Chairman Woolf mentioned that during public comment, Mr. McKnight made comments about safety issues with the light rail signage. Chairman Woolf asked for additional information on safety aspects.

Chairman Woolf asked if there was a motion.

Board Action: Mr. Ladd moved that CTOC be informed of the safety, educational and operational aspects of light rail including the brochure for the airport.
The motion was seconded by Mr. Schwartz. The motion carried.

14. Next Scheduled Meeting:

A special public meeting will be held within the next three weeks to act on the Financial Compliance Audit. A deadline for comments from committee members is May 26th.

The next regular scheduled meeting is Tuesday, August 25, 2009, at ADOT in the Transportation Board Room, 206 South 17th Avenue, Phoenix, Arizona 85007.

15. Adjournment:

With no further business, Chairman Woolf adjourned the meeting at 6:00 p.m.