

Technical Subcommittee Meeting ♦ April 5, 2017
NACOG AAA Offices, Flagstaff, AZ

MEMBER NAME	ENTITY	PRESENT	ABSENT	STAFF NAME
Margie RS Begay	Navajo Nation		X	Jason Kelly
Bill Bess	Navajo County		X	Jason James
Brandon Buchanan	City of Williams		X	Cindy Binkley
Terry Cooper	Town of Snowflake		X	
Andy Dickey	City of Sedona		X	
Art Durazo	Town of Clarkdale	X		GUEST NAME
Dan Gabiou	ADOT MPD	X		ENTITY
Shane Hemesath	City of Show Low	X		Lisa Robertson
Michael Lomayaktewa	Hopi Tribe		X	Heidi Yaqub
Ron Long	Town of Camp Verde	X		Bryan Cook
Gus Lundberg	Town of Taylor		X	Nate Reisner
Roland Maldonado	Kaibab Paiute Tribe		X	Tom Smith
Roger McCormick	Yavapai County		X	George Wallace
Matthew Patterson	Town of Pinetop-Lakeside		X	Kyle Dabney
Paul Ramsey	City of St. Johns		X	Wayne Debrosky
Tim Rasmussen	Town of Springerville	X	X	Tim Dalegowski
Bruce Ray	Town of Eagar	X		Stephen Craver
Morgan Scott	City of Cottonwood	X		Chris Steele
Randy Sullivan	City of Holbrook		X	
David Swietanski	Apache County	X		
Scott Tkach	Coconino County		X	
Matthew Wood	City of Page		X	
Mark Woodson	City of Winslow/Town of Tusayan/City of Williams	X		
	Town of Fredonia			
	Town of Jerome			

I. Introductions

Vice Chairman Shane Hemesath called the meeting to order at 10:00 A.M. Self-introductions were made. A quorum was present.

II. Approval of February 2017 Minutes

Vice Chairman Hemesath asked for any corrections to the February 1 meeting minutes. Hearing none, he asked for a motion to approve.

Mark Woodson moved to approve the February 1, 2017 meeting minutes as presented, seconded by David Swietanski. Motion passed unanimously.

III. Call to the Audience

There were no comments from the audience.

IV. Federal & State Updates

A. Review and Discussion on Federal FY18 Budget Blueprint Proposal

Jason Kelly explained that the budget blueprint is a bulleted outline released by the President, summarizing his FY18 budget proposal. Jason reported on items in the document that pertain to transportation:

- 13% reduction for the federal transportation budget
- Significant reduction to AmTrak funding, re-directing resources to the northeast corridor, elimination of cross-country service.
- Elimination of transit new starts
- Elimination of TIGER
- Elimination of essential air service for rural airports

Jason James added that the blueprint document proposes a \$1.1 trillion increase in military spending, offset by reductions/eliminations to many domestic programs. Other programs recommended for elimination are the Economic Development Administration (EDA), Community Development Block Grant (CDBG), and the Community Services Block Grant (CSBG).

Jason noted that the blueprint document is, at this point, a summary of recommendations. The final items in the federal budget will be negotiated by Congress.

B. Review and Discussion on New ADOT Project Obligation Policy

Jason Kelly told the Technical Subcommittee that there is information in the meeting packet that references an update to ADOT's project obligation policy. This policy will impact the local program, especially as we transition to use HURF funds.

The purpose of the updated policy is to keep projects moving. The new policy states that once projects are initiated, they should move along within 30 days. Once a project goes six months without any activity, the shut-down process is initiated. If a project goes inactive, the procedure identifies how money reverts to the COG for re-distribution.

Jason encouraged the committee members to become familiar with the new policy.

C. Review and Discussion on New Arizona Highway User Revenue Fund (HURF) Exchange Policy

Jason Kelly reported that the Highway User Revenue Fund (HURF) program provides project sponsors with the opportunity to exchange their designated federal funding for state funding. Using state funds increases efficiencies, and avoids many of the regulations that are tied to federal funding. HURF was shuttered in 2007, due to declining revenues. Project sponsors have been using Federal-aid since 2009.

Revenues have increased over the last few years, and ADOT has announced that it will reinstate the HURF exchange effective October 1.

HURF eligibility requirements are similar to those for Federal-aid. HURF funding can be used for projects on the National Highway System, down to minor collectors. HURF funding applies to all project phases: design, right of way, and construction. If a project is already federalized, you cannot use HURF exchange money.

The rate of exchange is 90 cents to the dollar; \$2 million in federal funding translates to \$1.8 million in HURF resources. HURF funding is managed in the TIP exactly like Federal-aid money. The TIP must still be managed and balanced.

The risks involved with using HURF for your project is that there is no guarantee that HURF will be available in perpetuity. Also, HURF could also be subject to legislative diversions to fund other state services, such as DPS.

If a sponsor uses HURF money for their project design, construction is expected follow in 2 years. Otherwise, there is a repayment expectation.

D. Status of 2016 Arizona Long Range Transportation Plan (LRTP)

Dan Gabiou reported that ADOT is on track to present the final investment list to the State Transportation Board this spring. Adoption of the investment plan is expected in June.

E. Discussion on Americans with Disabilities Act (ADA) Transition Plan Requirements

Nate Reisner explained that an ADA Transition Plan identifies current ADA features and describes the process to bring those features up to current ADA standards. ADOT is currently in the process of updating its ADA transition plan. The updated plan is due to be submitted to the FHWA in 2019.

If a town/agency receives federal funding, it must have an ADA transition plan in place. There has been an increase in ADA related litigation in recent years, and a transition plan helps to mitigate that liability. Crystal Smith and Lucy Schrader are the ADOT staff heading up the effort, and could make a presentation on transition plans to the Technical Subcommittee.

Jason James is performing research to learn if the development of an ADA Transition Plan is eligible for federal funding, and will provide more information at a future meeting.

V. Regional Transportation Improvement Program (TIP)

A. Review and Possible Action on Fiscal Year 2017-2023 TIP Amendment 3

The Town of Clarkdale is looking to increase the budget for its Main Street/Broadway intersection improvements, using funding that was previously allocated to the project.

When the project went out to bid, responses came in significantly lower than the project allocation of \$1,009,000. This resulted in the remaining \$116,000 being de-obligated from the project. Once construction began, the contractor discovered large concrete footings, extensive PCCP removal and several survey/design problems, which caused cost overruns. The town's request is to re-obligate \$116,000 to the project to help cover the cost of the budget overrun.

Mark Woodson moved to approve the Town of Clarkdale's request for TIP amendment, seconded by Bruce Ray. Motion passed unanimously.

B. Review High Priority STBG Project Development Schedules

Town of Springerville - Coconino Drive: The bid opening is scheduled for 4/28. The award should be announced by 5/19. Construction will begin in June.

City of Page - Elm Street: Construction bids were received on 3/17. The engineer's estimate was \$350,000, and the low bid came in at \$560,000. City is trying to determine what steps to take next. Per ADOT, the City must come up with \$250,000 for the project to move forward.

Town of Pinetop-Lakeside – Billy Creek Bridge: The right-of-way is programmed for \$95,000. Staff has put the town on task to find out if it is necessary to acquire in the next couple of months. If not, it could potentially create capacity for some of the region's shortages.

Town of Pinetop-Lakeside – Woodland Road: This project is scheduled to advertise on time.

Town of Camp Verde – Finnie Flat Sidewalk: The project is under construction. It is scheduled for completion in late June/early July.

Town of Camp Verde-Thousand Trails: This is an ADOT project, and the town has no control over the process.

Cottonwood-Mingus Avenue: The project is at 95% design. They have passed all utility clearances, and there are two easements left to obtain. The bid advertisement is scheduled in June.

City of Winslow – Renaissance on Route 66 Phase VI: The City would like to move the project to HURF if at all possible. Jason Kelly reported that Jodi Rooney has confirmed that the project is not federalized. Regional partners will work with ADOT to determine how to move forward as soon as HURF is authorized on October 1. It will be a very tight timeline, because in 12 months, the project is scheduled for bid advertisement. Mark noted that the design is 90% complete.

Apache County-Stanford Drive: The project is in review for a preliminary assessment. There have been right-of-way issues with state lands. The county will need to purchase additional right-of-way, and it could take up to 18 months to determine how much. This could push the project timeline out 2 years. \$650k we won't be able to obligate.

City of Sedona/Yavapai County - Dry Creek/Boynton Canyon: The 60% design plans are expected soon. Project sponsors plan to pursue HURF exchange funding for this project.

Town of Clarkdale-Main Street/Broadway Overlay: The project initiation letter ready to submit. The town would like to pursue HURF funding, if possible for both design and construction.

City of Sedona – Sanborn Drive: This project is on hold. The City would like to use HURF funds.

Transportation Alternatives

City of Winslow-Station at La Posada: The bid opening was March 24. The architect estimate was \$800,000, and the low bid was \$1.288 million. ADOT wants a commitment to the bids by April 5. The City has asked for permission to defer their comment and statement of what they will do. If the City defers the Renaissance VI project for a year, it could create capacity for this overage. There is also the challenge of going back to value-engineer the project and re-bid it when the original bid opening was so late in the fiscal year.

City of Page-Lake Powell Blvd: The old construction estimate is for \$400,000. There is currently \$282,000 scheduled in the TIP for this project. The project was kicked off again last month, and the 65% plans are due. The city anticipates the bid advertisement in November.

Navajo County-Woodruff/Snowflake Bridge: The County has received a notice to proceed from BLM.

Clarkdale-Safe Routes to School: The bids closed last week. They did come in under the engineering estimate. The Town is understandably nervous about funding shortfalls in light of the situation with the Main Street/Broadway improvements. They haven't heard back from ADOT regarding official award for the contactor.

Jason Kelly announced that there would likely be a teleconference meeting of the Technical Subcommittee members to approve a path forward for the City of Winslow La Posada project and the City of Page Elm Street project.

C. Update on TIP Fund Balances and Management Strategies

Jason Kelly reported that for the current fiscal year, the NACOG TIP has a deficit of approximately \$500,000. This has been offset by bid savings and formula adjustments. NACOG has executed loans in the amount of \$1.4 million to other COGs/MPOs. There is some spending capacity left over, which staff suggests that we loan to ADOT.

In FY 20 there is a lot of capacity. Jason told the committee members that there will be continuing discussion with the committee members to determine a strategy to program in the future.

FY18 is the last year that the region will receive a direct HSIP allocation. Staff has done some creative funds management with CYMPO and FMPO to make the balance whole for this year, and there are some unencumbered funds for next year.

VI. Highway Safety Improvement Program (HSIP)

A. Status of Phase 2 Sign Panel Replacement Project

Phase 2 of the Sign Panel Replacement involves the communities of Page, Holbrook, Taylor, Springerville, Eagar, St. Johns, and Williams: 100% plans should be completed this week. The bid advertisement will take place in May. Jason James will touch base with ADOT staff and provide the affected LPAs with a construction schedule.

B. Status of Phase 3 Sign Panel Replacement Project

Phase 3 of the Sign Panel Replacement involves the Navajo Nation and the Hopi Tribe: Draft MOUs have been sent out to both entities and are under review by the tribes' legal departments.

C. Status of Regional Strategic Safety Plan (RSTSP)

In February, the Technical Subcommittee and Regional Council approved the contract amendment to add the Flagstaff Metropolitan Planning Organization (FMPO) to the project scope. The amendment should be finalized as soon as we receive confirmation from FHWA.

D. Status of Modified ADOT FY19-20 Call for HSIP Projects and Discussion Regarding Application Submission Priorities

Beginning in FY19, the HSIP program will be a statewide competitive grant. There will be a call for projects with a deadline of October 2. All applications will have to come through the COG/MPO for funding consideration. The purpose of today's discussion is to decide how our region would like to structure the application review and ranking process.

There will be a statewide Safety Review Committee established to review the final ranked projects and make recommendations to the State Transportation Board for funding. This committee has not yet been assembled, but the COGs and MPOs will be involved. The call for projects will include projects that will design in FY19 (\$9 million); and construct in FY20 (\$13 million).

Projects will be ranked based on a cost-benefit ratio. Criteria include reduction to fatal/serious injury, holistic effectiveness, the strategic safety plan emphasis focus areas for Arizona and nine approved counter measures. There are 23 member agencies potentially eligible for HSIP funding in northern Arizona. The Navajo Nation and Hopi Tribe must come through NACOG to get their HSIP projects approved.

In order to be eligible for funding, projects must meet the following requirements:

- Fatal/serious injury crashes, including drug/alcohol related
- Benefit-cost ratio greater than 1.5
- Minimum project cost \$250,000
- Maximum project cost is \$5 million
- Must support at least one Arizona Strategic Highway Safety Plan emphasis area
- Must support HSIP improvement category
- Must identify countermeasures

Jason James asked the Technical Subcommittee members if there should be a cap to the number of applications that NACOG submits to the state. The benefit to no cap is that everyone could apply; the drawback to no cap is that there is the potential to oversaturate the application pool from northern Arizona. After discussion, the Technical Subcommittee members agreed to have no cap on the number of applications for FY19, and see what trends emerge.

Jason asked if the region should designate an HSIP application review panel, even though there is not going to be any scoring this round. The Technical Subcommittee members agreed that there is no need for a designated application review panel.

Jason proposed that applications should be submitted to NACOG staff 2 weeks prior to the meeting at which they will be considered for approval. For this year, that translates to a July 14 deadline for approval at the August 2 Technical Subcommittee meeting. Jason Kelly noted that a July 14 deadline may not be applicable if the Technical Subcommittee is not required to approve the applications or recommend them for Regional Council approval. Staff will do further research with ADOT for clarification.

E. Other

VII. Regional Transit Planning & Mobility Management

A. ADOT Notice of Funding Availability for FTA Section 5310 Enhanced Mobility for Seniors & Individuals with Disabilities Grant Program

Applications for the FTA Section 5310 program are due 5/4. NACOG will host a grant application review workshop on 4/13 at Twin Arrows. There are currently 8 local organizations in the region seeking resources.

B. Possible Action for TSC Letter of Support to Apply for Section 5310 Grant Funds and Recommendation to Regional Council for a Resolution Supporting Application for Grant Funding to Administer Regional Mobility Management

NACOG will submit an application for \$150,000 in 5310 funding to continue its regional Mobility Management activities. Staff asks that the Technical Subcommittee approve a letter of support to be submitted with the grant application and recommend Regional Council approval of solicitation for this funding.

Mark Woodson moved to approve the letter of support to apply for Section 5310 grant funds and recommendation to Regional Council for a resolution supporting application for grant funding to administer regional mobility management as presented, seconded by Tim Dalegowski. Motion passed unanimously.

VIII. Miscellaneous Reports from Partners

A. Update on Development of Strategic Planning Survey Ascertain Local Government Investment Priorities & Preferred NACOG Planning Department Focus Areas

Staff will circulate a survey in the coming months about what the Technical Subcommittee would like NACOG's regional planning priorities to be. Staff has conferred with an outside consultant to provide assistance with this process. The survey will be sent to Technical Subcommittee members and City/Town/County Managers will be solicited.

B. Other

Dan Gabiou reported that the PARA is being reinstated. ADOT will issue a Call for Projects later this month.

Jason Kelly reported that the Technical Subcommittee has a vacancy for an officer, due to the departure of Scott Tkach from Coconino County. The committee has two options, a new Chair could be elected in June, or the full election process could be accelerated. It was the consensus of the committee to accelerate the process. Jason noted that Art Durazo has expressed interest in the Vice Chairmanship.

IX. Adjourn

Vice Chairman Hemesath asked if there were any further items for discussion. Hearing none, he adjourned the meeting.

Vice Chairman Shane Hemesath adjourned the April 5 meeting of the NACOG Technical Subcommittee at 11:55 A.M.