

Technical Subcommittee Meeting ♦ May 3, 2017
NACOG AAA Offices, Flagstaff, AZ

MEMBER NAME	ENTITY	PRESENT	ABSENT	STAFF NAME
Karen Benally	Navajo Nation		X	Jason Kelly
Bill Bess	Navajo County		X	Jason James (Phone)
Skylor Miller	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 ENTITY
Dan Gabiou	ADOT MPD	Phone		Jodi Rooney ADOT (phone)
Shane Hemesath	City of Show Low	X		Mark Woodson City of Williams
Michael Lomayaktewa	Hopi Tribe		X	Robert Winiecke City of Cottonwood
Ron Long	Town of Camp Verde		X	Wayne Debrosky Town of Clarkdale
Gus Lundberg	Town of Taylor		X	Caleb Lanting City of Holbrook
Roger McCormick	Yavapai County	Phone		Tom Smith City of Page
Matthew Patterson	Town of Pinetop-Lakeside		X	
Paul Ramsey	City of St. Johns		X	
Tim Rasmussen	Town of Springerville	Phone		
Bruce Ray	Town of Eagar	Phone		
Morgan Scott	City of Cottonwood		X	
Randy Sullivan	City of Holbrook		X	
David Swietanski	Apache County	Phone		
Tim Delagowski	Coconino County		X	
Crystal Dyches	City of Page		X	
Mark Woodson	City of Winslow	X		
Kyle Dabney	Town of Jerome		X	

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. Call to the Audience

There were no comments from the audience.

III. Regional Transportation Improvement Program (TIP)

Jason Kelly reported that there would be two project proposals for consideration today, one from the City of Winslow, and the other from the City of Page. Once the project sponsors have presented their request for TIP amendment, staff will provide information on how the potential amendment and subsequent financial strategies would affect the fund balance in the TIP going forward. If today's action is approved, it will be advanced to the TPAC for approval on May 10, due to State Transportation Board deadlines.

A. Review and Possible Action on Fiscal Year 2017-2023 TIP Amendment 4 Winslow La Posada

Mark Woodson explained that the Station at La Posada involves rehabilitation of the building and garden at the La Posada Railway Depot. The amount currently programmed for the project is

\$979,000. When the bids for the project were opened, the bids received ranged from \$1.2-1.5 million.

The City of Winslow would like to reject the bids, re-scope the project in the \$1-1.1 million range, and re-bid the project under the revised scope. The accepted bid must be approved by the State Transportation Board no later than July.

Jason Kelly explained that ADOT has suggested that more Transportation Alternatives funding could be programmed for the La Posada project if the region were to decide to commit additional funding to the project; the region would exchange funds exchange with ADOT (giving STBG regional in order to receive more TA funding). Regional resources would be committed from regional fund balances.

Roger McCormick pointed out that there was an error on the amendment request memo, regarding the amount being requested from STBG. Staff clarified that the request is for \$291,000 of STBG, with the remaining \$18,000 being provided by the City of Winslow as a local match.

Mark Woodson and staff answered questions from the Technical Subcommittee members.

B. Review and Possible Action on Fiscal Year 2017-2023 TIP Amendment 4 Page Elm Street

Tom Smith reported that the Elm Street project involves a full rebuild for 1,000 feet of roadway, with associated curb, gutter and sidewalk improvements. The programmed amount is \$400,000, and the low bid was \$560,000, with additional project costs accounting for \$114,571 there is a budget shortfall of approximately \$250,000. In the case of this project, it doesn't make sense to re-scope the project, because it's only 1,000 feet of roadway. Therefore, the City of Page requests that future funds in the amount of \$236,000 in regional STBG be brought forward to cover the overage.

Jason Kelly referred to the ledger that was included with the meeting packet. He explained that it is possible to accommodate the funding requests from the both cities of Winslow and Page. There is currently a \$1.2 million fund balance in the TIP for FY20. TIP Projects will have to defer from earlier years to FY20, which will begin to consume that fund balance. NACOG only has obligation authority to spend 95% of its total allocation.

In FY17, Jason noted there is currently approximately \$138,000 in new bid savings for the region. The Town of Camp Verde's Thousand Trails Rural Corridor project is deferring to FY18, which will add approximately \$239,000 to the FY17 fund balance. With the additional funding for Winslow and Page, the region would need to acquire a small loan (approximately \$74,000) loan from ADOT to make the FY17 TIP fiscally balanced and to accommodate these proposals.

Mr. Kelly further noted that, in FY18, NACOG would repay the \$74,000 loan to ADOT. Because there are some project sponsors that would like to use HURF money rather than Federal-aid in FY18, the obligation authority decreases to 90%. There will be need to defer additional FY19 projects to ensure those fiscal years are balanced.

Tim Rasmussen noted the Town of Springerville Coconino Drive project is out to bid, and though the results have not been accepted and finalized, the low bid came in at \$440,000, approximately \$158,000 below the programmed amount. This creates the potential for additional FY17 bid savings.

In FY19, if the City of Winslow project goes forward, the TIP has a structural deficit of approximately \$978,000. Other projects would have to defer to FY20 to make the FY19 TIP whole.

In FY20 there is a potential fund balance of \$1.4 million, however one or two projects will have to defer from FY19 to FY20 to make FY19 whole. In addition, the Town of Taylor has an earmark for \$600,000 in FY20 that is not yet programmed.

David Swietanski noted that Apache County has had issues with the right-of-way acquisition for its Stanford Road project. This will cause the project to delay. Apache County would be willing to defer their FY19 project, if they could re-coup the funding in FY20.

Jason Kelly answered questions from the Technical Subcommittee members about allocations and sub-regional rotation schedules.

Shane Hemesath noted that today's discussion was the beginning of a larger discussion on how the region works together to handle these types of situations moving forward.

Mark Woodson moved to approve the City of Winslow request for TIP amendment using existing STBG funding in the amount of \$291,818 and any financial management strategies to account for that to move the Station at La Posada project forward; and the City of Page request for TIP amendment using existing STBG funding in the amount of \$236,451 and any financial management strategies to account for that to move the Elm Street project forward, seconded by David Swietanski. Votes were tallied via roll call. Motion passed unanimously.

Member	Entity Represented	Vote
Mark Woodson	City of Winslow	Yes
Mark Woodson	City of Williams	Yes
Tom Smith	City of Page	Yes
Caleb Lanting	City of Holbrook	Yes
Art Durazo	Town of Clarkdale	Yes
Robert Winiecke	City of Cottonwood	Yes
Dan Gabiou	ADOT	Yes
Roger McCormick	Yavapai County	Yes
David Swietanski	Apache County	Yes
Bruce Ray	Town of Eagar	Yes
Tim Rasmussen	Town of Springerville	Yes
Shane Hemesath	City of Show Low	Yes

IV. 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 meeting at 11: 05 A.M.