

**Technical Subcommittee Meeting ♦ August 2, 2017**
  
 High Country Conference Center, 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		Jennifer O'Connor
Kyle Dabney	Town of Jerome	X		
Tim Dalegowski	Coconino County	X		
Andy Dickey	City of Sedona		X	
Art Durazo	Town of Clarkdale	X		
				GUEST NAME                      ENTITY
Dan Gabiou	ADOT MPD	X		Robert Winiecke                      City of Cottonwood
Shane Hemesath	City of Show Low	X		Warren Rivera                      ADOT
Michael Lomayaktewa	Hopi Tribe		X	Brandon Zarick                      ADOT
Ron Long	Town of Camp Verde		X	Caleb Lanting                      City of Holbrook
Gus Lundberg	Town of Taylor		X	Tim Stotler                      Yavapai County
Roland Maldonado	Kaibab Paiute Tribe		X	Arlando Teller                      Navajo Nation DOT
Roger McCormick	Yavapai County		X	Lisa Robertson                      City of Show Low
Matthew Patterson	Town of Pinetop-Lakeside		X	George Wallace                      Stanley Consultants
Paul Ramsey	City of St. Johns	X		Tricia Lewis                      ADOT LPA
Tim Rasmussen	Town of Springerville		X	Patrick Stone                      ADOT FMS
Bruce Ray	Town of Eagar		X	Samuel Rogers                      Town of Jerome
Morgan Scott	City of Cottonwood		X	
Randy Sullivan	City of Holbrook		X	
David Swietanski	Apache County	X		
Matthew Wood	City of Page		X	
Mark Woodson	City of Winslow/Town of Tusayan/City of Williams	X		
	Town of Fredonia			

**I. Introductions**

Chairman Shane Hemesath called the meeting to order at 10:05 A.M. Self-introductions were made. A quorum was present.

**II. Approval of June 2017 Minutes**

Vice Chairman Hemesath asked for any corrections to the June 7, 2017 meeting minutes. Hearing none, he asked for a motion to approve.

**Mark Woodson moved to approve the June 7, 2017 meeting minutes as presented, seconded by Paul Ramsey. Motion passed unanimously.**

**III. Call to the Audience**

There were no comments from the audience.

## **IV. Federal & State Updates**

### **A. Status of Legislative Activities**

Kevin Adam reported that the State Legislature is in the process of closing out FY17. Revenues came in slightly above FY16 levels, but not as high as the forecasted levels.

Although there were no new transportation revenue bills passed in FY17, several bills were introduced. Many of those proposals are expected to be introduced again this year. There is also the potential for new bills to come forward. The Governor is looking at legislation passed last year to see if he can come on board and be supportive to some of the measures that might be proposed. Support from the Governor would go a long way toward seeing something enacted. Governor Ducey has taken a “no new taxes” pledge. He is open to other possible options, such as user fees. While unlikely that these types of mechanisms would materialize to significant revenues, there is at least the potential to satisfy DPS operations and mitigate the need for the HURF diversions.

Kevin continued on to discuss federal legislation. It appears that there is adequate money in the Highway Trust Fund to fully fund the core highway and transit programs for the duration of the FAST Act. The insolvency issue could come up again in the 3<sup>rd</sup> or 4<sup>th</sup> year, unless new revenues are infused.

There are a few programs funded outside of the HTF, which require annual general appropriations, including TIGER. The President has recommended elimination of TIGER, and so has the House of Representatives. At this time, the Senate recommends continuing funding.

The Administration’s \$1 trillion infrastructure plan continues to be delayed. It is currently 3<sup>rd</sup> on the agenda for priorities after health care and tax reform. Few details have been released. We do know that they plan to invest \$200 billion in direct federal funding to leverage local and private investments of \$800 billion, with funding going to states that prioritize increased infrastructure investment. This could be troublesome for Arizona, where increased investment is not a legislative priority.

Over the last few years, HTF expenditures have been higher than the revenues that feed it, resulting in one-time funding infusions. When the fund gets depleted to the point of relying on gas tax revenues, they plan to lower expenditures to meet revenues, rather than make one-time funding appropriations. Kevin urged the committee members to advocate with the Arizona delegation for the protection of existing funding/programs. Funding of the core programs is a bigger priority than new programs and better loan terms.

Kevin answered questions from the Technical Subcommittee members.

### **B. Status of ADOT 5-yr Construction Plan**

Dan Gabiou reported that the 5-yr Program was approved by the State Transportation Board in June. The current plan has few expansion projects scheduled, and only a couple of those impact the NACOG region, mainly I-17. Unless there is a change to transportation funding, there will be fewer overall expansion projects moving forward.

### **C. Status of Arizona Long Range Transportation Plan (LRTP)**

The tentative 6-10 year program still includes some expansion projects. There is currently \$80 million scheduled for FY23, and \$55 million scheduled each for FYs 24-25. Amounts continue to decrease in the later years of the plan.

Amounts presented today are tentative, as ADOT only plans out for 5 years.

ADOT staff has recommended to Director Halikowski that in the future, there will not be an expansion budget for rural Arizona. Those funds would be shifted for preservation programming. Discussions will begin between ADOT staff and the State Transportation Board in the coming months.

Dan answered questions from the TSC members.

**D. Presentation of 2017 PARA Grant Program Awards**

ADOT has announced the 2017 PARA grant program awards.

This year's recipients include the City of Show Low and the Town of Pinetop-Lakeside, who will receive funding for a study to update the sub-regional plan. The plan includes Snowflake, Taylor and Springerville. This grant will include an economic vitality component. Dan Gabiou will be the ADOT project manager for this study.

**E. Update on HURF Exchange Program**

Patrick Stone reported that ADOT is close to completing the policy, forms and IGA for the reinstated HURF exchange program. The Local Public Agencies section will distribute roll-out communications to all local partners in the near future.

The reinstated program will be very similar to the original HURF program. In order to be eligible for HURF funding, a project must be federally eligible, and an eligible use of state highway funds. Transit projects will not be eligible.

The programming process will work similarly to the federal-aid process. The COG will keep projects on the TIP and indicate which projects will be HURF. Sponsors will initiate projects with a letter of intent to the LPA section. ADOT Project Managers will be assigned, and an IGA will be issued. Sponsors can hire their own design consultants, but will check in with NACOG and ADOT to make sure that the project is moving along the timeline as expected. ADOT will close out the projects when completed.

Patrick answered questions from the Technical Subcommittee members.

**V. Transportation Investment Plan (TIP)**

**A. Report: June Work Study Session Regarding Cost Overages & Regional Funds**

Chairman Hemesath reported on the June work study session. The topic of discussion was how to handle bid overages. The hope is that with the HURF exchange and self-administration, many of the overages will be mitigated.

Dan Gabiou added that if a HURF project goes over, NACOG will be unable to step in and provide federal funds to cover the overage, and that would federalize the project. Any overages will fall back to the local governments. Pre-project scoping will be a useful tool in helping to eliminate bid overages.

Currently each sub-region has a rotation schedule for project funding. There was discussion on different ways to divide NACOG's allocated funds to better meet local government needs. Another

work study session will be held in conjunction with the October meeting to further discuss and refine these ideas. Staff asked the committee members to meet offline with the other representatives from their sub-region and report back to the group in October.

**B. Discussion of Regional Priority Infrastructure Projects for US Congressman O'Halleran**

Jason James referred to the memo included with the agenda packet. Congressman Tom O'Halleran has requested a list of infrastructure priorities for the region. NACOG staff will meet with Mr. O'Halleran's staff tomorrow, and will get more information on the kind of information that the Congressman is looking for.

Jason asked the committee members to provide a list of projects that are important in their local communities. Staff will work with the committee members on a sub-regional basis to filter and prioritize the list.

**C. Review TIP Project Development Schedules and Fund Balances**

Due to time constraints, there was no discussion of project updates.

Jason Kelly presented a slide showing the fund balance management sheet from the TIP. This graph represents total obligational authority, not different colors of money. He noted that FY19 is currently over-programmed by \$900,000 but other years including FY18, FY20, FY21, FY22 and FY23 are under-programmed. Staff recommends accelerating or deferring FY19 projects to account for the funding under/overages, thus making the TIP fiscally constrained.

Jason added that the TIP will require proactive measures to ensure that the funding is fully obligated.

**D. Review and Possible Action to Approve FY17-23 TIP Amendment 5**

NACOG is requesting a budget increase for the Phase 3 sign upgrade project, to cover the ADOT PMDR fee. This is the HSIP project that includes the Navajo Nation and Hopi Tribe. There is enough HSIP money to cover this increase valued at \$25,000.

***Mark Woodson moved to approve FY17-23 TIP Amendment 5 as presented, seconded by Paul Ramsey. Motion passed unanimously.***

**E. Review and Possible Action to Approve FY18-23 TIP Amendment 1**

FY18-23 TIP amendment #1 includes administrative adjustments to account for incorrect calculations in the HURF Exchange program. Amendment 1 also includes SPR funding (for NACOG operating costs), public transportation program investments, and HURF Exchanges for Cities of Sedona, Williams and Winslow.

***Mark Woodson moved to approve FY18-23 TIP Amendment 1 as presented, seconded by Dan Gabiou. Motion passed unanimously.***

**VI. Highway Safety Improvement Program (HSIP)**

**A. Status of Regional Strategic Safety Plan (RSTSP)**

Jason James reported that a stakeholder meeting will take place after lunch today.

**B. 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: The bid opening will be held on August 11. So far, there are 4 potential bidders. The final award will be announced at the September 14 board meeting.

**C. Status of Phase 3 Sign Panel Replacement Project**

Phase 3 of the Sign Panel Replacement involves the Navajo Nation and the Hopi Tribe: A project budget increase has been requested by TIP amendment. Once approved by the Regional Council, the revised IGA will be circulated for execution.

**D. Status of ADOT FY19-20 Call for HSIP Projects**

The deadline for the FY19-20 call for projects has been extended to the end of August. One of the tools that will be discussed at today's stakeholder meeting is an online application that shows where all the fatal/incapacitating injuries have occurred in the region over the last 5 years. Staff will provide access to that information after today's meeting.

**VII. Public Transportation Program (PTP)**

**A. Status of FTA Section 5310 Enhanced Mobility for Seniors & Individuals with Disabilities Grant Program**

This is the program funding that was just added to the TIP in amendment 1. In the NACOG region, 95% of the requested funding for this year was successfully awarded. This is the largest Section 5310 award that the NACOG region has received. There are some new grant recipients in the tribal areas of the region.

**B. Status of FTA Section 5311 – Public Transit Grant Program**

There was \$2.5M awarded in northern Arizona during the current round of the Section 5311 program.

**C. Status of FTA Section 5304 – Regional Passenger Transportation Plan (RPTP)**

Jennifer O'Connor reported that the NACOG region hasn't updated its regional transit plan in over 20 years. NACOG has received Section 5304 grant funding, and staff is preparing to release an RFP to get a consultant on board to help draft a comprehensive transit plan for the region. Rather than plan for/change existing services, the purpose of this plan is to increase our understanding of the services being provided and facilitate connections between transit services in the region to better serve our communities.

**VIII. Discussion and Possible Action to Develop Task Force for Reviewing and Recommending Changes to Technical Subcommittee Bylaws**

Over the last couple of years, the Technical Subcommittee has worked with staff to modernize NACOG's transportation planning procedures and the Transportation Investment Plan (TIP). Continuing in that trend of modernization, staff recommends assembling a task force to focus on the TSC bylaws which were last updated in 2005. The time commitment for this project is two conference calls between now and November. The purpose will be to develop a recommendation for new bylaws for consideration in December. Arlando Teller, Robert Winiecke, Tim Dalegowski and Lisa Robertson volunteered to participate on the committee.

**IX. Miscellaneous Reports from Partners**

Arlando Teller announced that the Navajo Nation and FHWA would host a Federal Highway Travel/Transportation Workshop August 22-25. There will be 22 tribes and partners attending. Anyone interested in attending should contact Arlando for save the date information and an agenda.

Jason Kelly presented a rough outline of the Rural Transportation Summit agenda scheduled for October 18-20 in Prescott. Early bird registration ends on 9/15.

**X. Important Meeting Dates, Deadlines**

Jason Kelly announced the following dates and deadlines:

- A. **August 2: Strategic Transportation Safety Plan Stakeholder Workshop (Flagstaff)**
- B. **August 4: COG/MPO Planners Meeting (Phoenix)**
- C. **August 28: Tentative RFP Release Date Regional Passenger Transportation Plan (RPTP)**
- D. **August 29: NACOG Staff Strategic Planning Retreat (Flagstaff)**
- E. **September 7: NACOG Regional Council Meeting (Snowflake)**
- F. **September Date TBD: Second Strategic Transportation Safety Plan Stakeholder Workshop (Show Low)**
- G. **September 30: Tentative RFP Due Date for Regional Passenger Transportation Plan (RPTP)**
- H. **October 1: FY18 Federal Fiscal Year and HURF Exchange Program Begins**
- I. **October 4: NACOG Technical Subcommittee Meeting (Navajo County TBD)**
- J. **October 18-20: Rural Transportation Summit (Prescott)**
- K. **October 26: NACOG Regional Council (Flagstaff)**
- L. **October 29-November 1: National Rural Transportation Assistance Program (RTAP) Conference (Omaha)**

**XI. Adjourn**

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

***Chairman Shane Hemesath adjourned the August 2, 2017 meeting of the NACOG Technical Subcommittee at 11:40 A.M.***