

Transportation Improvement Program (TIP) Subcommittee

Minutes of October 20, 2009, Meeting

Committee Members Present:

Artemio Hoyos, Pascua Yaqui Tribe, Chair
Ryan Benavides, Town of Marana, Vice Chair
Tom Amparano, University of Arizona
Michael Bends (for Fred Stevens), San Xavier
District of the Tohono O'odham Nation
Sal Caccavale, Pima County DOT
Ron Casper, ADOT-Tucson District
Andy McGovern, City of Tucson DOT
Jose Rodriguez, Town of Oro Valley

Jurisdiction Representatives:

Todd Emery, ADOT-Tucson District
John Merritt, ADOT-Governor's Office-Phx
Orville Saling, Town of Marana

Staff:

Jim DeGrood
Don Freeman
Andy Gunning
Pat Kendall
John Liosatos

1. Call to Order and Introductions

The meeting was convened at 9:39 a.m. in PAG's main 5th floor conference room by Mr. Hoyos, chair, and introductions were made.

2. In-Kind Form

The in-kind form was updated as necessary.

3. Approval of Minutes of Previous Meeting – August 18, 2009

Motion was made by Mr. Saling to approve the minutes of the August 18, 2009, meeting, seconded by Mr. Rodriguez, and unanimously approved.

4. Review and Approve Agenda

Motion was made by Mr. Caccavale to approve the agenda, as presented, seconded by Mr. McGovern, and unanimously approved.

5. TIP Amendments as Needed

Mr. Liosatos reviewed Amendment #3 to the FY 2010-2014 TIP which includes:

- Item A – The Town of Oro Valley's request to increase funding on its Hardy Road: Northern Ave/Calle Buena Vista to Oracle and Magee Road: Oracle to First Ave. projects by decreasing excess funding from its La Cholla Blvd.: Town limits to Tangerine (Interim improvement) project.
- Item B – City of Tucson's request to increase and advance funding on its Cushing Street bridge project by reducing and delaying funding on its RR & R FY10 project and dropping three projects: RR & R FY09, FY11 and FY12.

Amendment #3 to the FY 2010-2014 Transportation Improvement Program (TIP)
 (*All numbers are in thousands)

Project/TIP ID Number	Sponsor/ reason for the amendment	Funding before amend.*	Funding after amend.*	Total change*
Item A				
Hardy Rd: Northern Ave/Calle Buena Vista to Oracle (TIP ID #111.00)	Increases funding on the Town of Oro Valley's project to realign intersection and add bike lanes	846	1046	+ 200
La Cholla Blvd: Town limits to Tangerine (Interim improvements) TIP ID #115.08	Decreases funding on the Town of Oro Valley's interim improvement project , including paved shoulder, etc.	2230	1530	- 700
Magee Rd: Oracle to First Ave (TIP ID #3.04)	Increases funding on the Town of Oro Valley's project to reconstruct w/5' shoulders, left turn lanes and multi, etc.	1023	1523	+ 500
Item B				
Cushing Street Bridge (TIP ID #51.09)	Increases and advances funding on the City of Tucson's new bridge project over the Santa Cruz	3000	12957	+ 9957
RR & R – FY09 (TIP ID #44.03)	Drops City of Tucson pavement rehabilitation project on arterial and collector streets	4559	0	- 4559
RR & R – FY10 (TIP ID #26.05)	Reduces and delays funding on the City of Tucson's resurfacing of existing streets project until 2014	5285	4233	- 1052
RR & R – FY11 (TIP ID #28.06)	Drops City of Tucson's resurfacing of existing arterial and collector streets	5000	0	- 5000
RR & R – FY12 (TIP ID#43.07)	Drops City of Tucson's resurfacing and rehabilitation project to be defined	6000	0	- 6000

Mr. McGovern added that the Cushing Street Bridge construction project includes roadway elements from the I-10 west frontage road to the Santa Cruz River and a short stretch of road on the west side of the river. The bridge will be open not only to the modern streetcar, but to 2-lanes of vehicular traffic, bikes and pedestrians.

The proposed changes will not have a significant effect on the air quality conformity findings or fiscal constraint analysis of the TIP.

Motion was made by Mr. Amparano to recommend approval of Amendment #3 to the FY 2010-2014 TIP, as presented, seconded by Mr. Caccavale, and unanimously approved.

6. 2011-2015 TIP

Mr. Liosatos reported that cash flow discussions seem to have reached an impasse in moving monies around, staff sent two e-mails to ADOT: one requesting release of over programmed funds on the Twin Peaks interchange project and another relating to restoration of the HELP loan

program. Release of excess Twin Peaks funding will help in solving the STP situation. If the HELP loan program comes back, \$25 million may be available statewide, approximately \$4 million for the PAG region. Don Freeman has confirmed the cash flow concerns.

Mr. Liosatos discussed a memorandum on Management Committee direction received on development of the 2011-2015 TIP which had been e-mailed to TIP Subcommittee members on Oct. 16. Management Committee asked the TIP Subcommittee to continue to tackle voluntary moves of bid savings as more actual bid data is received, or develop process/policies to vote on the moves necessary to reach fiscal constraint.

Mr. Gunning indicated that Management Committee was interested in projects that are ready to go out to bid within the next year and updated cost estimates for those projects. The TIP Subcommittee is tasked to work through the cash flow and cost savings coming in on other projects.

Mr. Liosatos reminded members that on Tues., Nov. 17, regularly scheduled TIP meetings will be followed by an all-day 2011-2015 TIP development work session, if members feel that all the needed project information will be available by then. All RTA projects that have gone through RTA working groups will be reviewed as well as PDAF submittals and the 2.6% fund balance. A lunch break may take the place of a working lunch this year, if the meeting extends into the afternoon.

Members estimated that a reasonable length of time between bid opening and when bid savings are known is one month. Mr. Caccavale noted that Pima County has given its consultant two weeks to review its cash flow. Also, the bid has just been opened on La Cholla and came in between \$9 million and \$13 million.

Mr. DeGrood reported that in comparing 2005 cost estimates on projects that have recently gone out to bid, a nearly 20 percent bid savings can be realized.

In regard to the Nov. 17 TIP meeting, Mr. McGovern mentioned that direction to the TIP Subcommittee may come from the RTA TMC meeting on Nov. 5. Mr. Liosatos added that Pima County has three RTA projects that have to go during the RTA's first implementation period, with any bid savings moving to another of those projects.

Mr. Caccavale noted that the County's large projects are all RTA projects. There are unfunded amounts on other projects and a \$2 million shortfall on their I-19 project. Being realistic about where the dollars are is critical as well as whether the construction date can be met and whether you'll spend at the rate estimated.

Mr. Liosatos mentioned that Management Committee asked jurisdictions to again review their estimates and enter information into three additional spreadsheet columns: bid date, updated engineering estimates and possible savings based on bid history. Spreadsheets including this additional information should be e-mailed to him by Wed., Oct. 21, to be updated and returned to members by Fri., Oct. 23.

The project construction database spreadsheets, located on PAG's Web site, have been maintained by Don Freeman though updates haven't been regularly received from the jurisdictions. Members were asked to submit data including project name, bid item, unit cost and quantity, enabling Mr. Freeman to update the spreadsheets and transmit them for jurisdictional review.

Mr. Gunning reported that PAG has a major shortage of non-federal money that goes into the PAG side of the budget that mostly comes from local share (in-kind) and some from the RTA. PAG has experienced a negative cash flow some months in meeting operating costs, match requirements and other program requirements.

One item discussed internally is to set aside a portion of regional HURF money (approximately \$100,000 per year of 12.6% funds) from the TIP to go to PAG operations to supplement the local match; staff would like to propose swapping those funds for a like amount of STP money which amounts to nearly \$1.7 million match in federal funds for PAG's work program. Currently, PAG's budget and overall work program is being reviewed as to how much can be swapped back. Reserve balance of non-federal funds has nearly been depleted by unexpected additional costs such as needed in developing the RTA plan. PAG doesn't want to go back to the jurisdictions for more local share due to their shortfalls. This discussion has not occurred with Management Committee, but will be a part of the development of PAG's next fiscal year's budget and work program.

Mr. Gunning added that PAG has just formed a 501(c) entity to pursue grants and other foundation funds to help fund needed local programs and has eliminated four positions this year to cut back.

Nearly \$2.5 million of STP funds (75 percent of PAG's budget) each fiscal year goes to PAG's transportation planning, travel demand management and other programs.

Members agreed that a presentation on all of the PAG programs would be beneficial to the TIP Subcommittee. Mr. Liosatos indicated that the only TIP funds that go into PAG's OWP are monies to cover PAG programs approved annually by the Management Committee. Mr. Gunning added that the OWP goes on to ADOT, FHWA and FTA for further review.

When asked about PDAF, Mr. Liosatos mentioned that it should have been included as a funding source in the call for projects.

Mr. Liosatos reviewed tasks to be completed prior to the Nov. 17 meeting which include providing updated project construction data for the online spreadsheets and updating project bid information directed by Management Committee. If there may be reason to meet prior to Nov. 17, a meeting can be arranged. Otherwise, members will work through the 2.6% funds, the RTA funds and have a more in-depth discussion on cash flow issues at the November meeting.

Mr. Caccavale noted that, with updated information, members could review what changes could be made by realistically adjusting dollars and schedules at the November meeting.

Mr. Freeman suggested that members might find it helpful to try and zero in on the month jurisdictions anticipate needing the money, rather than the year. If it's needed in May, the fiscal year is only a few months away, but if needed in October, that would be a bigger jump to the next fiscal year.

Mr. Caccavale agreed saying it would really help if jurisdictions look at when they need the money and the project schedule. By the end of year five the TIP is almost squared up; it's just a matter of making adjustments within the five-year plan. Mr. Liosatos reminded members that the TIP's fourth year must be constrained per federal regulation.

7. TIP Policy Discussion

Mr. Liosatos reported on the TIP policy discussion that occurred at Management Committee's Oct. 14 meeting:

- Short-term fiscal constraint – empowered the TIP Subcommittee to put any needed policies in place to facilitate a fiscally constrained 2011-2015 TIP.
- Long-term (MOPs/POPs) - policies are needed after the programming of funds, to cover draw downs and consistent uses of the funds through PAG staff working closely with the TIP Subcommittee and DOT directors, while the RTA TMC reviews existing MOPs/POPs to identify how those policies might apply to other regional fund sources.

Mr. DeGrood mentioned that from the top level we're looking for an over-arching direction, working through the process and coming up with the mechanics is for the practitioners to define.

Mr. Liosatos asked TIP Subcommittee members to submit e-mailed recommendations of any policies they would like to see put in place to facilitate further discussion of extra things that can be done to stretch our dollars.

Chairman Hoyos added that the Management Committee discussion memo that Mr. Liosatos had sent is a very good, clear discussion summary and encouraged members to read it.

8. Other Business

The next regularly scheduled meeting will be on November 17, 2009, unless directed otherwise by members.

9. Adjournment

All agenda items were covered and the meeting adjourned at 10:40 a.m.