

MEMBER NAME	ENTITY	PRESENT	ABSENT	STAFF NAME
Ferrin Crosby	Apache County	X		Chris Fetzer
Michael Lomayaktewa	Hopi Tribe		X	Jennifer O'Connor
Bill Regner	Town of Clarkdale	X		Mandia Gonzales
Matt Ryan	Coconino County	X		Cindy Binkley
Jerry Smith	Town of Pinetop-Lakeside	X		
Alton Shepherd	Apache County	X		
				GUEST/ALTERNATE NAME ENTITY
				Kevin Adam RTAC
				Brady Harris Town of Tusayan
				Bill Diak City of Page
				Darren Coldwell City of Page
				Fern Benally Navajo County

I. Call to Order and Introductions

Vice-Chairman Matt Ryan called the meeting to order at 1:05 P.M. Self-introductions were made. A quorum was present.

II. Approval of Minutes – January 13, 2021

Vice-Chairman Ryan asked for any corrections to the January meeting minutes. Hearing none, he asked for a motion to approve.

Bill Regner moved to approve the January 13, 2021 meeting minutes as presented, seconded by Jerry Smith. Motion passed unanimously.

III. Legislative Update

Kevin Adam provided a legislative update.

Federal Update

There is much transition occurring at the federal level. The Biden Administration is getting its transportation team into place. Pete Buttigieg has been sworn in as the Transportation Secretary.

Reauthorization of the FAST Act is scheduled for this year. The House of Representatives has a proposal ready, and the Administration is expected to weigh in on its contents. Due to the partisan majority change in the upper chamber, the Senate is expected to start working on its proposal in late spring.

The last round of COVID relief funding provided \$9.8 billion to state DOTs for revenues that were lost at the state level. Arizona's portion of this allocation is \$182 million. ADOT is developing a plan for use of these funds. This money will likely be incorporated into the 5-year construction program.

Another round of relief funding is working its way toward consideration.

State Update

The State of Arizona has forecasted a \$2 billion budget surplus at end of the fiscal year. \$1.6 billion of that amount will likely be considered one-time funding, and will be earmarked for specific projects. There are currently 29 bills working through the legislative process, totaling \$284 million. The legislature is expected to make some funding available for infrastructure projects. The Rural Transportation Advocacy Council is lobbying for this funding to go through the HURF process, so it might be distributed through established channels and used in the best way possible. However, earmarking is preferred by lawmakers, as it provides them with a tangible deliverable.

At the beginning of the legislative session, it was anticipated that HURF diversions would resume, due to the repeal of the VLT fee. The current budget surplus has made it easier for the State General Fund to take on this expense. The Governor's budget proposes using the General Fund to pay for highway patrol. However, when there is an economic downfall, and there are deficit concerns, the HURF raids may potentially resume.

SB 1650 has been introduced by Senator Livingston. This legislation would increase the state fuel tax by 1 cent each year from 2022-2045, with indexing for inflation. The measure also includes a fee for alternative fuel vehicles to compensate for them not using gasoline.

Representative Carroll has developed legislation for consideration by the State House of Representatives, which includes annual inflation adjustment and alternative fuel vehicle fees. HBs 2436 and 2437 are scheduled to be heard in House Transportation Committee today.

Project Priority List

Chris Fetzer reported that the northern Arizona region does not currently have a prioritized list of projects to ask legislators to endorse during this legislative session. The statewide COG and rural MPO directors have engaged in discussion about being in the position for the next legislative session to have a prioritized list that could be targeted for state surplus funding to be appropriated for specific projects. It will be important to be mindful in developing these priorities, to have projects that are applicable to any different funding opportunities that may come up. Additionally, it is necessary to be thoughtful and strategic about doing this exercise once, because it would be a significant staff undertaking to coordinate with all the member jurisdictions at a sub-regional level.

At the COG/MPO level, the discussion has focused on selecting criteria that would be used to define which projects are on the list. Directors have been working with Kevin Adam to convene a statewide conversation about where consensus can be reached.

Earmarking hasn't been the practice for a long time. Normally, most of the work to allocate resources for transportation investment goes through a rigorous process, either through the state

or the regions. It's even more unusual to see the state legislature stepping into that arena. The NACOG region is not in a position to produce a vetted list of priorities at this point in time, but will be prepared for next year. It is advisable to get the project list developed early, and engage our legislators well before the beginning of the legislative session.

If the legislature is going to earmark money for transportation investment, it would be preferred for funds to be allocated through existing distribution formulas and methods. It doesn't validate the regional and statewide planning processes to go to the effort of using criteria to rate projects based on need/merit, only to have that work circumvented by legislators picking and choosing projects they'd like to see within their respective districts. It calls into question the integrity of those processes if earmarking becomes the norm. While earmarking is not optimal, it is imperative that NACOG is prepared to represent the region well in the future if that is the circumstance.

Approve Resolution for Regional Council Consideration

Customarily each year, the Transportation Policy Advisory Committee has presented a resolution for Regional Council adoption, to support transportation investment. This year's resolution is mirrored after a similar RTAC resolution, and includes four components:

1. Adjust HURF for inflation
2. Implementation of an alternative fuel fee
3. Increase primary funding sources, and
4. generate additional revenue.

Staff asked for feedback about including language in the resolution discouraging a return to the HURF diversions, even though that appears to be an unlikely occurrence this year.

The TPAC members agreed to include that language in the final resolution, as it is vital to keep pressure on legislators to set the precedent to use the State General Fund for DPS.

Bill Regner moved to approve the resolution for Regional Council consideration, seconded by Ferrin Crosby. Motion passed unanimously.

This resolution will be presented to the Regional Council for adoption at their 2/25 meeting.

IV. Transportation Planning Program Report

Roadway/Infrastructure

The NACOG region receives \$1.9 million annually for projects in the Transportation Investment Plan (TIP). A population formula and rotation process is used to apportion this funding to local communities. Staff is currently working with the Technical Subcommittee (TSC) to add new projects to the NACOG TIP for FYs2022-2026. The full list of TIP projects was included in the meeting packet. Mandia Gonzales presented a timeline for the TIP planning process. Draft projects have been

received from communities, and the public comment period begins in March. The TSC will make final edits to the list in June, before recommending the updated TIP for Regional Council approval.

Phase 1 of the regional traffic count project will begin next week. The purpose of this program is to collect traffic data to support local grant applications. Data collection methods will follow FHWA guidelines. There are 368 count locations included in Phase 1. There may potentially be some flexibility to add locations to future phases. Staff will work with the TSC to update the list of count locations on an annual basis.

Mobility and Transit

The Yavapai Passenger Transportation Study (YPTS) has laid out a comprehensive vision for passenger transportation in Yavapai County. The plan strives to develop strategies to strengthen passenger transportation services and increase coordination among existing providers. The final recommendations report has been received from the project consultant. The recommendations are presented in three sections: 1) governance and funding recommendations, 2) service recommendations, and 3) coordination strategies.

The YTPS will help guide funding for the Section 5310 grant program. The YTPS will be reviewed annually and updated to monitor progress and effectiveness in meeting the priorities through the identified goals, objectives, and outcomes. Proposed 5310 grant projects in Yavapai County that address priority areas will be submitted to ADOT with a recommendation for funding based on adherence to the YTPS.

The Section 5310 grant cycle opened last week. A training webinar will take place today, and second one will occur on 2/25. Applications are due on March 18 at 4PM.

V. Next Meeting: March 10, 2021 – 1:00 PM

Committee members that do not currently receive Kevin's RTAC email updates should contact Cindy Binkley to be added to the distribution list.

The next TPAC meeting is tentatively scheduled for 1PM on Wednesday, 3/10. Staff will send an outlook invitation to determine if there will be a quorum.

VI. Adjourn

Vice-Chairman Ryan asked for any final questions or comments. Hearing none, he adjourned the meeting.

Vice-Chairman Matt Ryan adjourned the February 10, 2021 meeting of the NACOG Transportation Policy Advisory Committee at 2:10 P.M.