



CITY COUNCIL

CITY COUNCIL CHAMBERS * 11465 WEST CIVIC CENTER DRIVE * AVONDALE, AZ 85323

AGENDA

**SPECIAL JOINT MEETING OF
April 4, 2006
7:00 P.M.**

A SPECIAL JOINT MEETING OF THE GOODYEAR, AVONDALE, BUCKEYE, AND LITCHFIELD PARK CITY COUNCILS WILL BE HELD ON TUESDAY, APRIL 4, 2006 AT 7:00 P.M. AT ESTRELLA MOUNTAIN COLLEGE COMMUNITY ROOM AT 3000 NORTH DYSART ROAD, AVONDALE, ARIZONA

CALL TO ORDER BY MAYOR ROGERS

1) **ROLL CALL BY THE CITY CLERK**

2) **UNSCHEDULED PUBLIC APPEARANCE**

(Limit three minutes per person. Please state your name.)

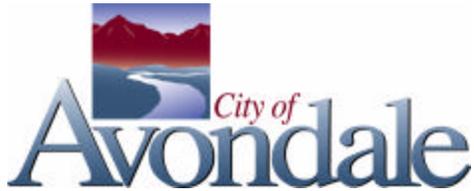
3) **RESOLUTION – SUPPORT OF I-10 ACCELERATION**

The Council will consider a resolution committing local funds to accelerate the construction of Interstate 10 transportation improvements; authorizing the City of Goodyear to act as fiscal agent for other southwest valley cities and towns (Avondale, Buckeye, Litchfield Park); and providing for a sunset of the committed local funds. The Council will take appropriate action.

4) **ADJOURNMENT**

Respectfully submitted,
Linda M. Farris, CMC
City Clerk

Any individual with a qualified disability may request a reasonable accommodation by contacting the City Clerk at 623-478-3030 at least 48 hours prior to the council meeting.



CITY CLERK DEPARTMENT

SUBJECT: Resolution – I-10 Acceleration

MEETING DATE: April 4, 2006

TO: Mayor and City Council

FROM: Linda M. Farris, City Clerk, 623-478-3030

THRU: Charlie McClendon, City Manager

PURPOSE:

The purpose of this report is to request that Council adopt a resolution committing local funds to accelerate the construction of Interstate 10 transportation improvements; authorizing the City of Goodyear to act as fiscal agent for other southwest valley cities and towns (Avondale, Buckeye, Litchfield Park); and providing for a sunset of the committed local funds.

BACKGROUND/DISCUSSION:

Attached is the City of Goodyear Staff report setting forth the discussion and fiscal impact.

RECOMMENDATION:

City Staff recommends the Council adopt a resolution committing local funds to accelerate the construction of Interstate 10 transportation improvements; authorizing the City of Goodyear to act as fiscal agent for other southwest valley cities and towns (Avondale, Buckeye, Litchfield Park); and providing for a sunset of the committed local funds.

ATTACHMENT:

City of Goodyear City Council Action Form
Resolution

**CITY OF GOODYEAR
CITY COUNCIL ACTION FORM**

**SUBJECT: Adoption of resolution to support
the acceleration of I-10**

STAFF PRESENTER: Stephen Cleveland

RECOMMENDATION:

Council adopt Resolution 2006-_____ declaring policies for accelerating the widening of Interstate 10 and authorizing two Intergovernmental Agreements between the cities of Avondale, Goodyear and Litchfield Park and the Town of Buckeye for the repayment of interest obligations for the accelerated design and construction of Interstate-10 (**Attachment 1**). Both Agreements name the City of Goodyear as fiscal agent for this project, identify funding commitments of partner jurisdictions and authorize the City of Goodyear to enter into other related agreements on behalf of the partner cities (**Attachments 2 & 3**).

COMMUNITY BENEFITS:

The current congested, unsafe, and deteriorating situation that exists today on I-10 must be addressed. Expanding I-10 will decrease the number of accidents and fatalities, significantly lessen the congestion, improve movement of commerce, and improve air quality.

DISCUSSION:

Interstate 10 is the southernmost east-west, coast-to-coast interstate highway in the United States. It stretches from California State Route 1 in Santa Monica, California to Interstate 95 in Jacksonville, Florida. Of the 2,460 miles that exist in the country, 392 miles are within the state of Arizona. As a vital corridor for moving goods cross country, the highway serves a critical role in the economic vitality of the greater Phoenix area, the state, and the nation. Tremendous congestion and significant accident and fatality rates demand that action be taken to widen the highway. In Goodyear, the fatality rate on I-10 is 10 times that of the national average and one of the highest in the country (**Attachment 4**). In 2004, there were more fatalities on I-10 in the Phoenix metro area than on I-17, U.S. 60 and SR 51 combined (**Attachment 5**).

The leaders of the Southwest Valley communities have worked with the Arizona Department of Transportation (ADOT) to advance the widening of I-10 in the Regional Transportation Plan (RPT) from a construction start of 2011 – 2014 to a start date of 2007. The plans to accelerate include adding one HOV lane and one general purpose lane each direction from Loop 101 to Dysart Rd., and adding two general purpose lanes and one HOV lane each direction from Dysart Rd. to Sarival Lane. Further, the plan includes a realignment of I-10 between Sarival and Citrus. Additionally, it includes one new general purpose lane each direction from Cotton west to State Route 85.

Per Maricopa Association of Governments' (MAG) Acceleration Policy, a local jurisdiction may accelerate an RPT transportation project within the five year Transportation Improvement Plan (RTP) if the municipality will pay the annual interest costs associated with the project until the scheduled funding by Prop 400. No existing project may be negatively impact by this acceleration. The new 2007-2011 TIP is being drafted now.

The Federal Highway Administration rules require that local jurisdiction(s) make a commitment of local funds to pay the interest costs. This commitment must be made by early April to be eligible for 2007 implementation.

The project extends from Loop 101 in Avondale through Goodyear to SR85 in Buckeye. The total project cost is \$333 million. The estimated interest cost of the initiative is \$65.928 million. These figures represent the most current information (February 2006) available from ADOT. Highway Enhancement Loan Program (HELP) and Grant Anticipated Notes (GAN) have been identified to fund the construction costs. **Attachment 6** identifies the segments of the I-10 West Widening Project and their related annual cash flow requirements and the required interest payments. It provides four different segment options. The City Managers' group recommends that all four segments be accelerated. The cities are currently verifying with ADOT the possible scheduling of the Realignment (programmed for 2011-13) and the ability to use Prop 400 funding for the capital bonds and the interest payments. If Prop 400 funds are available, the total interest needed can be reduced for the jurisdictions.

To cover the interest costs, the City of Goodyear has worked closely with neighboring Southwest Valley cities (Avondale, Litchfield Park, and Buckeye) on financial mechanisms which includes local funds. The jurisdictions will continue asking for financial assistance from all levels of government – county, state, and federal, in addition to the local funds.

FISCAL IMPACT:

The agreement identifies Goodyear as the fiscal agent for this project. As fiscal agent the City of Goodyear will execute agreements on behalf of other jurisdictions with ADOT for the payment of interest funds for portions of the design and acceleration of this project. The City, as fiscal agent, will enter into agreements with other jurisdictions to share in the interest costs for this project. Additionally, the City of Goodyear on behalf of other jurisdictions will receive any and all funds from local, state, and federal sources and apply funds toward the total interest costs of this project. Additional funds from sources other than Avondale, Buckeye, Goodyear and Litchfield Park will reduce each party's interest payment obligation proportionately.

Different methods were examined to allocate the interest costs to the participating cities and towns. These included population, number of lane miles within each jurisdiction, and the number of lane miles by segment as identified by ADOT. The recommendation of the City Managers group is that each member's proportion be based upon lane miles by segment (**Attachment 7**). Litchfield Park does not have any lane miles. Therefore, it is suggested that the average annual payment will be 3% of the total interest cost, or \$109,000. Litchfield Park's contribution will reduce each community's share proportionately (**Attachment 8**).

The following is a summary of each community's proposed share of the project based on lane miles per segment:

Jurisdiction	Proposed share
Avondale	23%
Buckeye	31%
Goodyear	43%
Litchfield Park	3%

According to the Acceleration Policy, it is possible that each jurisdiction may only pay one-half of the annual interest costs when there are sufficient program funds to cover the balance of interest due. For example, if there are other transportation projects that are budgeted in the TIP but not ready to begin, those funds can be applied to cover up to 50% of the interest payments to accelerate other projects in the TIP that are ready to begin. Fifty percent of the total interest cost for the acceleration of I-10 is currently estimated at \$32.964 million.

ADOT will sell bonds as cash flow requires. The total annual interest costs will vary from \$1.5 million to a high of \$10 million between 2007 and 2024. Best case will be that the jurisdictions will only pay \$32 million (50 percent of the total) during this 17 year time period. As outside funding is obtained, it is hoped that it can be applied proportionately to reduce the annual assessments of each jurisdiction.

RESOLUTION NO. 2600-406

A RESOLUTION OF THE COUNCIL OF THE CITY OF AVONDALE, ARIZONA, COMMITTING LOCAL FUNDS TO ACCELERATE THE CONSTRUCTION OF INTERSTATE 10 TRANSPORTATION IMPROVEMENTS; AUTHORIZING THE CITY OF GOODYEAR TO ACT AS FISCAL AGENT FOR OTHER SOUTHWEST VALLEY CITIES AND TOWNS (AVONDALE, BUCKEYE, LITCHFIELD PARK); AND PROVIDING FOR A SUNSET OF THE COMMITTED LOCAL FUNDS.

WHEREAS, the safety of our residents and neighboring citizens, and all who travel through the I-10 corridor west of Phoenix, is being compromised due to the undersized condition of I-10, a major federal highway that carries a high volume of commuters, travelers and transcontinental commerce and impacts the Cities of Avondale, Buckeye, Goodyear and Litchfield Park and the Town of Buckeye; and

WHEREAS, the fatality rate on I-10 in Avondale and Goodyear is seven times the national average per mile on I-10; and

WHEREAS, the current regional freeway system does not and cannot support the existing and projected growth in the southwest valley; and

WHEREAS, the Cities of Avondale, Goodyear and Litchfield Park and the Town of Buckeye (the “Municipalities”) desire to mitigate the congestion and dangerous conditions along I-10 west between Loop 101 and SR-85 (the “Target Area”); and

WHEREAS, the current Maricopa Association of Governments (“MAG”) Regional Transportation Plan, as defined in ARIZ. REV. STAT. § 28-6351 (the “RTP”) has a timeline between 2011 and 2023 for completing improvements to I-10 in the Target Area. Specifically, the RTP calls for improvements to I-10 (i) from Dysart Road to Loop 303 to be designed in 2009 and constructed in 2011, (ii) from Loop 101 to Dysart Road to be designed in 2013 and constructed in 2014 and (iii) from Loop 303 to SR-85 to be designed in 2021 and constructed in 2023 (collectively, all three phases of improvements are referred to herein as the “Target Area Improvements”); and

WHEREAS, the scheduled delay of the Target Area Improvements is not in the best interest of our residents and the traveling public; and

WHEREAS, per MAG acceleration policy, local jurisdictions may cause a portion of the freeway improvements in the RTP to be completed earlier than scheduled by paying the interest costs associated with the financing necessary to complete design and construction of the project from the date such costs are incurred until the time at which the project would have been funded pursuant to the RTP (the “Acceleration Costs”); and

WHEREAS, in order to move the Target Area Improvements from their respective scheduled dates to the 2007-2011 MAG Transportation Improvement Plan (the “TIP”), the

Federal Highway Administration (“FHWA”) regulations require that local jurisdictions commit local funds; and

WHEREAS, in order to accelerate the Target Area Improvements, the Municipalities desire to partner in providing capital funds to meet the FHWA requirements; and

WHEREAS, if all of the Municipalities adopt a resolution containing the same obligations as set forth herein, the Municipalities will thereafter endeavor to enter into an intergovernmental agreement specifying the sources of revenue and the terms and conditions by which each participant will pay a portion of the Acceleration Costs for the Target Area Improvements; and

WHEREAS, the Municipalities intend that their respective commitments to fund the Acceleration Costs would cease when sufficient transportation excise taxes are available pursuant to ARIZ. REV. STAT. § 42-6104 to pay for the Target Area Improvements as presently scheduled in the RTP; and

WHEREAS, concurrently with this commitment to fund the Acceleration Costs, the Municipalities will diligently work together to pursue County, State and Federal funds to augment or offset the Acceleration Costs associated with the Target Area Improvements.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF AVONDALE as follows:

SECTION 1. That the acceleration of the construction of the Target Area Improvements is necessary for the public health, safety and welfare of our residents and the commuters; and

SECTION 2. That the City of Avondale will commit local funds, in amounts and according to the terms and conditions set forth in the anticipated intergovernmental agreement between the Municipalities, to pay a portion of the Acceleration Costs associated with moving the Target Area Improvements up to the 2007-2011 MAG TIP; and

SECTION 3. That the City of Avondale hereby requests that MAG and the Arizona Department of Transportation adopt the 2007-2011 TIP with the Target Area Improvements scheduled for 2007; and

SECTION 4. That the City of Goodyear is hereby approved to serve as fiscal agent for the Municipalities with respect to the project; and

SECTION 5. That the City Manager is hereby authorized and directed to work with the other Municipalities’ managers to prepare for consideration by their respective City Councils an intergovernmental agreement between the Municipalities establishing the sources of revenue and the terms and conditions by which each participant will pay a portion of the Acceleration Costs for the Target Area Improvements. The intergovernmental agreement shall provide that the Municipalities’ commitments to fund the Acceleration Costs will cease when sufficient transportation excise taxes are available pursuant to ARIZ. REV. STAT. § 42-6104 to pay for the Target Area Improvements as presently scheduled in the RTP; and

SECTION 6. That concurrently with this commitment to fund the Acceleration Costs, the City Manager is hereby authorized and directed to work together with the other Municipalities to pursue County, State and Federal funds to augment or offset the Acceleration Costs associated with the Target Area Improvements; and

SECTION 7. That the Mayor, the City Manager, the City Clerk and the City Attorney are hereby authorized and directed to take all steps and to execute all documents necessary to carry out the purpose and intent of this Resolution.

PASSED AND ADOPTED by the Council of the City of Avondale, April 4, 2006.

Marie Lopez-Rogers, Mayor

ATTEST:

Linda M. Farris, City Clerk

APPROVED AS TO FORM:

Andrew J. McGuire, City Attorney