

MINUTES
STATE TRANSPORTATION BOARD STUDY SESSION
9:00 a.m., Tuesday, October 29, 2013
Human Resource Development Center (HRDC)
Grand Canyon Room
1130 N. 22nd Ave.
Phoenix, Arizona 85009

Pledge

The pledge was recited by Chairman Victor Flores.

Roll Call

Roll call by Board Secretary Lila Trimmer

In Attendance: Victor Flores, Kelly Anderson, and Deanna Beaver

Telephonic: Bill Cuthbertson and Steve Christy

Absent: Hank Rogers and Joe La Rue

Call to Audience

None present

ITEM 1: Review of Arizona State Transportation Board Policies — Floyd Roehrich, Deputy Director for Policy

Floyd stated that the Board must review and make changes and updates to its 2011 Statewide Transportation Policy Statements every odd-numbered year, pursuant to A.R.S. 28-306. ADOT Staff brought forward the existing Board Policies with changes, updates, removals, and or inclusions to give the Board members for their review today. The Board discussed each policy for final editing and recommendation. ADOT Staff made recommendations to eliminate three policies, i.e., Numbers 19, 26, and 35. In addition, ADOT Staff recommended adding the seven Aviation Policies starting with Number 37 into the Statewide Transportation Board Policies. Additional modifications to the Transportation Board Policies can be made at any time provided they are listed on a Board meeting agenda. Transportation Policy Numbers 1 through 41 were then reviewed individually. The updated policies will be placed on next month's Transportation Board meeting agenda for final review, discussion, and adoption of the changes.

ITEM 2: Overview and update of the Transportation and Trade Corridor Alliance (TTCA) and the Key Commerce Corridor (KCC) Policies — Floyd Roehrich, Deputy Director for Policy

Floyd gave an update on the activities of the Transportation and Trade Corridor Alliance and an overview of ADOT's Key Commerce Corridors initiative. The Transportation and Trade Corridor Alliance (TTCA) was formed in 2012 when Governor Brewer issued a directive to ADOT, the Arizona-Mexico Commission, and the Arizona Commerce Authority. The Governor wanted these agencies to draw on the private sector's expertise to define a statewide vision that contributes to an economic development and jobs agenda by focusing on transportation, trade and related industries. The TTCA is an advisory group tasked to develop a roadmap report to guide smart investments in infrastructure and trade corridors, and to leverage transportation infrastructure for enhanced economic growth and trade.

ADOT Director John Halikowski co-chairs the Alliance with former Arizona Congressman Jim Kolbe, a recognized expert in trade issues. The vice chairs are Margie Emmermann, Executive Director of Arizona-Mexico Commission and also the Governor's Policy Advisor for Mexico, and Sandra Watson, President and CEO of Arizona Commerce Authority.



The TTCA is led by a Steering Committee that draws heavily from the private sector. The group brings together the public and private sector, state and local governments, planning organizations, transportation and logistics companies, and port authorities. State Transportation Board Chairman Flores sits on the TTCA Steering Committee. The TTCA is divided into working sub-committees focusing on the following topics: Mexico and Ports of Entry, Freight, Logistics & Supply Chain Development, Trade and Economic Development, and Education and Communication. The committees are working toward composing the TTCA Roadmap, a blueprint that will serve as the guiding document for the TTCA's future work plan. The Roadmap will give direction to the Alliance, to the state agencies, and to outside stakeholder groups on how to pave the way for future economic growth. It will provide specific ideas related to connecting Arizona's transportation infrastructure with regional and global trade corridors: Southern California, Texas, and Mexico and beyond, that can generate economic growth and job opportunities in Arizona.

In order to create the Roadmap, the TTCA has conducted research, engaged discussion groups, hosted public listening sessions, connected with their stakeholders and put their heads together to formulate recommendations about how to leverage transportation and trade infrastructure as a competitive economic asset. It will be organized with an introduction that sets purpose and need, followed by a chapter for each committee's subject matter and, most likely, a chapter specific to Key Commerce Corridors. Those chapters will ultimately lay the groundwork for Roadmap's conclusions, which will be a collection of recommendations for the state to enhance the job-creating economic power of Arizona's transportation and trade infrastructure. The Roadmap will not recommend specific projects, but rather generating ideas about the transportation system overall and playing a key role in shaping activities going forward for ADOT, the Arizona-Mexico Commission, and the Arizona Commerce Authority. The Roadmap will be presented to Governor Brewer for her review in the first quarter of 2014. Prior to that, the governor is expected to include some of the TTCA Roadmap recommendations in her State of the State Address in January.

Key Commerce Corridors Overview

Along with our efforts with the TTCA, ADOT is moving ahead to shape a new statewide vision that leverages the state's transportation system as a competitive economic asset. We are working with local governments, regional associations of governments and private sector industry leaders throughout the state to create alignment on a shared vision for our transportation infrastructure. This is of critical importance to our state and one reason the southwestern United States and northern Mexico shows the relative Gross Domestic Products of U.S. cities and the states of northwestern Mexico.

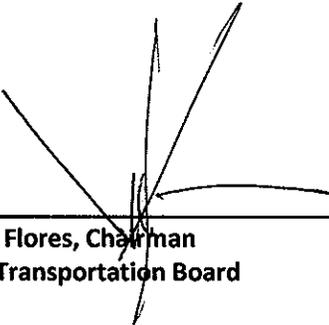
ADOT has analyzed Arizona's transportation system within the context of the national economy and Arizona's geographic location. Our state is uniquely positioned between two of the largest markets in the U.S. Southern California to the west and Texas to the east. Los Angeles, San Diego, Dallas and Houston combine to form a customer base of more than nearly 40 million people with more than a trillion dollars of buying power. In addition, the emerging market of northern Mexico has more than 10 million people who will be looking for things to buy in the years ahead. As the worldwide trend of "near-shoring" continues, Mexico's economy stands to gain many new basic production and assembly plants. As production and income levels increase in Mexico, residents will be looking north for more quality goods. ADOT is identifying certain transportation corridors that link our state to Southern California, central Texas, and Mexico.

We call these the Key Commerce Corridors. We have examined corridors to all points on the compass to identify inter-regional corridors that can help spur economic growth by providing the necessary transportation infrastructure to attract strong businesses and quality jobs to Arizona. We are building a transportation plan to maximize the opportunities for our economy and highlighting those investments in transportation corridors that offer the highest economic return. Specific details will be available as the Key Commerce Corridors program is rolled out in the next few weeks.

Our vision has a transportation system that creates job opportunities, supports business growth, and improves Arizona's quality of life. Transportation infrastructure is not the only consideration to make Arizona economically competitive. But smart infrastructure development is something that must happen in order for Arizona's economic vision to be realized. The Arizona Commerce Authority describes Arizona as the "Know How" state. We agree, and we know the state's transportation system is key infrastructure necessary to move our economy forward. ADOT believes our vision for the state's transportation system, employing Key Commerce Corridors and using guidance from the TTCA Roadmap, can help Arizona maximize its unique location and limitless opportunities.

A motion to adjourn was made by Deanna Beaver and seconded by Kelly Anderson. In a voice vote, motion to passed unanimously.

Meeting adjourned at 3:10 p.m. MST



Victor Flores, Chairman
State Transportation Board



Floyd Roehrich, Jr. Deputy Director for Policy
Arizona Department of Transportation