



Transportation Advisory Committee Minutes

Wednesday, February 27, 2013, 6:30 – 8:30 p.m.

Town Hall – Council Chambers

Committee Members:

Ryan Nichols, Chairman	Present
Chris Clark, Vice-Chairman	Present
Robin Benning, Vice-Mayor	Absent
David Bond	Present
Gregory Arrington	Absent
Steve Conklin	Present
Nichelle Williams	Absent
Richard Turman	Present
Alan Turley	Absent
Kenn Burnell (non-voting)	Absent

Public:

There were no members from the public in attendance.

Town Staff Members:

Troy White, Public Works Division Manager	Present
Wendy Kaserman, Assistant to the Town Manager	Present
Laura Moats, Development Services Assistant	Present

1. Call to Order:

Chairman Nichols called the meeting to order at 6:35 p.m.

2. Introductions:

Members and guests introduced themselves.

3. Public Comment: None.

4. Items for Discussion and possible action

Item A: Consideration and possible approval of January 10, 2013 minutes Chairman Nichols Motion by Steve Conklin, to approve the January 10, 2013 minutes, as presented, seconded by David Bond. Motion carried 5-0.

Item B: Presentation on Capital Improvement Program**Troy White**

Public Works Manager Troy White gave a presentation on existing and newly Council-approved Capital Improvement Program projects. On January 16, 2013, Council approved the expenditure of \$10 million for six new projects, including:

- Rittenhouse Road Improvements
 - 1.5 miles long
 - \$4.5 million estimated cost
 - 16-18 months to complete

- Library Access Road
 - 200 feet long
 - \$185,000 estimated cost
 - 3-5 months to complete

- Ellsworth Road from Ocotillo to Rittenhouse roads improvements
 - ½ mile long
 - \$2.8 million estimated cost
 - 8-10 months to complete

- Ocotillo Road from Heritage Loop to Ellsworth Loop Road alignment study/design/improvements
 - 1/3 mile long
 - \$4.5 million estimated cost
 - 18-24 months to complete

- Ocotillo and UPRR Crossing Improvements
 - ¼ mile long
 - \$1.5 million estimated cost
 - 18-24 months to complete

- Cloud/Rittenhouse roads traffic signal installation
 - Standard traffic signal design
 - \$250,000 estimated cost
 - 4-6 months to complete

Assistant to the Town Manager, Wendy Kaserman, provided background information on House Bill (HB)2657 regarding the Transaction Privilege Tax. This legislation is based upon recommendations from the Governor's Transaction Privilege Tax Simplification Task Force. Ms. Kaserman said that while the Town supports many of the task force recommendations and the legislation, the Town has serious concerns with the portion of HB2657 that proposes to change the way construction sales tax is calculated. Currently, this tax is charged where construction takes place. The bill proposes to change this to where construction materials are sold. Ms. Kaserman distributed a fact sheet which provides information about the recommendations the Town supports and why the Town is so concerned about the proposed changes to the construction sales tax. The Town has concerns about the validity of the assumptions used, as well whether the redistribution of funds from State-shared revenue would adequately cover the revenue the Town would potentially stand to lose if the change is made; therefore, the Town has requested a study be conducted on the construction sales tax

portion of the Bill and the proposed redistribution of funds. Ms. Kaserman urged TAC members to contact their legislators on this issue.

Chairman Nichols questioned if Queen Creek would see any revenue from goods purchased by builders out of the country and brought in for local construction. Ms. Kaserman stated if 500 permits per year are estimated for the next five years, that would be a loss of \$2.5 million or greater. Based on the proposed bill, the Town would receive just 10-15% back in State-shared revenue (based on population). Vice-Chairman Clark noted the utilities (Cox, SRP, Southwest Gas) are heavily supporting this bill, while the Chamber of Commerce and most municipalities agree that the construction sales tax component of this Bill should be removed from the TPT Reform.

Steve Conklin asked staff if the Town has considered annexing unincorporated areas to increase the population. Mr. White explained the costs of maintaining newly annexed areas (infrastructure, roads, etc.) is much greater than the benefit of adding to the population.

David Bond asked if there is a way to pass the TPT Reform without the construction sales tax portion in the bill. Ms. Kaserman replied there are two ways: 1) strikeout the construction sales tax portion of the bill; or 2) strikeout the construction sales tax portion and replace it with the desired study language.

Mr. Bond asked if the Town's Transportation CIP would be affected if the Bill passes with the construction sales tax reform as proposed. Mr. White responded in the affirmative, stating the Council could decide to delay some of the CIP projects.

Development Services Director Chris Anaradian joined the meeting at 7:06 p.m., and participated in the discussion regarding the construction sales tax. He briefly spoke about the advantages and disadvantages of privatization and the potential higher costs of outsourcing.

Public Works Manager White finished his presentation on the CIP projects by explaining the factors that determine which CIP projects get approved, noting the areas of highest growth in the Town weigh heavily on planning and implementing CIP projects.

Mr. White announced a Tour and Presentation of the Pozos de Sonoqui Archaeological site (in relation to the Riggs road from Ellsworth to Meridian roads project). This tour and presentation is scheduled to take place on March 20. Invitations will be sent to the Committee.

David Bond left the meeting at 8:00 p.m.

Item C. Opportunity to Serve on Maricopa Air Quality Committee Troy White

Public Works Manager Troy White informed the Committee of a funding opportunity in the amount of \$1 million from Maricopa County Air Quality, which has been made available through the Queen Creek Landfill settlement agreement. Applicants must be either a government or non-profit agency. A mandatory meeting was held on February 26, which was attended by several agencies. The Maricopa County Air Quality Department is seeking members to serve on the committee which will review all applications. Mr. White provided contact information for the person heading this committee

for members interested in serving on the committee.

Item D: Request for future agenda items

Vice-Chair Clark

The next meeting will be held on Thursday, April 11, 2013. There were no future agenda items discussed.

5. Announcements

6. Adjournment

The meeting adjourned at 8:21 p.m.

PREPARED BY:

Laura Moats, Development Services Assistant

PASSED AND APPROVED ON: May 9, 2013

Ryan Nichols, Transportation Advisory Committee Chairman