

February 26, 2008

The following is an update to the letters sent by the Cascabel Working Group in the matter of the proposed I-10 Bypass Expressway.

Update #1

The State Transportation Board held its monthly meeting on Friday, February 15, 2008 in Phoenix. This was preceded on Thursday by an all day retreat during which informal presentations of matters of interest to the Board were given along with an opportunity for the board to ask further questions of the presenters.

The subject of the proposed I-10 Bypass did not arise at either the Thursday session or the Friday session. This was presumably because the final report of the study done by the consulting firm URS has not been issued. It is anticipated, therefore, that this subject will be addressed at the March meeting of the State Transportation Board.

One of the major topics discussed on both Thursday and Friday was the decline in gas tax revenues due to increasing mileage efficiency in automobiles and the consequent need to seek other forms of funding if the existing transportation plan is to be carried out. Among the possibilities mentioned were toll roads (Public/Private Partnerships), special assessments for interchanges, pressure on the legislature to provide funds, and seeking additional revenue from the federal government. No consensus was reached nor any specific program put forth.

The Cascabel Working Group will continue to monitor the actions of the State Transportation Board and the Arizona Department of Transportation and advise you of any developments that might be of interest with respect to the I-10 Bypass Proposal.

Sincerely

The Cascabel Working Group