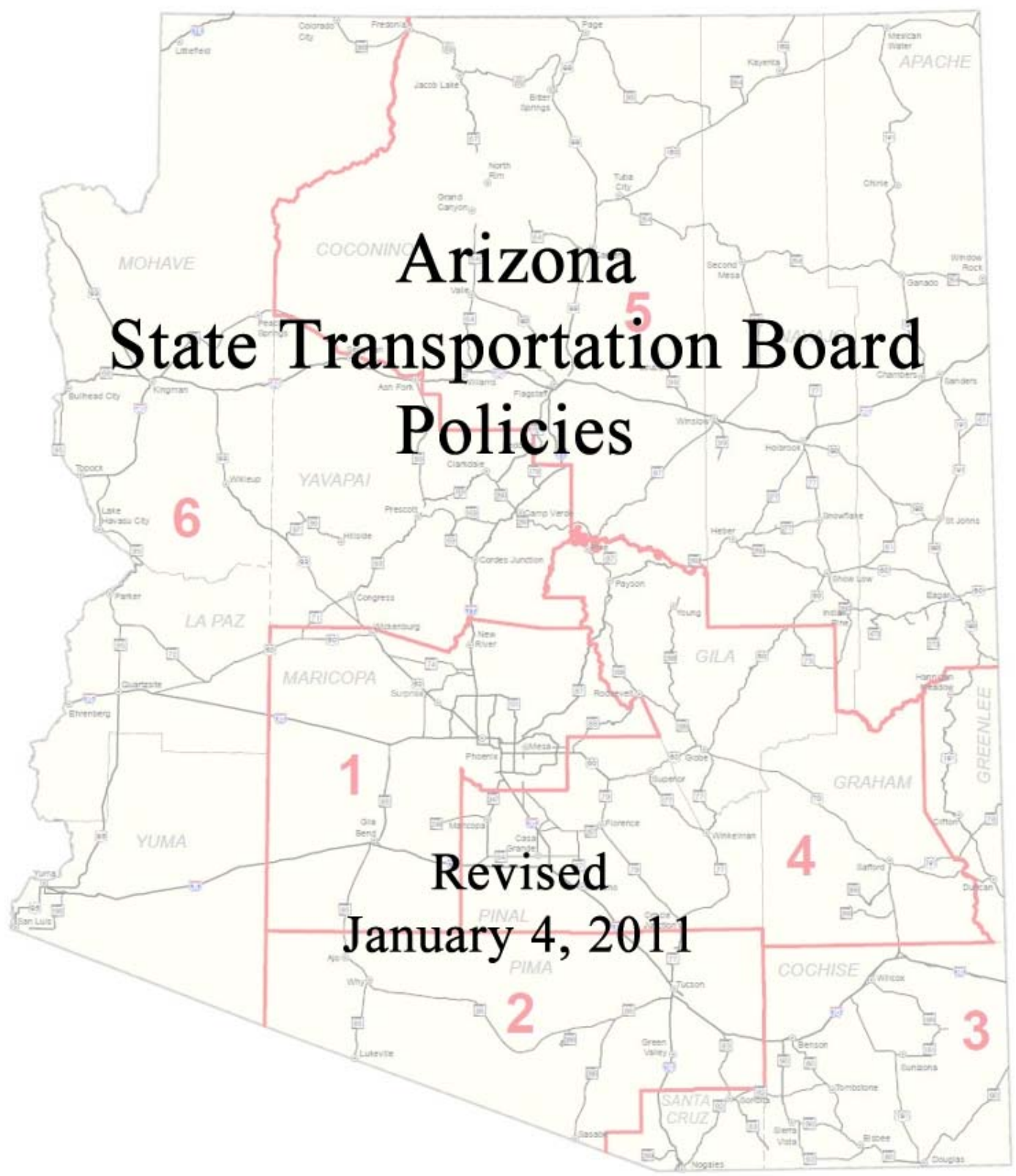


# Arizona State Transportation Board Policies

Revised  
January 4, 2011



## **BACKGROUND**

Arizona State law (ARS 28-304/305) outlines the responsibility of the State Transportation Board and identifies requirements for the effective administration of Board powers, duties and responsibilities. The Board has broad authority to plan and develop Arizona's highways, airports<sup>1</sup>, and other state transportation facilities. In addition to these general policy responsibilities the Board is responsible for development and oversight of the State's Five-Year Transportation Facilities Construction Program and for policy and rule making in the following areas:

- Priority Programs
- Establishing, altering or vacating highways
- Construction contracts
- Accelerated funding mechanisms, i.e. Revenue Bonds, HELP Loans, Board Obligation Fund, and GANS.
- Local government airport grants
- Designating or establishing scenic or historic highways

<sup>1</sup> Aviation Policies are available in a separate document from the Arizona Division of Aeronautics.

## VISION

The Arizona State Transportation Board envisions a multimodal state transportation system that is safe, efficient, and dependable. Each mode performing its appropriate role and all modes working together to provide the maximum mobility and connectivity for people, services, and goods with a high priority for the pursuit of advanced technology. Improvements to the mobility of passengers and goods will incorporate concerns for the environment and will be accomplished through coordination with government entities, consultation with stakeholders and the general public as well as consideration of community values.

## COMMITMENTS

The Transportation Board is committed to:

1. An integrated, balanced, safe, efficient, multimodal statewide transportation system that will serve the mobility needs of people, services, and goods in Arizona.
2. A transportation system that promotes Arizona's tourism and economic well-being, and serves the needs of its population and visitors.
3. Seamless inter-modal access to all components of the transportation system.
4. The physical and operational preservation of the State Highway System.
4. Real and meaningful cooperation in planning and programming efforts with Transportation Management Areas (TMAs), Metropolitan Planning Organizations (MPOs), Councils of Government (COGs), tribal and local governments.
5. Early and continuous involvement of government entities, stakeholders and the general public in transportation decision-making through a public participation process.
6. Use of sound and cost-effective strategies that employ the latest technologies in planning, construction, and financing.
7. A transportation system that is designed and constructed with concern for impacts on the environment.
8. Ensuring that the transportation system serves all areas of the state and all segments of the population.
9. Based on cooperatively developed indicators for each transportation mode, employ performance-based standards to monitor, plan and select projects to improve the transportation system performance and integrate a broader range of objectives such as environmental concerns, quality of life issues and economic competitiveness.
10. Planning, programming, design, and construction of multimodal transportation facilities that will explicitly consider the interrelationship of land use and transportation facilities.
11. Innovation and use of advanced technology in system management, design and construction to improve the effectiveness and efficiency of the transportation system.
12. Advocating legislation that would help ADOT and the Board achieve the best transportation system for the citizens of the state.

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# Multimodal System Planning And Development

## ***1. Inter-modal Policy***

1. It is the policy of the Board to plan, construct and operate a transportation system in which all of the modes interconnect and provide seamless travel throughout the state. Modal connectivity will be a criterion for project planning and programming.

## ***2. Long Range Transportation Planning Policy***

1. The Board will direct ADOT to develop a 20-year long-range transportation plan in active cooperation with government entities, stakeholders and the general public. The plan will:
  - a) Include extensive public involvement in its development;
  - b) Include all modes of passenger and goods transportation;
  - c) Insure the interconnection of components into a seamless network;
  - d) Serve as the basis for the Five-Year Transportation Facilities Construction Program that guides project selection; and
  - e) Include performance indicators to guide implementation and evaluate results.

## ***3. National and International Cooperative Planning Policy***

1. It is the policy of the Board to support and work with tribal agencies, adjoining state, federal and international agencies on multi-jurisdictional projects that cross state, federal and international boundaries when they enhance Arizona's transportation system by improving its safety, efficiency and effectiveness.
2. The Board will cooperate with the five state CANAMEX coalition together with Mexico and Canada in strengthening the North/South CANAMEX corridor through Arizona.

#### ***4. Multimodal Facilities Policy***

1. The Board will consider opportunities for inclusion of multi-modal facilities within or proximate to state highway facilities or within other appropriate corridors. Multi-modal facilities may include exclusive or prioritized bus, vanpool and other high-occupancy-vehicle lanes, ramps and other access-ways, related signalization, stops, storage facilities, park & ride facilities, pedestrian/bicycle facilities, air facilities, rail facilities, other high capacity transit facilities and Intelligent Transportation Systems (ITS).
2. It is the policy of the Board to facilitate and encourage the development and use of alternate transportation modes by:
  - a) Reflecting the integration of all modes of transportation (e.g. motor vehicles, rail, air, bicycle, pedestrian, and other modes) in all phases of project planning and development.
  - b) Coordinating with local, regional, and tribal land use planning and including consideration of completed and ongoing state, regional, local, and tribal planning studies dealing with transportation and land use.
  - c) Directing ADOT to accommodate other modes where possible whenever constructing, revising, and/or improving a highway by evaluating how pedestrian, bicycle, transit improvements and inter-modal transfer facilities can be incorporated in the design.
  - d) Incorporate and accommodate multi-modal features in or proximate to state surface transportation facilities when deliberating on matters of the funding, planning, design *and* use of these and other facilities of mutual state and local interest.
  - e) Considering resource sharing and other partnering opportunities to incorporate multimodal features in state highway facilities or in local multi-modal facilities that are proximate to and impacting state facilities.
  - f) Investigating opportunities for, and promoting the establishment of, dedicated, on-going state funding sources in order to allow state, local and regional entities, and Tribal governments to adequately and consistently plan, finance and operate public transportation and other multi-modal facilities and systems.
  - g) Minimizing conflicts between the modes.

### ***5. State Highway System Priorities Policy***

1. It is the policy of the Board to implement Arizona's vision for an integrated statewide transportation system by placing priority on state highways that:
  - a) Connect Arizona's regions and population centers by an efficient network of highways to carry travelers and commerce throughout the state;
  - b) Connect Arizona, its regions and population centers with other states of the United States and Mexico; and
  - c) Connect major population centers and through routes within urban areas with high volume routes that increase mobility of people and goods.
2. Consistent with these priorities, the State Highway System should include routes primarily designed to carry through traffic, including:
  - a) Interstate Highways;
  - b) Other arterial routes connecting Arizona's population centers and interconnecting with those of other states; and
  - c) High capacity connecting routes needed to form an efficient network.

## ***6. Public Transportation Policy***

1. It is the policy of the Board to support, encourage and proactively promote the planning, design, construction and use of public transportation, including special needs transportation, local, regional, tribal, and statewide transit systems, and related transportation linkages and alternative mode facilities, where it is determined such facilities or systems would significantly contribute to a balanced, flexible, safe and efficient statewide, regional, interregional, local, or tribal transportation system.
2. It is the policy of the Board to support and promote public transportation by:
  - a) Functioning as a facilitator of public dialogue on statewide and regional issues regarding potential public transportation systems, facilities and their suggested use. • Directing ADOT to engage in cooperative planning with local, regional, tribal, other state government and private partners to plan, construct and promote the use of public
  - b) transportation systems statewide which contribute to a balanced, flexible, safe and efficient transportation system statewide.
  - c) Directing ADOT to review all state transportation projects to determine what public transportation benefit can be derived from existing, revised or planned transportation improvements, including remnant right-of-way parcels with potential for park-and-ride lots, access-ways to transit related facilities, transit friendly designs, etc. • Supporting funding at all appropriate public and private levels for public transportation systems throughout the state.
  - d) Supporting Transportation Demand Management programs which goals are to retain existing roadway capacity, decrease pollution, or provide alternatives to single occupant commuting.
  - e) Accommodating, wherever possible, the needs of public transportation in the planning, design and construction of new and improved transportation facilities.
3. It is the policy of the Board to encourage and consider requests by local jurisdictions for utilization of ADOT rights-of-way for bus pullouts and other public transit services.

### ***7. Bicycle and Pedestrian Facilities Policy***

1. It is the policy of the Board to encourage bicycling and walking as viable transportation modes, and actively work toward improving the transportation network so that these modes are accommodated, by:
  - a) Promoting increased use of bicycling and walking, and accommodating bicycle and pedestrian needs in the planning, design and construction of transportation facilities alongside state highways.
  - b) Developing design guidelines and measures that give the roadway designer flexibility in accommodating the needs of all users of the transportation facility.
  - c) Developing design guideline implementation policies that balance the needs of motorists, bicyclists and pedestrians.
  - d) Pursuing the use of Federal funds that are available for alternative modes.

### ***8. Movement of Goods Policy***

1. It is the policy of the Board to facilitate the movement of goods throughout and across the state to improve the quality of life of its citizens and to support a strong state and national economy.
2. The Board will direct ADOT to work with rail, air, truck and shipping industries, in cooperation with metropolitan planning organizations in the urban areas, to identify needs and opportunities to meet those needs through improved transportation efficiency, capacity and connectivity.

### ***9. Rail Right of Way Preservation Policy***

1. It is the policy of the Board to advocate preserving rail corridor property as an important resource for future transportation purposes.

### ***10. Integration of Air Quality Policy***

1. It is the policy of the Board to support the integration of air quality concerns in the development and implementation of all processes, plans, programs, priorities, and projects as solutions are evaluated to meet transportation needs.

# System Management

## ***11. Highway Development Policy***

1. It is the policy of the Board to establish minimum acceptable standards and consider investments on state highways based on the classification of highways by purpose and importance to the state transportation system. The Board will direct ADOT to develop and implement a plan for each highway level of development to address:
  - a) Level of service standards;
  - b) Highway geometric standards;
  - c) Highway maintenance standards; and
  - d) Eligibility for funding for new construction, reconstruction, and/or spot capacity improvements (e.g., intersection improvements, passing lanes).
  - e) Upon development and before implementation, the Board will approve each level of development plan.

## ***12. Access Management Policy***

1. It is the policy of the Board to preserve the functional integrity of the State Highway System through the development and implementation of a comprehensive access management program by:
  - a) Directing ADOT to develop an access management classification system for the State Highways with appropriate access management standards for each access management classification.
  - b) Directing ADOT to develop a comprehensive access management manual to guide the uniform application of access management throughout the state.
  - c) The Board and ADOT shall work closely with regional planning agencies and local governments to encourage early notification to ADOT of zoning and other land use decisions such as large developments and major traffic generators that will impact the State Highway System in order to coordinate system planning.
  - d) Purchasing access rights to highways, where appropriate and feasible.
  - e) Maintaining that the approximate minimum spacing between interchanges on the limited access State and Interstate Highway Systems be three (3) miles in rural areas, two (2) miles in suburban or transitional areas, and one (1) mile in urban areas.
  - f) Considering ramifications to the corridor, and its future use, when access is granted to the State and Interstate Highway Systems.
  - g) Reassessing road segments as demand changes over time.

### ***13. Rest Areas Policy***

1. Rest areas are integral to Arizona highway systems providing for safety, service and facilities to the traveling public. They are eligible for all the development and preservation funding sources available for the highways they serve.
  - a) Spacing is based on approximately one hour driving time between rest areas and communities with services available twenty-four hours seven days per week.
  - b) Rest area size, parking and number of facilities are based on traffic volumes.
  - c) Prioritize projects based on motorist safety improvement, average daily traffic, spacing to alternative facilities, economic development, over all service to the motoring public and the ability to operate the rest area in a safe and satisfactory condition for the public with the features as designed and constructed.
  - d) Rest area development, rehabilitation and system preservation projects are subject to the same levels of highway planning, environmental documentation, and public involvement required for all other highway construction projects.
  - e) New and rehabilitated rest areas are evaluated every 5 to 7 years with system preservation projects scoped for funding.
  - f) Funding is allocated for prioritized rest areas and system preservation projects for asset protection and improvement of service to the public.

### ***14. High Occupancy Vehicle (HOV) and High Occupancy Toll (HOT) Lane Policy***

1. It is the policy of the Board to plan, design, construct, operate, and market HOV lanes and to provide related facilities to enhance their use.
2. The goal is to increase HOV ridership so that, during peak periods, HOV lanes will move more people per lane than adjacent general-purpose lanes.
3. HOV lanes will be considered when current traffic congestion conditions and/or forecasted traffic congestion (within an appropriate time frame) meet the following criteria:
  - a) Facility demand exceeds capacity for more than an hour each day as evidenced by level of service E or F.
  - b) The HOV segment provides a critical link in system continuity between HOV lane segments identified for completion of the HOV core lane system anticipated in 2020.
4. It is the policy of the Board that HOV lanes should be reserved for carpools and vanpools meeting minimum occupancy requirements per vehicle, and for buses and motorcycles.
5. Operating hours for HOV lanes will be established by ADOT to serve peak periods. Single occupant vehicles will continue to be allowed to use existing HOV lanes during off peak hours.
6. Build HOV/HOT lane access from TIs and at freeway-to-freeway interchanges when feasible.
  - a) It is the policy of the Board to consider congestion pricing or HOT lanes on existing and future HOV lanes.
  - b) It is the policy of the Board to support the provision of park-and-ride lots to increase the effectiveness of HOV and HOT lanes.

### ***15. Ports of Entry Policy***

1. It is the policy of the Board to support the effective and efficient operation at the Ports of Entry to Arizona to insure enforcement of federal and state laws. The Board supports:
  - a) The introduction and integration of new technology.
  - b) The continued cooperation between ADOT and the various federal and state inspection agencies and, as appropriate, the development of joint use facilities and integrated procedures at International Ports of Entry.
  - c) Cross-training between ADOT and Agricultural agencies and adequate staffing at Ports of Entry.
  - d) Cooperative bi-national planning and port development at the international ports to enhance the goals of the CANAMEX corridor.

## ***16. Transfer of State Routes Policy***

1. It is the policy of Board that the State Highway System consist primarily of routes necessary to provide a statewide network to serve the ever-changing environment with regard to the statewide and regional movement of people and goods. Routes primarily providing land access and local movement of people and goods should be the responsibility of local governments. The Transportation Board will seek to transfer these routes to other jurisdictions.
2. The transfer of state highways will be carried out in cooperation with local jurisdictions and in full recognition of their financial capabilities.
3. The ADOT will maintain and update biennially a list of state highways that do not serve as integral parts of the State Highway System and therefore are eligible candidates for transfer. Consistent with the Level of Development (LOD) approach used by ADOT to determine future development needs on State Highway Routes, this list shall consist of two parts:

LOD 4: will include those routes that do not serve a need as a part of the state highway system, but serve significant state or national facilities. Maintenance and development decisions on these routes will be based on appropriate service for the specific facility being served. ADOT will not actively seek to transfer or abandon these routes, but will do so if an appropriate jurisdiction can be found to operate the route. Improvements to these routes that are primarily for the benefit of local development will normally be made only when a local jurisdiction agrees to take over the route.

LOD 5: will include routes that are not necessary for a network of state routes and serve no significant statewide interest. ADOT will actively work to transfer these routes to other jurisdictions. ADOT will normally provide only minimal maintenance and essential safety improvements. Other improvements will normally be considered only when accompanied by an agreement to transfer the route to another jurisdiction. ADOT will seek input from local jurisdictions in preparing the list and will present the list to the Transportation Board for adoption.

4. In addition to routes currently classified as LOD 4 and LOD 5 it is also the policy of the board to transfer other routes to local jurisdictions when bypasses or parallel routes are constructed. In these cases transfer of the old route will be considered part of the project.
5. Priorities for transfer of these routes will be:
  - a) Routes for which local governments have expressed interest in acquiring;
  - b) Routes for which ADOT is constructing a bypass or alternate route;
  - c) Existing business routes not necessary for system continuity;
  - d) Other routes as ADOT construction and maintenance activities result in opportunities to transfer or as requested improvements provide opportunity to negotiate transfers.

### ***17. Naming State Highways, Features, and Rest Areas Policy***

1. The Board will consider requests to name or remove the name of a state highway, highway feature, or rest area once the name has been considered appropriate by the Arizona State Board on Geographic and Historic Names and by Roadside Development. Parkway, historic and scenic road names must also meet the criteria of the Parkways, Historic and Scenic Roads Advisory Committee prior to its recommendation to the State Transportation Board for adoption.

## **Programming and Funding**

### ***18. Adequate Funding Policy***

1. The Board will endeavor to ensure adequate transportation funding by:
  - a) Aggressively pursuing adequate transportation funds;
  - b) Taking full advantage of federal funding by insuring the availability of sufficient State matching funds;
  - c) Pursuing new and existing funding sources;
  - d) Encouraging alternative financial strategies such as privatization, private and local financial participation;
  - e) Coordinating resources with other agencies and levels of government.
  - f) Seeking cost sharing opportunities with other agencies, levels of government and private sector.
  - g) Working with the Arizona congressional delegation to increase the funding for Arizona in the Federal Aid Highway and Transit Programs.
  - h) Advocating federal and state legislation that will increase transportation funding for the State.

### ***19. Optimal Utilization of Federal and State Funds Policy***

1. It is the policy of the Board to encourage ADOT to fully optimize its use of federal funds, using all appropriate Innovative Financing tools available. Such Innovative Financing tools may include, but are not limited to:
  - a) Advanced Construction
  - b) Partial Conversion
  - c) Tapered Match
  - d) Flexible Match
  - e) Grant Anticipation Notes (GAN)
  - f) State Infrastructure Banks (SIB)
  - g) Transportation Infrastructure Finance and Innovation Act (TIFIA)

## ***20. Programming Policy***

1. The Board will meet the transportation needs of the state through development of a Five-Year Transportation Facilities Construction Program that addresses policy objectives in a prioritized fashion based on the statewide long-range plan that incorporates performance based planning and programming.
2. Projects that are placed within the Five-Year Transportation Facilities Construction Program must be scoped prior to going into the program. Lump sum programs can be entered as a line item for future years, however, once the projects within the lump sum have been scoped, these projects will enter into the program.
3. Of the funds provided through A.R.S. 28-6538 (12.6%) to the State Highway Fund:
  - a) Seventy-five percent shall be spent in MAG for the design, right-of-way purchase or construction of controlled access highways that are included in the regional transportation plan and are accepted into the State Highway System, or for the repayment of bonds borrowed for these same purposes.
  - b) Twenty-five percent shall be spent in the PAG region for the design, right-of-way purchase or construction of controlled access highways, related grade separations of controlled access highways, extension and widening of arterial streets and highways that are included in the regional transportation plan, or for the repayment of bonds borrowed for these same purposes.
  - c) The Board will adopt the 12.6% projects in the PAG region that are included in the State highway system.
4. It is the policy of the Board to make available an additional 2.6% of the highway fund for use in cooperation with MAG and PAG on state routes and highways that are in their region.
5. In compliance with A.R.S. 28-6304, the Board will approve Regional Area Road Funds (RARF) for:
  - a) Design, right-of-way purchase or construction of controlled access highways that are included in the regional transportation plan of the county and that are accepted into the state highway system either as a state route or as a state highway or related grade separations of controlled access highways that are included in the regional transportation plan of the county.
  - b) Design and construction of interim roadways within the adopted corridors of the regional transportation plan of the county.
  - c) Right-of-way costs associated with the construction of interim roadways.
  - d) The Life Cycle Program in accordance with the selection criteria and corridor priorities established by the MAG Regional Council.
6. RARF funded Urban Controlled Access facilities, upon completion, become part of the State Highway System and therefore remain the maintenance responsibility of the State.
7. Board approval will be required for material cost changes deriving from quantity or unit price changes for items that are a part of the approved scope of the project if they exceed 15% or \$200,000, whichever is lesser. All projects with such material change in scope and/or fiscal year scheduling will be presented to the Board for approval.

## ***21. Program Development Policy***

1. Prior to developing a draft tentative Five-Year Transportation Facilities Construction Program, the Board will notify the Transportation Management Areas (TMA) of the estimated amount of funding allocated to those areas for use in developing their Transportation Improvement Plan (TIP). The Board will direct ADOT to work with the TMAs to cooperatively develop a joint listing of the projects proposed for the draft tentative Program within the TMA area. The projects shall be prioritized in accordance with criteria cooperatively developed by ADOT and the TMAs to support the Board's overall policy objectives.
2. The Board will direct ADOT to cooperate with Metropolitan Planning Organizations (MPOs), and consult with Council of Governments (COGs), Tribal governments and Transit Operators in development of the draft tentative Program and on proposed projects in their respective areas.
3. It is the policy of the Board to endorse the Casa Grande Resolves, which identified seven guiding principles for planning and established the Resource Allocation Advisory Committee (RAAC) to provide advice to the Director of ADOT on the Five Year Construction Program. Furthermore, the Board reiterates the intent of the Resolves to have the long range plan serve as the basis for the five Year Program and to employ the RAAC, or a similar process, to maintain the intent of the guiding principles after the completion of the long range plan.

The seven guiding principles are:

- a) There will be one multi-modal transportation planning process.
  - b) It will be a process that encourages early and frequent public participation and stakeholder involvement.
  - c) The policy and transportation objectives of the state, regional and local plans will form the foundation for the statewide Long-Range Transportation Plan (20 years).
  - d) The statewide Five-Year Transportation Plan and Programs will be based on clearly defined and agreed to information and assumptions.
  - e) Each project programmed (within the Five-Year Plan) shall be linked to the statewide Long-Range Transportation Plan with each project selected to achieve one or more of the Plan objectives.
  - f) Implementation of the Plan and Program shall be monitored using a common database.
  - g) There will be a shared responsibility by state, local and tribal governments and regional organizations to ensure that Plan and Program implementation meets the transportation needs of the people of Arizona.
4. While the Board endorses the Casa Grande Resolves, and the recommendations of the RAAC providing advice to the Director of ADOT and the Board, the Board also recognizes the need to have a policy to address emergency funding for projects in the event of a major emergency or catastrophic event. In such case, it will be the policy of the Board to fund such projects, to the extent such funding is available, from the following sources in the following order;
    - a) From any subprogram funds specifically designated by the Board for Emergency Projects Contingencies
    - b) From General Program Cost Adjustment Contingency funds
    - c) From other discretionary project funds or sub-program funds that may be available within the region Maricopa, Pima or Greater Arizona) in which the emergency project(s) exist.
    - d) From discretionary projects funds or sub-program funds from regions external to the region in which the emergency project(s) exists, in accordance with all applicable laws including the provisions of ARS 28-304{C}(1).

The Board further directs that the Department, in such emergencies, pursue all opportunities for reimbursement of such emergency expenditures through Federal Aid Emergency funds. The Board further directs that such Federal Aid Emergency funds, if and when received, be used to reimburse those project or sub-program funds within the region from which the funding came.

## ***22. Project Selection Criteria, Performance Programming And Resource Allocation Policy***

1. It is the policy of the Board to:
  - a) Develop performance based project selection criteria that support the Board's overall policy objectives for system performance in cooperation with appropriate planning entities.
  - b) Annually review the condition and performance of the transportation system and develop guidance to ADOT in the preparation of the draft tentative Five-Year Transportation Facilities Construction Program.
  - c) Encourage public participation by allowing time during the process to hold public hearings on the tentative Program. The public participation process will meet the state and federal planning requirements.
  - d) Approve projects and allocate resources for programs that address the established goals and objectives that are identified in the Long-Range Plan.

## ***23. Surface Transportation Program (STP) Funds for Public & Special Transportation Needs Policy***

It is the policy of the Board to:

1. Support and augment existing and new public transportation programs in Arizona by allocating a portion of ADOT's STP funds to USDOT/Federal Transit Administration (FTA) grant programs, specifically, the STP Flexible Funds are to be allocated to the following programs:
  - Section 5307 (Urban Area Formula) Program
  - Section 5310 (Elderly & Persons with Disabilities) Program
  - Section 5311 (Rural Public Transportation Formula) Program
2. Establish and maintain guidelines, cooperatively, for distribution of these funds, and oversee eligibility criteria for and general administration of the specific sub-distributions.
3. Insure that any portion of these funds initially allocated to individual grant categories, e.g., Sections 5307, 5310, and 5311, which cannot be programmed for use for a particular category(s) or specific recipient(s) is to be re-allocated by ADOT among the above three programs.

## ***24. Regional Transit Funding & Transit Improvement Districts Policy***

1. It is the policy of the Board to support:
  - a) Regional and inter-regional public and special needs transportation planning and implementation;
  - b) Cooperative planning and funding agreements;
  - c) Regional council of government (COG), metropolitan planning organization (MPO) and regional public transportation authority (RPTA) initiatives and enabling legislation to promote public transportation projects within and between their regions;
  - d) Alternative funding mechanisms which would lend further support to regional transit efforts;
  - e) ADOT Programming to include transit projects of regional and inter-regional significance in 5 Year and Long Range scoping and programming activities;
2. It is the policy of the Board to support the creation of Local and Regional Transit Improvement Districts when it is determined that such mechanisms increase public transportation within and/or between the region(s).

## ***25. Congestion Mitigation and Air Quality Improvement (CMAQ) Program Policy***

1. It is the policy of the Board to fund, with CMAQ funds, transportation projects and programs in non-attainment, maintenance, and other eligible statewide areas that reduce transportation related emissions and congestion.

## ***26. Transportation Enhancement (TE) Program Policy***

1. It is the policy of the Board to promote enhancements to the transportation system by identifying projects, *preferably at the time of initial project pre-design or construction*, which should provide amenities beyond the typical roadway project.
2. The Board will specify funding for both State (including tribal) and local TE projects.
3. The Board will direct ADOT to set aside each fiscal year from the State TE funds, a portion for enhancement activities that are identified during pre-design as “projects of opportunity”.
4. The Chairman of the Board will appoint a member to serve as the Transportation Enhancement Review Committee (TERC) Chairman to represent the interest of all Board members.
5. The Board will encourage projects that enhance the multimodal system such as bicycle and pedestrian facilities.

## ***27. Highway Expansion and Extension Loan Program (HELP) Policy***

1. It is the policy of the Board to accelerate projects through a fiscally sound Highway Expansion and Extension Loan Program (HELP). The Board's Program will be;
  - a) Developed on a cash flow basis, ensuring reasonable cash balances.
  - b) Based on conservative estimates of reasonably expected revenues.
2. Through December 31, 2004, the proportional distribution of HELP loans approved by the Board in accordance with State statute (ARS 28-7676) to the various regions of the state, according to the most recent United States decennial census, will be as follows:
  - a) Fifty per cent in counties with a population of one million two hundred thousand or more persons.
  - b) Twenty-five per cent in counties with a population of five hundred thousand or more but less than one million two hundred thousand persons.
  - c) Twenty-five per cent in counties with a population of less than five hundred thousand persons.

After December 31, 2004, the Board will issue guidelines for the allocation of HELP loan capacity between and among the various regions and programs of the state.

3. It is the policy of the Board to encourage all eligible applicants to utilize the benefits of the HELP Program.

## ***28. Local Government and Developer Participation Policy***

1. The Board supports local government and developer participation in the funding of transportation improvement projects.
2. The Board will consider the priority of all projects prior to participating in the joint funding of projects with local governments and/or developers. Higher funding participation by local governments and/or developers will generally improve the possibility of adding projects to the Five-Year Transportation Facilities Construction Program.
3. If a developer or local government seeks new or improved access to a State Highway, that will have a significant traffic impact on a State Highway, the developer or local government will be expected to pay the full cost of the new or improved access and the full cost of mitigating the traffic impact on the State Highway.

## **Fiscal and Administrative Accountability**

### ***29. Cost Effectiveness***

1. The Board will implement the most effective and efficient planning/construction processes including value engineering, design build, and other mechanisms.

### ***30. Transportation Asset Management Policy***

1. It is the policy of the Board to implement the best available asset management systems and methods.

### ***31. Financial Policy***

1. It is the policy of the Board to maintain a fiscally conservative financial policy with respect to the planning and execution of the Board's Five-Year Transportation Facilities Construction Program. The Board's Program will be:
  - a) Developed on a cash flow basis, ensuring reasonable cash balances.
  - b) Based on conservative estimates of reasonably expected revenues.
  - c) Inflation adjusted.
  - d) Judicious in its use of bonding authority to accelerate critically needed projects.
  - e) Fiscally constrained at all times.

### ***32. Debt Policy***

1. It is the policy of the Board to judiciously utilize its authority to issue debt to accelerate the construction of critically needed projects on the state transportation system. Specifically, the Board will;
  - a) Follow statutory requirements placed on uses and issuance of debt.
  - b) Measure the affordability of the debt against the fiscal capacity of the Department.
  - c) Evaluate the benefits of accelerated construction versus “pay as you go” funding.
  - d) Time and structure all debt issuances to maximize the efficiency of borrowing to the greatest extent possible.
  - e) Maintain flexibility through the use of both long and short-term instruments.
2. It will be the policy of the Board to maintain debt service coverage levels that will ensure the fiscal integrity of the Board’s financing programs. Therefore, the Board may establish guidelines for coverage levels greater than those required by statute or bond resolution.
3. It will be the policy of the Board to maintain the highest bond ratings possible consistent with paragraph 2.
4. The Board may establish guidelines for the allocation of HURF and GAN bonding capacity between and among the various regions and programs of the State.

### ***33. Award of Contracts for Construction Policy***

1. It is the Board's policy to ensure nondiscrimination in the award of contracts and to consider the relationship between the apparent low bid and the State Estimate in its award of contracts for the construction of transportation facilities. The Board will consider construction contracts brought before it in accordance with the following criteria:
  - a) Contracts for which the apparent low bid is no more than 10 percent above, or 15 percent below the State Estimate will be placed on the Board’s consent agenda.
  - b) Contracts for which the apparent low bid is greater than 10 percent above or 15 percent below the State Estimate will be a regular agenda item for discussion and disposition by a vote of the Board.
  - c) Regardless of the relationship between the apparent low bid and the State Estimate, any Board Member, the Director, or Staff may recommend that a contract be brought forward from the Board’s consent agenda for discussion and disposition by a vote of the Board.

### ***34. Disadvantaged Business Enterprises (DBE) Participation Policy***

1. It is the policy of the Board to ensure that Disadvantaged Business Enterprises (DBE), as defined in Title 49 of the Code of Federal Regulations, Part 26, have an equal opportunity to receive and participate in federally-funded contracts.

### ***35. Accounting Policy***

1. The Board will direct ADOT to prepare its financial statements with Generally Accepted Accounting Principles (GAAP), and comply with all applicable accounting, auditing and financial reporting standards and requirements of the Governmental Accounting Standards Board (GASB), the American Institute of Certified Public Accountants (AICPA) and the Government Auditing Standards issued by the Comptroller General of the United States (Yellow Book).

## External Relations

### *36. Public Involvement Policy*

1. The Board encourages public participation in transportation decisions. Regular meetings will be held at various locations throughout the state on a rotational basis. Time will be reserved by the Board at each meeting for public comment, and all comments will be reviewed and, when appropriate, receive a response in a timely manner.
2. It is the policy of the Board to be proactive, and to have early and continuous stakeholder and general public involvement in planning, design and implementation of transportation facilities and services.
3. Several public hearings will be held by the Board in various locations around the state to receive input on the draft tentative Five-Year Transportation Facilities Construction Program. The Board will direct ADOT to conduct a public outreach program as part of the draft tentative Program development process.
4. The public involvement process is intended to communicate with and obtain input from all stakeholders, including but not limited to:
  - a) Elected officials and staff from Cities, Towns, and Counties
  - b) Metropolitan Planning Organizations
  - c) Councils of Government
  - d) Tribal Governments
  - e) Federal and state agencies
  - f) Public transit agencies and transit operators
  - g) Other private and public transportation providers
  - h) Construction industry, technical firms, and research centers
  - i) Freight Carriers
  - j) General Public
  - k) Other interested parties.

### ***37. Working Relationships with Government Agencies, other Government Entities and Planning Agencies Policy***

1. It is the policy of the Board to support cooperative working relationships with adjoining states, tribal governments, other governments, other government agencies, and planning organizations in the development and implementation of transportation improvement efforts, regulations, policies, programs, or matters that significantly or uniquely affect their citizens and land that impact Arizona.

### ***38. Working with Resource Agencies Policy***

1. It is the policy of the Board to support early partnering with resource agencies in long range and corridor planning, project planning, design, and construction of transportation facilities and services.

## Policy Updates

August 15, 2003 the State Transportation Board approved the extensive revision of Policy 17. Turnback of State Routes on page 14 that included a policy title change to “Transfer of State Routes Policy”.

On January 17, 2003 the State Transportation Board approved **two** changes to the Board Policies.

1. Page 9, Policy 9. Rail Right of Way Preservation, the word “support” was changed to “advocate”.

2. Page 17, Policy 21. Program Development, paragraph 3, the words “or a similar process, to maintain the intent of the guiding principles ” were inserted into the last sentence. The word “until” was replaced with “after” in the same sentence.

November 19, 2010 the State Transportation Board approved **one** update to the Board Policies.

1. Page 19, Policy 21. Program Development. Added number 4 verbiage to the existing policy.