

**AGENDA**  
**STATE TRANSPORTATION BOARD MEETING**  
**9:00 a.m., Friday, November 19, 2004**  
**The Morenci Club (In the Morenci Plaza next to Bashas)**  
**Burro Alley**  
**Morenci, Arizona 85540**

The Board may vote to go into Executive Session, which will not be open to the public, to discuss certain matters.

**EXECUTIVE SESSION OF THE STATE TRANSPORTATION BOARD**

Pursuant to A.R.S. 38-431.02, notice is hereby given to the members of the Arizona State Transportation Board and to the general public that the Board may meet in Executive Session for discussion or consultation for legal advice with legal counsel at its meeting on November 19, 2004, relating to any items on the agenda. Pursuant to A.R.S. 38.431.03(A), the Board may, at its discretion, recess and reconvene the Executive Session as needed, relating to any items on the agenda.

**PLEDGE**

The pledge of allegiance to the flag led by Chairman Bill Jeffers.

**OPENING REMARKS**

**DISTRICT ENGINEER REPORT**

The District Engineer for Morenci (Ron Casper) will provide an update on Projects/Issues of regional significance.

**AWARD**

A 40 Year Service Award will be presented to Ron Casper by the Chairman of the Board.

**CALL TO AUDIENCE** (Information and Discussion)

An opportunity for citizens to discuss Items of interest with the Board. **Please fill out an information sheet** and turn in to the Chairman or Secretary if you wish to address the Board.

**CONSENT AGENDA** (Action as Required)

- \*ITEM 1:** Bring forward Items not to be included in the consent agenda. ("\*" Indicates items recommended by ADOT staff for further discussion).
- \*ITEM 2:** **Director's Report**  
(Information, Discussion, Action as required – Debra Brisk/Deputy Director.)
- \*ITEM 3:** **Financial Report**  
Staff will provide summary reports on revenue collections for Highway User Revenues and Maricopa Transportation Excise Tax Revenues, comparing fiscal year results to last year's actuals and forecasts, and report on interest earnings, HELP Fund status, and other financial information relative to the Board and Department. (For Information & Discussion Only – John McGee.)
- \*ITEM 4:** **Financing Program**

Staff will provide an update on financing issues affecting the Board and the Department, including HURF and RARF Bonding, GAN issuances and Board Funding Obligations. (For Information and Discussion Only – John McGee.)

**\*ITEM 5: HELP Loan**

Staff will present Resolution recommending approval of an application for Financial Assistance from, and Loan Repayment Agreement with, the Town of Marana for the following construction project: Thornydale Road Reconstruction. (For Discussion and Possible Action – John McGee.)

**\*ITEM 6: HELP Loan**

Staff will present a Resolution recommending approval of an application for Financial Assistance from, and Loan Repayment Agreement with, the Arizona Department of Transportation for the following construction Project: I-10, Pinal Air Park Road to Marana TI. (For Discussion and Possible Action – John McGee.)

**ITEM 7: MINUTES - APPROVAL**

**August 20, 2004 – Board Meeting Minutes**  
**September 7, 2004 – Study Session Minutes**  
**September 17, 2004 – Board Meeting Minutes**

**ITEM 8: 2004 BOARD MEETING DATES AND LOCATIONS**

<b>November 19, 2004</b>	<b>Board Meeting – Greenlee Cty</b>	<b>9:00 a.m.</b>
<b>December 7, 2004</b>	<b>Study Session – Phoenix</b>	<b>1:00 p.m.</b>
<b>December 17, 2004</b>	<b>Board Meeting – Tucson</b>	<b>9:00 a.m.</b>
<b>January 6, 2005</b>	<b>Study Session – Phoenix</b>	<b>9:30 a.m.</b>
<b>January 21, 2005</b>	<b>Rural Transportation Summit &amp; Board Meeting – Bullhead City</b>	<b>10:30 p.m.</b>

**PRIORITY PLANNING ADVISORY COMMITTEE (PPAC)**

(Information, Discussion, Action as required)

**\*ITEM 9:** Recommended Economic Strength Projects (ESP) - FY 2005 Round 1

**\*Item 9-A.** Recommended Transportation Discussion and Possible Action  
Enhancement Review Committee (TERC)  
local and statewide project selections

**FY 2005 - 2009 Transportation Construction Program - Requested Modifications**

**\*ITEM 10:** COUNTY: Statewide Page #  
 SCHEDULE: 2005  
 SECTION: Statewide Highway Emergency Fund  
 TYPE OF WORK: Emergency project contingency  
 PROGRAM AMOUNT: \$ 800,000  
 PROJECT MANAGER: Mike Ortega  
 PROJECT: Item #; 72105  
 REQUESTED ACTION: Increase program amount by \$800,000 to \$1,600,000 due to numerous emergency projects this fiscal year. **Funds available from the FY 2005 Program Adjustment Fund # 72305.**  
 PROGRAM AMOUNT: \$800,000  
 INCREASE AMOUNT: \$800,000  
 NEW PROGRAM AMOUNT: \$1,600,000

**\*ITEM 11:** ROUTE NO: SR 90 @ MP 306.00 Page #  
 COUNTY: Cochise  
 SCHEDULE: FY 2005 – New Project Request  
 SECTION: Whetstone  
 TYPE OF WORK: Concrete channel Lining  
 PROGRAM AMOUNT: New Project Request  
 PROJECT MANAGER: David Harmon  
 PROJECT: H627101C JPA #04-089  
 REQUESTED ACTION: Establish a new district minor project in the amount of \$302,000 in the FY 2005 Highway Construction Program. **Funds available from the FY 2005 District Minor Fund #73305.**  
 NEW PROGRAM AMOUNT: \$302,000

**\*ITEM 12:** ROUTE NO: SR 77 @ MP 373.20 Page #  
 COUNTY: Navajo

SCHEDULE: 2005  
 SECTION: 14 Mile Hill - 5 Mile Wash  
 TYPE OF WORK: Pavement preservation  
 PROGRAM AMOUNT: \$ 2,455,000  
 PROJECT MANAGER: Haldun Guvenen  
 PROJECT: H614601C Item #; 18205  
 REQUESTED ACTION: Increase program amount by \$400,000 to \$2,855,000 due to updated Project Assessment cost and an increase in the unit cost of asphalt. **Funds available from the FY 2005 Pavement Preservation Fund #72505.**

PROGRAM AMOUNT: \$2,455,000  
 INCREASE AMOUNT: \$400,000  
 NEW PROGRAM AMOUNT: \$2,855,000

**\*ITEM 13:** ROUTE NO: SR 260 @ MP 280.00 Page #  
 COUNTY: Gila  
 SCHEDULE: FY 2005 – New Project Request  
 SECTION: Gordon Canyon Bridge & Mogollon Rim Viaduct  
 TYPE OF WORK: Erosion Mitigation  
 PROGRAM AMOUNT: New Project Request  
 PROJECT MANAGER: John Sterner  
 PROJECT: H590601C  
 REQUESTED ACTION: Establish a new erosion mitigation project in the amount \$337,000 in the FY 2005 Highway Construction Program. **See funding sources below.**

PROGRAM AMOUNT: New Project  
     FY 2005 District Minor Fund #73305 \$50,000  
     FY 2005 Bridge Scour Fund #71505 \$100,000  
     FY 2005 Pavement Preservation Fund #72505 \$137,000  
     FY 2005 Rockfall Containment Fund #77005 \$50,000  
 NEW PROGRAM AMOUNT: \$337,000

**\*ITEM 14:** ROUTE NO: I-10 @ MP 232.00 Page #  
 COUNTY: Pima  
 SCHEDULE: FY 2008 & FY 2009  
 SECTION: Pinal Air Park to Marana  
 TYPE OF WORK: Construct inside lane widening  
 PROGRAM AMOUNT: \$13,305,000  
                     FY 2008 \$7,920,000  
                     FY 2009 \$5,385,000  
 PROJECT MANAGER: Laurel Parker  
 PROJECT: H458203C Item # 10108 & 11209  
 REQUESTED ACTION: Advance project to FY 2006. Acceleration dependent upon HELP loan approval.

**\*ITEM 15:** ROUTE NO: SR 280 0.00 Page #  
 COUNTY: Yuma  
 SCHEDULE: 2006

SECTION: I-8 to B-8  
 TYPE OF WORK: Reconstruct roadway  
 PROGRAM AMOUNT: \$ 7,700,000  
 PROJECT MANAGER: Mike Bruder  
 PROJECT: H604201C Item #; 13504  
 REQUESTED ACTION: Reduce program amount by \$141,345 to \$7,558,655.  
**Funds return to the FY 2006 Program Adjustment Fund #72306.**

PROGRAM AMOUNT: \$7,700,000  
 DECREASE AMOUNT: \$141,345  
 NEW PROGRAM AMOUNT: \$7,558,655

**\*ITEM 16:** ROUTE NO: SR 280 0.00 Page #  
 COUNTY: Yuma  
 SCHEDULE: Underway Program  
 SECTION: I-8 to B-8  
 TYPE OF WORK: Design roadway reconstruction  
 PROGRAM AMOUNT: \$ 400,000  
 PROJECT MANAGER: Mike Bruder  
 PROJECT: H604201D Item #; 16203  
 REQUESTED ACTION: Increase program amount by \$141,345 to \$541,345.  
**Funds available from the FY 2006 Program Adjustment Fund #72306. Capacity to advance funds are available from previous program adjustments.**

PROGRAM AMOUNT: \$400,000  
 INCREASE AMOUNT: \$141,345  
 NEW PROGRAM AMOUNT: \$541,345

**\*ITEM 17:** ROUTE NO: I-10 @ MP 328.00 Page #  
 COUNTY: Cochise  
 SCHEDULE: 2005  
 SECTION: Red Bird Hills - West Willcox TI  
 TYPE OF WORK: Pavement Preservation  
 PROGRAM AMOUNT: \$ 3,080,000  
 PROJECT MANAGER: Ray Leon  
 PROJECT: H613401C Item #; 17205  
 REQUESTED ACTION: Delete project from the FY 2005 Highway Construction Program. Project scope and budget to be combined with adjacent project. **Funds return to the FY 2005 Pavement Preservation #72505.**

**\*ITEM 18:** ROUTE NO: I-10 @ MP 322.00 Page #  
 COUNTY: Cochise  
 SCHEDULE: 2005  
 SECTION: Johnson Road TI - Red Bird Hills (EB)  
 TYPE OF WORK: Pavement Preservation

PROGRAM AMOUNT: \$ 1,989,000  
PROJECT MANAGER: Ray Leon  
PROJECT: H613301C Item #; 17105  
REQUESTED Increase program amount by \$3,762,000 to  
ACTION: \$5,751,000 due to the addition of scope and budget  
from the I-10 Red Bird Hills – West Willcox TI  
pavement preservation project. **Funds available  
from the FY 2005 pavement Perservation Fund  
#72505.**

PROGRAM AMOUNT: \$1,989,000  
INCREASE AMOUNT: \$3,762,000  
NEW PROGRAM AMOUNT: \$5,751,000

**\*ITEM 19:** ROUTE NO: SR 86 @ MP 145.60 Page #  
COUNTY: Pima  
SCHEDULE: 2005  
SECTION: MP 145.6 - Brawley Wash  
TYPE OF WORK: Extend box culverts  
PROGRAM AMOUNT: \$ 1,029,000  
PROJECT MANAGER: Ray Leon  
PROJECT: H543401C Item #; 16604  
REQUESTED Defer district minor project 2 years. Scope and  
ACTION: budget will be combined with unprogrammed SR 86  
Reservation Boundary – Brawley Wash Pavement  
Preservation project in FY 2007.

**\*ITEM 20:** ROUTE NO: SR 89 A @ MP 356.93 Page #  
COUNTY: Yavapai  
SCHEDULE: FY 2005 - New Project Request  
SECTION: Mingus Ave. / Cornville Rd. Intersection  
TYPE OF WORK: Reconstruct left turn lane, relocate traffic loop  
detector, and extend median catch basin  
PROGRAM AMOUNT: New Project Request  
PROJECT MANAGER: W. Kent Link / Lynn Sugiyama  
PROJECT: H669701C  
REQUESTED Establish a new district minor project in the amount  
ACTION: of \$114,000 in the FY 2005 Highway Construction  
Program. **Funds available from the FY 2005  
District Minor Fund #73305.**  
NEW PROGRAM AMOUNT: \$114,000

**\*ITEM 21:** ROUTE NO: US 93 @ MP 104.00 Page #  
COUNTY: Mohave  
SCHEDULE: 2005  
SECTION: Moss Wash - Deluge Wash  
TYPE OF WORK: Pavement preservation  
PROGRAM AMOUNT: \$ 3,620,000

PROJECT MANAGER: Ken Akoh-Arrey  
PROJECT: H614901C Item #; 18705  
REQUESTED Increase program amount by \$1,899,000 to  
ACTION: \$5,519,000 due to updated 100% design cost estimates, and the addition of approved HES funds not covered in original cost estimate.

**See additional funding sources below.**

PROGRAM AMOUNT: \$3,620,000  
INCREASE AMOUNT: \$1,899,000  
FY 2005 Title II Safety Fund #72805 \$1,086,400  
FY 2005 Pavement Preservation Fund #72505 \$812,600  
NEW PROGRAM AMOUNT: \$5,519,000

**\*ITEM 22:** ROUTE NO: SR 101 L @ MP 17.00  
COUNTY: Maricopa  
SCHEDULE: FY 2005 – New Project Request  
SECTION: 75th Ave - I-17  
TYPE OF WORK: Sign Rehabilitation  
PROGRAM AMOUNT: New Project Request  
PROJECT MANAGER: John Hoang  
PROJECT: H633901C  
REQUESTED Establish a new sign rehabilitation project in the  
ACTION: amount of \$995,000 in the FY 2005 Highway Construction Program. **Funds from available from the FY 2005 Sign Rehabilitation Fund #78305.**

NEW PROGRAM AMOUNT: \$995,000

**\*ITEM 23:** ROUTE NO: US 60 @ MP 343.00  
COUNTY: Navajo  
SCHEDULE: 2005  
SECTION: MP 343 - Rocky Arroyo  
TYPE OF WORK: Pavement Preservation  
PROGRAM AMOUNT: \$ 1,900,000  
PROJECT MANAGER: James Reeves  
PROJECT: H614101C Item #; 17805  
REQUESTED Reduce program amount by \$300,000 to \$1,600,000  
ACTION: due to updated design cost estimate. **Funds return to the FY 2005 Pavement Preservation Fund #72505.**

PROGRAM AMOUNT: \$1,900,000  
DECREASE AMOUNT: \$300,000  
NEW PROGRAM AMOUNT: \$1,600,000

**\*ITEM 24:** ROUTE NO: SR 89 A @ MP 537.50  
COUNTY: Coconino  
SCHEDULE: 2005  
SECTION: Marble Canyon - House Rock, Unit 1  
TYPE OF WORK: Pavement Preservation  
PROGRAM AMOUNT: \$ 2,215,000

PROJECT MANAGER: James Reeves  
 PROJECT: H556601C Item #; 18605  
 REQUESTED Increase program amount by \$556,000 to  
 ACTION: \$2,771,000 due to increased pavement and signing  
 cost.

**See new funding sources below.**

PROGRAM AMOUNT:	\$2,215,000
INCREASE AMOUNT:	\$556,000
FY 2005 District Minor Fund #73305	\$279,000
FY 2005 Pavement Preservation Fund #72505	\$277,000
NEW PROGRAM AMOUNT:	\$2,771,000

**\*ITEM 25:** ROUTE NO: US 93 @ MP 122.00  
 COUNTY: Mohave  
 SCHEDULE: 2005  
 SECTION: Wikieup Streets  
 TYPE OF WORK: Construct 5 lane urban roadway  
 PROGRAM AMOUNT: \$ 3,088,000  
 PROJECT MANAGER: Larry Doescher  
 PROJECT: H561801C Item #; 21205  
 REQUESTED Increase program amount by \$620,000 to  
 ACTION: \$3,708,000 due to cost overruns in pavement and  
 enhancement items.

**See new funding sources below.**

PROGRAM AMOUNT:	\$3,088,000
INCREASE AMOUNT:	\$620,000
FY 2005 District Minor Fund #73305	\$405,000
FY 2005 Enhancement Fund #72205	\$215,000
NEW PROGRAM AMOUNT:	\$3,708,000

**FY 2005 - 2009 Airport Development Program – Requested Modifications**

**\*ITEM 26:** AIRPORT NAME: Glendale Municipal  
 SPONSOR: City of Glendale  
 AIRPORT CATEGORY: Reliever

SCHEDULE:	FY 2005- 2009	
PROJECT #:	E5F65	
PRESENT PROGRAM AMOUNT:		
PROJECT DESCRIPTION:	Construct Parallel Taxiway and Connector Taxiways (5 ea) including drainage, lighting and markings, Phase 2	
REQUESTED ACTION:	Approve State matching grant	
FUNDING SOURCES:		
	<b>FAA</b>	\$1,850,000
	<b>Sponsor</b>	\$48,685
	<b>State</b>	\$48,686
	<i>Total Program</i>	\$1,947,371

<b>*ITEM 27:</b>	AIRPORT NAME:	Tucson International	Page
	SPONSOR:	Tucson Airport Authority	
	AIRPORT CATEGORY:	Commercial Service	
	SCHEDULE:	FY 2005 - 2009	
	PROJECT #:	E5F66	
	PRESENT PROGRAM AMOUNT:		
	PROJECT DESCRIPTION:	Acquire Land for development; Construct parallel runway (land acquisition ~305 acres) Phase 1	
	REQUESTED ACTION:	Approve State matching grant	
	FUNDING SOURCES:		
	<b>FAA</b>	\$5,057,177	
	<b>Sponsor</b>	\$248,249	
	<b>State</b>	\$248,249	
	<i>Total Program</i>	\$5,553,675	

<b>*ITEM 28:</b>	AIRPORT NAME:	Bisbee Municipal	Page
	SPONSOR:	City of Bisbee	
	AIRPORT CATEGORY:	Public GA	

SCHEDULE:	FY 2005 – 2009	
PROJECT #:	E5F67	
PRESENT PROGRAM AMOUNT:		
PROJECT DESCRIPTION:	Design Runway and Taxiway Lighting System and Install Electrical Vault	
REQUESTED ACTION:	Approve State matching grant.	
FUNDING SOURCES:		\$208,370
	<b>FAA</b>	
	<b>Sponsor</b>	\$5,483
	<b>State</b>	\$5,484
	<i>Total Program</i>	\$219,337

<b>*ITEM 29:</b>	AIRPORT NAME:	Lake Havasu City	Page
	SPONSOR:	Lake Havasu City	
	AIRPORT CATEGORY:	Commercial Service	
	SCHEDULE:	FY 2005 – 2009	
	PROJECT #:	E5F68	
	PRESENT PROGRAM AMOUNT:		
	PROJECT DESCRIPTION:	Construct Taxiway (~ 12,000 SY) Including Lighting and Marking, Phase 1	
	REQUESTED ACTION:	Approve State matching grant.	
	FUNDING SOURCES:		\$150,000
		<b>FAA</b>	
		<b>Sponsor</b>	\$7,363
		<b>State</b>	\$7,363
		<i>Total Program</i>	\$164,726

<b>*ITEM 30:</b>	AIRPORT NAME:	Lake Havasu City	Page
	SPONSOR:	Lake Havasu City	
	AIRPORT CATEGORY:	Commercial Service	
	SCHEDULE:	FY 2005 – 2009	
	PROJECT #:	E5F69	
	PRESENT PROGRAM AMOUNT:		

PROJECT DESCRIPTION: Site prep for Terminal Building including utilities and water tank relocation, Phase 2; Grade area between Taxiway A and Taxiway B for erosion protection and drainage control; Extend Taxiway B (~7,000 SY), Phase 2; Construct North Ramp Taxilane (~6,000 SY) Phase 2

REQUESTED ACTION: Approve State matching grant.

FUNDING SOURCES:

<b>FAA</b>	\$2,782,120
<b>Sponsor</b>	\$73,216
<b>State</b>	\$73,216
<i>Total Program</i>	\$2,928,552

**\*ITEM 31:**

AIRPORT NAME: Marana Northwest Regional Page

SPONSOR: Town of Marana

AIRPORT CATEGORY: Reliever

SCHEDULE: FY 2005 – 2009

PROJECT #: E5F71

PRESENT PROGRAM AMOUNT:

PROJECT DESCRIPTION: Rehabilitate Runway 12/30; Rehabilitate Taxiway

REQUESTED ACTION: Approve State matching grant.

FUNDING SOURCES:

<b>FAA</b>	\$175,000
<b>Sponsor</b>	\$4,605
<b>State</b>	\$4,606
<i>Total Program</i>	\$184,211

**\*ITEM 32:**

AIRPORT NAME: Marana Northwest Regional Page

SPONSOR: Town of Marana

AIRPORT CATEGORY: Reliever

SCHEDULE: FY 2005 – 2009

PROJECT #: E5F72

PRESENT PROGRAM AMOUNT:		
PROJECT DESCRIPTION:	Acquire Land for Approaches	
REQUESTED ACTION:	Approve State matching grant.	
FUNDING SOURCES:		
	<b>FAA</b>	\$125,000
	<b>Sponsor</b>	\$3,289
	<b>State</b>	\$3,290
	<i>Total Program</i>	\$131,579

- ITEM 33:** Priority Planning Advisory Committee (PPAC)
- Minutes – September 29, 2004
  - Minutes – October 1, 2004 Special Meeting
  - Highway Program Monitoring Report.
  - Summary of Changes to the FY 05 – 09 Highway Construction Program

- ITEM 34:** Next regular scheduled meetings of the Priority Planning Advisory Committee (PPAC). Times and dates of meetings could vary and will be announced at time of agenda distribution.
- 2004 PPAC Meeting Dates will be held on Wednesdays**
- December 1, 2004 9:00 AM
  - January 5, 2005 10:00 AM
- <http://ADOTPPAC.ORG/>

**RIGHT OF WAY RESOLUTIONS** (Action as Noted)

- ITEM 35:** RES. NO: 2004-11-A-060  
PROJECT: S-189-A-801 / 189SC000H528206R  
HIGHWAY: NOGALES PRIMARY CONNECTION  
SECTION: Nogales Port of Entry No. 2-52  
ROUTE NO.: State Route 189  
ENG. DIST: Tucson  
COUNTY: Santa Cruz  
RECOMMENDATION: Establish additional right of way as a state route and state highway for improvements to the Port of Entry
- ITEM 36:** RES. NO: 2004-11-A-061  
PROJECT: S 089-B-701 / 089YV313H618701R  
HIGHWAY: PRESCOTT – ASH FORK  
SECTION: Sundog Ranch Rd. – Willow Lake Rd.  
ROUTE NO.: State Route 89  
ENG. DIST: Prescott  
COUNTY: Yavapai  
RECOMMENDATION: Establish additional right of way as a state route for widening improvements

- ITEM 37:** RES. NO: 2004-11-A-062  
PROJECT: I-010-F-801 / 010CH340H545501R  
HIGHWAY: BENSON – STEINS PASS  
SECTION: Fort Grant T.I.  
ROUTE NO.: Interstate Route 10  
ENG. DIST: Safford  
COUNTY: Cochise  
RECOMMENDATION: Establish additional right of way as a state route for traffic interchange improvements
- ITEM 38:** RES. NO: 2004-11-A-063  
PROJECT: S-577-801 / 092CH328H459601R  
HIGHWAY: SIERRA VISTA - BISBEE  
SECTION: Carr Canyon – Hunter Canyon  
ROUTE NO.: State Route 92  
ENG. DIST: Safford  
COUNTY: Cochise  
PARCELS: 2-1057 & 2-1060  
RECOMMENDATION: Establish additional right of way as a state route by Advance Acquisition
- ITEM 39:** RES. NO: 2004-11-A-064  
PROJECT: S-089-A-702 / 089YV258H571701R  
HIGHWAY: WICKENBURG - PRESCOTT  
SECTION: Jct. S.R. 71 – Jct. U.S. 93  
ROUTE NO.: State Route 89  
ENG. DIST: Prescott  
COUNTY: Yavapai  
RECOMMENDATION: Establish additional right of way as a state highway for improvements

**STATE ENGINEER’S REPORT (Information Only)**

**ITEM 40:** Report on construction and projects completed in October, 2004.

**ITEM 41:** Right of Way Acquisition Report for October, 2004.

**CONSTRUCTION CONTRACTS** (Action As Noted)

Interstate, Non-Federal Aid

**ITEM 42:** BIDS OPENED: October 8  
HIGHWAY: TUCSON-BENSON HIGHWAY (I-10)

SECTION: Rita, Houghton & Vail WB Rd TI UP  
COUNTY: Pima  
ROUTE NO: I-10  
PROJECT: I-010-E-505 010 PM 273 H627901C  
FUNDING: 100% State  
LOW BIDDER: Royden Construction Company  
AMOUNT: 1,491,607.90  
STATE ESTIMATES\$: 1,361,879.50  
\$ OVER: 129,728.40  
% OVER: 9.5%  
NO. BIDDERS: 4  
RECOMMENDATION: AWARD

Interstate Federal-Aid (required FHWA Concurrence and compliance with DBE regulations)

\*ITEM 43: BIDS OPENED: October 29  
HIGHWAY: EHRENBERG-PHOENIX HIGHWAY (I-10)  
SECTION: Salome – Burnt Well  
COUNTY: Maricopa  
ROUTE NO: I-10  
PROJECT: IM-010-A(006)A 010 MA 080 H612701C  
FUNDING: 94% Federal 6% State  
LOW BIDDER: FNF Construction, Inc.  
AMOUNT: 5,627,759.74  
STATE ESTIMATE: \$6,701,857.00  
\$ UNDER \$1,074,097.26  
% UNDER: 16%  
NO. BIDDERS: 7  
RECOMMENDATION: AWARD

ITEM 44: BIDS OPENED: October 8  
HIGHWAY: ALL INTERSTATES

SECTION: Interstate Statewide  
COUNTY: N/A  
ROUTE NO: All Interstates  
PROJECT: HES-999-A(001)A 999 SW 000 H638801C  
FUNDING: 94% Federal 6% State  
LOW BIDDER: C S Construction, Inc.  
AMOUNT: \$ 1,789,517.00  
STATE ESTIMATE: \$ 1,902,800.00  
\$ UNDER: \$ 113,283.00  
% UNDER: 5.6%  
NO. BIDDERS: 4  
RECOMMENDATION: AWARD

\*ITEM 45: BIDS OPENED: October 29  
HIGHWAY: PHOENIX-CORDES JUNCTION HIGHWAY  
SECTION: Happy Valley Road TI  
COUNTY: Maricopa  
ROUTE NO: I-17  
PROJECT: CM-017A(017)A 017 MA 218 H655601C  
FUNDING: 74% Federal 26% State  
LOW BIDDER: Nesbitt Contracting Co., Inc.  
AMOUNT: 1,482,356.17  
STATE ESTIMATE: \$ 978,912.00  
\$ OVER: 503,444.17  
% OVER: 51.4%  
NO. BIDDERS: 6  
RECOMMENDATION: AWARD

Non-Interstate Federal-Aid (“A”, “B” “P) Projects do not need FHWA concurrence, but must comply with DBE regulations; other projects are subject to FHWA and/or local government concurrence and compliance with DBE regulations)

\*ITEM 46: BIDS OPENED: November 5  
HIGHWAY: PHOENIX-GLOBE HIGHWAY (US 60)  
SECTION: Gilbert Road TI  
COUNTY: Maricopa  
ROUTE NO: US 60  
PROJECT: CM-060-C(014)A 060 MA 182 H601502C

FUNDING: 47% Federal 53% State  
 LOW BIDDER: Meadow Valley Contractors, Inc.  
 AMOUNT: \$ 3,533,779.73  
 STATE ESTIMATE: \$ 2,690,033.45  
 \$ OVER: \$ 843,746.28  
 %OVER: 31.4%  
 NO. BIDDERS: 3  
 RECOMMENDATION: AWARD

\*ITEM 47: BIDS OPENED: September 23  
 HIGHWAY: TUCSON-ORACLE JUNCTION-  
 GLOBE HIGHWAY (SR 77)  
 SECTION: Town of Mammoth  
 COUNTY: Pinal  
 ROUTE NO: SR 77  
 PROJECT: TEA-077-A(002)A 077 PN 114 H569701C  
 FUNDING: 94% Federal 6% State  
 LOW BIDDER: K.A.Z. Construction, Inc.  
 AMOUNT: \$ 610,000.00  
 STATE ESTIMATE: \$ 536,760.00  
 \$ OVER: \$ 73,240.00  
 % OVER: 13.6%  
 NO. BIDDERS: 6  
 RECOMMENDATION: Reject K.A.Z. Construction's bid and  
 Award the project to Show Low Construction

COMMENTS:

On September 23, 2004 bids were opened on the above referenced project. At the bid opening, K.A.Z. Construction was read as the apparent low bidder with a bid of \$610,000.00. The second low bidder was Show Low Construction, Inc. with a bid of \$614,200.40.

Subsequent to the bid opening, the Department's analysis of the bids showed that a number of items in the K.A.Z. Construction bid were unbalanced. Three of these items stand out as follows:

<i>Item #</i>	<i>Item Description</i>	<i>KAZ's</i>	<i>State's</i>	<i>Unit Price</i>
<i>Unit Price</i>			<i>Quantity</i>	
7320073	Electrical Conduit (2-3") (PVC)	40 L.Ft.	500.00	15.00
8080049	Emitter (Assembly) (Multi Outlet)	29 Each	200.00	20.00
9080243	Concrete Sidewalk (C-05.20)(6" Thick)227	Sq.Ft.	80.00	3.50

The other bidders bid these items at amounts much closer to the State's estimate as shown below.

	<u>7320073</u>	<u>8080049</u>	<u>9080243</u>
<i>State Estimate</i>	15.00	20.00	3.50
K.A.Z. Construction	500.00	200.00	80.00
Show Low Construction	17.25	33.00	5.00
Combs Construction	11.00	35.00	7.00
J. Banicki Construction	14.00	35.00	8.00
Dar-Hil Corporation	12.22	31.00	11.26
Anncole Contracting	12.00	30.00	4.00

K.A.Z. bid \$80.00 per square foot of Concrete Sidewalk (6" Thick) which amounts to \$18,160 for the 227 square feet on the bid schedule. The Department's estimate for this item was \$3.50 per square foot which amounts to \$794.50. K.A.Z.'s bid for Concrete Sidewalk (6" Thick) is more than 22 times greater than what the Department determines to be a reasonable value for the item of work.

A mathematically unbalanced bid is a bid containing unit bid prices that do not reflect reasonably anticipated actual costs plus a reasonable proportionate share of the bidder's anticipated profit, overhead costs, and other indirect costs. As shown above, the three bid items are significantly above the State's estimate and do not reflect a reasonable value of the work. These items are mathematically unbalanced.

A materially unbalanced bid is a bid that generates a reasonable doubt that award to the bidder submitting a mathematically unbalanced bid will result in the lowest ultimate cost to the Department. In order to determine if any of the unit prices are also materially unbalanced, we reviewed the project plans to determine if quantities were likely to change during construction. Based on our review, the quantity of the Concrete Sidewalk (6" Thick) will increase from 227 to 1,135 square feet. With this increase, K.A.Z.'s bid of \$80 per square foot will result in an extended amount of \$90,800. As a result, the cost to the Department for K.A.Z. Construction's bid would go from \$610,000.00 to \$682,640.00 while the cost to the Department for Show Low Construction's bid would go from \$614,200.40 to \$618,740.40.

Subsection 102.10 Irregular Proposals of the Standard Specifications states that the Department may reject any bid if it is mathematically or materially unbalanced. The State Engineer has determined that K.A.Z. Construction's bid is both mathematically and materially unbalanced. The magnitude of the unbalancing is to the potential detriment of the Department, and there is reasonable doubt that award to K.A.Z. Construction will result in the lowest ultimate cost to the Department.

K.A.Z. has offered to insure that its bid will result in the lowest ultimate cost to the Department by agreeing to apply the State's estimate to the overrun.

In order to have free, open, competitive bidding on a common basis, all bidders must have the same opportunity to provide a unit price on each item in the bid schedule. The terms of the bid cannot be changed after the bids are opened. The contractor cannot be given two opportunities, one at the bid opening and one after the bids are opened. The Department cannot accept K.A.Z.'s proposal.

HIGHWAY: CITY OF GLENDALE  
 SECTION: Thunderbird Paseo Multi-Use Path  
 COUNTY: Maricopa  
 ROUTE NO: N/A  
 PROJECT: TEA-GLN-0(022)A 0000 MA GLN SL46801C  
 FUNDING: 94% Federal 6% City of Glendale  
 LOW BIDDER: Anncole Contracting Corp.  
 AMOUNT: \$ 472,504.50  
 STATE ESTIMATE: \$ 430,446.80  
 \$ OVER: \$ 42,057.70  
 % OVER: 9.8%  
 NO. BIDDERS: 6  
 RECOMMENDATION: AWARD

Non-Interstate, Non-Federal Aid

\*ITEM 49: BIDS OPENED: October 29  
 HIGHWAY: WICKENBURG-PHOENIX HIGHWAY (US 60)  
 SECTION: Grand Ave: 59<sup>th</sup> Avenue/Glendale Avenue  
 COUNTY: Maricopa  
 ROUTE NO: US 60  
 PROJECT: RAM-060-B-507 060 MA 155 H561001C  
 FUNDING: 90% RARF 10% City of Glendale  
 LOW BIDDER: Coffman Specialties, Inc.  
 AMOUNT: \$ 25,995,948.30  
 STATE ESTIMATE: \$ 18,600,000.00  
 \$ OVER: \$ 7,395,948.30  
 % OVER: 39.8%  
 NO. BIDDERS: 4  
 RECOMMENDATION: AWARD

ITEM 50: BIDS OPENED: October 8  
 HIGHWAY: DOUGLAS-WILLCOX HIGHWAY (US 191)  
 SECTION: Dragoon Road to Cochise TI  
 COUNTY: Cochise  
 ROUTE NO: US 191  
 PROJECT: U-191-A-501 191 CH 055 H571601C  
 FUNDING: 100% State  
 LOW BIDDER: Haydon Building Corp.  
 AMOUNT: \$ 652,353.00  
 STATE ESTIMATE: \$ 640,268.20  
 \$ OVER: \$ 12,084.80  
 % OVER: 1.9%

NO. BIDDERS:  
RECOMMENDATION: AWARD

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**\*ITEM 51: CONSENT AGENDA** (Approval)  
Consideration of all items included in the consent agenda.

**ADJOURN**