MINUTES
OF THE
STATE TRANSPORTATION BOARD
BOARD MEETING
9:00 a.m., Friday, July 19, 2002
Round Valley High School Auditorium
550 North Butler
Eagar, Arizona 85925

The State Transportation Board met in official session for a regular meeting at 9:00 a.m., Friday, July 19, 2002, with Chairperson Dusenberry presiding. Other Board members present included: Ingo Radicke, Vice Chairperson; Rusty Gant; Dick Hileman; Bill Jeffers; Joe Lane; and Jim Martin. Also present were Director Victor Mendez; Debra Brisk, Deputy Director; Dick Wright, State Engineer; John McGee, Chief Financial Officer, Administrative Services Division; Gary Adams, Assistant Director, Aeronautics Division; and Mary Lynn Tischer, Director, Planning Division. There were approximately 50 people in the audience.

OPENING REMARKS AND PLEDGE

Chairperson Dusenberry led the audience in the Pledge of Allegiance. She introduced dignitaries in the audience and thanked the Town of Eagar for their hospitality Thursday night.

CALL TO AUDIENCE

Kay Dyson, Mayor of Springerville, submitted a written copy of a memo outlining their concerns for the Board's consideration. She asked the Board to do what it can to help facilitate traffic coming to their area.

Sandra Burk, Mayor of Eagar, asked the Board to consider turnouts on Highway 260, explaining turning on and off of 260 poses safety concerns due to the speed of traffic in the area.

Mary Anne Moreno, Executive Director, Miami Regional Chamber of Commerce and Economic Development Corporation, complimented ADOT and the Board on US 60. She asked the Board to keep SR 188 from Devore Wash to Sportsman's Haven in the 2003/04 program. She requested that the passing lanes projected for US 60 from Superior to Miami be planned, funded and carried out expeditiously. She also asked that an alternate US 60 from Superior to East Globe be kept in the department's future plans.

Jack Husted, Springerville resident and past Chairman of the State Transportation Board, emphasized the need for improvements to Highway 260.

AWARD

Dick Wright presented Bill Pride with a 35 Year Service Award. John Hauskins and Victor Mendez commented on Mr. Pride's dedication, reliability and attitude.

DISTRICT ENGINEER REPORT

Rick Powers, District Engineer, introduced members of his staff. He outlined the boundaries of the area for which they have responsibility, noting the area includes three scenic roads. He discussed the effects of the Rodeo/Chedeski fire, stating 423 homes were lost, 460,000 acres of forest burned and 30,000 people were evacuated for almost one week. He listed the number of fire personnel and equipment used to fight the fire, stating the cost of fighting it to date totals $22 million. He said ADOT staff continued to do their work even though 33 employees were evacuated from their homes and 58 were unable to access their offices. He pointed out that 120 ADOT employees assisted in the roadblock effort.

Lynn Johnson updated the Board on the status of projects in the area. He reported the experimental striping at the junction of 373/273 will be completed within the next couple weeks and the Cedar Creek bridge reconstruction is complete. He stated the fire has resulted in major scheduling problems for the highway from Pinetop to Hondah. He said the signal at Santa Monica Road has been turned on and striping should be completed today. He noted they hope to have a bridge replacement project for the ___ bridge programmed within the next six to eight years.

Mr. Powers discussed future projects planned for the area, including the Cedar Canyon to Forestdale project on Highway 60, a project on Highway 191 and the Eagar/Overgaard project. He noted a federal project planned for Sunrise to Big Lake is scheduled for 2004, stating, however, it could be delayed because they have not yet seen an environmental document. He said they are also working on a number of minor projects and local activities. He identified their future needs, stating they would like to see four lanes on Highway 260 into Showlow and on Highway 77. He said they would also like to see five lanes on Highway 277. He noted they are working with the White Mountain Regional Transportation Committee to look at alternate routes to bring people to the area. He reported their construction program averages about $39 million per year and they have budgeted $7,372,000 for maintenance of the roadways.

CONSENT AGENDA

Items 33, 44 and 46 were pulled from the Consent Agenda.

DIRECTOR'S REPORT

Mr. Mendez thanked the Towns of Eagar and Springerville for their hospitality and Imperial Laminators for the tour.

Ms. Brisk updated the Board on the status of the Hoover Dam bypass. She said a project management team meeting was held this week and they are progressing according to schedule. She stated construction is anticipated to start early next year, noting they recently received 75

percent plans. She stated total project completion is anticipated by mid-2007. She said the project cost totals $231 million, of which ADOT has $126 million. She stated they are asking Congressional staff for $108 million, $105 million to cover the remaining cost and $3 million to cover contingencies. She reported the ground breaking ceremony is scheduled October 21.

In response to Mr. Radicke's question concerning the sidewalks, Ms. Brisk stated they are proceeding with the design, but looking at alternatives and barrier wall options. Mr. Mendez said they have not yet received a formal response from the Arizona Motor Transport Association, but expect a resolution or letter indicating their concern about having sidewalks located so close to traffic. He said he and Director Stevens discussed various options with Larry Smith at last week's WASHTO meeting, including a pedestrian understructure.

Mr. Mendez reported the WASHTO meeting went well, but was not as well attended as previous years. He said there were a number of meetings with industry groups and a roundtable meeting with FHWA. He stated reauthorization of federal funding from 2004 to 2009 was the number one issue. He said funding of the Hoover Dam bypass and increasing the amount of funding available for highways, freeways and transit are Arizona's highest priorities.

In response to Chairperson Dusenberry's suggestion, Mr. Mendez recommended the Board discuss a resolution either supporting or indicating their non-support of the Governor's resolutions at their August 1 study session. He offered to send the WGA Resolution and ADOT's priorities to the Board for review prior to the meeting.

Legislative Report

Kevin Biesty updated the Board on federal and state legislative issues. He reported Senator Kyle's amendment to fund the remainder of the project did not get into the 2002 supplemental appropriations bill. He stated the Senate Transportation Appropriation Subcommittee is scheduled to markup the Transportation Appropriation 2003 bill on July 23. He stated the two highway restoration bills from the House and Senate to restore the negative RABA amount continue to be part of the 2002 supplemental appropriations discussions. He said, however, the Office of Management and Budget has told the conference committee that the President would not accept the total dollars that had been agreed to in committee. He said the conference committee is now looking to reduce the amount. Mr. Biesty stated SB 2678 has been referred to the Senate Committee on Finance, but a hearing has not yet been scheduled. He said various hearings are occurring with regard to the TEA-21 reauthorization which will provide background information for Congress prior to beginning work on the reauthorization bill.

Mr. Biesty said the State Legislature is out of session, but it appears a special session will be called to deal with the death penalty issue.

Mr. Mendez noted the Governor has asked that they manage prudently due to the possibility of mid-year changes.

Financial Report

John McGee reviewed the May Maricopa Transportation Excise Tax report, stating collections were down 1.6 percent over May 2001. He said June's collections totaled $22,064,000 as compared to $22,274,000 for June 2001. He stated the one percent year-to-date increase over last year was the smallest year-over-year increase since the act was enacted. He identified Retail Sales as the major problem for the year, stating they were 3.3 percent below last year. He attributed the decline to the increased unemployment rate, declines in the stock market and the fallout of the September 11 terrorist attacks. He noted, however, Contracting was up 6.2 percent over last year.

Mr. McGee reviewed the June 2002 Highway User Revenue Fund report, stating HURF collections for FY 2002 were 4.4 percent over last year and 1.0 percent above the estimate. He said total revenue collections for the month of June were $92 million, which was an increase of 3.8 percent above last year, but 0.7 percent below the estimate. He attributed growth to the Gas Tax, Use Fuel Tax and Vehicle License Tax revenue categories, stating they were 1.7, 0.8, and 2.5 percent above the estimate. He said the Use Fuel Tax and Motor Carrier revenue categories were lower than their respective estimates, which could be attributable to the slower economy.

Mr. McGee reviewed the Cash Management/Investment Program report for May, stating the Department earned $2,324,000 at an average yield of 3.01 percent. He reported year-to-date earnings total $31,070,000 million at an average yield of 4.05 percent.

Mr. McGee stated the HELP Fund cash balance as of June 30 totaled $141,388,433, with 40 signed loan agreements totaling $430,226,308. He said department staff will meet next week with the HELP Advisory Committee to look at whether or not the General Fund balances will be sufficient over the next two years to allow them to re-borrow the $140 million. He reported a 50 percent drop in the General Fund balance over the past 18 months. He cautioned the Board about making loans that do not mature prior to the repayment of the BFOs.

Financing Program

John McGee stated they have spent all but $20 million of the $143 million GAN issue and $4.6 million of the $66 million RARF borrowing. He reported $63 million of the $77 million HURF issuance remains. He noted the Board received the $60 million BFO on June 28 at a 3.09 percent interest rate. He said they continue moving forward on the 2002 Series RARF issue and tentatively plan on pricing the deal the week of July 28. Kurt Freund discussed the Pre-Pricing Review.

Direction to Proceed: Highway Revenue Bonds

John McGee presented and recommended approval of a Resolution directing Department Staff, Financial Advisor and Bond Counsel to take all actions necessary precedent to its planned issuance of Arizona Transportation Board Highway Revenue Bonds.

Board Action: A motion to approve the following Resolution was made by Mr. Radicke and seconded by Mr. Lane:

RESOLUTION

RESOLUTION OF THE STATE OF ARIZONA TRANSPORTATION BOARD DIRECTING STAFF, ADVISORS AND BOND COUNSEL IN MATTERS PERTAINING TO ITS PLANNED ISSUANCE OF HIGHWAY REVENUE BONDS.

The Board hereby directs Departmental staff, working with RBC Dain Rauscher Inc. as Financial Advisor and Squire, Sanders & Dempsey L.L.P. as Bond Counsel to the Board, to take all actions necessary precedent to the Board's planned issuance of its Highway Revenue Bonds, in one or more series of senior or subordinate bonds, to be designated, and on such other terms and conditions as determined and authorized by Resolution of the Board.

Dated this 19th Day of July, 2002

The motion passed unanimously.

* **2002 REMAINING BOARD MEETING DATES:**

August 16, 2002	**Board Meeting – Safford**	**9:00 a.m.**
September 20, 2002	**Board Meeting – Nogales**	**9:00 a.m.**
October 18, 2002	**Board Meeting – Apache Jct.**	**9:00 a.m.**
November 15, 2002	**Board Meeting – Yuma**	**9:00 a.m.**
December 20, 2002	**Board Meeting – Tucson**	**9:00 a.m.**

PRIORITY PLANNING ADVISORY COMMITTEE (PPAC)

FY 2003 - 2007 Transportation Facilities Construction Program Requested Modifications

COUNTY:	Maricopa
SCHEDULE:	FY 2002
SECTION:	Phoenix/HOV conversion to dual ramp meters
TYPE OF WORK:	Convert HOV bypass to dual metering
PROGRAM AMOUNT:	$1,000,000 Funding Source: CM
PROJECT MANAGER:	Marian Thompson
PROJECT:	H595601C Item Number; 28702
REQUESTED ACTION:	Defer remaining funds in amount of $566,000 from FY 2002 to FY 2003 and reestablish item as a new

construction project.

Board Action: A motion to approve the above recommendation was made by Mr. Jeffers, seconded by Mr. Gant and passed unanimously.

ROUTE NO:	SR 89 A @ MP 344.00
COUNTY:	Yavapai
SCHEDULE:	FY 2003
SECTION:	Town of Jerome
TYPE OF WORK:	Construct rest area facilities
PROGRAM AMOUNT:	$300,000 Funding Source: State
PROJECT MANAGER:	Debra Einweck
PROJECT:	H507901C Item Number; 46299
REQUESTED ACTION:	Defer project from FY 2003 to FY 2004 to allow for application of additional enhancment funds.

Board Action: A motion to approve the above recommendation was made by Mr. Radicke, seconded by Mr. Hileman and passed unanimously.

ROUTE NO:	SR 101 L @ MP 15.60
COUNTY:	Maricopa
SCHEDULE:	New Project
SECTION:	Union Hills - 75th Ave
TYPE OF WORK:	IGA w/ Glendale, Sound wall footings
PROGRAM AMOUNT:	New
PROJECT MANAGER:	Ron McCally
PROJECT:	JPA Number: 02-87
REQUESTED ACTION:	Add new program item in amount of $355,000 to the FY 2003 Highway Construction Program to fund JPA with the City of Glendale for cost participation in sound walls. **See funding sources below.**

FY 03 Highway Contingency #72303	$255,000
FY 03 District Minor #73303 (Phoenix Maintenance)	$100,000
NEW PROGRAM AMOUNT:	$355,000

Board Action: A motion to approve the above recommendation was made by Mr. Gant, seconded by Mr. Lane and passed unanimously.

ROUTE NO:	SR 89 @ MP 353.10
COUNTY:	Yavapai
SCHEDULE:	FY 2003
SECTION:	Little Hell Canyon - Ash Fork
TYPE OF WORK:	Pavement Preservation
PROGRAM AMOUNT:	$4,163,000 Funding Source: STP

PROJECT MANAGER:	Ray Leon
PROJECT:	H556501C Item Number; 21903
REQUESTED ACTION:	Reduce program amount by $978,000 to $3,185,000. **Funds return to the FY 2003 Pavement Preservation Fund #72503.**
PROGRAM AMOUNT:	$4,163,000
DECREASE AMOUNT:	$978,000
NEW PROGRAM AMOUNT:	$3,185,000

Board Action: A motion to approve the above recommendation was made by Mr. Hileman, seconded by Mr. Jeffers and passed unanimously.

ROUTE NO:	I-40 @ MP 79.50
COUNTY:	Mohave
SCHEDULE:	FY 2004
SECTION:	Silver Springs - Fort Rock
TYPE OF WORK:	Pavement Preservation
PROGRAM AMOUNT:	$4,745,000 Funding Source: IM
PROJECT MANAGER:	Don Gorman
PROJECT:	H584601C Item Number; 17504
REQUESTED ACTION:	Reduce program amount by $848,000 to $3,897,000 to match estimate from final project assessment (PA). **Funds return to the FY 2004 Pavement Preservation Fund #72504.**
PROGRAM AMOUNT:	$4,745,000
DECREASE AMOUNT:	$848,000
NEW PROGRAM AMOUNT:	$3,897,000

Board Action: A motion to approve the above recommendation was made by Mr. Radicke, seconded by Mr. Hileman and passed unanimously.

ROUTE NO:	US 160 @ MP 311.40
COUNTY:	Coconino
SCHEDULE:	FY 2003
SECTION:	Jct. US 89 - Tuba City
TYPE OF WORK:	Pavement Preservation
PROGRAM AMOUNT:	$610,000 Funding Source: STP
PROJECT MANAGER:	Shajed Haque
PROJECT:	H527401C Item Number; 22802
REQUESTED ACTION:	Increase program amount by $203,000 to $813,000. Sufficent funding was not programmed to cover project cost. **Funds available from the FY 2003 Pavement Preservation Fund #72503.**
PROGRAM AMOUNT:	$610,000
INCREASE AMOUNT:	$203,000

NEW PROGRAM AMOUNT: $813,000

Board Action: A motion to approve the above recommendation was made by Mr. Jeffers, seconded by Mr. Radicke and passed unanimously.

ROUTE NO:	SR 79 @ MP 91.20
COUNTY:	Pinal
SCHEDULE:	FY 2003
SECTION:	Jct. SR 77 - Cadillic Wash
TYPE OF WORK:	Pavement Preservation
PROGRAM AMOUNT:	$986,000 Funding Source: STP
PROJECT MANAGER:	Shajed Haque
PROJECT:	H610301C Item Number; 21403
REQUESTED ACTION:	Increase program amount by $153,000 to $1,139,000. Sufficent funding was not programmed to cover project cost. **Funds available from the FY 2003 Pavement Preservation Fund #72503.**
PROGRAM AMOUNT:	$986,000
INCREASE AMOUNT:	$153,000
NEW PROGRAM AMOUNT:	$1,139,000

Board Action: A motion to approve the above recommendation was made by Mr. Radicke, seconded by Mr. Jeffers and passed unanimously.

*ITEM 14:

ROUTE NO:	SR 80 @ MP 379.00
COUNTY:	Cochise
SCHEDULE:	FY 2003
SECTION:	Silver Creek – Bernardino
TYPE OF WORK:	Pavement Preservation
PROGRAM AMOUNT:	$2,938,000 Funding Source: STP
PROJECT MANAGER:	James Reeves
PROJECT:	H556201C Item Number; 19903
REQUESTED ACTION:	Increase program amount by $394,000 to $3,332,000 due to change in scope to a full width milling and lengthing of the project. **Funds available from the FY 2003 Pavement Preservation Fund #72503.**
PROGRAM AMOUNT:	$2,938,000
INCREASE AMOUNT:	$394,000
NEW PROGRAM AMOUNT:	$3,332,000

Board Action: A motion to approve the above recommendation was made by Mr. Martin, seconded by Mr. Jeffers and passed unanimously.

ROUTE NO: SR 264 @ MP 322.00

COUNTY:	Coconino
SCHEDULE:	FY 2003
SECTION:	Tuba City - Coal Mine Rd.
TYPE OF WORK:	Pavement Preservation
PROGRAM AMOUNT:	$2,585,000 Funding Source: STP
PROJECT MANAGER:	James Reeves
PROJECT:	H557201C Item Number; 21203
REQUESTED ACTION:	Increase program amount by $1,715,000 to $4,300,000 due to update cost estimate. **Funds available from the FY 2003 Pavement Preservation Fund #72503.**
PROGRAM AMOUNT:	$2,585,000
INCREASE AMOUNT:	$1,715,000
NEW PROGRAM AMOUNT:	$4,300,000

Board Action: A motion to approve the above recommendation was made by Mr. Radicke, seconded by Mr. Martin and passed unanimously.

ROUTE NO:	SR 67 @ MP 579.40
COUNTY:	Coconino
SCHEDULE:	FY 2003
SECTION:	Jacob Lake - North Rim
TYPE OF WORK:	Pavement Preservation
PROGRAM AMOUNT:	$1,800,000 Funding Source: STP
PROJECT MANAGER:	Jennifer Livingston
PROJECT:	H499102C Item Number; 20502
REQUESTED ACTION:	Increase program amount by $421,000 to $2,221,000 due to change in scope from chip seal to ARFC. **Funds available from the FY 2003 Pavement Preservation Fund #72503.**
PROGRAM AMOUNT:	$1,800,000
INCREASE AMOUNT:	$421,000
NEW PROGRAM AMOUNT:	$2,221,000

Board Action: A motion to approve the above recommendation was made by Mr. Radicke, seconded by Mr. Martin and passed unanimously.

ROUTE NO:	SR 85 @ MP 57.80
COUNTY:	Pima
SCHEDULE:	FY 2003
SECTION:	Organ Pipe NM - International Border
TYPE OF WORK:	Pavement Preservation
PROGRAM AMOUNT:	$4,752,000 Funding Source: STP
PROJECT MANAGER:	John Melanson
PROJECT:	H489301C Item Number; 18401

REQUESTED ACTION:	Increase program amount by $677,000 to $5,429,000 due to project incentives and addition of enhancement elements. **See funding sources below.**
PROGRAM AMOUNT:	$4,752,000
INCREASE AMOUNT:	$677,000
FY 03 Pavement Preservation Fund #72503	$$278,000
FY 03 Enhancement Fund #72303	$399,000
NEW PROGRAM AMOUNT:	$5,429,000

Ms. Tischer recommended the Board remove Item 17 from the agenda.

Board Action: A motion to table Item 17 until such time as the Enhancement Committee has had a chance to review it was made by Mr. Radicke, seconded by Mr. Gant and passed unanimously.

ROUTE NO:	US 60 @ MP 239.50
COUNTY:	Gila
SCHEDULE:	FY 2003
SECTION:	Pinto Valley - Miami
TYPE OF WORK:	Pavement Preservation
PROGRAM AMOUNT:	$1,344,000 Funding Source: STP
PROJECT MANAGER:	John Melanson
PROJECT:	H555601C Item Number; 19403
REQUESTED ACTION:	Increase program amount by $356,000 to $1,700,000 due to project incentives and change in depth of pavement milling. **Funds available from the FY 2003 Pavement Preservation Fund #72503.**
PROGRAM AMOUNT:	$1,344,000
INCREASE AMOUNT:	$356,000
NEW PROGRAM AMOUNT:	$1,700,000

Board Action: A motion to approve the above recommendation was made by Mr. Radicke, seconded by Mr. Jeffers and passed unanimously.

ROUTE NO:	I-10 @ MP 2.00
COUNTY:	La Paz
SCHEDULE:	FY 2003
SECTION:	Ehrenberg POE - West Quartzsite
TYPE OF WORK:	Pavement Preservation
PROGRAM AMOUNT:	$8,377,000 Funding Source: IM
PROJECT MANAGER:	Kevin Kozel / Tim Wilson
PROJECT:	H601401C Item Number; 23203
REQUESTED ACTION:	Increase program amount by $310,000 to

$8,687,000 due to scope change in pavement milling and replacement. **Funds available from the FY 2003 Pavement Preservation Fund #72503.**

PROGRAM AMOUNT:	$8,377,000
INCREASE AMOUNT:	$310,000
NEW PROGRAM AMOUNT:	$8,687,000

Board Action: A motion to approve the above recommendation was made by Mr. Hileman, seconded by Mr. Radicke and passed unanimously.

ROUTE NO:	I-10 @ MP 248.70
COUNTY:	Pima
SCHEDULE:	New Project
SECTION:	Ina Rd. – Prince Rd.
TYPE OF WORK:	Pavement Preservation
PROGRAM AMOUNT:	$1,776,000 Funding Source: IM
PROJECT MANAGER:	Shajed Haque
PROJECT:	H610401C Item Number; 20503
REQUESTED ACTION:	Increase program amount by $813,000 to $2,589,000 to addition of bridge joint repair and updated estimates. **See funding sources below.**

PROGRAM AMOUNT:	$1,776,000
INCREASE AMOUNT:	$813,000
FY 03 Bridge Inspection Fund #71403	$685,000
FY 03 Pavement Preservation Fund #72503	$128,000
NEW PROGRAM AMOUNT:	$2,589,000

Board Action: A motion to approve the above recommendation was made by Mr. Radicke, seconded by Mr. Lane and passed unanimously.

ROUTE NO:	I - 19 @ MP 7
COUNTY:	Santa Cruz
SCHEDULE:	FY 2002
SECTION:	Rio Rico – Ruby Road East
TYPE OF WORK:	Construct Frontage Road
PROGRAM AMOUNT:	$13,800,000 Funding Source: HPP/STP
PROJECT MANAGER:	Larry Maucher
PROJECT:	H516301C Item Number: 16102
REQUESTED ACTION:	Increase program amount by $700,000. **Funds available from FY 2003 Contingency Statewide #72303.**

PROGRAM AMOUNT:	$13,800,000
FY 2002 Contingency Statewide #72303	$700,000
NEW PROGRAM AMOUNT:	$14,500,000

Board Action: A motion to approve the above recommendation was made by Mr. Martin, seconded by Mr. Hileman and passed unanimously.

ROUTE NO:	I - 19 @ MP 7		
COUNTY:	Santa Cruz		
SCHEDULE:	FY 2002		
SECTION:	Rio Rico - Ruby Road East		
TYPE OF WORK:	Utility Relocation		
PROGRAM AMOUNT:	$0	Funding Source:	
PROJECT MANAGER:	Larry Maucher		
PROJECT:	H516301U	Item Number:	
REQUESTED ACTION:	Create a new Utility Phase for this project. **See Funding Sources below.**		
FY 2003 Contingency Statewide #72303			$300,000
FY 2003 Utility Statewide Location Services #70803			$1,000,000
NEW PROGRAM AMOUNT:			$1,300,000

Board Action: A motion to approve the above recommendation was made by Mr. Martin, seconded by Mr. Radicke and passed unanimously.

ROUTE NO:	I-19 @ MP 59.3		
COUNTY:	Pima		
SCHEDULE:	FY 2002		
SECTION:	Valencia TI		
TYPE OF WORK:	Landscaping and Irrigation		
PROGRAM AMOUNT:	$988,000	Funding Source:	State
PROJECT MANAGER:	Larry Maucher		
PROJECT:	H260903C	Item Number:	11300
REQUESTED ACTION:	Reprogram from FY 2002 to FY 2003.		

Board Action: A motion to approve the above recommendation was made by Mr. Jeffers, seconded by Mr. Radicke and passed unanimously.

ROUTE NO:	SR 87 @ MP 115.7		
COUNTY:	Pinal		
SCHEDULE:	FY 2002		
SECTION:	Jct. SR 84 - Coolidge (SR 287)		
TYPE OF WORK:	ARFC		
PROGRAM AMOUNT:	$1,238,000	Funding Source:	STP
PROJECT MANAGER:	Shajed Haque		
PROJECT:	H589801C	Item Number:	21502
REQUESTED ACTION:	Reprogram from FY 2002 to FY 2003.		

Board Action: A motion to approve the above recommendation was made by Mr. Radicke, seconded by Mr. Jeffers and passed unanimously.

FY 2003 - 2007 Airport Development Program – Requested Modifications

PROJECT:	Kingman Airport
SPONSOR:	Kingman Airport Authority
CATEGORY:	Commercial Service Airport
SCHEDULE:	FY 2003
PROJECT #:	E1141
PROGRAM AMOUNT:	$538,327
TYPE OF WORK:	Install Rwy MIRL, Phase 2
REQUESTED ACTION:	Add $500 funds to match Federal Grant Amendment # 1. Total project $538,327:
FUNDING SOURCES	**FAA** $490,201
	Sponsor $24,063
	State $24,063
	Total Program $538,327

PROJECT:	Williams Gateway Airport
SPONSOR:	Williams Gateway Airport Authority
CATEGORY:	Reliever Airport
SCHEDULE:	FY 2003
PROJECT #:	E9063
PROGRAM AMOUNT:	$4,418,900
TYPE OF WORK:	Reconstruct Rwy 12L/30R, Phase 3
REQUESTED ACTION:	Add $25,764 funds to match Federal Grant Amendment # 1 & 2. Total project $4,418,900:
FUNDING SOURCES	**FAA** $4,023,850
	Sponsor $197,525
	State $197,525
	Total Program $4,418,900

Board Action: A motion to approve Items 25 and 26 was made by Mr. Radicke, seconded by Mr. Gant and passed unanimously.

PROJECT:	Laughlin-Bullhead
SPONSOR:	Mohave County Airport Authority
CATEGORY:	Commercial
SCHEDULE:	FY 2003
PROJECT #:	E9090
PROGRAM AMOUNT:	$399,367
TYPE OF WORK:	Phase 2 eastside general aviation developments; master plan update

REQUESTED ACTION:	Approve scope change to include land acquisition in place of master plan update	
FUNDING SOURCES	**FAA**	$363,664
	Sponsor	$17,851
	State	$17,852
	Total Program	$399,367

Board Action: A motion to approve the above recommendation was made by Mr. Gant, seconded by Mr. Lane and passed unanimously.

* Priority Planning Advisory Committee (PPAC)

- Minutes – June 5, 2002
- Highway Program Monitoring Report.

* Priority Planning Advisory Committee (PPAC) Meeting Schedule
Transportation Board Room
206 S. 17th Ave
Phoenix, AZ 85007
(Meetings are held on Thursday @ 1:30 PM unless otherwise noted)

- August 1, 2002 @ 1:30 PM
- September 5, 2002 @ 1:30 PM
- October 3, 2002 @ 1:30 PM
- October 31, 2002 @ 1:30 PM
- December 5, 2002 @ 1:30 PM

RIGHT OF WAY RESOLUTIONS

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RES. NO:	2002-07-A-028
PROJECT:	I-17-2-601 / 017YV296H020801R
HIGHWAY:	CORDES JCT. - FLAGSTAFF
SECTION:	McGuireville Rest Area
ROUTE NO.:	Interstate Route 17
ENG. DIST:	P
COUNTY:	Yavapai
PARCEL:	13-1336
RECOMMENDATION:	Establish additional right of way to modify the existing waste water treatment plant

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RES. NO:	2002-07-A-029
PROJECT:	F-037-2(1) / 089CN466H088801R
HIGHWAY:	FLAGSTAFF - CAMERON
SECTION:	Gray Mountain - Cameron
ROUTE NO.:	U.S. Route 89
ENG. DIST:	F
COUNTY:	Coconino

RECOMMENDATION:	Disposal by easement extinguishment And relinquishment to the Bureau of Indian Affairs, Navajo Indian Agency

* RES. NO:	2002-07-A-030
PROJECT:	600-1-703 / 101LMA000H083001R
HIGHWAY:	PIMA FREEWAY
SECTION:	Scottsdale Rd. – Doubletree Ranch Rd.
ROUTE NO.:	State Route 101 Loop
ENG. DIST:	M
COUNTY:	Maricopa
PARCEL:	7-3751B and 3752B
RECOMMENDATION:	Establish additional right of way for a spur dyke and drainage

RES. NO:	2002-07-A-031
PROJECT:	F-068-1 / 068MO000H088801R
HIGHWAY:	DAVIS DAM - KINGMAN
SECTION:	Bullhead City - Kingman
ROUTE NO.:	Bullhead City - East
ENG. DIST:	K
COUNTY:	Mohave
RECOMMENDATION:	Disposal of easement by vacation and extinguishment

Board Action: A motion to approve the above recommendation was made by Mr. Jeffers, seconded by Mr. Hileman and passed unanimously.

STATE ENGINEER'S REPORT

* Report on Construction and projects completed in June, 2002.

* Right of Way Acquisition Report for June, 2002.

CONSTRUCTION CONTRACTS

Interstate, Non-Federal Aid

BIDS OPENED:	June 14
HIGHWAY:	CORDES JUNCTION-FLAGSTAFF HIGHWAY (I-17)
SECTION:	County Line to Newman Park T.I.
COUNTY:	Coconino
ROUTE NO:	I-17
PROJECT:	I-017-B-502 017 CN 312 H542201C
FUNDING:	100% State
LOW BIDDER:	Phillips Three, Inc.
AMOUNT:	$ 208,457.81

STATE ESTIMATE:	$	278,000.00
$ UNDER:	$	69,542.19
% UNDER:		25.0
NO. BIDDERS:		2
RECOMMENDATION: AWARD		

Board Action: A motion to approve the above recommendation was made by Mr. Jeffers, seconded by Mr. Hileman and passed unanimously.

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BIDS OPENED:	June 28	
HIGHWAY:	ASHFORK-FLAGSTAFF HIGHWAY	
SECTION:	I-40 West of I-17 & I-17 South of I-40	
COUNTY:	Coconino	
ROUTE NO:	I-17 NB & SB, I-40 EB & WB	
PROJECT:	I-040-C-501 040 CN 193 H597301C	
FUNDING:	100% State	
LOW BIDDER:	Texas Commercial Fence, Inc.	
AMOUNT:	$	263,920.00
STATE ESTIMATE:	$	289,400.00
$ UNDER:	$	25,480.00
% UNDER:		8.8%
NO. BIDDERS:		5
RECOMMENDATION: AWARD		

Non-Interstate, Non-Federal Aid

BIDS OPENED:	June 28	
HIGHWAY:	SHOW LOW – HOLBROOK HIGHWAY (SR 77)	
SECTION:	SR-77, MP 363.6 to 372.2	
COUNTY:	Navajo	
ROUTE NO:	SR 77	
PROJECT:	S-077-B-502 077 NA 363 H541001C	
FUNDING:	100% State	
LOW BIDDER:	Coffman Specialties, Inc.	
AMOUNT:	$	459,465.00
STATE ESTIMATE:	$	560,086.00
$ UNDER:	$	100,621.00
% UNDER:		18.0%
NO. BIDDERS:		9
RECOMMENDATION:	AWARD	

Board Action: A motion to approve the above recommendation was made by Mr. Jeffers, seconded by Mr. Radicke and passed unanimously.

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BIDS OPENED:	June 14	
HIGHWAY:	PRESCOTT-FLAGSTAFF HIGHWAY	
SECTION:	Glassford Hill, Phase I	
COUNTY:	Yavapai	
ROUTE NO:	SR 89A	
PROJECT:	S-A89-A-502 089A YV 321 H520801C	
FUNDING:	75% State 25% Town of Prescott Valley	
LOW BIDDER:	R.E. Monks Construction Company, LLC	
AMOUNT:	$	14,089,360.50
STATE ESTIMATE:	$	15,817,360.65
$ UNDER:	$	1,728,000.15
% UNDER:		10.3%
NO. BIDDERS:		6
RECOMMENDATION:	AWARD	

BIDS OPENED:	June 28
HIGHWAY:	PARKER-BULLHEAD CITY HIGHWAY (SR 95)
SECTION:	Laguna Street
COUNTY:	Mohave
ROUTE NO:	SR 95
PROJECT:	S-095-D-503 095 MO 229 HX08201C
FUNDING:	48% State 27% Mohave County 25% Fort Mohave Indian Tribe
LOW BIDDER:	Kiewit Western Co.

AMOUNT:	$	201,962.00
STATE ESTIMATE:	$	266,613.30
$ UNDER:	$	64,651.30
% UNDER:		24.3%
NO. BIDDERS:		8
RECOMMENDATION:	AWARD	

BIDS OPENED:	June 28	
HIGHWAY:	PARKER-BULLHEAD CITY HIGHWAY (SR 95)	
SECTION:	King Street	
COUNTY:	Mohave	
ROUTE NO:	SR 95	
PROJECT:	S-095-D-502 095 MO 231 HX09901C	
FUNDING:	43% State 30% Mohave County	
	27% Fort Mohave Indian Tribe	
LOW BIDDER:	Kiewit Western Co.	
AMOUNT:	$	157,831.00
STATE ESTIMATE:	$	211,462.80
$ UNDER:	$	53,631.80
% UNDER:		25.4%
NO. BIDDERS:		8
RECOMMENDATION:	AWARD	

Board Action: A motion to approve Items 40 and 41 was made by Mr. Hileman, seconded by Mr. Radicke and passed unanimously.

(Interstate Federal-Aid ("B" 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)

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BIDS OPENED:	June 28	
HIGHWAY:	CASA GRANDE –TUCSON HIGHWAY (I-10)	
SECTION:	Cortaro Road to Ina Road	
COUNTY:	Pima	
ROUTE NO:	I-10	
PROJECT:	NH-010-D(006)B 010 PM 246 H434701C	
FUNDING:	94% Federal 6% State	
LOW BIDDER:	The Ashton Company, Inc.	
	Contractors & Engineers	
AMOUNT:	$	4,347,527.58
STATE ESTIMATE:	$	5,000,491.00
$ UNDER:	$	652,963.42
% UNDER:		13.1%

NO. BIDDERS: 9
RECOMMENDATION: AWARD

(Non-Interstate Federal-Aid ("A" 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)

* BIDS OPENED: June 14
HIGHWAY: CITY OF SCOTTSDALE
SECTION: Hayden/Indian School Intersection
COUNTY: Maricopa
ROUTE NO: N/A
PROJECT: CM-SCT-0(011)A 0000 MA SCT SS44701C
FUNDING: 94% Federal 6% City of Scottsdale
LOW BIDDER: Markham Contracting Co., Inc.
AMOUNT: $ 2,607,797.81
STATE ESTIMATE: $ 2,870,246.00
$ UNDER: $ 262,448.19
% UNDER: 9.1%
NO. BIDDERS: 7
RECOMMENDATION: AWARD

BIDS OPENED: June 28
HIGHWAY: GLOBE-LORDSBURG HIGHWAY (US 70)
SECTION: US 70-Pima to Thatcher
COUNTY: Graham
ROUTE NO: US 70
PROJECT: STP-070-A(001)A 070 GH 330 H502801C
FUNDING: 94% Federal 6% State
LOW BIDDER: Meadow Valley Contractors, Inc.
AMOUNT: $ 6,571,015.80
STATE ESTIMATE: $ 7,272,671.00
$ UNDER: $ 701,655.20
% UNDER: 9.7%
NO. BIDDERS: 8
RECOMMENDATION: AWARD

Mr. Jeffers declared a possible conflict of interest.

Board Action: A motion to approve the above recommendation was made by Mr. Hileman, seconded by Mr. Lane and passed unanimously (Mr. Jeffers abstained).

* BIDS OPENED: June 28

HIGHWAY:	COTTONWOOD-CAMP VERDE-MOGOLLON RIM HIGHWAY (SR 260)	
SECTION:	Verde River Bridge - Top of Rim	
COUNTY:	Yavapai	
ROUTE NO:	SR 260	
PROJECT:	STP-260-A(002)A 260 YV 223 H589901C	
FUNDING:	94% Federal 6% State	
LOW BIDDER:	Fann Contracting, Inc.	
AMOUNT:	$	1,447,039.90
STATE ESTIMATE:	$	1,605,075.00
$ UNDER:	$	158,035.10
% UNDER:		9.9%
NO. BIDDERS:		8
RECOMMENDATION:	AWARD	

BIDS OPENED: June 28

HIGHWAY:	SR 64, US 89, US 160, SR 389	
SECTION:	Various Locations	
COUNTY:	Coconino	
ROUTE NO:	SR 64, US 89, US 160, SR 389	
PROJECT:	STP-900-A(046)A 999 CN 000 H542101C	
FUNDING:	94% Federal 6% State	
LOW BIDDER:	Penhall Company	
AMOUNT:	$	407,185.15
STATE ESTIMATE:	$	420,122.00
$ UNDER:	$	12,936.85
% UNDER:		3.1%
NO. BIDDERS:		4
RECOMMENDATION:	AWARD	

Mr. Jeffers and Mr. Martin declared a possible conflict of interest.

Board Action: A motion to approve the above recommendation was made by Mr. Hileman, seconded by Mr. Gant and passed unanimously (Mr. Jeffers and Mr. Martin abstained).

CONSENT AGENDA

Board Action: A motion to approve the Consent Agenda was made by Mr. Radicke, seconded by Mr. Jeffers and passed unanimously.

ADJOURN

Board Action: A motion to adjourn was made by Mr. Lane, seconded by Mr. Radicke and passed unanimously.

The meeting adjourned at 11:30 a.m.

Katie Dusenberry, Chairperson
State Transportation Board

Victor Mendez, Director

*Denotes items approved in the consent agenda.