

**MINUTES
OF THE
STATE TRANSPORTATION BOARD
STUDY SESSION
9:30 A.M., Thursday, June 6, 2002
Arizona Department of Transportation
Board Room
206 South 17th Avenue
Phoenix, Arizona 85007**

The State Transportation Board met in official session for a study session at 9:30 a.m., Thursday, June 6, 2002, with Chairperson Dusenberry presiding. Other Board members present included: Vice Chairperson Ingo Radicke, Rusty Gant, Dick Hileman, Bill Jeffers, Joe Lane, and Jim Martin. Also present were Director Victor Mendez; Debra Brisk, Deputy Director; John McGee, Chief Financial Officer, Administrative Services Division; and Mary Lynn Tischer, Director, Planning Division. There were approximately 30 people in the audience.

Chairperson Katie Dusenberry called the meeting to order and led those present in the Pledge of Allegiance.

CMAQ (Congestion Mitigation Air Quality)

Ms. Mary Lynn Tischer explained ISTEA initiated a series of programs, one of which was CMAQ. CMAQ's goal is to assist non-attainment areas in meeting the deadlines imposed by the CAAA of 1990. She said a state may obligate funds apportioned to it only for a project that is likely to contribute to the attainment of a national ambient air quality standard. Funding is apportioned to the state by means of a formula that takes into account the severity of air quality and the size of the affected population.

Ms. Tischer said the program was initially devised to fund projects in non-attainment areas for ozone, which was extended in TEA-21 to provide funding for areas in non-attainment for Carbon Monoxide as well. She said the goal of the program is to lessen pollutants emitted by vehicles by reducing single-occupant auto travel and encouraging efficient facility use. She explained CMAQ funds can only be used for projects in areas designated as non-attainment for ozone, carbon monoxide or particulate matter and classified pursuant to the Clean Air Act prior to December 31, 1997 and all areas designated non-attainment after December 31, 1997. She stated CMAQ funds cannot be used for construction projects that add new capacity for single occupant vehicles unless the project consists of a HOV facility available to single occupant vehicles only at off peak travel times. She said states without non-attainment areas for ozone or carbon monoxide may use CMAQ funds for project that are eligible for STP funds. She explained TEA-21 expanded eligibility to areas designated non-attainment and/or maintenance for ozone, carbon monoxide or particulate matter. She said it also added improved traffic flow, including signalization, HOV lanes, improved intersections and ITS as eligible projects. She stated TEA-21 also added vehicle inspection and maintenance projects and restricted operating funds to a three year period.

Ms. Tischer identified the 10 non-attainment areas in Arizona: Ajo, Bullhead City, Douglas, Hayden/Miami, Maricopa County, Nogales, Payson, Paul Spur, Rillito and Yuma. She said a Federal Register Notice on February 15, 2002 announced that Bullhead City and Payson have attained National Ambient Air Quality Standard for PM-10. She noted, however, determination of attainment did not change their designation, explaining five additional criteria must be satisfied, including submittal of a maintenance plan. She reported Maricopa County has an EPA approved PM-10 Plan and has attained the standard for carbon monoxide and the one hour standard for ozone. She stated they are also preparing a maintenance plan for the EPA. She said Tucson is in Full Maintenance Planning for carbon monoxide and has submitted a Natural Events Action Plan for violation of PM-10 to the EPA for approval.

Ms. Tischer reviewed funding Arizona has received since 1992, explaining funds come to Arizona based on Maricopa County's population and must be spent in non-attainment areas.

Mr. Ingo Radicke asked what improvements have been made with the \$250 million Maricopa County has received over the past 10 years. Ms. Tischer offered to provide the information to Mr. Radicke.

She discussed the percentage of CMAQ funds allocated to various modes, including Air Quality or TDM, Bicycle, Freeway, ITS, Other, Pedestrian, Street, Telecommute and Transit.

Ms. Tischer reviewed the results of the evaluation of the CMAQ program. She said the report found: 1) that the program is valuable and should be reauthorized with certain modifications; 2) that state and local air quality agencies should be more directly involved in the evaluations of expenditures; 3) that the air quality program should be broadened to include all pollutants regulated under the Clean Air Act; 4) any local project that can demonstrate the potential to reduce mobile source emissions should be eligible; 5) restrictions on funds for operating assistance should be relaxed if it continues to be cost effective; 6) funds should be considered for land use acquisition designed to establish long term reductions in future mobile source emissions; 7) agencies responsible for project selection in each non-attainment area should develop a process to identify, select and evaluate projects in the context of the specific air quality and congestion problems in the region; 8) incentives should be given to fund recipients to conduct more evaluations of projects and federal sponsors should provide guidance on best practices; and 9) FHWA and EPA should take the lead in initiating a targeted program of evaluation, which should be financed, in part, by funds set aside for this purpose. Ms. Tischer stated the report also found the federal project approval process should be streamlined. She said, in short, they expect the program to be continued, possibly at a higher amount.

Chairperson Dusenberry asked why Tucson would not be eligible for CMAQ funds if it is under a maintenance plan. Ms. Tischer explained Tucson is ineligible because it was not classified in terms of the severity of its non-attainment and they were non-attainment prior to the Clean Air Act of 1990.

Mr. Pat Cupell, ADOT, stated the 10 non-attainment areas have not had a violation of the standard since 1992, therefore, they are working to bring the areas into maintenance. He

explained "maintenance" means an area has to continue doing what they have been doing to meet the standard for a period of 10 years.

Chairperson Dusenberry asked who classifies an area as non-attainment and why Tucson was not classified as such. Mr. Cupell stated classification is based on monitored readings by ADEQ and approved by the EPA. He said Tucson went into non-attainment in the 1970's by an operation of law, whereas the other areas were classified in the early to mid-1990's.

In response to Mr. Radicke's question, Ms. Tischer explained a decision was made when ISTEA was initially passed that the amount of funding Arizona would receive would be based on the severity of Maricopa County's non-attainment and the size of its population. She said the Board and Department felt at that time that the funding should be used in Maricopa County to help them address the non-attainment area. Mr. Cupell reported the area has attained the C-O standard and the one-hour ozone standard. He discussed the sanctions for not meeting the standards by the given attainment date, stating there are two scenarios: 1) a 2-for-1 offset sanction or 2) a sanction is placed on highway construction funds.

Chairperson Dusenberry asked what is being done about non-attainment. Mr. Cupell said, unfortunately, the EPA has never approved the non-attainment plans written for the 10 areas. He said they are trying to bring the areas into a maintenance status. He said Nogales and Douglas will continue to have violations because of the transport, however, several ongoing studies are being conducted to find ways to improve air quality in the area.

Mr. Radicke asked what, specifically, is being done with the money. Mr. Smith, MAG, explained CMAQ money that comes to the region totals approximately \$37 million, noting they actually allocated money in their Five-Year TIP to street sweepers to make the PM-10. He said CMAQ funds go to street sweepers, paving of dirt roads, ITS, signal improvements, a portion of the State Rideshare Program, the Maricopa County Trip Reduction Program, and the RPTA Rideshare Program. He stated the money is severely over-subscribed and they try to direct it in a manner to receive the most air quality benefit. Mr. Anderson noted the Regional Council cannot approve their Transportation Improvement Program or the Long Range Plan unless they demonstrate through transportation modeling and air quality models that the standards will not be exceeded either now or in the future. He offered to brief the Board at a future study session on where Maricopa County is in terms of the different standards, noting they are in the process of completing an analysis of this year's TIP.

Mr. Victor Mendez stated a number of improvements have been made to the freeway systems, pointing out CMAQ funds have been used for HOV lanes, ITS and Freeway Management Systems in the past. He said being able to stay below the violation levels has been a tremendous accomplishment given the amount of growth in the valley.

Mr. Jeff Swanson, PAG, said MAG has done a great job with the CMAQ program and needed every cent they received when they started. He said, however, other cities have to face the same issues without the benefit of CMAQ funds. He asked the Board to consider allocating a portion of the money to the statewide problem if new legislation is installed or the CMAQ allocation is raised.

Mr. Radicke asked Mr. Anderson how they control developers and contractors who stir up dust at their construction sites. Mr. Anderson said there is a fairly stringent dust control ordinance and enforcement efforts have been increased over the past couple years.

Mr. Radicke asked Mr. Cupell if the drought the state is currently suffering will have an impact on meeting the standards. Mr. Cupell said they are working hard to find ways to get developers to understand the issue, noting ADOT is developing a standardized educational program to show what can and should be done.

In response to Chairperson Dusenberry's question, Mr. Cupell explained Arizona is required by law to develop a Natural Events Action Plan. He said the EPA told Tucson they could go to the Natural Events Action Plan instead of going into non-attainment. He stated, therefore, Tucson wrote and submitted the plan and the public comment period begins tomorrow. Chairperson Dusenberry asked how many other communities in the state who might have natural events are aware of the process. Mr. Cupell could not say whether other communities are aware of the process or not, stating, however, no other communities have done it.

FY 2003 – 2007 Highway Construction Program Financial Plan

Mr. John McGee updated the Board regarding FY 2003 – 2007 Highway Construction Financial Plan. He said, based on the tentative program that was published by the Department and approved by the Board in March, the financial plan will allow them to do both the MAG and statewide programs. He explained that approximately \$2.8 billion of the \$3.8 billion program relates to the statewide program, with \$1 billion going to the MAG regional freeway system program. He reported the statewide program totals \$2.762 billion, of which, \$1.765 billion is for system improvements, \$658 million is for system preservation and \$339 million is for system management. He stated the MAG Program totals \$1.028 billion, consisting of \$103 million in right-of-way acquisition, \$45 million in design and \$880 million in construction.

Mr. McGee explained the statewide program is modeled using an annual financial plan. He identified the major funding sources of the statewide program as being State Highway Funds, federal funds, HURF bonds and HELP funds.

With regard to RABA funding, Mr. McGee reported two bills are currently going through Congress. He stated the bill in the House would eliminate the -\$4.4 billion estimated RABA in 2003 and raise the national obligation up to \$27.8 billion. He stated that bill has passed the House. He said the Senate Environment and Public Works Committee voted out a bill that would have added an additional \$1.3 billion in funding. He said, if the House version is passed, it would translate into approximately \$50 million in additional funds for the statewide program and \$16 million for the MAG and PAG programs. He said the Senate version, if passed, would mean an additional \$65 million for the statewide program and \$21 million for the MAG and PAG programs.

Mr. McGee reported the Legislature passed its 2003 budget, wherein, additional HURF and State Highway Fund monies were allocated to the Department of Public Safety to support the highway

patrol function. He said for FY 2003, \$44.5 million in HURF and \$28.2 million in State Highway Funds were reallocated for a total of \$72.7 million. He stated ADOT's share of that amount totals \$50.6 million.

Mr. McGee said the current forecast of HURF funds is at \$6.03 Billion for FY 2003-2007, with 19 percent of those funds going to Counties, 30 percent to cities and towns, and 2 percent to other. He noted 8 percent of ADOT's \$460 million is non-discretionary and goes to MAG and PAG projects by statute. He said they can add approximately \$2 million to the \$2.51 billion of other miscellaneous revenues that flow to the department. He said approximately 56 percent of the \$2.61 billion will be needed for the operating program, while debt service will require about 23 percent, DPS funding will need 5 percent, LB&I is at two percent and the Capital Program will receive 14 percent. Mr. McGee stated they expect to receive \$2.28 billion in federal funds, with ADOT receiving 77 percent. He said, when HELP loans, ADOT discretionary funds and HURF bonds are taken into consideration, the net funds available for the statewide program for FY 2003-2007 total approximately \$2.70 billion.

Mr. McGee reviewed slides showing what operating on a cash flow basis does for the department. He stated, for FY 2001-2006, total funding is up only \$14 million, while the total program is up an estimated \$45 million, resulting in \$31 million in over-programming. He discussed the estimated cash balances, explaining they are modeled using two payout curves, an expected case payout curve and a worst case payout curve. He said they strive for a program that is at or near the recommended guideline at the 90 percent obligation level. In terms of the worst case, he said they look to see if, at some point, they will run out of money. Mr. McGee stated it will be necessary to do a significantly higher amount of HURF bonding than was contemplated last year. He estimated a \$74 million increase in 2003, an \$88 million increase in 2004 and \$190 million in increases between FY 2005-2007.

Mr. McGee reviewed the MAG Tentative Program, explaining a semi-annual certification is done July 31 and January 31 of each year. He said they are in the process of the certification, therefore, the results being reviewed are preliminary. He said the program is modeled on a cash flow basis and its major funding sources include State Highway Funds, Federal Funds, RARF funds, HURF bonds, RARF bonds, GANS and HELP funds. On a cash flow basis, Mr. McGee said the estimates show that over the five year program they will bring in approximately \$2.69 billion from all revenue sources and pay out approximately \$2.69 billion. He noted 42 percent of the revenue funds will come from RARF and 20 percent will come from Borrowings. He pointed out the estimated cash flow balances are at or above the estimated guideline every year through the five year program. He stated they will be issuing \$525 million in debt over the five year period, including one more \$80 million RARF issue in FY 2003.

Mr. McGee said the estimated borrowings for the Statewide and MAG programs total approximately \$1.067 billion over the five year period, with \$737 million in HURF issuances, \$80 million in RARF issuances and \$250 million in GANS. He noted the current debt repayment schedule for 2003-2007 indicates they will pay back \$1.1 billion of debt already issued. Therefore, the Board's overall outstanding debt at the end of 2007 would actually be \$37 million less than it is today. He pointed out that, although the Board has a lot of outstanding debt, 90 percent of it is payable within 10 years.

Mr. McGee said, in order to accomplish the five year program, the Board would have to assume virtually all HURF bonding capacity will be used and that the \$60 million BFO will be borrowed in FY 2002, but not re-borrowed in FY 2004. He explained the Board would be unable to re-borrow the \$140 million if the General Fund balance falls below the required \$800 million. He briefly discussed growth rate assumptions made in balancing the program.

Mr. McGee said, if the RABA correction happens in FY 2003, the Board could decide to reduce the amount of bonding, move projects back into the program or hold and evaluate where it is with respect to the FY 2004-2008 program. He stated he is hopeful that the "In This State" lawsuit will not cost the department anything, explaining the Supreme Court refused to take the case from the plaintiff. He said, however, the Supreme Court directed the Appellate Court to depublish its findings, which could give the plaintiff hope that it could ultimately prevail. He identified potential downsides as the sustained lag in the economic upturn, a higher DPS funding allocation in FY 2004-2007 and pressure to cut or redirect the VLT.

Mr. McGee concluded his presentation stating the statewide program's estimated cash balances are close to guidelines at both 90 percent and 95 percent program delivery levels and even "worst case" balances provide positive cash balances. He said the estimated MAG cash balances are at or above guidelines every year.

The meeting recessed for lunch at 11:30 a.m. The meeting reconvened at 12:00 p.m.

Casa Grande Resolve/RAAC

Ms. Tischer reviewed why and how the Resource Allocation Advisory Committee (RAAC) was established. She summarized the agreement of the Casa Grande Resolves, stating they agreed to: move forward to implement a new regionally based transportation planning and programming process; to establish a revenue allocation process with representation from ADOT, TMA's, MPO's/COGs and Transit Operators; to move ahead aggressively with the development of a statewide long range transportation plan; and present the agreements to the governing bodies. She noted the agreement was signed by representatives from ADOT, MAG, PAG, NACOG, FMPO, YMPO, CAAG, SEAGO, WACOG, RPTA, PAG Area Transit and FHWA. She said they also determined to establish a Resource Allocation Advisory Committee to "develop an estimate of state and federal revenue for the MAG and PAG areas as required by Federal legislation." She reviewed the guiding principles and proposed programming process developed at the time. She said it was decided the RAAC's membership would include the ADOT Deputy Director, ADOT Director of Planning, ADOT Chief Financial Officer, ADOT State Engineer, two TMA Directors, two MPO/COG Directors and one TMA Transit Director. She said the RAAC first met June 10, 1999 to review data and ADOT's revenue forecast procedures, to develop a consensus on ADOT's estimate of available funding and to review the Pavement Preservation policy and management system. She said over the course of several months, the RAAC examined alternative methods for allocation, including several models of the FHWA formula, a revenue origination method, regional needs indicators, and highway ownership. She reviewed the RAAC findings, stating the most significant finding was that the 50/50 split seemed reasonable and that the distribution would vary year to year but should balance over time. She

reviewed the Board Resolution in support of the Resource Allocation Advisory Commission Recommendations and the total program shares identified for FY 2005-2007. She stated the decision was made that subprograms would be allocated to MAG, PAG and TOC based on their actual expenditure the prior year.

Ms. Tischer discussed the actions taken at the May 2002 RAAC meeting. She said they discussed the Board Hoover Dam action and asked that the Director reiterate to the Board that once a region programs to a certain funding level it is difficult to pull projects out of the program. She stated they also proposed the RAAC provide criteria for the Director's and Board's use for what types of projects might be taken off the top. She said they agreed subprogram increases, including sign rehabilitation and recreational trails, would be included in the final program and allocated in the same proportion as other subprogram shares. She compared the planning shares and final program shares for FY 2002-2007. She referred to a white paper entitled "RAAC Background" created by PAG.

A member explained he asked for a presentation on the RAAC to clarify whether the Board is expected to automatically approve a program once it has been endorsed by the RAAC. Ms. Tischer stated the RAAC is advisory to the Board.

Mr. Radicke proposed that all lump sum monies be shared among the 15 counties, thereby, creating a pot of money to address new projects.

Mr. Bill Jeffers stated the 50/50 split is not actually part of the Casa Grande Accord, explaining the Casa Grande Accord established the RAAC who, in turn, established the 50/50 split. Ms. Tischer agreed. Mr. Mendez pointed out, however, the RAAC recommendations were based on the direction that came out of the Casa Grande Accord.

Mr. Radicke reiterated his position that the Board should look at the state highway system as a whole. He stated the TOC is burdened disproportionately with more programs than MAG or PAG. Ms. Tischer explained each area's share is based on last year's expenditures for subprograms.

Mr. Jim Martin asked if anyone has reviewed the RAAC Guiding Principles to see how well they are being met. Ms. Tischer said there has been an effort to develop a long range planning process to meet the guiding principles, but they have not discussed them per se. Mr. ___ agreed it would be a good idea to review the principles to see how well they have held up over time. Mr. Mendez reminded the Board it was supposed to be a two or three year interim process.

With regard to project cost increases, Mr. Mendez said MAG and PAG had significant cost increases, resulting in projects being moved and eliminated from the program.

Chairperson Dusenberry reported the Opportunities Fund balance as of September 1, 2001 totaled \$1.306 million. She provided information concerning the Recreational Trails Program in response to a discussion during the last Board meeting. She also referred to a brief summary and map of the Cameron Intersection.

Long Range Plan

Ms. Tischer stated the long range planning effort was postponed to ensure it did not interfere with other activities going on with the state, in particular, the Governor's Task Force on Transportation.

Mr. Dale Buskirk updated the Board on the status of Arizona's Long Range Transportation Plan, stating performance planning and performance programming are the heart of the plan. He explained the plan is an agreed upon strategy for the development of Arizona's multi-modal transportation system over the next 20 years. He said the plan involves all modes of transportation, is project specific and financially constrained. He said development of the plan was a collaborative effort, involving ADOT, Metropolitan Planning Organizations, Councils of Governments, federal agencies and other interested stakeholders.

In response to a member's question, Mr. Buskirk stated the Aeronautics Division is addressing some of the aviation specific components, which will ultimately be integrated into the long range plan. It was suggested they explained in the plan that the aeronautics' component is being addressed separately.

Mr. Buskirk stated development of the plan was slower than anticipated, however, they are now on track and moving aggressively toward completion. He said the overall development workplan had three phases: 1) to create strategic direction and to develop a mission statement, goals and objectives; 2) to define and implement a public/stakeholder involvement program; and 3) to conduct technical analysis and policy/project evaluations and to develop the Long Range Transportation Plan.

Chairperson Dusenberry asked if the plan will meet what the Legislature passes on programming. Mr. Buskirk responded yes, explaining HB 2660, which recently passed, mandates they do performance planning and programming. He noted the bill gives them until December 2004 to have Arizona's Long Range Plan completed, approved and operating. Mr. Mendez stated they have made special effort to ensure they are on track and are confident they will meet the deadline. Mr. Buskirk noted the plan will be more demanding than previous plans because it will more directly effect resource allocation and will have a rigorous system for identifying, defining and prioritizing projects.

Mr. Buskirk stated the project team included a working group, input teams, stakeholders and the public.

Mr. Mendez pointed out the logo does not show multi-modal aspects, such as bicycle, rail and transit. Mr. Buskirk said he would relay Mr. Mendez's concern to the working group.

Chairperson Dusenberry asked about bicycle and pedestrian advocates. Mr. Buskirk explained those associated with advocacy for a particular mode are defined as stakeholders.

Mr. Buskirk reviewed the three phase public/stakeholder involvement plan. The Initial Partnering Phase was intended to achieve a statewide recognition of the MoveAZ plan.

It was suggested aviation should be more fully integrated into the Long Range Plan. Mr. Buskirk noted the Long Range Transportation Plan Steering Committee will meet next Friday, suggesting it would be an ideal opportunity to discuss the Board's concern about integrating aviation into the Long Range Plan. Mr. Mendez pointed out he is a member of the Governor's task force assigned to look at statewide aviation issues. He said they are not very far along at this point and are running into issues in terms of funding for studies.

Mr. Buskirk stated the Intermediate Partnering Phase will evaluate the acceptability of proposed MoveAZ Plan policies, strategies and projects identified during the Initial phase. The Final phase includes presentation of the plan to public and stakeholder partners, evaluation of their comments and finalization of the MoveAZ Plan.

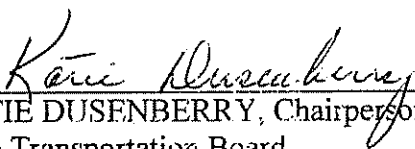
Mr. Buskirk emphasized the importance of open communication. He said, to that end, they have established a dedicated phone line, a website, and two newsletters. He said they will also be holding various agency board meetings and a series of joint meetings. He said they will continue to update the Board as more specific information is available.

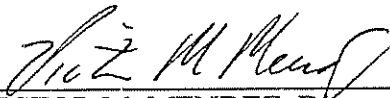
Adjournment

No closing comments were made.

Board Action: A motion to adjourn was made, seconded and passed unanimously.

The meeting adjourned at 1:30 p.m.


KATIE DUSENBERRY, Chairperson
State Transportation Board


VICTOR M. MENDEZ, Director
Arizona Department of Transportation

**MINUTES
OF THE
STATE TRANSPORTATION BOARD
BOARD MEETING
9:00 a.m., Friday, June 21, 2002
City of Sierra Vista Council Chambers
1011 North Coronado Drive
Sierra Vista, Arizona 85635**

The State Transportation Board met in official session for a regular meeting at 9:00 a.m., Friday, June 21, 2002, with Chairperson Dusenberry presiding. Other Board members present included: Ingo Radicke, Vice Chairperson; Rusty Gant; 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 80 people in the audience.

OPENING REMARKS AND PLEDGE

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

Casey Jones, Mayor of Sierra Vista, welcomed the Board to Sierra Vista. He asked for the Board's continued support of the area as the Small Area Transportation Study currently being conducted further identifies their needs.

DISTRICT ENGINEER REPORT

Ron Casper, District Engineer for Sierra Vista, expressed their concern and sorrow for the residents of the Showlow area who were impacted by the tragic Rodeo and Chedeski fires. He updated the Board on the status of current construction projects, future transportation improvement projects and transportation issues in the area. A written copy of his comments was submitted for the record.

Mike Henneset, Public Works Director and Airport Director, thanked the Board, specifically Jim Martin and Ingo Radicke, for their support of rural Arizona.

CALL TO AUDIENCE

Jay Howe, LaPaz County Supervisor, thanked the Board and ADOT for Item 66, stating the project will benefit both ADOT and LaPaz County. He introduced Clifford Eady, LaPaz County Supervisor, District 2, noting the abandonment is located in his district.

John Maynard, Santa Cruz County Supervisor, stated the I-19 extension is very important to Nogales and all of Santa Cruz County, alleviating a lot of traffic at the Ruby Road interchange. He recommended they not do the reconstruction during the winter months.

Les Thompson, Supervisor, Cochise County, referred to a list of projects he submitted for the Board's consideration at last month's Board Meeting. He thanked the Board for the work Cochise County has been able to accomplish in cooperation with ADOT and commended Ron Casper, stating he has been a tremendous influence in the area.

Chuck Busby, Vice-Mayor, Town of Quartzsite, thanked the Board for all of their efforts and the projects that are underway in Quartzsite. He said the Town of Quartzsite is pleased that ADOT is continuing with the right-of-way acquisition on B-10. He suggested they post a sign to let people know about future plans.

Michael Ortega, City Manager of Douglas, commented on Ron Casper's contributions to the area. He thanked the Board for Item 70, noting they have been working on that project for more than nine years. He said they can all be proud of the partnership effort that project represents. He also expressed appreciation for ADOT's lack of bureaucracy, stating their staff has always been very helpful. He invited the Board to visit Douglas.

CONSENT AGENDA

Item 43 was pulled from the Consent Agenda.

DIRECTOR'S REPORT

Mr. Mendez provided a copy of a letter he received from representatives of the east valley and Phoenix, asking what the Department's recommendation would be if the half-cent transportation tax in Maricopa County were extended. He said the letter includes a July 31 deadline.

Legislative Report

Eillene Colleran said the Transportation staff for our Congressional delegates expressed their Congressman's support for obtaining federal funds for the Hoover Dam bypass project. She noted Senator Kyle prepared an amendment that would allow for funding of the remaining portion of the project and may try to have it introduced into the Conference Committee for this year's emergency supplemental appropriation bill. She stated Conference Committee members, including Congressman Kolbe, have been assigned, although the bill has not been scheduled. She said staff members indicated the Congressmen are very interested in receiving a list of important issues for reauthorization, however, they do not believe serious work on reauthorization will begin until January. Ms. Colleran reported the Chairman of the Senate Finance Committee has prepared a set of Highway Trust Fund tax provisions in a bill known as MEGA that would provide the Highway Trust Fund account with revenues on the sale of gasohol not currently received. She stated both the House and Senate have bills to increase funding for FY 2003 to restore the funding reductions caused by the negative RABA. She stated the House

bill was placed on the Senate Legislative calendar in May and the Senate bill passed out of the subcommittee and was placed on the Senate Legislative calendar last week. She said a conference committee will likely be appointed to resolve the \$1.2 billion difference between the two bills.

Chairperson Dusenberry asked if the Board should write to the Congressional delegation to indicate its support of the MEGA bill. Ms. Colleran agreed it would be a good time to write a letter since Senator Facus is expected to introduce the bill soon.

Financial Report

Mr. John McGee reviewed the Maricopa Transportation Excise Tax results for the month of April, stating collections totaled \$23,756,000 versus an estimate of \$24,966,000 and \$23,076,000 the prior year. He noted Retail Sales growth was positive for the second month in a row, however, Contracting had its third worst results for the year. He said they have received preliminary results for the month of May, which indicate collections were down 1.6 percent over last year. He said it appears they will end the year \$9 to \$10 million under the forecast.

Mr. McGee reported HURF collections for the month of May totaled \$95.1 million, 11.9 percent over the previous year and 6.9 percent above the estimate. He stated year-to-date collections total \$984.4 million, an increase of 4.5 percent above last year and 1.2 percent above the estimate. He stated Gas Tax, Use Fuel Tax and Vehicle License Tax revenues posted strong gains with month over month increases of 5.7, 28.6 and 10.5 percent, respectively. He stated May Motor Carrier and Registration revenue growth was primarily due to timing. He noted they only need to collect \$81.4 million in the month of June to reach their forecast of \$1,065,800,000. He estimated ending the year \$5 to \$10 million over the forecast.

Mr. McGee reviewed the April Investment Performance Report, stating the Department earned \$2,346,000 on an average balance of \$915 million and at an average yield of 3.12 percent. He stated year-to-date earnings are at \$28,618,000 at an average yield of 4.17 percent. He stated Pool 2 and Pool 8 rates were fairly stable from last month, however, Pool 3 dropped by almost 26 basis points.

Mr. McGee stated the HELP cash balance as of May 31, 2002 was \$142.6 million. He said they have made 37 loans to date with a total loan amount of \$424.3 million. With respect to the \$60 million of BFO authority which will be taken down by the end of this month, Mr. McGee said he is somewhat concerned about whether or not the State General Fund balance will be at the legislatively mandated 12-month average level of \$800 million once the currently outstanding BFO's mature. He stated the General Fund balance is currently running in the mid-\$600 million range and he expects the balances to go down significantly next year. He said caution will have to be exercised in the upcoming summer months as to the number of loans made out of the HELP program. He said they will make a presentation on this issue to the Advisory Board at the end of July and hope to return to the Board with recommendations in August or September.

Financing Program

Mr. McGee said the Board sent a request to the Treasurer to borrow the last \$60 million of the Series 2002 BFO, which the Board must borrow by June 30. He explained the \$60 million would go into the State Highway Fund to help support cash flows for the MAG and Statewide programs over the next 24 months. He said the money has not been specifically programmed, however, they will use the funds to support cash flows for both programs on a short-term, interim basis. He said a portion of the funding could also be used to accelerate some FY 2004 right-of-way purchases on the MAG Regional Freeway System Program to FY 2003.

Mr. McGee referred to preliminary pricing information relative to the upcoming RARF 2002 Series issue, stating they have determined it would be best to issue the bonds on a senior lead basis. He said they anticipate issuing approximately \$80 million of new money and between \$0 and \$10 million of refunded money. He stated a small amount of refunding on currently outstanding bonds will have to be done to borrow the full \$80 million if revenue collections continue to be relatively stagnant or negative. He said a refunding component has been built into the resolution. He noted that, depending on market conditions, the issue may be done in two \$40 to \$45 million pieces.

Mr. McGee provided copies of the State Infrastructure Bank Review issued by FHWA, explaining it was designed to be a "best practices" review. He said the data is from last fall and continues to show the strength of Arizona's program.

Resolution Authorizing Issuance of Transportation Excise Tax Revenue Bonds

Mr. McGee presented and recommended approval of a Resolution authorizing the anticipated issuance of the Board's Transportation Excise Tax Revenue Bonds (Maricopa County Regional Area Road Fund) 2002 Series. He said they set the amount of the issuance at a not-to-exceed level of \$100 million, but they believe the actual amount would be \$80 to \$90 million. He stated the terms and conditions are in line with past resolutions, except the final maturity date is December 15, 2005 as opposed to the typical January 1 maturity date. He explained why they are asking for approval of the resolution now, even though the issuance may not take place for two or three months.

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

* **Joint MAG/ADOT Public Hearing Minutes - April 5, 2002**
Public Hearing Minutes - April 12, 2002
Public Hearing & Board Meeting Minutes - April 19, 2002
Study Session Minutes - May 2, 2002

ITEM 6: 2002 REMAINING BOARD MEETING DATES:

July 19, 2002	Board Meeting – Eagar	9:00 a.m.
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)

Recommended FY 2003 – 2007 Five Year Transportation Facilities
Construction Program

Ms. Tischer stated there were significant changes in the July 2001 revenue estimates in January 2002. She stated a number of projects had to be deferred out of the program due to the reduction in federal funding and the state funding shortfall. She noted scoping will continue on deferred projects to find out which ones can be put back in the program once funding becomes available. She said the Hoover Dam line item for Arizona's match is listed under Mohave County. She reviewed a comparison of shares for the Planning and Final recommended programs. She stated the shares are approximate and change from day to day, with the intent being to meet the estimated planning shares for each area.

Mr. Burnham reviewed changes made to the Tentative FY 2003-2007 Five Year Transportation Facilities Construction Program. He said they are recommending two subprogram items, one for sign rehab and one for recreational trails, be included in the final program. He stated additional subprogram budget amounts will be added to the program next month. He reported the series of projects scheduled for FY 2003-2006 will be brought forward to allow the SR 51 HOV Design Build project to continue. He said, therefore, they need to delete the project currently in the program and add the Design Build project as a standalone. He said some studies and design and utility projects did not make it in FY 2002, noting all construction projects made it this year. He stated some right-of-way monies scheduled in FY 2002 have to be carried over to FY 2003. He concluded stating the changes between the Tentative and Final programs total approximately \$58 million.

Recommended FY 2003 – 2007 MAG Life-Cycle Program

Mr. Eaton reviewed the Final MAG Life-Cycle Program. He stated the Tentative Program modifications include an update of the costs, based on the latest design, right-of-way and construction estimates. He said they created separate projects for Greenfield Road and a railroad bridge on the Santan, both of which are being coordinated with the City of Gilbert. He noted they added local jurisdiction funding for enhancements on Grand and the Santan Freeway and have added two projects that will address noise mitigation deficiencies on the Pima and Price

corridors. He reported landscape projects on the Pima corridor have been delayed until water has been delivered and the Pima Road extension is awaiting coordination with a future project. He said three landscape projects on the Santan from I-10 to Loop 101 have been combined into two projects and minor schedule adjustments were made to the program.

Mr. Eaton stated revenues have increased \$131 million, including the \$80 million RARF bond, and interest income increased slightly. He said they also eliminated the discount factor which increased their available funding by approximately \$56 million. He reported debt service totals \$85 million and construction and right-of-way costs have been adjusted by about \$14 million. He recommended approval of the FY 2003-2007 MAG Area Life-Cycle Program.

Recommended FY 2003 – 2007 Airport Development Program

Mr. Adams presented the FY 2003-2007 Five Year Airport Development Program. He said they anticipate the Flight Property Tax to come back next year, therefore, the current program was built on 50 percent of the Flight Property Tax and the FY 2003-2007 program assumes 100 percent of the Flight Property Tax, resulting in \$40 million in projects being added into the program.

Mr. Adams stated they received comments related to programming issues at the Duncan, Page and Navajo Nation airports during the public hearings held April 12 and 19. He explained problems with a new computer program caused two federal projects for the Page Airport to be inadvertently dropped from the 2006 year and he recommended they be added back into the program. He said the Navajo Nation asked the state to cost share with them on airport construction projects. He said they have opened a dialog with the Nation and will provide technical assistance, but are unable at this time to provide any state assistance. He said they also inadvertently dropped the State Aviation Systems Planning and Arizona Pavement Preservation System projects from the tentative program and recommended those ten projects be included in the Final program. With regard to the Duncan airport, Mr. Adams explained the wrong formulas were used. He said they re-graded all of the secondary airports, but did not need to change any projects. He said the FY 2003 Runway project did not rate high enough to be funded. He reported the FY 2004 Runway project did rate high enough to be funded, but there are insufficient funds to fully fund the complete project. He noted the FY 2004 and FY 2005 Tentative Programs contain \$159,549 and \$384,144, respectively, for non-sequential projects. He recommended they amend the FY 2004 Tentative Program to change the \$159,549 from apron construction to runway construction, Phase 2a, and that the funds set aside in the FY 2005 Tentative Program be earmarked for Phase 2b. He explained the proposed changes would provide a paved runway in Duncan by the end of 2005.

Mr. Adams said concern has been expressed about the Board's current policies and recommended the policies be reviewed and updated during the summer months. He said the update should include recommendations from the Governor's request of July 16, 2001 and the recommendations of the Governor's Advisory Council on Aviation.

Recommended Economic Strength Program – Round 2

Ms. Tischer explained the Economic Strength Program, to date, has been essentially managed by the Department of Commerce. She said a panel develops criteria and reviews projects proposed for the Economic Strength Program. She stated this is Round 2 of the allocation of funds, noting they received 11 projects requests totaling \$1.4 million. She said they are recommending the Economic Strength Program panel approve six projects for \$485,538.

Mr. Jeffers asked if it is possible the project could not be completed and the money would be turned back if the amount requested is not approved. Ms. Tischer said, while it is possible, it would not be likely. Ms. Brown explained a checkbox on the application indicates if a community could accept an award for less than the amount requested without materially affecting the scope of the project. She stated funds are re-pooled for use on other projects if a community chooses not to go forward with their project. She noted this will be the last year of doing two rounds, explaining half of their funding was utilized by the Legislature for the Rural Airports Initiative where it will be used to leverage a nine to one match with federal funds. Mr. Jeffers requested a list of the five projects that were not approved. Ms. Brown reported the projects requested by the Town of Buckeye, the City of Cottonwood, the City of Flagstaff, the City of Holbrook and the City of Nogales were not approved. She offered to make their scoring sheets available to the Board. In response to Mr. Jeffer's question about the funding, Ms. Brown explained half of the funding will go away for one fiscal year and it would not be cost effective to run two \$250,000 rounds. Mr. Jeffers expressed his opinion it would be helpful to see a review of all projects.

Mr. Radicke asked if the projects that did not qualify will be reconsidered in the next round. Ms. Brown responded yes, explaining they would contact the communities to see if the projects still need funding.

Board Action: A motion to approve Items 7, 8, 9 and 10 was made by Mr. Radicke and seconded by Mr. Gant.

Mr. Martin stated, while there are positive aspects to the Five Year Program, Districts 3 and 4 did not receive much, if any, funding. He asked that they look at those districts closely when they begin reinstating projects.

Upon a call for the question, the motion passed unanimously.

FY 2002 - 2006 Transportation Facilities Construction Program Requested Modifications

COUNTY:	Pima
SCHEDULE:	New Project
SECTION:	U of A / Atlas - ITS Phase IV
TYPE OF WORK:	Research
PROGRAM AMOUNT:	New Project
PROJECT MANAGER:	Steve Owen

PROJECT: JPA 02-81
 REQUESTED ACTION: Add new program item in amount of \$1,651,000 to the FY 2003 Highway Construction Program for ITS research. See funding sources below

Federal Grant	\$793,615
University of Arizona	\$857,791
NEW PROGRAM AMOUNT:	\$1,651,406

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

COUNTY: Statewide
 SCHEDULE: New Project
 SECTION: Signal Equipment
 TYPE OF WORK: Purchase signal equipment for future construction projects.

PROGRAM AMOUNT: New Project
 PROJECT MANAGER: Mike Lessard / Dave Duffy
 PROJECT: H510004C
 REQUESTED ACTION: Add new program item to the FY 2002 Highway Construction Program in amount of \$500,000 for acquisition of traffic signal equipment. Reimbursement for supplies will be supplied from construction project where equipment is utilized. **Funds available from FY 2002 Highway Contingency fund #72302.**

NEW PROGRAM AMOUNT:	\$500,000
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Board Action: A motion to approve the above recommendation was made by Mr. Radicke, seconded by Mr. Jeffers and passed unanimously.

ROUTE NO: I-40 @ MP 193.47
 COUNTY: Coconino
 SCHEDULE: New Project
 SECTION: I-40 W of I-17 & I-17 S of I-40
 TYPE OF WORK: Replace existing right of way fence
 PROGRAM AMOUNT: New Project
 PROJECT MANAGER: James Reeves
 PROJECT: H597301C Item Number: 23503
 REQUESTED ACTION: Add new project to the FY 2002 Highway Construction Program in amount of \$412,000, for replacement of right of way fence. **Funds available from FY 2002 District Minor Fund #73302.**

NEW PROGRAM AMOUNT:	\$412,000
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ROUTE NO: I-17 @ MP 312.00
 COUNTY: Coconino
 SCHEDULE: FY 2003
 SECTION: County Line - Newman Park TI
 TYPE OF WORK: Reconstruct right of way fence
 PROGRAM AMOUNT: \$412,000 Funding Source:
 PROJECT MANAGER: James Reeves
 PROJECT: H542201C Item Number: 23503
 REQUESTED ACTION: Add new district Minor project in amount of \$412,000 to the FY 2002 Highway Construction Program. **Funds available from the FY 2002 District Minor Fund #73302.**
 FY 2002 District Minor Fund #73302 \$412,000
 NEW PROGRAM AMOUNT: \$412,000

Board Action: A motion to approve Items 13 and 14 was made by Mr. Jeffers, seconded by Mr. Lane and passed unanimously.

ROUTE NO: I-40 @ MP 253.60
 COUNTY: Navajo
 SCHEDULE: FY 2002
 SECTION: North Park TI
 TYPE OF WORK: Design new TI
 PROGRAM AMOUNT: \$600,000 Funding Source: State
 PROJECT MANAGER: Jennifer Livingston
 PROJECT: H458401D Item Number: 16502
 REQUESTED ACTION: Defer project 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 101 L @ MP 7.00
 COUNTY: Maricopa
 SCHEDULE: New Project
 SECTION: Glendale Ave - Union Hills Dr.
 TYPE OF WORK: Construct sign update
 PROGRAM AMOUNT: New Project
 PROJECT MANAGER: Richard Moeur
 PROJECT: H600601C
 REQUESTED ACTION: Add new project to the FY 2002 Highway Construction Program in amount of \$1,200,000 to replace freeway signs. **Funds available from FY 2002 Sign Rehabilitation Fund #78302.**
 NEW PROGRAM AMOUNT: \$1,200,000

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

ROUTE NO: SR 95 @ MP 241.50
COUNTY: Mohave
SCHEDULE: New Project
SECTION: Fox Wash
TYPE OF WORK: JPA #02-021 with Bullhead City for Drainage improvements.
PROGRAM AMOUNT: New Project
PROJECT MANAGER: Sam Elters
PROJECT: JPA 02-021
REQUESTED ACTION: Add new project to the FY 2003 in amount of \$435,000 to Bullhead city for JPA payment. BHC to design, advertise and administer drainage project. **Funds available from FY 2003 Highway Contingency Fund #72303.**
NEW PROGRAM AMOUNT: \$435,000

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

ROUTE NO: I-8 @ MP 14.00
COUNTY: Yuma
SCHEDULE: New Project
SECTION: Telegraph Pass
TYPE OF WORK: Construct highway signing
PROGRAM AMOUNT: New Project
PROJECT MANAGER: Richard Weeks
PROJECT: H587801C
REQUESTED ACTION: Add new project to the FY 2002 Highway Construction Program in amount of \$95,000 construction of freeway signing. **Funds available from FY 2002 Title II Safety Fund #72802.**
NEW PROGRAM AMOUNT: \$95,000

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

DISTRICT: Flagstaff
SCHEDULE: New Project
SECTION: Flagstaff District Wide
TYPE OF WORK: Continuous longitudinal rumble strips
PROGRAM AMOUNT: New Project
PROJECT MANAGER: Richard Weeks

PROJECT: H542101C
REQUESTED ACTION: Add new District Minor / Safety Project to the FY 2002 Highway Construction Program in amount of \$695,000 for installation of rumble strips. **See funding sources below.**

FY 2002 District Minor Fund #73302	\$485,000
FY 2002 Title II Safety Fund #72802	\$210,000
NEW PROGRAM AMOUNT:	\$695,000

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

ROUTE NO: I-8 @ MP 7.00
COUNTY: Yuma
SCHEDULE: New Project
SECTION: Araby Road, WB Ramps
TYPE OF WORK: Traffic signal installation and intersection improvements.

PROGRAM AMOUNT: New Project
PROJECT MANAGER: Richard Weeks
PROJECT: HX13201C
REQUESTED ACTION: Add new traffic signal project to the FY 2003 Highway Construction Program in amount \$360,000. **See funding sources below.**

FY 2003 District Minor Fund #73303	\$190,000
FY 2003 Traffic Engineering Fund #71203	\$170,000
NEW PROGRAM AMOUNT:	\$360,000

ROUTE NO: I-8 @ MP 7.00
COUNTY: Yuma
SCHEDULE: New Project
SECTION: Araby Road, EB Ramps / Gila Ridge Road
TYPE OF WORK: Traffic signal installation
PROGRAM AMOUNT: New Project
PROJECT MANAGER: Richard Weeks
PROJECT: HX12801C
REQUESTED ACTION: Add new traffic signal project to the FY 2003 Highway Construction Program in amount \$205,000. **Funds available from FY 2003 Traffic Engineering Fund #71203.**

NEW PROGRAM AMOUNT:	\$205,000
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Board Action: A motion to approve Items 20 and 21 was made by Mr. Radicke, seconded by Mr. Gant and passed unanimously.

ROUTE NO: SR 66 @ MP 61.00
COUNTY: Mohave
SCHEDULE: New Project
SECTION: Airport Road
TYPE OF WORK: Traffic signal installation
PROGRAM AMOUNT: New Project
PROJECT MANAGER: Richard Weeks
PROJECT: HX13001C JPA 02-28
REQUESTED ACTION: Add new traffic signal project to the FY 2003 Highway Construction Program in amount of \$200,000. **See funding sources below.**

Traffic Engineering Fund #71203	\$100,000
Mohave County JPA 02-28	\$50,000
Kingman Airport Authority JPA 02-28	\$50,000
NEW PROGRAM AMOUNT:	\$200,000

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

ROUTE NO: US 191 @ MP 355.00
COUNTY: Apache
SCHEDULE: FY 2003
SECTION: MP 355-356 Hard Scrabble Road
TYPE OF WORK: Reconstruct roadway and drainage
PROGRAM AMOUNT: \$950,000 Funding Source: State
PROJECT MANAGER: Steve Mishler
PROJECT: H541201C Item Number: 23303
REQUESTED ACTION: Defer project from FY 2003 to FY 2005 to construction with US 191 Witch Wells – Sanders pavement preservation project.

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

ROUTE NO: I-17 @ MP 261.00
COUNTY: Yavapai
SCHEDULE: FY 2002
SECTION: Cordes Jct. TI
TYPE OF WORK: Archaeological Investigations
PROGRAM AMOUNT: \$200,000 Funding Source: State
PROJECT MANAGER: Richard Duarte
PROJECT: H426902D Item Number: 26802
REQUESTED ACTION: Defer project from FY 2002 to FY 2004. Construction project has been deferred to FY 2007 in the FY 03 – 07 Tentative Program.

ROUTE NO: SR 260 @ MP 209.00
 COUNTY: Yavapai
 SCHEDULE: FY 2002
 SECTION: Cottonwood – Camp Verde
 TYPE OF WORK: Archaeological Investigations
 PROGRAM AMOUNT: \$326,000 Funding Source: State
 PROJECT MANAGER: Richard Duarte
 PROJECT: H386806D Item Number: 29701
 REQUESTED ACTION: Defer project from FY 2002 to FY 2003.

Board Action: A motion to approve Items 24 and 25 was made by Mr. Gant, seconded by Mr. Radicke and passed unanimously.

ROUTE NO: I-17 @ MP 209.00
 COUNTY: Maricopa
 SCHEDULE: FY 2002
 SECTION: Peoria Ave – Pinnacle Peak Rd.
 TYPE OF WORK: Sign Rehab
 PROGRAM AMOUNT: \$1,725,000 Funding Source:
 PROJECT MANAGER: Vince Li
 PROJECT: H563901C Item Number: 15802
 REQUESTED ACTION: Increase program amount by \$7,684,000 to \$9,409,000 by combining with the following I-17 projects. Projects will be advertised and constructed under one contract. **ADOT will administer project including City Of Phoenix work.**

PROGRAM AMOUNT:	\$1,725,000
Peoria Ave to Bell Rd., lighting	\$2,000,000
H587101C, Item # 35202, HES	
Greenway TI Improvements	\$3,116,000
JPA 01-127 City of Phoenix, CMAQ	
Thunderbird Road TI Improvements	\$2,568,000
City of Phoenix, JPA 01-127	
NEW PROGRAM AMOUNT:	\$9,409,000

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

ROUTE NO: I-10 @ MP 167.50
 COUNTY: Maricopa
 SCHEDULE: FY 2003
 SECTION: Riggs Road
 TYPE OF WORK: Construct intermediate TI improvement
 PROGRAM AMOUNT: \$818,000 Funding Source: STP

PROJECT MANAGER: Vince Li
PROJECT: H568201C Item Number: 13303
REQUESTED ACTION: Increase program amount by \$154,800 to \$972,800 to include addition of intersection signalization.
See funding sources below:

PROGRAM AMOUNT:	\$818,000
FY 2003 Title II Safety Fund #72803	\$103,200
FY 2003 Traffic Engineering Fund #71203	\$51,600
NEW PROGRAM AMOUNT:	\$972,800

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

ROUTE NO: US 191 @ MP 153.30
COUNTY: Greenlee
SCHEDULE: FY 2004
SECTION: Guthrie Bridge Gila River #2608
TYPE OF WORK: Bridge replacement
PROGRAM AMOUNT: \$4,146,000 Funding Source:
PROJECT MANAGER: Robert Mickelson
PROJECT: H303005C Item Number: 12203
REQUESTED ACTION: Defer project from FY 2004 to FY 2005 in order to be constructed with the roadway / approach project already programmed in FY 2005, MP 151 to Threeway #12905.

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

ROUTE NO: US 191 @ MP 0.10
COUNTY: Cochise
SCHEDULE: New Project
SECTION: Douglas Pan Am Avenue
TYPE OF WORK: Construct sidewalks and landscaping
PROGRAM AMOUNT: New Project
PROJECT MANAGER: Larz Garcia
PROJECT:
REQUESTED ACTION: Add new enhancement project in the amount of \$1,535,000 to the FY 2002 Highway Construction Program. **See funding sources below:**

FY 2002 Enhancement Fund #75502	\$1,500,000
City of Douglas, JPA 01-192	\$107,000
NEW PROGRAM AMOUNT:	\$1,607,000

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

ROUTE NO: SR 8 B @ MP 3.00
COUNTY: Yuma
SCHEDULE: New Project
SECTION: Catalina / 22nd St.
TYPE OF WORK: Revamp signals (2 locations)
PROGRAM AMOUNT: New Project
PROJECT MANAGER: Mannar Tamirisa
PROJECT: HX12901C
REQUESTED ACTION: Add new traffic signal project to the FY 2003 Highway Construction Program in amount of \$120,000 to replace existing signal equipment. **Funds available from FY 2003 Traffic Engineering Fund #71203.**
NEW PROGRAM AMOUNT: \$120,000

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

ROUTE NO: US 93 @ MP 99.60
COUNTY: Mohave
SCHEDULE: FY 2002
SECTION: Wikieup - I-40; Sec I
TYPE OF WORK: Design parallel roadway
PROGRAM AMOUNT: \$1,360,000 Funding Source: NH
PROJECT MANAGER: Larry Doescher
PROJECT: Item Number: 24502
REQUESTED ACTION: Delete project from the FY 2002 Highway Construction Program, and transfer funds to three US 93 design projects; Cottonwood Canyon and Bridle Creek, Tompkin's Wash MP 119, and McGarry's Wash MP 92. **Fund in amount of \$1,360,000 return to FY 2002 Highway Contingency Fund #72302.**
PROGRAM AMOUNT: \$1,360,000
DECREASE AMOUNT: \$1,360,000
NEW PROGRAM AMOUNT: \$0

ROUTE NO: US 93 MP 156
COUNTY: Yavapai -Kingman District
SCHEDULE: FY 2002
SECTION: US 93, Cottonwood Canyon and Bridle Creek
TYPE OF WORK: Design Four Lane Roadway

PROGRAM AMOUNT: \$2,130,000 Funding Source: 72302
PROJECT MANAGER: Larry Doescher
PROJECT: Item Number: 11302
REQUESTED ACTION: Increase funding by \$121,000 to \$2,251,000 due to increase in design budget. **Funds available from FY 2002 Contingency - Statewide - 72302.**

PROGRAM AMOUNT: \$2,130,000
INCREASE AMOUNT: \$121,000
NEW PROGRAM AMOUNT: \$2,251,000

ROUTE NO: US 93 @ MP 119.00
COUNTY: Mohave
SCHEDULE: New Project
SECTION: Tompkin's Wash
TYPE OF WORK: Design parallel roadway
PROGRAM AMOUNT: New Project
PROJECT MANAGER: Larry Doescher
PROJECT: H617601D
REQUESTED ACTION: Add new roadway design project in the amount of \$584,000 to the FY 2002 Highway Construction Program. **Funds available from FY 2002 Highway Contingency Fund #72302.**

NEW PROGRAM AMOUNT: \$584,000

ROUTE NO: US 93 @ MP 92.00
COUNTY: Mohave
SCHEDULE: New Project
SECTION: McGarry's Wash
TYPE OF WORK: Design parallel roadway
PROGRAM AMOUNT: New Project
PROJECT MANAGER: Larry Doescher
PROJECT: H617701D Item Number: 15006
REQUESTED ACTION: Add new roadway design project in amount of \$655,000 to the FY 2002 Highway construction Program. **Funds available from FY 2002 Highway Contingency Fund #72302.**

NEW PROGRAM AMOUNT: \$655,000

Board Action: A motion to approve Items 31, 32, 33 and 34 was made by Mr. Radicke, seconded by Mr. Lane and passed unanimously.

ROUTE NO: SR 95 @ MP 176.80
COUNTY: Mohave
SCHEDULE: FY 2003
SECTION: S. McCulloch Dr – Old London Bridge Rd

TYPE OF WORK: Reconstruct roadway
 PROGRAM AMOUNT: \$17,700,000
 PROJECT MANAGER: Bahram Dariush
 PROJECT: H416001C Item Number: 11303
 REQUESTED ACTION: Change name to "S. McCulloch Dr. – London Bridge Road". Increase program amount by \$5,387,000 to \$23,087,000 due to estimate updates and scope additions. **See funding sources below.**

PROGRAM AMOUNT:	\$17,700,000
INCREASE AMOUNT:	\$5,387,000
FY 02 District Minor Fund # 73302	\$357,000
FY 03 District Minor Fund # 73303	\$195,000
FY 03 Enh. Projects of Opportunity # 75003	\$552,000
FY 03 Traffic Engineering # 71203	\$171,000
FY 03 Pavement Preservation Fund # 72503	\$2,250,000
Airport Centre JPA #99-59	\$800,000
Lake Havasu City JPA #02-45	\$62,000
Tentative Program Recommendation	\$1,000,000
NEW PROGRAM AMOUNT:	\$23,087,000

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

ROUTE NO: SR 188 @ MP 214.80
 COUNTY: Gila
 SCHEDULE: FY 2002
 SECTION: Wheatfield - US 60
 TYPE OF WORK: Design Roadway
 PROGRAM AMOUNT: \$350,000
 PROJECT MANAGER: Bahram Dariush
 PROJECT: H615501D Item Number: 14101
 REQUESTED ACTION: Delete project in amount of \$350,000 from the FY 2002 Highway Construction Program. Design is being developed in house. **Funds to the FY 2002 Statewide Engineering Development Fund #70702.**

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 288.10
 COUNTY: Pima
 SCHEDULE: FY 2002
 SECTION: Marsh Station TI
 TYPE OF WORK: Design TI

PROGRAM AMOUNT: \$1,167,000 Funding Source: State
PROJECT MANAGER: Bruce Purrier
PROJECT: H239003D Item Number: 27702
REQUESTED ACTION: Defer project to from FY 2002 to FY 2003 and reduce program amount by \$767,000 to \$400,000. Funds in amount of \$767,000 to be used to create a new project to acquire right of way needed for project. **Funds to the FY 2003 Highway Contingency Fund #72303.**

PROGRAM AMOUNT: \$1,167,000
DECREASE AMOUNT: \$767,000
NEW PROGRAM AMOUNT: \$400,000

ROUTE NO: I-10 @ MP 288.10
COUNTY: Pima
SCHEDULE: New Project
SECTION: Marsh Station II
TYPE OF WORK: Acquire right-of-way
PROGRAM AMOUNT: New Project
PROJECT MANAGER: Bruce Purrier
PROJECT:
REQUESTED ACTION: Add a new project in amount of \$767,000 to the FY 2003 Highway Construction Program for the acquisition of right of way. **Funds available from the FY 2003 Highway Contingency Fund.**
NEW PROGRAM AMOUNT: \$767,000

Board Action: A motion to approve Items 37 and 38 was made by Mr. Gant, seconded by Mr. Radicke and passed unanimously.

ROUTE NO: SR 86 @ MP 148.30
COUNTY: Pima
SCHEDULE: FY 2002
SECTION: Brawley Wash - 7.5 Miles West
TYPE OF WORK: Design roadway reconstruction
PROGRAM AMOUNT: \$700,000
PROJECT MANAGER: Bruce Purrier
PROJECT:
REQUESTED ACTION: Defer project from FY 2002 to FY 2003 to allow for completion of scoping document.

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

The meeting recessed for a short break.

ROUTE NO: SR 19 B @ MP 43.88
 COUNTY: Pima
 SCHEDULE: New Project
 SECTION: I-19 - Los Reales Rd.
 TYPE OF WORK: Pavement preservation, guardrail upgrade
 PROGRAM AMOUNT: New Project
 PROJECT MANAGER: Bruce Purrier
 PROJECT: H599701C
 REQUESTED ACTION: Add new program item in amount of \$3,655,000 to the FY 2003 Highway Construction Program for payment to Pima County per JPA #97-182. County is to design and construct improvements prior to roadway turnback to Pima County and Town of Sahuarita. **See funding sources below.**

FY 2001 RABA Fund Distribution	\$3,250,000
PAG 2.6% Funds	\$405,000
NEW PROGRAM AMOUNT:	\$3,655,000

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

ROUTE NO: SR 989
 COUNTY: Pima
 SCHEDULE: FY 2002
 SECTION: Tangerine Road, Oracle - First
 TYPE OF WORK: Design roadway widening
 PROGRAM AMOUNT: \$350,000 Funding Source:
 PROJECT MANAGER: Laurel Parker
 PROJECT: H616001D Item Number: 29502
 REQUESTED ACTION: Increase funding by \$200,000. Defer project from FY 2002 to FY 2003 to allow for project assessment completion prior to start of design. **Funds available from the PAG 2.6%.**

PROGRAM AMOUNT	\$350,000
PAG 2.6% FUNDS	\$200,000
NEW PROGRAM AMOUNT:	\$550,000

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

ROUTE NO: US 160 @ MP 429.00
 COUNTY: Apache
 SCHEDULE: New Project
 SECTION: Chinle Wash Bridge

TYPE OF WORK: Scour retrofit
PROGRAM AMOUNT: New Project
PROJECT MANAGER: Itty P. Itty
PROJECT: H601101C
REQUESTED ACTION: Add new bridge scour project to the FY 2003 Highway Construction Program in amount of \$225,000. **Funds available from the FY 2003 Bridge Scour Fund # 71503.**
NEW PROGRAM AMOUNT: \$225,000

ROUTE NO: US 89 @ MP 476.00
COUNTY: Coconino
SCHEDULE: New Project
SECTION: Bridge Str #580
TYPE OF WORK: Scour retrofit
PROGRAM AMOUNT: New Project
PROJECT MANAGER: Itty P. Itty
PROJECT: H599401C
REQUESTED ACTION: Add new bridge scour project to the FY 2003 Highway Construction Program in amount of \$135,000. **Funds available from the FY 2003 Bridge Scour Fund # 71503.**
NEW PROGRAM AMOUNT: \$135,000

ROUTE NO: I-19 @ MP 60.00
COUNTY: Pima
SCHEDULE: New Project
SECTION: Airport Wash Bridge, NB & SB
TYPE OF WORK: Scour retrofit
PROGRAM AMOUNT: New Project
PROJECT MANAGER: Itty P. Itty
PROJECT: H599101C
REQUESTED ACTION: Add new bridge scour project to the FY 2003 Highway Construction Program in amount of \$350,000. **Funds available from the FY 2003 Bridge Scour Fund # 71503.**
NEW PROGRAM AMOUNT: \$350,000

Board Action: A motion to approve Items 42, 43 and 44 was made by Mr. Jeffers, seconded by Mr. Radicke and passed unanimously.

ROUTE NO: US 191 @ MP 87.00
COUNTY: Cochise
SCHEDULE: FY 2003
SECTION: Jct. I-10 – Bowie Spur

TYPE OF WORK: Pavement Preservation
 PROGRAM AMOUNT: \$1,077,000 Funding Source: STP
 PROJECT MANAGER: Mohamad Jowar
 PROJECT: H581601C Item Number: 20703
 REQUESTED ACTION: Defer project from FY 2003 to FY 2004. Project to be constructed with major construction project for paralell roadway. **Funds return to the FY 2003 Pavement Preservation Fund #72503. New funds available from the FY 2004 Pavement Preservation Fund #72504.**

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

ROUTE NO: I-8 @ MP 84.00
 COUNTY: Maricopa
 SCHEDULE: FY 2002
 SECTION: Sentinel Rest Area
 TYPE OF WORK: Design rest area closure
 PROGRAM AMOUNT: \$150,000 Funding Source: State
 PROJECT MANAGER: Debra Einweck
 PROJECT: H206101D Item Number: 10198
 REQUESTED ACTION: Delete project in the amount of \$150,000 from the FY 2002 Highway Construction Program. **Funds return to the FY 2002 Highway Contingency Fund #72302.**

ROUTE NO: I-8 @ MP 56.00
 COUNTY: Yuma
 SCHEDULE: Underway Program
 SECTION: Mohawk Rest Area
 TYPE OF WORK: Design preservation / rehab
 PROGRAM AMOUNT: \$300,000
 PROJECT MANAGER: Debra Einweck
 PROJECT: H206001D Item Number: 10199
 REQUESTED ACTION: Increase underway program amount by \$150,000 to allow adequate funding to complete design. **Funds return to the FY 2002 Highway Contingency Fund #72302.**

PROGRAM AMOUNT	\$300,000
FY 02 Highway Contingency Fund # 72302	\$150,000
NEW PROGRAM AMOUNT:	\$450,000

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

ROUTE NO: I-8 @ MP 84.00
COUNTY: Maricopa
SCHEDULE: FY 2004
SECTION: Sentinel Rest Area
TYPE OF WORK: Rest area closure
PROGRAM AMOUNT: \$350,000 Funding Source: State
PROJECT MANAGER: Debra Einweck
PROJECT: H206101C Item Number: 10104
REQUESTED ACTION: Delete project from the FY 2004 Highway Construction Program due to FHWA concerns of the rest area closure. **Funds to be transferred to the I-8 Mohawk Rest Area construction project Item #13003.**

ROUTE NO: I-8 @ MP 56.00
COUNTY: Yuma
SCHEDULE: FY 2004
SECTION: Mohawk Rest Area
TYPE OF WORK: Rest area rehabilitation
PROGRAM AMOUNT: \$5,500,000 Funding Source: NH
PROJECT MANAGER: Debra Einweck
PROJECT: H206001C Item Number: 13003
REQUESTED ACTION: Increase project amount by \$350,000 to \$5,850,000 to cover anticipated estimate increases. **Funds available from deleted I-8 Sentenial Rest Area project Item # 10104.**

PROGRAM AMOUNT: \$5,500,000
INCREASE AMOUNT: \$350,000
NEW PROGRAM AMOUNT: \$5,850,000

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

ROUTE NO: SR 40 B @ MP 252.00
COUNTY: Navajo
SCHEDULE: FY 2003
SECTION: City of Winslow
TYPE OF WORK: Construct sewer connection
PROGRAM AMOUNT: \$75,000 Funding Source: State
PROJECT MANAGER: Debra Einweck
PROJECT: H506601C Item Number: 20900
REQUESTED ACTION: Defer project from FY 2003 to FY 2004 to allow time for an application of additional enhancement funds to complete project.

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

ROUTE NO: I-17 @ MP 252.00
COUNTY: Yavapai
SCHEDULE: FY 2004
SECTION: Sunset Rest Area
TYPE OF WORK: Construct rehabilitation
PROGRAM AMOUNT: \$2,400,000 Funding Source: IM
PROJECT MANAGER: Debra Einweck
PROJECT: H415301C Item Number: 10701
REQUESTED ACTION: Defer project from FY 2003 to FY 2004 in order to reevaluate rehabilitation requirements due to the deletion of the Sunrise Rest Area from the FY 03 – 07 Tentative Construction Program.

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

ROUTE NO: I-40 @ MP 0.10
COUNTY: Mohave
SCHEDULE: New Project
SECTION: Colorado River – Topac
TYPE OF WORK: Extending guard rail
PROGRAM AMOUNT: New Project
PROJECT MANAGER: Maria A Deed-Roberge
PROJECT: H561101C
REQUESTED ACTION: Add new District Minor project in amount of \$79,000 to the FY 2003 Highway Construction Program. **Funds available from the FY 2003 District Minor Fund #73303.**
NEW PROGRAM AMOUNT: \$79,000

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

ROUTE NO: US 60 @ MP 212.17
COUNTY: Pinal
SCHEDULE: FY 2002
SECTION: US 60/SR 79 TI
TYPE OF WORK: Construct new TI
PROGRAM AMOUNT: \$14,300,000 Funding Source: STP
PROJECT MANAGER: Vicki Bever
PROJECT: H564201C Item Number: 19202

REQUESTED ACTION: Increase program amount by \$334,000 to \$14,634,000 for reestablishment of landscaping. **Funds available from FY 2002 Enhancement – Projects of Opporitunity #75002.**

PROGRAM AMOUNT: \$14,300,000
INCREASE AMOUNT: \$334,000
NEW PROGRAM AMOUNT: \$14,634,000

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

ROUTE NO: US 60 @ MP 367.00
COUNTY: Apache
SCHEDULE: FY 2002
SECTION: Show Low - Springerville
TYPE OF WORK: Design Drainage
PROGRAM AMOUNT: \$580,000 Funding Source: State
PROJECT MANAGER: Vicki Bever
PROJECT: H506901D Item Number: 24599
REQUESTED ACTION: Delete project from the FY 2002 Highway Construction Program. Design work was completed using ADOT in-house staff. **Funds to the FY 2002 Statewide Engineering Development Fund #70702.**

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

ROUTE NO: I-40 @ MP 196.26
COUNTY: Coconino
SCHEDULE: New Project
SECTION: Lone Tree Road EB&WB #1180
TYPE OF WORK: Bridge Siesmic Retrofit
PROGRAM AMOUNT: New Project
PROJECT MANAGER: Ron Pierce
PROJECT: H616501C
REQUESTED ACTION: Add new bridge seismic retrofit project in amount of \$300,000 to the FY 2003 Highway Construction Program. **Funds available from the Bridge Seismic Retrofit Fund #71703.**

NEW PROGRAM AMOUNT: \$300,000

ROUTE NO: I-17 @ MP 340.02
COUNTY: Coconino
SCHEDULE: New Project

SECTION: I-40 TI OP, EB&WB # 1263 & 1264
TYPE OF WORK: Bridge seismic retrofit
PROGRAM AMOUNT: New Project
PROJECT MANAGER: Ron Pierce
PROJECT: H612201C
REQUESTED ACTION: Add new bridge seismic retrofit project in amount of \$300,000 to the FY 2003 Highway Construction Program. **Funds available from the Bridge Seismic Retrofit Fund #71703.**
NEW PROGRAM AMOUNT: \$300,000

Board Action: A motion to approve Items 55 and 56 was made by Mr. Jeffers, seconded by Mr. Martin and passed unanimously.

ROUTE NO: SR 260 @ MP 221.7
COUNTY: Yavapai
SCHEDULE: FY 2003
SECTION: Verde River Bridge - Top of Rim
TYPE OF WORK: Pavement preservation
PROGRAM AMOUNT: \$1,923,000 Funding Source: STP
PROJECT MANAGER: Shajed Haque / Arthur May
PROJECT: H589901C Item Number: 23602
REQUESTED ACTION: Advance project to FY 2002 from FY 2003. **Cashflow to advance project from previously deferred projects.**

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

ROUTE NO: 999 Various Locations
COUNTY: Cochise - Safford District
SCHEDULE: FY 2002
SECTION: VMS Various Locations, Phase 5A
TYPE OF WORK: Design and Install VMS
PROGRAM AMOUNT: \$1,300,000 Funding Source: 76602
PROJECT MANAGER: Marion Thompson
PROJECT: New Project
REQUESTED ACTION: Request for new project in the amount of \$1,300,000. Change number of signs from 8 to 4 due to funding. **Funds available from Rural ITS - Statewide 76602.**
NEW PROGRAM AMOUNT: \$1,300,000

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

ROUTE NO: I-10 @ MP 340.0
COUNTY: Cochise
SCHEDULE: FY 2005
SECTION: Fort Grant Road TI
TYPE OF WORK: Design Reconstruction of Traffic Interchange
PROGRAM AMOUNT: \$650,000 Funding Source:
PROJECT MANAGER: Paul Sullivan
PROJECT: Item Number: 13605
REQUESTED ACTION: Programmed design amount is \$650,000 and to
advance design item from FY 2005 to FY 2003.
Project will be advanced to FY 2003 contingent on
HELP Loan approval.
NEW PROGRAM AMOUNT: \$650,000

Mr. Martin declared a possible conflict of interest.

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

- * Priority Planning Advisory Committee (PPAC)
 - Minutes – May 2, 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)
 - July 3, 2002 @ 1:30 PM – **(Wednesday)**
 - 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

HELP Loan

Mr. McGee presented and recommended approval of a Resolution recommending approval of an application for Financial Assistance from, and Loan Repayment Agreement with, Yavapai County for the following construction project: Fain Road Realignment.

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

RESOLUTION

**RESOLUTION OF THE STATE OF ARIZONA
TRANSPORTATION BOARD ACCEPTING AND APPROVING
A HIGHWAY EXPANSION AND EXTENSION LOAN
APPLICATION FROM THE CITY OF LAKE HAVASU CITY,
ARIZONA AND AUTHORIZING A LOAN REPAYMENT
AGREEMENT.**

The Board hereby accepts and approves the application for financial assistance from the Highway Expansion and Extension Loan Program (HELP) as requested by the City of Lake Havasu City, Arizona and as approved and recommended by the HELP Advisory Committee.

The Board hereby authorizes the Chairman to enter into a Loan Repayment Agreement relating to HELP Loan Number QLHV1S02U, City of Lake Havasu City, SR95 Project.

Dated this 21st Day of June, 2002.

The motion passed unanimously.

HELP Loan

Mr. McGee presented and recommended approval of a Resolution recommending approval of an application for Financial Assistance from, and Loan Repayment Agreement with, the City of Lake Havasu City for the following construction project: SR 95.

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

HELP Loan

Mr. McGee presented and recommended approval of a Resolution recommending approval of an application for Financial Assistance from, and Loan Repayment Agreement with, the Arizona Department of Transportation for the following design project: Fort Grant Road Traffic Interchange.

Mr. Martin declared a possible conflict of interest.

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

RESOLUTION

RESOLUTION OF THE STATE OF ARIZONA TRANSPORTATION BOARD ACCEPTING AND APPROVING A HIGHWAY EXPANSION AND EXTENSION LOAN APPLICATION FROM THE DEPARTMENT OF TRANSPORTATION AND AUTHORIZING A LOAN REPAYMENT AGREEMENT.

The Board hereby accepts and approves the application for financial assistance from the Highway Expansion and Extension Loan Program (HELP) as requested by the Arizona Department of Transportation, and as approved and recommended by the HELP Advisory Committee.

The Board hereby authorizes the Chairman of the Board and the Director of the Department to enter into a Loan Repayment Agreement relating to HELP Loan Number QDT20S02U, Fort Grant Road TI Project.

Dated this 21st Day of June, 2002.

The motion passed unanimously (Mr. Martin abstained).

RIGHT OF WAY RESOLUTIONS

- | | | |
|---|-----------------|--|
| * | RES. NO: | 2002-06-A-021 |
| | PROJECT: | FA 85/FA P39 / 040BM0052H088801R |
| | HIGHWAY: | TOPOCK - KINGMAN |
| | SECTION: | (Jct. U.S. 93 – Michael St.) |
| | ROUTE NO.: | State Route 40B |
| | ENG. DIST: | K |
| | COUNTY: | Mohave |
| | RECOMMENDATION: | Disposal by abandonment to the City of Kingman |
| | | |
| * | RES. NO: | 2002-06-A-022 |
| | PROJECT: | S B 95-A-800 / 095BLA148H469601R |
| | HIGHWAY: | PARKER BUSINESS ROUTE |
| | SECTION: | (M.P. 148.30 TO M.P. 154.60) |
| | ROUTE NO.: | State Route 95B |
| | ENG. DIST: | Y |
| | COUNTY: | La Paz |
| | RECOMMENDATION: | Disposal by abandonment to La Paz County |

- * RES. NO.: 2002-06-A-023
PROJECT: I-19-1-801 / 019SC007H408501R
HIGHWAY: NOGALES - TUCSON
SECTION: Rio Rico – Ruby Rd. E. Frontage Rd.
ROUTE NO.: Interstate Route 19
ENG. DIST: T
COUNTY: Santa Cruz
RECOMMENDATION: Establish additional right of way for
frontage road improvements

- * RES. NO.: 2002-06-A-025
PROJECT: I-19-1(31)26 / 089PM025H088801R /
F.I. 86
HIGHWAY: NOGALES - TUCSON
SECTION: Amado
ROUTE NO.: U.S. Route 89
ENG. DIST.: T
COUNTY: Pima
RECOMMENDATION: Disposal by easement extinguishment
And vacation

- * RES. NO.: 2002-06-A-026
PROJECT: S-214-711 / 188GI261H088801R
HIGHWAY: APACHE JUNCTION - CLAYPOOL
SECTION: Maricopa County Line - Globe
ROUTE NO.: State Route 188
ENG. DIST.: G
COUNTY: Gila
RECOMMENDATION: Disposal by abandonment,
extinguishment and vacation

- * RES. NO.: 2002-06-A-027
PROJECT: NON FA 79-H / 080CH365H088801R
HIGHWAY: BENSON - DOUGLAS
SECTION: (Old S.R. 80)
ROUTE NO.: State Route 80
ENG. DIST.: S
COUNTY: Cochise
RECOMMENDATION: Disposal by abandonment to the City of
Douglas

STATE ENGINEER'S REPORT

- * Report on Construction and projects completed in May, 2002.
- * Right of Way Acquisition Report for May, 2002.

CONSTRUCTION CONTRACTS

Interstate, Non-Federal Aid

- * BIDS OPENED: June 6
HIGHWAY: CORDES JUNCTION --FLAGSTAFF
HIGHWAY (I-17)
SECTION: I-17, SB, Milepost 299.0 to 311.7
COUNTY: Yavapai
ROUTE NO: I-17
PROJECT: I-017-B-504 017 YV 299 H602401C
FUNDING: 100% State
LOW BIDDER: Kiewit Western Co.
AMOUNT: \$ 1,032,000.00
STATE ESTIMATE: \$ 1,013,630.00
\$ OVER: \$ 18,370 00
% OVER: 1.8%
NO. BIDDERS: 4
RECOMMENDATION: AWARD
- * BIDS OPENED: May 10
HIGHWAY: HOLBROOK-LUPTON HIGHWAY (I-40)
SECTION: Adamana Frontage Road
COUNTY: Navajo
ROUTE NO: I-40
PROJECT: I-040-E-504 040 NA 303 H540701C
FUNDING: 100% State
LOW BIDDER: Hatch Construction & Paving, Inc.
AMOUNT: \$ 547,864.25
STATE ESTIMATE: \$ 531,054.15
\$ OVER: \$ 16,810.10
% OVER: 3.2%
NO. BIDDERS: 5
RECOMMENDATION: AWARD

Interstate Federal Aid ("A" projects do not need FHWA concurrence, but must comply with required DBE regulations)

- BIDS OPENED: May 10
HIGHWAY: HOLBROOK-LUPTON HIGHWAY (I-40)
SECTION: Painted Desert T.I., I-40
COUNTY: Apache

ROUTE NO: I-40
 PROJECT: TEA 040-E(002)A 040 AP 311 H586401C
 FUNDING: 94% Federal 6% State
 LOW BIDDER: Carson Construction, Inc.
 AMOUNT: \$ 757,020.00
 STATE ESTIMATE: \$ 656,259.70
 \$ OVER \$ 100,760.30
 % OVER: 15.4%
 NO. BIDDERS: 8
 RECOMMENDATION: AWARD

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

* BIDS OPENED: May 23
 HIGHWAY: TOPOCK-KINGMAN HIGHWAY (I-40)
 SECTION: I-40/ West Yucca T.I.
 COUNTY: Mohave
 ROUTE NO: I-40
 PROJECT: STP-040-A(001)A 040 MO 025 H548301C
 FUNDING: 94% Federal 6% State
 LOW BIDDER: Caitlin Construction, Inc.
 AMOUNT: \$ 292,640.38
 STATE ESTIMATE: \$ 293,750.00
 \$ UNDER: \$ 1,109.62
 % UNDER: 0.4%
 NO. BIDDERS: 8
 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 6
 HIGHWAY: TUCSON-GLOBE HIGHWAY (SR 77)
 SECTION: Dripping Springs-FS Boundary
 COUNTY: Gila
 ROUTE NO: SR 77
 PROJECT: STP-077-A(004)A 077 GI 153 H589701C
 FUNDING: 94% Federal 6% State
 LOW BIDDER: The Ashton Company, Inc.
 Contractors & Engineers
 AMOUNT: \$ 379,915.00

STATE ESTIMATE: \$ 437,990.00
\$ UNDER: \$ 58,075.00
% UNDER: 13.3%
NO. BIDDERS: 9
RECOMMENDATION: AWARD

BIDS OPENED: June 6
HIGHWAY: PRICE FREEWAY (SR 101)
SECTION: Southern Avenue – Guadalupe Road
COUNTY: Maricopa
ROUTE NO: 101L
PROJECT: CM-600-1(014)A 101 MA 055 H515501C
FUNDING: 94% Federal 6% State
LOW BIDDER: Trans Tech Electric, L.P.
AMOUNT: \$ 969,173.70
STATE ESTIMATE: \$ 1,698,841.45
\$ UNDER: \$ 729,667.75
% UNDER: 43.0%
NO. BIDDERS: 6
RECOMMENDATION: AWARD

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

Non-Interstate, Non –Federal Aid

BIDS OPENED: May 23
HIGHWAY: TUCSON-ORACLE JUNCTION-GLOBE
HIGHWAY (SR 77)
SECTION: Tucson Wash Bridge
COUNTY: Pinal
ROUTE NO: SR 77
PROJECT: S-077-A-502 077 PN 115 H589301C
FUNDING: 100% State
LOW BIDDER: Stronghold Contracting, Inc.
AMOUNT: \$ 97,660.00
STATE ESTIMATE: \$ 121,074.00
\$ UNDER: \$ 23,414.00
% UNDER: 19.3%
NO. BIDDERS: 9
RECOMMENDATION: AWARD

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

* BIDS OPENED: May 10
HIGHWAY: NOGALES-TOMBSTONE HIGHWAY
(SR 82)
SECTION: Fairbanks Widening
COUNTY: Cochise
ROUTE NO: SR 82
PROJECT: S-082-A-501 082 CH 061 H551201C
FUNDING: 100% State
LOW BIDDER: KE & G Development, LLC.
AMOUNT: \$ 179,649.85
STATE ESTIMATE: \$ 197,987.10
\$ UNDER: \$ 18,337.25
% UNDER: 9.3%
NO. BIDDERS: 7
RECOMMENDATION: AWARD

* BIDS OPENED: June 6
HIGHWAY: WICKENBURG-PRESCOTT HIGHWAY
SECTION: Peeples Valley-Kirkland Junction Phase A
COUNTY: Yavapai
ROUTE NO: SR 89
PROJECT: S-089-A-503 089 YV 286 H549901C
FUNDING: 100% State
LOW BIDDER: Vastco, Inc.
AMOUNT: \$ 612,702.00
STATE ESTIMATE: \$ 697,506.70
\$ UNDER: \$ 84,804.70
% UNDER: 12.2%
NO. BIDDERS: 9
RECOMMENDATION: AWARD

* BIDS OPENED: May 23
HIGHWAY: FORT HUACHUCA-BISBEE HIGHWAY
(SR 90)
SECTION: Sierra Vista ECL – San Pedro River
SECTION: San Pedro River – Junction SR 80
COUNTY: Cochise
ROUTE NO: SR 90
PROJECT: S-090-A-501 090 CH 324 H523601C
PROJECT: S-090-A-502 090 CH 328 H523701C
FUNDING: 100% State
LOW BIDDER: KE & G Development, LLC
AMOUNT: \$ 1,138,225.79
STATE ESTIMATE: \$ 1,301,242.00

\$ UNDER \$ 163,016.21
 % UNDER: 12.5%
 NO. BIDDERS: 6
 RECOMMENDATION: AWARD

BIDS OPENED: January 31
 HIGHWAY: RED MOUNTAIN FREEWAY (SR 202)
 SECTION: Country Club Drive to Gilbert Road
 COUNTY: Maricopa
 ROUTE NO: SR 202
 PROJECT: RAM-202-A-502 202 MA 013 H492103C
 FUNDING: 93% State 7% City of Mesa
 LOW BIDDER: M. Anderson Construction Corp.
 AMOUNT: \$ 2,132,822.20
 STATE ESTIMATE: \$ 2,345,609.80
 \$:UNDER: \$ 212,787.60
 % UNDER: 9.1%
 NO. BIDDERS: 5
 RECOMMENDATION: REJECT ALL BIDS

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

* BIDS OPENED: May 23
 HIGHWAY: SANTAN FREEWAY (SR LOOP 202)
 SECTION: 56th Street – McClintock Drive
 COUNTY: Maricopa
 ROUTE NO: SR 202
 PROJECT: RAM-202-C-507 202 MA 053 H515101C
 FUNDING: 99% State 1% City of Chandler
 LOW BIDDER: Pulice Construction, Inc.

	"A" AMOUNT	"A+B" AMOUNT
AMOUNT:	\$38,376,899.01	42,541,899.01
STATE ESTIMATE:	\$39,668,000.00	47,590,000.00
\$ UNDER:	\$ 1,291,100.99 (Based on "A" Amount)	
% UNDER:	3.3%(Based on "A" Amount)	
NO. BIDDERS:	6	

 RECOMMENDATION: AWARD

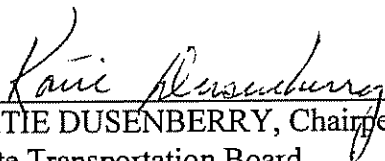
CONSENT AGENDA

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

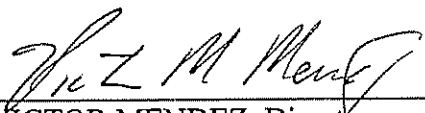
ADJOURN

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

The meeting adjourned at 12:05 a.m.



KATIE DUSENBERRY, Chairperson
State Transportation Board



VICTOR MENDEZ, Director
Arizona Department of Transportation

*Denotes items approved in the consent agenda.