

**MINUTES
OF THE
STATE TRANSPORTATION BOARD
STUDY SESSION
9:40 A.M., Thursday, November 7, 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 9:40 a.m., Thursday, November 7, 2002, with Chairman Dusenberry presiding. Other Board members present included: Vice Chairperson Ingo Radicke, Rusty Gant, Dick Hileman, Bill Jeffers, and Joe Lane. Also present were Director Victor Mendez, Debra Brisk, Deputy Director; Dick Wright, State Engineer; John McGee, Chief Financial Officer, Administrative Services Division; and Dale Buskirk, Acting Director, Planning Division. There were approximately 30 people in the audience.

Update on Abandonment of Roadways and Route Study Transfer and Route Level of Development

Mr. Buskirk stated the purpose of the study was to: 1) define formal policy objectives of a program to systematically abandon or transfer routes no longer serving the state highway system; 2) define those routes that do not serve a statewide function; 3) inventory, rank and prioritize candidate routes for abandonment or transfer; and 4) prepare abandonment and transfer procedures, including cost/benefit analysis methods to be used for programming considerations. He said the Board directed staff at the May Board meeting to involve local governments and to update the Level of Development (LOD) as a basis for identifying routes that belong on the State Highway System and those that are candidates for transfer or abandonment.

Arnold Burnham, Project Manager, introduced members of the Technical Advisory Committee and reviewed the study schedule. He said stakeholder meetings are scheduled to begin this month, leading up to the Rural Transportation Summit on January 16 and 17. He said, upon completion of the stakeholder meetings, they will prepare draft recommendations and review the proposed policy and process with the Board.

A representative from HDR, referred to a map depicting the current State Highway System and Levels Of Development. He explained LOD 1 routes are freeways and interstate highways, LOD 2 routes are high capacity through routes and LOD 3 routes are rural arterials and major collectors. He said preliminary LOD 5 routes include minor collectors and local roads, other low volume routes, business and similar parallel routes and spur routes. He explained LOD 5 routes that connect LOD 2 and 3 routes were moved to LOD 3 and LOD 5 routes that were determined to serve significant state or national facilities or that connect large populations or land areas were moved to LOD 4. He said the remaining LOD 5 routes are recommended for abandonment or transfer. He identified critical issues raised during the study. He explained that S.R. 191, even though it did not meet the criteria for a LOD 3 designation, was felt to be significant because it

provides system continuity. He explained Highway 66, despite its high volume, was designated as LOD 5 because it does not perform a through function. He said they will be looking at S.R. 366 and 266 individually to determine if they should be raised to LOD 4 or remain LOD 5. With regard to system continuity, he explained the state has retained responsibility for the old Highway 66 in Flagstaff even though it became a business route when it was bypassed by I-40. He said they would like to transfer 66, but there would be no connection to the rest of the system if it were abandoned at 89. He pointed out continuity would also be compromised if 180 was not retained. He recommended drawing a connection road to I-40, stating the other alternative would be to turn it over to the city. He noted a similar issue exists on Highway 60 coming into Phoenix.

Mr. Jeffers expressed concern about abandoning S.R. 99 and 77 north of I-40 without assurances that they would be maintained by another entity, stating those roads carry a lot of traffic to the Navajo reservation.

Chairperson Dusenberry asked to have the Tribal Nation and Forest Service boundaries superimposed on the map.

Mr. Buskirk discussed the abandonment/transfer process as it exists today, stating problems with the current process include the fact that it does not identify a list of candidate routes and results in missed opportunities to make transfers as highway segments are bypassed. He said, additionally, improvements are too expensive, the pace of transfers/abandonments is too slow and negotiations are too lengthy.

Mr. Lane pointed out the transfer of certain routes would overwhelm small communities and asked what would happen if a community were unable to assume responsibility for a route. Mr. Mendez acknowledged the financial difficulties faced by certain communities and counties, pointing out, however, the state is faced with the same challenges. He said the issue will be whether a route is a state authorized facility.

Ms. Brisk stated the issue of abandoning S.R. 66 in Kingman has to be addressed. It was stated the bypass in Kingman has been transferred to the local government through a cooperative agreement wherein ADOT agreed to make certain improvements prior to the transfer. He said the issue is whether or not the improvements cost more than it would be worth for the state to make the transfer.

With regard to possible solutions, it was suggested they recognize that all routes must be negotiated and provide a framework for negotiation that improves consistency and certainty of the process. He said they could also maintain an ongoing list of routes that ADOT desires to abandon or transfer as part of the Level of Development structure and limit investment in routes to be transferred or abandoned to essential maintenance and safety, making transfer of routes a condition for additional improvements. He also suggested they forward proposals for abandonment or transfer of routes to senior management prior to the negotiation of IGAs, including a benefit-cost analysis showing expected costs and savings associated with the change. He said they could also require an IGA transferring the remaining business route as a condition of constructing bypasses, with required improvements to the business route part of the bypass

project. He said through state highways that serve local businesses could be made subject to special design and maintenance standards, with local financing required for improvements that provide local access or benefit community amenities. Acknowledging the economic difficulties currently faced by the state, he further suggested a statewide fund be established in the future to help finance the highest priority transfers.

A member suggested that high volume roads that carry primarily local traffic also be selected for abandonment. Mr. Buskirk said they looked at functional classification when defining the state highway system. Mr. Burnham agreed, stating they also looked at system connectivity within urbanized areas.

The meeting recessed for a short break.

SR 85 Implementation Plan and Corridor Update

Sam Maroufkhani updated the Board on the SR 85 Implementation Plan and Corridor. He reported they have awarded the Lewis Prison TI and a coordination meeting is scheduled for the first week of December. He said they have also opened bids on Project 1, which will be awarded next week, and designs on Projects 3, 4, 5 and 6 are underway. He reviewed the construction program for FY 2004 – 2007. He stated they know the title and ownership of all right-of-way along the entire route and have gone through DCR. He explained they will purchase the ultimate right-of-way, including control access for the frontage road. He said they have not finalized the location of all of the TI's at this point. He said they anticipate making offers on the right-of-way within the next six to nine months. Mr. Maroufkhani said they will begin construction on Projects 3, 5 and 6 next fiscal year, however, due to issues with the irrigation district and drainage issues, Project 4 is not expected to advertise until 2005.

In response to Mr. Radicke's question, Mr. Maroufkhani said Projects 5 and 6 will likely be one contract, with Project 3 being a separate contract.

Mr. Maroufkhani stated Project 7 will bid in FY 2006 and Projects 8 and 9 will advertise in FY 2007. He said there is no funding in the program at this time for anything beyond Project 9. He said Projects 11 and 12 will likely happen sometime after FY 2007.

In response to Chairperson Dusenberry's question, Mr. Maroufkhani said, upon completion of the project, there will be a four lane divided highway from I-10 to I-8.

Mr. Maroufkhani noted the Lewis Prison TI had to be shifted because of the petroglyphs.

Chairperson Dusenberry asked how they intend to make up the shortfall. Mr. Maroufkhani said it will be made up through RABA and contingency funds. Mr. McGee explained they expect RABA to be brought back up to the breakeven point. He said the MAG region is expected to get about \$18.5 million and they plan to use a portion of their contingency to help offset some of the costs in 2003/04. He stated the plan was submitted to the MAG Transportation Review Committee and MAG staff seems fairly receptive. Mr. Maroufkhani said, in the worst case,

Project 4 would have to be moved back to 2006 and Project 7 would be moved back to 2007. He said Project 8 and 9 would be delayed until such time as funding is available.

Mr. Mendez suggested the Board indicate its support of the concept. Chairperson Dusenberry voiced the Board's consensus that Highway 85 is a high priority and should be kept on schedule.

AASHTO Debriefing – (Reauthorization, Safety & Environmental Streamlining.)

Debra Brisk said major topics at the AASHTO conference included the reauthorization of the Transportation Equity Act, environmental stewardship and streamlining and highway safety. With regard to the reauthorization, she said the states want to: 1) remain united in their efforts; 2) keep the fuel tax dedicated to transportation funding; 3) sustain the revenue aligned budget; 4) look at predictable, sustainable and adequate funding for transportation needs; 5) increase flexibility; 6) expand upon innovative financing; 7) strengthen the intermodal connections; and 8) address transportation's impact on the quality of life. She said they heard different viewpoints on the reauthorization, explaining the FTA's priority is to look at congestion mitigation, air quality, the needs of the elderly and disabled, flexibility in fund distribution, reducing administrative burdens on grantees, and increased ridership. She said they believe \$14.8 billion will be needed over the six year reauthorization period just to maintain the current condition. Ms. Brisk said DOT priorities include ensuring adequate infrastructure funding, approaches to safety, streamlining project approvals, expanding capacity and efficiency of freight, increasing federal support for public transportation and continuing under the emphasis of ITS. She reviewed the AASHTO policies and positions, stating they need to take the federal highway transit program from the \$34 billion in FY 04 to \$41 billion in FY 09 and transit from \$7.5 billion to \$10 billion in FY 2009.

Mr. Mendez pointed out FHWA generally supports AASHTO's position. He said it is important to recognize the need for a multi-modal approach and to strongly suggest they continue the current 80/20 split. He said they would also support increasing the transit account to \$14 billion if sources other than the Highway Trust Fund were used.

Ms. Brisk said they would also maintain the funding guarantees and firewalls, retain TEA 21's program structure, while increasing flexibility and improving environmental stewardship and streamlining. She stated they would fund a safety program to reduce the human and economic impacts of accidents, provide congestion relief through increased highway and transit capacity, expand the use of ITS and improve operational management of the transportation system. She said they would also increase funding for inwall connectors, for the development of corridors and the creation of freight expertise at the state and local levels. She said they support reauthorizing the Aviation Investment and Reform Act to fund airports and air traffic control with an emphasis on additional resources to meet increased security requirements. She said they would also support the transfer of the 2.5 cent gasohol fuel tax receipts from the General Fund and the Highway Trust Fund and/or replace the revenue foregone from the 5.3 cent gasohol fuel tax.

Ms. Brisk reviewed the menu of options being considered to help increase the Highway Trust Fund, stating the Transportation Finance Corporation has been given the most attention. Mr.

Mendez noted some states are reluctant to proceed with a Transportation Finance Corporation, explaining it is a very controversial bonding concept. Mr. McGee explained debt would be issued against a tax credit. He said the concept was tried one other time with a moderate amount of success. He stated, if successful, the concept would raise a lot of money, however, they would have to come up with a revenue source to repay the Federal General Fund for tax credits taken by taxpayers.

Ms. Brisk stated they heard an excellent presentation by Dr. Runke on primary and secondary state seatbelt laws. She said he also spoke about the importance of education, enforcement and engineering as well as emergency response. She stated FHWA is taking action to address runoff road crashes, noting they account for 55 percent of total fatalities in the United States. She said intersection crashes account for 21 percent of total fatalities. She said those figures have not been correlated to Arizona, however, they know Arizona has over 1,000 deaths on the highway and roadway system. Ms. Brisk said recommendations included looking at state safety plans using best practice sharing, adopting safety conscious traffic management plans and strategic planning.

Mr. Mendez said Dr. Runke made a compelling argument for the need, as a nation, to reduce traffic deaths. He said, therefore, they expect FHWA to place a lot of emphasis on reducing traffic deaths. He stated Dr. Runke said their only chance of significantly reducing the number of deaths is to increase seatbelt usage throughout the nation. He expressed his opinion they should consider using incentives to increase seatbelt usage.

With regard to the reauthorization's relationship to safety, Ms. Brisk said they believe they need to look at implementing a strategic highway safety plan requirement, directing \$1 billion per year to safety funding, setting aside 10 percent of the Surface Transportation Program for safety, consolidating the safety grant funding and looking at a goal oriented and performance based grant program. She said they would also continue the TEA 21 safety and security planning criteria, support state and local statutes, encourage Congress to remove prohibitions against federal, state and local officials who actively support new state and local statutes, and support safety data capture and analysis system development funding.

The meeting recessed for a short break.

Ms. Brisk said all employees have a responsibility for and ownership of decisions, facilities and equipment that interact with the environment. She said they are looking at environmental stewardship for the agency and how it needs to be engrained into the culture. She stated they are looking to AASHTO's Center for Environmental Excellence for support. She stated they are meeting with the FHWA to determine if they want to nominate a project for Arizona to be part of the review. With regard to their discussion with Mary Peters, she said they discussed cost recovery to federal agencies and noise reduction. She stated they are looking at reducing the duplication of efforts and increasing cooperation in general.

Mr. Wright said the valley has been successful in the rehabilitation of existing concrete pavement, grinding it and covering it with a rubber friction course. He said, in addition to funding problems, however, the Federal Highway Administration does not recognize it as a

method they can accept because of the lack of long term measurements. He stated they are doing testing in cooperation with CalTrans, measuring all types of pavements at various stages of life. He said the data collected to date shows it is a successful product that lasts over time. He said they hope to review the data with FHWA in December and visit some of the sites.

Mr. Mendez explained FHWA will not pay for rubberized asphalt because they do not recognize it as a legitimate means of sound mitigation. He said, unfortunately, they are also unable to reduce or forego other mitigation measures to help offset the cost of the rubberized asphalt.

Ms. Brisk said AASHTO's position on environmental stewardship and streamlining, in correlation to the reauthorization, is looking at process reforms, judicial reviews, Section 4F, surveys, program management and oversight and delegation of responsibilities. She stated AASHTO, ARPA and AGC adopted resolutions to avoid delays during construction phases and address nighttime construction issues, the reauthorization of TEA-21, and marketing the good the Department does. She noted MVD's Plate and Fee Owner Team won the President's Transportation Award for Quality and the City of Tucson was recognized by FHWA with the Excellence in Highway Design Award for their regional traffic operations. She said US 93/Boulder's Project was recognized with the Excellence in Highway Design Award for Category 9, and the Highway Improvement on Public Owned Land received a merit award.

In response to a member's question, Mr. Mendez stated a bill passed during the last session made ADOT the safety oversight agency for lightrail. He said it has been agreed that the light rail program in the Phoenix area will pay for the safety oversight program. Mr. Mendez pointed out ADOT is charged with transportation safety, regardless of mode.

Chairperson Dusenberry asked about the state's safety record with regard to highway workers. Mr. Wright reported accidents have gone down 66 percent. Chairperson Dusenberry expressed her opinion the messages on the variable message signs in construction zones are too long given the speed at which people travel. Mr. Mendez pointed out 80 percent of people hurt in construction zones are the traveling public.

American Road Transportation Builders Association (ARTBA) & Tucson Utility Contractor's Association (TUCA) - Reauthorization & Proposal

Joe Herrick presented an overview to the Board of ARTBA and TUCA's Reauthorization and Financial Proposal. He stated TEA-21 has resulted in a 40 percent increase since 1998. He said the total authorization was for \$217 billion, with \$42 billion for mass transit and \$175 billion for highways. He stated there is a \$60 billion program goal for the next highway bill, pointing out a 2002 Conditions and Needs Report commissioned by the U.S.D.O.T. indicates an even grimmer picture and AASHTO reports federal investment needs will grow from \$47.7 billion in 2004 to \$53.6 billion in 2009 just to maintain current conditions. He stated the need would grow from \$65.1 billion in 2004 to \$73.2 billion in 2009 if they were to improve conditions. He said program authorizations need to be ramped up over the six year period to at least U.S.DOT/AASHTO minimal system conditions and performance maintenance levels, suggesting they increase funding from \$35 billion in FY 04 to \$60 billion by FY09. He stated the next step would be to improve financial management of the Highway Trust Fund, followed by the phasing

in of an adjustment in the Federal Motor Fuels User Fee. He explained, depending on other financing options, they would suggest adjusting the indexed rate up 1.7 cents per gallon annually for five years. He said RABA should be adjusted up or down to the federal motor fuels user fee annually to eliminate the unpredictable swings in year-to-year funding. He noted the American Transit Association endorses the ARTBA plan. He said the reauthorization should call for all user fee revenue to be invested solely in highways and transit, provide annual funding guarantees and budgetary protection and be performance-related. Mr. Herrick said the state apportionment formula is the biggest challenge faced by a highway bill. He stated the donor/donee debate is another issue, explaining they would like a message sent to congressional delegates asking them not to waste time on that fight. He highlighted the benefits of the ARTBA plan, stating it could allow a minimum guarantee of at least 95 percent to each state without penalizing anyone, it would only cost \$12 per vehicle per year, and every state could expand their mass transit spending without tapping into highway dollars. He acknowledged they face a difficult fight, stating, however, it is time to move forward. He said ARTBA chapters on the east coast endorse the "Two Cents Makes Sense" plan.

Mr. Radicke asked what assurances they have that the money would end up where intended. Mr. Mendez said that would be addressed in the structure of the legislation itself. He noted AASHTO is fairly happy with the program structure. He asked Mr. Herrick if they foresee a radical change to the program structure. Mr. Herrick responded no.

Mr. Radicke asked Mr. Herrick what the Board can do to help them move forward with their plan. Mr. Herrick explained they have approached the Arizona Hispanic Chamber of Commerce, the American Minority Contractors Association and the University of Arizona Research and Tech Department to create a diverse coalition. Mr. Mendez stressed the need to develop partnerships before going before Congress, stating there is common ground among various associations.

Chairperson Dusenberry emphasized the importance of getting state and local officials behind them on big issues. Mr. Mendez noted he met with MPOs and Joe Hughes, the rural liaison, last Friday to determine if there is any common ground on the reauthorization positions. He said, unfortunately, he does not feel a lot of progress was made.

In response to Mr. Radicke's question, Mr. Herrick said they are working diligently to ensure their newly elected Congressman is appointed to the House Transportation Infrastructure Committee, pointing out Arizona has not had a representative on that Committee for the past 10 to 12 years.

Ms. Brisk announced copies of the Bottom Line Report have been ordered for each Board member.

Chairperson Dusenberry asked when the Board could expect a proposal to come before them for adoption. Mr. Mendez suggested they first take the issue to the MPOs and COGs.

Mr. Radicke voiced his support of the plan, stating he believes the Board should take a lead position in moving forward.

Chairperson Dusenberry said she would like the Board to adopt a package of positions, rather than approve one item at a time.

A member suggested the issue be placed on the agenda for the December 12 study session. Chairperson Dusenberry agreed.

Adjournment


No closing comments were made.

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

The meeting adjourned at 1:00 p.m.



Ingo Radicke, Chairperson
State Transportation Board



Victor Mendez, ADOT Director
Arizona Department of Transportation

**MINUTES
OF THE
STATE TRANSPORTATION BOARD
BOARD MEETING**

9:00 a.m., Friday, November 15, 2002

City of Yuma Council Chambers

One City Plaza

Yuma, Arizona 85364

The State Transportation Board met in official session for a regular meeting at 9:00 a.m., Friday, November 15, 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; Dick Wright, State Engineer; John McGee, Chief Financial Officer, Administrative Services Division; Dale Buskirk, Acting Director, Planning Division; and Gary Adams, Assistant Director, Aeronautics Division. There were approximately 80 people in the audience.

OPENING REMARKS AND PLEDGE

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

CALL TO AUDIENCE

Steve Stratton, Deputy Director, Gila County Public Works, thanked the Board for funding the widening of Highway 70. He asked the Board to continue the passing lane projects between Superior and Globe.

Jay Howl, La Paz County Supervisor, thanked Debra Brisk, Bill Alfier and Dick Hileman for having a turnback ideas meeting in Quartzsite.

Mary Anne Moreno, Executive Director, Globe Miami Regional Chamber of Commerce and Economic Development Corporation, thanked the Board for the bridge enhancement project in Miami. She said she is pleased ADOT will be widening Highway 70 east of Globe. She asked the Board to keep the passing lanes from Superior to Miami at the top of their list, both because of safety concerns and their impact on economic development. She also asked the Board to make sure the S.R. 188 Devore Wash to Sportsman Haven project does not slip beyond 2004. She further asked the Board to keep the idea of a four lane highway between Florence Junction to Lordsburg in mind for the future.

Ken Rosevear, Executive Director, Yuma Chamber of Commerce, thanked the Board for the advancements and improvements in Yuma County. He acknowledged the difficult budget situation the Board is facing, but asked for their continued support. He stressed the importance

of S.R. 85 to their community, stating they hope its completion will make Yuma a destination point.

Joe Harper, Chairman of the Yuma Metropolitan Planning Organization, thanked the Board for the continued program funds for construction of the Area Service Highway. He identified Avenue 3E and the traffic interchange on SR 280 as other important projects in the area. He said US 95 from Yuma to Quartzsite is also of great concern. He reported the new port of entry is progressing nicely and will coincide with the opening of SR 195 projected for 2007.

DISTRICT ENGINEER'S REPORT

Bill Alfier introduced members of his staff and updated the Board on construction projects and issues of area significance. He said the General Plan is now out for press comments and the final design for all five segments of the Area Service Highway, now known as the Robert Bond Expressway, will soon be underway. He said construction will begin in 2004 and their goal is to break ground within 18 months. He stated they expect to have two-lane connectivity by 2007, satisfying the requirements for the port. He noted they still need two installments from the Board to complete funding for the corridor. He reported a consultant has been selected for an Access Management Study on SR 85, explaining the goal is to get local communities involved in the planning and management of access control. He said they expect to ask the Board to adopt the Access Management Plan in approximately 18 months. He stated they have recently completed a segment of US 95 near Quartzsite and are entering the design process for a segment from Parker to Lakeside. He said they expect to open bids on the #3 TI on I-8 in early January. A written copy of his report was submitted for the record.

CONSENT AGENDA

No items were taken off the Consent Agenda.

DIRECTOR'S REPORT

Mr. Mendez reported the Legislature has come up with a plan that makes up half of the projected budget deficit for FY 2003, however, FY 2004's estimated \$1 billion deficit has yet to be addressed. He said the preliminary proposal would transfer \$500,000 from Arizona Highways, \$1 million from the Equipment Fund, \$5 million from the Aviation Fund and \$20 million from the HELP program.

Chairperson Dusenberry asked how \$20 million could be taken from the HELP program, stating the funds are dedicated for certain purposes. Mr. Mendez referred the question to Mr. McGee.

Mr. Mendez said they have been working with the City of Sedona on SR 179. He stated a facilitated meeting has been scheduled for November 19 and 20, with participation controlled by the facilitator. He stated the public is welcome to attend, however, only identified participants will be allowed to take part in the discussion. He noted a public debriefing will occur at 6:00 p.m. on November 20.

With regard to noise complaints heard at the Board's Apache Junction meeting, Mr. Mendez stated they will meet with FHWA expert staff from Washington D.C. on December 15 and 16. He noted Cal-Trans has also been invited to participate in the meeting. He explained that a successful rubberized asphalt pilot program would result in the department's ability to take credit for decibel reductions.

Legislative Report

Kevin Biesty distributed copies of the Bottom Line Report.

With regard to the State Legislature, Mr. Biesty said the House will have 34 Republicans and 26 Democrats and the Senate returned to Republic control with 17 Republicans and 13 Democrats. He stated Senate President Elect, Ken Bennett, consolidated some of the committees and eliminated one. He said the Transportation Committee was eliminated and rolled into Natural Resources, Environment and Transportation. He noted the committee will be chaired by Senator Elect Linda Bender, stating they hope to set up a meeting with her over the next week or two. He stated Bob Burns was named Chairman of the Appropriations Committee. He said the House will hopefully release the names of the Committee chairs before Thanksgiving. With regard to the ADOT legislative package, Mr. Biesty said there are a couple of issues, most of which surround MVD customer service and consumer protection. He said Representative Cooley opened two folders in the House and Senator Elect Bender opened two in the Senate. He provided copies of a summary of all Legislators, provided by the Arizona News Service.

On the Federal Level, Mr. Biesty reported Republicans have taken control of the Senate, the House and the White House. He said it appears Senator Tom Stevens from Arkansas will be the Senate Appropriations Chair and Don Nickels from Oklahoma will chair the Budget Committee. He stated Senator McCain will continue to chair the Commerce Committee.

Financial Report

Mr. McGee reviewed the October 2002 HURF report, stating collections totaled \$88.8 million, which is approximately 8.4 percent over last year and 5.2 percent over forecast. He said year-to-date collections now total \$355.6 million, 6.3 percent over last year and 2.8 percent over the forecast. He stated they continue to see good collection activity and strength, particularly in the Motor Carrier, Vehicle License Tax and Registration categories.

With regard to the September 2002 RARF collections, Mr. McGee stated collections totaled \$21.65 million, one percent over last year and .5 percent below the forecast. He said, year-to-date, they have collected approximately \$65.5 million, 0.8 percent over last year and 0.4 percent under the forecast. He said, while the Contracting category had been relatively strong in the past, it has been weakening over the last four months. He said, conversely, the Retail Sales category has been very poor over the past 18 months, but was up 4.3 percent last month and 4.4 percent the month before.

Mr. McGee reviewed the October 2002 HELP Fund Cash Status report, stating the cash balance as of October 31 totaled \$112,157,170.

In response to Chairperson Dusenberry's question concerning the Board Funding Obligation Series 2002, Mr. McGee explained the Legislature passed a law in FY 2000 that said they would put \$20 million per year into the HELP fund in FY 2001, 2002 and 2003. He said while they made the FY 2001 deposit, they later unappropriated the FY 2002 and 2003 appropriations and, instead, gave the Board the \$40 million Board Funding Obligation Series 2002. He said the Legislature is now considering taking back the \$20 million given in FY 2001, which would impact the amount of loans by a factor of 1.5 to 2 times that amount. He said the \$40 million and \$100 million Obligations Series have to be repaid to the State Treasurer at the end of FY 2004. He explained that if the average General Fund balance over the prior 12 months is \$800 million or more, they can immediately re-borrow the \$140 million. He stated, however, the average balance for five of the last seven months has been considerably below \$800 million. He said, therefore, there is a risk that they will not be able to reborrow the \$140 million once it has been repaid. He stated, based on the loans approved to date, cash flow projections show that \$142 million will be in the fund when the \$140 million comes due. He said, consequently, they would have \$2 million left in the fund once the \$140 million is repaid. He pointed out they would not be able to repay the entire \$140 million if the legislature takes back the \$20 million appropriated in FY 2001. He said, in that case, they would either not repay the Treasurer or they would have to find a way to fund \$20 million worth of HELP Loans made to ADOT with other funds. He stated, additionally, the State Treasurer's office has indicated the General Fund balance could drop to the point where some of the outstanding BFO's could be called in April or May of the coming year. He noted that, once the General Fund balance goes above \$200 million, they would be eligible to reborrow the money the State Treasurer called. He said, given these risks, the HELP Advisory Committee recommended in July that they not make any HELP Loans and continue monitoring the situation until December. He expressed his opinion, the potential risks are now worse than they were in July, stating his recommendation would be that they continue the moratorium on HELP loans for at least the next six months.

Mr. McGee recognized Derrick Magrino and thanked him for his service on the HELP Advisory Committee.

Mr. McGee referred to a handout reflecting the results of the recently completed HURF and RARF annual forecast update. He said they will adjust the HURF revenue forecast through FY 2007 down by about \$12 million, noting the net impact to ADOT's programs will be very minor. He said, because of last year's low revenues and poor growth, the RARF revenue forecast will be adjusted down \$49.7 million through the end of FY 06.

Financing Program

Mr. McGee said, fortunately, they were able to price the 2002 HURF Bond issuance at a time when interest rates were down. He said they had unbelievable orders for the issuance, which was reflected in their ability to fairly significantly re-price the issue 10 basis points. He stated the true interest cost ended up being about 4.63 percent, the lowest overall interest rate ever for an

ADOT HURF issue given the length of maturity. Mr. Freund reviewed the details of the bond issuance Official Statement. Mr. McGee reported the issue closed on Wednesday, noting \$45 million of the proceeds will be used to support the MAG Regional Freeway Program and \$120 million will be used to support the Statewide program.

Mr. McGee reviewed the preliminary financing timetable for the HURF 2003 issuance. He explained the purpose of the issuance is to refund \$100 million of bonds issued in 1993. He said the schedule shows the pricing occurring anywhere between mid-December and the first of April, depending upon interest rates.

Resolution Authorizing Issuance of Highway Revenue Bonds, Series 2003

Mr. McGee presented and recommended approval of a Resolution authorizing the Board's anticipated issuance of Highway Revenue Bonds, Series 2003, in an amount not to exceed \$200,000,000. He explained the resolution would allow for the refunding of the 1993 bonds, to be accomplished through a forward agreement. He said the resolution also allows for a refunding of approximately \$20 million of Series 1999 bonds they had hoped to refund with last month's issue. He explained the \$200 million limit would give the Board the ability to issue between \$80 million and \$100 million in new money should the Legislature take actions that require the Board to generate cash. He said, while they have obtained information concerning the going rate for forward agreements, at this point, he anticipates pricing to occur in the March/April timeframe.

Board Action: A motion to adopt the Resolution Authorizing the Issuance of Not To Exceed \$200,000,000 Principal Amount of Arizona Transportation Board, Highway Revenue Bonds, Series 2003 was made by Mr. Radicke, seconded by Mr. Jeffers and passed unanimously.

Appointment of Underwriters; Highway Revenue Bonds, Series 2003

Mr. McGee presented and recommended approval of a Resolution recommending appointment of Underwriters for the Board's anticipated issuance of Highway Revenue Bonds, Series 2003. He explained they would likely return to the Board recommending one or two firms be added to the team should the size of the issuance ultimately be increased to \$150 million or more.

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

RESOLUTION

**RESOLUTION OF THE STATE OF ARIZONA
TRANSPORTATION BOARD APPOINTING MANAGING
UNDERWRITERS FOR ITS PLANNED ISSUANCE OF
HIGHWAY REVENUE BONDS, SERIES 2003.**

The Board hereby appoints the following firms to act as managing underwriters in connection with its planned issuance of Highway Revenue Bonds, Series 2003.

Bear, Stearns & Co., Inc. Senior Manager
Salomon Smith Barney Co-Manager
J.P. Morgan Securities, Inc. Co-Manager

The Board reserves the right to make changes in the management team designated above if it is deemed to be in the best interest of the state, and to assign liability percentages as set forth in the Certificate of Award for the Highway Revenue Bonds, Series 2003.

Dated This 15th Day of November, 2002.

The motion passed unanimously.

The meeting recessed for a short break.

BOARD MINUTES

Study Session Minutes – September 5, 2002
Board Meeting Minutes – September 20, 2002
Special Board Meeting Minutes – October 3, 2002
Study Session Minutes – October 3, 2002
Special Telephonic Study Session Minutes – October 7, 2002

2002 REMAINING BOARD MEETING DATES:

December 20, 2002 Board Meeting – Tucson 9:00 a.m.

PRIORITY PLANNING ADVISORY COMMITTEE (PPAC)

FY 2003 - 2007 Transportation Facilities Construction Program Requested Modifications

2002 Transportation Enhancement Review Committee (TERC)
Project Selection

Mr. Buskirk referred to the list of enhancement projects co-sponsored by local governments and selected by the Round 10 Transportation Enhancement Review Committee. He stated the projects are funded as reimbursable federal aid grants administered by ADOT, however, the local governments will program the projects after project scoping has been completed. He said the State projects will be programmed by ADOT after project scoping has been completed.

Mr. Jeffers asked if the projects will be reevaluated once scoping has occurred and the actual costs have been determined. Mr. Radicke explained a project will be reevaluated if its actual cost is more than 30 percent above the originally proposed cost. Mr. Buskirk stated the funds originally set aside for a project that was later found to be too costly would be used to add other projects into the program.

ROUTE NO: SR 277 @ MP 332.00
 COUNTY: Navajo
 SCHEDULE: New Project Request
 SECTION: Freeman Hollow Road
 TYPE OF WORK: Reconstruct roadway
 PROGRAM AMOUNT: New Project Request
 PROJECT MANAGER: Bahram Dariush
 PROJECT: H529701C
 REQUESTED ACTION: Add a new district minor project in the amount of \$515,000 to the FY 2003 Highway Construction Program for the reconstruction of intersection. **Funds available from the FY 2003 District Minor Program #73303.**

NEW PROGRAM AMOUNT: \$515,000

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 134.80
 COUNTY: Pinal
 SCHEDULE: FY 2003
 SECTION: Florence - US 60
 TYPE OF WORK: Pavement Preservation
 PROGRAM AMOUNT: \$4,495,000 Funding Source: STP
 PROJECT MANAGER: John Melanson
 PROJECT: H556101C Item Number; 19803
 REQUESTED ACTION: Increase program amount by \$341,000 to \$4,836,000 due to increased scope and updated quantities and unit cost. **See Funding Sources Below.**

PROGRAM AMOUNT: \$4,495,000
 INCREASE AMOUNT: \$341,000
 FY 2003 Pavement Preservation Fund #72503 \$139,000
 FY 2003 Highway Contingency Fund #72303 \$102,000
 FY 2003 District Minor Fund #73303 \$100,000
 NEW PROGRAM AMOUNT: \$4,836,000

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 199.50
COUNTY: Pinal
SCHEDULE: New Project Request
SECTION: Mountain View Road
TYPE OF WORK: Install traffic signal and construct intersection improvement
PROJECT MANAGER: John Hoang
PROJECT: HX13601C
REQUESTED ACTION: Add a new traffic signal and intersection improvement project in the amount of \$625,000 to the FY 2003 Highway Construction Program. See **funding sources below.**

NEW PROGRAM AMOUNT:	NewProject
FY 2003 Traffic Engineering Fund #71203	\$250,000
FY 2003 District Minor fund #73303	\$300,000
JPA with Pinal County	\$75,000

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

ROUTE NO: SR 264 @ MP 471.45
COUNTY: Apache
SCHEDULE: New Project Request
SECTION: Navajo Forest Boundry – New Mexico State Line
TYPE OF WORK: Pavement Preservation
PROJECT MANAGER: James Reeves
PROJECT: H390502C
REQUESTED ACTION: Add a new pavement preservation project in the amount of \$462,000 to the FY 2003 Highway Construction Program. **Funds available from the FY 2003 Pavement Preservation Fund #72503.**

NEW PROGRAM AMOUNT:	\$462,000
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Board Action: A motion to approve the above recommendation was made by Mr. Jeffers, seconded by Mr. Radicke and passed unanimously.

ROUTE NO: US 191 @ MP 318.00
COUNTY: Apache
SCHEDULE: FY 2004
SECTION: Landfill Road - Standard Parallel
TYPE OF WORK: Pavement Preservation
PROGRAM AMOUNT: \$1,361,000 Funding Source: STP

PROJECT MANAGER: James Reeves
PROJECT: H557101C Item Number; 21003
REQUESTED ACTION: Increase program amount by \$981,000 to \$2,342,000 due to quantities and unit cost updates, and addition of drainage improvements. See **funding sources below.**

PROGRAM AMOUNT:	\$1,361,000
INCREASE AMOUNT:	\$981,000
FY 2004 Pavement Preservation Fund #72504	\$629,000
FY 2004 District Minor Fund #73304	\$352,000
NEW PROGRAM AMOUNT:	\$2,342,000

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

ROUTE NO: SR 40 B @ MP 285.00
COUNTY: Navajo
SCHEDULE: FY 2004
SECTION: West Holbrook TI - Navajo Blvd.
TYPE OF WORK: Reconstruct and widen existing roadway
PROGRAM AMOUNT: \$2,600,000
PROJECT MANAGER: Jennifer Livingston
PROJECT: H487501C Item Number; 11404
REQUESTED ACTION: Delete project from the FY 2004 Highway Construction Program. Funds to be used for SR 40B, Navajo Blvd. Improvements. **Funds return to the FY 2004 Highway Contingency Fund #72304.**

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

ROUTE NO: SR 40 B @ MP 287.60
COUNTY: Navajo
SCHEDULE: New Project Request
SECTION: Navajo Blvd; Holbrook Midtown TI to East TI
TYPE OF WORK: Reconstruct and widen existing roadway
PROJECT MANAGER: Jennifer Livingston
PROJECT: H581701C
REQUESTED ACTION: Add a new project to the FY 2004 Highway Construction Program in the amount of \$3,232,000. **See funding sources below.**

FY 2003 Highway Contingency Fund #72303	\$632,000
FY 2004 Highway Contingency Fund #72304	\$2,600,000
NEW PROGRAM AMOUNT:	\$3,232,000

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

ROUTE NO: I-10 @ MP 242.00
COUNTY: Pima
SCHEDULE: New Project Request
SECTION: I-10 Frontage Rd @ AAR/DOT NOS. 741-091-D & 741-098-C
TYPE OF WORK: Roundel upgrade and concrete crossing surface
PROJECT MANAGER: John Syers / Bruce Vana
PROJECT: New Project Request
REQUESTED ACTION: Add a new railroad crossing improvement project in the amount of \$195,000 to the FY 2005 Highway Construction Program. **Funds available from the FY 2005 Title II Safety Fund #72805.**
NEW PROGRAM AMOUNT: \$195,000

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

ROUTE NO: SR 89 A @ MP 355.00
COUNTY: Yavapai
SCHEDULE: New Project Request
SECTION: Cottonwood Retaining Wall
TYPE OF WORK: Construct new retaining wall
PROJECT MANAGER: Vicki Bever
PROJECT: H274106C
REQUESTED ACTION: Add a new project in the amount of \$70,000 to the FY 2003 Highway Construction Program to construct a new retaining wall. **Funds available from the FY 2003 Statewide Emergency Projects #72103.**
NEW PROGRAM AMOUNT: \$70,000

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

ROUTE NO: SR 195 @ MP 23.00
COUNTY: Yuma Area Service Highway (ASH)
COUNTY: Yuma
SCHEDULE: New Project Request
SECTION: B-8 to I-8
TYPE OF WORK: Construct roadway widening
PROJECT MANAGER: Mike Bruder

PROJECT: H577407C
REQUESTED ACTION: Add a new project in the amount of \$2,225,000 to the FY 2004 Highway Construction Program. See **Funding sources Below.**

NEW PROGRAM AMOUNT:	\$2,225,000
FY 2004 ASH Set A Side #13704	\$2,110,000
FY 2004 Projects of Opportunity #75004	\$115,200

Board Action: A motion to approve the above recommendation was made by Mr. Hileman, seconded by Mr. Radicke 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: \$813,000 Funding Source: STP
PROJECT MANAGER: Shajed Haque
PROJECT: H527401C Item Number; 22802
REQUESTED ACTION: Delete this project from the FY 2003 Highway Construction Program. Project is to be reprogrammed in FY 2006. **Funds Return to the FY 2003 Pavement Preservation Fund #72503.**

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

ROUTE NO: SR 85 @ MP 0.00
COUNTY: Yuma
SCHEDULE: FY 2004
SECTION: I-8 to South
TYPE OF WORK: Pavement Preservation
PROGRAM AMOUNT: \$749,000 Funding Source: State
PROJECT MANAGER: Shajed Haque
PROJECT: Item Number; 18504
REQUESTED ACTION: Delete this project from the FY 2004 Highway Construction Program. Project is to be reprogrammed in FY 2005. **Funds Return to the FY 2004 Pavement Preservation Fund #72504.**

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

ROUTE NO: SR 95 @ MP 143.93
COUNTY: La Paz

SCHEDULE: FY 2005
 SECTION: Parker – Lakeside
 TYPE OF WORK: Reconstruct roadway
 PROGRAM AMOUNT: \$7,500,000 Funding Source: NH
 PROJECT MANAGER: Orlando Jerez
 PROJECT: H511801C Item Number; 12705
 REQUESTED ACTION: Increase program amount by \$877,690 to \$8,377,690 due to the addition of approximately 1.5 miles of pavement preservation. **Funds available from FY 2005 Pavement Preservation Fund #72505.**

PROGRAM AMOUNT:	\$7,500,000
INCREASE AMOUNT:	\$877,690
NEW PROGRAM AMOUNT:	\$8,377,690

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 140.70
 COUNTY: Maricopa
 SCHEDULE: New Project Request
 SECTION: 43rd Ave
 TYPE OF WORK: Construct traffic interchange improvement
 PROJECT MANAGER: Kwisung Kang
 REQUESTED ACTION: Add a new project in the amount of \$200,000 to the FY 2007 Highway Construction Program. **See funding sources below.**

NEW PROGRAM AMOUNT:	\$200,000
FY 2007 CMAQ	\$160,000
FY 2003 Highway Contingency Fund #72303	\$40,000

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

ROUTE NO: I-10 @ MP 139.80
 COUNTY: Maricopa
 SCHEDULE: New Project Request
 SECTION: 51st Ave
 TYPE OF WORK: Construct traffic interchange improvement
 PROJECT MANAGER: Kwisung Kang
 REQUESTED ACTION: Add a new project in the amount of \$150,000 to the FY 2007 Highway Construction Program. **See funding sources below.**

NEW PROGRAM AMOUNT:	\$150,000
FY 2007 CMAQ	\$120,000

FY 2003 Highway Contingency Fund #723031

\$30,000

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

ROUTE NO: US 60 @ MP 148.90
COUNTY: Maricopa
SCHEDULE: New Project Request
SECTION: I-17 to Agua Fria Freeway
TYPE OF WORK: Major investment study, Phase II
PROJECT MANAGER: Kwisung Kang
REQUESTED ACTION: Add a new project in the amount of \$480,000 to the FY 2007 Highway Construction Program. **Funds available from MAG-STP Funds.**
NEW PROGRAM AMOUNT: \$480,000

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

ROUTE NO: US 60 @ MP 150.50
COUNTY: Maricopa
SCHEDULE: New Project Request
SECTION: 83rd Ave to Peoria Ave
TYPE OF WORK: Design and construct at grade pedestrian crossing,
PROJECT MANAGER: Kwisung Kang
REQUESTED ACTION: Add a new project in the amount of \$757,289 to the FY 2004 Highway Construction Program. **See funding sources below.**
NEW PROGRAM AMOUNT: \$757,289
FY 2004 CMAQ \$714,123
City of Peoria \$43,166

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

ROUTE NO: SR 101 L @ MP 11.20
COUNTY: Maricopa
SCHEDULE: New Project Request
SECTION: Grand Ave - I-17
TYPE OF WORK: Construct partial FMS
PROJECT MANAGER: Kwisung Kang
REQUESTED ACTION: Add a new project in the amount of \$1,975,000 to the FY 2007 Highway Construction Program. **See funding sources below.**
NEW PROGRAM AMOUNT: \$1,975,000

FY 2004 CMAQ \$1,580,000
FY 2003 Highway Contingency Fund #72303 \$395,000

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

ROUTE NO: I-10 @ MP 162.40
COUNTY: Maricopa
SCHEDULE: FY 2003
SECTION: Maricopa Rd. TI - Riggs Rd. TI
TYPE OF WORK: Design roadway
PROGRAM AMOUNT: \$1,200,000
PROJECT MANAGER: Kwisung Kang
PROJECT: Item Number; 10103
REQUESTED ACTION: Defer project from FY 2003 to FY 2005 to allow additional time to resolve issues with Gila River Indian Community.

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 158.70
COUNTY: Maricopa
SCHEDULE: FY 2004
SECTION: Warner Road Traffic Interchange
TYPE OF WORK: Design traffic interchange
PROGRAM AMOUNT: \$15,000
PROJECT MANAGER: Kwisung Kang
PROJECT: Item Number; 14304
REQUESTED ACTION: Advance project from FY 2004 to FY 2003

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 158.70
COUNTY: Maricopa
SCHEDULE: FY 2005
SECTION: Warner Road Traffic Interchange
TYPE OF WORK: Traffic interchange improvements and auxillary lane
PROGRAM AMOUNT: \$150,000 Funding Source: State
PROJECT MANAGER: Vince Li
PROJECT: H575601C Item Number; 10105
REQUESTED ACTION: Advance project from FY 2005 to FY 2003 and increase program amount by \$1,100,000 to \$1,250,000 due to the addition of auxiliary lanes.

See funding sources below.

PROGRAM AMOUNT:	\$150,000
INCREASE AMOUNT:	\$1,100,000
City of Phoenix JPA #02-32	\$112,600
FY 2003 District Minor Fund #73303	987,400
NEW PROGRAM AMOUNT:	\$1,250,000

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 152.10
COUNTY:	Maricopa
SCHEDULE:	FY 2003
SECTION:	40th St. – Baseline Rd.
TYPE OF WORK:	Design CD Roads Ph 1A
PROGRAM AMOUNT:	\$4,000,000 Funding Source:
PROJECT MANAGER:	Kwisung Kang
PROJECT:	Item Number; 16803
REQUESTED ACTION:	Reduce program amount by \$1,700,000 to \$2,300,000. Funds return to the FY 2003 Highway Contingency Fund #72303.
PROGRAM AMOUNT:	\$4,000,000
DECREASE AMOUNT:	\$1,700,000
NEW PROGRAM AMOUNT:	\$2,300,000

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 152.10
COUNTY:	Maricopa
SCHEDULE:	New Project Request
SECTION:	40th St. - Baseline Rd.
TYPE OF WORK:	Construct CD Roads Ph 1A
PROGRAM AMOUNT:	\$10,000,000
PROJECT MANAGER:	Kwisung Kang
PROJECT:	Item Number; 12105
REQUESTED ACTION:	Increase program amount by \$250,000 to \$10,250,000. Funds available from the FY 2003 Highway Construction Fund #72303.
PROGRAM AMOUNT:	\$10,000,000
INCREASE AMOUNT:	\$250,000
NEW PROGRAM AMOUNT:	\$10,250,000

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

ROUTE NO: SR 303 @ MP 0.00
COUNTY: Maricopa
SCHEDULE: New Project Request
SECTION: I-10 to Grand Ave (US60)
TYPE OF WORK: Design Concept Report (DCR)
PROJECT MANAGER: Kwisung Kang
REQUESTED ACTION: Add a new project to the FY 2003 Highway Construction Program in the amount of \$250,000 to prepare a Design Concept Report. **Funds available from the FY 2003 Highway Contingency Fund #72303.**

NEW PROGRAM AMOUNT: \$250,000

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

ROUTE NO: MAG Regional Freeways
COUNTY: Maricopa
SCHEDULE: New Project Request
SECTION: MAG Regionwide
TYPE OF WORK: Design ramp meters
PROJECT MANAGER: Kwisung Kang
REQUESTED ACTION: Add a new project to the FY 2003 Highway Construction Program in the amount of \$100,000 for the design of ramp meters. **Funds available from the FY 2003 Highway contingency Fund #72303.**

NEW PROGRAM AMOUNT: \$100,000

ROUTE NO: MAG Regional Freeways
COUNTY: Maricopa
SCHEDULE: New Project Request
SECTION: MAG Regionwide
TYPE OF WORK: Design ramp meters
PROGRAM AMOUNT: New Funding Source:
PROJECT MANAGER: Kwisung Kang
REQUESTED ACTION: Add a new project to the FY 2004 Highway Construction Program in the amount of \$100,000 for the design of ramp meters. **Funds available from the FY 2003 Highway contingency Fund #72303.**

NEW PROGRAM AMOUNT: \$100,000

ROUTE NO: MAG Regional Freeways

COUNTY: Maricopa
SCHEDULE: New Project Request
SECTION: MAG Regionwide
TYPE OF WORK: Construct ramp meters
PROJECT MANAGER: Kwisung Kang
REQUESTED ACTION: Add a new project to the FY 2003 Highway Construction Program in the amount of \$500,000 for the construction of ramp meters. **Funds available from the FY 2003 Highway contingency Fund #72303.**
NEW PROGRAM AMOUNT: \$500,000

ROUTE NO: MAG Regional Freeways
COUNTY: Maricopa
SCHEDULE: New Project Request
SECTION: MAG Regionwide
TYPE OF WORK: Construct ramp meters
PROJECT MANAGER: Kwisung Kang
REQUESTED ACTION: Add a new project to the FY 2004 Highway Construction Program in the amount of \$500,000 for the construction of ramp meters. **Funds available from the FY 2003 Highway contingency Fund #72303.**
NEW PROGRAM AMOUNT: \$500,000

Board Action: A motion to approve Items 33, 34, 35 and 36 was made by Mr. Gant, seconded by Mr. Jeffers and passed unanimously.

ROUTE NO: I-40 @ MP 201.80
COUNTY: Coconino
SCHEDULE: New Project Request
SECTION: East Flagstaff Traffic Interchange
TYPE OF WORK: Design traffic interchange
PROJECT MANAGER: Jennifer Livingston
REQUESTED ACTION: Add a new design project in the amount of \$1,000,000 to the FY 2003 Highway Construction Program. City of Flagstaff will provide funding in the amount of \$1,000,000 in FY 2003 to start the design of the traffic interchange per signed JPA 02-67. **Funds to be repaid to the City of Flagstaff in FY 2006 from the I-40 East Flagstaff TI Design Item #11006.**
NEW PROGRAM AMOUNT: \$1,000,000

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 2.40
COUNTY: Mohave
SCHEDULE: FY 2003
SECTION: Needle Mountain - SR 95
TYPE OF WORK: Pavement Preservation
PROGRAM AMOUNT: \$3,890,000 Funding Source: IM
PROJECT MANAGER: Steve Mishler
PROJECT: H555401C Item Number; 21303
REQUESTED ACTION: Increase program amount by \$710,000 to \$4,600,000 due to updated quantities, unit cost, and updated guardrail policy. **Funds available from the FY 2003 Pavement Preservation Fund #72503.**

PROGRAM AMOUNT: \$3,890,000
INCREASE AMOUNT: \$710,000
NEW PROGRAM AMOUNT: \$4,600,000

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

ROUTE NO: SR 79 @ MP 128.00
COUNTY: Pinal
SCHEDULE: FY 2003
SECTION: Cactus Forest Road – Florence
TYPE OF WORK: Pavement Preservation
PROGRAM AMOUNT: \$1,310,000 Funding Source: STP
PROJECT MANAGER: Mohamad Jawhar
PROJECT: H556001C Item Number; 21503
REQUESTED ACTION: Increase program amount by \$379,000 to \$1,689,000 due to extension of box culvert and updated traffic control. **Funds available from the Title II Safety Fund #72803.**

PROGRAM AMOUNT: \$1,310,000
INCREASE AMOUNT: \$379,000
NEW PROGRAM AMOUNT: \$1,689,000

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

ROUTE NO: US 191 @ MP 175.00
COUNTY: Greenlee
SCHEDULE: FY 2004

SECTION: Coronado Trail
TYPE OF WORK: Pavement Preservation
PROGRAM AMOUNT: \$832,000 Funding Source: STP
PROJECT MANAGER: Urso Penalosa
PROJECT: H585801C Item Number; 19304
REQUESTED ACTION: Increase program amount by \$603,000 to \$1,435,000 due to updated project assessment. **Funds available from the FY 2004 Pavement preservation Fund #72504.**

PROGRAM AMOUNT: \$832,000
INCREASE AMOUNT: \$603,000
NEW PROGRAM AMOUNT: \$1,435,000

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

ROUTE NO: I-40 @ MP 87.00
COUNTY: Mohave
SCHEDULE: FY 2004
SECTION: Round Valley - Fort Rock, EB
TYPE OF WORK: Construct EB climbing lane
PROGRAM AMOUNT: \$2,400,000 Funding Source: NH
PROJECT MANAGER: Michael Andazola
PROJECT: H458301C Item Number; 11004
REQUESTED ACTION: Increase program amount by \$750,000 to \$3,150,000 due to updated quantities and unit cost from final design estimate. Advance project from FY 2004 to FY 2003. **FY 2004 funds return to the FY 2004 Highway Contingency Fund #72304. Funds available from FY 2003 Highway Contingency Fund #72303.**

PROGRAM AMOUNT: \$2,400,000
INCREASE AMOUNT: \$750,000
NEW PROGRAM AMOUNT: \$3,150,000

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

ROUTE NO: SR 202 L @ MP 44.70
COUNTY: Maricopa
SCHEDULE: New Project Request
SECTION: Arizona Avenue - Gilbert Road
TYPE OF WORK: Construct roadway (utilities)
PROJECT MANAGER: Bill Evans
REQUESTED ACTION: Add a new project to the FY 2003 Highway

construction Program in the amount of \$500,000 for relocation of utilities. **RARF funds available from roadway construction project SR 202L Arizona Ave. Gilbert Road #80704.**

PROGRAM AMOUNT: \$17,057,000

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

FY 2003 - 2007 Aeronautics Development Program Requested Modifications

PROJECT: Eloy Municipal Airport
 SPONSOR: City of Eloy
 CATEGORY: General Aviation Airport
 SCHEDULE: FY 2003 - 2007
 PROJECT #: E3F27
 PROGRAM AMOUNT: \$164,726
 TYPE OF WORK: Acquire Land, Approximately 4.1 acres, Phase I; Install Precision Approach Path Indicator; and Install Runway End Identifier Lights

REQUESTED ACTION: Provide \$7,363 funds to match Federal Grant AIP- 04: Total project \$164,726:

FUNDING SOURCES	FAA	\$150,000
	Sponsor	\$7,363
	State	\$7,363
	<i>Total Program</i>	\$164,726

PROJECT: Benson Municipal Airport
 SPONSOR: City of Benson
 CATEGORY: General Aviation Airport
 SCHEDULE: FY 2003 - 2007
 PROJECT #: E3F28
 PROGRAM AMOUNT: \$329,454
 TYPE OF WORK: Engineering design to construct parallel taxiway, connectors, and taxilanes – Phase I

REQUESTED ACTION: Provide \$14,727 funds to match Federal Grant AIP-07. Total project \$329,454:

FUNDING SOURCES	FAA	\$300,000
	Sponsor	\$14,727
	State	\$14,727
	<i>Total Program</i>	\$329,454

PROJECT: Payson Airport

SPONSOR: Town of Payson
 CATEGORY: Public Use
 SCHEDULE: FY 2003-2007
 PROJECT #: E3F29
 PROGRAM AMOUNT: \$164,726
 TYPE OF WORK: Construct T Hangars Taxilanes, Phase II
 REQUESTED ACTION: Provide \$7,363 funds to match Federal Grant AIP-10. Total project \$164,726:

FUNDING SOURCES		\$150,000
	FAA	
	Sponsor	\$7,363
	State	\$7,363
	<i>Total Program</i>	\$164,726

PROJECT: Bagdad Airport
 SPONSOR: County of Yavapai
 CATEGORY: Public Use
 SCHEDULE: FY 2003-2007
 PROJECT #: E3F30
 PROGRAM AMOUNT: \$154,184
 TYPE OF WORK: Rehabilitate Runway 5/23, Taxiway & Apron connector, Phase I
 REQUESTED ACTION: Provide \$6,892 funds to match Federal Grant AIP-02. Total project \$154,184:

FUNDING SOURCES		\$140,400
	FAA	
	Sponsor	\$6,892
	State	\$6,892
	<i>Total Program</i>	\$154,184

PROJECT: Gila Bend Municipal Airport
 SPONSOR: Town of Gila Bend
 CATEGORY: Public Use
 SCHEDULE: FY 2003-2007
 PROJECT #: E3F31
 PROGRAM AMOUNT: \$296,504
 TYPE OF WORK: Rehabilitate Parking Apron; Conduct Master Plan Update
 REQUESTED ACTION: Provide \$13,254 funds to match Federal Grant AIP-06. Total project \$296,504:

FUNDING SOURCES		\$269,996
	FAA	
	Sponsor	\$13,254
	State	\$13,254
	<i>Total Program</i>	\$296,504

PROJECT: Gila Bend Municipal Airport
 SPONSOR: Town of Gila Bend
 CATEGORY: Public Use
 SCHEDULE: FY 2003-2007
 PROJECT #: E3F32
 PROGRAM AMOUNT: \$185,820
 TYPE OF WORK: Rehabilitate Parking Apron, Phase 2;
 Acquire Land for Approaches; Remove
 Obstructions and Install Perimeter Fence.
 REQUESTED ACTION: Provide \$8,306 funds to match Federal Grant
 AIP-07. Total project \$185,820:
 FUNDING SOURCES

FAA	\$169,208
Sponsor	\$8,306
State	\$8,306
<i>Total Program</i>	\$185,820

PROJECT: Lake Havasu City Airport
 SPONSOR: City of Lake Havasu
 CATEGORY: Commercial Service
 SCHEDULE: FY 2003-2007
 PROJECT #: E3F33
 PROGRAM AMOUNT: \$2,029,910
 TYPE OF WORK: Acquire ARFF Vehicle; Acquire Security
 Equipment (Access Control)
 REQUESTED ACTION: Provide \$90,737 funds to match Federal
 Grant AIP-15. Total project \$2,029,910:
 FUNDING SOURCES

FAA	\$1,848,436
Sponsor	\$90,737
State	\$90,737
<i>Total Program</i>	\$2,029,910

PROJECT: Show Low Municipal Airport
 SPONSOR: City of Show Low
 CATEGORY: Commercial Service
 SCHEDULE: FY 2003-2007
 PROJECT #: E3F34
 PROGRAM AMOUNT: \$1,440,730
 TYPE OF WORK: Improve Runway 6/24 Safety Area;
 Construct ARFF Building, Phase 2;
 Obstruction Removal (Power Lines); Install
 Security Fencing; and Acquire Security
 Equipment (Access Control)
 REQUESTED ACTION: Provide \$64,401 funds to match Federal
 Grant AIP-11. Total project \$1,440,730:

FUNDING SOURCES		\$1,311,928
	FAA	
	Sponsor	\$64,401
	State	\$64,401
	<i>Total Program</i>	\$1,440,730

PROJECT: Sedona Airport
 SPONSOR: County of Yavapai
 CATEGORY: Public Use
 SCHEDULE: FY 2003-2007
 PROJECT #: E3F35
 PROGRAM AMOUNT: \$285,526
 TYPE OF WORK: Rehabilitate North Apron, Phase 2
 REQUESTED ACTION: Provide \$12,763 funds to match Federal Grant AIP-12. Total project \$285,526:

FUNDING SOURCES		\$260,000
	FAA	
	Sponsor	\$12,763
	State	\$12,763
	<i>Total Program</i>	\$285,526

PROJECT: H.A. Clark Memorial Field
 SPONSOR: City of Williams
 CATEGORY: Public Use
 SCHEDULE: FY 2003-2007
 PROJECT #: E3F36
 PROGRAM AMOUNT: \$250,000
 TYPE OF WORK: Acquire ARFF Vehicle
 REQUESTED ACTION: Provide \$11,175 funds to match Federal Grant AIP-12. Total project \$250,000:

FUNDING SOURCES		\$227,650
	FAA	
	Sponsor	\$11,175
	State	\$11,175
	<i>Total Program</i>	\$250,000

PROJECT: H. A. Clark Memorial Field
 SPONSOR: City of Williams
 CATEGORY: Public Use
 SCHEDULE: FY 2003-2007
 PROJECT #: E3F37
 PROGRAM AMOUNT: \$320,730
 TYPE OF WORK: Construct GA Apron, Phase I
 REQUESTED ACTION: Provide \$14,337 funds to match Federal Grant AIP-13. Total project \$320,730:

FUNDING SOURCES	FAA	\$292,056
	Sponsor	\$14,337
	State	\$14,337
	<i>Total Program</i>	\$320,730

PROJECT: Glendale Municipal Airport
 SPONSOR: City of Glendale
 CATEGORY: Reliever
 SCHEDULE: FY 2003-2007
 PROJECT #: E3F38
 PROGRAM AMOUNT: \$164,726
 TYPE OF WORK: Install Perimeter Fencing & Gate Improvements
 REQUESTED ACTION: Provide \$7,363 funds to match Federal Grant AIP-14. Total project \$164,726:

FUNDING SOURCES	FAA	\$150,000
	Sponsor	\$7,363
	State	\$7,363
	<i>Total Program</i>	\$164,726

PROJECT: Yuma International Airport
 SPONSOR: Yuma County Airport Authority
 CATEGORY: Commercial
 SCHEDULE: FY 2003-2007
 PROJECT #: E3F39
 PROGRAM AMOUNT: \$783,301
 TYPE OF WORK: Security Enhancement
 REQUESTED ACTION: Provide \$35,014 funds to match Federal Grant AIP-22. Total project \$783,301:

FUNDING SOURCES	FAA	\$713,273
	Sponsor	\$35,014
	State	\$35,014
	<i>Total Program</i>	\$783,301

PROJECT: Tucson Ryan Field Airport
 SPONSOR: Tucson Airport Authority
 CATEGORY: Reliever
 SCHEDULE: FY 2003-2007
 PROJECT #: E3F40
 PROGRAM AMOUNT: \$944,099
 TYPE OF WORK: Rehabilitate Taxiway B and improve airfield drainage control (for airport development or noise program implementation)

REQUESTED ACTION: Provide \$42,201 funds to match Federal Grant AIP-12. Total project \$944,099:

FUNDING SOURCES

FAA	\$859,697
Sponsor	\$42,201
State	\$42,201
<i>Total Program</i>	\$944,099

PROJECT: Tucson International Airport
 SPONSOR: Tucson Airport Authority
 CATEGORY: Commercial
 SCHEDULE: FY 2003-2007
 PROJECT #: E3F41
 PROGRAM AMOUNT: \$2,196,354
 TYPE OF WORK: Sound proof approximately 100 homes in the North area. Noise mitigation measures for residences within the 65-69 DNL

REQUESTED ACTION: Provide \$98,177 funds to match Federal Grant AIP-39. Total project \$2,196,354:

FUNDING SOURCES

FAA	\$2,000,000
Sponsor	\$98,177
State	\$98,177
<i>Total Program</i>	\$2,196,354

PROJECT: Tucson International Airport
 SPONSOR: Tucson Airport Authority
 CATEGORY: Commercial
 SCHEDULE: FY 2003-2007
 PROJECT #: E3F42
 PROGRAM AMOUNT: \$3,377,001
 TYPE OF WORK: Acquire security equipment and security enhancements (Planning & Development)

REQUESTED ACTION: Provide \$150,952 funds to match Federal Grant AIP-40. Total project \$3,377,001:

FUNDING SOURCES

FAA	\$3,075,097
Sponsor	\$150,952
State	\$150,952
<i>Total Program</i>	\$3,377,001

PROJECT: Tucson International Airport
 SPONSOR: Tucson Airport Authority
 CATEGORY: Commercial
 SCHEDULE: FY 2003-2007
 PROJECT #: E3F43

PROGRAM AMOUNT: \$2,971,446
 TYPE OF WORK: Construct Apron
 REQUESTED ACTION: Provide \$132,824 funds to match Federal Grant AIP-41. Total project \$2,705,798:

FUNDING SOURCES		\$2,705,798
	FAA	
	Sponsor	\$132,824
	State	\$132,824
	<i>Total Program</i>	\$2,971,446

PROJECT: Mesa Falcon Field Airport
 SPONSOR: City of Mesa
 CATEGORY: Reliever
 SCHEDULE: FY 2003-2007
 PROJECT #: E3F48
 PROGRAM AMOUNT: \$164,726
 TYPE OF WORK: Crack seal and strengthen Runways, Taxiways and Apron (Approximately 250,000 sy), including marking and installation of tie down anchors; Conduct taxiway B/Falcon Drive Study

REQUESTED ACTION: Provide \$7,363 Funds to match Federal Grant AIP-11. Total project \$164,726:

FUNDING SOURCES		\$150,000
	FAA	
	Sponsor	\$7,363
	State	\$7,363
	<i>Total Program</i>	\$164,726

PROJECT: Mesa Falcon Field Airport
 SPONSOR: City of Mesa
 CATEGORY: Reliever
 SCHEDULE: FY 2003-2007
 PROJECT #: E3F49
 PROGRAM AMOUNT: \$2,749,201
 TYPE OF WORK: Reconstruct Taxiways, Improve runway safety areas and install airfield guidance signs

REQUESTED ACTION: Provide \$122,889 funds to match Federal Grant AIP-12. Total project \$2,749,201:

FUNDING SOURCES		\$2,503,423
	FAA	
	Sponsor	\$122,889
	State	\$122,889
	<i>Total Program</i>	\$2,749,201

PROJECT: Williams Gateway Airport
 SPONSOR: Williams Gateway Airport Authority
 CATEGORY: Reliever
 SCHEDULE: FY 2003-2007
 PROJECT #: E3F50
 PROGRAM AMOUNT: \$1,490,886
 TYPE OF WORK: Construction/Rehabilitation of Cargo Apron (approximately 40,000 S.Y.) including drainage and marking, Phase IV
 REQUESTED ACTION: Provide \$66,643 funds to match Federal Grant AIP-11. Total project \$1,490,886:
 FUNDING SOURCES

FAA	\$1,357,600
Sponsor	\$66,643
State	\$66,643
<i>Total Program</i>	\$1,490,886

PROJECT: Colorado City Municipal Airport
 SPONSOR: Town of Colorado City
 CATEGORY: General Aviation
 SCHEDULE: FY 2003-2007
 PROJECT #: E3F51
 PROGRAM AMOUNT: \$818,800
 TYPE OF WORK: Construct Taxiways, Phase II
 REQUESTED ACTION: Provide \$36,600 funds to match Federal Grant AIP-07. Total project \$818,800:
 FUNDING SOURCES

FAA	\$745,600
Sponsor	\$36,600
State	\$36,600
<i>Total Program</i>	\$818,800

PROJECT: Sierra Vista Municipal Airport
 SPONSOR: City of Sierra Vista
 CATEGORY: Commercial
 SCHEDULE: FY 2003-2007
 PROJECT #: E3F45
 PROGRAM AMOUNT: \$1,337,903
 TYPE OF WORK: Security enhancements phase 1 and install visual guidance system
 REQUESTED ACTION: Provide \$59,804 funds to match Federal Grant AIP-12. Total project \$1,337,903:
 FUNDING SOURCES

FAA	\$1,218,295
Sponsor	\$59,804
State	\$59,804

Total Program \$1,337,903

PROJECT: Sierra Vista Municipal Airport
SPONSOR: City of Sierra Vista
CATEGORY: Commercial
SCHEDULE: FY 2003-2007
PROJECT #: E3F46
PROGRAM AMOUNT: \$549,088
TYPE OF WORK: Construct Taxiway, Phase 2
REQUESTED ACTION: Provide \$24,544 funds to match Federal Grant AIP-13. Total project \$549,088:

FUNDING SOURCES
FAA \$500,000
Sponsor \$24,544
State \$24,544
Total Program \$549,088

PROJECT: Sierra Vista Municipal Airport
SPONSOR: City of Sierra Vista
CATEGORY: Commercial
SCHEDULE: FY 2003-2007
PROJECT #: E3F47
PROGRAM AMOUNT: \$812,652
TYPE OF WORK: Security Enhancements
REQUESTED ACTION: Provide \$36,326 funds to match Federal Grant AIP-14. Total project \$812,652:

FUNDING SOURCES
FAA \$740,000
Sponsor \$36,326
State \$36,326
Total Program \$812,652

PROJECT: St. Johns Industrial Air Park
SPONSOR: City of St. Johns
CATEGORY: Public Use
SCHEDULE: FY 2003-2007
PROJECT #: E3F44
PROGRAM AMOUNT: \$164,726
TYPE OF WORK: Rehabilitate Runway 3/21
REQUESTED ACTION: Provide \$7,363 funds to match Federal Grant AIP-08. Total project \$164,726:

FUNDING SOURCES
FAA \$150,000
Sponsor \$7,363
State \$7,363
Total Program \$164,726

Board Action: A motion to approve Items 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66 and 67 was made by Mr. Radicke, seconded by Mr. Martin and passed unanimously.

* Priority Planning Advisory Committee (PPAC)

- Minutes – October 3, 2002
- Highway Program Monitoring Report.

* Priority Planning Advisory Committee (PPAC) Meeting Schedule

Transportation Board Room
206 S. 17th Ave
Phoenix, AZ 85007

- December 5, 2002
- January 2, 2003

RIGHT OF WAY RESOLUTIONS

* RES. NO: 2002-11-A-055
PROJECT: U 191-D-700 / 191AP367H436001R
HIGHWAY: ST JOHNS - SANDERS
SECTION: Nahá Tá Dzill Rd. – Sanders T.I.
ROUTE NO.: U.S. Route 191
ENG. DIST: H
COUNTY: Apache
RECOMMENDATION: Establish additional right of way for widening improvements

* RES. NO: 2002-11-A-056
PROJECT: I-040-C-700 / 040CN153H434501R
HIGHWAY: ASH FORK - FLAGSTAFF
SECTION: Williams – Ash Fork, EB
ROUTE NO.: Interstate Route 40
ENG. DIST: F
COUNTY: Coconino
RECOMMENDATION: Establish additional right of way for uphill truck lane, and cut and fill slopes

* RES. NO: 2002-11-A-057
PROJECT: N-900-A-800 / 195YU000H577401R
HIGHWAY: YUMA AREA SERVICE HIGHWAY
SECTION: Yuma Area Service Highway
ROUTE NO.: State Route 195
ENG. DIST: Y
COUNTY: Yuma

RECOMMENDATION: Establishment as a state route and state highway for pavement preservation project

* RES. NO: 2002-11-A-058
 PROJECT: N 900-A-800 / 195YU000H577401R
 HIGHWAY: YUMA AREA SERVICE HIGHWAY
 SECTION: Yuma Area Service Highway
 ROUTE NO.: S.R. 195
 ENG. DIST: Y
 COUNTY: Yuma
 RECOMMENDATION: Establish State Route Plan Corridor Alignment

* RES. NO: 2002-11-A-059
 PROJECT: I-40-1(39)49 / 040MO049H088801R
 HIGHWAY: TOPOCK - KINGMAN
 SECTION: Kingman Interstate Freeway
 ROUTE NO.: Interstate Route 40
 ENG. DIST: K
 COUNTY: Mohave
 RECOMMENDATION: Disposal by abandonment to the City of Kingman

STATE ENGINEER'S REPORT

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

CONSTRUCTION CONTRACTS

Interstate, Non-Federal Aid

* BIDS OPENED: October 31
 HIGHWAY: NOGALES-TUCSON HIGHWAY
 SECTION: Milepost 6.0 – 9.0
 COUNTY: Pima
 ROUTE NO: I-19
 PROJECT: I-019-A-506 019 SC 006 H625401C
 FUNDING: 100% State
 LOW BIDDER: Southern Arizona Paving & Construction Co.
 AMOUNT: \$ 67,961.50
 STATE ESTIMATE: \$ 74,497.00
 \$ UNDER: \$ 6,535.50
 % UNDER: 8.8%
 NO. BIDDERS: 5
 RECOMMENDATION: AWARD

Non-Interstate, Non-Federal Aid

* BIDS OPENED: October 25
HIGHWAY: SUPERSTITION FREEWAY (US 60)
SECTION: Crismon Road to Mountain View Road
COUNTY: Maricopa
ROUTE NO: US 60
PROJECT: U-060-C-503 060 MA 192 H600901C
FUNDING: 100% State
LOW BIDDER: Contractors West, Inc.
AMOUNT: \$ 527,537.80
STATE ESTIMATE: \$ 595,510.00
\$ UNDER: \$ 67,972.20
% UNDER: 11.4%
NO. BIDDERS: 5
RECOMMENDATION: AWARD

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

BIDS OPENED: October 25
HIGHWAY: CITY OF PEORIA
SECTION: Traffic Signal Interconnect
COUNTY: Maricopa
ROUTE NO:
PROJECT: CM-PEO-0(002)A 0000 MA PEO SS42101C
FUNDING: 90% Federal 10% City of Peoria
LOW BIDDER: Contractors West, Inc.
AMOUNT: \$ 1,448,395.00
STATE ESTIMATE: \$ 1,830,273.75
\$ UNDER : \$ 381,878.75
% UNDER: 21%
NO. BIDDERS: 9
RECOMMENDATION: AWARD

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

BIDS OPENED: September 27, 2002
HIGHWAY: TUCSON-CASA GRANDE HIGHWAY
SECTION: Speedway-Congress

SECTION: Congress Street
COUNTY: Pima
ROUTE NO: I-10
PROJECT: NH-10-4(148)A 10 PM 257 H313502C
PROJECT: TEA-10-4(155)A 10 PM 258 H429201C
FUNDING: 94% Federal 6% State
LOW BIDDER: Southwest Envirosapes, Inc.
AMOUNT: \$ 687,481.00
STATE ESTIMATE: \$ 769,788.50
\$ UNDER: \$ 82,307.50
% UNDER: 10.7%
NO. BIDDERS: 6
RECOMMENDATION:
COMMENTS:

At the bid opening, Southwest Envirosapes, Inc. was read as the apparent low bidder with a bid of \$687,481.00. The second low bidder, M. Anderson Construction, Corp., bid \$835,796.00. On September 30, 2002, the Department received a protest of prospective award from M. Anderson Construction, Corp. The protest states in part, "We believe that in order to place a bid for this project, a bidder must possess an

A - General Engineering license."

On September 30, 2002, the Department requested that the Registrar of Contractors review the project documents and provide an opinion concerning the classification of license required to perform this work. The Registrar of Contractors issued an opinion that either a KA or A-General Engineering license is required to perform this work. Southwest Envirosapes, Inc. filed a protest with the Registrar of Contractors claiming they have an appropriate license.

This is a Federal-aid funded project. On Federal-aid funded projects, the bidder is not required to have the proper license at the time of bidding, but it must procure the proper license before award can be made, and no later than 60 calendar days after the date bids were opened.

Staff recommends award of the contract to Southwest Envirosapes, Inc. contingent upon a determination from the Registrar of Contractors that Southwest Envirosapes, Inc. has the appropriate license on or

before November 26, 2002. If the Registrar of Contractors determines that Southwest Enviroscares, Inc. does not have the appropriate license on or before November 26, 2002, then Staff recommends award of the contract to M. Anderson Construction Corp.

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

* BIDS OPENED: October 11
HIGHWAY: GILA BEND TO BUCKEYE HIGHWAY (SR 85)
SECTION: Gila River to MC-85
COUNTY: Maricopa
ROUTE NO: SR 85
PROJECT: STP-085-B(004)A 085 MA 149 H595501C
FUNDING: 94% Federal 6% State
LOW BIDDER: CS & W Contractors, Inc.
AMOUNT: \$ 2,283,819.22
STATE ESTIMATE: \$ 2,374,681.00
\$ UNDER: \$ 90,861.78
% UNDER: 3.8%
NO. BIDDERS: 6
RECOMMENDATION: AWARD

* BIDS OPENED: October 25
HIGHWAY: SR 84, SR 86, SR 87, US 70, US 191
SECTION: Special Guard Rail Program
COUNTY: Statewide
ROUTE NO: SR 84, SR 86, SR 87, US 70, US 191
PROJECT: HES-900-A(039)A 999 SW 000 H606501C
FUNDING: 94% Federal 6% State
LOW BIDDER: W R Skousen Contractor, Inc.
AMOUNT: \$ 903,507.31
STATE ESTIMATE: \$ 904,644.00
\$ UNDER : \$ 1,136.69
% UNDER: 0.1%
NO. BIDDERS: 6
RECOMMENDATION: AWARD

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

* BIDS OPENED: October 25
HIGHWAY: NOGALES PRIMARY CONNECTION (SR 189)

SECTION: Mariposa Road Port of Entry
COUNTY: Cochise
ROUTE NO: SR 189
PROJECT: CBI-189-A(002)X 189 SC 000 H528203C
FUNDING: 94% Federal 6% State
LOW BIDDER: D B A Construction Inc.
AMOUNT: \$ 1,041,714.00
STATE ESTIMATE: \$ 1,180,735.00
\$ UNDER: \$ 139,021.00
% UNDER: 11.8%
NO. BIDDERS: 9
RECOMMENDATION: AWARD

CONSENT AGENDA

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

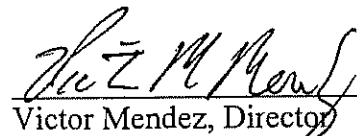
ADJOURN

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

The meeting adjourned at 11:45 a.m.



Ingo Radicke, Chairman
State Transportation Board



Victor Mendez, Director
Arizona Department of Transportation

*Denotes items approved in the consent agenda.