MINUTES
OF THE
STATE TRANSPORTATION BOARD
STUDY SESSION

9:30 A.M., Thursday, January 8, 2004
Arizona Department of Transportation
Board Room
206 South 17th Avenue
Phoenix, Arizona 85007

The State Transportation Board met in official session for a regular meeting at 9:30 a.m., Thursday, January 8, 2004, with Chairperson Radicke presiding. Other Board members present included: Vice Chairperson Bill Jeffers, Rusty Gant, Joe Lane, and Jim Martin. Dick Hileman and Si Schorr participated via telephone. Also present were Director Victor Mendez; Debra Brisk, Deputy Director; Bill Higgins, State Engineer; John McGee, Chief Financial Officer, Administrative Services Division; and Dale Buskirk, Director, Planning Division. There were approximately 25 people in the audience.

OPENING REMARKS AND PLEDGE

Chairperson Radicke led the audience in the Pledge of Allegiance

Rural Consultation

Mr. Buskirk reported the Federal Highway Administration has published a rulemaking requiring that there be separate and distinct processes established for planning and programming whereby the Department consults with elected rural officials. He said they have had discussions with appropriate stakeholders and have developed a process that responds to the mandate.

John Pein explained the mandate provides an opportunity for rural communities to provide input into planning and programming. He said the process they developed requires ADOT to meet with every county at separate meetings and that COGs will be responsible for and take on the activity of coordinating that effort. He said ADOT will then provide feedback to all entities as to what they are doing and why. With regard to planning, he said ADOT will share with local elected officials information from their studies as it relates to the long range plan.

Mr. Buskirk noted FHWA is sponsoring a conference later this month and has asked each Department of Transportation to share what they are doing with regard to consultation with non-metropolitan elected officials.

Mr. Pein presented a Joint Resolution of the Arizona Rural Transportation Advocacy Council and the Arizona State Transportation Board Regarding the Establishment of Arizona's Rural Consultation Process which will come before the Board for approval at

its January 16 meeting. Mr. Buskirk clarified the process is a multi-modal consultation process and will include public transportation, aeronautics and bicycle projects.

Chairperson Radicke asked if any financial considerations came with the mandate. Mr. Pein responded no. Mr. Mendez noted receiving several letters from rural officials over the past few months. He asked Mr. Buskirk to respond to the letters formally for the record.

Major Project Scoping Requests and Selection

Mr. Buskirk stated they presented a prioritization of scoping requests based on performance measures that were part of the Move AZ process at the Board's last study session. He said staff was directed at that time to have the Scoping Technical Advisory Committee again look at and prioritize the requests submitted by each district. He presented a revised prioritization list, noting there was unanimity among the highest priority projects.

Chairperson Radicke asked how many projects the department can afford to do. John Lewis explained there is a $1 million line item in the program available for the projects as well as about $500,000 available in the Lump Sum. He said there is probably enough to at least start the top two priorities, pointing out, however, the I-17 project will likely take more than the available funding if pursued.

Mr. Jeffers asked about the rationale behind the I-17 widening project. Mr. Lewis said a current study addresses I-17 from the Loop 101 to Black Canyon City. He said the I-17 project is essentially an extension of that study. Mr. Buskirk stated the approach being taken on I-17 is the same being taken on several other major routes, explaining they are making improvements to the major routes through smaller, more manageable projects.

Area Service Highway (ASH)

Bob Miller explained the Area Service Highway is a joint transportation project between ADOT and local governments.

Casey Pruchaska noted they have named the Area Service Highway the Robert Vaughn Expressway in honor of all Robert Vaughn has done for Yuma. She said they are waiting for completion of the Environmental Assessment and are excited to get underway.

Mike Bruder, Project Manager, stated the Area Service Highway is a 22 mile, four-lane, divided and access controlled highway, with at-grade intersections. He explained the highway connects the new Port of Entry east of San Luis with Interstate 8. He reviewed the history of the project, noting planning started in the mid-1980's and final design began in January 2003. He said public hearings were held in June 2003, during which people expressed concern regarding the level of documentation, a possible compromise of the military's mission, and protection of the flat tailed horned lizard. He said the FHWA conducted a legal review in September 2003 and recommended more be added

with regard to alternatives and cumulative effects, that they revisit Section 4(f) and that they provide another 30 day public comment period. He said, based on the FHWA's recommendation and the current state of those revisions, they anticipate completion of the Environmental Assessment in August 2004. He identified risks involved in the environmental process, including threats of lawsuits by special interest groups, a lawsuit against USFWS to place the Flat Tailed Horned Lizard on the endangered species list, and additional environmental documentation, all of which could potentially delay construction projects. In order to minimize those risks, he said the Environmental Assessment document has been strengthened to exceed requirements of the Range wide Management Plan and follow the requirements outside the management area and they are working with local entities to ensure continuing support. Mr. Bruder updated the Board on the current status of the highway, reporting design is complete for two segments and design of a third segment is nearing completion. He stated most private right-of-way has been acquired and they are negotiating with MCAS for Goldwater Range right-of-way. He said they still need to complete the Environmental Assessment and anticipated FONSI, relocate the "A" canal and utilities, and conduct a final geotechnical investigation for Goldwater Range. He stated they also need to finalize right-of-way agreements with public land agencies. He noted construction of Segments 2, 5 and 6 are scheduled to begin in FY 2005 and phased construction of Segments 3 and 4 will begin in FY 2006. He stated Projects 6, 5 and 2 will not be constructed this year and should be deferred to FY 2005.

Mr. Jeffers asked if any studies have been done to determine the amount of traffic expected to go east versus west once it comes off the Area Service Highway at I-8. Mr. Miller said traffic studies conducted to date have focused on the corridor itself. Mr. Jeffers asked if there will be a facility where the highway ends just north of San Luis. Mr. Miller stated the highway comes directly into SR 195. Mr. Jeffers asked if there are any problems with acquiring the base facility at this time. Mr. Miller responded no, noting those who expressed concern about compromising the military's mission were the ones who wanted the highway located on the range to discourage development.

Move AZ

Mr. Buskirk explained Move AZ is a long range multi-modal transportation plan that fits with ADOT's existing planning and programming process, provides direction to the project development process, and provides a pool of projects to add to the five year construction program in the next cycle. He said Move AZ will not replace all of ADOT's planning, project development, and programming processes.

Mr. Pein discussed the extensive coordination effort with other significant stakeholders and the public. He reported the working group held 12 meetings to discuss plan milestones and held 12 meetings with specific stakeholder groups during two rounds of public involvement. He stated they held 17 regional forums across the state, met with non-metropolitan local elected officials, held seven meetings with ADOT engineering staff, and met with each district engineer individually. He explained the District Engineers reviewed the project lists in October 2003, identifying projects already in the

program through 2008 and projects already scoped. He said they refined project boundaries, elements, and cost estimates and identified additional projects to integrate into the lists. He stated three investment scenarios were developed; a constrained scenario based on current projections, a reasonably anticipated revenues scenario based on 5¢ gas tax indexed to inflation starting in 2010, and an unconstrained scenario.

Mr. Mendez clarified the second scenario was offered simply for consideration and is not being suggested as something the department should pursue. Mr. Pein agreed, explaining the scenario was developed in response to the positive support the public seemed to have for a gas tax. For clarity purposes, Mr. Buskirk suggested they simply refer to the secondary scenario as a reasonably anticipated revenue increase rather than tie it specifically to a gas tax.

Mr. Pein explained the computations were refined to ensure the performance measures capture the intended effects. He said some the disproportionate impact of fundamental project attributes were eliminated or reduced by AADT weighting. He said minimum and maximum performance thresholds were set to reward more efficient projects that address most needy situations and do not over-improve. He briefly reviewed the project prioritization process and preliminary project evaluations by district. He stated Phase III of the Public Involvement process will involve 20 open houses in March and April 2004 wherein the draft plan components will be presented for comment.

The meeting recessed for a short break.

Chairperson Radicke presented an award to Mr. Mendez, thanking him for his service to the state.

Mr. Jeffers asked if staff is comfortable that the information received from the various districts is comparable. Mr. Pein responded yes, pointing out, however, the plan will continue to be updated and adjusted.

Chairperson Radicke asked where does the list of scoped projects the Board reviewed at an earlier meeting fit into the plan. Mr. Buskirk said projects that have been scoped but not programmed were included within the bundles. Chairperson Radicke asked how they can provide more money for scoping. Mr. Pein stated that particular lump sum program will have to be strengthened. Mr. Buskirk said performance based methodology for ascertaining which projects are to be scoped and having a better idea of what they will be doing over 20 years enables them to more intelligently identify the projects that need to be scoped.

Mr. Jeffers expressed his opinion it would be better to identify a reasonable increase in the second scenario. Mr. Buskirk cautioned against identifying a specific means of generating revenue, stating it could ultimately misdirect the public. Mr. Pein agreed, suggesting they identify a few alternatives for how the revenue could be generated. Mr. Mendez pointed out that how the revenue is generated is a separate policy matter.

In response to Mr. Jeffers' question, Mr. Buskirk stated additional public meetings could be scheduled if necessary.

Maricopa County Regional Transportation Plan

Bill Hayden stated the Regional Transportation Plan is an estimated $8.3 billion half-cent sales tax extension 20-year multi-modal transportation plan for Maricopa County. He reported the Transportation Policy Committee has finalized the 20 year plan and the Board prepared and approved a Resolution in support of the plan. He said the plan was then reviewed and approved for air quality conformity analysis and, subsequently, approved by the MAG Regional Council. He stated the plan was then forwarded to the House and Senate Transportation Committees for review. He said several issues were raised concerning the plan, including the date the plan will go to the public for a vote. He stated the plan, as presented, was very specific in wanting a May vote and it appears consensus has been reached to keep the May date. He said another issue concerned firewalls that will prevent funding from being usurped by future TPC members. He explained some felt the firewalls were too stringent, while others felt they were not strong enough. He said the issue has been resolved and the firewalls will remain as presented. He stated the third issue dealt with whether or not the Citizens Transportation Oversight Committee and Maricopa County should have a larger role in the planning and development of the 20-year program. He said consensus has been reached and, while Maricopa County will have an increased role, CTOC will not have oversight responsibility. He said there was an earlier issue concerning whether or not ADOT should have Life Cycle auditing responsibilities for local government highways, streets and intersection improvements, however, MAG agreed to take on that responsibility. He said the largest issue is whether or not to allow the public to vote individually on certain components of the plan, specifically light rail transit funding. He said the plan will be reviewed next week and a bill is expected to be introduced, reviewed and finalized on January 22. He stated the bill will then be reviewed by the Governor's office and submitted to the Governor for approval on or before February 3. He pointed out smaller, less complex bills typically take months to go through the process.

Tom Remis, MAG, said a Drafting Committee has been established to work on drafting language for the bill. He said some Legislators do not support the plan and moving the bill out of the Legislature in time for a May date will require a supermajority. He stated, to that end, a private consulting company has been hired to run the campaign and there is an optimistic feeling that they can move the bill through. He reported the Drafting Committee went over the final details of the bill last night and bifurcation bills are expected to be proposed in both the Senate and House.

Mr. Hayden noted this morning's East Valley Tribune included an article pertaining to the primary proponent of the plan, alleging the company he works for has already been awarded the contract to print all of the documentation.

In response to Mr. Jeffers' request, Mr. Hayden gave a brief history of CTOC and explained their responsibilities.

Mr. Remis said relocation reimbursement for utility lines in the light rail right-of-way is another major issue for cities as well as ADOT.

ADJOURN

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

The meeting adjourned at 12:45 p.m.

Bill Jeffers, Chairperson
State Transportation Board

Victor Mendez, Director
Arizona Department of Transportation

*Denotes items approved in the consent agenda.

MINUTES
OF THE
STATE TRANSPORTATION BOARD MEETING

9:30 A.M., Friday, January 16, 2004
The Shilo Inn Suites
1550 S. Castle Dome Road
Yuma, Arizona 85365

The State Transportation Board met in official session for a regular meeting at 9:30 a.m., Friday, January 16, 2004, with Chairperson Radicke presiding. Other Board members present included: Vice Chairperson Bill Jeffers, Joe Lane, and Jim Martin. Also present were Director Victor Mendez; John McGee, Chief Financial Officer, Administrative Services Division; Bill Higgins, State Engineer; Dale Buskirk, Director, Planning Division; and Eileen Colleran, Legislative Liaison. There were approximately 125 people in the audience.

OPENING REMARKS AND PLEDGE

Chairperson Radicke led the audience in the Pledge of Allegiance and thanked the City of Yuma for their hospitality. He noted this will be his last meeting, thanking everyone for the help over the years.

DISTRICT ENGINEER REPORT

Bill Alfier introduced members of his staff. He said their major efforts in Maricopa County have been along SR 85, reporting that the Lewis Prison TI and Gila River to MC 85 section are both open to traffic. He said they have worked hard to get the Morris project under construction and a five mile project from MP 126 to 130 is currently being advertised and the bid is scheduled to open later this month. He stated they believe Project 6 from MP 142 to 147 will be advertised this summer and project design has started on Project 8. He reported the environmental assessment on the Yuma Area Service Highway is expected to be completed in July and construction is planned to begin in January 2005. He stated the 3E Traffic Interchange project on I-8 is scheduled for completion in August 2004 and the corridor project from San Luis to Yuma was finished upon completion of the Somerton to Yuma project. He said a design concept report is underway for US 95 and they will be looking for funding for the widening project. He stated they hope to go to bid on the first of three projects on Business Route 10 later this month, noting as each segment is completed it will be turned back to the Town of Quartzsite. He said the SR 95 project from Parker to Lakeside is scheduled to go to bid this summer and they anticipate requesting a corridor study on SR 95 from Cienega Springs to the Bill Williams River.

CALL TO AUDIENCE

Chairperson Radicke introduced dignitaries in the audience, including Delbert Householder who will take his seat on the Board.

John Hudson thanked the Board for coming to Yuma and congratulated Chairperson Radicke on a tremendously successful year. He said the newly elected Chairperson, Bill Jeffers, has been and will continue to be the Board's conscience.

Lucy Schipp, Chairperson, Yuma County Board of Supervisors, thanked the Board members for taking their meetings around the state and for their interest in maintaining transportation in greater Arizona.

Councilman Giss commented on the success of the Summit, stating he learned a lot and looks forward to attending future summits.

Mark Harrington, Graham County Supervisor, thanked Chairperson Radicke for his hard work and accomplishments during his tenure on the Board. He encouraged the Board to complete the 191 corridor, stating it will be critical to the area once the mine opens. He said the new road between Thatcher and Pima has been great, suggesting it be extended between Safford and Solomon.

Joe Donaldson, Mayor of Flagstaff, thanked the Board for their dedication to the State of Arizona, particularly to rural Arizona.

Bob Riviere, Chairman, Arizona Rural Transportation Advisory Council, thanked the Board for their service to the community.

Mark Clark, Transportation Division Manager, Lake Havasu City, commented on the complexities of transportation issues, urging the Board not to lose site of quality of life issues. He thanked ADOT staff for the project being completed on SR 95.

Joe Sanchez, Yuma County Supervisor, said the accomplishments over the past six years speak to the dedication of those who serve on the Board and attend the meetings.

Paul Soto, Kokopai Indian Tribe, expressed appreciation for the benefits his community is reaping from the improvements in south Yuma County.

Mayor Jim Bolles recommended they send a strong message to the Legislature that it is time they stop taking transportation dollars for other activities.

Lionel Ruiz, Chairperson, Pinal County Board of Supervisors, said the Board has done a good job of meeting the state's needs with the money available. He welcomed Delbert Householder to the Board.

CONSENT AGENDA

Chairperson Radicke pulled Item 28 from the consent agenda.

Director's Report

Mr. Mendez presented Bill Jeffers with a Certificate in honor of his five years of service on the Board.

Mr. Mendez stated the Governor's budget proposal projects a $310 million deficit for FY 2005, noting the Legislature's proposal is expected to be close to that number. He reported $118 million from VLT will be reverted for deficit reduction purposes, explaining, however, there will be no impact to the five year program. He said the proposal also includes increases to ADOT's operational budget, some of which will be for maintenance. He noted the Governor's budget proposal also includes an employee compensation request and the Legislature is also considering an employee compensation issue.

Mr. Mendez introduced Bill Sapper who is acting as Interim Director for the Public Transportation Division.

Resolution

Dale Buskirk presented and recommended approval of a Joint Resolution of the Arizona Rural Transportation Advocacy Council and the Arizona State Transportation Board regarding the Process for consultation with Non-Metropolitan Elected Officials.

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

Legislative Report

Eileen Colleran noted pre-filing of the bills has finished and they are now under a seven bill limit. She said numerous bills have been sent out for analysis and the ADOT budget is scheduled to be heard by the House Appropriations Committee on January 20 and by the Senate Appropriations Committee on January 21. She stated there is an anticipated schedule in both the House and Senate for trying to move the reauthorization bills forward. She stated the House expects to do its markup of HR3550 in early February and hopes to go to the floor by the end of February. She pointed out, however, a continuation of the current program will be needed because they will need time to work with the Senate on the conference report. She stated the Senate expects to take SAFETEA to the floor the week of February 2 and changes in the minimum guarantee will be given to committee members on January 20. She said funding issues have not yet been resolved.

Ms. Colleran reported the Senate is scheduled to take up the FY 04 Omnibus bill when they return on January 20. She explained there is some concern that the bill may get held up due to concerns about discretionary spending by conservative Republicans and the lack of an extension of unemployment benefits by Democrats.

Financial Report

Mr. McGee reviewed the Highway User Revenue Fund Report for the month of December 2003, stating collections totaled $104.5 million, which is 18.1 percent over last year and 5.6 percent above the estimate. He attributed $11.5 million of the total to late payments in November, noting however, late payments of $6.5 million were received in December and will be reflected in January's numbers. He stated year-to-date collections stand at $558.6 million, which is up 4.2 percent over last year and 0.8 percent over the estimate. He pointed out, however, that adding the $6.5 million in late payments would bring total collections for the year to about two percent over the estimate.

Mr. McGee reported November RARF collections totaling $23.5 million, which is 7.2 percent over last year and 5.2 percent above the forecast. He stated year-to-date collections now total $115.4 million, which is 5.7 percent over last year and 3.7 percent above the estimate. He said there continues to be a lot of strength in the Contracting, Retail Sales, Utilities, and Restaurant & Bar categories.

Mr. McGee reviewed the October and November Cash Management/Investment Program reports, stating October's earnings of $622,000 represent an average return of slightly less than one percent. He said ADOT earned about $826,000 in November, representing an average return of approximately 1.26 percent. He stated total year-to-date earnings stand at $1.968 million, reflecting an average annual yield of 0.61 percent. He said ADOT should earn $9 to $10 million on investment income for the year if the current yields continue through the end of the year, as compared to the $30 to $40 million earned as little as two or three years ago.

Mr. McGee reported a HELP Fund Cash Balance as of December 31, 2003 of $81,409,587, reflecting $3.4 million in loan draws, $5.6 million in loan repayments and $200,000 in interest.

Financing Program

Mr. McGee stated they are progressing well with the Series 2004 refunding, noting the preliminary Official Statement will be completed within the next seven to ten days. He said they are working closely with the underwriting team to determine the best time to price the deal, which is looking like the second week of February. He introduced members of the underwriting team.

Mr. McGee said he is currently working on a funding update for the Five Year Program and will present the update to the Board at its February 3 funding session. He reported the debt service payment due January 1 was made on time.

PRIORITY PLANNING ADVISORY COMMITTEE (PPAC)

Approved Changes to the FY 04 – 08 Highway Construction Program
Fiscal Year Summary

Mr. Buskirk stated 93 requests for changes to the FY 04-08 Highway Construction Program have been approved, four of which added major projects and four of which deleted major projects. He said 15 of the changes were the result of a change of scope and 32 were the result of a change in costs.

The meeting recessed for a short break.

FY 2004 - 2008 Transportation Facilities Construction Program Requested Modifications

ROUTE NO:	US 163 @ MP 394.81	Page # 19
COUNTY:	Navajo	
SCHEDULE:	FY 2004 - New Project Request	
SECTION:	Tribal Route N-106	
TYPE OF WORK:	Construct new traffic signal	
PROGRAM AMOUNT:	New Project Request	
PROJECT MANAGER:	Richard Moeur / Talal Kamal	
PROJECT:	HX11901C JPA # 00-110	
REQUESTED ACTION:	Add a new traffic signal project in the amount of $170,000 to the FY 2004 Highway Construction Program. **See funding sources below.**	

FY 2004 Traffic Engineering Fund # 71204	$85,000
Kayenta Township JPA # 00-110	$85,000
NEW PROGRAM AMOUNT:	$170,000

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

ROUTE NO:	I-40 @ MP 311.50	Page # 21
COUNTY:	Apache	
SCHEDULE:	FY 2004	
SECTION:	Painted Desert TI – McCarroll	
TYPE OF WORK:	Construct R/W fencing	
PROGRAM AMOUNT:	$625,000	Funding Source: State
PROJECT MANAGER:	Misty Dayzie	
PROJECT:	H610901C Item # 24004	
REQUESTED ACTION:	Increase program amount by $109,000 to $734,000. Change project location to Petrified Forest – McCarrell TI. Change beginning milepost to 313.3.	

Funds available from the FY 2004 District Minor Fund #73304.

PROGRAM AMOUNT:	$625,000
INCREASE AMOUNT:	$109,000
NEW PROGRAM AMOUNT:	$734,000

Mr. Jeffers recommended someone explain how they broke down the per-mile cost at the Board's next study session.

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

ROUTE NO:	I-40 @ MP 268.00	Page # 23
COUNTY:	Navajo	
SCHEDULE:	FY 2005	
SECTION:	Jackrabbit Road – East Joseph City	
TYPE OF WORK:	Pavement preservation	
PROGRAM AMOUNT:	$8,750,000	Funding Source: IM
PROJECT MANAGER:	Ken Akoh-Arrey	
PROJECT:	H584701C Item #; 17604	
REQUESTED ACTION:	Advance project from FY 2005 to FY 2004. **Funding available through previous program adjustments.**	

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

2004 BOARD MEETING DATES AND LOCATIONS

January 8, 2004	**Study Session – ADOT**	**9:30 a.m.**
January 16, 2004	**Board Meeting – Yuma**	**9:30 a.m.**
February 3, 2004	**Study Session – Tucson**	**1:30 p.m.**
February 20, 2004	**Board Meeting – Thatcher**	**9:00 a.m.**
March 5, 2004	**MAG/ADOT Joint Public Hearing At MAG Office**	**9:00 a.m.**
March 19, 2004	**Bd Mtg & Public Hearing – Tucson**	**9:00 a.m.**
April 2, 2004	**FMPO/ADOT Joint Public Hearing in Flagstaff**	**9:00 a.m.**
April 16, 2004	**Board Meeting – Santa Cruz Cty**	**9:00 a.m.**
May 4, 2004	**Study Session – Phoenix**	**1:00 p.m.**
May 21, 2004	**Board Meeting – Chinle**	**9:00 a.m.**
June 8, 2004	**Study Session – Phoenix**	**1:00 p.m.**
June 18, 2004	**Board Meeting - Grand Canyon**	**9:00 a.m.**
July 6, 2004	**Study Session – Phoenix**	**1:00 p.m.**
July 16, 2004	**Board Meeting – Yavapai County**	**9:00 a.m.**

August 3, 2004	**Study Session – Phoenix**	**1:00 p.m.**
August 20, 2004	**Board Meeting – Bisbee**	**9:00 a.m.**
September 7, 2004	**Study Session – Phoenix**	**1:00 p.m.**
September 17, 2004	**Board Meeting – Flagstaff**	**9:00 a.m.**
October 5, 2004	**Study Session – Phoenix**	**1:00 p.m.**
October 15, 2004	**Board Meeting – Queen Creek**	**9:00 a.m.**
November 9, 2004	**Study Session – Phoenix**	**1:00 p.m.**
November 19, 2004	**Board Meeting – Greenlee Cty**	**9:00 a.m.**
December 7, 2004	**Study Session – Phoenix**	**1:00 p.m.**
December 17, 2004	**Board Meeting – Tucson**	**9:00 a.m.**
January 6, 2005	**Study Session – Phoenix**	**9:30 a.m.**
January 21, 2005	**Board Meeting – Lake Havasu**	**9:00 a.m.**

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

ROUTE NO:	SR 87 @ MP 115.70	Page # 25
COUNTY:	Pinal	
SCHEDULE:	FY 2004 – New Project Request	
SECTION:	Jct. SR 84 – Coolidge	
TYPE OF WORK:	Pavement Preservation	
PROGRAM AMOUNT:	New Project Request	
PROJECT MANAGER:	Yonqi Li	
PROJECT:	H648101C	
REQUESTED ACTION:	Add a new pavement preservation project in the amount of $1,058,000 to the FY 2004 Highway Construction Program. To replace an existing research project that has been cancelled and is being finalized due to changed condition of payment. **Funds available from Pavement Preservation #72504.**	
NEW PROGRAM AMOUNT:		$1,058,000

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

ROUTE NO:	SR 90 @ MP 307.55	Page # 27
COUNTY:	Cochise	
SCHEDULE:	FY 2004 – New Project Request	
SECTION:	Camino De Manana Drainage Channel	
TYPE OF WORK:	IGA for drainage channel improvements and lining	
PROGRAM AMOUNT:	New Project Request	
PROJECT MANAGER:	Ron Casper / Lynn Sugiyama	
PROJECT:	H634601C JPA # 02-193	
REQUESTED ACTION:	Add a new item for payment of JPA in the amount	

of $102,000 to the FY 2004 Highway Construction Program. Cochise County is to design, construct, and administer project. Cochise County to accept transfer of drainage easement. **Funds available from the FY 2004 District Minor fund #73304.**

NEW PROGRAM AMOUNT: $102,000

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

ROUTE NO:	SR 101 L @ MP 17.00	Page # 29
COUNTY:	Maricopa	
SCHEDULE:	FY 2004 - New Project Request	
SECTION:	75th Ave - 67th Ave	
TYPE OF WORK:	IGA payment for upsizing wall foundations, City of Glendale Wall Project.	
PROGRAM AMOUNT:	New Project Request	
PROJECT MANAGER:	Ron McCally	
PROJECT:	H651701C	JPA # 03-129
REQUESTED ACTION:	Add a new item for payment of JPA in the amount of $327,000 to the FY 2004 Highway Construction Program for additional ADOT foundation requirements to City of Glendale wall project. **Funds available from the FY 2004 Statewide Program Adjustment Fund # 72304.**	

NEW PROGRAM AMOUNT: $327,000

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

ROUTE NO:	SR 101 L @ MP 51.00	Page # 31
COUNTY:	Maricopa	
SCHEDULE:	FY 2004 - New Project Request	
SECTION:	Red Mountain TI - US 60	
TYPE OF WORK:	Construct auxillary lanes, NB/SB	
PROGRAM AMOUNT:	New Project Request	
PROJECT MANAGER:	Joe Warren	
PROJECT:	H602301C	
REQUESTED ACTION:	Add a new district minor project in the amount of $1,420,000 to the FY 2004 Highway Construction Program. **Funds available from the FY 2004 District Minor fund #73304.**	

NEW PROGRAM AMOUNT: $1,420,000

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

ROUTE NO:	I-40 @ MP 201.80	Page # 33
COUNTY:	Coconino	
SCHEDULE:	FY 2006	
SECTION:	East Flagstaff TI	
TYPE OF WORK:	Design traffic interchange	
PROGRAM AMOUNT:	$1,000,000	
PROJECT MANAGER:	Bahram Dariush	
PROJECT:	H510601D Item #; 11006	
REQUESTED ACTION:	Advance design project from FY 2006 to FY 2004 to fund design beyond stage II. With requirement that the Joint Project Agreement (JPA) must be signed prior to these funds being used. **Funding available through previous program adjustments.**	

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

FY 2004 - 2008 Airport Development Program - Requested Modifications

AIRPORT NAME:	Casa Grande Municipal	
SPONSOR:	City of Casa Grande	
AIRPORT CATEGORY:	General Aviation	
SCHEDULE:	FY 2004 - 2008	
PROJECT #:	E4F48	
PRESENT PROGRAM AMOUNT:	New grant	
PROJECT DESCRIPTION:	Install Security/Perimeter Fence, Phase III	
REQUESTED ACTION:	Provide $7,363 funds to match Federal Grant AIP-07. Total project $164,727:	
FUNDING SOURCES:	**FAA**	$150,000
	Sponsor	$7,363
	State	$7,363
	Total Program	$164,727

AIRPORT NAME:	H. A. Clark Memorial
SPONSOR:	City of Williams
AIRPORT CATEGORY:	General Aviation
SCHEDULE:	FY 2004 - 2008
PROJECT #:	E4F50
PRESENT PROGRAM AMOUNT:	New grant

PROJECT DESCRIPTION:	Construct ARFF Equipment/Storage Building
REQUESTED ACTION:	Provide $7,363 funds to match Federal Grant AIP-15. Total project $164,727:
FUNDING SOURCES:	**FAA** $150,000 **Sponsor** $7,363 **State** $7,363 *Total Program* $164,727

AIRPORT NAME:	Safford Regional
SPONSOR:	City of Safford
AIRPORT CATEGORY:	General Aviation
SCHEDULE:	FY 2004 - 2008
PROJECT #:	E4F49
PRESENT PROGRAM AMOUNT:	New grant
PROJECT DESCRIPTION:	Update Airport Master Plan Study
REQUESTED ACTION:	Provide $7,363 funds to match Federal Grant AIP-13. Total project $164,727:
FUNDING SOURCES:	**FAA** $150,000 **Sponsor** $7,363 **State** $7,363 *Total Program* $164,727

AIRPORT NAME:	Sierra Vista Municipal
SPONSOR:	City of Sierra Vista
AIRPORT CATEGORY:	Commercial Service
SCHEDULE:	FY 2004 - 2008
PROJECT #:	E4F47
PRESENT PROGRAM AMOUNT:	New grant
PROJECT DESCRIPTION:	Security Enhancements: Fencing
REQUESTED ACTION:	Provide $17,181 funds to match Federal Grant AIP-15. Total project $384,362:
FUNDING SOURCES:	**FAA** $350,000 **Sponsor** $17,181 **State** $17,181 *Total Program* $384,362

AIRPORT NAME:	Yuma International
SPONSOR:	Yuma County Airport Authority
AIRPORT CATEGORY:	Commercial Service
SCHEDULE:	FY 2004 - 2008
PROJECT #:	E4F51

PRESENT PROGRAM AMOUNT:	New grant
PROJECT DESCRIPTION:	Security Enhancements
REQUESTED ACTION:	Provide $35,014 funds to match Federal Grant AIP-22. Total project $783,300:
FUNDING SOURCES:	

FAA	$713,273
Sponsor	$35,014
State	$35,014
Total Program	$783,300

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

* Next regular scheduled meetings of the Priority Planning Advisory Committee (PPAC). Times and dates of meetings could vary and will be announced at time of agenda distribution. (Information Only)

- February 4, 2004

* Priority Planning Advisory Committee (PPAC)

- Minutes – December 4, 2003 Regular Meeting
- Highway Program Monitoring Report.

RIGHT OF WAY RESOLUTIONS

*

RES. NO:	2004-01-A-001
PROJECT:	I-008-A-802 / 008YU055H206001R
HIGHWAY:	YUMA – CASA GRANDE
SECTION:	Mohawk Rest Area
ROUTE NO.:	Interstate Route 8
ENG. DIST:	Y
COUNTY:	Yuma
RECOMMENDATION:	Establish additional right of way as a state route for improvements to Rest Area

*

RES. NO:	2004-01-A-002
PROJECT:	S-286-A-700 / 286PM028H605701R
HIGHWAY:	SASABE – ROBLES RANCH
SECTION:	Cerro Prieto Wash
ROUTE NO.:	State Route 286
ENG. DIST:	T
COUNTY:	Pima
RECOMMENDATION:	Establish additional right of way as a state route for drainage improvements

*	RES. NO:	2004-01-A-003
	PROJECT:	U-191-A-702 / 191CH055H571601R
	HIGHWAY:	DOUGLAS - WILLCOX
	SECTION:	Dragoon Road – Cochise T.I.
	ROUTE NO.:	U.S. Route 191
	ENG. DIST:	S
	COUNTY:	Cochise
	PARCEL:	2-1106 & 2-1244
	RECOMMENDATION:	Establish additional right of way as a state route and state highway for drainage and embankment slope modifications

*	RES. NO:	2004-01-A-004
	PROJECT:	S-A89-B-701 / 089ACN382H552301R
	HIGHWAY:	PRESCOTT - FLAGSTAFF
	SECTION:	Banjo Bill Rockfall
	ROUTE NO.:	State Route 89A
	ENG. DIST:	F
	COUNTY:	Coconino
	PARCEL:	3-1340
	RECOMMENDATION:	Amendment of Resolution 2003-09-A-052 due to design changes

STATE ENGINEER'S REPORT

* Report on construction and projects completed in December, 2003.

* Right of Way Acquisition Report for December, 2003.

CONSTRUCTION CONTRACTS

Non-Interstate, Non-Federal Aid

BIDS OPENED:	December 12	
HIGHWAY:	GLOBE-LORDSBURG HIGHWAY (US 70)	
SECTION:	Bylas Rest Area – Turn Lanes	
COUNTY:	Graham	
ROUTE NO:	US 70	
PROJECT:	U-070-A-509 070 GH 294 H593602C	
FUNDING:	100% State	
LOW BIDDER:	Caitlin Construction, Inc.	
AMOUNT:	$	242,340.30
STATE ESTIMATE:	$	260,598.00
$ UNDER:	$	18,257.70
% UNDER:		7.0%
NO. BIDDERS:		11
RECOMMENDATION:	AWARD	

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

*	BIDS OPENED:	December 12
	HIGHWAY:	SANTAN FREEWAY (202L)
	SECTION:	I-10 to Gila Drain
	COUNTY:	Maricopa
	ROUTE NO:	SR 202
	PROJECT:	RAM-202-C-511 202 MA 053 H508803C
	FUNDING:	100% State
	LOW BIDDER:	FNF Construction, Inc.
	AMOUNT:	$ 3,076,465.09
	STATE ESTIMATE:	$ 3,225,396.10
	$ UNDER:	$ 148,931.01
	% UNDER:	4.6%
	NO. BIDDERS:	4
	RECOMMENDATION:	AWARD

Si Schorr recused himself on this item.

*	BIDS OPENED:	December 12
	HIGHWAY:	PHOENIX DISTRICT (I-10, I-17, AND SR 101L)
	SECTION:	Ramp Metering Conversion, Phase 3
	COUNTY:	Maricopa
	ROUTE NO:	Various Locations
	PROJECT:	N-900-A-539 999 MA 000 H595602C
	FUNDING:	100% State
	LOW BIDDER:	Utility Construction Company, Inc.
	AMOUNT:	$ 367,506.10
	STATE ESTIMATE:	$ 369,583.65
	$ UNDER:	$ 2,077.55
	% UNDER:	0.6%
	NO. BIDDERS:	4
	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:	December 12
HIGHWAY:	BOWIE JUNCTION-SAFFORD HIGHWAY (US 191)
SECTION:	US 191 – Segment 1

COUNTY:	Cochise	
ROUTE NO:	US 191	
PROJECT:	STP-191-B(003)B 191 CH 087 H503703C	
FUNDING:	94% Federal 6% State	
LOW BIDDER:	Meadow Valley Contractors, Inc.	
AMOUNT:	$	7,142,373.85
STATE ESTIMATE:	$	8,602,301.50
$ UNDER:	$	1,459,927.65
% UNDER:		17.0%
NO. BIDDERS:		9
RECOMMENDATION:	AWARD	

Si Schorr recused himself on this item.

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

Mr. Martin pointed out the contract consisted of a large portion of District Engineer's District Minor Funds, recommending the money go back into the District Minor Fund rather than the Contingency Fund

Chairperson Radicke expressed his opinion they should not rely on such a large portion of District Minor Funds in future contracts.

Upon a call for the question, the motion passed unanimously (Si Schorr abstained from voting).

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BIDS OPENED:	December 19	
HIGHWAY:	RED MOUNTAIN FREEWAY (SR 202L)	
SECTION:	Higley Road – Power Road	
COUNTY:	Maricopa	
ROUTE NO:	SR 202	
PROJECT:	STP-202-B(006)B 202 MA 021 H578101C	
FUNDING:	92% Federal 6% RARF 2% City of Mesa	
LOW BIDDER:	Sundt Construction, Inc.	
AMOUNT:	$	22,855,183.65
STATE ESTIMATE:	$	25,500,000.00
$ UNDER:	$	2,644,826.35
% UNDER:		10.4%
NO. BIDDERS:		4
RECOMMENDATION:	AWARD	

Non-Interstate, Non-Federal Aid

CONSENT AGENDA

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

REORGANIZATION

Board Action: A motion to nominate Bill Jeffers as Chairman of the State Transportation Board in 2004 was made by Mr. Gant, seconded by Mr. Schorr and passed unanimously.

Board Action: A motion to nominate Rusty Gant as Vice-Chairman of the State Transportation Board in 2004 was made by Mr. Martin, seconded by Mr. Lane and passed unanimously.

Bill Jeffers presented a Certificate of Appreciation to Ingo Radicke in honor of his service on the Board.

ADJOURN

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

The meeting adjourned at 11:20 p.m.

Bill Jeffers, Chairperson
State Transportation Board

Victor Mendez, Director
Arizona Department of Transportation

*Denotes items approved in the consent agenda.