**MINUTES**
**OF THE**
**STATE TRANSPORTATION BOARD MEETING**
**9:00 a.m., Friday, July 16, 2004**
**The City of Sedona Council Chambers**
**102 Roadrunner Drive**
**Sedona, Arizona 86336**

The State Transportation Board met in official session for a regular meeting at 9:00 a.m., Friday, July 16, 2004, with Chairperson Jeffers presiding. Other Board members present included: Vice Chairperson Rusty Gant, Dick Hileman, Delbert Householder, Joe Lane, Jim Martin and Si Schorr. Also present were Director Victor Mendez; Debra Brisk, Deputy Director; John McGee, Chief Financial Officer, Administrative Services Division; Dale Buskirk, Director, Planning Division and Kim Stevens, Aeronautics Division. There were approximately 75 people in the audience.

## OPENING REMARKS AND PLEDGE

Chairperson Jeffers led the audience in the Pledge of Allegiance and thanked Yavapai County for hosting the meeting and their hospitality. He then introduced dignitaries in the audience.

## AWARD

Bill Jeffers, Director Victor Mendez and John Hauskins presented a 40 Year Service Award to Ed Newkirk and thanked him for his faithful service to the citizens and State of Arizona.

Mr. Newkirk introduced members of his family present in the audience.

## CALL TO AUDIENCE

Pud Colquitt, Mayor of Sedona, welcomed the Board to Sedona. She thanked the Board for the improvements to Highway 179 and 89A and said she looks forward to the improvements on US 260.

Chip Davis, Yavapai County Supervisor, said there has been great progress on their SR 260 program. He reported the County Board of Supervisors unanimously approved the final draft of the IGA two weeks ago and the draft has been sent to ADOT staff for final approval. She said they are prepared to move forward with purchasing $4 million in right-of-way and utility relocations and their next step will be to refine the design plans. He stated the SR 179 project through Yavapai and Coconino Counties is underway.

David Benore, President, Voice of Choice for 179, Inc., commended ADOT and the Board for their efforts that led to the current design of SR 179. He said the Board's willingness to take on a

new process and work with the people is greatly appreciated, stating it has helped unify everyone involved.

Matt Ryan, Coconino County Supervisor, welcomed the Board to Yavapai and Coconino Counties.

Chuck Busby, Vice Mayor of Quartzsite, thanked the Board for the work being done in rural western Arizona. He said work near Yuma is proceeding well and he commends ADOT for appointing Dallas Hamit as the District Engineer. He reported Phase I and II of the B-10 project has gone out to bid, but Phase III is not yet in the five year plan. He stated the scoping for widening the traffic interchange at milepost 17 is crucial because of the hazardous situation that currently exists. He explained the construction of two truck stops in the area is creating backups eastbound which extend, at times, onto the freeway. He encouraged the Board to approve the widening and improvements planned for the intersection of 95 and 72 north of Quartzsite, stating there have been a great number of accidents and fatalities at that location.

John Beene, Gila County Engineer, thanked the Board for the work being done in Gila County. He stated they are currently finishing a pavement preservation/widening project on Highway 70 and reconstruction of Highway 188 was recently completed. He asked the Board to support the railroad bridge on Highway 70 east of Globe, explaining it would facilitate an arterial the City of Globe and Gila County are planning as a bypass for US 60.

June Cornelison, a resident of Sedona, said, while she has previously appeared before the Board to plead for their situation in Sedona, she comes today to profusely thank the Board and ADOT staff for helping their community reach consensus regarding SR 179.

## CONSENT AGENDA

No items were pulled from the Consent Agenda. Mr. Schorr declared conflicts of interest and recused himself on Consent Agenda Items 28, 31, 32, 33, 36 and 37; therefore, those items will be considered separately.

### Director's Report

Mr. Mendez reported a contract was awarded to reestablish the roadway on US 191 between Springerville and Safford. He explained a 2,400 gallon fuel spill on May 22 resulted in the closure of the roadway and there have been disputes concerning who is financial responsible for reopening the road. He said, because the department feels this is an emergency situation, it has decided to move forward using the State Engineer's Emergency Fund and will figure out the financial responsibility issues at a later time.

In response to a member's question, Doug Forstie stated FNF Construction was the successful low bidder with a bid of $1.1 million.

**Legislative Report**

Mr. Biesty said the State Legislature is not in session, with members spending time on the campaign trail. He asked Board members to contact him if they are not receiving his updates on what is occurring at the state capital.

Mr. Biesty reported the House and Senate conferees have met three times and agreed to 85 non-money, non-controversial items. He said there are still hundreds of issues to negotiate, but conferees need to agree on overall funding for the bill before going any further. He noted the White House has indicated it will veto anything over $256 billion, but there has been talk the White House might accept something as high as $299 billion. He explained the current extension of TEA-21 expires on July 31, stating another extension will be introduced next week. He said the Senate is proposing a two-month extension to run through September 30.

With regard to the FY 05 transportation appropriation, Mr. Biesty stated the Senate Appropriations Committee has postponed the subcommittee markup because of the failure to reach an agreement to limit floor debate with Senate Democrats. He stated the House Transportation/Treasury Subcommittee is scheduled to mark up its spending measures on July 15 with floor action tentatively scheduled for the week of July 19. He noted the Senate Appropriations Committee Chairman added an amendment to the Department of Defense appropriations bill to fix a problem caused when earmarks were made for the FY 04 appropriations under Title 23, Section 115. He said, however, the provision was not included in the House bill, therefore, the issue must now win approval by the House and Senate conference committee to be included in the conference report.

Mr. Biesty asked the Board members to let him know if there are any messages they would like him to bring to the delegation when he goes to Washington D.C. at the end of the month.

**Financial Report**

Mr. McGee reported HURF collections totaled $98.7 million for the month of June, representing a seven percent increase over last year and 1.8 percent increase over the estimate. He stated year-to-date collections totaled $1.179 billion, which is 6.1 percent over last year and 2.6 percent above the estimate. He noted revenue exceeded both last year's levels and the forecast every month except November, explaining November's lower collections were due to distributors who failed to pay on time. He said each individual category exceeded last year's collections and the forecast as well, with the VLT category posting the strongest increase of 10.8 percent over last year.

Mr. McGee stated RARF collections for the month of May totaled $24.2 million, representing a 9.6 percent increase over last year and 3.4 percent increase over the forecast. He explained May's collections reflect a $600,000 one time collection from the state's tax amnesty program; stating, without those revenues, collections were somewhat lower than what has been seen over

the past few months. He said year-to-date collections now total $264 million, which is 7.4 percent over last year and 4.2 percent above the forecast. He stated they continue to see very good strength in the Retail Sales, Contracting, and Utilities, Restaurant and Bar categories.

Mr. McGee reported a HELP Fund cash balance as of June 30 of $91,884,446, reflecting $7 million in repayments, $200,000 in interest income and $2.3 million in loan draws.

In response to Chairperson Jeffers' question, Mr. McGee explained Pima County has submitted a request to prepay one of their loans. He noted of all the loans made over the past five years, no payments have been late and not a single loan sponsor has asked to have their repayment schedule restructured. He pointed out, on the contrary, sponsors of three or four loans have asked to prepay their loans.

Mr. Martin asked if the prepayment will help stimulate the reopening of the HELP fund. Mr. McGee said, while it does not hurt, they are really looking at meting the targets between now and December 31. He said, however, they hope to restructure how the accelerated program is financed after December 31 and if the half-cent sales tax vote is successful, which will allow them to open the program up again around the first of next year.

**Financial Program**

Mr. McGee explained that, while they anticipate pricing the Subordinated Highway Revenue Bonds, Series 2004B issuance the week of August 23, they are presenting information to the Board today in case market conditions warrant pricing before that time. He said they will ask the Board to approve a not-to-exceed issuance size of $200 million, explaining they came in about $28.5 million under their estimated cash balance for the year. He stated they are recommending the issuance be done as a subordinate lien as opposed to a senior lien because the transfer of $118 million in VLT funds to the General Fund could bring coverage levels on senior liens down close to the five times coverage level. He pointed out the bond issue will close on September 8 if, in fact, pricing occurs the week of August 23.

**Resolution Authorizing Issuance of Subordinated Highway Revenue Bonds, Series 2004B**

Mr. McGee presented and recommended approval of a Resolution authorizing the Board's anticipated issuance of Subordinated Highway Revenue Bonds, Series 2004B, in an amount not to exceed $200,000,000.

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

**Appointment of Underwriters – Subordinated Highway Revenue Bonds, Series 2004B**

Mr. McGee presented and recommended approval of a Resolution recommending appointment of Underwriters for the Board's anticipated issuance of Subordinated Highway Revenue Bonds, Series 2004B.

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

**RESOLUTION**

**RESOLUTION OF THE STATE OF ARIZONA TRANSPORTATION BOARD APPOINTING MANAGING UNDERWRITERS FOR ITS PLANNED ISSUANCE OF SUBORDINATED HIGHWAY REVENUE BONDS, SERIES 2004B.**

The Board hereby appoints the following firms to act as managing underwriters in connection with its planned issuance of Subordinated Highway Revenue Bonds, Series 2004B.

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|---|---|---|
| Citigroup Global Markets, Inc. | Senior Manager | 37.5% |
| Bear, Stearns & Co., Inc. | Co-Manager | 20.0% |
| JP Morgan Securities, Inc. | Co-Manager | 20.0% |
| George K. Baum & Company | Co-Manager | 7.5% |
| Lehman Brothers, Inc. | Co-Manager | 7.5% |
| Piper Jaffray & Co. | Co-Manager | 7.5% |

The Board reserves the right to make changes in the management team designated above, if it is deemed to be in the best interests of the state.

Dated this 16th day of July, 2004.

The motion passed unanimously.

* **MINUTES – APPROVAL**

Board Meeting Minutes – April 16, 2004
Study Session Minutes – May 4, 2004

* **<u>2004 BOARD MEETING DATES AND LOCATIONS</u>**

| | | |
|---|---|---|
| **July 16, 2004** | **Board Meeting – Sedona** | **9:00 a.m.** |
| **August 3, 2004** | **Study Session – Phoenix** | **1:00 p.m.** |
| **August 20, 2004** | **Board Meeting – Showlow** | **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.** |

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| **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.** |

**PRIORITY PLANNING ADVISORY COMMITTEE (PPAC)**

Approved Changes to the FY 2004 – 2008 Highway Construction Program Fiscal Year Summary – Information Only

Mr. Buskirk reviewed a table of approved changes to the FY 2004-2008 Highway Construction Program. He said 166 requests submitted to the Board were approved while three were disapproved. He stated six major projects were added to the program and 13 were deleted. He said 77 projects were added to the subprogram component of the Five Year Construction Program and five were deleted. He said 20 projects had a change of scope and 46 had a change in cost, while 13 projects were advanced in the program and 11 were delayed.

In response to Mr. Martin's question, Mr. Buskirk stated it is their intent to continue to report changes to the Board in an effort to maintain a historical record of the changes.

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

**Technical Adjustments – FY 2004 Projects that did not advertise and will be reprogrammed to FY 2005.**

Mr. Buskirk presented a list of FY 2004 projects that did not advertise and will therefore be reprogrammed for FY 2005. He said, while there are various reasons why the projects were not advertised in FY 2004, all are expected to advertise within the next two months.

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|---|---|
| ROUTE NO: | I-19 @ MP 43.00 |
| COUNTY: | Pima |
| SCHEDULE: | FY 2004 |
| SECTION: | Duval Mine Road TI |
| TYPE OF WORK: | Reconstruct TI |
| PROGRAM AMOUNT: | $13,500,000 Funding Source: PAG 2.6%/STP |
| PROJECT MANAGER: | Larry Maucher |
| PROJECT: | H5104003C Item #; 16704 |
| REQUESTED ACTION: | Increase program amount by $300,000 to $13,800,000 due to addition of enhancement elements. **Funds available from FY 2005 Enhancement Projects of Opportunity #75005.** |
| PROGRAM AMOUNT: | $13,500,000 |
| INCREASE AMOUNT: | $300,000 |
| NEW PROGRAM AMOUNT: | $13,800,000 |

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

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| ROUTE NO: | SR 95 @ MP 142.00 |
| COUNTY: | La Paz |
| SCHEDULE: | FY 2005 - New Project Request |
| SECTION: | Parker South |
| TYPE OF WORK: | Construct roadway widening |
| PROGRAM AMOUNT: | New Project Request |
| PROJECT MANAGER: | Orlando Jerez |
| PROJECT: | H603601C |
| REQUESTED ACTION: | Add a new district minor project in the amount of $534,000 to the FY 2005 Highway Construction Program. **Funds available from the FY 2005 District Minor Fund #73305.** |
| NEW PROGRAM AMOUNT: | $534,000 |

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

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| ROUTE NO: | I-8 |
| COUNTY: | Yuma |
| SCHEDULE: | FY 2005 - New Project Request |
| SECTION: | Hotel Lane |
| TYPE OF WORK: | Roadway improvements on I-8 North frontage road station 01+25 to 13+00 |
| PROGRAM AMOUNT: | New Project Request |
| PROJECT MANAGER: | Scott Omar/ Lynn Sugiyama |
| PROJECT: | H643701C JPA #03-063 |
| REQUESTED ACTION: | Add a new district minor project in the amount of $250,000 to the FY 2005 Highway Construction Program. Upon completion route will transfer to the City of Yuma. **Funds available from the FY 2004 District Minor Fund #73304.** |
| NEW PROGRAM AMOUNT: | $250,000 |

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

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| ROUTE NO: | SR 286 @ MP 28.46 |
| COUNTY: | Pima |
| SCHEDULE: | FY 2005 – New Project Request |
| SECTION: | Cerro Prieto Wash |
| TYPE OF WORK: | Construct erosion control and drop structure |
| PROGRAM AMOUNT: | New Project Request |

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| PROJECT MANAGER: | Bruce Purrier |
| PROJECT: | H605701C |
| REQUESTED ACTION: | Add a new District Minor project in the amount of $240,000 to the FY 2005 Highway Construction Program. **Funds available from the FY 2005 District Minor Fund #73305.** |
| NEW PROGRAM AMOUNT: | $240,000 |

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

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| ROUTE NO: | US 60 @ MP 181.4 |
| COUNTY: | Maricopa |
| SCHEDULE: | FY 2004 |
| SECTION: | Stapley Drive TI & Val Vista Drive TI |
| TYPE OF WORK: | Widen structure and add left turn lanes |
| PROGRAM AMOUNT: | $7,064,000 |
| PROJECT MANAGER: | Floyd Roehrich, Jr. |
| PROJECT: | H601501C Item #; 16105 / 20004 / 16205 |
| REQUESTED ACTION: | Increase program amount by $750,000 to $7,814,000 due to increases in utility relocation cost for utilities with prior rights. **Funds available from FY 2005 Program Adjustment Fund #72305.** |
| PROGRAM AMOUNT: | $7,064,000 |
| INCREASE AMOUNT: | $750,000 |
| NEW PROGRAM AMOUNT: | $7,814,000 |

Mr. Schorr declared a potential conflict of interest and recused himself on this item.

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

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

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| AIRPORT NAME: | Glendale Municipal |
| SPONSOR: | City of Glendale |
| AIRPORT CATEGORY: | Reliever |
| SCHEDULE: | FY 2004 – 2008 |
| PROJECT #: | E3S05 |
| PRESENT PROGRAM AMOUNT: | |
| PROJECT DESCRIPTION: | Master Plan; Drainage Study. |
| REQUESTED ACTION: | Sponsor is requesting additional funding for additional master plan work. |

| FUNDING SOURCES: | | |
|---|---|---|
| | **FAA** | $0 |
| | **Sponsor** | $15,000 |
| | **State** | $135,000 |
| | *Total Program* | $150,000 |

**Board Action:** A motion to approve the above recommendation was made by Mr. Gant, seconded by Mr. Lane 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)

**2004 PPAC Meeting Dates will be held on Wednesdays**

- August 4, 2004 9:00 AM
- September 1, 2004 9:00 AM
- September 29, 2004 1:30 PM
- November 3, 2004 9:00 AM
- December 1, 2004 9:00 AM

PPAC Web Site http://ADOTPPAC.ORG/

* Priority Planning Advisory Committee (PPAC)

- Minutes – June 2, 2004
- Highway Program Monitoring Report.

## RIGHT OF WAY RESOLUTIONS

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| RES. NO: | 2004-07-A-029 |
| PROJECT: | N-810-602 / 080CH365H088902R |
| HIGHWAY: | STATEWIDE FACILITY SITE |
| SECTION: | MVD Facility 3-60, Douglas |
| ROUTE NO.: | State Route 80 |
| ENG. DIST: | Safford |
| COUNTY: | Cochise |
| RECOMMENDATION: | Establish additional right of way for facility site |

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|---|---|
| RES. NO: | 2004-07-A-030 |
| PROJECT: | S-A89-A-701 / 089AYV321H520801R |
| HIGHWAY: | PRESCOTT - FLAGSTAFF |
| SECTION: | Glassford Hill Rd. Section |
| ROUTE NO: | State Route 89A & State Route 89A Spur |
| ENG. DIST: | Prescott |
| COUNTY: | Yavapai |
| RECOMMENDATION: | Establish additional right of way, and a Spur designation as a state route and state highway |

* RES. NO: 2004-07-A-031

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| PROJECT: | NON F.A. 82 & F-020-1-502 / 008BYU006H088801R |
| HIGHWAY: | YUMA – PHOENIX (YUMA URBAN AREA) |
| SECTION: | 4th Ave. – Yuma Airport |
| ROUTE NO.: | Interstate Business Route 8 |
| ENG. DIST: | Yuma |
| COUNTY: | Yuma |
| PARCEL: | D-Y-030 |
| RECOMMENDATION: | Disposal by abandonment to the City of Yuma |

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| * RES. NO: | 2004-07-A-032 |
| PROJECT: | I-40-4-814 / 040CN201H088801R |
| HIGHWAY: | FLAGSTAFF - HOLBROOK |
| SECTION: | East Flagstaff T.I. (Soliere Avenue) |
| ROUTE NO: | Interstate Route 40 |
| ENG. DIST: | Flagstaff |
| COUNTY: | Coconino |
| PARCEL: | D-F-025 |
| RECOMMENDATION: | Disposal by abandonment to the City of Flagstaff |

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| * RES. NO: | 2004-07-A-033 |
| PROJECT: | STP-013-1(16) / 090CH312H313902R |
| HIGHWAY: | WHETSTONE T.I. – JUNCTION U.S. 80 |
| SECTION: | Huachuca City - Whetstone |
| ROUTE NO: | State Route 90 |
| ENG. DIST: | Safford |
| COUNTY: | Cochise |
| RECOMMENDATION: | Establish additional right of way as a state route and state highway for drainage improvements |

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| * RES. NO: | 2004-07-A-034 |
| PROJECT: | S B40-G-700 / 040BNA288H581701R |
| HIGHWAY: | HOLBROOK BUSINESS ROUTE (40B) |
| SECTION: | Mid Town T.I. – East T.I. |
| ROUTE NO: | State Route B40 |
| ENG. DIST: | Holbrook |
| COUNTY: | Navajo |
| RECOMMENDATION: | Establish additional right of way as a State highway for improvements |

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| * RES. NO: | 2004-07-A-035 |
| PROJECT: | S-251-504 / 287PN113H555101R |
| HIGHWAY: | CASA GRANDE – LA PALMA |
| SECTION: | S.R. 287 – Colorado Street |
| ROUTE NO: | State Route 287 |
| ENG. DIST: | Tucson |

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| COUNTY: | Pinal |
| RECOMMENDATION: | Establish additional right of way as state route and state highway for drainage improvements |

## STATE ENGINEER'S REPORT

* Report on construction and projects completed in June, 2004.

* Right of Way Acquisition Report for June, 2004.

## CONSTRUCTION CONTRACTS

### Interstate, Non-Federal Aid

| | | |
|---|---|---|
| BIDS OPENED: | June 25 | |
| HIGHWAY: | YUMA – CASA GRANDE HWY (I-8) | |
| SECTION: | Araby Road | |
| COUNTY: | Yuma | |
| ROUTE NO: | I-8 | |
| PROJECT: | I-008-A-515 008 YU 007 H655401C | |
| FUNDING: | 100% State | |
| LOW BIDDER: | The Truesdell Corporation | |
| AMOUNT: | $ | 23,950.00 |
| STATE ESTIMATE: | | 31,500.00 |
| $ UNDER: | $ | 7,550.00 |
| %UNDER: | | 24% |
| NO. BIDDERS: | 2 | |
| RECOMMENDATION: | AWARD | |

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

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| BIDS OPENED: | June 11 |
| HIGHWAY: | HOLBROOK-LUPTON HIGHWAY (I-40) |
| SECTION: | Petrified Forest-McCarrell TI |
| COUNTY: | Apache |
| ROUTE NO: | I-40 |
| PROJECT: | 040-E-506 040 AP 313 H610901C |
| FUNDING: | 100% State |
| | LOW BIDDER:Meadow Valley Contractors, Inc. |
| AMOUNT: | 376,354.50 |

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| STATE ESTIMATE: | $ | 554,640.00 |
| $ UNDER: | $ | 178,285.50 |
| %UNDER: | | 32.1% |
| NO. BIDDERS: | 4 | |
| RECOMMENDATION: | AWARD | |

Mr. Schorr declared a potential conflict of interest and recused himself on this item.

**Board Action:** A motion to approve the above recommendation was made by Mr. Gant, seconded by Mr. Hileman and passed unanimously (Mr. Schorr recused himself).

Non-Interstate, Non-Federal Aid

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| BIDS OPENED: | June 11 | |
| HIGHWAY: | GLOBE-LORDSBURG HIGHWAY (US 70) | |
| SECTION: | Bylas Rest Area – Turn Lane | |
| COUNTY: | Graham | |
| ROUTE NO: | US 70 | |
| PROJECT: | U-070-A-509 070 GH 296 H593602C | |
| FUNDING: | 100% State | |
| LOW BIDDER: | Show Low Construction, Inc. | |
| AMOUNT: | $ | 256,598.70 |
| STATE ESTIMATE: | $ | 275,280.00 |
| $ UNDER: | $ | |
| %UNDER: | 6.8% | |
| NO. BIDDERS: | 5 | |
| RECOMMENDATION: | AWARD | |

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|---|---|---|
| BIDS OPENED: | June 11 | |
| HIGHWAY: | MESA-PAYSON HIGHWAY (SR 87) | |
| SECTION: | SR 87 @ Milepost 217.2 | |
| COUNTY: | Maricopa | |
| ROUTE NO: | SR 87 | |
| PROJECT: | S-087-B-504 087 MA 217 H625801C | |
| FUNDING: | 100 % State | |
| LOW BIDDER: | Intermountain West Civil Constructors, Inc. | |
| AMOUNT: | $ | 74,204.69 |
| STATE ESTIMATE: | $ | 56,930.00 |
| $ OVER: | $ | 17,274.69 |
| %OVER: | | 30.3% |
| NO. BIDDERS: | 3 | |
| RECOMMENDATION: | AWARD | |

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

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| BIDS OPENED: | June 11 | |
| HIGHWAY: | PICACHO-COOLIDGE-CHANDLER-MESA HIGHWAY (SR 87) | |
| SECTION: | Skousen Road Intersection | |
| COUNTY: | Pinal | |
| ROUTE NO: | SR 87 | |
| PROJECT: | S-087-A-503 087 PN 136 H652801C | |
| FUNDING: | 100% State | |
| LOW BIDDER: | Southern Arizona Paving & Construction, Co. | |
| AMOUNT: | $ | 143,267.00 |
| STATE ESTIMATE: | $ | 125,040.00 |
| $ OVER: | $ | 18,227.00 |
| %OVER: | | 14.6% |
| NO. BIDDERS: | 3 | |
| RECOMMENDATION: | AWARD | |

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

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| * | BIDS OPENED: | June 11 | |
| | HIGHWAY: | CHAMBERS-MEXICAN WATER HIGHWAY (US 191) | |
| | SECTION: | Junction US 191-Apache County Road 7060 | |
| | COUNTY: | Apache | |
| | ROUTE NO: | US 191 | |
| | PROJECT: | U-191-E-503 191 AP 374 H604001C | |
| | FUNDING: | 100% State | |
| | LOW BIDDER: | Show Low Construction, Inc. | |
| | AMOUNT: | $ | 467,074.80 |
| | STATE ESTIMATE: | $ | 490,190.00 |
| | $ UNDER: | $ | 23,115.20 |
| | %UNDER: | | 4.7% |
| | NO. BIDDERS: | 6 | |
| | RECOMMENDATION: | AWARD | |

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

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|---|---|---|
| * | BIDS OPENED: | June 25 |
| | HIGHWAY: | PHOENIX-GLOBE HIGHWAY (US 60) |
| | SECTION: | Stapley Drive TI & Val Vista Drive TI |

COUNTY: Maricopa
ROUTE NO: US 60
PROJECT: CM-STP-060-C(010)A 060 MA 181 H601501C

FUNDING: 80.3 % Federal 19.7% State
LOW BIDDER: Meadow Valley Contractors, Inc.
AMOUNT: $ 6,308,477.55
STATE ESTIMATE: $ 5,822,200.00
$ OVER: $ 486,277.55
%OVER: 8.4%
NO. BIDDERS 4
RECOMMENDATION: AWARD

* BIDS OPENED: July 1
HIGHWAY: CORDES JCT-PRESCOTT HIGHWAY (SR 69)
SECTION: SR 169 – Prescott Valley
COUNTY: Yavapai
ROUTE NO: SR 69
PROJECT: NH-069-A(004)A 069 YV 280 H629501C
FUNDING: 94.3% Federal 5.7% State
LOW BIDDER: Combs Construction Company, Inc.
AMOUNT: $ 1,085,695.16
STATE ESTIMATE: $ 1,143,202.00
$ UNDER: $ 57,506.84
%UNDER: 5%
NO. BIDDERS: 3
RECOMMENDATION: AWARD

* BIDS OPENED: June 25
HIGHWAY: NOGALES-TOMBSTONE HIGHWAY (SR 82)

SECTION: Patagonia
COUNTY: Santa Cruz
ROUTE NO: SR 82
PROJECT: STP-082-A(006)A 082 SC 015 H423901C
FUNDING: 94.3% Federal 5.7% State
LOW BIDDER: Meridian Engineering Company

AMOUNT: $ 842,227.00
STATE ESTIMATE: $ 868,022.00
$ UNDER: $ 25,795.00
%UNDER: 3%
NO. BIDDERS: 7
RECOMMENDATION: AWARD

BIDS OPENED: June 25
HIGHWAY: GILA BEND-BUCKEYE HIGHWAY (SR 85)

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|---|---|---|
| SECTION: | MC 85 to Baseline Road | |
| COUNTY: | Maricopa | |
| ROUTE NO: | SR 85 | |
| PROJECT: | STP-085-B(013)A 085 MA 150 H595544C | |
| FUNDING: | 94.3% Federal 5.7% State | |
| LOW BIDDER: | Bison Contracting Co., Inc. | |
| AMOUNT: | $ | 3,178,465.55 |
| STATE ESTIMATE: | $ | 3,809,740.30 |
| $ UNDER: | $ | 631,274.75 |
| %UNDER: | | 16.6% |
| NO. BIDDERS: | 7 | |
| RECOMMENDATION: | AWARD | |

Mr. Schorr declared a potential conflict of interest and recused himself on this item.

**Board Action:** A motion to approve the above recommendation was made by Mr. Gant, seconded by Mr. Lane and passed unanimously (Mr. Schorr recused himself).

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| BIDS OPENED: | June 25 | |
| HIGHWAY: | PRESCOTT-FLAGSTAFF HIGHWAY (SR 89A) | |
| SECTION: | Milepost 382.4 | |
| COUNTY: | Coconino | |
| ROUTE NO: | SR 89A | |
| PROJECT: | STP-A89-B(004)A 89A CN 382 H552301C | |
| FUNDING: | 94.3% Federal 5.7% State | |
| LOW BIDDER: | FNF Construction, Inc. | |
| AMOUNT: | $ | 3,351,931.40 |
| STATE ESTIMATE: | $ | 3,178,882.60 |
| $ OVER : | $ | 173,048.80 |
| %OVER: | | 5.4% |
| NO. BIDDERS: | 4 | |
| RECOMMENDATION: | AWARD | |

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| BIDS OPENED: | June 11 | |
| HIGHWAY: | BOWIE JUNCTION-SAFFORD HIGHWAY (US 191) | |
| SECTION: | Segment IV | |
| COUNTY: | Graham | |
| ROUTE NO: | US 191 | |
| PROJECT: | STP-191-B(004)B 191 GH 097 H503706C | |
| FUNDING: | 94.3% Federal 5.7% State | |
| LOW BIDDER: | CKC Construction Company | |
| AMOUNT: | $ | 5,472,796.69 |
| STATE ESTIMATE: | $ | 5,040,980.00 |

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|---|---|---|
| $ OVER: | $ | 431,816.69 |
| %OVER: | | 8.8% |
| NO. BIDDERS: | 7 | |
| RECOMMENDATION: | AWARD | |

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|---|---|---|
| BID OPENED: | June 25 | |
| HIGHWAY: | CITY OF GLENDALE | |
| SECTION: | Thunderbird Paseo Multi-Use Path | |
| COUNTY: | Maricopa | |
| ROUTE NO: | N/A | |
| PROJECT: | TEA-GLN-0(022)A 0000 MA GLN SL46801C | |
| FUNDING: | 94.3% Federal 5.7% City of Glendale | |
| LOW BIDDER: | Recon Inc. | |
| AMOUNT: | $ | 559,740.70 |
| STATE ESTIMATE: | $ | 333,832.70 |
| $ OVER: | $ | 225,908.00 |
| %OVER: | | 67.7% |
| NO. BIDDERS: | 1 | |
| RECOMMENDATION: | REJECT ALL BIDS | |

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

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| BID OPENED: | July 7 | |
| HIGHWAY: | TOWN OF CLARKDALE | |
| SECTION: | Clarkdale Downtown Streetscape | |
| COUNTY: | Yavapai | |
| ROUTE NO: | N/A | |
| PROJECT: | TEA-CLD-0(002)A 0000 YV CLD SL45001C | |
| FUNDING: | 94.3% Federal 5.7% Town of Clarkdale | |
| LOW BIDDER: | Vastco, Inc. | |
| AMOUNT: | $ | 997,520.00 |
| STATE ESTIMATE: | $ | 779,010.00 |
| $ OVER: | $ | 218,510.00 |
| %OVER: | | 28.1% |
| NO. BIDDERS: | 3 | |
| RECOMMENDATION: | Postpone action until Transportation Board meeting on August 20, 2004. | |

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

## CONSENT AGENDA

**Board Action:** A motion to approve Items 28, 31, 32, 33, 36 and 37 on the Consent Agenda was made by Mr. Gant, seconded by Mr. Hileman and passed unanimously. (Mr. Schorr recused himself on these items).

**Board Action:** A motion to approve the remaining items on the Consent Agenda was made by Mr. Rusty Gant, seconded by Mr. Martin and passed unanimously.

Representative Mason welcomed the Board to Yavapai County. She read a written statement, wherein she said she is impressed with the wealth of knowledge and credentials each member brings to the Board. She said she is especially grateful for the Board's understanding of the demands and pressures on the highways and roads in her district. She stated, with more than 55 percent growth over a decade in Yavapai County, studies clearly show that their roads have tremendous needs. She said, with the Board's help, they are about to achieve completion of another phase of Highway 260. She stated they are faced with the same demands in the Prescott, Prescott Valley and Chino Valley areas and, as excited as they are to see their communities transformed into master planned communities with higher paying jobs, they must remember the constant damage caused to their commuter roads from the increased traffic. She said Chino Valley has worked for many years to manage growth by planning for economic development, sewer and water and transportation needs and stands, today, poised with a solid plan for growth. Representative Mason stated along with the planning that has occurred, they need to address increasing traffic on Highway 89, particularly between the north side of Chino Valley and the Highway 89/89A intersection. She said travel on the two lane road has become dangerous and, despite passing lanes, frustrated drivers race around slower moving traffic. She emphasized the urgency of the situation and asked the Board to work with them to advance the safety of Highway 89 through Chino Valley to the intersection of Highway 89 and 89A. She said lights should be installed at various dangerous intersections along the route, particularly at Road 2 North to interrupt traffic flow and allow people onto Highway 89. Representative Mason stated she asked Ms. Brisk, Mayor Karen Pham, Richard Scout and Supervisor Jerry Brown to meet with her at the state capital to discuss Highway 89 issues. She said, while Supervisor Brown was unable to attend the meeting, he has remained supportive of their efforts to bring studies, statistics and stakeholders together to make the project a priority. She noted they have already purchased much of the right-of-way necessary for widening the road.

**ADJOURN**

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

The meeting adjourned at 10:25 a.m.

Bill Jeffers, Chairperson
State Transportation Board

Victor Mendez, Director
Arizona Department of Transportation

*Denotes items approved in the consent agenda.