# MINUTES
## OF THE
## STATE TRANSPORTATION BOARD
## PUBLIC HEARING
**9:00 a.m., Friday, March 5, 2004**
**Arizona Department of Transportation (ADOT)**
**In The Auditorium**
**206 South 17th Avenue**
**Phoenix, Arizona 85007**

The State Transportation Board met in official session for a Public Hearing at 9:25 a.m., Friday, March 5, 2004, with Chairperson Bill Jeffers presiding. Other Board members present included: Vice Chairperson Rusty Gant, Dick Hileman, Delbert Householder, Joe Lane, and Si Schorr. 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 50 people in the audience.

**Opening Remarks and Pledge of Allegiance**

Chairperson Jeffers called the meeting to order and led those present in the Pledge of Allegiance. He explained today's public hearing is the first in a series of three to go over the tentative five year programs.

**FY 2005-2009 Tentative Statewide Transportation Facilities Construction Program.**

Mr. Burnham explained the approval process started with obtaining revenue forecasts which were then updated on February 3. He said PPAC reviewed the tentative program, which then went to the Transportation Board on February 20 and was approved to be brought before the public. He stated the second public hearing will be in Tucson on March 19 and the third will be in Flagstaff on April 2. He explained that once the public hearings are completed, they will bring the tentative program back to the PPAC on June 2 and the Transportation Board on June 18 for final approval.

Mr. Burnham stated the program is divided into two major areas, sub-programs and major construction projects. He explained the sub-programs are divided into three major areas, $159.6 million for system preservation, $69.3 million for system management and $42.5 million for system improvement. He said the major construction project money is broken down by region, with MAG receiving $162.2 million, PAG getting $49.2 million and the thirteen other counties receiving $89.2 million. Mr. Burnham reviewed the program modifications, stating money was added to the Rest Area Preservation sub-program and money from Environmental Services Data Recovery was moved into Support Services. He reported $150,000 was also added to Legislative Services in 2005 due to reauthorization. He said they are committing $8 million a year to the Area Service Highway and the East Flag TI is being accelerated. He stated they will continue widening I-10 and constructing a parallel roadway on the McGarry's section of the CANAMEX.

He explained, in the past, pavement preservation projects have suffered from bad cost estimates, therefore, they will no longer be brought into the program until the final estimates come through.

**FY 2005-2009 Tentative PAG Area Transportation Facilities Construction Program.**

Mr. Pein reported major construction projects were allocated $49 million and subprograms were allocated 18.5 million for a total distribution of $67 million. He noted the PAG region is also allocated special 2.6 funding. He stated they are looking at doing additional construction for main line widening on I-10 between Pinal Air Park Road and Marana and Valencia-Ajo Road Phase II on I-19 will receive $8 million in additional construction money. He said they will continue widening SR 77 at Oracle Road and I-10 from Ruthrauff to Prince will be reconstructed to eight lanes. He said widening SR 86 will also provide tremendous safety opportunities within the region. He said the 2.6 funding will be used to cover increased costs on I-10 between Ruthrauff and Orange Grove and to complete the I-10/I-19 traffic interchange landscaping project. He said the money will also be used to do some work on the frontage road system on I-19 at the Canelo and Continental TI's.

**FY 2005-2009 Tentative MAG Area Transportation Facilities Construction Program. (*Projects selected for FY 09 have not gone through the Maricopa Association of Governments (MAG) approval process.)**

Mr. Kang explained there are three main funding sources for the Life Cycle Program, RARF, HURF, and federal funds. He reported 103 miles of new freeway have been opened to traffic, with 30 miles currently under construction, 22 miles under design and 8,377 acres of right-of-way acquired. He stated five miles of the Santan Freeway between the I-10 and Price TIs opened in November 2003 and the Board has awarded six construction projects since the last certification. He stated costs have been updated based on the latest cost estimates and they have edited and updated the local government funding based on the latest cost update and oral negotiations. He said two Santan Freeway construction projects have been combined into one project for efficiency purposes and a separate $8.7 million maturity project was created from a construction project on the Red Mountain Freeway between Power and University.

Mr. Hayden stated, annually, ADOT and MAG staff cooperatively develops a program to address the tentative program, identifying funding sources as well as projects to be included in the program. He said this year's funding estimate is $192.6 million, minus the MAG sub-program estimate of $30.3 million, for a total of $162.3 million available for the upcoming program. He stated ten projects are in the 2009 program, identifying the location of the five construction projects and explaining the remaining five are related to financial or preliminary engineering activities. He noted the most expensive financial activity will be the $40 million to pay debt service for the acceleration of the Regional Freeway Program which was advanced from 2014 to 2007. He pointed out the program will be reviewed and modified accordingly should there be positive public support for the half-cent sales tax extension in November.

**FY 2005-2009 Tentative Airport Development Program.**

Mike Klein explained the five year program involves about 88 airports, 62 of which are considered primary in the system. He said the remaining 26 airports are classified as secondary airports, which are smaller general aviation airports, many with dirt fields. He noted there are also several Indian-owned airports that are recognized, but ineligible for federal funding in the program. He stated the Aviation Fund is the primary funding source and the Flight Property Tax, aircraft licensing, aviation fuel tax, and the Grand Canyon revenue are all revenue sources. He explained the Flight Property Tax accounts for 45 percent of revenue, stating, however, it has been subjected to cuts by the Legislature in their attempt to balance the state's budget. He said it is their understanding and the program has been based on the assumption that 100 percent of the Flight Property Tax will be restored in July. He explained the beginning balance for this fiscal year was about $6.4 million, however, they anticipate closing the year at $3.7 million, which is the lowest close out balance in the past 12 years. He reported, aside from registration fees which are expected to be about the same, all other revenue sources are expected to increase next year. He stated expenditures are expected to reach $17.4 million, leaving a balance of $7.5 million. He explained the high ending balance can be attributed, at least in part, to the reluctance of sponsors to ask for projects for fear the money will not actually be there. With regard to revenue, Mr. Klein stated they have received two grants for the Grand Canyon Airport totaling slightly more than $9 million, which will be used for airport master planning, pavement improvements, construction of an equipment facility, and an airport fire and rescue service support facility. He pointed out 91 percent of the project costs for these projects will be shown as revenue to the airport because it is a federal grant reimbursement program.

Mr. Klein reported the Protective Sub-Fund has been reduced from $4 million last year to $2.5 million for this year because the federal government has changed their federal formula. He stated local sponsors will now have a five percent obligation, of which the state will pay 2.5 percent. He said the State Pavement Preservation Program will have $3.8 million this year because of their success in getting sponsors to put in 10 percent of the cost. He noted no sponsors have chosen to opt out of the program. He said State Planning Grants has been increased to provide funding for the reconstitution of the Governor's Task Force on Aviation. He reported the State Local Grants represent $8.4 million, which reflects a substantial increase. He pointed out that, assuming 100 percent return of the flight property tax, they are putting the Airport Loan Program back into the system for the first time in four years. Mr. Klien explained fluctuations in Aviation revenue happen because revenue is received basically three times a year, noting the flight property tax is paid twice a year and aircraft registration revenue comes in once a year. He stated their goal is to ensure that they maintain a minimum balance of $2 to $3 million so they can absorb wide fluctuations without going into a negative balance.

Mr. Klein stated a plan that assumes a reduction in the flight property tax has been prepared, which calls for reductions to airport loans and state local projects. He said of the projects listed by the sponsors, 1,100 are in the five year program, noting only 29 percent of requested projects were not funded. He stated that number will change significantly if the Flight Property Tax is not returned. He identified their top funding priorities as the federal project funding, the pavement preservation program and state planning.

Mr. Mendez pointed out the Governor's budget proposal includes a 100 percent return of the Flight Property Tax, however the Joint Legislative Budget Committee's recommendation is to retain the 50/50 split for one more year.

## CALL TO AUDIENCE

Harry Begay, through his interpreter Ferrin Morgan, expressed the Bodoway/Gap area, Coppermine and LeChee chapters' appreciation for the $100,000 ADOT appropriation for a feasibility study on N-20. He said work is set to start immediately and they anticipate the consultants will agree with the communities on the importance of developing a safer, shorter and more reliable route to Page. He invited the Board to visit their communities to see first hand the necessity for building the highway.

Pearl Puliama, Director for High School Transportation, noted their Superintendent, Dr. Hector Tawho, will be forwarding a letter in support of the Coppermine/Gap/Bodaway resolution. She thanked the Board for the $100,000 appropriation for the feasibility study.

Mike Normand, Transportation Planning Manager, City of Chandler, offered on behalf of the City of Chandler their support for the five year plan. He expressed their appreciation for the work being done on the Santan freeway, stating the facility provides a tremendous benefit to Chandler. He also thanked the Board for its continued support of restoring the State Aviation Fund to its previous level, stating money provided through the Aviation Fund has allowed the city to make a number of infrastructure improvements at the airport. He asked for the Board's continued support for landscaping along the Santan Freeway as well as improvements on Arizona Avenue from Ocotillo Road to Hunt Highway.

Eric Andersen, Transportation Director, Maricopa Association of Governments, expressed appreciation for the assistance the Board and ADOT staff have given to them over the past four years. He stated the '09 Program and the Life Cycle Program will be moving through the MAG process in March, with formal action being taken after the November 2004 vote.

Grant Boola, Hydrological Engineer, Colorado Indian Tribe, said, unfortunately, he sees very little allocated for the area along the Colorado River in La Paz County. He stated, while they appreciate the $6 million allocation for the new airport runway, as well as the SR 95 widening and other ongoing projects that will facilitate transportation of tourists and others into the area, those improvements have escalated the need for infrastructure along the river. He expressed his opinion the allocation set forth in the present plan will be insufficient to provide the needed infrastructure to service the people coming into the area. He stated, unfortunately, the small population in the area does not have sufficient means to develop the kind of presentation the Board typically expects before allocating funds. He suggested, therefore, the Board visit the area to witness the situation first hand. He spoke about the seasonality of traffic in the area, stating spring and summer see a high volume of visitors. He pointed out that many visitors are inexperienced in driving the large recreational vehicles in which they travel and many are intent on partying, often drinking to excess. He said, therefore, safety features should be given special attention. He noted commercial truckers have also started using the newly improved roadway,

creating yet another hazard. He expressed his opinion ADOT and the Board are responsible for providing the studies necessary to evaluate the highway's condition. He said they will also be asking for money to complete a study on the bridge on SR 95, 15 miles north of Ehrenberg.

**ADJOURN**

Mr. Mendez noted the Governor will host a Governor's Tribal Summit on Transportation on March 10.

Mr. Jeffers pointed out the Board met in Parker in November and will meet in Chinle in May.

The meeting adjourned at 10:30 a.m.

Bill Jeffers, Chairperson
State Transportation Board

Victor Mendez, Director
Arizona Department of Transportation

# MINUTES
# OF THE
# STATE TRANSPORTATION BOARD
# STUDY SESSION

**March 19, 2004, 9:00 a.m.**
**The Manning House**
**450 West Paseo Redondo**
**Tucson, Arizona 85701**

The State Transportation Board met in official session for a regular meeting at 9:00 a.m., Friday, March 19, 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; Bill Higgins, State Engineer; and Dale Buskirk, Director, Planning Division. There were approximately 100 people in the audience.

**Welcome and Pledge of Allegiance**

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

**City of Tucson, Rio Nuevo Project**

Karen Thoreson, Assistant City Manager, City of Tucson, made a presentation on the Rio Nuevo project in downtown Tucson. She explained their downtown area starts at Congress Street and is characterized by historic properties and a pedestrian way of living. She discussed other improvements being made in the downtown area, including the opening of the historic depot on Toole; renovations of a public housing complex for seniors into a mixed-in apartment complex with retail on the first floor; and renovation of the Rialto Theater to include retail as well as a restaurant and gallery. She noted a new, federally funded, 4th Avenue underpass will link downtown with the 4th Avenue retail area and university and will allow a trolley that currently operates from the university to 4th Avenue to come all the way to downtown and, ultimately, to the convention center on the west side. She stated the art deco design Fox Theater is currently under renovation and they are attempting to garner interest from the private sector to renovate the Thrift block located on Congress between Scott and Stone. She said all of the improvements will be linked by streetscape improvements including benches, trees, and pavers. With regard to their convention center, Ms. Thoreson stated the new $100 million University of Arizona Science Center will set a new example for science centers throughout the county. She reported they are going out for proposals from the private sector to build a new 10,000 to 12,000 seat arena, which would allow them to demolish the existing arena and build new meeting and exhibit space at the convention center. She said they also intend to bring a plaza from the convention center doors to the frontage road, linking the arena, retail, science center, and hotel. She noted 1,000 to 2,000 cars will be able to park under the plaza.

Ms. Thoreson explained the west side is about the longest human inhabited place in North America, noting people have lived there for 4,000 years and traveled through for about 10,000

years. She said they have agreed to sell 13 acres to a new residential group that is going to build 200 houses and loft/retail spaces. She stated they are currently discussing with the Historical Society and the Arizona State Museum the development of a museum complex. She said the remaining 25 acres to the north of the museums and east of the residential development will be put out to the private sector for mixed use. She said south of there, they intend to bring the Sonoran Desert back to the center of Tucson. She explained a 35-foot bridge will link everything together and provide exhibit space for museums and vendors and offer a beautiful location for weddings.

Ms. Thoreson said, while the housing, retail, office, park, museums and beautiful bridge alone could be enough, they want to increase the number of people living in the downtown area. To that end, she said the Mayor's Council adopted a goal in 2002 to establish at least 2,000 new houses in downtown by 2007, noting 1,000 houses are already underway. She said they have estimated needing 5,000 new parking spaces to accommodate the new housing. She stated the trolley will provide alternative transportation, running from the university to 4th Avenue to Congress Street and the depot. She said the Rio Nuevo project will give them the funding needed to revitalize the downtown area and they have $200 million in private sector funds committed to the downtown.

Rob Vugteveen, Director of Marketing and Outreach, Flaundrau Science Center, University of Arizona, explained the project's concept is based on a set of core assets unique to Tucson. He stated Tucson is one of the oldest continuously inhabited sites in North America whose natives include astronomers, farmers and irrigators. He said the Sonoran Desert region is one of the most biodiverse ecosystems in the world and, with its dark skies, Tucson is one of the best places to study the universe. He explained that the mineral-rich soil and perennially warm, arid climate also allow for some of the best medical research in the Country.

Mr. Vugteveen stated the presence of neighborhoods in close proximity to downtown Tucson guarantees a vital relationship between local residents and the civic and cultural institutions of Rio Nuevo. He said the new science center will help bridge or connect the assets of the community with those of the university and, in so doing, create a science center that is unique in the world. He said it will further bridge teachers and science and, through its volunteer programs, generations and, in that vein, they need to bridge the east and west sides of Rio Nuevo. He explained in the original master plan for Tucson's downtown redevelopment, I-10 separated the culture initiatives planned for the west side from the science and civic based initiatives planned for the east side of Rio Nuevo. He said the center will act as a public pedestrian pathway that connects the cultural plaza on the west with the civic plaza on the east, providing equal access to both east and west side residents. He stated they will collaborate with the Tucson Origins team to design the pathway as a journey through time, noting it will include a butterfly navarium, a one-meter telescope, various exhibits, an agricultural life sciences park, a teacher resource center, a unispherium and the University of Arizona's mineral museum. He said the center will also be a place for people to go to obtain quality information on current health issues. He showed examples of other pedestrian bridges throughout the country that have become destinations for millions of people and have transformed cities.

Bob Walkup, Mayor of Tucson, said, while they originally struggled with the Rio Nuevo concept and what it would mean to the citizens of Tucson, things began to take shape with the emergence of the science center. He stated they are seeing investment dollars coming into Tucson and they have succeeded in getting the neighborhoods to participate in the process. He said the city, the county and the Indian community are all in agreement, noting they came together several months ago to vote on a request for the creation of the Regional Transportation Authority.

Pete Likens, President of the University of Arizona, commented the project is not only important for the University of Arizona and the City of Tucson, but on a national and international level as well. He stated the university is moving its Flaundrau Science Center, with all of its resources, collections and budgets, to the downtown area and borrowing $54 million in the belief that Rio Nuevo can work. He said they are also raising $20 million as an endowment to ensure the center can operate successfully through the ups and downs of the economy. He said the city is also making a $20 million financial commitment to the project. He stated the notion of a "bridge of knowledge" will bring them attention from across the land and they are using the best talents they can find to make sure they end up with a world class science center.

Mr. Schorr asked how the Board can assist in their efforts. Mr. Likens said ADOT will make a major commitment to improving I-10 as it goes through Tucson and the timing is such that construction of the pedestrian bridge should be simultaneous. He said they will want the Board's help as they think through their strategies for design, construction and financing of the bridge.

Chairperson Jeffers said ADOT will likely be a very willing partner in the venture.

**Round 11 – State Government Transportation Enhancement (TERC) Project Application from Pima County - "I-10 Davidson Canyon, Scenic Easement"**

Chuck Huckleberry, Pima County Administrator, stated the I-10 Davidson Canyon Scenic Easement is an expansion of an overall county program initiated in 1986 and the grant application builds on Pima County's already very significant investment in the area. He explained Cienega Creek is the last low level perennial stream in southern Arizona and, in fact, harbors five endangered species on the federal endangered species list. He said the county has established a policy process to acquire significant portions of the property over time, noting approximately $16 million has been invested to date. He stated the intent of the application is to take the transportation enhancement grant and couple it with an additional $3.25 million in local monies to acquire the properties. He said approximately 10 million motorists travel the corridor and enjoy its views each year. He displayed a map showing the long-term future of the proposed area, pointing out much of the land that surrounds it is state trust land. He said, furthermore, the properties are designated for conservation purposes in the state trust land reform currently before the legislature.

Mr. Martin asked if a bond election will be held to help cover the county's cost on the project. Mr. Huckleberry responded yes, explaining, in the process of determining priorities, community-based input of three different community committees came to a conclusion that the properties were a significant priority and should be included in the bond issue. He stated, should the bond

issue fail, they will be left to identify matching funds through their annual budget appropriation process.

Chairperson Jeffers asked if they are proposing the properties be purchased or that an easement be established. Mr. Huckleberry said the properties would be purchased, explaining the owners wish to sell the property in fee simple so they can consolidate their existing holdings.

Mr. Schorr asked if the county would consider ceding the necessary rights of way for any future enhancements or widening of I-10 in that area. Mr. Huckleberry said the county will agree to grant necessary rights of way for interstate expansion, both on the property to be acquired to the south and the county-owned property to the north.

Mr. Martin asked if the ranchers will retain grazing rights to the scenic easement. Mr. Huckleberry said they are open to such an arrangement.

Chairperson Jeffers asked if there has been any concern on the part of citizens with regard to the loss of public property and resulting loss in tax base. Mr. Huckleberry said they have been very sensitive about the issue and the Board has voluntarily placed a prohibition against condemnation for purposes of open space acquisition in the ordinance, stating they must be willing sellers.

Mr. Schorr stated he is inclined to support the measure, asking when it will be scheduled for public action. He said the tax base will likely not suffer with respect to any lands covered by grazing rights because taxes emanating from the property subject to grazing are not significant. Chairperson Jeffers stated they have already scheduled the item for the Board's next regular meeting.

**Cooperative Agreement between ADOT, USDOT, FHWA, NDOT for Method of Funding for Hoover Dam Bypass Project.**

Mr. McGee, stated in August of last year, he indicated the project was about $93 million short and that they were working with the other two entities as a result of the specific action taken by Congress under Section 357 of the 2003 DOTA Appropriation Act. He said their goal was to seek commitment for full funding of remaining monies from the U.S. Department of Transportation and that they felt there were only two viable options: 1) advance funding, with the bridge delayed until remaining funding is accumulated on a year-by-year basis, approximately six to eight years; or 2) keep construction on schedule by the issuance of GANs or other debt instruments with the states' receiving reasonable assurance of full funding in future years. He stated they also talked about seven key points to be included in the Cooperative Agreement, including the affirmation of intent to find approximately $125 million for the remaining cost of construction plus interest costs and costs of insurance for the GANs, and that funding come from any lawfully available federal program. He stated, thirdly, the funding would be over and above any formula funding that Arizona and Nevada would otherwise receive. He said the fourth and fifth points they discussed were that funding would be allocated to the states at the rate of approximately $12.5 million over ten years and that funding would be subject to congressional appropriations. He explained the U.S. Government cannot and does not guarantee debt,

therefore every GAN has those two provisions. He said the final point was that Arizona, Nevada and USDOT would continue in good faith to do all things necessary to complete the bridge in a timely manner.

Mr. McGee reviewed the finalized agreement and how it addresses each of the seven points discussed at the August meeting. He stated Paragraph D under Article Four is probably the single most important paragraph in the agreement in that it states FHWA will give priority consideration to the states' requests for funds under any available federal lands highway allocated program or any appropriate discretionary programs within FHWA's authority and authorized by Congress in order to reimburse the states for principal, interest and costs incurred with bonds or notes issued in accordance with the agreement. He expressed his opinion the statement is the strongest they can or will get from the United States Government in terms of future funding. He said they believe the agreement also affirms that funding can come from any lawfully available federal program and that funding will be over and above any formula funding Arizona and Nevada would otherwise receive. He said it further affirms that funding will be subject to congressional appropriation. He stated Paragraph F of Article Four is also very important because it states FHWA will enter into a separate agreement with each state to document the procedures for payment of debt service for bonds or notes issued pursuant to the Cooperative Agreement. He said the Cooperative Agreement is ready for signature by all three parties, however the two smaller agreements between USDOT, FHWA and ADOT/NDOT are currently being drafted. He noted the smaller agreement will have to be completed and signed prior to the Board issuing any GANs. Mr. McGee stated Paragraph E under Article Four is standard language and sets forth the agreement shall not be construed as a commitment guarantee or obligation on the part of the Unites States to provide for payment of principal or interest of an eligible debt financing instrument. He noted the U.S. Government and FHWA have always held up their end of similar agreements in the past.

In conclusion, Mr. McGee stated they believe the agreement offers a reasonable assurance of future funding, but that it further makes FHWA a more active participant in future funding of the Hoover Dam bypass and gives Arizona, Nevada and FHWA leverage in working with Congress and the administration in acquiring future funding for the Hoover Dam bypass. With regard to the structure of the debt, he recommended they look at deferring major principal payments for approximately two to three years because of coverage considerations and to allow time to ensure the process works properly. He said, however, they believe the debt should be structured so that it is paid off no later than FY 2015. He stated they will also be looking at whether some or all of the issue should be callable in case they are able to get full funding after the debt has been issued.

Mr. Martin asked if the $12.5 million will be split evenly between Arizona and Nevada. Mr. McGee explained the $12.5 million was merely an estimate of what it would take in total dollars to repay $100 million worth of total debt between the two states at an assumed interest rate repaid over a 10-year period. He said, assuming Arizona and Nevada's debt service schedules were identical, each would receive $6.25 million. He expressed his opinion both states' debt service schedules will be similar, although not identical, and that each state will receive between $6 and $7 million over 10 to 12 years.

With regard to the Board's overall GAN debt service, Mr. McGee reported the Board had about $169 million of GAN debt outstanding at the beginning of the year and currently has $295 million outstanding. He said if they were to issue an additional $50 million this year and issue the GANs the Board discussed at its last study session, balancing the program would be questionable. He said, however, by 2009 the Board would have about $251 million outstanding, which is slightly less than the amount currently outstanding. He noted, should the Board have to proceed with the $100 million GAN issuance for acceleration of the transit election in Maricopa County, the Board would have $310 million of outstanding GANS by the end of 2009.

Mr. McGee said, given the time involved in developing the agreement, they now estimate the Hoover Dam bypass project to be completed by mid-2008. He said their recommendation would be that the Board support the issuance of approximately $50 million of grant participation in order to keep completion of the Hoover Dam bypass project on an accelerated schedule. He said, if the Board chooses to do so, they will present a Resolution of Direction to proceed on the financing at the April 2 meeting. He said, assuming the Resolution is signed, they intend to be in a position to price the issue around the first or second week of May with a closing in mid-May and transfer of funds to FHWA by the end of May.

Mr. McGee assured Mr. Schorr that issuance of the GANS will not interfere with the Boards capacity to issue other GANS for other worthwhile projects. Mr. Schorr asked if the push-pull going on in Congress over transportation funding will have any impact on the Hoover Dam bypass project. Mr. McGee said he is not aware of any impact, however, they continue to work with the Congressional Delegation and lobbyists to get full funding. Mr. Schorr asked why the project does not qualify under some provision of Homeland Security. Mr. McGee said they have tried unsuccessfully to obtain funding through the Homeland Security bill. Mr. Biesty stated there are a lot of projects competing for national security dollars, however, Senator Kyle and our delegation have been working to get funding out of the agency. Mr. Mendez noted most of the grants approved to date have gone to emergency response-type initiatives.

Chairperson Jeffers asked Mr. McGee if he anticipates the issuance will have a negative impact on the Board's bond rating. Mr. McGee responded no.

**CALL TO AUDIENCE:**

Mr. Caldwell asked the Board to seriously consider supporting the purchase of the Davidson Canyon properties, stating it is a great way for ADOT to participate in preserving the area.

Janice Przybyl, Sky Island Alliance, stated the data they have collected suggests Cienega Creek is not only very important to wildlife and the movement of that wildlife, but also associated drainages. She said their concern focuses on four species of wildlife, the mountain lion, black bear, coati and bobcat. She said Davidson Canyon offers the best passageway for wildlife to get from one side of I-10 to the other. She urged the Board to support the county's enhancement project.

Emily Brott, Cienega Corridor Conservation Council, said the Davidson Canyon properties were their number two suggestion when asked by the advisory committee to recommend priority

parcels that should be acquired with bond monies. She said the properties are extremely critical and the public supports their preservation.

Greg Saxe, Tohono O'dham Nation, thanked the Board for its support of Route 86. He urged the Board to support the needs identified in the corridor study, noting another $100 million is needed to widen the road to 40 feet and add shoulders.

**ADJOURN**

The meeting adjourned at 10:40 a.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
## PUBLIC HEARING
**10:30 A.M., Friday, March 19, 2004**
**The Manning House**
**450 West Paseo Redondo**
**Tucson, Arizona 85701**

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**Opening Remarks and Pledge of Allegiance**

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Mr. Burnham stated the program is divided into two major areas, sub-programs which totals approximately $269.6 million and major construction projects which totals $326 million, of which MAG receives $162.2 million, PAG receives $49.2 million and the Thirteen Other Counties receive $89.2 million. Mr. Burnham reviewed the program modifications, stating Rest Area Preservation funding was increased to $3.6 million and $600,000 was transferred from Environmental Services Data Recovery to Support Services. He reported $150,000 was also added to Legislative Services in 2005 due to reauthorization. With regard to construction modifications, Mr. Burnham stated the passing lane project on I-10 between Ocotillo Road and SR 90 is being increased from $3 million to $10.5 million and the Fort Grant TI is being increased from $6.6 million to $8 million. He noted funding for SR93, Antelope Wash, was reduced from $26.8 million to $24.3 million. He said they are committing $8 million a year to the Area Service Highway and the East Flag TI is being accelerated, however the JP Powell Road

portion of the project has been pushed into a future year. He stated they will add $50 million into the I-10 Picacho Peak to Red Rock project and $8.2 million has been programmed for the McGarry's Wash section on SR 93. He said they are waiting to speak with the Pavement Preservation people to determine which line items will be brought out for the third year of the program. He said other projects will be brought to the Board as scoping is completed and cost estimates are defined.

**FY 2005-2009 Tentative PAG Area Transportation Facilities Construction Program.**

Mr. Pein reported major construction projects were allocated $49.2 million and subprograms were allocated $18.5 million for a total distribution of $67.67 million. He noted the PAG region is also allocated special 2.6 funding. He stated they are looking at doing additional construction for main line widening on I-10 between Pinal Air Park Road and Marana and Valencia-Ajo Road Phase II on I-19 will receive $8 million in additional construction money. He said they will continue widening SR 77 at Oracle Road and I-10 from Ruthrauff to Prince will be reconstructed to eight lanes. He said the 2.6 funding will be used to cover increased costs on I-10 between Ruthrauff and Orange Grove and to complete the I-10/I-19 traffic interchange landscaping project. He said $1 million will also be used to do some work on the frontage road system on I-19 at the Canelo and Continental TI's. He reported they will be matching funds with Oro Valley on the $75,000 Tangerine Road project.

**FY 2005-2009 Tentative MAG Area Transportation Facilities Construction Program. (*Projects selected for FY 09 have not gone through the Maricopa Association of Governments (MAG) approval process.)**

Mr. Kang explained there are three main funding sources for the Life Cycle Program, RARF, HURF, and federal funds. He reported 103 miles of new freeway have been opened to traffic, with 30 miles currently under construction, 22 miles under design and 8,377 acres of right-of-way acquired. He stated five miles of the Santan Freeway between the I-10 and Price TIs opened in November 2003 and the Board has awarded six construction projects since the last certification. He stated costs have been updated based on the latest cost estimates and they have edited and updated the local government funding based on the latest cost update and oral negotiations. He said two Santan Freeway construction projects have been combined into one project for efficiency purposes and a separate $8.7 million utility project was created from a construction project on the Red Mountain Freeway between Power and University.

Mr. Hayden stated, annually, ADOT and MAG staff cooperatively develops a program to address the tentative program, identifying funding sources as well as projects to be included in the program. He said this year's funding estimate is $192.6 million, minus the MAG sub-program estimate of $30.3 million, for a total of $162.3 million available for the upcoming program. He stated nine projects are included in the 2009 program, five construction projects and four related to financial or preliminary engineering activities. He stated the first major construction project consists of the second phase of construction of a distributor system on I-10 in central Phoenix/Tempe area. He said the next two projects also consist of improvements to I-10 both in the southeast valley, from Route 202 south to Riggs Road, and in the north valley. He stated

there is also a project in the west valley on SR 85 and shoulder improvements on SR 87 north of the Tohono National Forest boundary. He noted the most expensive financial activity will be the $40 million to pay debt service for the acceleration of the Regional Freeway Program which was advanced from 2014 to 2007. He stated $1 million has been programmed for design concept report work and environmental studies for future projects associated with the half-cent sales tax extension and $4.1 million has been designated for various design plans and associated activities for construction projects in 2011 and 2012. He said, lastly, $3 million has been programmed for various interchange improvements around the MAG region. He pointed out the program will be reviewed and modified accordingly should there be positive public support for the half-cent sales tax extension in November.

Ms. Brisk noted the program has not yet been officially adopted.

**FY 2005-2009 Tentative Airport Development Program.**

Kim Stevens explained the five year program involves about 88 airports, 62 of which are considered primary in the system. He said the remaining 26 airports are classified as secondary airports, which are smaller general aviation airports, many with dirt fields. He noted there are also several Indian-owned airports that are recognized, but ineligible for federal funding in the program. He stated the Aviation Fund is the primary funding source and the Flight Property Tax, aircraft licensing, aviation fuel tax, and the Grand Canyon revenue are all revenue sources. He explained the Flight Property Tax accounts for 45 percent of revenue, stating, however, it has been subjected to cuts by the Legislature in their attempt to balance the state's budget. He said it is their understanding and the program has been based on the assumption that 100 percent of the Flight Property Tax will be restored in July. He sated their projections for the five-year program begin with a funding balance of $3.7 million, with revenue from the Flight Property Tax at a little over $12 million, aircraft registration at $3.6 million and other sources at almost $7.5 million. He stated expenditures include $1.9 million for administration, $2.5 for the federal match, $3.8 million for pavement preservation, $8.4 million for state and local grants and $2 million for airport development loans.

Mr. Stevens said of the projects listed by the sponsors, 1,100 are in the five year program, noting only 29 requested projects were not funded. He stated that number will change significantly if the Flight Property Tax is not returned. He identified their top funding priorities as the federal project funding, the pavement preservation program and state planning.

## CALL TO AUDIENCE

Kurt Weinrich, Director of the Department of Transportation for Pima County, stated Pima County, ADOT and the town of Sahuarita have concluded the numerous steps involved in implementing an intergovernmental agreement among the entities for improving what is known as the Nogales Highway or SR 19. He thanked ADOT staff, specifically Dennis Alvarez, for their assistance.

Annie McGreevy, Friends of Scenic Highway 82, reported on February 12 a big truck pushed another one almost into Sonoita Creek at the Patagonia roadside rest area which is a known birding spot. She asked the Board to help preserve one of Arizona's natural treasures. She voiced her support for a roundabout at the Sonoita 82/83 crossroads, stating there have been several deaths at that location.

Jim Palmer, Graham County Supervisor, expressed appreciation for the work the Board and ADOT have done in and around Graham County. He reported a groundbreaking will occur soon, marking the start of construction on 191 from I-10 towards Safford. He stated Phase Four of the project is close to going to bid, however, there is a large gap before Phase Three comes on line and Phases Two and Five have yet to be programmed. He encouraged timely completion of the project, stating the roadway will be an even more important link to Graham County once the Phelps Dodge Safford mine comes online. Mr. Palmer stated they recently completed a five-lane expansion on Highway 70 from Pima to Safford, however, they would like the expansion lengthened to San Jose Road. He said they encourage the continued use of force account monies on Highway 366, stating the route not only leads to a recreation destination, it supports the operation, maintenance and construction of the Mt. Graham Observatory Complex.

Mary Jacobs, Assistant City Manager, City of Sierra Vista, thanked the Board for their support of rural communities in Arizona. She also thanked the Board for their continued support of the matching dollars for FAA projects, stating the city supports the Governor's position to leave the trust fund intact. She thanked Mr. Stevens and Mr. Klein for assisting them in using a very innovative award from the Department of Transportation for rural air service. She expressed appreciation for the opportunity to apply for unused capital transit funds, stating they hope to use the funds to replace buses as their service has grown significantly. She credited the Board with helping them get additional funds for their multi-use paths program. She thanked Mr. Mendez and Mr. Casper for their help in getting a unique intergovernmental agreement between the city and ADOT for the emergency repair of traffic signals on state highways. She asked that the Board consider their request for a scoping study of major safety problems at the intersection of Mosson Road and SR 90, noting there have been at least five fatalities in that last couple years.

Mick Easthouse, Mayor of Wilcox, thanked the Board for their continued support of the 340 TI and enhancement projects awarded in the Wilcox area, stating the projects will allow for safe pedestrian traffic flow to the area. He commended the Board on the 191 project, stating it is a much needed project for safety reasons. He spoke about increased truck traffic on East Highway 186 from Wilcox into the Chiracahua National Monument. He noted the route is used by Wilcox Rock and Sand Company as well as a new marble quarry and a dairy operation. He thanked Mr. Casper for his assistance on all of their projects.

Leslie Thompson, Cochise County Supervisor, thanked the Board for what they have done in Cochise County, primarily the 191 link. She voiced her support for accelerating the TI in Wilcox and the I-10 corridor study. She asked the Board to address the condition of the I-10 from the 304 to the Cochise County/Pima County line. She noted four major interstate trucks have wrecked at the S curve at the 301. She said the TI at the 302 as it ties into Highway 90 also needs to be redone. She also voiced her support for the scoping study on Highway 90 and

Mosson Road, stating the terrible road conditions and lack of turn lanes have resulted in fatal accidents.

Martin Roush, Engineer from Sahuarita, stated he supports the turnback at I-19 and thanked staff for working with the town of Sahuarita to get the overlaying project to the level where they are ready to turn it back. He expressed his appreciation to ADOT staff, state engineers and district engineers, stating their assistance has helped their small staff achieve success.

The meeting recessed for lunch.

## CONSENT AGENDA

Mr. Schorr pulled Items 48 through 51, 54, 58 and 59 off the Consent Agenda.

### Director's Report

Ms. Brisk reported a summary of the five recommendations that came out of the Governor's Native American Summit will be sent to the Board via email. She stated this is Mr. Higgins last Board meeting. She noted she will be out of the office until April 14, stating, however, she will return for the next Board meeting.

### Legislative Report

Mr. Biesty stated negotiations continue on the reauthorization, noting the Senate has already passed the bill at $318 billion. He said the President had initially a $247 billion threshold; however, there is some discussion he will move the threshold up to as high as $270 billion. He stated he has heard the House bill will come in somewhere between $275 and $290 billion, but negotiations are continuing. The House is scheduled to mark up their bill on March 22; however, they have not set a date for when it will go to the floor for a vote. He said agreements may be in place or close to being in place to get the two-year extension so as to get through the election without having to deal with continuing resolutions. He reported the House Ways and Means Committee recently passed HR3971, which they estimate will bring in about $1 billion over the next six years. With regard to the Budget, Mr. Biesty reported the Senate and House are trying to keep it within the President's $256 billion reauthorization number. Mr. Biesty stated he met with Senator Kyle to discuss the Hoover Dam. He reported Senator Kyle, who has been instrumental in getting an agreement, continues to be concerned about meeting the 07 date.

Mr. Martin asked about rumors that the Legislature will cut money that goes directly to COGs. Mr. Biesty cautioned there are a number of proposals out at this time. Mr. Mendez stated he is not aware that COGS will be cut and, in fact, there has been some debate about whether the MPO and COGs could get an increased allocation.

Mr. Biesty updated the Board on the status of various state bills, including HB 2006 which, after a discussion with the sponsor and numerous meetings and negotiations, has been modified to where it is acceptable to the department. He explained the revised bill requires the Board to

determine if the results of previous or current studies on I-40 warrant further study and that sufficient funding exists, as well as that the study and designated funds for the study will not impact current projects in the five year plan. He noted a similar bill references Route 101. He stated they are supporting 2507, the Pima County regional tax, and are awaiting a hearing in the Senate Finance Committee. He explained HB 2539 is very problematic as it virtually encourages property owners to go to condemnation hearings rather than negotiate a fair value for their property. He said they are working with the sponsor to have the state exempted from the bill. He reported SB 1221 has been revised and will give the department the ability to raise the speed limit from 75 to 80 on rural interstates. He stated they have been working with the sponsor of 1231 and had it held in committee. He said they oppose 1231 and 1271 and hope neither moves forward. He stated SJR 1001 is moving along well, explaining the bill would designate a portion of I-17 between Black Canyon City and Flagstaff as the Arizona Veterans Highway.

Mr. Householder noted Senator Hart Road in the Globe-Miami Area was dedicated.

Mr. Biesty reported negotiations continue with regard to the state budget and they still advocate the Governor's budget bill. He stated the ADOT budget is scheduled to be voted out of the Senate Wednesday.

**Financial Report**

Mr. McGee reported February's HURF collections totaled $99.436 million, which is 6.4 percent over last year and one percent above the forecast. He said, year-to-date, collections total $769,492, which is 4.5 percent over last year. He pointed out every category is ahead of last year; however, Motor Carrier is slightly behind the forecast. Mr. McGee explained the Department of Revenue is implementing a new tax system and is having trouble finitely determining how much RARF revenue is due and from which categories the revenue is coming. He said the Department of Revenue gave them an estimated deposit of $27.979 million, which is about 4.3 percent over last year and 1.78 percent over the forecast. He stated he will be limited to providing summary sheets that show the estimated payments until the reporting problems are resolved.

Mr. McGee reviewed the investment report for January, stating the department earned $926,000 on an invested balance of $874 million, representing a 1.25 percent average yield. He stated year-to-date earnings total $3,872,000, representing a .82 percent yield.

Mr. McGee reported the HELP cash balance as of February 29 was $91,217,000, which was up about $4 million over January. He said loan draws came predominantly from three projects. He stated they funded $10 million of the $80.5 million MAG loan and should be funding the $5 million Oro Valley loan shortly.

**Financing Program**

Mr. McGee stated everything is on track to close the $108,475,000 HURF refunding on April 6. He said, depending on the Board's action on April 2, they will be looking at gearing up for the $50 million Hoover Dam issuance. He stated the latest FHWA statistics on state infrastructure bank programs throughout the nation show Arizona ranked number one in terms of total loans and number two in terms of total disbursements.

Mr. Schorr asked why Arizona exceeds Texas in the number of agreements when Texas has considerably more miles than Arizona. Mr. McGee attributed the high number of agreements in Arizona to the program's flexibility, stating they have been able to accommodate loans as small as $80,000 and as large as $100 million. He said they have also done a good job of getting the word out around the state.

In response to Mr. Jeffer's question, Mr. McGee explained South Carolina runs their program differently, essentially combining their state infrastructure bank with their highway revenue bonding program. He noted South Carolina has only done six actual loans for six megaprojects.

**2004 BOARD MEETING DATES AND LOCATIONS**

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|---|---|---|
| **March 19, 2004** | **Study Session, Bd Mtg & Public Hearing In Tucson** | **9:00 a.m.** |
| **April 2, 2004** | **Public Hearing & Special Board Mtg 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 – Sedona** | **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.** |

**ITEM 11:** **MINUTES – Approval**
December 4, 2003 - Study Session Minutes
January 16, 2004 – Board Meeting Minutes

## PRIORITY PLANNING ADVISORY COMMITTEE (PPAC)

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

Mr. Buskirk presented a spreadsheet detailing approved changes to the FY 2004-08 Highway Construction Program.

**FY 2004 – 2008 Highway Construction Program - Requested Modifications**

| | | |
|---|---|---|
| *ITEM 13: | COUNTY: | Statewide |
| | SCHEDULE: | FY 2004 – New Project Request |
| | TYPE OF WORK: | Homeland Security |
| | PROGRAM AMOUNT: | New Program Item Request |
| | PROJECT MANAGER: | Lonnie Hendrix |
| | REQUESTED ACTION: | Add a new program item to the FY 2004 Highway Construction Program in the amount of $500,000. **Funds are available from the Office of Domestic Preparedness 2003 Part II Grant Funds (2003-MU-T3-0034)** |
| | NEW PROGRAM AMOUNT: | $500,000 |

Mr. Buskirk presented this item for informational purposes only, explaining the grant will be handled administratively and not as part of the program.

Mr. Schorr asked what is the purpose of the grant. Mr. Buskirk explained the grant program was provided to help state Departments of Transportation deal with a number of homeland security issues that relate directly to transportation. Mr. Higgins stated, for example, they found a weakness in their ability to conduct business if a disaster were to happen; therefore a portion of the funds were earmarked to create a business continuity plan.

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|---|---|
| ROUTE NO: | SR 195 @ MP 26.88 |
| COUNTY: | Yuma |
| SCHEDULE: | FY 2004 |
| SECTION: | B-8 to I-8 |
| TYPE OF WORK: | Construct roadway widening |
| PROGRAM AMOUNT: | $3,955,000 |
| PROJECT MANAGER: | Mike Bruder |
| PROJECT: | H577407C Item #; 20704 |
| REQUESTED ACTION: | Transfer funds in the amount of $300,000 to utility project H577407U. |

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| PROGRAM AMOUNT: | $3,955,000 |
| DECREASE AMOUNT: | $300,000 |
| NEW PROGRAM AMOUNT: | $3,655,000 |

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|---|---|
| ROUTE NO: | SR 195 @ MP 26.88 |
| COUNTY: | Yuma |
| SCHEDULE: | FY 2004 |
| SECTION: | B-8 to I-8 |
| TYPE OF WORK: | Construct roadway widening |
| PROGRAM AMOUNT: | $3,655,000 |
| PROJECT MANAGER: | Mike Bruder |
| PROJECT: | H577407C Item #; 20704 |
| REQUESTED ACTION: | Defer project from FY 2004 to FY 2005 to allow time for resolution of envionmental issues. |

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| ROUTE NO: | SR 195 @ MP 5.50 |
| COUNTY: | Yuma |
| SCHEDULE: | FY 2004 |
| SECTION: | Ave E 1/2 - Ave B |
| TYPE OF WORK: | Construct 4-lane divided highway |
| PROGRAM AMOUNT: | $10,049,000 |
| PROJECT MANAGER: | Mike Bruder |
| PROJECT: | H577403C Item #; 21204 |
| REQUESTED ACTION: | Defer project from FY 2004 to FY 2005 to allow time for resolution of envionmental issues. |

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|---|---|
| ROUTE NO: | SR 195 @ MP 23.90 |
| COUNTY: | Yuma |
| SCHEDULE: | FY 2004 |
| SECTION: | County 14th - B8 |
| TYPE OF WORK: | Construct 4-lane divided highway |
| PROGRAM AMOUNT: | $9,086,000 |
| PROJECT MANAGER: | Mike Bruder |
| PROJECT: | H577406C Item #; 13704 |
| REQUESTED ACTION: | Transfer funds in the amount of $100,000 to utility project H577406U. |
| PROGRAM AMOUNT: | $9,086,000 |
| DECREASE AMOUNT: | $100,000 |
| NEW PROGRAM AMOUNT: | $8,986,000 |

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|---|---|
| ROUTE NO: | SR 195 @ MP 23.90 |
| COUNTY: | Yuma |
| SCHEDULE: | FY 2004 |
| SECTION: | County 14th - B8 |
| TYPE OF WORK: | Construct 4-lane divided highway |
| PROGRAM AMOUNT: | $8,986,000 |
| PROJECT MANAGER: | Mike Bruder |
| PROJECT: | H577406C Item #; 13704 |
| REQUESTED ACTION: | Defer project from FY 2004 to FY 2005 to allow time for resolution of envionmental issues. |

**Board Action:** A motion to approve Items 14, 15, 16, 17 and 18 was made by Mr. Schorr, seconded by Mr. Gant and passed unanimously.

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|---|---|
| ROUTE NO: | I-19 @ MP 5.80 |
| COUNTY: | Santa Cruz |
| SCHEDULE: | FY 2004 - New Project Request |
| SECTION: | SB Frontage Road, MP 5.8 - MP 6.1 |
| TYPE OF WORK: | Construct drainage improvements |
| PROGRAM AMOUNT: | New Project Request |
| PROJECT MANAGER: | Bruce Purrier |
| PROJECT: | H604501C |
| REQUESTED ACTION: | Add a new district minor project in the amount of $100,000 to the FY 2004 Highway Construction Program. **Funds available from the FY 2004 District Minor Fund #73304.** |
| NEW PROGRAM AMOUNT: | $100,000 |

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

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|---|---|
| ROUTE NO: | SR 87 @ MP 201.00 |
| COUNTY: | Maricopa |
| SCHEDULE: | FY 2005 |
| SECTION: | MP 201.0 - MP 202.5 |
| TYPE OF WORK: | Construct roadway widening |
| PROGRAM AMOUNT: | $3,000,000 |
| PROJECT MANAGER: | Kwisung Kang |
| PROJECT: | H621901C Item #; 19003 |
| REQUESTED ACTION: | Increase program amount by $150,000 to $3,150,000, and advance project from FY 2005 to FY 2004 in order to complete work before the start of the Pygmy Owl Breeding season restrictions. (January 1 – June 30). **Funds available from the FY 2004 Pavement Preservation Fund #72504. Funds to advance project available from prior program adjustments.** |

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| PROGRAM AMOUNT: | $3,000,000 |
| INCREASE AMOUNT: | $150,000 |
| NEW PROGRAM AMOUNT: | $3,150,000 |

**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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|---|---|
| COUNTY: | Maricopa |
| SCHEDULE: | FY 2005 |
| SECTION: | Urban Freeway System / Quiet Pavement Pilot Program (QPPP) |
| TYPE OF WORK: | Research program to monitor effectiveness of rubberized asphalt overlay |
| PROGRAM AMOUNT: | $300,000 |
| PROJECT MANAGER: | Tammy Flaitz / Michael Dennis |
| PROJECT: | H645201X Item #; 19605 |
| REQUESTED ACTION: | Advance project from FY 2005 to FY 2004 to continue ongoing research. **Funds to advance project from prior program adjustments.** |

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|---|---|
| COUNTY: | Maricopa |
| SCHEDULE: | FY 2006 |
| SECTION: | Urban Freeway System / Quiet Pavement Pilot Program (QPPP) |
| TYPE OF WORK: | Research program to monitor effectiveness of rubberized asphalt overlay |
| PROGRAM AMOUNT: | $300,000 |
| PROJECT MANAGER: | Tammy Flaitz / Michael Dennis |

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|---|---|
| PROJECT: | H645201X Item #; 17706 |
| REQUESTED ACTION: | Advance project from FY 2006 to FY 2004 to continue ongoing research. **Funds to advance project from prior program adjustments.** |

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

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|---|---|
| ROUTE NO: | SR 77 @ MP 361.00 |
| COUNTY: | Navajo |
| SCHEDULE: | FY 2004 - New Project Request |
| SECTION: | SR 277, Town of Snowflake |
| TYPE OF WORK: | Construct new traffic signal and intersection improvemetns |
| PROGRAM AMOUNT: | New Project Request |
| PROJECT MANAGER: | Tammy Mivshek |
| PROJECT: | HX13702C JPA # 03-109 |
| REQUESTED ACTION: | Add a new traffic signal project in the amount $490,000 to the FY 2004 Highway Construction Program. A maintenance IGA for utility cost with Town of Snowflake has been finalized. **Funds available from the FY 2004 Title II Safety Fund #72804.** |
| NEW PROGRAM AMOUNT: | $490,000 |

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

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|---|---|
| ROUTE NO: | I-40 @ MP 197.40 |
| COUNTY: | Coconino |
| SCHEDULE: | FY 2004 |
| SECTION: | Rio De Flag Bridges, EB / WB |
| TYPE OF WORK: | Replace bridges, #1265 & #1266 |
| PROGRAM AMOUNT: | $10,000,000 |
| PROJECT MANAGER: | Tina Sisley |
| PROJECT: | H576801C Item #; 14104 JPA #03-111 |
| REQUESTED ACTION: | Increase program amount by $764,246 to $10,764,246 due to over-excavation and stabilization of existing fills. **See funding sources below.** |

| | |
|---|---|
| PROGRAM AMOUNT: | $10,000,000 |
| INCREASE AMOUNT: | $764,246 |
| City of Flagstaff, IGA #03-111 | $264, 246 |
| FY 2004 Bridge Inspection and Repair Fund #71404 | $500,000 |

NEW PROGRAM AMOUNT: $10,764,246

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

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|---|---|
| COUNTY: | Maricopa |
| SCHEDULE: | FY 2005 |
| SECTION: | Various Regional Freeways |
| TYPE OF WORK: | Quiet Pavement, Phase III |
| PROGRAM AMOUNT: | $9,800,000 |
| PROJECT MANAGER: | Steve Mishler |
| PROJECT: | H637103C Item #; 19305 |
| REQUESTED ACTION: | Advance $3,300,000 of project funds from FY 2005 to FY 2004, and increase program amount by $2,200,000 to $12,000,000. The remaining FY 2005 funds in the amount of $6,500,000 will moved to FY 2006 for IGA repayments to the City of Sccottsdale and City of Phoenix (see details below). **Funds to advance project available from prior program adjustments. See funding sources below.** |

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|---|---|
| PROGRAM AMOUNT (Includes); | $9,800,000 |
| Project funds advanced from FY2005 | $3,300,000 |
| City of Scottsdale, IGA #03-030 | $1,100,000 |
| City of Phoenix, IGA #03-031 | $5,400,000 |
| INCREASE AMOUNT: | $2,200,000 |
| FY 2004 Pavement Preservation #72504 | $1,100,000 |
| FY 2004 Bridge Inspection and Repair #71404 | $500,000 |
| FY 2004 Program Adjustment Fund #72304 | $600,000 |
| NEW PROGRAM AMOUNT: | $12,000,000 |

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

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| ROUTE NO: | SR 87 @ MP 159.66 |
| COUNTY: | Maricopa |
| SCHEDULE: | FY 2004 – New Project Request |
| SECTION: | SR 87 / SR 587 & Hunt Highway |
| TYPE OF WORK: | Install new traffic signal |
| PROGRAM AMOUNT: | New Project Request |
| PROJECT MANAGER: | Mike Marietti |
| PROJECT: | HX16101C |
| REQUESTED ACTION: | Add a new traffic signal project in the amount of $200,000 to the FY 2004 Highway Construction Program. **Funds available from the FY 2004** |

**Traffic Signal Fund #71204.**

NEW PROGRAM AMOUNT: $200,000

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

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| ROUTE NO: | SR 87 @ MP 134.75 |
| COUNTY: | Pinal |
| SCHEDULE: | FY 2004 - New Project Request |
| SECTION: | SR 287 and Vah Ki Inn |
| TYPE OF WORK: | Construct traffic signal |
| PROGRAM AMOUNT: | New Project Request |
| PROJECT MANAGER: | Resa Karimvand / David Duffy |
| PROJECT: | HX12701C JPA #01-22 |
| REQUESTED ACTION: | Add a new traffic signal project in the amount of $123,000 to the FY 2004 Highway Construction Program. City of Coolidge to administer project per IGA. **Funds available from the FY 2004 Traffic Signal Fund #71204.** |

NEW PROGRAM AMOUNT: $123,000

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

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| ROUTE NO: | SR 202 L @ MP 31.00 |
| COUNTY: | Maricopa |
| SCHEDULE: | FY 2005 |
| SECTION: | Elliot Road - Baseline Road |
| TYPE OF WORK: | Design landscape |
| PROGRAM AMOUNT: | $170,000 |
| PROJECT MANAGER: | Jason Harris |
| PROJECT: | H591503D Item #; 82305 |
| REQUESTED ACTION: | Advance landscape design project from FY 2005 to FY 2004 to allow completion of design so that landscape construction can start when segment opens to traffic. **Funds to advance from RARF cashflow.** |

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|---|---|
| ROUTE NO: | SR 202 L @ MP 44.00 |
| COUNTY: | Maricopa |
| SCHEDULE: | FY 2005 |
| SECTION: | Santan, Arizona Ave - Gilbert Road |
| TYPE OF WORK: | Design landscape |
| PROGRAM AMOUNT: | $234,000 |
| PROJECT MANAGER: | Jason Harris |

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|---|---|
| PROJECT: | H538103D Item #; 82205 |
| REQUESTED ACTION: | Advance landscape design project from FY 2005 to FY 2004 to allow completion of design so that landscape construction can start when segment opens to traffic. **Funds to advance from RARF cashflow.** |

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

| | |
|---|---|
| ROUTE NO: | US 191 @ MP 374.40 |
| COUNTY: | Apache |
| SCHEDULE: | FY 2004 – New Project Request |
| SECTION: | Beacon Light Hill |
| TYPE OF WORK: | Intersection improvement |
| PROGRAM AMOUNT: | New Project Request |
| PROJECT MANAGER: | Jennifer Livingston |
| PROJECT: | H604001C |
| REQUESTED ACTION: | Add a new district minor project in the amount of $755,000 to the FY 2004 Highway Construction Program. **Funds available from the FY 2004 District Minor Fund #73304.** |
| NEW PROGRAM AMOUNT: | $755,000 |

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

| | |
|---|---|
| ROUTE NO: | US 191 @ MP 397.02 |
| COUNTY: | Apache |
| SCHEDULE: | FY 2004 New Project Request |
| SECTION: | Klagetoh |
| TYPE OF WORK: | Construct intersection improvements |
| PROGRAM AMOUNT: | New Project Request |
| PROJECT MANAGER: | Jim Reeves |
| PROJECT: | H541301C |
| REQUESTED ACTION: | Add a new District minor project in the amount of $640,000 to the FY 2004 Highway Construction Program for intersection improvements. **Funds available from the FY 2004 District Minor Fund #73304.** |
| NEW PROGRAM AMOUNT: | $640,000 |

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

| | |
|---|---|
| ROUTE NO: | SR 191 B @ MP 0.25 |
| COUNTY: | Cochise |
| SCHEDULE: | FY 2004 New Project Request |
| SECTION: | City of Douglas |
| TYPE OF WORK: | Improve drainage channel |
| PROGRAM AMOUNT: | New Project Request |
| PROJECT MANAGER: | Ron Casper / Lynn Sugiyama |
| PROJECT: | H646601C JPA #03-106 |
| REQUESTED ACTION: | Add a new district minor project in the amount of $70,000 to the FY 2004 Highway Construction Program for an IGA payment to the City of Douglas for drainage channel improvements. **Funds available from the FY 2004 District Minor Fund #73304.** |
| NEW PROGRAM AMOUNT: | $70,000 |

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

| | |
|---|---|
| ROUTE NO: | US 191 @ MP 55.00 |
| COUNTY: | Cochise |
| SCHEDULE: | FY 2004 New Project Request |
| SECTION: | Dragoon Road - Cochise TI |
| TYPE OF WORK: | Construct box culvert extensions and intersection upgrade |
| PROGRAM AMOUNT: | New Project Request |
| PROJECT MANAGER: | Bob Mickelson |
| PROJECT: | H571601C |
| REQUESTED ACTION: | Add a new district minor project in the amount of $801,000 to the FY 2004 Highway Construction Program. **Funds available from the FY 2004 District Minor Fund #73304.** |
| NEW PROGRAM AMOUNT: | $801,000 |

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

| | |
|---|---|
| ROUTE NO: | I-10 @ MP 236.40 |
| COUNTY: | Pima |
| SCHEDULE: | FY 2004 |
| SECTION: | Marana – Cortaro |
| TYPE OF WORK: | Construct inside lane widening |
| PROGRAM AMOUNT: | $21,300,000 |
| PROJECT MANAGER: | Laurel Parker |
| PROJECT: | H458201C Item #; 10404 |
| REQUESTED ACTION: | Modify scope and reduce the length of project to meet programmed cost. |

Mr. Schorr asked if the cuts have been reviewed with the local affected engineers. Mr. Buskirk was unable to say. Mr. Schorr asked that the item be deferred for 30 days. Mr. Higgins stated a 30-day delay should not impact the schedule. Mr. Alvarez explained a new school was built adjacent to the project site, making noise walls a necessity. He assured the Board that they coordinated with local entities, stating he made a presentation to PAG explaining why the project had to be downscaled. He stated there is complete agreement from all local entities. Mr. Schorr stated, before proceeding, he wants to be sure everyone understands the implication of what is occurring.

**Board Action:** A motion to table Item 34 until the Board's April 2, 2004 meeting was made by Mr. Jeffers, seconded by Mr. Hileman and passed unanimously.

| | |
|---|---|
| ROUTE NO: | SR 89A @ MP 344 |
| COUNTY: | Yavapai |
| SCHEDULE: | FY 2004 |
| SECTION: | Town of Jerome |
| TYPE OF WORK: | Construct rest area facilities and parking |
| PROGRAM AMOUNT: | $300,000 |
| PROJECT MANAGER: | Debra Einweck |
| PROJECT: | H507901C Item #; 46299 |
| REQUESTED ACTION: | Increase program amount by $553,409 to 853,409 to include TERC approved enhancement project and a project of opportunity. The Town of Jerome will operate and maintain the welcome center as well as the rest area facilities. **See funding sources below.** |

| | |
|---|---|
| PROGRAM AMOUNT: | $300,000 |
| INCREASE AMOUNT: | $553,409 |
| FY 2004 Statewide Enhancement Fund #75304 | $253,409 |
| FY 2004 Projects of Opportunity #75004 | $300,000 |
| NEW PROGRAM AMOUNT: | $853,409 |

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

**FY 2004 – 2008 Airport Development Program Requested Modifications**

| | |
|---|---|
| AIRPORT NAME: | Yuma International |
| SPONSOR: | Yuma County Airport Authority |
| AIRPORT CATEGORY: | Commercial Service |
| SCHEDULE: | FY 2004 – 2008 |
| PROJECT #: | E4F55 |
| PRESENT PROGRAM AMOUNT: | New grant |
| PROJECT DESCRIPTION: | Land Acquisition; Construct Large Aircraft Apron; G. A. Hangar Site Development; Taxiway F-1; and Acquire ARFF Vehicle. |
| REQUESTED ACTION: | Provide $49,089 funds to match Federal Grant AIP-23. Total project $1,098,177: |
| FUNDING SOURCES: | **FAA** $1,000,000<br>**Sponsor** $49,089<br>**State** $49,089<br>*Total Program* $1,098,177 |

| | |
|---|---|
| AIRPORT NAME: | Scottsdale Airport |
| SPONSOR: | City of Scottsdale |
| AIRPORT CATEGORY: | Reliever |
| SCHEDULE: | FY 2004 – 2008 |
| PROJECT #: | E1118 |
| PRESENT PROGRAM AMOUNT: | $390,000 |
| PROJECT DESCRIPTION: | Apron pavement preservation; design FY '01-'02 projects. |
| REQUESTED ACTION: | Change scope to read: Apron Pavement Preservation; Delta Ramp (53,250 SY); Runway construct (Widen 03/21); Design FY 2000 - 2002 Projects (no change in dollar amounts) |
| FUNDING SOURCES: | **FAA** $0<br>**Sponsor** $351,000<br>**State** $39,000<br>*Total Program* $390,000 |

| | |
|---|---|
| AIRPORT NAME: | Falcon Field |
| SPONSOR: | City of Mesa |
| AIRPORT CATEGORY: | Reliever |

| | |
|---|---|
| SCHEDULE: | FY 2004 – 2008 |
| PROJECT #: | E3S03 |
| PRESENT PROGRAM AMOUNT: | $100,000 |
| PROJECT DESCRIPTION: | Pavement marking install, Rwys, Twys and aprons |
| REQUESTED ACTION: | Change scope to read: Pavement marking install, runways, taxiways, aprons and airport road system. (no dollar amount changes) |
| FUNDING SOURCES: | **FAA** $0<br>**Sponsor** $10,000<br>**State** $90,000<br>*Total Program* $100,000 |

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

| | |
|---|---|
| AIRPORT NAME: | Cottonwood Municipal |
| SPONSOR: | City of Cottonwood |
| AIRPORT CATEGORY: | General Aviation |
| SCHEDULE: | FY 2004 – 2008 |
| PROJECT #: | E4F52 |
| PRESENT PROGRAM AMOUNT: | New grant |
| PROJECT DESCRIPTION: | Acquire Land for Approaches (0.8 Acres) and Airport Development (9.35 Acres), Phase 1 (Appraisal Only) |
| REQUESTED ACTION: | Provide $1,078 funds to match Federal Grant AIP-09. Total project $24,120: |
| FUNDING SOURCES: | **FAA** $21,964<br>**Sponsor** $1,078<br>**State** $1,078<br>*Total Program* $24,120 |

**Board Action:** A motion to approve Items 36 and 39 was made by Mr. Gant, seconded by Mr. Hileman 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**

- March 31, 2004 1:30 PM
- May 5, 2004 9:00 AM
- June 2, 2004 9:00 AM
- June 30, 2004 1:30 PM
- 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

* Priority Planning Advisory Committee (PPAC)

- Minutes –
  February 4, 2004, Regular Meeting
  February 10, 2004, Special Meeting
  February 13, 2004, Special Meeting
- Highway Program Monitoring Report.

## RIGHT OF WAY RESOLUTIONS

| | | |
|---|---|---|
| * | **RES.** NO. | 03-A-009 |
| | PROJECT: | F.A. 86-A/F.I. 86/I-19-1(12)43 / 019BPM043H088801R |
| | HIGHWAY: | TUCSON - NOGALES |
| | SECTION: | (Duval Mine Road – Los Reales Road) |
| | ROUTE NO.: | State Route B-19 |
| | ENG. DIST: | Tucson |
| | COUNTY: | Pima |
| | RECOMMENDATION: | Disposal by Abandonment to Pima County and the Town of Sahuarita |
| * | RES. NO: | 2004-03-A-010 |
| | PROJECT: | S-275-801 / 082SC005H466501R |
| | HIGHWAY: | NOGALES - TOMBSTONE |
| | SECTION: | Santa Cruz Bridge |
| | ROUTE NO.: | State Route 82 |
| | ENG. DIST: | Tucson |
| | COUNTY: | Santa Cruz |
| | RECOMMENDATION: | Amendment of Resolution 2003-06-A-036 due to design change |

| | | |
|---|---|---|
| * | RES. NO: | 2004-03-A-011 |
| | PROJECT: | S-087-B-700 / 087MA201H621901R |
| | HIGHWAY: | MESA - PAYSON |
| | SECTION: | MP 201 – MP 202 |
| | ROUTE NO.: | State Route 87 |
| | ENG. DIST: | Phoenix |
| | COUNTY: | Maricopa |
| | PARCEL: | 7-10260 |
| | RECOMMENDATION: | Establish additional right of way as a state route and state highway due to the addition of 2 southbound lanes |

| | | |
|---|---|---|
| * | RES. NO: | 2004-03-A-012 |
| | PROJECT: | S-085-B-700 / 085MA120H567501R, S-085-B-701 / 085MA138H567502R, S-085-B-702 / 085MA149H567503R |
| | HIGHWAY: | GILA BEND - BUCKEYE |
| | SECTION: | Gila Bend – Lewis Prison, Lewis Prison – Gila River, Gila River – Jct. I-10 |
| | ROUTE NO.: | State Route 85 |
| | ENG. DIST: | Phoenix & Yuma |
| | COUNTY: | Maricopa |
| | RECOMMENDATION: | Establish additional right of way as an Access controlled state route and state highway due to design change |

## STATE ENGINEER'S REPORT

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

* Right of Way Acquisition Report for February, 2004.

## CONSTRUCTION CONTRACTS

Interstate, Non-Federal Aid

| | | |
|---|---|---|
| * | BIDS OPENED: | February 27 |
| | HIGHWAY: | PHOENIX-CORDES JUNCTION HIGHWAY (I-17) |
| | SECTION: | NB & SB, Deer Valley to Happy Valley |
| | COUNTY: | Maricopa |
| | ROUTE NO: | I-17 |
| | PROJECT: | I-017-A-517 017 MA 215 H645001C |
| | FUNDING: | 100% State |
| | LOW BIDDER: | J. Banicki Construction, Inc. |
| | AMOUNT: | $ 595,264.00 |
| | STATE ESTIMATE: | $ 645,119.00 |

| | | |
|---|---|---|
| $ UNDER: | $ | 49,855.00 |
| % UNDER: | | 7.7% |
| NO. BIDDERS: | | 5 |
| RECOMMENDATION: AWARD | | |

Mr. Schorr recused himself on this item.

Interstate Federal Aid (required FHWA Concurrence and compliance with DBE regulations)

| | | |
|---|---|---|
| BIDS OPENED: | February 27 | |
| HIGHWAY: | FLAGSTAFF-HOLBROOK HIGHWAY (I-40) | |
| SECTION: | Meteor Crater Rest Area | |
| COUNTY: | Coconino | |
| ROUTE NO: | I-40 | |
| PROJECT: | IM 40-4(156)A 040 CN 235 H210701C | |
| FUNDING: | 94% Federal 6% State | |
| LOW BIDDER: | Show Low Construction, Inc. | |
| AMOUNT: | $ | 6,603,921.65 |
| STATE ESTIMATE: | $ | 5,178,796.25 |
| $ OVER: | $ | 1,425,125.40 |
| % OVER: | | 27.5% |
| NO. BIDDERS: | | 4 |
| RECOMMENDATION: AWARD | | |

Mr. Schorr recused himself on this item.

**Board Action:** A motion to reject the bid was made by Mr. Martin, seconded by Mr. Hileman and passed unanimously (Mr. Schorr abstained).

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|---|---|---|
| BIDS OPENED: | February 27 | |
| HIGHWAY: | KINGMAN-ASH FORK HIGHWAY (I-40) | |
| SECTION: | Silver Springs – Fort Rock | |
| COUNTY: | Mohave | |
| ROUTE NO: | I-40 | |
| PROJECT: | IM-040-B(004)A 040 MO 079 H584601C | |
| FUNDING: | 94% Federal 6% State | |
| LOW BIDDER: | Meadow Valley Contractors, Inc. | |
| AMOUNT: | $ | 2,500,454.00 |
| STATE ESTIMATE: | $ | 2,834,391.31 |
| $ UNDER: | $ | 333,937.31 |
| % UNDER: | | 11.8% |
| NO. BIDDERS: | | 5 |
| RECOMMENDATION: AWARD | | |

Mr. Schorr recused himself on this item.

| | | |
|---|---|---|
| * | BIDS OPENED: | February 20 |
| | HIGHWAY: | FLAGSTAFF-HOLBROOK HIGHWAY (I-40) |
| | SECTION: | Jackrabbit Road – E. Joseph City TI |
| | COUNTY: | Navajo |
| | ROUTE NO: | I-40 |
| | PROJECT: | IM-040-D(012)A 040 NA 268 H584701C |
| | FUNDING: | 94% Federal 6% State |
| | LOW BIDDER: | FNF Construction, Inc. |
| | AMOUNT: | $ 6,369,198.79 |
| | STATE ESTIMATE: | $ 6,739,086.00 |
| | $ UNDER: | $ 369,887.21 |
| | % UNDER: | 5.5% |
| | NO. BIDDERS: | 5 |
| | RECOMMENDATION: | AWARD |

Mr. Schorr recused himself on this item.

Non-Interstate, Non-Federal Aid

| | | |
|---|---|---|
| * | BIDS OPENED: | February 13 |
| | HIGHWAY: | STATE ROUTE 51 |
| | SECTION: | Bell Road – Pima (101L) |
| | COUNTY: | Maricopa |
| | ROUTE NO: | SR 51, 101L |
| | PROJECT: | RAM-051-A-505 051 MA 014 H538503C |
| | FUNDING: | 100% State |
| | LOW BIDDER: | Valley Crest Landscape Development, Inc. |
| | AMOUNT: | $ 2,387,348.31 |
| | STATE ESTIMATE: | $ 2,444,508.80 |
| | $ UNDER: | $ 57,160.49 |
| | % UNDER: | 2.3% |
| | NO. BIDDERS: | 5 |
| | RECOMMENDATION: | AWARD |

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|---|---|---|
| * | BIDS OPENED: | February 20 |
| | HIGHWAY: | PICACHO-COOLIDGE-CHANDLER-MESA HIGHWAY (SR 87) |
| | SECTION: | Junction of SR 84 to Coolidge |
| | COUNTY: | Pinal |
| | ROUTE NO: | SR 87 |
| | PROJECT: | S-087-A-502 087 PN 115 H648101C |
| | FUNDING: | 100% State |
| | LOW BIDDER: | Southern Arizona Paving & Construction, Co. |

| | | |
|---|---|---|
| AMOUNT: | $ | 861,062.00 |
| STATE ESTIMATE: | $ | 910,610.00 |
| $ UNDER: | $ | 49,548.00 |
| % UNDER: | | 5.4% |
| NO. BIDDERS: | | 7 |
| RECOMMENDATION: | AWARD | |

| | | |
|---|---|---|
| BIDS OPENED: | February 27 | |
| HIGHWAY: | PRICE FREEWAY (101L) | |
| SECTION: | Red Mountain TI to US 60 | |
| COUNTY: | Maricopa | |
| ROUTE NO: | 101L | |
| PROJECT: | S-101-C-504 101L MA 051 H602301C | |
| FUNDING: | 100% State | |
| LOW BIDDER: | Hunter Contracting Company | |
| AMOUNT: | $ | 1,379,649.58 |
| STATE ESTIMATE: | $ | 1,190,380.15 |
| $ OVER: | $ | 189,269.43 |
| % OVER: | | 15.9% |
| NO. BIDDERS: | | 7 |
| RECOMMENDATION: | AWARD | |

Mr. Schorr 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 abstained).

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|---|---|---|
| BIDS OPENED: | February 27 | |
| HIGHWAY: | PAYSON-SHOW LOW HIGHWAY (SR 260) | |
| SECTION: | Forest Lakes | |
| COUNTY: | Coconino | |
| ROUTE NO: | SR 260 | |
| PROJECT: | S-260-B-506 260 CN 288 H580001C | |
| FUNDING: | 50% State 50% Coconino County | |
| LOW BIDDER: | Hatch Construction & Paving, Inc. | |
| AMOUNT: | $ | 247,080.84 |
| STATE ESTIMATE: | $ | 242,382.00 |
| $ OVER: | $ | 4,698.84 |
| % OVER: | | 1.9% |
| NO. BIDDERS: | | 7 |
| 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)

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|---|---|
| BIDS OPENED: | February 13 |
| HIGHWAY: | PAGE - JUNCTION US 160 (INDIAN ROUTE 22) HIGHWAY (SR 98) |
| SECTION: | Square Butte – Navajo County Line |
| SECTION: | Inscription House – Junction US 160 |
| COUNTY: | Coconino |
| ROUTE NO: | SR 98 |
| PROJECT: | STP-098-A(001)A 098 CN 340 H527301C |
| PROJECT | STP-098-A(002)A 098 CN 348 H567601C |
| FUNDING: | 94% Federal 6% State |
| LOW BIDDER: | Fisher Sand & Gravel Co. dba Southwest Asphalt Paving |
| AMOUNT: | $ 2,139,040.69 |
| STATE ESTIMATE: | $ 2,150,809.45 |
| $ UNDER: | $ 11,768.76 |
| % UNDER: | 0.6% |
| NO. BIDDERS: | 3 |
| RECOMMENDATION: | AWARD |

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|---|---|
| BIDS OPENED: | February 20 |
| HIGHWAY: | TUBA CITY – FOUR CORNERS HIGHWAY (US 160) |
| SECTION: | East Tuba City – Navajo County Line |
| COUNTY: | Coconino |
| ROUTE NO: | US 160 |
| PROJECT: | NH-160-A(002)A 160 CN 341 H584201C |
| FUNDING: | 94% Federal 6% State |
| LOW BIDDER: | Fisher Sand & Gravel Co. dba Southwest Asphalt Paving |
| AMOUNT: | $ 4,753,200.76 |
| STATE ESTIMATE: | $ 4,771,700.00 |
| $ UNDER: | $ 18,499.24 |
| % UNDER: | 0.4% |
| NO. BIDDERS: | 3 |
| RECOMMENDATION: | AWARD |

| | | |
|---|---|---|
| * | BIDS OPENED: | February 13 |
| | HIGHWAY: | ST. JOHNS – SANDERS HIGHWAY (US 191) |
| | SECTION: | Landfill Road – Standard Parallel |
| | COUNTY: | Apache |
| | ROUTE NO: | US 191 |
| | PROJECT: | STP-191-D(003)A 191 AP 318 H557101C |
| | FUNDING: | 94% Federal 6% State |
| | LOW BIDDER: | Show Low Construction, Inc. |
| | AMOUNT: | $ 1,991,721.60 |
| | STATE ESTIMATE: | $ 1,968,715.00 |
| | $ OVER: | $ 23,006.60 |
| | % OVER: | 1.2% |
| | NO. BIDDERS: | 4 |
| | RECOMMENDATION: | AWARD |

Mr. Schorr recused himself on this item.

| | | |
|---|---|---|
| * | BIDS OPENED: | February 6 |
| | HIGHWAY: | SAFFORD-SPRINGERVILE HIGHWAY (US 191) |
| | SECTION: | Coronado Trail |
| | COUNTY: | Greenlee |
| | ROUTE NO: | US 191 |
| | PROJECT: | STP-191-C(005)A 191 GE 175 H585801C |
| | FUNDING: | 94% Federal 6% State |
| | PROJECT: | U-191-C-505 191 GE 215 H411909C |
| | FUNDING: | 100% State |
| | LOW BIDDER: | Combs Construction Company, Inc. |
| | AMOUNT: | $ 1,212,840.10 |
| | STATE ESTIMATE: | $ 1,295,834.00 |
| | $ UNDER: | $ 82,993.90 |
| | % UNDER: | 6.4% |
| | NO. BIDDERS: | 7 |
| | RECOMMENDATION: | AWARD |

Mr. Schorr recused himself on this item.

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|---|---|---|
| BIDS OPENED: | February 27 | |
| HIGHWAY: | SANTAN FREEWAY (SR 202L) | |
| SECTION: | Power Road – Elliot Road | |
| COUNTY: | Maricopa | |
| ROUTE NO: | SR 202L | |
| PROJECT: | STP-202-C(007)B 202 MA 033 H591301C | |
| FUNDING: | 89% Federal 9% RARF 2% City of Mesa | |
| LOW BIDDER: | Pulice Construction, Inc. | |
| AMOUNT: | $ | 54,113,671.30 |
| STATE ESTIMATE: | $ | 54,366,000.00 |
| $ UNDER: | $ | 252,328.70 |
| % UNDER: | | 0.5% |
| NO. BIDDERS: | | 3 |
| RECOMMENDATION: | AWARD | |

| | | |
|---|---|---|
| BIDS OPENED: | February 27 | |
| HIGHWAY: | PAYSON-SHOW LOW HIGHWAY (SR 260) | |
| SECTION: | Overgaard – Cottonwood Wash | |
| COUNTY: | Navajo | |
| ROUTE NO: | SR 260 | |
| PROJECT: | NH-260-B(004)A 260 NA 310 H585901C | |
| FUNDING: | 94% Federal 6% State | |
| LOW BIDDER: | Hatch Construction & Paving, Inc. | |
| AMOUNT: | $ | 2,238,897.52 |
| STATE ESTIMATE: | $ | 2,675,720.00 |
| $ UNDER: | $ | 436,822.48 |
| % UNDER: | | 16.3% |
| NO. BIDDERS: | | 5 |
| RECOMMENDATION: | AWARD | |

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

## CONSENT AGENDA

**Board Action:** A motion to approve Consent Agenda Items 48, 49, 50, 51, 54, 58 and 59 was made by Mr. Gant, seconded by Mr. Lane and passed unanimously (Mr. Schorr abstained).

**Board Action:** A motion to approve Consent Agenda Item 62 was made by Mr. Gant, seconded by Mr. Hileman and passed unanimously.

## ADJOURN

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

The meeting adjourned at 1:40 p.m.

Bill Jeffers, Chairperson
State Transportation Board

Victor Mendez, Director
Arizona Department of Transportation