

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

1:00 P.M., Tuesday, March 8, 2005

**Arizona Department of Transportation (ADOT)
State Transportation Board Room, Room 147
206 South 17th Avenue
Phoenix, Arizona 85007**

The State Transportation Board met in official session for a study session at 1:00 p.m. Tuesday, March 8, 2005, with Chairman Gant presiding. Other Board members present included: Delbert Householder, Joe Lane, Jim Martin, Bob Montoya and Si Schorr. Vice Chairman Dick Hileman was absent. Also present were Director Victor Mendez; John McGee, Chief Financial Officer, Administrative Services Division; Dale Buskirk, Director, Planning Division and Mike Ortega, State Engineer. There were approximately 40 people in the audience.

Chairman Gant welcomed those present and led the audience in the Pledge of Allegiance.

Southeast Arterial Study/Sahuarita Corridor

Cherie Campbell, Director of Transportation Planning for Pima Association of Government and Dave Perkins a consultant with Kimley-Horn and Associates gave a presentation to the Board regarding the Southeast Arterial Study and its implications for the Sahuarita Corridor. This study covers a section in southeast Tucson where there is very little infrastructure and yet huge growth projection. The need to preserve the right-of-way in the area is necessary. Presentations are being made to stakeholders including the Town of Sahuarita, the City of Tucson, Pima County, Tucson International Airport and others. Buy-in and support is sought for this major streets and route plan.

The purpose of the Southeast Arterial Study was to develop the major streets and routes plan for the approximately 200 square miles of area south of the Tucson metropolitan area. The major streets and routes plan identifies classifications of roadways, right-of-way widths and serves as a foundation for land use decisions in this area prior to development. Throughout the study, input was received from a technical advisory committee. A fair amount of the area includes state trust land. Study objectives include: identify transportation needs and opportunities for roadways; estimate eventual population and employment; estimate eventual traffic volumes; and develop a major streets and routes plan. Today's population is about 30,000 people, primarily along the I-10 corridor. Projected for the year 2030 is a population of 250,000 people. Eventual population for the area is projected at 650,000. Compare that to the size of the Tucson metropolitan area today of around 900,000. Eventual employment correlation is 200,000. As the major streets and routes plan is developed a number of principles were achieved and included serving the build-out population, connecting to the regional road system, serving existing and future activity centers, achieving consistency with other studies in the region, minimizing impacts to environment and resources, avoiding San Xavier District impacts, creating land development flexibility and maintaining acceptable freeway operations. Three classifications of roadways were identified: fully controlled access roadway or freeways on 300-foot right-of-way, limited access or parkways on 150-foot right-of-way and arterial roadway on 150-foot right-of-way. Almost 200 miles of new roadways were identified; 20 miles of freeways, 48 miles of limited access parkways and 122 miles of arterials. Implementation steps include jurisdiction cooperation and support, advanced right-of-way preservation, planning studies to identify roadway alignments and funding sources for right-of-way and construction.

Pinal County Corridor Definition Studies

Dale Buskirk provided a historical background to the Southeast Maricopa / Northern Pinal County Area Transportation Study in September 2003 in anticipation of the presentation of findings to the State Transportation Board in November 2005. Andy Smith, Project Manager, US 60 Corridor Definition Study and Williams Gateway Corridor Definition Study and Dianne Kresich, Project Manager, Pinal County Corridors Definition Study presented information on the four corridors: East Valley Corridor (I-10 to Florence Junction), Apache Junction/Coolidge Corridor (I-10-US 60), US 60 Freeway Extension (Baseline to Ray Roads) and Williams Gateway Freeway (loop 202 to US 60). In 2002-2003 the Southeast Maricopa / Northern Pinal County Area Transportation Study (SEMNPTS) was conducted by MAG and CAAG and suggested those corridors be part of the state highway system. Legislation was passed following the Study, House Bill 2456, assigning ADOT, MAG and CAAG the responsibility to jointly further define those corridors that were defined in the Study. Because the corridors crossed into MAG and CAAG study area, it was decided that ADOT conduct the Corridor Definition Study. All three, the Pinal County Corridors Definition Study, the US 60 Corridor Definition Study and the Williams Gateway Corridor Definition Study share the same objectives and followed the same plan, gathering input from stakeholders and the public. All three studies will determine needs and feasibility. Population studies, travel demand, geographic issues are being considered. All three studies will make recommendations. Next steps include modeling of the information collected. Public input will be sought in March and April. Alternatives from public input will be evaluated in April. Additional public input will be sought on the alternatives in August and recommendation based on that input and information will be presented to the Board in November.

Changes in the Functional Classification of State Highways

Jami Garrison presented an update to the Board regarding changes in the functional classification of State Highways. Functional Classification is the process of grouping streets and highways into classes according to the character of service they are intended to provide. The intent is to develop a logical, hierarchical network of classified roadways that provide connectivity throughout the state, access to significant destinations and enhanced mobility for the traveling public. There are twelve functional classes divided into rural and urban categories. Guidelines are determined by the Federal Highway Administration. The ADOT Transportation Planning Division coordinates the Functional Classification process in Arizona by submitting all reclassification requests to the Federal Highway Administration after review and coordination with the submitting agency. ADOT Transportation Planning Division identifies changes to the Functional Classification of the State Highway System. ADOT has identified 14 changes in the classification of State Highway segments, approximately 172 miles. In Board District 1, the two segments identified are SR-238 near Gila Bend currently a Rural Minor Collector being proposed as a Rural Major Collector and SR-88 near Tortilla Flats currently a Rural Major Collector being proposed as a Rural Minor Collector. There are no changes to the State Highway System in Board District 2 and 3. There are three areas in District 4. U.S. 60 is currently an Urban Minor Arterial and is being proposed as an Urban Principal Arterial and connecting further U.S. 60 (rural) southeast of Apache Junction is currently Rural Minor Arterial and is proposed as a Rural Principal Arterial. SR-260X currently a Rural Principal Arterial is proposed as a Rural Major Collector. In Board District 5, SR-260 near Show Low currently a Minor Arterial is proposed a Principal Arterial. SR-264 currently is Urban Principal Arterial and is proposed Urban Minor Arterial. SR-261 currently is Rural Major Collector and is proposed Rural Minor Collector. SR-273 currently is Rural Major Collector and is proposed Rural Minor Collector. SR-98 currently is Rural Minor Arterial and is being proposed Rural Major Collector. In Board District 6 there are two areas, SR-68 east of Bullhead City and SR-89 in Prescott and Chino Valley with three

different segments. SR-68 is currently a Rural Minor Arterial that sees a lot of traffic and is being proposed a Rural Principal Arterial. SR-89 currently a Rural Major Collector being proposed a Rural Minor Arterial and the next two are a continuation to the north currently an Urban Collector being proposed as an Urban Minor Arterial and further north a Rural Major Collector being proposed as a Rural Minor Arterial.

Mid-Year TERC Meeting

Cheryl Banta briefed the Board regarding the mid-year Transportation Enhancement Review Committee (TERC) meeting held on January 11, 2005, and discussed the recommendations that were made. TERC discussed policies and procedural issues and their relationship with the Board. Minutes of that meeting were distributed and the top five issues noted in the minutes were reviewed. 1) Twelve Eligible Activities Review – a preliminary discussion on selecting criteria and determining a process was held. This item will be included on a future Board meeting agenda, 2) Dollar Limits on Local and State Projects - TERC's recommendation is to keep \$500,000 for local projects the same and decrease state projects to \$1,000,000 with exceptions up to \$1.5 million. 3) Limiting Number of Applications per Metropolitan Planning Organizations and Councils of Governments (MPOs/COGs) – Only approximately 25% of applications get approved because of funds available. TERC recommends MPOs/COGs may only submit a total dollar amount of applications that are equal to or below the yearly allotment of transportation enhancement funds for both the state and local allotted amounts. 4) Review of Transportation Enhancement Application Evaluation Criteria – TERC recommends staff simplify the Evaluation Criteria for inclusion in the round 13 application and is currently underway. 5) Membership/Attendance of the TERC – addresses procedures including TERC's recommendations that all 16 members vote each year, that members must vote in person or send an alternate and that if absent from the annual ranking meeting, staff shall send a letter to the TERC member agency informing them of the absence and requesting an alternate representative be named.

The Proposed Round 13 Schedule was reviewed.

Statewide Bicycle and Pedestrian Program

Mike Sanders presented an update of the Statewide Bicycle & Pedestrian Program specifically Phase II of the Plan. In 1986, a revision at the State Legislature grants anyone riding a bicycle all the rights and duties applicable to the driver of a motor vehicle. In 1991, it was stated that bicycle planning would need to be integrated into long-range planning and in 1998, bicycle initiatives were built upon and the need was reaffirmed to accommodate bicyclists, pedestrian and the designing of roadway projects. A plan was developed following program guidance of the Federal Highway Administration. Hundreds of people were involved in the development of the plan. A steering committee comprised of more than forty agencies. Objectives of Phase I included a review of existing conditions, evaluations, financial considerations, identification of funding sources, strategies for providing funds, a pedestrian policy, an evaluation of an ADOT bicycle policy adopted as internal policy in 2002, design and maintenance issues, a statewide bicycle network plan and prioritized corridors.

In Phase II, the education program provides publications to the public throughout the state as part of the safety awareness campaign. Skills training for bicyclists are emphasized. There is a focused need for funding. The Highway Safety Program is an education program to tap. Phase II delves into a series of specific action plans. Next steps include a continuance of the advisory committee. The steering committee has met since 2002. They could become a standing committee. They could act as a forum for solving problems and provide continuity for the

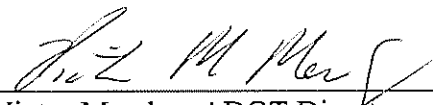
program. On April 18, there will be a Capitol Ride from the State Capitol. State Legislators have organized a Bike to Work Ride. Board members were invited to participate.

Adjournment

No closing comments were made. Mr. Gant closed the study session.



Dallas Gant, Chairman
State Transportation Board



Victor Mendez, ADOT Director
Arizona Department of Transportation

**MINUTES OF THE
STATE TRANSPORTATION BOARD MEETING
9:00 a.m., Friday, March 18, 2005
Hon-Dah Resort & Conference Center
777 Hwy 260
Pinetop, Arizona 85935**

The State Transportation Board met in official session for a Board meeting at 9:00 a.m., Friday, March 18, 2005, with Chairman Dallas Gant presiding. Other Board members present included: Dick Hileman, Delbert Householder, Joe Lane, Jim Martin, Bob Montoya and Si Schorr. Also present were Director Victor Mendez; Mike Ortega, State Engineer; Barclay Dick, Division Director, Aeronautics Division and John McGee, Chief Financial Officer, Administrative Services Division. There were approximately 60 people in the audience.

OPENING REMARKS AND PLEDGE

Chairman Gant led the audience in the Pledge of Allegiance and thanked the White Mountain Apache Tribe for their wonderful hospitality. Dignitaries in the audience were introduced.

DISTRICT ENGINEER REPORT

District Engineer for Pinetop, Rick Powers, provided an update on projects and issues of regional significance. The Globe District is a large district in size and contains scenic roads, historic areas, diversity, wildlife, historic structures, lakes and many activities for people to enjoy. The White Mountain Apache Tribe contains a ski area. Tribal Chairman Dallas Massey was thanked for the 25-year lease that has been officially signed for the Indian Pines Maintenance Yard. Snow removal in the area is the biggest challenge. A tight budget is even tighter this year due to an increase in snowfall. Current and future projects were outlined and include the Carrizo turning lanes, the Whiteriver project streets, work with the City of Show Low, passing lanes on US 260, shoulder work on Highway 73, projects in Snowflake, widening on US 60 in Show Low, widening from US 260 to Globe, widening SR 77, HWY 260 widening to four lanes from Heber to Show Low, right-of-ways and intersection improvements in school districts.

CALL TO AUDIENCE

Mark Attaha, Tribal Historic Preservation Officer, presented information on the Trails Plan and the proposed projects on the White Mountain Apache Tribe Lands.

Richard Adams, Executive Director, Bullhead Regional Economic Development Authority, distributed a handout that explained growth in the city since 2001 as it relates to single family residential building permits issued, mobile and manufacturing permits issued, commercial building permits issued and multifamily permits issued. Since 2001, growth is in the double digits and is impacting highways.

Chuck Busby, Vice Mayor, Town of Quartzsite, commented on the construction of B-10 on the east end of town and congratulated those involved in the project.

Dallas Massey, Sr, Tribal Chairman, White Mountain Apache Tribe, welcomed everyone present and discussed the importance of trails. Like the trails of yesterday and of today, the need to keep roads safe is important. He articulated the need to maintain a strong partnership with the Tribe to work together on projects such as the widening of Highway 73, adding street lights, traffic lights and safety turn off lanes, reconstruct bridges and other projects and partnerships.

CONSENT AGENDA

Mr. Gant removed Items 32, 36, 38, 39, 40, 42 and 47 from the Consent Agenda.

Mr. Schorr recused himself from Items 38, 39, 40, 42, 44 and 47.

Legislative Report

HB2123 highway expansion and extension loans extends the HELP program and the authority of the State Board of Transportation to issue Board Fund Obligations until fiscal year 2019. This bill is moving through without any no votes and is awaiting Senate Rules and is anticipated to move next week. There was discussion about language in the bill and changes may be made for clarification. HB2624 appropriations; highway fund monies; repayment appropriates \$118M from the State General Fund in FY 2005-2006 to HURF for distribution to the State Highway Fund as repayment for an appropriation from vehicle license tax funds to the General Fund in 2004. This bill is still moving. SB1119 vehicle license tax distribution is the strike-everything amendment that creates the Parity Compensation Fund consisting of vehicle license tax monies and legislative appropriations to fund salaries and benefits for DPS law enforcement. This bill is similar to last year. SB1222 roundabouts; petition signatures; adopted resolution permits ADOT to approve a roundabout on a street or highway if either the appropriate political subdivision submits an adopted resolution of the governing body in support of the roundabout or a petition is submitted in support of the roundabout after being signed by at least 51% of the property owners who reside within one and one-half miles of the proposed roundabout. SB1324 speed limits; eighty-five percent requires the Director of ADOT to establish a maximum speed limit on state highways that is equal to the speed at which 85% of the cars on the highway are traveling. SB1325 overdimensional permit council; rules adds two members representing motor carriers and municipal law enforcement to the Overdimensional Permit Council. Mr. Biesty explained the problems with this bill. SB1330 vehicle speed limits permits the ADOT Director to increase the maximum speed limit beyond 75mph on the interstate system highways located outside an urbanized area with a population of 500,000 or more. SB1503 speed limit enforcement prohibits driving at a speed that is in excess of the posted maximum speed limit on a state highway. Many speed limit bills were introduced and ADOT is supporting this one.

The legislative budget was passed out of the Senate and is on the way to the Governor. ADOT's FTE (full time equivalent) employee allocation was reduced and several items were not included in the budget including bridge inspection, among others.

Financial Report

John McGee provided summary reports on revenue collections for Highway User Revenues and Maricopa Transportation Excise Tax Revenues, comparing fiscal year results to last year's actuals and

forecasts, and reported on interest earnings, HELP Fund status, and other financial information relative to the Board and Department. February 2005 revenues totaled \$106.5 million, an increase of 7.1 percent above February 2004 and 1.8 percent over the estimate. Year-to-date collections total \$809.5 million, an increase of 5.2 percent over the same period last year and 0.2 percent above the estimate. All categories continue to show good growth. All except Vehicle License Tax are above the estimate as explained previously. The January 2005 RARF collections totaled \$31.96 million, an increase of 11.3 percent above January 2004 and 5.0 percent over the estimate. This is the first time in nineteen years that more than \$30 million was collected in one month showing an above average Christmas season and construction industry in the valley. Year-to-date RARF revenues through January 2005 totaled \$182.0 million, an increase of 9.1 percent above the same time period last year and 1.7 percent over the estimate. RARF continues to perform remarkably well. The Investment Report during the month of February 2005 indicates earnings of \$1.855 million on investments for an average of 2.62 percent yield. Year-to-date earnings stand at \$11.5 million. Investment yields continue to rise significantly. The HELP fund balance for the month of February 2005 is \$113.9 million, an increase of approximately \$3.5 million over last month.

Financing Program

A HURF preliminary financing plan summary was included in the packet. Based on calculations, and depending on where interest rates are, the ultimate refunding of existing bonds for debt service savings fall between \$59.5 million and \$122.7 million. Since last month, interest rates have moved higher, therefore, estimates have lowered below the established threshold. However, it is felt that it is still in the best interest of the Board to proceed forward with the approval of the Bond Resolution. A Fitch Ratings report was included in the Board packet and the third paragraph was summarized. Given the pace at which Congress has been moving to give reauthorization, there is concern that if things don't pick up, there may be a need to look at the quality of GARVEE as a whole.

Resolution Authorizing Issuance of Highway Revenue Refunding Bonds – Series 2005A

Supplemental Bond Resolution dated March 18, 2005 authorizing the Board the issue of Highway Revenue Refunding Bonds Series 2005A not to exceed \$150,000,000 was presented. This supplemental resolution is consistent in all materials with past supplemental resolutions. The \$150 million limit is for the ability to structure the Issue in a manner that would be most convenient for the Board and to issue the largest conceivable refunding. The adoption of this Resolution is recommended.

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

Appointment of Underwriters – Highway Revenue Refunding Bonds – Series 2005A

John McGee presented a Resolution recommending appointment of Underwriters for the Board's Anticipated issuance of Highway Revenue Refunding Bonds, Series 2005A. The Resolution was read and outlined the following firms as managing underwriters: Citigroup Global Markets Inc. as Senior Manager, Bear, Stearns & Col, Inc. as Co- Manager and JP Morgan Securities Inc. as Co-Manager. The Board reserves the right to make changes in the management team designated if it is deemed to be in the best interests of the state.

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

Transportation Enhancement Policy Changes

Cheryl Banta presented four transportation enhancement policy changes for review and discussion.

- 1) Twelve Eligible Activities Review: Per federal guidance, ISTEA and later TEA-21, there are twelve eligible activities for the Transportation Enhancement (TE) funding program. Each state can decide if they would like to use all twelve activities or one or more activities. What we are doing here is bringing this item forward to specifically address the scenic acquisition project activity and the private versus public benefit issues associated with them.

Board Action: A motion to eliminate scenic easements was made by Mr. Householder, seconded by Mr. Hileman and passed six to one.

- 2) Dollar Limits on Local and State Projects. Currently we have a \$500,000 ceiling on local project applications and a \$1.5 million on state project applications. The TERC recommended no change to the local project ceiling of \$500,000 for projects but came up with a recommendation to lower the ceiling for state enhancement projects from \$1.5 million to \$1.0 million. As mentioned at the Study Session, if the project is exceptional, an exception of \$1.5 million can be made. The question here is do we leave the state project ceiling at \$1.5 million or lower it to \$1 million.

Board Action: A motion to maintain the \$500,000 limit on local project applications and lower the ceiling for state enhancement projects to \$1.0 million with no exceptions was made by Mr. Martin, seconded by Mr. Schorr and passed unanimously.

- 3) Limiting Number of Applications per Metropolitan Planning Organizations and Councils of Governments. As you are aware, our enhancement program applications are submitted each round to MPOs and COGs and we have typically the last few years around 75 or 80 applications and have been able to fund around 20, which is about 25% of the available funding. In order to save the local COGs from submitting applications that we cannot fund, TERC is recommending limiting the number of state applications to the allotment of state dollars available for that fiscal year.

Board Action: A motion to limit the number of state applications to the allotment of state dollars available for that fiscal year was made by Mr. Martin, seconded by Mr. Montoya and passed unanimously.

- 4) Membership/Attendance of the TERC. The current make up of the TERC voting was listed in the handout. The question is, previously the rural COGs, (NACOG, WACOG, YMPO, SEAGO, CAAG, CYMPO, YMPO) rotated voting every year on an every other year basis. When CYMPO was formed in '04, the question arose about rotating because we now had an odd number. What is recommended by the TERC is that all members of the Transportation Enhancement Review Committee vote each year rather having rural COGs rotate. A sub part

of number four is that TERC wanted to recommend that a member voting must vote in person or send an alternate.

Board Action: A motion to allow all sixteen members of TERC to vote each year was made by Mr. Schorr, seconded by Mr. Lane and passed unanimously.

Board Action: A motion requesting that members of TERC must vote in person or by electronic means was made by Mr. Schorr, seconded by Mr. Lane and passed unanimously.

***MINUTES – APPROVAL**

January 21, 2005 – Board Meeting Minutes

February 1, 2005 – Special Board Meeting Minutes

February 1, 2005 – Study Session Minutes

***2005 BOARD MEETING DATES AND LOCATIONS**

March 18, 2005	Board Meeting – White Mountain Apache Tribe (Pinetop)	9:00 a.m.
April 1, 2005	MAG/ADOT Public Hearing - Phoenix	1:00 p.m.
April 15, 2005	Public Hearing & Board Mtg. –Tucson	9:00 a.m.
April 29, 2005	Public Hearing – Flagstaff	9:00 a.m.
May 20, 2005	Board Meeting – Lake Havasu City	9:00 a.m.
June 17, 2005	Board Meeting – Prescott	9:00 a.m.
July 15, 2005	Board Meeting – Payson	9:00 a.m.
August 19, 2005	Board Meeting – Winslow	9:00 a.m.
September 23, 2005	Board Meeting – Benson	9:00 a.m.
October 21, 2005	Board Meeting – Gilbert	9:00 a.m.
November 18, 2005	Board Meeting – Wickenburg	9:00 a.m.
December 16, 2005	Board Meeting – Tucson	9:00 a.m.

2005 STUDY SESSION DATES

May 3, 2005	Study Session – Phx	1:00 p.m.
June 7, 2005	Study Session – Phx	1:00 p.m.
August 2, 2005	Study Session – Phx	1:00 p.m.
September 8, 2005	Study Session – Phx	1:00 p.m.
October 4, 2005	Study Session – Phx	1:00 p.m.
November 1, 2005	Study Session – Phx.	1:00 p.m.
December 6, 2005	Study Session – Phx	1:00 p.m.

***PRIORITY PLANNING ADVISORY COMMITTEE (PPAC) – Arnold Burnham**

ROUTE NO: SR 188 @ MP 258.90
COUNTY: Gila
SCHEDULE: FY 2005 New Project Request
SECTION: Dryer Road - Tonto Creek Trail
TYPE OF WORK: Construct right and left turn lanes
PROGRAM AMOUNT: New Project Request
PROJECT MANAGER: John Dickson
PROJECT: H600201C
REQUESTED ACTION: Establish a new district minor project in the amount of \$296,000 in the FY 2005 Highway Construction Program. **Funds available from the Globe District Minor Fund #73305.**
NEW PROGRAM AMOUNT: \$296,000

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

ROUTE NO: I-10 @ MP 129.70
COUNTY: Maricopa
SCHEDULE: FY 2005 New Project Request
SECTION: Dysart Road TI
TYPE OF WORK: Construct TI improvements
PROGRAM AMOUNT: New Project Request
PROJECT MANAGER: Evelyn Ma
PROJECT: H651001C
REQUESTED ACTION: Establish a new district minor project in the amount of \$750,000 in the FY 2005 Highway Construction Program. **Funds available from the FY 2005 Phoenix Maintenance District Minor Fund #73305.**
NEW PROGRAM AMOUNT: \$750,000

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

ROUTE NO: US 160 @ MP 389.50
COUNTY: Navajo
SCHEDULE: FY 2006 New Project Request
SECTION: Kayenta - Jct. IR 59
TYPE OF WORK: Pavement Preservation
PROGRAM AMOUNT: New Project Request
PROJECT MANAGER: James Schleich
PROJECT: H635601C
REQUESTED ACTION: Establish a new pavement preservation project in the amount of \$4,400,000 in the FY 2006 Highway Construction Program. **Funds available from the**

FY 2006 Pavement Preservation Fund #72506.

NEW PROGRAM AMOUNT: \$4,400,000

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

ROUTE NO: US 191 @ MP 374.00
COUNTY: Apache
SCHEDULE: FY 2005 New Project Request
SECTION: Districtwide On US 191
TYPE OF WORK: Install cattle guards
PROGRAM AMOUNT: New Project Request
PROJECT MANAGER: Kee Yazzie/Lynn Sugiyama
PROJECT: H675001C
REQUESTED ACTION: Establish a new district minor project in the amount of \$250,000 in the FY 2005 Highway Construction Program. **Funds available from the FY 2005 Holbrook District Minor Fund #73305.**

NEW PROGRAM AMOUNT: \$250,000

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

ROUTE NO: I-10 @ MP 232.00
COUNTY: Pima
SCHEDULE: FY 2005
SECTION: Pinal Air Park - Marana, WB Frontage Road
TYPE OF WORK: Polymer seal coat
PROGRAM AMOUNT: \$ 206,000
PROJECT MANAGER: Steve Mishler
PROJECT: H612901C Item #; 16705
REQUESTED ACTION: Reduce program amount by \$54,000 to \$152,000 due to updated cost estimates. **Funds go to the FY 2005 Program Adjustment Fund #72305.**

PROGRAM AMOUNT: \$206,000
DECREASE AMOUNT: \$54,000
NEW PROGRAM AMOUNT: \$152,000

ROUTE NO: I-10 @ MP 239.10
COUNTY: Pima
SCHEDULE: 2005
SECTION: Marana - Ina Road, WB Frontage Road
TYPE OF WORK: Polymer seal coat
PROGRAM AMOUNT: \$ 283,000
PROJECT MANAGER: Steve Mishler
PROJECT: H613001C Item #; 16805

REQUESTED ACTION: Reduce program amount by \$52,000 to \$231,000 due to updated cost estimates. **Funds go to the FY 2005 Program Adjustment Fund #72305.**

PROGRAM AMOUNT: \$283,000
DECREASE AMOUNT: \$52,000
NEW PROGRAM AMOUNT: \$231,000

ROUTE NO: I-10 @ MP 246.9
COUNTY: Pima
SCHEDULE: 2005
SECTION: Cortaro Road - Ina Road, EB Frontage Road
TYPE OF WORK: ARFC & Polymer seal coat
PROGRAM AMOUNT: \$ 77,000
PROJECT MANAGER: Steve Mishler
PROJECT: H613101C Item #; 16905
REQUESTED ACTION: Increase program amount by \$106,000 to \$183,000 due to updated cost estimates. **Funds available from the FY 2005 Program Adjustment Fund #72305.**

PROGRAM AMOUNT: \$77,000
INCREASE AMOUNT: \$106,000
NEW PROGRAM AMOUNT: \$183,000

Board Action: A motion to approve Items 15, 16 and 17 was recommended by Mr. Schorr, seconded by Mr. Householder and passed unanimously.

ROUTE NO: Various Regional Freeways
COUNTY: Maricopa
SCHEDULE: Underway Program
SECTION: Various Regional Freeways
TYPE OF WORK: Construct quiet pavement Phase II
PROGRAM AMOUNT: \$ 10,035,555
PROJECT MANAGER: Steve Mishler
PROJECT: H637102C Item #; 21604
REQUESTED ACTION: Reduce underway program amount by \$1,600,000 to \$8,435,555. **Funds go to the FY 2005 Program Adjustment Fund #72305.**

PROGRAM AMOUNT: \$10,035,555
DECREASE AMOUNT: \$1,600,000
NEW PROGRAM AMOUNT: \$8,435,555

ROUTE NO: Various Regional Freeways
COUNTY: Maricopa
SCHEDULE: 2006
SECTION: Various Regional Freeways
TYPE OF WORK: Construct quiet pavement Phase V

PROGRAM AMOUNT: \$ 1,900,000
 PROJECT MANAGER: Steve Mishler
 PROJECT: H648801C Item #; 17406
 REQUESTED Increase program amount by \$1,600,000 to
 ACTION: \$3,500,000 and advance project from FY 2006 to FY
 2005. **Funds available from the FY 2005
 Program Adjustment Fund #72305.**

PROGRAM AMOUNT: \$1,900,000
 INCREASE AMOUNT: \$1,600,000
 NEW PROGRAM AMOUNT: \$3,500,000

Board Action: A motion to approve Items 18 and 19 was recommended by Mr. Lane, seconded by Mr. Schorr and passed unanimously.

ROUTE NO: SR 386 @ MP 0.00
 COUNTY: Pima
 SCHEDULE: 2005
 SECTION: Jct. SR 86 - Kitt Peak Observatory
 TYPE OF WORK: Polymer seal coat
 PROGRAM AMOUNT: \$ 365,000
 PROJECT MANAGER: Steve Mishler
 PROJECT: H615401C Item #; 19205
 REQUESTED Increase program amount by \$100,000 to \$465,000
 ACTION: due to updated cost estimates. **Funds available
 from the FY 2005 Tucson District Minor Fund
 #73305.**

PROGRAM AMOUNT: \$365,000
 INCREASE AMOUNT: \$100,000
 NEW PROGRAM AMOUNT: \$465,000

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

ROUTE NO: SR 89 @ MP 278.00
 COUNTY: Yavapai
 SCHEDULE: FY 2006 New Project Request
 SECTION: Yarnell - Peeples Valley Yard
 TYPE OF WORK: Pavement preservation and culvert extension
 PROGRAM AMOUNT: New Project Request
 PROJECT MANAGER: Mazen Muradvich
 PROJECT: H635901C
 REQUESTED Establish a new pavement preservation and district
 ACTION: minor project in the amount of \$960,000 in the FY
 2006 Highway Construction Program. **See funding
 sources below.**

FY 2006 Pavement Preservation Fund #72506 \$706,000
 FY 2006 District Minor Fund #73306 \$254,000

NEW PROGRAM AMOUNT: \$960,000

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

ROUTE NO: I-40 @ MP 52.00
COUNTY: Mohave
SCHEDULE: FY 2005 New Project Request
SECTION: Stockton Hill Road - Harrison Street
TYPE OF WORK: Construct multi-use pathway and Landscaping
PROGRAM AMOUNT: New Project Request
PROJECT MANAGER: Bob Gasser
PROJECT: H605201C
REQUESTED ACTION: Establish a new transportation enhancement project in the amount of \$370,000 in the FY 2005 Highway Construction Program. **Funds available from the FY 2005 Statewide Transportation Enhancement Fund #75305.**

NEW PROGRAM AMOUNT: \$370,000

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

ROUTE NO: I-19 @ MP 63.00
COUNTY: Pima
SCHEDULE: FY 2005 New Project Request
SECTION: I-19/I-10 Traffic Interchange
TYPE OF WORK: Construct pathways and landscaping
PROGRAM AMOUNT: New Project Request
PROJECT MANAGER: Bruce Cannon
PROJECT: H619101C
REQUESTED ACTION: Establish a new transportation enhancement project in the amount of \$600,000 in the FY 2005 Highway Construction Program. **Funds available from the FY 2005 Statewide Transportation Enhancement Fund #75305.**

NEW PROGRAM AMOUNT: \$600,000

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

ROUTE NO: I-17 @ MP 218.00
COUNTY: Maricopa
SCHEDULE: 2005
SECTION: Happy Valley Road - Daisy Mountain Drive
TYPE OF WORK: Pavement Preservation
PROGRAM AMOUNT: \$ 2,200,000

PROJECT MANAGER: Larry Scofield
PROJECT: H674701C Item #; 26505
REQUESTED Increase program amount by \$516,300 to \$2,716,300
ACTION: due to updated cost estimate. **Funds available from the FY 2005 Preventive Pavement Preservation Fund #77305.**

PROGRAM AMOUNT: \$2,200,000
INCREASE AMOUNT: \$516,300
NEW PROGRAM AMOUNT: \$2,716,300

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

ROUTE NO: SR 77 @ MP 368.48
COUNTY: Navajo
SCHEDULE: FY 2005 New Project Request
SECTION: MP 368.48 - MP 372.92
TYPE OF WORK: Construct box culvert extensions
PROGRAM AMOUNT: New Project Request
PROJECT MANAGER: Haldun Guvenen
PROJECT: H641401C
REQUESTED Establish a new district minor project in the amount
ACTION: of \$535,000 in the FY 2005 Highway Construction Program. **Funds available from the FY 2005 Holbrook District Minor Fund #73305.**
NEW PROGRAM AMOUNT: \$535,000

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

- *
 - Priority Planning Advisory Committee (PPAC) Minutes
 - Special Meeting of January 31, 2005;
 - Regular meeting of February 2, 2005;
 - Special Meeting of February 9, 2005; &
 - Special Meeting of February 23, 2005.
 - Summary of Changes to the FY 05 – 09 Highway Construction Program
 - Highway Program Monitoring Report.

* 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.

PPAC Meeting Dates will be held on Wednesdays @ 10:00 AM, unless otherwise noted, in the ADOT Transportation Board Room located at 206 S. 17th Ave. 1st Floor, Phoenix, AZ 85007.

- April 6, 2005
- May 4, 2005
- June 1, 2005
- June 29, 2005
- August 3, 2005
- August 31, 2005
- October 5, 2005
- November 2, 2005
- January 3, 2006

<http://ADOTPPAC.ORG/>

RIGHT OF WAY RESOLUTIONS

- * RES. NO: 2005-03-A-018
PROJECT: U-089-C-801 / 089CN418H510602R
HIGHWAY: FLAGSTAFF - CAMERON
SECTION: East Flagstaff T.I.
ROUTE NO.: U.S. Route 89
ENG. DIST: Flagstaff
COUNTY: Coconino
RECOMMENDATION: Establish additional right of way as state highway to improve traffic operational characteristics and pedestrian safety in accordance with Intergovernmental Agreement #03-64, dated August 20, 2004
- * RES. NO: 2005-03-A-019
PROJECT: S-078-A-701 / 078GE170H666901R
HIGHWAY: MULE CREEK (S.R. 78)
SECTION: Clifton Ranger Station
ROUTE NO.: State Route 78
ENG. DIST: Safford
COUNTY: Greenlee
PARCEL: 6-120 (HES 509)
RECOMMENDATION: Establish additional right of way as a state route and state highway for improvements to enhance safety of the traveling public
- * RES. NO: 2005-03-A-020
PROJECT: N-900-0-700 / 999SW000H555101R
HIGHWAY: PARKER – BULLHEAD CITY
SECTION: Camp Mohave – Aztec Drainage
ROUTE NO.: State Route 95

ENG. DIST: Kingman
COUNTY: Mohave
RECOMMENDATION: Establish additional right of way as a state route and state highway for drainage improvements

* RES. NO: 2005-03-A-021
PROJECT: S-B40-C-800 / 040BYV145H621301R
HIGHWAY: ASH FORK BUSINESS ROUTE
SECTION: 3rd Street – 6th Street
ROUTE NO.: State Route B40
ENG. DIST: Prescott
COUNTY: Yavapai
RECOMMENDATION: Establish additional right of way as a state route and state highway for curb and sidewalk improvements

RES. NO: 2005-03-A-022
PROJECT: I-010-F-801 / 010CH340H545501R
HIGHWAY: BENSON – STEINS PASS
SECTION: Fort Grant T.I.
ROUTE NO.: Interstate Route 10
ENG. DIST: Safford
COUNTY: Cochise
RECOMMENDATION: Establish additional right of way as a state route and state highway for traffic interchange improvements

Board Action: A motion to approve the above recommendation was made by Mr. Hileman, seconded by Mr. Schorr and passed unanimously. Mr. Martin recused himself from this Item.

* RES. NO: 2005-03-A-023
PROJECT: U-093-B-701 / 093MA198H582501R
HIGHWAY: KINGMAN - WICKENBURG
SECTION: Wickenburg Interim Bypass
ROUTE NO.: U.S. Route 93
ENG. DIST: Prescott
COUNTY: Maricopa
RECOMMENDATION: Establish additional right of way as a state highway for reconstruction and widening improvements

* RES. NO: 2005-03-A-024
PROJECT: S-188-A-800 / 188GI214H615501R
HIGHWAY: CLAYPOOL – JAKES CORNER
SECTION: S.R. 188, Wheatfields – Jct. U.S. 60
ROUTE NO.: State Route 188

ENG. DIST: Globe
 COUNTY: Gila
 RECOMMENDATION: Establish additional right of way as a state route and state highway for reconstruction improvements to enhance safety for the traveling public

STATE ENGINEER'S REPORT

Mike Ortega, State Engineer delivered a presentation reporting that there are currently 134 projects under construction valued at approximately \$1.0 billion. During February, the Department finalized ten projects. Projects where the final cost exceeded the contractors bid amount by more than five percent were highlighted in the Board packet.

*Right of Way Acquisition Report for February, 2005.

***CONSTRUCTION CONTRACTS**

Interstate, Non-Federal Aid

BIDS OPENED: February 4, 2005
 HIGHWAY: TUCSON-BENSON HWY (I-10)
 SECTION: Valencia to Wilmot
 COUNTY: Pima
 ROUTE NO: I-10
 PROJECT: I-010-E-504 010 PM 267 H613201C
 FUNDING: 100% State
 LOW BIDDER: Granite Construction Company
 AMOUNT: \$ 107,288.00
 STATE ESTIMATE: \$ 154,904.00
 \$ UNDER: \$ 47,616.00
 %UNDER: 30.7%
 NO. BIDDERS: 3
 RECOMMENDATION: AWARD

Board Action: A motion to approve the above recommendation was made by Mr. Martin, seconded by Mr. Householder and passed unanimously. Mr. Schorr recused himself from this Item.

* BIDS OPENED: February 4, 2005
 HIGHWAY: GLOBE-SHOW LOW HWY (US 60)
 SECTION: US 60 @ MP 316.3
 COUNTY: Gila
 ROUTE NO: US 60
 PROJECT: U-060-E-508 060 GI 316 H596401C

FUNDING: 100% State
LOW BIDDER: Show Low Construction, Inc.
AMOUNT: 790,826.95
STATE ESTIMATE: \$ 861,887.42
\$ UNDER: \$ 71,060.47
%UNDER: 8.2%
NO. BIDDERS: 5

RECOMMENDATION: AWARD

* BIDS OPENED: March 4, 2005
HIGHWAY: PHOENIX-CORDES JUNCTION HWY (I-17)
SECTION: Happy Valley Rd to Daisy Mountain Dr
COUNTY: Maricopa
ROUTE NO: I-17
PROJECT: I-017-A-515 017 MA 218 H674701C
FUNDING: 100% State
LOW BIDDER: FNF Construction, Inc.
AMOUNT: \$ 2,316,740.00
STATE AMOUNT: \$ 2,476,430.00
\$ UNDER: \$ 159,690.00
%UNDER: 6.4%
NO. BIDDERS: 4
RECOMMENDATION: AWARD

Non-Interstate, Non-Federal Aid

* BIDS OPENED: February 18, 2005
HIGHWAY: BENSON-DOUGLAS HWY (SR 80)
SECTION: Bisbee Tunnel to Lowell Circle
COUNTY: Cochise
ROUTE NO: SR 80
PROJECT: S-080-A-502 080 CH 339 H667501C
FUNDING: 100% State
LOW BIDDER: Granite Construction Company
AMOUNT: 368,458.00
STATE ESTIMATE: \$343,830.00
\$ OVER: 24,6258.00
%OVER: 7.2%
NO. BIDDERS: 4
RECOMMENDATION: AWARD

BIDS OPENED: February 18, 2005
HIGHWAY: PIMA FREEWAY (SR 101L)

SECTION: I-17 to SR 51
COUNTY: Maricopa
ROUTE NO: SR 101L
PROJECT: RAM-101-B-506 101 MA 023 H663101C
FUNDING: 100% State
LOW BIDDER: Quest Civil Constructors, Inc.
AMOUNT: \$ 312,312.00
STATE ESTIMATE: \$ 227,040.00
\$ OVER: \$ 85,272.00
%OVER: 37.6%
NO. BIDDERS: 2
RECOMMENDATION: AWARD

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

* BIDS OPENED: February 18, 2005
HIGHWAY: SHOW LOW-McNARY-EAGER HWY (SR 260)
SECTION: Eager to Rodeo Grounds
COUNTY: Apache
ROUTE NO: SR 260
PROJECT: S-260-C-507 260 AP 395 H669201C
FUNDING: 100% State
LOW BIDDER: Combs Construction Company, Inc.
AMOUNT: \$ 517,002.00
STATE ESTIMATE: \$ 489,245.00
\$ OVER: \$ 27,757.00
%OVER: 5.7%
NO. BIDDERS: 4
RECOMMENDATION: AWARD

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

* BIDS OPENED: February 4, 2005
HIGHWAY: FLAGSTAFF-HOLBROOK HWY (I-40)
SECTION: MP 201 to Walnut Canyon T.I.
COUNTY: Coconino
ROUTE NO: I-40
PROJECT: IM-040-D(014)A 040 CN 201 H613801C
FUNDING: 94% Federal 6% State

LOW BIDDER: Fisher Sand & Gravel Co. DBA Southwest
Asphalt Paving

AMOUNT: \$ 3,149,351.29
 STATE ESTIMATE: \$ 3,435,810.55
 \$ UNDER: \$ 286,459.26
 %UNDER: 8.3%
 NO. BIDDERS: 5
 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)

* BIDS OPENED: February 11, 2005
 HIGHWAY: SHOW LOW-SPRINGERVILLE-EAST HWY (US 60)
 SECTION: MP 343 to Rocky Arroyo
 SECTION: Rocky Arroyo-Jct. SR 61
 SECTION: MP 352
 COUNTY: Navajo
 ROUTE NO: US 60
 PROJECT: NH-060-F(003)A 060 NA 343 H614101C
 PROJECT: NH-060-F(002)A 060 NA 348 H525001C
 FUNDING: 94% Federal 6% State
 PROJECT: U-060-F-501 060 NA 352 H620001C
 FUNDING: 100% State
 LOW BIDDER: Fann Contracting, Inc.
 AMOUNT: \$ 2,446,858.25
 STATE ESTIMATE: \$ 2,585,886.00
 \$ UNDER: \$ 139,027.75
 %UNDER: 5.4%
 NO. BIDDERS: 4
 RECOMMENDATION: AWARD

BIDS OPENED: February 11, 2005
 HIGHWAY: QUARTZSITE-PARKER-TOPOCK HWY (SR 95)

SECTION: Parker-Lakeside
 SECTION: Parker Southbound Lane Drop
 COUNTY: La Paz
 ROUTE NO: SR 95
 PROJECT: NH-095-C(005)B 095 LA 143 H511801C
 FUNDING: 94% Federal 6% State
 PROJECT: S-095-C-512 095 LA 142 H603601C
 FUNDING: 100% State

LOW BIDDER: Fann Contracting, Inc.
AMOUNT: \$ 9,827,204.00
STATE ESTIMATE: \$ 8,475,831.80
\$ OVER: \$ 1,351,372.20
%OVER: 15.9%
NO. BIDDERS: 3
RECOMMENDATION: AWARD

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

BIDS OPENED: February 11, 2005
HIGHWAY: SPRINGERVILLE-ALPINE-STATE
LINE HWY (US 180)
SECTION: Nutrioso-Alpine
COUNTY: Apache
ROUTE NO: US 180
PROJECT: STP-180-C(002)A 180 AP 416 H585701C
FUNDING: 94% Federal 6% State
LOW BIDDER: Meadow Valley Contractors, Inc.
AMOUNT: \$ 3,040,933.25
STATE ESTIMATE: \$ 3,075,214.00
\$ UNDER: \$ 34,280.75
%UNDER: 1.1%
NO. BIDDERS: 5
RECOMMENDATION: REJECT ALL BIDS AND READVERTISE PROJECT

COMMENTS: The apparent low bidder, Meadow Valley Contractors, Inc. (MVCI), submitted its bid electronically. MVCI stated in its bid that it had made good faith efforts to meet the Disadvantaged Business Enterprise goal but was unable to do so. MVCI presented evidence that it met the goal, but the scrolling mouse on its computer system caused an inadvertent change in the option from "HAS" to 'HAS NOT' met the goal.

The Department has confirmed that some computer systems using a scrolling mouse allow the operator to scroll through options presented in a "drop down menu" until the option is finally selected by some affirmative act of the operator (such as by clicking outside the window). The use of the scrolling mouse may therefore cause the operator to inadvertently

change the selected option after the operator believes the selection has been finalized.

Two other contractors have said that this kind of error occurs on their computer systems.

Based on this information, the State Engineer believes that bidding has not met the statutory requirement of “informed, free, open and competitive bidding on a common basis.” ARS §28-6923(C)(1).

Discussion included: Mike Ortega presented. There is incentive to move this project forward quickly because of the window for construction. Should the Board decide to award this contract, we recommend you reject the Meadow Valley bid because they did not comply with the DBE requirement of showing good faith effort and we recommend that you contract with the next low bidder which is Fann Contracting, Inc. Their bid is about \$44,227 above the State Engineer's estimate. There was a question regarding how many bids were submitted electronically. Three of the five bids were submitted electronically. No other electronic bids had errors. On behalf of Meadow Valley Contractors, Inc, Rob Botcher, Vice President explained that projects are downloaded electronically. There was a problem with the program, not just the project. He walked through a demonstration and noted that if you look to the left of the screen, there are envelopes, schedule of items, the unit prices, the quantities the state provides and it extends it to the total bid. There also is a section envelope that is the bid bond. All the contractors have to contact their bonding agent, get a bond ID number, submit that, fill out the blanks, verify and submit it through the Internet. The boxes normally are red and when everything is ok, they turn green. The last section is called miscellaneous data. This has to do with whether or not you participated in previous contracts that had to do with yield requirements. When you download this from the Internet, it's blue. When I hit the drop down screen, I highlight that and when it's red, I can't submit it because it's red. As I scroll down the page, you see it changes the selection from has to has not (participated in previous contracts that had to do with yield requirements). When I contacted other bidders that utilize this, they didn't know about this and they said "I'm glad it happened to you and not us". That's what happened to us in the process. I did not realize that we selected "has not". We have two computers in our office that we submit bids electronically. A couple other states do things different. Some have a button, or a box to check rather than to scroll down. Mike Fann from Fann Contracting took part via teleconference and said that he was told by ADOT that when Meadow Valley was not able to show a good faith effort, he was asked to provide their documentation of DBEs. He learned that Meadow Valley would take the position that they meant to mark that they met their goal at the time but had a glitch in their computer marked by a score made by the mouse. When I started using a scrolling mouse versus a right or left click mouse, I found it did a lot of other things on the window. I had to learn that I had to be careful with a scrolling mouse that if I scrolled, that I didn't do things that I didn't intend it to do. If you bump the mouse accidentally, it will move the screen. After the scrolling mouse issue, something else occurred. In a letter to ADOT from Fennemore Craig, the law firm representing Meadow Valley Contractors, Inc, the last page, item three states that prior to submission of Meadow Valley's bid, it received quotes for guardrail and signage work from several certified DBE firms. Arizona Highway Safety Specialists was the low DBE at the time. They are all FAX transmissions quotes. Every one of them with the exception of one has what date and time that quote was received. The one that does not include that is Arizona Highway Safety Specialists. There is a reason for that and that is because that quote was not received until after bid time. I know that because I received the second quote time after bid close time also once I contacted Arizona Highway Safety Specialists to ask them to verify their numbers because I was asked by ADOT to now submit my DBE information. I learned that Arizona Highway Safety Specialists had one bid out prior to my bid time and then negotiated a lower price with Meadow Valley four days after bid time. I mention that not because Meadow Valley did or did not meet their DBE goals at bid time. I mention that because it throws another layer of confusion in this whole issue. What I would like to point out is ADOT, special provisions on pages fourteen, sixteen, thirty-four, thirty-six and seventeen. The bottom line is that it does not say that all bids would be rejected. ADOT has an impeccable reputation to adhering to guidelines. We train our runners to walk through the bids prior to submitting them, prior to hitting the send button. By rejecting all bids, it would be inconsistent with ADOT's long-standing policy in regards to bid submissions and subsequent awards.

In short, we would be rejecting my bid because Meadow Valley made an error, and that is just not fair. This project was bid in February and planning is critical. Waiting for a re-bid and a future award is not in the best interest of the public. For that reason, it is my suggestion to award this project, irregardless of who you award to, rather than reject all bids. I honestly believe we are the successful responsible bidders of this job but if you disagree, Meadow Valley is a fine contractor. I would suggest you award it rather than reject all bids. It was clarified that irregardless of the mouse issue, Meadow Valley did not meet the DBE requirement, therefore not meeting the good faith effort.

Board Action: A motion to award the above contract to Fann Contracting, Inc. was made by Mr. Hileman, seconded by Mr. Martin and passed unanimously.

BIDS OPENED:	February 4, 2005
HIGHWAY:	CITY OF GLENDALE
SECTION:	Glendale Avenue, 99 th Ave to 107 th Ave
COUNTY:	Maricopa
ROUTE NO:	N/A
PROJECT:	CM-GLN-0(023)A 0000 MA GLN SS50201C
FUNDING:	94% Federal 6% City of Glendale
LOW BIDDER:	Bison Contracting Co., Inc.
AMOUNT:	\$ 1,212,935.00
STATE ESTIMATE:\$	1,214,562.00
\$ UNDER:	\$ 1,627.00
%UNDER:	0.1%
NO. BIDDERS:	6
RECOMMENDATION:	AWARD

Board Action: A motion to approve the above recommendation was made by Mr. Martin, seconded by Mr. Montoya and passed unanimously. Mr. Schorr recused himself from this Item.

BIDS OPENED:	January 28, 2005
HIGHWAY:	CITY OF PEORIA
SECTION:	83 rd Ave at Union Hills Dr.
COUNTY:	Maricopa
ROUTE NO:	N/A
PROJECT:	CM-PEO-0(006)A 0000 MA PEO SS52501C
FUNDING:	81% Federal 19% City of Peoria
LOW BIDDER:	Archon, Inc.
AMOUNT:\$	1,874,000.00
STATE ESTIMATE: \$	1,670,307.00
\$ OVER:	\$ 203,693.00
%OVER:	12.2%
NO. BIDDERS:	8
RECOMMENDATION:	AWARD

Board Action: A motion to approve the above recommendation was made by Mr. Martin, seconded by Mr. Lane and passed unanimously. Mr. Schorr recused himself from this Item.

CONSENT AGENDA

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

ADJOURN

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

The meeting adjourned at 11:45 a.m.



Dallas Gant, Chairman
State Transportation Board



Victor Mendez, Director
Arizona Department of Transportation

*Denotes items approved in the consent agenda.