

**MINUTES OF THE
STATE TRANSPORTATION BOARD
STUDY SESSION
3:00 p.m., Thursday, August 17, 2006
City of Holbrook
Council Chambers
465 1st Avenue
Holbrook, Arizona 86025**

The State Transportation Board met in official session for a Study Session at 3:00 p.m., Thursday, August 17, 2006, with Chairman Jim Martin presiding. Other Board members present included: Vice Chairman Joe Lane, Bill Feldmeier, Rusty Gant, Dick Hileman, Delbert Householder, Bob Montoya and Felipe Zubia. Si Schorr participated via telephone. Also present were Director Victor Mendez; Dale Buskirk, Director, Planning Division; Ron Ashenbach, Assistant Attorney General, Attorney General's Office; Dallas Hammit and Sam Elters, State Engineer.

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

Presentation on STAN Consultation Process

Mr. Dale Buskirk presented a summary of the consultation process and timeframe. The Board will not vote on the process but will vote on the projects when brought up for acceleration. The program was established and funded by House Bills 2863 and 2865. The purpose is to accelerate highway programs throughout the state. The Legislature appropriated \$245 million in General Funds and \$62 million of State Highway Funds in FY 2007. Sixty percent or \$184 million was allocated to the MAG area, sixteen percent or \$49 million to the PAG area and twenty four percent or nearly \$74 million to the thirteen other counties. To be eligible for STAN funding, projects must meet two criteria: the construction or reconstruction of a freeway, state or interstate highway, bridge or interchange and it must be a project within a Regional Transportation Plan or the State's Long-Range Plan, MoveAZ. A key legislative intent was that this was additional money, to supplement the funding for highway projects. The legislation provided that MAG and PAG will establish their own processes for identifying and prioritizing projects that will be accelerated. In the other counties, ADOT is to develop, with the regional planning entities, a process used to identify and prioritize projects for STAN funding statewide. In all cases, the State Transportation Board has final approval. Although no date was specified, there is a sense of urgency to identify projects. The funds are appropriated for FY 2007 and regional planning agencies are required to report by December 15. There is growing consensus among the three entities that are identifying and prioritizing projects that they would do so within the last quarter of 2006. MAG is following their TIP process to identify and prioritize projects. Regarding the methodology for prioritizing projects, the initial pool of candidate projects is comprised of major construction projects listed in MoveAZ with special emphasis on major construction projects contained in the FY 2007-2011 Highway Construction Program. The projects that could be accelerated are divided into two categories, those in 2007 and those in 2008 and 2009. The methodology will utilize a prioritization process to compare basic performance data about each project against all other projects. Ranking criteria includes safety and accident rate; current and future level of service; statewide economic significance, the percent of commercial traffic; MoveAZ criteria; route transfer and strategic information (route level of development, STRAHNET, CANAMEX, National Highway System, Functional Classification). Based on the Board's direction, the information will be shared with MAG, PAG and TOC.

Presentation on Roles and Responsibilities of Board Members

Mr. Ron Ashenbach provided information on rules and responsibilities of the Transportation Board. All powers, rules and responsibilities are provided by statute. There are three main statutes that provide the framework. A.R.S. Section 28-303 regarding meetings of the Board says that the Board can have meetings anywhere in the State at anytime necessary and special Board meetings can be arranged. The one in January has to occur before the third Monday because terms expire on that third Monday. A.R.S. Section 28-304 regarding highways, the Board has the authority to establish complete systems of highways to determine which routes are accepted in the state system, establish, open or alter any type of state route that it deems fit, vacate or abandon state routes and sell board funding obligations. The Board is to adopt a statewide transportation policy statement, long-range plan, uniform planning practice, transportation system performance measures and factors and board construction contracts, monitor construction contracts, consider the various comments from the citizens transportation oversight committee recommendations and oversee the aeronautics prescribed in chapter 25. There are specific statutes regarding opening a new airport within 25 miles of an urban development. A.R.S. Section 28-205 allows the Board to adopt its rules. There are seven different types of rules: priority programs; establishing, altering or vacating highways; construction contracts; revenue bonds; local government airport grants; designating or establishing scenic or historic highways and prohibiting bid rigging. Details were provided in the meeting packet. A Board member suggested that the Board policies be reviewed by members and discussed at a future Study Session. A question about MoveAZ was asked. MoveAZ is updated every five years and there is an update cycle that responds to that mandate.

Presentation on the Open Meeting Law

Mr. Ron Ashenbach stated that the open meeting law was enacted to require boards to act so that the public can determine what is going on and when, A.R.S. 38-431 to 431.09. He cited, it is the public policy of this state that meetings of public bodies be conducted openly and that notices and agendas be provided for such meetings which contain such information as is reasonably necessary to inform the public of the matters to be discussed or decided. Toward this end, any person or entity charged with the interpretation of this article shall construe any provision of this article in favor of open and public meetings. The open meeting law applies to elected or appointed officials. It applies anytime that there are a quorum of board members. Actions and activities covered include meetings, discussions, presentations, deliberations, consultations and final actions. There should be no circumvention of the open meeting law. Quorums can occur by phone and e-mail. A one-time statement must be filed with the Secretary of State indicating where meeting notices will be posted. ADOT meetings are posted in DOA and at ADOT and should include access to the agenda. The agenda should "...contain such information as is reasonably necessary to inform the public of the matters to be discussed or decided." You cannot restrict access to an open meeting by asking for identification or signing in. Executive sessions are a type of board meeting for a specific purpose. You need a reason and a vote. Minutes are kept separately and there should be no discussion of what went on in the executive session outside of the executive session. The open call allows the public to voice their concerns. They are not required; time can be limited and the person must sign in. Board action regarding items in an open call is limited. The board is allowed to respond to open call, put the item on a future agenda or refer the item to staff. Legal action for violations of the open meeting law is null and void unless ratified later. Enforcement of the open meeting law is by the Attorney General's Office. Penalties of the open meeting law include civil penalties, reasonable attorney's fees and removal from office. Various questions and clarifications were asked for example, it is ok for individual board members to meet for social reasons as long as no board business is discussed. A courtesy notice is good practice.

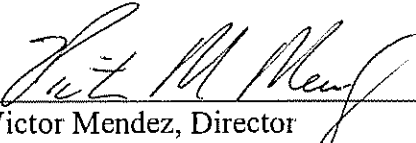
Presentation on State Route 260

Mr. Dallas Hammit presented a briefing on this corridor north of I-17 in the Camp Verde area moving into Cottonwood. An Environmental Document was completed in 2000 and an Access Management Plan completed and approved in 2001. In August 2004, ADOT and Yavapai County entered into a Joint Project Agreement to fund the corridor with an estimated cost of construction of \$41.25 million. Yavapai County would advance the money in three phases in FY05, FY06 and FY07. ADOT would begin programming money in 2010 as a loan repayment and continue until the loan was paid. Since the completion of the Access Management Plan and Joint Project Agreement, many changes happened in the Verde Valley. ADOT and the partners believed in an update of the Access Management Plan and EA and through a public process. In July 2005, the process began. Approximately 250 people attended two meetings and safety was the number one concern as well as access and mobility. Three working sessions were formed and met in August, September and October. Each session held working meetings in Cottonwood, Camp Verde and in the Yavapai Apache Nation. Findings were presented in November and two alternatives for access were recommended. The plan showed potential backage roads, some would be ADOT's responsibility and others would be the developer's. A map indicating the access was shown. A summary from the input meeting included safety being the number one priority, there needs to be a balance between access and mobility, there is common understanding that the new roadway should be a four lane divided roadway, that access should be consolidated where possible and there was not a consensus reached on the number of access points or where they should be located. In January, a meeting was held with Director Mendez and representatives of the community to gain consensus on access point locations and numbers of access points. It was decided to begin with the area around Coury Drive. A number of meetings were held with multiple solutions presented. In the end, there was still not consensus. In July, ADOT presented a plan to begin construction on the corridor. The plan includes constructing the west two miles of the corridor and doing safety improvements in other areas of the corridor, the area with the most collisions. The project design is 95 percent complete and estimated at \$25 million. Currently in the program, in 2010, there is \$11 million and in 2022, \$11.2 million, leaving \$2.8 million to be programmed to complete the section. The safety improvements for the corridor were outlined and provided in the handouts. The estimates for the improvements are \$7.25 million and \$5.25 in FY 2008. Yavapai County is proposing to amend the Joint Project Agreement to reflect the current improvement plan. A question was asked about getting construction companies involved in the project. Mr. Elters answered that the design project is at 95 percent and the project doesn't lend itself for assistance of this kind at this stage. And ADOT is in the middle of developing guidelines and processes for the number of contracts they will be going forward with. The process will be opened early in the game and these guidelines will come to the Board for review.

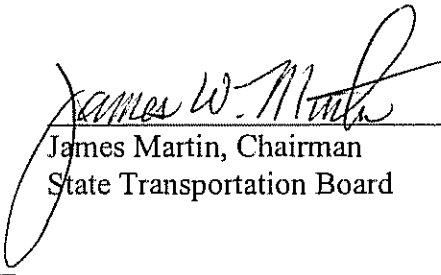
Adjournment

No closing comments were made.

The meeting adjourned at 4:35 p.m.



Victor Mendez, Director
Arizona Department of Transportation



James Martin, Chairman
State Transportation Board

**MINUTES OF THE
STATE TRANSPORTATION BOARD MEETING
9:00 a.m., Friday, August 18, 2006
City of Holbrook
Council Chambers
465 1st Avenue
Holbrook, Arizona 86025**

The State Transportation Board met in official session for a Board meeting at 9:00 a.m., Friday, August 18, 2006, with Chairman Jim Martin presiding. Other Board members present included: Vice Chairman Joe Lane, Bill Feldmeier, Rusty Gant, Dick Hileman, Delbert Householder, Bob Montoya and Felipe Zubia. Si Schorr participated via telephone. Also present were Director Victor Mendez, John McGee, Chief Financial Officer, Administrative Services Division; Dale Buskirk, Director, Planning Division; Sam Elters, State Engineer and David Jankofsky, Deputy Director.

OPENING REMARKS AND PLEDGE

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

DISTRICT ENGINEER REPORT

Mr. David Sikes, District Engineer for Holbrook provided an update on Projects and Issues of regional significance. The Holbrook District encompasses approximately 33,000 square miles. There are six maintenance camps. The principle routes in the district were described. About 80 percent of the District is covered by Navajo Nation. The district boundary was shown on a map. There are a total of 108 full-time employees. Projects were highlighted including three projects on 160 scheduled for FY09-10, three projects on 191, evaluating a 3 inch overlay north of I-40, a project for FY08, the Sanders TI, reconstructing three bridges, a roadway, three roundabouts and frontage roads. On State Route 264, a number of minor projects are in progress. On I-40, Sanders Port of Entry, work continues on the design and will be moved 1,500 feet east of the current location. Dennison County is a project scheduled for FY08 and is being re-evaluated to delay for one year to use the funds to selectively repair the road along I-40. Ruby Channel Wash is under construction. Enchanted Lane will advertise bids. State Route 99 is having work done as well.

CALL TO AUDIENCE

Bill Jeffers, former Chairman of the Board, mentioned the great project in the widening of Navajo Boulevard. He mentioned the South Mountain Freeway and its connection to I-10. He questions the location of the connection and suggests the Board look at that before they approve any agreement. He believes the railroad crossing on the south side of Holbrook is a safety hazard with the number of trains and large amount of traffic. He asked the Board to keep that in mind.

Tom Platero, Department Manager, Navajo Department of Transportation, discussed the Navajo Nation transportation needs. The 191 project is one of the highest traveled areas in the Nation. As far as maintenance, a handout described the Navajo Nation road system inventory of 9,876 miles of which state routes encompass 1,658.4 miles. Collaborations with ADOT were highlighted. An MOU that facilitates projects with ADOT was distributed and discussed. Additional routes into Navajo Nation

are being discussed. The number of accidents on state routes was discussed, therefore, maintenance of the roads is important. A Navajo Nation Transportation meeting will be held on a quarterly basis to discuss project status.

Jodi Rooney, CYMO in Yavapai County, thanked the Board for their assistance with regional projects.

Dick Young, Public Works Director, City of Holbrook, welcomed the Board and staff and reminded the Board that at least 25 percent of the interstate traffic in Arizona comes in to the state on Interstate 40 from New Mexico and has to pass through Holbrook.

Jesse Thompson, Supervisor, Navajo County, extended appreciation and noted that they are working with three tribes, Navajo, Apache and Hopi and are doing all they can with assistance. They appreciate their close working relationship with the transportation agencies.

Bryan Smithson, Mayor, City of Holbrook, thanked the Board for coming to Holbrook and for the projects in the area. He mentioned the danger with the railroad crossing and would like to address this with ADOT in the future.

CONSENT AGENDA

Mr. Martin removed Items 7, 36 and 42 from the Consent Agenda.

Mr. Schorr recused himself from Items 36 and 42.

Director's Report

Mr. Victor Mendez, Director, reported on a border project at Nogales to expedite truck border crossing. There has been a lot of discussion on the I-10 widening project in Tucson and on August 31, they will be opening bids for that project.

Financial Report

Mr. 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. Several documents were part of the meeting packet including Year-End Highway User Revenue Fund Report, Year-End Regional Area Road Fund Report and a final FY 2007-2011 Financial Plan. July 2006 revenues totaled \$111 million, an increase of 3.6 percent above July 2005 and 1.7 percent below the estimate. Variances are both positive and negative in the categories and are expected to smooth out over the upcoming months. The June 2006 RARF collections totaled \$32.173 million, an increase of 14.3 percent above June 2005 and 11 percent over the estimate. For the entire year, RARF revenues totaled \$367.637 million, an increase of 16 percent above last year and 8.3 percent over the estimate. For the year, every revenue category ended significantly over the forecast and the prior year and reflects the strong economy. The Investment Report during the month of June 2006 indicates earnings of \$ million on investments for an average of 4.64 percent yield. Year-to-date earnings total \$29.936 million representing an average yield of 3.85 percent. The HELP fund balance as of July 31 is \$89.772 million, an increase of \$1.9 million over last month. Outstanding loans are being reviewed and a mechanism is in place for this review as suggested by Mr. Feldmeier. Additional charts were provided regarding the 2007 half cent sales tax and forecast

for the Highway User Revenue Fund. Looking at past forecasts and growth trends, the official RARF forecasts have been increased for FY 2007 to \$397.1 million, an 8 percent growth. Similarly for the HURF forecast, the forecast was increased to \$1.398.8 billion. A 5 percent growth is estimated.

Financing Program

Mr. John McGee provided an update on financing issues affecting the Board and the Department, including HURF and RARF Bonding, GAN issuances and Board Funding Obligations. On August 1, a meeting was held with Moodys and Standard and Poor's for a program update. Positive things are happening on the funding side. The meeting went well and they were appreciative of the information shared. Things are moving forward with the activities for the pricing of the Board's 2006 HURF Issue that is on schedule for the week of September 26. Included in the packet is a draft copy of the preliminary official statement to be finalized on September 14.

Resolution Authorizing Issuance of Highway Revenue Bonds – Series 2006

Mr. John McGee presented a Resolution authorizing the Board's anticipated issuance of Highway Revenue Bonds, Series 2006, in an amount not to exceed \$325,000,000. The Issue is structure as a new money Issue only. Outstanding debt was reviewed for potential refunding. It authorizes the bond proceeds to be used to pay costs for any highway purpose and bond related expenses. The bond resolution is uniform in all material respects and adoption is recommended.

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

Appointment of Underwriters – Highway Revenue Bonds – Series 2006

Mr. John McGee presented a Resolution recommending appointment of Underwriters for the Board's anticipated issuance of Highway Revenue Bonds, Series 2006. ADOT staff has determined that it would be in the best interest of the Board to sell the Series 2006 HURF Bonds on a negotiated basis. In order to accomplish this, a Resolution recommending underwriters was included in the Board packet for this Issuance. Mr. McGee read the Resolution and recommended adoption.

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

MINUTES – APPROVAL

A correction to the July 6, 2006, minutes will reflect that Bob Montoya was present at the Board meeting.

Board Action: With the above correction, a motion to approve the July 6, 2006, and July 20, 2006, meeting minutes was made by Mr. Feldmeier, seconded by Mr. Householder and passed unanimously.

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2006 BOARD MEETING, PUBLIC HEARING & STUDY SESSION DATES AND LOCATIONS

September 15, 2006, 9:00 a.m. – Board Meeting – Glendale

October 3, 2006, 1:00 p.m. – Study Session (if necessary) – Phoenix

October 20, 2006, 9:00 a.m. – Board Meeting – East Valley

November 7, 2006, 1:00 p.m. – Study Session (if necessary) – Phoenix

ROUTE NO: SR 260 @ MP 336.90
 COUNTY: Navajo
 SCHEDULE: FY 2006
 SECTION: Wills St. - Jct. US 60
 TYPE OF WORK: Construct Multi-Use Path
 PROGRAM AMOUNT: \$469,000
 PROJECT MANAGER: Cheryl Banta
 PROJECT: H633601C Item # 28306 JPA 05-089
 REQUESTED ACTION: Defer project from FY 2006 to FY 2007. Increase project amount by \$231K to \$700K in the FY 2007 Highway Construction Program. **Funds are available from FY 2007 Transportation Enhancement Improvement Fund #75307 \$231K**
 PROGRAM AMOUNT: \$469,000
 NEW PROGRAM AMOUNT: \$700,000

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

ROUTE NO: SR 66 @ MP 103.00
 COUNTY: Mohave
 SCHEDULE: FY 2006
 SECTION: Peach Springs Main St.
 TYPE OF WORK: Construct Sidewalks
 PROGRAM AMOUNT: \$ 530,000
 PROJECT MANAGER: Cheryl Banta
 PROJECT: H633101C Item # 27706 JPA 04-055
 REQUESTED ACTION: Defer project from FY 2006 to FY 2007. Increase project amount by \$270K to \$800K in the FY 2007 Highway Construction Program. **Funds are available from FY 2007 Transportation Enhancement Improvement Fund #75307 \$270K**
 PROGRAM AMOUNT: \$530,000
 NEW PROGRAM AMOUNT: \$800,000

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

ROUTE NO: US 60 @ MP 246.80
 COUNTY: Gila
 SCHEDULE: FY 2006
 SECTION: Russell Road and Ragus Road
 TYPE OF WORK: Construct new sidewalk
 PROGRAM AMOUNT: \$ 800,000
 PROJECT MANAGER: Robert Gasser
 PROJECT: H609201C Item # 21605 JPA 99-037 & 05-099

REQUESTED ACTION: **Defer project from FY 2006 to FY 2007**
PROGRAM AMOUNT: \$800,000

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

ROUTE NO: US 60 @ MP 195.00
COUNTY: Pinal
SCHEDULE: FY 2007
SECTION: Ironwood Exit
TYPE OF WORK: Construct graphics on TI (TERC Round 11)
PROGRAM AMOUNT: New Project Request
PROJECT MANAGER: Robert Gasser
PROJECT: H661501C JPA 05-037
REQUESTED ACTION: Request to establish a new enhancement project in the FY 2007 Highway Construction Program. **See funding sources below.**

PROGRAM AMOUNT:
FY 2007 Enhancement Statewide #75307 \$386,000
FY 2007 Enhancement Contingency #72207 \$194,000
NEW PROGRAM AMOUNT: \$580,000

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

ROUTE NO: I-15 @ MP 13.19
COUNTY: Mohave
SCHEDULE: FY 2007
SECTION: Virgin River Bridges No. 2 to 7
TYPE OF WORK: Bridge Rehabilitation
PROGRAM AMOUNT: New Project Request
PROJECT MANAGER: Sherly Paul
PROJECT: H693801C
REQUESTED ACTION: To establish a new bridge project in the FY 2007 Highway Construction Program. **Funds are available from FY 2007 Bridge Replacement and Rehabilitation #76207 \$4,500K**

PROGRAM AMOUNT: New Project
NEW PROGRAM AMOUNT: \$4,500,000

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

ROUTE NO: SR 83 @ MP 7.29
COUNTY: Cochise
SCHEDULE: FY 2007

SECTION: MP 7.29 to MP 12.05
TYPE OF WORK: New Guardrail at High Embankment
PROGRAM AMOUNT: New Project Request
PROJECT MANAGER: Rod Collins
PROJECT: H652701C
REQUESTED ACTION: To establish a new guardrail project in the FY 2007 Highway Construction Program. **See funding sources below.**

PROGRAM AMOUNT:
FY 2007 HES Title II Safety Fund #72807 \$780,000
FY 2007 District Minor Fund #73307 \$45,000
NEW PROGRAM AMOUNT: \$825,000

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

COUNTY: Statewide
SCHEDULE: FY 2006
SECTION: Various Statewide Highways
TYPE OF WORK: Replace Blunt-End Guardrail
PROGRAM AMOUNT: \$ 1,500,000
PROJECT MANAGER: Michael Marietti
PROJECT: Item # 25206
REQUESTED ACTION: **Transfer funds from Replace Blunt-End Guardrail project and add to FY 2007 Highway Safety Improvement Program.**
PROGRAM AMOUNT: \$1,500,000
NEW PROGRAM AMOUNT: \$00

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

ROUTE NO: US 60 @ MP 186.00
COUNTY: Maricopa
SCHEDULE: FY 2006
SECTION: Higley Road TI
TYPE OF WORK: Construction of Dual Left Turn Lanes
PROGRAM AMOUNT: \$ 4,100,000
PROJECT MANAGER: Khalid Salahuddin
PROJECT: H670201C Item # 14206 JPA 06-014
REQUESTED ACTION: Defer project from FY 2006 to FY 2007. Increase program amount by \$700,000 to \$4,800,000 in the FY 2007 Highway Construction Program. **See funding sources below.**
PROGRAM AMOUNT: \$4,100,000
INCREASE AMOUNT: RARF Cash Flow \$363,000

JPA 06-014 City of Mesa \$337,000
NEW PROGRAM AMOUNT: \$4,800,000

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

ROUTE NO: I-17 @ MP 251.90
COUNTY: Yavapai
SCHEDULE: FY 2007
SECTION: Sunset Point Rest Area
TYPE OF WORK: Rehabilitation of Rest Area
PROGRAM AMOUNT: \$ 3,600,000
PROJECT MANAGER: Debra Einweck
PROJECT: H415301C Item # 10701
REQUESTED ACTION: Increase program amount by \$1,555,000 to \$5,155,000 in the FY 2007 Highway Construction Program. **See funding sources below.**
PROGRAM AMOUNT: \$3,600,000
INCREASE AMOUNT:
FY 2007 Rest Area Preservation Fund #79107 \$1,000,000
FY 2007 Pavement Preservation Fund #72507 \$555,000
NEW PROGRAM AMOUNT: \$5,155,000

Additional information regarding the cost to maintain the Rest Area will be provided at a future Study Session.

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

ROUTE NO: I-40 @ MP 3.00
COUNTY: Mohave
SCHEDULE: FY 2007
SECTION: Needle Mountain Rest Area
TYPE OF WORK: Construction of Rest Area, Point of Entry Bypass and Welcome Center
PROGRAM AMOUNT: \$ 11,000,000
PROJECT MANAGER: Debra Einweck
PROJECT: H506404C Item # 11605 JPA 04-068
REQUESTED ACTION: Increase program amount by \$1,466,000 to \$12,466,000 in the FY 2007 Highway Construction Program. **Funds are available from FY 2007 Transportation Enhancement Improvement Fund #75307 (TERC Rounds 9 and 12) \$1,466K**
PROGRAM AMOUNT: \$11,000,000
NEW PROGRAM AMOUNT: \$12,466,000

It was explained that the Board previously approved the construction of this Rest Area. With the enhancement funds, additions would be made to the project.

Board Action: A motion to approve the above recommendation upon review and report by the staff on alternative methods of construction and maintenance of these types of facilities was made by Mr. Feldmeier, seconded by Mr. Montoya and passed unanimously.

ROUTE NO: SR 101L @ MP 42.00
COUNTY: Maricopa
SCHEDULE: FY 2006
SECTION: Pima Rd, McDowell to Via Linda, IGA
TYPE OF WORK: Roaway Widening
PROGRAM AMOUNT: \$ 2,000,000
PROJECT MANAGER: Ronald McCally
PROJECT: H334401C Item # 81098 JPA 04-119
REQUESTED ACTION: JPA 04-119 requires ADOT funding committment in FY 2007. **Defer construction project from FY 2006 to FY 2007.**
PROGRAM AMOUNT: \$2,000,000

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

ROUTE NO: SR 77 @ MP 128.00
COUNTY: Pinal
SCHEDULE: FY 2007
SECTION: MP 128 - 134.6
TYPE OF WORK: Replace Right of Way Fencing
PROGRAM AMOUNT: New Project Request
PROJECT MANAGER: Paul Sullivan
PROJECT: H632201C
REQUESTED ACTION: Establish a new fencing project in the FY 2007 Highway Construction Program. **Funds available from FY 2007 District Minor Fund #73307 \$255K**
PROGRAM AMOUNT: New Project
NEW PROGRAM AMOUNT: \$255,000

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

ROUTE NO: SR 177 @ MP 139.20
COUNTY: Pinal
SCHEDULE: FY 2007
SECTION: MP 139.2 - 145.9

TYPE OF WORK: Replace Right of Way Fencing
PROGRAM AMOUNT: New Project Request
PROJECT MANAGER: Paul Sullivan
PROJECT: H667001C
REQUESTED: Establish a new fencing project in the FY 2007
ACTION: Highway Construction Program. **See funding sources below.**

PROGRAM AMOUNT:
FY 2007 District Minor Fund #73307 \$300,000
FY 2007 Highway Safety Program #72807 \$70,000
NEW PROGRAM AMOUNT: \$370,000

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

ROUTE NO: I-17 @ MP 287.00
COUNTY: Yavapai
SCHEDULE: FY 2006
SECTION: Verde River Bridge SB #505
TYPE OF WORK: Deck Rehabilitation
PROGRAM AMOUNT: \$ 2,784,000
PROJECT MANAGER: David Benton
PROJECT: H651901C Item # 22206
REQUESTED: Defer bridge project from FY 2006 to FY 2007.
ACTION: Increase program amount by \$216,000 to \$3,000,000 in the FY 2007 Highway Construction Program.
Funds are available from FY 2007 Bridge Inspection and Repair Fund #71407 \$216K
PROGRAM AMOUNT: \$2,784,000
NEW PROGRAM AMOUNT: \$3,000,000

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

ROUTE NO: I-10 @ MP 139.00
COUNTY: Maricopa
SCHEDULE: FY 2007
SECTION: 43rd Ave / 51st Ave
TYPE OF WORK: Construction of TI Improvements
PROGRAM AMOUNT: \$ 1,840,000
PROJECT MANAGER: Elaine Mercado
PROJECT: H668901C Item # 13007 JPA 06-026
REQUESTED: Increase program amount by \$406,000 to \$2,246,000
ACTION: in the FY 2007 Highway Construction Program.
See funding sources below.
PROGRAM AMOUNT: \$1,840,000
INCREASE AMOUNT:

RARF Cash Flow	\$354,000
JPA 06-026 Quicktrip Corporation	\$52,000
NEW PROGRAM AMOUNT:	\$2,246,000

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

FY 2007-2011 Airport Development Program
Requested Modifications

AIRPORT NAME:	Tucson International	
SPONSOR:	Tucson Airport Authority	
AIRPORT CATEGORY:	Commercial Service	
SCHEDULE:	FY 2007 - 2011	
PROJECT #:	E7F05	
PROGRAM AMOUNT:	New Project Request	
PROJECT MANAGER:	Tammy Martelle	
PROJECT DESCRIPTION:	Rehabilitate Runway 11L/29R (10,996' x 150'), Phase 2; Construct Taxiway G (700' x 75')	
REQUESTED ACTION:	Approve State matching funds for FAA Grant #3-04-0045-050.	
FUNDING SOURCES:	FAA	\$7,656,394
	Sponsor	\$375,841
	State	\$375,841
	<i>Total Program</i>	\$8,408,076

AIRPORT NAME:	Maricopa Municipal	
SPONSOR:	City of Maricopa	
AIRPORT CATEGORY:	Reliever	
SCHEDULE:	FY 2007 – 2011	
PROJECT #:	E7S06	
PROGRAM AMOUNT:	New Project Request	
PROJECT MANAGER:	Tammy Martelle	
PROJECT DESCRIPTION:	Conduct an Airport Feasibility and Airport Site Selection Study.	
REQUESTED ACTION:	Approve State Grant to provide for the Study.	
FUNDING SOURCES:	FAA	\$0
	Sponsor	\$25,000
	State	\$225,000
	<i>Total Program</i>	\$250,000

Board Action: A motion to approve Items 27 and 28 was made by Mr. Montoya, seconded by Mr. Lane and passed unanimously.

* RES. NO: 2006-08-A-044
 PROJECT: N-900-0-700 / 051MA009H555101R
 HIGHWAY: PIESTEWA FREEWAY
 SECTION: Shea Blvd. – S.R. 101
 ROUTE NO.: State Route 51
 ENG. DIST: Phoenix
 COUNTY: Maricopa
 RECOMMENDATION: Establish a T.C.E. as a state route and state highway for improvements to the sound wall

STATE ENGINEER’S REPORT

Mr. Sam Elters reported that there are 87 current projects under construction totaling approximately \$900 million. During the month of July, eight projects have been finalized.

CONSTRUCTION CONTRACTS – Sam Elters

Interstate Non-Federal Aid

* BIDS OPENED: July 28
 HIGHWAY: EHRENBERG-PHOENIX HIGHWAY (I-10)
 SECTION: I-10 Various Locations, Vicksburg TI
 COUNTY: La Paz
 ROUTE NO.: I-10
 PROJECT: 010-A-NFA 010 LA 041 H703701C
 FUNDING: 100% State
 LOW BIDDER: Fisher Sand & Gravel Co. dba
 Southwest Asphalt Paving
 AMOUNT: \$ 991,264.00
 STATE AMOUNT: \$ 1,001,087.00
 \$ UNDER: \$ 9,823.00
 % UNDER: 1.0%
 NO. BIDDERS: 3
 RECOMMENDATION: AWARD

BIDS OPENED: July 28
 HIGHWAY: EHRENBERG-PHOENIX HIGHWAY (I-10)
 SECTION: Agua Fria River – 67th Avenue
 COUNTY: Maricopa
 ROUTE NO.: I-10
 PROJECT: 010-B-NFA 010 MA 130 H694501C
 FUNDING: 100% State
 LOW BIDDER: FNF Construction, Inc.
 AMOUNT: \$ 5,924,145.00
 STATE AMOUNT: \$ 6,942,219.00

\$ UNDER: \$ 1,018,074.00
% UNDER: 14.7%
NO. BIDDERS: 3
RECOMMENDATION: AWARD

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

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

BIDS OPENED: July 14
HIGHWAY: STATEWIDE
SECTION: Various Locations
COUNTY: Statewide
ROUTE NO.: I-8, I-10, I-17, I-19 & I-40
PROJECT: ITS-020-4(511)A 999 SW 000 H626201C
FUNDING: 80% Federal 20% State
LOW BIDDER: Abbco Sign Group, Inc.
AMOUNT: \$ 62,525.00
STATE AMOUNT: \$ 97,242.00
\$ UNDER: \$ 34,717.00
% UNDER: 35.7%
NO. BIDDERS: 5
RECOMMENDATION: AWARD

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

* BIDS OPENED: July 14
HIGHWAY: TOPOCK-KINGMAN HIGHWAY (I-40)
HIGHWAY: KINGMAN BUSINESS ROUTE (I-40)
SECTION: Stockton Hill Road to Harrison Street
SECTION: Kingman, Power House Footbridge
COUNTY: Mohave
ROUTE NO.: I-40, I-40B
PROJECT: TEA-040-A(007)A 040 MO 052 H605201C
PROJECT: TEA-B40-A(001)A 040B MO 052 H616901C
FUNDING: 94% Federal 6% State
LOW BIDDER: Down to Earth Contracting, Inc.
AMOUNT: \$ 444,725.30
STATE AMOUNT: \$ 431,847.00
\$ OVER: \$ 12,878.30
% OVER: 3.0%

NO. BIDDERS: 2
RECOMMENDATION: AWARD

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

* BIDS OPENED: July 28
HIGHWAY: CITY OF MESA
SECTION: Broadway Road ITS, Center to Recker
COUNTY: Maricopa
ROUTE NO.: N/A
PROJECT: CM-MES-0(025)A 0000 MA MES SS54301C
FUNDING: 45% Federal 55% City of Mesa
LOW BIDDER: Power Engineers, Inc.
AMOUNT: \$ 2,191,863.67
STATE AMOUNT: \$ 2,441,154.00
\$ UNDER: \$ 249,290.33
% UNDER: 10.2%
NO. BIDDERS: 3
RECOMMENDATION: AWARD

BIDS OPENED: July 28
HIGHWAY: NAVAJO COUNTY
SECTION: Chevelon Creek Bridge Rehabilitation
COUNTY: Navajo
ROUTE NO.: N/A
PROJECT: TEA-NNA-0(010)A 0000 NA NNA SL52101C
FUNDING: 27% Federal 73% Navajo County
LOW BIDDER: Austin Bridge & Road, LP
AMOUNT: \$ 1,257,711.48
STATE AMOUNT: \$ 503,800.00
\$ OVER: \$ 753,911.48
% OVER: 149.6%
NO. BIDDERS: 2
RECOMMENDATION: REJECT ALL BIDS

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

BIDS OPENED: June 30
HIGHWAY: QUARTZSITE-PARKER-TOPOCK HIGHWAY
(SR 95)
SECTION: Swanson Avenue – Mesquite Avenue

COUNTY: Mohave
ROUTE NO.: SR 95
PROJECT: TEA-095-C(007)A 095 MO 182 H640901C
FUNDING: 41% Federal 2% State 57% City of Lake Havasu
LOW BIDDER: K.A.Z. Construction, Inc.
AMOUNT: \$ 825,000.00
STATE AMOUNT: \$ 486,957.00
\$ OVER: \$ 338,043.00
% OVER: 69.4%
NO. BIDDERS: 1
RECOMMENDATION: REJECT ALL BIDS

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

Non-Interstate Non-Federal Aid

BIDS OPENED: July 28
HIGHWAY: GLOBE-LORDSBURG HIGHWAY (US 70)
SECTION: Milepost 282.5 to 283.5
COUNTY: Graham
ROUTE NO.: US 70
PROJECT: 070-A-NFA 070 GH 282 H619301C
FUNDING: 100% State
LOW BIDDER: Combs Construction Company, Inc.
AMOUNT: \$ 1,745,137.25
STATE AMOUNT: \$ 1,321,745.00
\$ OVER: \$ 423,392.25
% OVER: 32.0%
NO. BIDDERS: 2
RECOMMENDATION: AWARD

Board Action: A motion to table this Item until September was made by Mr. Feldmeier, seconded by Mr. Montoya and passed unanimously. Mr. Schorr recused himself from this Item.

BIDS OPENED: July 28
HIGHWAY: MESA-PAYSON HIGHWAY (SR 87)
SECTION: SR 87, Milepost 218 to Milepost 226
COUNTY: Maricopa
ROUTE NO.: SR 87
PROJECT: 087-B-NFA 087 MA 218 H705501C
FUNDING: 100% State
LOW BIDDER: FNF Construction, Inc.
AMOUNT: \$ 1,315,141.35
STATE AMOUNT: \$ 1,053,954.00

\$ OVER: \$ 261,187.35
% OVER: 24.8%
NO. BIDDERS: 4
RECOMMENDATION: AWARD

Board Action: A motion to approve the above recommendation was made by Mr. Lane, seconded by Mr. Zubia 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. Montoya, seconded by Mr. Lane 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 11:05 a.m.


James Martin, Chairman
State Transportation Board


Victor Mendez, Director
Arizona Department of Transportation