

MINUTES OF THE  
STATE TRANSPORTATION BOARD  
SPECIAL BOARD MEETING  
9:00 a.m., Friday, May 5, 2006  
City of Flagstaff Council Chambers  
211 West Aspen Avenue  
Flagstaff, Arizona

The State Transportation Board met in official session for a special Board meeting following the public hearing at 9:00 a.m., Friday, May 5, 2006, with Chairman Martin presiding. Other Board members present included: Vice Chairman Joe Lane, Bill Feldmeier, Delbert Householder and Felipe Zubia. Bob Montoya and Si Schorr were absent. Also present were David Jankofsky, Deputy Director; Barclay Dick, Division Director, Aeronautics Division; Mike Klein, Program Manager, Airport Development; Aeronautics Division; Arnold Burnham, Priority Programming Manager, Air Quality Section; Bill Hayden, MAGS Regional Freeway System Life Cycle Office and Dale Buskirk, Director, Planning Division. There were approximately 100 people in the audience.

**CONSTRUCTION CONTRACTS**

ROUTE NO: I-8 @ MP 0.00  
COUNTY: Yuma  
SCHEDULE: FY 2006 - New Project Request  
SECTION: MP 0 - MP 21  
TYPE OF WORK: Pavement preservation  
PROGRAM AMOUNT: New Project Request  
PROJECT MANAGER: Lynn Sugiyama  
PROJECT: H703801C  
REQUESTED ACTION: Establish a new pavement preservation project in the amount of \$1,300,000 in the FY 2006 Highway Construction Program. **Funds are available from the FY 2006 District Minor Fund #73306.**  
NEW PROGRAM AMOUNT: \$1,300,000

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

ROUTE NO: SR 179  
COUNTY: Yavapai  
SCHEDULE: FY 2006  
SECTION: Village of Oak Creek – North Forest Boundary  
TYPE OF WORK: Construct roadway  
PROGRAM AMOUNT: \$29,500,000 \*

PROJECT MANAGER: Carl Burkhalter  
PROJECT: H341401C  
REQUESTED Increase program amount by \$417,000 to  
ACTION: \$29,917,000 in to include three JPAs. See multiple  
funding sources below.

\* Includes \$250,000 of Enhancement funds. Item  
# 21806.

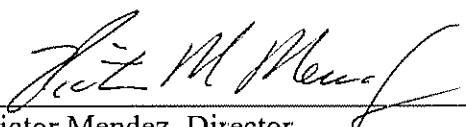
PROGRAM AMOUNT:	\$29,500,000
INCREASE AMOUNT:	\$417,000
Yavapai County JPA 05-018	\$189,000
City of Sedona JPA 05-060	\$73,000
Big Park Waste Water JPA 05-043	\$155,000
NEW PROGRAM AMOUNT:	\$29,917,000

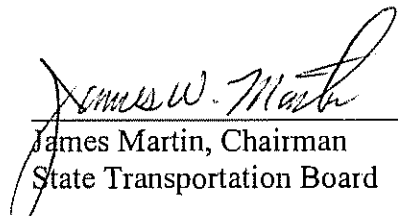
**Board Action:** A motion to approve the above recommendation was made by Mr. Feldmeier, seconded by Mr. Zubia and passed unanimously.

**ADJOURN**

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

The meeting adjourned at 12:15 p.m.

  
Victor Mendez, Director  
Arizona Department of Transportation

  
James Martin, Chairman  
State Transportation Board

MINUTES OF THE  
STATE TRANSPORTATION BOARD  
PUBLIC HEARING  
9:00 a.m., Friday, May 5, 2006  
City of Flagstaff Council Chambers  
211 West Aspen Avenue  
Flagstaff, Arizona

The State Transportation Board met in official session for a public hearing at 9:00 a.m., Friday, May 5, 2006, with Chairman Martin presiding. Other Board members present included: Vice Chairman Joe Lane, Bill Feldmeier, Delbert Householder and Felipe Zubia. Bob Montoya and Si Schorr were absent. Also present were David Jankofsky, Deputy Director; Barclay Dick, Division Director, Aeronautics Division; Mike Klein, Program Manager, Airport Development, Aeronautics Division; Arnold Burnham, Priority Programming Manager, Air Quality Section; Bill Hayden, MAGS Regional Freeway System Life Cycle Office and Dale Buskirk, Director, Planning Division. There were approximately 100 people in the audience.

**OPENING REMARKS AND PLEDGE**

Chairman Martin thanked the City of Flagstaff and Coconino County for their hospitality. Virginia Turner from the Governor's Office was recognized. The Pledge of Allegiance was recited.

**PRESENTATION OF 2007-2011 ARIZONA DEPARTMENT OF  
TRANSPORTATION (ADOT) TENTATIVE FIVE YEAR TRANSPORTATION  
FACILITIES CONSTRUCTION PROGRAM**

**FY 2007-2011 Tentative Statewide Transportation Facilities Construction Program**  
Mr. Arnold Burnham reported that in putting this program together, assumptions had to be made including, assuming that the governor's budget recommendations appropriating \$118 million from the general fund is coming back into the preservation fund, House Bill 2206 will pass allowing to increase the cap or release the cap on bonding and increasing sub-programs that create projects. Bridge projects, pavement preservation and safety projects are all in sub-program amounts and had cost increases. Four new sub-programs were added: a federal tax evasion, SAFETEA-LU has a Safe Routes to School program, for storm water protection a consent order from ADEQ and a communication community partnership for outreach and public involvement. Because of the cost increases in the current '06 fiscal year, projects had to move and become part of the new '07 to '11 program including: I-8, Mohawk Rest Area ; I-10, Picacho Peak to Marana TI; and I-10, down by Benson, SR 90, to Ocotillo. I-17, McGuireville TI, money was added for four ramps. I-40, Sanders Port of Entry, there is right-of-way money. U.S. 60, Florence Junction, Queen Creek is moving to 2008, and money has been added. SR 89/69, the intersection of Prescott, moved to 2009. Projects moving out to 2007 include: U.S. 160, Van's Trading Post east of SR 260; U.S. 191, a Threeway project, milepost 151 to Threeway; U.S. 191 up north, Burnside Junction-North construction project and U.S. 195

in Yuma, the area service highway. I-40, Needle Mountain Rest Area and I-40 Sanders Port of Entry are being moved out to 2008. The right-of-ways also were added. In 2008, two projects were deferred out of that year. I-40 Walnut Canyon project on I-40 outside of Flagstaff moved out to 2011. On U.S. 93, the Tompkins Canyon project is moving out two years to 2010. Deferred projects out of 2009 include I-10 Picacho Peak to Red Rock, moving that forward and repackaging that whole section between Picacho Peak and Red Rock. SR 260, Doubtful Canyon, a section is being moved out to 2010. Most of the 2010 projects are where most of the movement took place. Projects moving to 2011 include: I-15 Farm Road underpass; U.S. 60, Silver King section, the portion that is going into Superior; U.S. 70, the railroad overpass to SR 77 and Globe and State Route 89-A, Airport Road TI. In Sierra Vista, State Route 90, Central Avenue, Moson Road, is being moved, as is Ranch Road section on U.S. 93. U.S. 95, Avenue 9E to Aberdeen Road, the section going out to the army base, that's being moved out a year. U.S. 191, Dial Wash to Ten Ranch, the section between Safford and I-10, is moving out. Up north on 191, Chinle South and 260, Heber to Show Low, passing lanes they are being moved out one year. One project brought into the program is the bridge over the Colorado River, due to be completed in 2008. There is 15 miles of two-lane roadway that needs to widen to four lanes. That will coordinate with the new bridge opening and design is starting this year. It is an \$18.5 million design project. The SR 195, the Yuma Service Highway, will be coordinated with the opening of the new port, San Luis II. We will repackage the existing projects and defer \$62.4 million from '06 into '07, and that's \$20 million to fiscal year '08 and increasing the project by \$17.2 million. The Pinal County Williams Gateway Extension, funded design concept report is for \$5 million. What is called Pinal County North-South Freeway, \$5 million is in there to study that route. In I-10 from 202 to I-8, money was added to continue that. On I-17, Black Canyon City to Cordes Junction, the study was started and added to the program. On I-17, the section from the Sedona turnoff SR 179 up to Fox Ranch Road, is currently funded and money was added to continue studying that section. On 260, Heber to Show Low, there will be a DCR to see what it will take to four lane that portion. SR 95 around Bullhead City from I-40 to 68, that alignment has been funded for study. For the rural portion of the state, the '06 deferred projects, 15 projects increased by \$68.2 million. From '07 to '11, sub-programs, the lump sums, the ones that haven't been identified yet, none are designed. They have increased \$88.6 million. The major projects in the program increased \$171.5 million. Sub-programs already lined up increased \$3.5 million, and design concept reports added \$16 million to the program.

#### **FY 2007-2011 Tentative PAG Area Transportation Facilities Construction Program**

Mr. Arnold Burnham reported that there is one large project in the PAG region, the I-10 project going from Ruthrauff Road to 29th Street. The cost increase went from \$124 million to \$193 million. The projects were reduced and deferred approximately \$47.5 million. ADOT district minor funds were used to the amount of \$2.5 million and a PAG contribution of their funds; \$19 million of those were used to add to it. There were a total of 21 program changes to realize this project including: The I-10, Pinal Air Park Road to Marana TI was moved out to 2008. I-10, the Linda Vista TI was moved out one year to 2007. I-19 San Xavier to Ajo Way section was moved out to 2011. I-19 Continental Road TI was moved out to 2007. State Route 77, Concordia Tangerine Road, moved to

2008. On 77 from Tangerine Road and Pinal County line, that was moved out of the program to 2011. On State Route 86, a widening project from the Town of Sells, moved out to 2008. They have approximately \$46 million in bonding capacity that's available if everything goes through. Some of these projects may be put back into the program with their bonding availability. Their 2011 proposed projects are I-10, Ina Road, reconstruct the traffic interchange, \$17.4 million. I-10, Ruthrauff to Prince Road, continuation with widening to eight lanes, \$18 million. I-19, San Xavier to Ajo Way, widening mainline to six lanes for \$29 million.

### **2007-2011 Tentative MAG Area Transportation Facilities Construction Program**

Mr. Bill Hayden presented a slide of a composite graphic illustrating proposed freeways and improvements and a variety of other projects planned for construction in the next five-year program. These projects were superimposed on the existing regional freeway system and include new freeway construction, improvements to existing freeways, right-of-way protection, new traffic interchange construction, high occupancy vehicle lanes and the inclusion of one high occupancy vehicle connector, and a variety of other transportation studies, and continuation of the rubberized asphalt program. Energy costs have been more volatile than other commodities costs, such as the traditional cement, steel, aggregates and petroleum products and have become the dominant factor in considering new freeways or other highway construction particularly in Maricopa County. In the development of the 2006 program there is about \$100 million short of delivering the program, resulting in the need to defer ten major projects from fiscal '06 and reschedule for '07. There are 15 projects that have been identified that will have either a one- or two-year deferral in the program. Twenty-three project cost changes were necessary as a result of the construction cost increases, resulting in an overage of \$87 million in the proposed five-year program. Major projects contained in the program include: Grand Avenue, adding lanes and other improvements between the Route 303 and 7th Avenue. A continuation of the improvement to State Route 85, resulting in fiscal 2010. On Interstate 10 between the Aqua Fria Freeway on the west and I-17 on the east, additional lanes added. On the Maricopa Freeway and including the Broadway Curve, two programs on Interstate 10 between State Route 51 and 40th Street. A collector distributor system is planned for that area. The onset of construction is planned for fiscal '11. On I-10 from 40th Street to Baseline, continue that collector distributor system. 202 Loop from State Route 51 to the 101 Freeway, adding additional lanes eastbound/westbound. Add lanes on U.S. 60, the Superstition Freeway, between the I-10 and the 101. The major element of the program will be the implementation of additional HOV lanes. There is an existing 80 miles of HOV lanes in the Valley freeway system. There will be an additional 70 miles. On State Route 51 between Shea Boulevard and the Pima Freeway, add HOV lanes, and connector route ramps between the 51 and the Loop 101. On the 101 Freeway, Tatum Boulevard to the Princess section in fiscal '11, but prior to that from Princess Drive south to the 202, add HOV lanes beginning in fiscal '07. Then, continue southward from the 202 interchange to the Santan Freeway in fiscal years '08 and '10. Begin the first HOV lane construction on the 202 Freeway from the 101 Freeway to Gilbert Road in Mesa, and an ongoing project again on 202 between the 101 Freeway and continuing out to Gilbert Road. Other projects are a combination of the High Occupancy Vehicle lanes and general purpose lanes starting in the North Valley on

Interstate 17 and adding general purpose lanes from the Loop 101 to Carefree Highway and HOV lanes. On Interstate 10, adding HOV lanes from the 303 Loop to Dysart Road. The four West Valley cities of Goodyear, Avondale, Litchfield Park and Buckeye proposed to accelerate construction of the widening of Interstate 10, including HOV lanes, in the section between the 101 Loop and just east of the proposed Estrella or 303 Freeway, which is Sarabella Road, an eight-mile section. They indicated willingness and a commitment to fund that project using their funds initially. It appears that that project is moving forward. On Interstate 10 from Riggs Road to the 202 alignment at the Santan Freeway, add general purpose lanes and HOV lanes. On the Superstition Freeway, the project is already ongoing between Val Vista and Power Road to be completed in 2007. New traffic interchanges and the HOV connector on State Route 51 in the North Valley. In this area just south of the 303 Loop, two new projects, Jomax Road traffic interchange and Dixileta traffic interchange. In the past few weeks, the City of Phoenix wants to add an additional freeway interchange at Dove Valley, about a mile south of the Carefree Highway with the commitment that they will pay for the approximate \$20 million traffic interchange. They would like that project to be advanced almost 20 years in the 20-year program to 2008. At Bethany Home Road and the 101, Boulder Avenue traffic interchange for this fiscal year, and at 64th Street, the HOV connector. There is an ambitious program for new interim construction on the 303 Loop, which connects with Interstate 17 at Lone Mountain Road and continues west at Happy Valley Road, construction begins in fiscal '08 and '09. Acquisition of rights-of-way will continue on the alignment between U.S. 60, Grand Avenue, and I-10. There have been ongoing negotiations, discussion, and coordination with Maricopa County Department of Transportation for the last several years, and it is anticipated in June of this year there will be a transition of ownership of that corridor from Maricopa County to the Department of Transportation. Director Mendez indicated within the next 60 days a recommendation and decision will be made on the west side only alignment of South Mountain. There are three alternatives to be considered: at 55th Avenue, 71st Avenue and 99th Avenue. When that happens, planning to begin the acquisition of right-of-way with planned future construction continuing through '08, '09, '10 and '11 will begin. In the tentative program, there is 122 miles of the existing corridor widening improvements, 70 miles of new high occupancy vehicle lanes, and five traffic interchanges and one connector. They will continue with new multi-phase construction, primarily on Route 303 and the South Mountain Freeway, with an additional 38 miles of right-of-way protection, a key component to ensuring or minimizing and preventing encroachment into right-of-way corridors to allow proceeding with the projects. There are 75 miles of studies underway throughout the Valley for other future improvements: In the West Valley, the I-10 Reliever Route that parallels I-10, which connects to the southbound freeway on the east and to the State Route 85 on the west, and the project in the East Valley is the Williams Gateway connector project, also under study. There will be an additional 34 miles of rubberized asphalt, which almost will complete rubberizing all of the Valley freeways. To sum up the cost for this five-year program, 2007 reflects not only the 2007 program but the carry-over for much of the 2006 fiscal year program. In 2008, there will be a reduction to the \$286 million. Then an increase from '09 through '11 from \$500 million to \$884 million, resulting in a five-year proposed program of almost \$3 billion of new construction and other activities in the Maricopa Association of

## Governments Regional Transportation System.

### **FY 2007-2011 Tentative Airport Development Program**

Mr. Mike Klein explained that aeronautics provides grants to the local municipalities, counties and authorities that own the airports across the state. In this program it is important that the Aviation Fund, be sufficiently funded and capable of providing these grants. Revenues in the Aviation Fund have been forecasted on an internal level, this year retaining HLB Decision Economics. The revenue confidence is higher and more accurate as projections and recommendations are made. The state revenue sources that fund this program come from four primary sources: property tax, aircraft license lieu tax, aviation fuel, and the Grand Canyon Airway. Sixty-one percent of the entire aviation fund is generated by flight property tax. It creates about \$13 million per year. In fiscal year '05 there was a total of \$21 million. That's where they began to look at the '06 program, \$20 million as a beginning balance in the fund. Revenue this past fiscal year was about \$22 million. Expenditures were about \$30 million with an ending balance of about \$12.5 million, which began the current fiscal year. In the process of providing the five-year program, there are several airports across the state. Ninety-three of them are considered public use facilities and are eligible to receive grants from ADOT for airport development purposes. Of these 93 airports, this year 62 provided 935 projects requesting grants. Seventy-eight of these projects were considered eligible and viable. Thirty-one million dollars were considered. Fifteen are proposed to be funded in the first year for \$16.8 million dollars. This is the beginning of building the five-year program for state and local projects. In the federal match grant program, when a federal grant comes in, they provide federal match dollars. The Pavement Preservation Program is becoming more popular and very successful to create a protection of the assets in the system. Airport development loans are becoming more widely used for revenue producing projects. The state planning services are moving to our state systems planning work and other things such as aviation weather forecasting and navigation aids assessments. The five-year program being proposed began with \$16 million. It increased to about \$18 and tends to level out between \$13 and \$15 million. The federal programming will increase to about \$3 million to support approximately \$100 million in federal aid to the airports. The loan program will remain constant, as will the state planning system. This five-year program will create a cash flow against the Aviation Trust Fund. As the grants are obligated, the Aviation Fund is spent down as reimbursements are submitted by the agency.

### **CALL TO AUDIENCE**

Mayor Donaldson, City of Flagstaff, expressed appreciation for the east Flagstaff traffic interchange underway. An issue of growing concern in the community and throughout Northern Arizona is travel between Flagstaff and Phoenix on Interstate 17 and it's increasingly unpredictable. At the same time, he is pleased to see the efforts being made. A personal experience regarding the time it takes to travel from Flagstaff to Phoenix was shared. He noted that even the Phoenix visitors are increasingly making the choice to stay home Friday night because of delays and that decision hurts the tourist-based

economy. The City of Flagstaff stands ready to participate in partnership opportunities within the region.

Board of Supervisors Chairman Ryan and Chairman of Northern Arizona Council of Governments thanked the Board on behalf of the cooperative spirit and allocation of enhancement money. He thanked ADOT for the work on Highway 64 between Williams and Tucson, widening on Highway 260 and for adding JW Powell Boulevard for the interchange at 89A and I-17 to the five-year plan. That was set aside on behalf of the east Flag interchange project. The Board of Supervisors fully supports the public participation process for Highway 179 and the recommendations and encouraged the Board to keep it on schedule. A few areas of concern are Highway 89, Marble Canyon between the Zataposki (phonetic) Mountain and House Rock Valley. The shoulders and other safety engineering features are minimal. The road has mostly tourist traffic and it has become a concern. They are thankful for the surface transportation co-oped work at the COG level. Funding at the federal level has increased to the State of Arizona by forty percent. The amount of money that they used and shared was \$9 million, remaining the same. They also have similar impacts on construction costs.

Mayor Karen Fann, Town of Chino Valley and Chairman of the Central Yavapai MPO, reported that the state highway system is outdated and dangerously under funded. According to the Morrison Institute of Public Policy Report, Arizona tallies 2.3 highway fatalities per hundred million miles of travel, which is now ranked as fourth highest in the nation. This is an issue the CYMPO is familiar with in the Prescott, Prescott Valley, Chino Valley, Dewey Humboldt, and Western Yavapai County area. The accident fatality rates are increasing each year due to the increased congestion on the highways. Every major road in the CYMPO region is rated F. The population is going to increase 273 percent over the next 25 years. The entire state transportation system is under funded. CYMPO is here to help and seek support from the Legislature to fully fund the transportation program. The state is in a unique situation. There is a large influx of funding that came to the state. Legislators should be contacted to let them know now is the time to increase the funding. As the five-year program is being finalized, she asked for consideration of her request and offers assistance to improve Highway 69, Highway 89, and the rest of the major arterials in and throughout CYMPO.

Randy Lowe, Vice Mayor of Cottonwood, spoke about State Route 260 from Cottonwood to Interstate 17. The portion between Western Drive and Thousand Trails Road in Cottonwood has always been anticipated to be the first part built, and there are reasons to move forward posthaste. There has been some controversy on the project as a whole, but not on this particular portion. The second thing is safety. This four-mile stretch has taken the lives of five people in less than two years. And this piece of the highway could serve as a poster child for ADOT access management. It is a four-lane, bifurcated highway. No matter what direction the remainder of this highway takes, no matter what alignment or no matter what kind of citizen design the rest of it ends up being, this portion would not have to change. Also the cost would be less because it is entirely in national forest and there is no right-of-way cost involved.

Carol Springer, Yavapai County Supervisor, District One, said two projects currently underway on Highway 89 are in jeopardy because the costs have increased. One project, a partnership between Yavapai County and the local MPO and ADOT, is the interchange at 89 and 89A. In the proposed plan there is an additional allocation of \$3.2 million to complete that project. In addition, the widening of 89 from Center Street to the south Chino Valley town limits is a partnership between the Town of Chino Valley and ADOT, is funded for an additional \$3 million to complete those projects. In their five-year program they have almost a third of the money allocated to Interstate 17 projects. Almost a third of the money is going to the 179 project, which is making a two-lane road a prettier two-lane road. About 35 percent of the money goes to western Yavapai County, which has approximately 65 percent of the population. They anticipate in Yavapai County a quadruple in population in the next 25 years, most of that growth in western Yavapai County. In the plan, in the year 2011, Yavapai County gets zero. Considering the growth, this is difficult. Yavapai County has always been willing to step forward and partner with ADOT. There is a serious gap that needs filled in highway design between the south boundary of Chino Valley and Prescott. If ADOT could put \$10 million in there, Yavapai County is more than happy to step forward with \$5 million to partner to get that project on the drawing boards. They appreciate the consideration.

Monica Gates, Mayor of Kingman, expressed appreciation for ADOT's contribution of \$500,000 for the design concept report and environmental document for the I-40 Rattlesnake Wash traffic interchange. Per the development agreement between the City of Kingman and ADOT, right-of-way has been acquired by the city for this project. Additionally, funding for the design of this project is scheduled for fiscal year 2008. The Kingman City Council committed \$5 million towards construction of the I-40 Rattlesnake Wash traffic interchange. In recognizing the budgetary constraints of ADOT and the rising cost of construction, she assured the Board that the city will diligently pursue a public/private partnership and financial participation from adjacent property owners so they may commence and complete this much needed project in a timely manner.

Robert Henley, Councilmember, City of Payson and Chair, CAAG, said that CAAG passed a resolution requesting the Board to fund the Florence Junction to Queen Creek Bridge, Gonzalez Pass construction and doing that in the budget year 2007. They also encouraged the Board to fund that in the first quarter. The presentation showed that it had been pushed out to 2008. In Marana, it was suggested they come back with proposals of projects that could be delayed in order to accelerate or keep the Gonzalez Pass on schedule. That was done in a resolution, and it will be presented to the Board by a future speaker. Mayor Barbara Brewer, was unable to attend from Payson and Robert attended on her behalf to ask the Board to place on the five-year plan a study for a corridor for a loop road from State Route 87 to State Route 260 in the Payson area. The Board has done an excellent job of funding the four-lane Beeline Highway up to Payson. It has been awarded the State Scenic Byway. ADOT also worked hard on getting the four lanes on 260. Therefore, they would like to see the study funded.

Bob Bell, Prescott City Councilman and Member of the Executive Board of the Central Yavapai MPO, spoke on behalf of Mayor Rowle Simmons. Over the years the city and ADOT have worked closely and successfully to provide quality highway improvements in and around Prescott. At the Board meeting in Prescott last June, the State Transportation Board showed the fortitude to dig a little deeper in terms of funding and awarding the contract for widening SR 89. The city is contributing \$1.6 million toward that project. Mr. Bell addressed the SR 69/89 traffic interchange, which is in the current fiscal year of 2006. The drafts of the 2007 to 2011 program would defer this important project until fiscal 2009. One year ago in anticipation of ADOT proceeding to bid and construct the SR 69/89 TI, the City of Prescott expended \$1.4 million for preparatory street and utilities work on East Gurley Street. If this project is deferred to 2009, the city will be forced to spend additional moneys for an interim pavement overlay to keep the road serviceable. The SR 69/89 traffic interchange is a primary gateway to the City of Prescott, and the safety and capacity improvements to be constructed by ADOT comprise more than just another highway project. When the State Transportation Board meets in Prescott on June 23rd to adopt a new five-year construction program, they ask the Board to put the money where the traffic is and where it is best invested in terms of highway capacity and safety and enhance the SR 69/89 interchange.

John Bowman, Councilmember Town of Jerome, is concerned about the elimination of the Jerome rest area from the five-year plan. This project started in the early '90s when Jerome was an artist community located on the side of a mountain. Today the traffic through Jerome on 89A has increased immensely. Yavapai County expects a four-fold growth in the next 20 years. The 89A corridor becomes a commuter highway for people working on one side of the county and living on the other side. The need for this facility is not going to diminish and has not diminished since its inception. The Town of Jerome is willing to do whatever it can to facilitate this and would appreciate the opportunity to talk with Board members to get this program back on the agenda.

Dave Barber, Deputy Director, Western Arizona Council of Governments stated that this year's proposed construction program offers challenges including material cost increases and an increase in fuel and oil which has made many project bids well over the state estimates by over 40 percent. He acknowledged the appointment of Jim Hickey as the head of the transit division. Many transit services across the state are experiencing five to ten percent increases almost monthly in ridership. There are several areas of concern in the draft proposal. In La Paz County there is only one project for \$200,000, to design a passing lane on State Route 95. La Paz County for many years has received some of the smallest allocations for improvements on state highways. The community of Quartzite for many years has been hoping and waiting for improvements on Frontage Road. Yet again, this project has not been included in the construction program. The thousands of winter tourists bring traffic to a near standstill. State Route 95 north of the Town of Parker needs improvements. Local residents need roads to exit off 95 to reach subdivisions just north of where the existing divided highway begins. In Mohave County, numerous projects are programmed. The Hoover Dam bypass is one of the major projects scheduled within Mohave County. He is pleased to see ADOT programmed some \$80 million towards dividing U.S. 93 south of the new bridge. This

appropriation is required as the bridge will be completed in 2008. Several previously scheduled projects had slipped in the construction program. The Farm Road on I-15 has been scheduled now to 2011. The southbound lane at 93 at Tompkins Canyon has slipped a year. Watching for the development of the design concept report for the new I-40 Rattlesnake Wash project and included in 2011, has not been included. The program also reflects a decrease in the pavement preservation program. The rural council of governments requested an increase in STP construction money. Many cities and towns are already subsidizing improvements on federally functioning classified roads by contributing millions of dollars to road improvements. The reasoning for no increase was the earmarked projects located in rural Arizona. These earmarks for the majority of projects were supported by ADOT and are actually on state highway systems, not county or city roads. He urged the Board to reconsider funding and potentially increase said funds. Kingman is putting \$7 million into the construction of an underpass under the BNSF Railroad to access thousands of residential lots which are currently being developed.

Ron Volkman, 31-year resident of Sedona, said that the highway design has 12 roundabouts in a seven-mile distance, and projected costs are in the range of \$75 to 80 million. A puzzling aspect that happened during the \$7 million needs based implementation plan process is that residents were in a final scenario charrettes. They were given two choices: Either four lanes with traffic signals or two lanes with roundabouts. There was no option to mix traffic signals with roundabouts. In a city populated mostly by seniors and tourists, is a highway designed 100 percent with roundabouts the right way to go? Is ADOT prepared for a design by joining two state highways, 89A and 179, with a roundabout? The Sedona Fire District was left out of this planning process. Is it important to go back to the Fire District and try to solve or mitigate some of the concerns they have with the roundabouts? Isn't it possible we could save money by using some traditional traffic signals? How much could be saved by leaving the present traffic signal at the junction of 89A and 179? When this highway is built, can Sedona and the Verde Valley get the assurance that it will not occur with simultaneous construction on Highway 260? Sedona and the Verde Valley could not survive the impacts of simultaneous construction at those two highways.

Todd Honyaoma, Senior Vice Chairman, Hopi Tribe and Vice Chairman of the Transportation Task Team, spoke in regard to roads on the Hopi Reservation. They are located about 100 miles east of Flagstaff and have two state highways that run through the reservation. State Route 264 from Tuba City runs up to Window Rock, and one runs from Winslow on up north, which T's off at the State Route 264 junction. They would like to get assistance in planning, assessments and designs of a road widening project. They have had overlays done, and now cracks that are almost two to three inches wide and separating. They don't have guard railings in some of the areas because some drop right off the edge of the mesa. There have been numerous accidents in the area and no attention focused on the Hopi reservation. They are one of the only tribes that sell their crafts on the side of the road or within their villages, and they get a lot of tourists. They asked for assistance to install some rest areas, especially from Winslow to Second Mesa. An invitation was extended to visit the reservation, the road system and the ceremonies.

Susan Solomon, Mayor, City of Sedona, thanked the Board for including the Highway 179 project in the plan and discussed the needs based implementation process and how it's being raised by ADOT in the future. The community was divided, but as people were educated, there was less divisiveness. There was more than one choice proposed to the community. She was involved in getting the Fire District on focus groups, and there was a public safety committee. The City of Sedona participated fully and is on board. They are not coming back with last minute changes at the end, after this very long, award-winning and expensive process. They made a commitment to loan \$6 million to the project so that it can be built and are ready to move ahead. This is the road that is the life blood of Sedona, which generates a tremendous amount of tax revenue for both counties. This is economic development with safer, wide shoulders and better recreation for all citizens and for tourism.

Mr. Ellis read a letter from former elected officials. The letter was to Chairman Martin and the Transportation Board, Victor Mendez, Director, and Sam Elters, State Engineer of ADOT. The undersigned, past and present elected leaders of Sedona, ask for your financial support and continued commitment to improve SR 179. May this project become reality as planned and currently scheduled? We represent a major portion of Sedona's history. Most importantly, each of us was very active in a Needs Based Implementation Plan process and provided input as to what the resulting plan should contain. Your support to date has been excellent. We look forward to your concurrence with ADOT management recommendations for funding the design plans crafted and overwhelmingly preferred by members of our community. Finally, the NBIP was totally accepted and approved by the multi-agency stakeholder representatives from ADOT leadership, FHWA, Coconino National Forest, Yavapai and Coconino Counties, Big Park Community Coordinating Council and the City of Sedona. The current plan benefits all of us with dramatically increased safety, significantly greater traffic efficiency, enhanced emergency service capability and other multi-modal amenities not previously planned. It ideally balances our transportation activity needs while maintaining the character and ambience of our area. A true measure of context sensitive solutions. ADOT, FHWA, Yavapai and Coconino Counties, the City of Sedona, and six utility companies have already directed considerable resources to the SR 179 project. Those contributions need to be protected and allowed to proceed in order to implement the wishes of the vast majority of those who cared enough to participate in the NBIP process. The multiple national and international awards and recognition already earned by this project represent acknowledgement of your leadership and a singular cooperative achievement by all stakeholders. SR 179's selection as Arizona's first "All-American Road" cries out for project completion as designed. We know you will all want to join us in celebration of a masterfully completed project on schedule. Thank you all again. Signed by Susan Solomon, present mayor, Dick Ellis, former mayor, June Cornelison, former mayor, Ernie Strauch, present vice mayor, Paul Tutnick, former vice mayor, and Sheri Graham, former vice mayor.

Ernie Strauch, Vice Mayor, Sedona, representing himself and Sedona on the Executive Team, Seven-Agency Organization. He spent three years working on this project and

acknowledged the cooperation and effectiveness of ADOT management working with the community towards resolution of the SR 179 design issues. Many more sophisticated and technically competent organizations have recognized the comprehensiveness of the NBIP process. No less than the Institute of Transportation Engineers, a worldwide organization, and ASHCO, have awarded the NBIP the best project in the world and one of the seven best local practices nationally respectively. The community's preference for roundabouts was based on traffic flow, efficiency and safety. The Fire District's are most concerned about response to already occurred incidents. Theirs is to do everything possible to prevent the incident in the first place. Statistics from the Insurance Institute for Highway Safety report a 76 percent reduction in injury, crashes and a 90 percent reduction in fatalities using roundabouts over their previous configuration for the same intersections and signalized intersections.

Jim Gibson, resident of the Oak Creek Historic Community, appeared before the Board four years ago, representing the community with a few requests. A few months later, in June of 2002, he made the same requests for increased safety, non-vehicular access for pedestrians and bicycles, and a dialogue with ADOT regarding improvements on Highway 179. Within six months the Board and ADOT embraced the idea of having a dialogue process with major stakeholders along the corridor, as well as the community, aimed at incorporating features into the corridor, improvements that reflected community boundaries and were consistent with the context in which these improvements were to be made. ADOT indicated that any improvements would comply with state and federal guidelines regarding safety and other critical issues and that they would be making the final decisions, resulting in a process and product that have garnered national and international acclaim and awards.

Bill Leister, Transportation Director, CAAG, said that two weeks ago at the Marana meeting, Director Mendez suggested they should find projects to move back instead of the Gonzales Pass, U.S. 60 project. Monday of this week the City of Globe at their regular council meeting passed a resolution. The resolution was read in part, "That the Mayor and Council of the City of Globe, Gila County, Arizona, do hereby declare their strong and unanimous support to maintain the project described in ADOT's Five Year Transportation Facilities Construction Program as a reconstruction of U.S. 60 from Florence to Queen Creek Bridge on its original schedule for construction to begin in FY 2007 by delaying the following projects instead: Delay from FY '08 until FY '09 U.S. 60 passing lanes from Oak Flat to Devil Canyon, and also delay from FY '07 to FY '08 SR 77 roadway reconstruction from mile 67 post 145 to mile post 147. Passed and adopted by the Mayor and Council of the City of Globe, Gila County, Arizona, on this 1st day of May, 2006."

William Loesche, Fire Marshal, Sedona Fire District, said that the design of the highway has some opportunities for the Sedona Fire District, including the roundabouts. A divided highway is another. It is going to increase the response times between the village and the City of Sedona. They are going to have some opportunities in getting to some of the incidents that happen in the roundabouts or on the divided portions of the highway. They have to resort to using the opposite lanes, coming up opposing traffic to get to some

of those incidents, as traffic will back up if there is an incident on one side of the highway. They do not have an alternative route through Sedona. They are stuck with the Highway 179 corridor for north-south access between the village and the city. Not having an alternative, they are forced to use the roundabouts. Those roundabouts also give opportunities in getting from one side of the road to the other through a roundabout and through a divider. At present there are certain fire hydrants located along that corridor where there is talk about getting more. He would like better feedback from the engineers.

Janet Anial, Beaver Creek Community, Transportation Facilitator for the Lake Montezuma Property Owners Association, acknowledged other residents and noted that they live near the McGuireville traffic interchange, which is between the Cliff Castle Casino and the Village of Oak Creek/Sedona exit. This interchange serves the residents of McGuireville, Rim Rock, Lake Montezuma, Cornville, Verde, Page Springs, Bridgeport, and Cottonwood, as well as the continual bus loads of visitors to Montezuma's Well. This exit does not meet current ASHCO standards and is dangerous. The interchange needs to be reconstructed and possibly relocated. The \$6 million for the reconstruction of the four ramps and other improvements in the new five-year plan is a good compromise that will address the safety issues. She thanked several staff and Board members for their diligence. The community has looked forward to and been promised solutions for this unsafe entrance for the past 20 years. The McGuireville traffic interchange is an integral part of the 1992 community plan and is included in the Yavapai General Plan 2003 and the 1999 Verde Valley Plan. They look forward to the final design work beginning in July and completion of the four new entrance/exit ramps in fiscal year 2008.

Tom Rankin, Mayor of Florence, said that the Board is going to hear a resolution that was passed by CAAG, which he is a member. They worked out an agreement with Pinal and Gila County communities on Highway 60 from Florence Junction to Gonzalez Pass. The project needs to be completed. It is a dangerous highway. It is a major corridor for the White Mountains from the Phoenix area to the East Mesa area. It is something that can be funded and can be started in the first quarter of fiscal year 2007.

Ingo Radicke, read a resolution of support from the Greater Globe-Miami Chamber of Commerce and EDC. "Whereas the cities and towns and unincorporated areas of Southern Gila County are concerned about the safety of the citizens, as well as anyone who travels throughout the region; and whereas the current condition of the segment of U.S. 60 through Gonzales Pass has been an exceedingly dangerous portion of the highway and hazardous for travelers; and whereas the Arizona Department of Transportation has set aside and earmarked monies between \$5 and \$7 million a year from 1999 to 2005, which totaled to \$39 million for the funding of the segments of U.S. 60 from Florence Junction to the Queen Creek bridge; and whereas several projects that do not have the critical safety implications that this segment of U.S. 60 has could be delayed instead. Now, therefore, be it resolved that the Globe-Miami Regional Chamber of Commerce and Economic Development Corporation hereby declares its support in maintaining the project as described in ADOT's Five Year Transportation Facilities

Construction Program as reconstruction of U.S. 60 from Florence Junction to Queen Creek Bridge to begin no later than FY 2007 by delaying the following projects instead, and this is what the board asked. We have two board projects to delay from FY 2008 to FY 2009. U.S. 60 passing lanes from Oak Flat to Devil's Canyon, which is a \$6.25 million project. Delay from FY '07 to FY '08 the SR 77 roadway reconstruction at mile post 145 to mile post 147, which at the present time shows \$11 million. Passed and adopted the 3rd day of May and signed by Micki Nye, the president and the chairman." He feels strongly about this project because he had a hand in getting it started. There have been too many fatalities. About 18 people lost their lives on that stretch of road. He urged the Board to re-insert this into the 2007 budget year instead of waiting in order to save more lives.

Janet Sabina, stated her position on a few inaccuracies she believes regarding 179 through the Greater Sedona area. With the description of the charette process giving people two choices, that is inaccurate from her experience and participation. There was a year and a half of collecting endless data and putting it into understandable forms so that the people could give their opinions. Then there was a hiatus. Then there were six choices of road options, narrowed to three and then one. During at least the last two choices, there were mix and match opportunities so people could voice their opinion. She is a senior citizen and a tourist and taken roundabouts many times in Europe. Wide, constant shoulders on the road will be positive. There will be wide constant slopes to pull away when a fire truck comes by or where a tourist can take a picture without others crashing behind him. Through this process, businesses along the route wanted more access. As it is now, what they have is a middle lane that is common for left turns coming from both directions. The roundabouts are going to cure that and give a lot of business access.

Jayne Valenzuela, Vice Mayor, Town of Superior, spoke on the outcome of U.S. 60 at Devil's Pass. The amount of fatalities in that short stretch will just continue to grow. Just like all areas in the State of Arizona are continuing to grow, Superior also is experiencing growth. With the mine resolution copper coming in, the amount of traffic is going to significantly increase. The Omnia Corporation is increasing its productivity. There are going to be about 60 to 120 semi-trucks a day going in and out of their plant. The issue of that area needs to be addressed, and hopefully be moved up to 2007 and keep it on track.

Bill Eich, senior citizen, has gone through a couple roundabouts and just came back from Southern France, a tourist area, and drove through several hundred. Like Sedona, you get off the main road and they are right in a row into a town. He asked the fire department to go up to either 9th or the Y, block it off, go up to the high school or someplace, and lay out a roundabout. ADOT can tell them how big it is, and they can drive their truck around and see, and of course the wide shoulders so people can get out of the way.

Daniel Paduchowski, resident of Sedona for 16 years, Architect and Urban Planning Professional and Vice President of the Verde Valley Cyclist Coalition, represents hundreds of resident cyclists and thousands of annual visitors that use the beautiful

roadways for exercise and recreational purposes. The proposed Highway 179 project is one which the organization supports and requests that the Board fully fund in the '07 to '11 budget process. As cyclists, they have been involved with ADOT from the outset of the design process by asking that bicycle facilities be an integral part of the design. ADOT recognized the importance in the overall design of Highway 179 by including striped and dedicated bike lines for the entire corridor. As citizens they have participated in the design advisory panels for each segment of the highway and have watched the divided community come together. They had the opportunity to create a world-class scenic highway that accommodates reduced traffic flow by utilizing roundabouts versus traffic-stopping, parking lot-creating, signalized, deadly intersections. This current highway design allows for multi-mobile transportation opportunities that are necessary to create a safe and user friendly road that can be enjoyed by motorists, bicyclists and pedestrians all at the same time. As gas prices continue to climb, they must do all they can to allow traffic to flow continuously and not idle and pollute the clean air. They must also provide the facilities to encourage everyone to park their car and get out and walk or ride their bike. Sedona is poised to provide solutions to these deficiencies by moving forward with this project in the current ADOT budget plan. The Verde Valley Cyclists Coalition asks that the highway design stay on course for completion.

Stephen DeVol, 19 year Sedona resident, and Vice President of the Voice of Choice for Highway 179 encouraged the Board to continue to support the Highway 179 improvements as they were approved. This came as a result of an effort from ADOT where community and stakeholders were invited. Final results were concluded based on sound engineering and safety practices. The action requested is to increase the program amount by \$417,000. He encouraged the Board to include that in the funding efforts and any other additional requests that come forward during this project.

Matt Shobert, spoke regarding traditional traffic signals and when an emergency vehicle like a fire truck approaches an intersection, they can capture a green signal, shut traffic down in the opposing directions, slow down to a safe and prudent speed and continue through the intersection and maintain response time. On a regular basis between the uptown fire station and the Village of Oak Creek fire station, those trucks are backing each other up and going to the middle areas back or beyond the chapel area to Sky Mountain. He has concern regarding the health, safety, and welfare of the residents and visitors to the greater Sedona area. Over the past several months concerns from an emergency response and mitigation standpoint have fallen on deaf ears. The Sedona Fire District would again like to express apprehension with the proposed design with State Route 179. The District is concerned that the 12 new roundabouts on 179 coupled with a lack of an alternative route will cause problems. Many communities that have had success with the implementation of roundabouts also have additional traffic arteries to move traffic through their associated regions. Highway 179 is the only artery that runs through that area, and it will continue to be the sole artery for some time. Research has shown that each roundabout potentially could cause delays of approximately seven seconds to 32 seconds per roundabout.

Renee Tavares, Town of Jerome, read a letter from Christine Barag, President of the

Jerome Chamber of Commerce. "Dear Board of Directors, this is a letter of support for the visitor's center public restrooms. We see a number of tourists every day visit our town. We had over a thousand visitors through our little trolley building, and the trolley building is eight by twelve, so it is not very big. This current visitor center is only open part-time, four hours a day, and January is actually considered one of the slower months here in Jerome. Right now we have only two public restrooms available in the town. The fire station is one of the areas, and it actually has only one stall for each sex. The number one question we receive when people walk in our doors is where the restrooms are located at. It has been a while since we had first heard of this project, but we are still very much in need of this building and would very much appreciate any effort that would help us in getting this building. Again, I want to reiterate that the Town of Jerome wants to work alongside with ADOT staff and this board to get this project back on track. We also want to emphasize that this rest area should be considered a safety spot. Mingus Mountain is an interesting road, just like most of the roads up here in Northern Arizona. Tourists come through white knuckled because of holding on to steering wheels so desperately because of the way that the roads are, so we want you to consider this as a safety spot for them and also for the individuals that come across on Mingus Mountain that work either in Prescott or Prescott Valley that come over to Cottonwood, Camp Verde. Again, we really need to get this project back on track. Thank you."

Wes Ballew, Public Works Director, Town of Jerome stated that the 89A is an important alternate route between Cottonwood and Prescott if there is an accident or issues on I-17. It is a commuter route and a tourist destination in the State. The current restrooms are in the fire department building and are overloaded. There is a constant line from ten in the morning to five at night, and the four-man crew is in charge of maintaining the restrooms. The town donated land to the proposed rest area. The county also dedicated \$65,000 to the project. They would like to see it returned to the program.

Jane Moore, Mayor, Town of Jerome, is interested in partnering in the five year plan. As the public works director said, the town donated valuable property for the building of this rest area facility. In conjunction with the Chamber of Commerce they are willing to take over the maintenance and pay for the utilities. A not too recent ADOT study said that 1.2 million people are traveling across 89A through Jerome. Not all of these people are stopping in Jerome. As a person that has been in business on 89A in Jerome for 33 years, the most frequently asked question when people stop is where are the restrooms. When a bus stops, sometimes 60 people stand in line for an hour. The rest area facility would benefit millions of tourists in the area, and the Chamber of Commerce is willing to run the facility and distribute information about 89A and the entire area. She respectfully requests reconsideration to put this back on the five-year project list.

David Newlin, City Manager, Holbrook, mentioned a small area transportation study in Navaho County and appreciates ADOT's help. There is one way across the railroad track and the Little Colorado River in Holbrook, and it separates the north half and the south half of the counties. There is no other way to get across that with a bridge that will support heavy equipment, except going into Apache County. Alternate routes are needed and this small area transportation study will provide that information. The transportation

and incident grants are becoming burdensome with the additional funds that have to come through. They respectfully request the Board to review the transportation that has been reprocessed and perhaps slow the rate of funding of projects until some of the current projects which Flagstaff, Winslow and Holbrook and this area have are completely funded. Navaho and Apache Counties have no communities over 10,000 people. They appreciate the ability of other cities in the state to fund highway projects, but are deeply concerned about the diversion of general funds to specific highway projects in lieu of the traditional user taxes the state taxes on gasoline and other fuels, which have always been a way that these projects have been funded. This is a major change and taking some of these projects out of there creates difficulties for small communities whose roads are primarily for access and tourism and not population driven.

Chris Fetzer, representing Northern Arizona Council of Governments, said that for years the rural COGs and ADOT have enjoyed a strong working relationship. As a result, the Department allocated to those rural regions which include the small MPOs, some of the federal funding received under the STP program. Those funds are used within each of those regions to program or implement local projects on city and county facilities. Many of the communities, particularly the smaller counties, have no other capital resources to implement such projects. Those projects also produce benefits to the state highway system. Rural regions have requested through the director's office, and now ask for the Board's consideration, an increase to those construction funds as a result of the increases that the Department has seen through the new federal transportation bill. In addition, a letter has been sent to the director's office seeking to initiate a dialogue with the Department on the implementation of two new federal programs that were included in the new bill of particular interest to local agencies. They worked hard during the actualization process to see that these programs were included and funded with the congressional delegation, those being the High Risk Rural Roads Program. Many of the counties have a significant interest in seeing how that program is implemented and providing access to them in response, as well as the Safe Routes to School program.

Jack Guth, 16-year resident and Business Owner, Jerome, Arizona and former Town Councilman and Vice Mayor, provided a history of the attempts that the town made for a restroom facility on Route 89A in Jerome. In 1997, he suggested a plan to the town council to provide town property and utilities for a public restroom. He proposed contacting ADOT for funding assistance. The plan was unanimously approved. ADOT and the Roadside Development Service immediately approved it, giving it top priority in 1997. In 1999, ADOT granted the Town of Jerome \$360,000 for the restrooms. However, because of delays in plans for construction, these funds were eventually taken back. In 2001, he again emphasized the need. A meeting was held with the state environmentalist, who contracted a landscape architect. In 2003, the design was approved by the Town of Jerome Design Review Board, but CYMPO rejected it because it stated, "too historically correct", and the town could lose its historical landmark status. After the town redesigned the plan, a meeting was held with agencies from ADOT to the State Preservation Society, the Historical Preservation, Federal Highway Administration and environmentalists. Everyone at the meeting endorsed the entire plan. And then he retired. In 2005, he wrote to the governor stating his understanding that the

sole bid for the project was apparently over budgeted. She responded with a letter and asked ADOT to respond. ADOT did respond, but the project was over budgeted by a single bid and therefore it was cancelled. They did concede the importance of the project and said it would be reconsidered. This year he recently learned that the project was cancelled by ADOT and not considered for funding. In conclusion, after nine years the need for public restrooms is greater than ever. Seven hundred thousand tourists a year visit Jerome with more traveling through. The two public restroom facilities at either end of town are not adequate to accommodate the public needs. The town donated excellent property on 89A in the center of town with excellent parking and available utilities. Any building design ADOT accepts as appropriate located anywhere on the donated town property will be a godsend for the town citizens and visiting tourists.

Lieutenant Ron DeLong, District Commander, Department of Public Safety that encompasses Mohave County thanked the Board for moving up the project to widen U.S. 93 from mile post 2 to mile post 17 to a four-lane highway. This is an active corridor that connects highways, a very important corridor to traffic that flows back and forth between Arizona and the Northwest United States. Prior to 9/11, traffic counts on U.S. 93 in this area were roughly 16,000 vehicles a day. After 9/11, restrictions were placed on Hoover Dam that took commercial traffic off. In 2008, when the bypass is completed and commercial traffic is restored to U.S. 93, traffic flows are expected to increase to that level and possibly higher. Mohave County, like all other areas in Arizona, is experiencing unprecedented growth. There are two developments going in just south of Hoover Dam, the retreat at Temple Bar and the villages of White Hills, combined to put roughly 40,000 new homes in that area. It is believed that these will be bedroom communities for employees from Las Vegas increasing traffic flow across the area. He asked for support to make sure that this widening from mile post 2 to mile post 17 stays in the plans. He offered a manpower allocation request to his department to establish a new area and assign officers and supervisors to handle this increase in traffic and the related calls for service.

Chuck Busby, Vice Mayor, talked about the turnback agreement on bypass 10, the stipulations that it would be scheduled for completion by 2009. Half of it is done and they agreed to take the turnback as it is completed. ADOT hasn't come to them to do that turnback on the first half, but people, including the town attorney, are getting anxious about doing this without some kind of assurance that the remainder of it is going to be done. The turnback agreement says that the final portion will be scheduled for construction by 2009. Now we have a five-year plan that goes to 2001. This is not a new project. This is a project that they have been working on since 1987.

Robert McClarin, President, Lake Montezuma Property Owner's Association, said that the McGuireville interchange 293 is one of the most poorly constructed of all the interchanges on I-17. This project has been deemed worthy two previous times and placed in the five-year plan, only to be removed each time in favor of other projects. The communities of McGuireville, Rim Rock, and Lake Montezuma are some of the faster growing areas in Yavapai County. Many bought into the area knowing that the interchange was to be approved. There is a significant retired population that as they age

has few options to get basic services locally. They are forced to use the interchange and I-17. Many, however, choose to move away. They supply a huge work force to neighboring communities, again using the interchange and I-17 to get to work. All of the high school students travel outside the community to go to school, again using the interchange and I-17, sometimes several times each day.

Hector Rurdas, Chairman, Greenlee County Board of Supervisors, said that Greenlee County is concerned that the U.S. 191 Guthrie Bridge project stays in place in the five-year plan. This is the last segment of the project that began more than ten years ago. The final segment needs to be completed and brought up to today's safety standards. The safety of the traveling public between Marana and Greenlee County should not be forgotten. Both sides of the highway have been improved and brought up to safety highway standards. The U.S. 191 Guthrie Bridge segment has been the unsafest part of the highway and should not be delayed any longer. He thanked staff for help in the designation of the Coronado Trail last year and the U.S. 191 as a national scenic byway.

Wendy Robertson, citizen of Sedona for about 18 years, discussed the increasing numbers of residents and tourists navigating the roadways and the pressures requiring improvements to highway infrastructures to accommodate the automobile, the rapid transit bus, the bicycle and the pedestrian. The Achilles' heel of the transportation system has been for many years State Route Highway 179. The City of Sedona has sought the aid of ADOT for over a decade to create a more efficient highway and to maintain the rural scenic character of this historic road. After many public meetings, hundreds of volunteer hours, and thousands of public comments, ADOT listened to the vast majority of Sedona citizens and designed what has been recognized as an All-American Highway. She encouraged the Board to recognize the progressive and award-winning needs based implementation process by proceeding with the Highway 179 project as currently proposed. The current two-lane design with wide shoulders, bike lanes, roundabouts, and more controlled access is the proper design for Highway 179. If the project is delayed longer, the City of Sedona will see more congestion, pollution, tragedy and frustration as resident and tourist populations continue to grow. More information can be found at [www.scenic179](http://www.scenic179).

Carolyn Huggins, Citizens for an Alternate Route, a civic group that supports an additional route from the Village of Oak Creek to west Sedona and resident of Sedona since 1978, said that Sedona keeps the economic engine of Northern Arizona humming. They want Highway 179 to be the best highway and the most successful project that it could possibly be. She spent the last three months working on the Sedona City Council campaign trail and worked closely with newly elected council members Ramon Gomez and Nancy Scagnelli, and while they could not be here today, they would say that seven out of ten of the people they talked to think 179 is going to be four lanes with roundabouts. The new motto in Sedona is "when in doubt, roundabout." She recommended taking a poll. She wants to support the Fire District.

Steve Stratton, Gila County Public Works Director discussed the project on Highway 60 from Florence Junction to Queen Creek Bridge. In Marana, Director Mendez asked to go

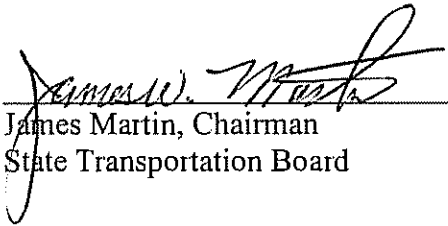
back to PAG and have a resolution passed. That day in Marana, the 17 members of the management committee met and ordered a resolution to the regional council, who passed it on Wednesday, May 3rd. Steve Lopez read the following in memory of the three generations of family he lost on that highway. "Whereas, the cities and towns and unincorporated areas of Gila and Pinal Counties are concerned about the safety of our citizens, as well as those who may travel throughout the region; and whereas the existing conditions of the segment of U.S. 60 from Florence Junction to Gonzales Pass to Queen Creek Bridge have been proven to be an exceedingly dangerous portion of the highway and hazardous to travelers; and whereas Arizona State Department of Transportation has set aside and earmarked between \$5 and \$7 million per year from 1999 to 2005, a total of \$39 million, for the funding of these segments of U.S. 60; whereas, several projects that do not have the critical safety implications as these segments of U.S. 60 could be delayed instead. Now, therefore, be it resolved that the Central Arizona Association of Governments does hereby declare their support to maintain the projects described in ADOT's Five-Year Transportation Facilities Construction Program as reconstruction of U.S. 60 from Florence Junction to Queen Creek Bridge to begin no later than fiscal year 2007 by delaying the following projects instead. Delay from fiscal year 2008 until fiscal year 2009, U.S. 60 passing lanes from Oak Flat to Devil's Canyon, \$6.25 million; delay from fiscal year 2007 to fiscal year 2008 SR 77 roadway reconstruction from mile post 145 to mile post 147, \$11 million." Pictures were shown of the area.

Tim Costello of Cottonwood spoke about SR 89A through Cottonwood and Clarkdale in the plan for '07. He is delighted it is still in the five-year plan. Both communities at each end of this project, Cottonwood and Clarkdale, support the project and look forward to that proceeding. Regarding SR 260, currently an access management plan is being worked on and stalled. They are pleased to see that there is over \$20 million in the program in the latter years, and suggest that that project be built, the segment that is within the limits of Cottonwood from Western Drive to Thousand Trails. It fits the budget well. It is the segment of the highway that has the worst safety record by the accident history. If the roadway was to realign there to I-17, this segment could be kept. It is widely bifurcated, four lanes, virtually a match for the highway between Cottonwood and Sedona that many people have expressed a favorable opinion for in past public meetings. Cottonwood has been a recipient of grant funds and has built local projects benefiting the highway. As routes are completed that connect and form a background network, they are taking trips off the state highway. That program could use more money.

Tommie Martin, Gila County, Vice Chairman for the Gila County Board of Supervisors, added his voice to the Gonzales Pass. When talking about Florence Junction to Queen Creek, the focus is on Gonzales Pass. There are three lanes coming up a grade on both sides, a climbing lane on each side and it narrows down right at the top to a two-lane bottleneck. Everybody is trying to pass the last slow rig, and it is a deadly design. They have done a resolution this last Tuesday at their board meeting. Gila County Board of Supervisors supports putting that back on the 2007 agenda. Payson needs a loop study, eventually wanting three or four lanes defined.


**Adjournment**

No closing comments were made. The meeting adjourned at 12:10 p.m.



---

James Martin, Chairman  
State Transportation Board



---

Victor Mendez, Director  
Arizona Department of Transportation

**MINUTES OF THE  
STATE TRANSPORTATION BOARD  
STUDY SESSION  
3:00 P.M., Thursday, May 4, 2006  
Little America Hotel  
In American "C" Meeting Room  
2515 East Butler Avenue  
Flagstaff, Arizona 86004**

The State Transportation Board met in official session for a study session at 3:00 p.m., Thursday, May 4, 2006, with Chairman Martin presiding. Other Board members present included: Vice Chairman Joe Lane, Bill Feldmeier, Delbert Householder, Bob Montoya and Felipe Zubia. Si Schorr was absent. Also present were David Jankofsky, Deputy Director; John McGee, Chief Financial Officer, Administrative Services Division; Dale Buskirk, Director, Planning Division; Mike Klein, Program Manager for Airport Development, Aeronautics Division and Barclay Dick, Division Director, Aeronautics Division. There were approximately 40 people in the audience.

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

**Governor's Growth and Infrastructure Initiative**

Mr. David Jankofsky briefed the Board on the Governor's Growth and Infrastructure Initiative. Information gathered at the Town Hall essentially said that planners must be given the tools and ability to plan in advance of growth. Transportation planning should be coordinated at the state and regional level and it is felt that it is well coordinated. We may be reaching a point where planning might be expanding beyond the boundaries. Another finding at Town Hall is that implementation of long range transportation plans require considerable funding flexibility to accommodate cost fluctuations. Integration of Land Use and Transportation Planning must be done and coordination among levels of government and stakeholders is necessary. The State has a good participation process and may need a more formal mechanism to break impasses. A mechanism may be needed to preserve rights-of-way for future development. The problem was identified as an old funding model, the gas tax, the use fuel tax, the VLT, regional sales tax and these instruments are blunt user taxes. Since 1985, resources have been poured into the system and we still seem to be running behind in terms of resources and needs. It is suggested that a systematic way to look at the problem is to look at the processes first to ensure that 1) existing resources are used efficiently and 2) additional resources are used efficiently. The question is, should we put additional resources into the existing process or perhaps the process should be looked at first and more importantly, the Governor is suggesting that perhaps the process should be looked at first. Several graph charts were shared including construction cost of materials and cost of congestion. The Governor convened a cabinet level working group, with ADOT representation, to identify the procedural and financial needs, suggest policy and regulatory changes and develop inter-agency and intergovernmental implementation steps. The Initiative calls for a three phase approach. Phase I – Immediate Issues (Physical Infrastructure) will identify transportation needs, water availability, air quality, wildlife/urban interface, management of State lands, linkages between these issues and economic development and meet with the development community. The objective is to institutionalize cooperation and collaboration among State agencies, State agencies and local and regional agencies and State agencies, local and regional agencies and the private sector. Phase II – Add Human Infrastructure will include social service agencies following the population and the development, school facilities and answering the question, can the needs of Arizona's Human Infrastructure Agencies be planned in concert with the physical infrastructure. Phase III – Essential Services includes an Essential Services Task Force looking at essential services such as energy and utilities. On a parallel path,

there will be an evaluation of financing alternatives to understand how Arizona finances its transportation needs, an evaluation of other models and to reach conclusions. It is important to restate that the process must be evaluated to ensure that any additional resources are used effectively for any type of infrastructure.

A discussion followed when Mr. Montoya asked if there was a model that can be implemented so the State can become a joint venture partner with the developers. Mr. Jankofsky said that he was not sure and would find out the answer if the State could go into partnership on some of these things. The State Land Commissioner wants to work with ADOT to the extent that he can within the bounds of his constitutional responsibility which now says that it is his job to maximize the value that he gets from either the sale or increasingly the lease of State land for the beneficiaries of the trust, usually the state school trust. At the present time, while he can reserve right-of-way, like he is trying to do in Pinal County, it is believed that he can't give it to us because he is bound constitutionally. There are some initiatives to at least try to change that. Mr. Montoya replied that he feels the State would benefit by exploring models of developing those lands with private developers. We may receive \$1 million per acre for a piece of property that is undeveloped, but once you put a master plan together, the value may triple and if there is a model or a way to take that to the next step, the revenues could be tripled. No matter where the revenue goes, it is going to the State. Mr. Jankofsky said that he would bring that up to the Governor's Task Force and maybe throw it into the mix as one of the alternative models that are evaluated. Mr. Feldmeier commented that relating to setting aside State Trust Lands, there are constraints, if they set the lands aside and corridors are recommended routes, it increases the value of the land and is an opportunity for ADOT to partner with the land department and both benefit in the exercise of designing where the routes would go and where the corridors and interchanges will be in the long-run. Mr. Jankofsky replied that Mr. Feldmeier is correct and that is exactly what is happening in Pinal County. Any roadway is going to enhance the value of the environment. If you take aerial photographs of the Superstition Freeway for twenty-five years, you will see it is directly related to the growth of the East valley. Private developers recognize that and with discussions held, some are willing to give right-of-way where corridors are established. The land department again, knows it will enhance the value of the land and his understanding is that the Land Commissioner would still not be able to give away right-of-way. He may be able to hold land aside for right-of-way for the Board to purchase as some point in time at least under the present state of the constitution. It was suggested that someone from the land department attend a meeting to provide information. Mr. Jankofsky stated that the Land Commissioner was in front of the Board in a study session a few months ago more specific to the Pinal County issue and he is accommodating and we might invite him back so the Board can get a first hand view of what he can and cannot do. Mr. Zubia commented that regarding the State land issue, there is an initiative coming up in November where some will be addressed and maybe it will be appropriate for the Land Commissioner to give the Board a detailed analysis of what that initiative would do. And onto a more global issue of infrastructure financing, and appreciating the Governor's concern for going out there and talking about raising funds, and wanting to look at processes, he asked if they are going to be looking at processes as well as financing mechanisms on a parallel track? Mr. Jankofsky replied that they are on a parallel path although one might run ahead of the other. The process side might run ahead of the financing alternative side; however, there is work being done on both. Mr. Zubia said that he feels that everyone would agree that funding needs to be increased somehow, and the more time spent getting that out, working jointly with local jurisdictions and developers to come up with how to do that, particularly on ways in which local communities already implement, whether it's impact fees or construction in conjunction with development adjacent to state right-of-ways, needs to be discussed early so that the ideas can get out there. Mr. Jankofsky said that at the chairman's request, this is the first in a series of study

sessions where we will keep the Board informed of those issues and it is an evolutionary process throughout the year. Mr. Zubia asked if the Board will be asked for ideas of what those additional funding mechanisms are, or will it be talked about at a later Board session or is this something that Mr. McGee will discuss later. Mr. Jankofsky replied that to a certain extent, all of the above. Mr. McGee will provide an overview of highway financing and as staff, other models will be reviewed and the Board has a legitimate interest in anything that affects transportation policy. The Board is not necessarily looked to as the sole fountain of ideas of how to close the needs resources gap. The Governor is putting together a broad state-wide initiative in that regard. Any ideas that any member of the Board has individually that they want to input to that group, or collectively as a Board is welcomed by the Governor's Task Force. Mr. Zubia said that it would be appropriate to come up with a resolution on what we believe are some of the options for funding, not necessarily, an edict, but something from the Board that suggestions items to look at more closely and ultimately it's the Governor's decision. With regard to some of the current financing mechanisms, that being the gas sales tax, what portion of the funds do we get? That question was deferred to the following presentation. In reference to one of the funding model slide presentation bullets, "the existing resources being used efficiently" it was suggested to call that the expenditure model. There are ways to save money by properly expending money, by the same token; that may provide a ten, fifteen or twenty percent savings. It will not solve the problem, it will help and we can't ignore it. And it was suggested to overlay the cost of congestion with the population growth. Mr. Feldmeier asked if anyone believes if we still seem to be running behind. Are we at a point where people are more accepting of the fact that we need to do things a different way and create a different model? Mr. Jankofsky feels that yes, going back to Vision 21, a systematic way to look at needs and resources and a discovery of a gap between needs and resources. The needs resources gap is still there. A comment was made that the Governor's Growth Initiative is a positive step and the Board is willing to march with the Governor to try and solve some of these problems. Mr. Jankofsky concluded by asking how does the Board dovetail, integrate and input into that Growth and Infrastructure Initiative. ADOT is doing it at the staff level and it is intended to be a broad based initiative and the Board has a legitimate interest in transportation issues.

### **Highway Finance in Arizona**

Mr. John McGee gave an overview of the highway finance in Arizona. The majority of the financing for highways throughout the State comes from Federal Funds, Highway User Revenues and Sales Taxes. The funds go to three basic areas, the 1) operating budget including maintenance, supporting the Motor Vehicle Division, highway operations and other support functions; 2) debt service and 3) five-year construction program representing between sixty-five and seventy percent of all the funds that come to the agency. In the 1920s and 1930s, when the gas tax was enacted at the national and state level, the concept was a user fee based system. Over time, that model slowly has been changing. Political entities have been moving away from the strict user concept and into broader non-user type of financing mechanisms. In particular, the excise tax has become popular. The current 2006-2010 Highway Construction Program is \$5.1 billion and approximately fifty percent of that relates to projects that will be built in the Maricopa County Region. Roughly forty percent of that \$5.1 billion comes from Federal funds, thirty percent from borrowed funds, twenty percent from State funds and ten percent from Regional Area Road Funds. The Highway User Revenue Fund is a traditional type of funding established in 1974. In Arizona, money that goes into the Fund, with the exception of the VLT, has a certain level of constitutional protection used for highway purposes and within those purposes the Constitution allows for the funding of State level enforcement activities on the highways. The money gets distributed based on statutory formula. Last year we collected approximately \$1.245 million. Pie charts were shared showing the funding sources. An explanation and history of the

fuel tax was reported. The Vehicle License Tax is based on the value of the vehicle and it is the only piece that is not constitutionally protected. Over time, that has been the fastest piece of highway user revenues. Approximately fifty percent of VLT revenue goes into transportation; the rest is distributed to cities and counties and can be used for the general fund purpose. Additional charts were shared indicating HURF growth rates, forecasts, revenues and distributions and a “pipe chart” showing how revenue is distributed. The Regional Area Road Fund (RARF) was originally passed in Maricopa County in 1985. All counties have the ability to pass the half cent sales tax subject to voter approval. Only in Maricopa County is the half cent sales tax controlled by the State and in Pima County the money flows into a RARF and all the other counties the money is controlled by the County Board of Supervisors. The tax in effect based on the most current voter approved initiative will go through December 31, 2025, and essentially involve a ten percent increase in the State’s base sales tax rate. Money went into the RARF until December 31, 2005, after this date, one third is deposited into the Public Transportation Fund. A pie chart indicating RARF sources and uses of funds for FY 2005 was shared. Additional charts showed distribution, annual rates of growth and forecasts. Regarding Federal Funds, Congress uses the Trust Fund concept with a portion going to the state based on a number of formulas. After appropriations to the states, obligation limits are imposed. Most funds have a matching requirement. Last year the State received approximately \$587.1 million of Obligation Authority, which are actual Federal Funds that we can obligate. A chart indicated that ADOT retained approximately \$444.7 million with the remaining going to Maricopa, Pima and Other Counties. The State Transportation Board has bonding authority for Highway Revenue Bonds, Regional Area Road Fund Bonds, Grant Anticipation Notes and Board Funding Obligations. A chart referencing the Board’s guidelines and policies and how they affect bonding programs was shared. Program capacity and amounts outstanding were identified. The Board’s bonding policy was referenced and included in the handout as well as a debt to revenue ratio chart. State Infrastructure Bank statistics and requirements were reported as well as Board Funding Obligation statistics and requirements.

#### **FY 2006 – 2010 and FY 2007 – 2011 Highway Construction Plans**

This item was postponed until the June 6, 2006, study session.


#### **Rest Area Research**

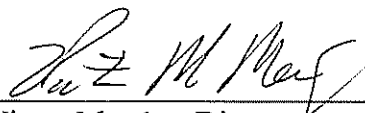
Mr. Dale Buskirk gave a report to the Board regarding rest area research including commercialization options. One way to reduce operational and constructional costs of rest areas is to commercialize or privatize them. ADOT has the ability to commercialize certain rest areas and through its Rest Area Designation Authority ensure that they meet certain service and aesthetic standards. Rest areas are expensive to construct and maintain. One option is to commercialize and shift some of the cost of construction and operation from ADOT to private entities. Rest areas can be located adjacent to highways or off the highway and to which there is access. Federal law prohibits commercial activities on or within the Interstate right-of-way. However, commercialized rest areas are allowed on non- interstate state highways. One way would be to develop access agreements with private entities adjacent to roadways. For them to be utilized, they need to be convenient to drivers, usually, adjacent to highways, or close with clear, directed signing. If the Board were to feel that this is an option, it would take time to be constructed, standards, agreements, issues of access and more would need to be addressed. There are already a number of facilities at or near state highways that could possibly be made acceptable as commercialized rest areas. If these private entities felt there was a possibility for additional traffic and potential profit, they could be willing to make those changes to their private, commercial facility to meet whatever standards necessary to be designated an official rest area. A selection process would need to be developed and competition addressed. There is

potential and we could significantly reduce the cost to construct and maintain rest areas if they were commercialized to some extent and to provide an option for privatization. In summary, there are some restrictions, there is a great deal of potential, however, there are a number of issues and with the Board's direction, we would be willing to further identify the issues and present them to the Board with how the issues might be addressed.

**Adjournment**

There were no closing comments and the meeting adjourned at 4:50 p.m.

  
\_\_\_\_\_  
James Martin, Chairman  
State Transportation Board

  
\_\_\_\_\_  
Victor Mendez, Director  
Arizona Department of Transportation

**MINUTES OF THE  
STATE TRANSPORTATION BOARD MEETING  
9:00 a.m., Friday, May 19, 2006  
Graham County General Service Bldg.  
921 Thatcher Blvd.  
Safford, Arizona 85546**

The State Transportation Board met in official session for a Board meeting at 9:00 a.m., Friday, May 19, 2006, with Chairman Jim Martin presiding. Other Board members present included: Vice Chairman Joe Lane, Bill Feldmeier, Rusty Gant, Dick Hileman, Delbert Householder, Si Schorr and Felipe Zubia. Bob Montoya participated via telephone. Also present were Director Victor Mendez; David Jankofsky, Deputy Director; Sam Elters, State Engineer; Barclay Dick, Division Director, Aeronautics Division; John McGee, Chief Financial Officer, Administrative Services Division and Dale Buskirk, Director, Planning Division. There were approximately 45 people in the audience.

**OPENING REMARKS AND PLEDGE**

Mr. Delbert Householder led the audience in the Pledge of Allegiance. Chairman Martin thanked the City of Safford for their hospitality and for hosting the dinner on Thursday evening.

**DISTRICT ENGINEER REPORT**

Bill Harmon, District Engineer for Safford provided an update on projects and issues of regional significance. He introduced district staff members and mentioned that there are a variety of commerce, industry and government agencies in the area. Recently completed projects include: The US 191 corridor between I-10 and Safford is divided into nine segments; segment four was completed last year. A local government project signaled the intersection of 20<sup>th</sup> Avenue and 8<sup>th</sup> Street. Eight projects are under construction near Graham County including SR 75 Sands Wash, US 191 Morenci and City of Willcox traffic interchange. Additional projects highlighted include: US 191 Gila River Bridge replacement, US 191 corridor from I-10 to Safford segment three and two are programmed for construction and segments one and four are completed, US 191 corridor I-10 to US 70, US 70 Safford to Solomon and the Gila River Bridge in Bylas.

**CALL TO AUDIENCE**

Drew John, Supervisor, Graham County, thanked the Board for the work in Graham County. Projects important to the area include the 191 project, Highway 70, the 8<sup>th</sup> Avenue Bridge and Highway 366, the road up the mountain, where ADOT convened a group to develop a scenic byway.

Kimball Hansen, Regional Communications Manager, Phelps Dodge Mining Company, provided information about the Safford Mine Project and its significance. It will bring jobs, economic benefits and tax revenue dollars to the state. He asked for support for the project.

John Korolsky, Senior Environmental Engineer, Phelps Dodge Mining Company, said that a land exchange with the BLM was completed in September 2005. Most of the permits were received. They moved from the feasibility level of study and are working with Fluor from Vancouver, B.C. Construction will start this summer with copper production scheduled for July 2008. The location is about eight miles north of Safford. It will be a major mine, not quite as large as Morenci.

Employment will total about 400 with about 100 contract employees. Mining will start a year after construction begins. The mining process was described. On the environmental side, advanced environmental protection systems and state-of-the-art technologies are utilized. The project has a \$550 million construction cost on a two-year schedule with 1,000 construction workers at peak. Economic benefits estimates for Graham County are \$62 million annually, for Arizona, \$221 million annually and for the United States, \$924 million annually. The mine will result in changes to the traffic volumes and flows.

Ed Ragland, Councilman, City of Safford, deferred to the Mayor. The Mayor of Safford welcomed the Board and appreciates the project going south to I-10. Other notable projects discussed included the intersection at 8<sup>th</sup> Avenue and Highway 70, the intersection at 20<sup>th</sup> Avenue and 8<sup>th</sup> Street and the city trail system. Councilman Ragland concluded by thanking the Board and staff.

Hector Ruedas, Chairman, Greenlee County Board of Supervisors, expressed appreciation for support and leadership. Greenlee County was concerned about the US191 Guthrie Bridge remaining in the five year plan and he appreciates hearing it will be advertised in August. Traffic is increasing and the road needs to be brought up to the highest safety standards. They hope the resurfacing from Duncan to Safford is not omitted and appreciates other projects including the widening of SR 75 Sands Wash Bridge.

Rich Gaar, Executive Director, SEAGO, thanked the Board for the local projects. He emphasized projects including the Mars Station TI and US 191 Guthrie Bridge. The rural COGS have been at \$9.2 million worth of appropriations for the past six or seven years and it doesn't buy what it used to. They can no longer build at what it was programmed for and need additional help.

Bill Leister, CAAG, expressed challenges with cost increases. There is concern and importance with the US 60 project; if it is possible to see this in '07, it would be appreciated.

## **CONSENT AGENDA**

Mr. Schorr recused himself from Items 34, 35, 36, 37, 38 and 39.

### **Director's Report**

Victor Mendez, Director stated that in regard to the Safford Mine process, it's impressive from a technical and economic standpoint. There has been a budget proposal from the Legislature. In regards to Tucson, he congratulated Mr. Schorr and offered ADOT's assistance. During the June 6 study session, staff recommendations will be presented to the Board regarding changes to the tentative budget program. The Board will then recommend a final five-year program. On the southbound freeway in the Phoenix area, as Board members hear comments, those should be forwarded to staff as there is a team of experts ensuring people understand the status of the project as it is a major initiative in the Phoenix area. On the Tucson I-10 widening project, we look forward to hearing back from the City on outstanding funding issues. Regarding state rural transportation issues, a statewide study was initiated to identify opportunities for coordinated transportation in the rural areas.

### **Legislative Report**

Kevin Biesty provided an update on Legislative issues. Director Mendez and he met with federal delegates and discussed building the fund agreement for the Hoover Dam bypass and the upcoming

reauthorization of the FAA bill. On the state level, HB 2206 the highway bonds bill passed the Legislature and is on the Governor's desk. The Legislative budget is not yet resolved. Part of the budget focused on taking some of the surplus and dedicating it to transportation. STAN, the Statewide Transportation Acceleration Needs account takes about \$307 million and puts it into a sub account in the state highway fund. This will be used to accelerate projects.

### **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. HURF collections for April totaled \$116.4 million, an increase of 1.1 percent over last year and 1.1 percent below the estimate. Year-to-date collections total \$1.1 billion, an increase of 6.8 percent over last year and 1.7 percent above the estimate. Gas Tax, Motor Carrier Tax and Vehicle Registration Fees are tracking year-to-date below the forecast. The Gas Tax is due to the higher cost and additional impacts will be seen. Motor Carrier and Registration is seasonal. Use Fuel and Vehicle License Tax continue strong gains. March RARF collections totaled \$29.7 million, an increase of 17.0 percent over last year and 9.1 percent above the estimate. Year-to-date collections total \$271.6 million, an increase of 17.0 percent over last year and 8.0 percent over the estimate. Strong growth continues in all categories with Retail Sales and Contracting leading the way. Some weakening in the Contracting category may occur due to the recent sales statistics. For the investment report, interest income for March 2006 totaled \$2.841 million, representing an average rate of return of 4.08 percent. Year-to-date interest income totals \$20.689 million, representing an average rate of return of 3.61 percent. The HELP fund ending balance for the month of April 2006 is \$84 million, up approximately \$3.6 million over the previous month, which was a result of approximately \$2.6 million of loan repayments and interest income.

### **Financing Program**

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. He noted HB2206 and the Legislative budget proposal as mentioned in a previous report.

\* **MINUTES – APPROVAL**

**MAG/ADOT Joint Public Hearing Minutes – March 10, 2006**  
**Board Meeting Minutes – March 17, 2006**  
**Special Board Meeting Minutes – April 7, 2006**  
**Public Hearing Minutes – April 7, 2006**

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

May 19, 2006, 9:00 a.m. – Board meeting – Graham County  
June 6, 2006, 1:00 p.m. – Study Session (if necessary) – Phoenix  
June 23, 2006, 9:00 a.m. – Board Meeting – Prescott (Please note this meeting will be held on the 4<sup>th</sup> Friday of the month, instead of the third Friday.)  
July 21, 2006, 9:00 a.m. – Board Meeting – Show Low  
August 1, 2006, 1:00 p.m. – Study Session (if necessary) – Phoenix

August 18, 2006, 9:00 a.m. – Board Meeting – Holbrook  
 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  
 November 17, 2006 – Board Meeting – Willcox  
 December 5, 2006 – Study Session (if necessary) – Phoenix  
 December 15, 2006 – Board Meeting - Tucson

**PRIORITY PLANNING ADVISORY COMMITTEE (PPAC) – DALE BUSKIRK**

**FY 2006 - 2010 Transportation Facilities Construction Program Requested Modifications**

ROUTE NO:	US 60 @ MP 49.60
COUNTY:	La Paz
SCHEDULE:	FY 2006
SECTION:	Hope - Wenden
TYPE OF WORK:	Pavement preservation
PROGRAM AMOUNT:	\$ 2,618,000
PROJECT MANAGER:	Mark Gutierrez
PROJECT:	H584801C Item # 19206
REQUESTED ACTION:	Increase program amount by \$1,110,000 to \$3,728,000 due to updated cost estimate. <b>Funds are available from Pavement Preservation Fund #72506.</b>
PROGRAM AMOUNT:	\$2,618,000
INCREASE AMOUNT:	\$1,110,000
NEW PROGRAM AMOUNT:	\$3,728,000

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

ROUTE NO:	SR 260 @ MP 336.9
COUNTY:	Navajo
SCHEDULE:	FY 2006 - New Project Request
SECTION:	Wills Street - Jct. US 60
TYPE OF WORK:	Construct Multi-use path
PROGRAM AMOUNT:	New Project Request
PROJECT MANAGER:	John O'Connor
PROJECT:	H633601C JPA 05-089
REQUESTED ACTION:	Establish a new enhancement project in the amount of \$469,000 in the FY 2006 Highway Construction Program. <b>Funds are available from</b>

**Transportation Enhancement Improvement  
Fund #75306.**

NEW PROGRAM AMOUNT: \$469,000

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

ROUTE NO: SR 95 @ MP 181.90  
COUNTY: Mohave  
SCHEDULE: FY 2006 - New Project Request  
SECTION: MP 181.9 - 182.2  
TYPE OF WORK: Construct Landscape  
PROGRAM AMOUNT: New Project Request  
PROJECT MANAGER: John O'Connor  
PROJECT: H640901C JPA 04-073  
REQUESTED ACTION: Establish a new enhancement project in the amount of \$585,000 in the FY 2006 Highway Construction Program. **Funds are available from Transportaton Enhancement - Projects of Opportunity Fund #75006.**

FY 2006 Transportation Enhancement Fund #75006	\$432,000
JPA 04-073 Lake Havasu City	\$153,000
NEW PROGRAM AMOUNT:	\$585,000

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

ROUTE NO: SR 66 @ MP 103.00  
COUNTY: Coconino  
SCHEDULE: FY 2006 - New Project Request  
SECTION: Peach Springs Main St.  
TYPE OF WORK: Construct sidewalks  
PROGRAM AMOUNT: New Project Request  
PROJECT MANAGER: John O'Connor  
PROJECT: H633101C JPA 04-055  
REQUESTED ACTION: Establish a new enhancement project in the amount of \$530,000 in the FY 2006 Highway Construction Program. **Funds are available from the FY 2006 Transportation Enhancement Fund #75306.**

NEW PROGRAM AMOUNT: \$530,000

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

ROUTE NO: SR 95 @ MP 112.00  
COUNTY: La Paz  
SCHEDULE: FY 2006 - New Project Request

SECTION: MP 112  
 TYPE OF WORK: Install right and left turn lanes  
 PROGRAM AMOUNT: New Project Request  
 PROJECT MANAGER: Annette Riley  
 PROJECT: H660601C  
 REQUESTED ACTION: Establish a new district minor project in the amount of \$500,000. **Funds are available from District Minor Fund #73306.**  
 NEW PROGRAM AMOUNT: \$500,000

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

ROUTE NO: SR 101L @ MP 41.80  
 COUNTY: Maricopa  
 SCHEDULE: FY 2006  
 SECTION: Salt River Pima Maricopa Indian Community Boundary – Camelback  
 TYPE OF WORK: Construct landscape  
 PROGRAM AMOUNT: \$ 5,750,000  
 PROJECT MANAGER: Ronald McCally  
 PROJECT: H491401C Item # 82100 JPA 98-063  
 REQUESTED ACTION: Increase program amount by \$800,000 to \$6,550,000 due to updated cost estimates. **Funds are available from RARF Cash Flow.**  
 PROGRAM AMOUNT: \$5,750,000  
 INCREASE AMOUNT: \$800,000  
 NEW PROGRAM AMOUNT: \$6,550,000

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

ROUTE NO: SR 40B @ MP 52.00  
 COUNTY: Mohave  
 SCHEDULE: FY 2006 - New Project Request  
 SECTION: Kingman Powerhouse Footbridge  
 TYPE OF WORK: Construct Multi-use path  
 PROGRAM AMOUNT: New Project Request  
 PROJECT MANAGER: Robert Gasser  
 PROJECT: H619901C JPA 05-046  
 REQUESTED ACTION: Establish a new enhancement project in the amount of \$50,000 in the FY 2006 Highway Construction Program. **Funds are available from the FY 2006 Transportation Enhancement Improvement Fund #75306.**  
 NEW PROGRAM AMOUNT: \$50,000

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

ROUTE NO: SR 260 @ MP 343.00  
COUNTY: Navajo  
SCHEDULE: FY 2006 - New Project Request  
SECTION: Woolford Road  
TYPE OF WORK: Install new traffic signal  
PROGRAM AMOUNT: New Project Request  
PROJECT MANAGER: Walid Warde  
PROJECT: HX12101C JPA 05-098  
REQUESTED ACTION: Establish a new signal project in the amount of \$300,000 in the FY 2006 Highway Construction Program. **See multiple funding sources below.**

FY 2006 Traffic Engineering Fund #71206	\$150,000
City of Show Low JPA 05-098	\$150,000
<b>NEW PROGRAM AMOUNT:</b>	<b>\$300,000</b>

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

ROUTE NO: I-10 @ MP 41.58  
COUNTY: La Paz  
SCHEDULE: FY 2006 - New Project Request  
SECTION: Vicksburg TI - Various locations  
TYPE OF WORK: Restore, rehabilitate, and resurface at various locations  
PROGRAM AMOUNT: New Project Request  
PROJECT MANAGER: Jerry Barnes  
PROJECT: H703701C  
REQUESTED ACTION: Establish a new pavement preservation project in the amount of \$862,000 in the FY 2006 Highway Construction Program. **Funds are available from Pavement Preservation Fund #72506.**

<b>NEW PROGRAM AMOUNT:</b>	<b>\$862,000</b>
----------------------------	------------------

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

#### **FY 2006-2010 Airport Development Program – Requested Modifications**

AIRPORT NAME: Cottonwood  
SPONSOR: City of Cottonwood  
AIRPORT CATEGORY: Public GA  
SCHEDULE: FY 2006 - 2010  
PROJECT #: E6F94  
PROGRAM AMOUNT: New Project Request

PROJECT MANAGER: Ray Boucher  
 PROJECT DESCRIPTION: Acquire land for Runway 32 approach protection (0.8 acres), Phase 2; Acquire land for airport development (17.5 acres), Phase 2.  
 REQUESTED ACTION: Approve State matching funds for FAA Grant #3-04-0012-010.  
 FUNDING SOURCES: 

<b>FAA</b>	\$384,036
<b>Sponsor</b>	\$10,106
<b>State</b>	\$10,107
<i>Total Program</i>	<b>\$404,249</b>

AIRPORT NAME: Payson  
 SPONSOR: Town of Payson  
 AIRPORT CATEGORY: General Aviation  
 SCHEDULE: FY 2006 - 2010  
 PROJECT #: E6F80  
 PROGRAM AMOUNT: Project Change  
 PROJECT MANAGER: Ed Suserud  
 PROJECT DESCRIPTION: Construct Airport Access Road  
 REQUESTED ACTION: Approve Scope change to match the FAA Grant Scope change (3-04-0027-11).  
 FUNDING SOURCES: 

<b>FAA</b>	\$150,000
<b>Sponsor</b>	\$7,363
<b>State</b>	\$7,363
<i>Total Program</i>	<b>\$164,726</b>

AIRPORT NAME: Page Municipal  
 SPONSOR: City of Page  
 AIRPORT CATEGORY: Commercial  
 SCHEDULE: FY 2006 – 2010  
 PROJECT #: E5S24  
 PROGRAM AMOUNT: Project Change  
 PROJECT MANAGER: Ed Suserud  
 PROJECT DESCRIPTION: Overlay Taxiway; Reconstruct Auto Parking.  
 REQUESTED ACTION: Approve funding (\$52,592) due to escalating asphaltic concrete costs.  
 FUNDING SOURCES: 

<b>FAA</b>	\$
<b>Sponsor</b>	\$42,843
<b>State</b>	\$385,592
<i>Total Program</i>	<b>\$428,435</b>

AIRPORT NAME: Seligman  
 SPONSOR: Yavapai County

AIRPORT CATEGORY: Secondary  
 SCHEDULE: FY 2006 – 2010  
 PROJECT #: E5S31  
 PROGRAM AMOUNT: Project Change  
 PROJECT MANAGER: Ed Suserud  
 PROJECT DESCRIPTION: Runway Structural Upgrade.  
 REQUESTED ACTION: Approve Scope change to include the apron and taxiway

FUNDING SOURCES: \$

<b>FAA</b>	\$
<b>Sponsor</b>	\$9,750
<b>State</b>	\$185,250
<i>Total Program</i>	\$195,000

AIRPORT NAME: Scottsdale  
 SPONSOR: City of Scottsdale  
 AIRPORT CATEGORY: Reliever  
 SCHEDULE: FY 2006 - 2010  
 PROJECT #: E5S29  
 PROGRAM AMOUNT: Project Change  
 PROJECT MANAGER: Ed Suserud  
 PROJECT DESCRIPTION: Design Only: Airport Entrance Road and Parking Lot.  
 REQUESTED ACTION: Approve additional funding (\$12,984) for extra design work.

FUNDING SOURCES: \$

<b>FAA</b>	\$
<b>Sponsor</b>	\$16,442
<b>State</b>	\$147,984
<i>Total Program</i>	\$164,426

AIRPORT NAME: Buckeye Municipal  
 SPONSOR: Town of Buckeye  
 AIRPORT CATEGORY: Public GA  
 SCHEDULE: FY 2006 - 2010  
 PROJECT #: E6S102  
 PROGRAM AMOUNT: New Project  
 PROJECT MANAGER: Ed Suserud  
 PROJECT DESCRIPTION: Design Only: Taxiway M & P  
 REQUESTED ACTION: Approve State Grant for Taxiway design.

FUNDING SOURCES: \$

<b>FAA</b>	\$
<b>Sponsor</b>	\$11,250
<b>State</b>	\$101,250
<i>Total Program</i>	\$112,500

**Board Action:** A motion to approve Items 17, 18, 19, 20, 21 and 22 was made by Mr. Schorr, seconded by Mr. Lane and passed unanimously.

- \*
  - • Minutes of March 1, 2005
  - • Summary of Changes to the FY 06 – 10 Highway Construction Program
  - • Highway Program Monitoring Report

**RIGHT OF WAY RESOLUTIONS**

- \*

RES. NO:	2006-05-A-018
PROJECT:	824-9-702 / 210PM001H091903R
HIGHWAY:	AVIATION CORRIDOR
SECTION:	Jct. I-10 – Broadway Blvd.
ROUTE NO.:	State Route 210
ENG. DIST:	Tucson
COUNTY:	Pima
PARCELS:	10-512, 10-541
RECOMMENDATION:	Disposal by Easement Extinguishment and Vacation
  
- \*

RES. NO:	2006-05-A-019
PROJECT:	CBI-999-A (51)/999YU000H686201R
HIGHWAY:	YUMA AREA SERVICE HIGHWAY
SECTION:	San Luis II Port of Entry
ROUTE NO.:	State Route 195
ENG. DIST:	Yuma
COUNTY:	Yuma
RECOMMENDATION:	Establish additional right of way as a state route and state highway for a new ADOT Safety Inspection Facility, which will improve and enhance safety for the traveling public
  
- \*

RES. NO:	2006-05-A-020
PROJECT:	S-577-801/092CH328H459601R
HIGHWAY:	CARR CANYON – HUNTER CANYON
SECTION:	Sierra Vista - Bisbee
ROUTE NO.:	State Route 92
ENG. DIST:	Safford
COUNTY:	Cochise
RECOMMENDATION:	Establish additional right of way as a state route for improvements to enhance safety of the traveling public
  
- \*

RES. NO:	2006-05-A-021
PROJECT:	I-017-A-702/017MA215H516201R
HIGHWAY:	S.R. 101 – CAREFREE HIGHWAY
SECTION:	Phoenix – Cordes Jct.
ROUTE NO.:	Interstate Route 17
ENG. DIST:	Phoenix
COUNTY:	Maricopa

RECOMMENDATION: Establish additional right of way as a state route and state highway for construction

\* RES. NO: 2006-05-A-022  
PROJECT: S-085-B-702 / 085MA147H567503R  
HIGHWAY: GILA RIVER – BUCKEYE  
SECTION: Gila River – Jct. I-10  
ROUTE NO.: State Route 85  
ENG. DIST: Phoenix  
COUNTY: Maricopa  
RECOMMENDATION: Establish additional right of way as a state route and state highway due to design changes for relocation of utilities

\* RES. NO: 2006-05-A-023  
PROJECT: N-900-0-700 / 095YU010H555101R  
HIGHWAY: SAN LUIS – YUMA – QUARTZSITE  
SECTION: U.S. 95 – Avenue G  
ROUTE NO: U.S. Route 95  
ENG. DIST: Yuma  
COUNTY: Yuma  
RECOMMENDATION: Establish a T.C.E. as a state route and state highway to improve the intersection and install traffic signals

\* RES. NO: 2006-05-A-024  
PROJECT: F.A.P. 130-B / 010BCH000H088801R  
HIGHWAY: BENSON – STEINS PASS  
SECTION: Business Route 10  
ROUTE NO: Business Route 10  
ENG. DIST: Safford  
COUNTY: Cochise  
RECOMMENDATION: Disposal by Easement Extinguishment and Vacation

### **STATE ENGINEER'S REPORT**

Sam Elters, State Engineer, reported that there are 86 projects under construction for a total of \$947 million. For the month of April, ten projects were finalized for a total of \$169 million. Year-to-date, 96 projects have been completed.

\* Right of Way Acquisition Report for April, 2006.

### **CONSTRUCTION CONTRACTS**

Interstate Non-Federal Aid

\* BIDS OPENED: April 21  
HIGHWAY: ASH FORK – FLAGSTAFF HIGHWAY (I-40)  
SECTION: County Line to Davenport Lake

COUNTY: Coconino  
ROUTE NO.: I-40  
PROJECT: I-040-C-504 040 CN 147 H688801C  
FUNDING: 100% State  
LOW BIDDER: C and E Paving & Grading L.L.C.  
AMOUNT: \$ 222,000.00  
STATE AMOUNT: \$ 216,390.00  
\$ OVER: \$ 5,610.00  
% OVER: 2.6%  
NO. BIDDERS: 4  
RECOMMENDATION: AWARD

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

\* BIDS OPENED: April 21  
HIGHWAY: NOGALES – TUCSON HIGHWAY (SR 19B)  
SECTION: Mariposa Road to Junction I-19  
COUNTY: Santa Cruz  
ROUTE NO.: SR 19B  
PROJECT: STP-B19-A(003)A 019B SC 002 H613701C  
FUNDING: 94% Federal 6% State  
LOW BIDDER: Granite Construction Company  
AMOUNT: \$ 2,251,344.00  
STATE AMOUNT: \$ 2,195,901.00  
\$ OVER: \$ 55,443.00  
% OVER: 2.5%  
NO. BIDDERS: 2  
RECOMMENDATION: AWARD

\* BIDS OPENED: April 28  
HIGHWAY: WICKENBURG – PRESCOTT HIGHWAY (SR 89)  
SECTION: Yarnell – Peeples Valley Yard  
COUNTY: Yavapai  
ROUTE NO.: SR 89  
PROJECT: STP-089-A(005)A 089 YV 278 H635901C  
FUNDING: 94% Federal 6% State  
LOW BIDDER: Fann Contracting, Inc.  
AMOUNT: \$ 1,777,748.50  
STATE AMOUNT: \$ 1,876,063.00  
\$ UNDER: \$ 98,314.50  
% UNDER: 5.2%  
NO. BIDDERS: 3

RECOMMENDATION: AWARD

BIDS OPENED: April 21  
HIGHWAY: CITY OF CHANDLER  
SECTION: Consolidated Canal – Paseo Unit 3  
COUNTY: Maricopa  
ROUTE NO.: N/A  
PROJECT: CM-TEA-CHN-0(018)A 0000 MA CHN SS50001C  
FUNDING: 43% Federal 57% City of Chandler  
LOW BIDDER: Bison Contracting Co., Inc.  
AMOUNT: \$ 1,946,160.50  
STATE AMOUNT: \$ 2,319,541.70  
\$ UNDER: \$ 373,381.20  
% UNDER: 16.1%  
NO. BIDDERS: 2  
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.

Non-Interstate Non-Federal Aid

\* BIDS OPENED: April 28  
HIGHWAY: PAYSON – WINSLOW HIGHWAY  
SECTION: Ruby Channel Bridge  
COUNTY: Navajo  
ROUTE NO.: SR 87  
PROJECT: S-087-C-510 087 NA 341 H615701C (SR 87)  
FUNDING: 100% State  
LOW BIDDER: Meadow Valley Contractors, Inc.  
AMOUNT: \$ 1,480,909.30  
STATE AMOUNT: \$ 1,502,338.90  
\$ UNDER: \$ 21,429.60  
% UNDER: 1.4%  
NO. BIDDERS: 4  
RECOMMENDATION: AWARD

\* BIDS OPENED: April 28  
HIGHWAY: TUBA CITY – WINDOW ROCK HIGHWAY  
(SR 264)  
SECTION: Hubbell Trading Post  
COUNTY: Apache  
ROUTE NO.: SR 264  
PROJECT: 264-A-NFA 264 AP 446 H647601C

FUNDING: 100% State  
LOW BIDDER: Hatch Construction & Paving, Inc.  
AMOUNT: \$ 643,686.15  
STATE AMOUNT: \$ 599,983.70  
\$ OVER: \$ 43,702.45  
% OVER: 7.3%  
NO. BIDDERS: 3  
RECOMMENDATION: AWARD

BIDS OPENED: April 21  
HIGHWAY: HEBER – SNOWFLAKE HIGHWAY (SR 277)  
SECTION: Cottonwood Wash Bridge (STR. #1888)  
COUNTY: Navajo  
ROUTE NO.: SR 277  
PROJECT: S-277-A-502 277 NA 336 H676301C  
FUNDING: 100% State  
STATE AMOUNT: \$ 566,784.00  
LOW BIDDER: Bison Contracting Co., Inc.  
AMOUNT: \$ 371,255.50  
\$ UNDER: \$ 195,528.50  
% UNDER: 34.5%  
LOW BIDDER: Show Low Construction, Inc.  
AMOUNT: \$ 581,206.60  
\$ OVER: \$ 14,442.60  
% OVER: 2.5%  
NO. BIDDERS: 5  
RECOMMENDATION: Allow Bison Contracting to withdraw its bid without forfeiting the bid bond; award the contract to Show Low Construction.

COMMENTS:

At the bid opening, Bison Contracting was read as the apparent low bidder with a bid of \$371,255.50 or 34.5% below the State's estimate. The second low bidder was Show Low Construction with a bid of \$581,206.60 or 2.5% over the State's estimate.

Subsequent to the bid opening, Bison requested withdraw its bid and submitted documentation supporting the request. Item 9240129 – Articulated Block Mat was bid by the square yard. Bison's documents indicated the subcontractor's quote was in square feet instated of square yards. Bison mistakenly entered the square foot amount instead of converting it to the equivalent square yard amount. Therefore, Bison only included one-ninth of the subcontractor's cost in the unit price bid for this item.

Staff reviewed the documentation and does not believe that the bid submitted by Bison represents its intent nor was the error a judgment error. Staff finds the error was of a substantial amount relative to the size of the entire contract and it concerned a material item on the contract. Staff also finds that it would be inequitable require Bison to perform the work for the amount stated in its bid.

Therefore, staff recommends allowing Bison Contracting to withdraw its bid without forfeiting the bid bond; and awarding the contract to Show Low Construction.

**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.

BIDS OPENED:	April 28
HIGHWAY:	STATEWIDE HIGHWAY
SECTION:	Statewide (Variable Message Signs) Phase 6
COUNTY:	Statewide
ROUTE NO.:	999
PROJECT:	S-999-A-505 999 SW 000 H660801C
FUNDING:	100% State
LOW BIDDER:	C S Construction, Inc.
AMOUNT:	\$ 2,665,891.00
STATE AMOUNT:	\$ 2,203,565.50
\$ OVER:	\$ 462,325.50
% OVER:	21.0%
NO. BIDDERS:	2
RECOMMENDATION:	AWARD

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

### CONSENT AGENDA

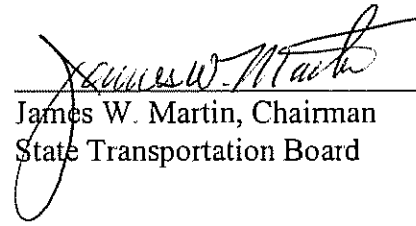
**Board Action:** A motion to approve Consent Agenda Items 34, 35, 37 and 38 was made by Mr. Lane, seconded by Mr. Feldmeier and passed unanimously.

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

### ADJOURN


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

The meeting adjourned at 10:40 a.m.



---

James W. Martin, Chairman  
State Transportation Board



---

Victor Mendez, Director  
Arizona Department of Transportation

\*Denotes items approved in the consent agenda