

Arizona State Transportation Board

**Annual Report On The
Statewide Transportation Acceleration Needs Account
(STAN)**

Submitted To

**The Honorable Janice K. Brewer
Governor, State of Arizona**

**The Honorable Russell Pearce
President, Arizona State Senate**

**The Honorable Andy Tobin
Speaker, Arizona House of Representatives**

July 1, 2011

Annual Report
Statewide Transportation Acceleration Needs Account
(STAN)

Background

Laws 2006, Chapter 345, Section 9 established the Statewide Transportation Acceleration Needs (STAN) Account in order to provide funding for critically needed highway construction projects throughout Arizona. Paragraph (L) requires that on or before July 1 of each year, the State transportation board shall submit a report to the Governor, President of the Senate, and Speaker of the House on its activities pursuant to Section 9. It is for this reason that this report has been prepared.

FUNDING

Laws 2006, Chapter 344, Section 48 provided initial funding for the STAN Account in the form of a \$245,000,000 appropriation from the State General Fund, and a \$62,000,000 appropriation from the State Highway Fund. Laws 2006, Chapter 345, Section 9 allows the State Transportation Board to invest these funds with the State Treasurer, and allows all monies earned on the investment of these funds to be deposited to the STAN Account.

Laws 2007, Chapter 267 established two new sub-accounts within the STAN Account, namely the Reimbursement of Interest Costs sub-account, and the Roads of Regional Significance Congestion Mitigation sub-account. Laws 2007, Chapter 267 appropriated \$10,000,000 from the STAN Account into each sub-account.

Laws 2007, Chapter 255 appropriated \$62,000,000 from the State Highway Fund to the STAN Account. Laws 2008, Chapter 53 later transferred \$42,000,000 from the STAN Account to the Department of Public Safety.

Laws 2009, First Special Session, Chapter 1 transferred \$104,000,000 of State General Funds originally appropriated to the STAN Account back to the State General Fund.

In addition, \$10,000,000 has been reserved in STAN funding pursuant to Laws 2009, Third Special Session, Chapter 7, Section 43. A STAN Restoration Account has been established and \$10,000,000 was transferred to this account in August, 2010. To date, no funds have been expended from this account.

As of June 30, 2011, all appropriations had been fully deposited to, or transferred from the STAN Account. To date, the STAN Account and its sub-accounts have earned \$33,901,978 in interest. In addition, the STAN Account has disbursed \$218,521,012 in project costs, leaving an ending balance in the STAN Account as of June 30, 2011 of \$38,380,966.

Annual Report
Statewide Transportation Acceleration Needs Account
(STAN)

Chapter 345, Section 9 also directs that all funds in the STAN Account will be allocated to certain counties and groups of counties based on population thresholds. As written, funding in the STAN Account is to be allocated as follows:

| | |
|-------------------------------|-----|
| Maricopa County | 60% |
| Pima County | 16% |
| All Other Counties (Combined) | 24% |

While the original project approvals were consistent with this split, the transfer of the \$104,000,000 of STAN funds as required in Laws 2009, First Special Session, Chapter 1, will not allow this split to be achieved. Since all of the other STAN projects were approved and underway at the time of the transfer, there was no opportunity to re-allocate funding among the three regions and the impact of the transfer fell disproportionately on projects in Maricopa County.

APPROVED PROJECTS

In Fiscal Year 2007, the State Transportation Board, working in conjunction with the state's Metropolitan Planning Organizations (MPOs) and Councils of Governments (COGs), approved 10 highway construction projects for funding. It also approved 6 design projects associated with the 10 highway projects (the other four projects having already been designed). In addition, the Board approved funding for right-of-way protection on the planned Williams Gateway Freeway. The total approved STAN funding for these projects is \$319,500,000. Because of the STAN funding, the projects approved by the Board will be accelerated from one to fourteen years.

In Fiscal Year 2008, the State Transportation Board approved \$8,000,000 of funding to accelerate a project on SR 77 in Pima County (Calle Concordia to Tangerine Road). In addition, it approved \$10,000,000 of funding from the Reimbursement of Interest Costs sub-account to reimburse the MAG region and the cities of Goodyear, Avondale and Litchfield Park for certain interest costs associated with the acceleration of work on I-10 from Loop 101 to Sarival Road. The Board also approved \$10,000,000 of funding from the Roads of Regional Significance and Congestion Mitigation sub-account for the acceleration of a project in the Town of Queen Creek. Finally, the Board took action to slightly adjust the level of funding for three MAG region design projects and two PAG region construction projects originally approved in FY 2007.

As a result of the transfer of \$104,000,000 from the STAN Account to the State General Fund as required by Laws 2009, First Special Session, Chapter 1, Section 28, STAN funding for three projects was eliminated. The three projects that were impacted by this transfer are:

**Annual Report
Statewide Transportation Acceleration Needs Account
(STAN)**

Route: Interstate 10

Project Location: Verrado Way to Sarival Road

Project Description: Construct one additional general purpose lane in each direction

Estimated Cost: \$43,200,000

STAN Expenditures: \$0

Project Status: Project was selected for funding with American Reinvestment and Recovery Act (ARRA) funds and is currently under construction

Years Project Accelerated: 14 Years

Route: Interstate 17

Project Location: SR 74 to Anthem Way

Project Description: Construct one additional general purpose lane in each direction

Estimate Cost: \$30,500,000

STAN Expenditures: \$0

Project Status: Project was selected for funding with American Reinvestment and Recovery Act (ARRA) funds and is currently under construction

Year Project Accelerated: 14 Years

Route: SR 802, Williams Gateway Freeway

Project Location: Santan Freeway to Ellsworth Road

Project Description: Advance acquisition of right-of-way

Estimated Cost: \$20,400,000

STAN Expenditures: \$0

Project Status: City of Mesa has provided funding through the issuance of Highway Project Advancement Notes (HPANs)

Years Project Accelerated: 7 Years

PROJECT DETAILS

The following section details each individual project approved by the State Transportation Board for STAN funding.

Maricopa County Projects

Route: Interstate 10

Project Location: Verrado Way to Sarival Road

Project Description: Design Project

Estimated Cost: \$2,700,000

Expenditures to Date: \$2,484,672

Project Status: Design complete

Years Project Accelerated: 13 Years

**Annual Report
Statewide Transportation Acceleration Needs Account
(STAN)**

Route: Interstate 17
Project Location: SR 74 to Anthem Way
Project Description: Design Project
Estimated Cost: \$2,600,000
Expenditures to Date: \$2,510,952
Project Status: Design complete
Years Project Accelerated: 14 Years

Route: Loop 101, Pima Freeway
Project Location: Tatum Boulevard to Princess Drive
Project Description: Design Project
Estimated Cost: \$2,500,000
Expenditures to Date: \$1,342,729
Project Status: Design complete
Years Project Accelerated: 2 Years

Route: Loop 101, Pima Freeway
Project Location: Tatum Boulevard to Princess Drive
Project Description: Construct one additional high-occupancy vehicle (HOV) lane in each direction
Estimated Cost: \$30,000,000
Expenditures to Date: \$16,310,522
Project Status: Project is complete
Years Project Accelerated: 3 Years

Route: Loop 101, Price Freeway
Project Location: Baseline Road to Santan Freeway
Project Description: Design Project
Estimated Cost: \$3,000,000
Expenditures to Date: \$1,959,089
Project Status: Design complete
Years Project Accelerated: 2 Years

Route: Loop 101, Price Freeway
Project Location: Baseline Road to Santan Freeway
Project Description: Construct one additional high-occupancy vehicle (HOV) lane in each direction
Estimated Cost: \$35,500,000
Expenditures to Date: \$33,207,547
Project Status: Project is complete
Years Project Accelerated: 2 Years

Annual Report
Statewide Transportation Acceleration Needs Account
(STAN)

Route: Loop 303, Estrella Freeway
Project Location: Loop 303 and Bell Road
Project Description: Design Project
Estimated Cost: \$1,500,000
Expenditures to Date: \$79,809
Project Status: CMAR Project underway; project combined with other Loop 303 CMAR projects
Years Project Accelerated: 1 Year

Route: Loop 303, Estrella Freeway
Project Location: Loop 303 and Bell Road
Project Description: Construct new Traffic Interchange
Estimated Cost: \$11,000,000
Expenditures to Date: \$30,540,536
Project Status: CMAR Project underway
Years Project Accelerated: 3 Years

Route: Loop 303, Estrella Freeway
Project Location: Cactus Road and Waddell Road
Project Description: Design Project
Estimated Cost: \$1,300,000
Expenditures to Date: \$2,644,588
Project Status: CMAR Project underway
Years Project Accelerated: 1 Year

Route: Loop 303, Estrella Freeway
Project Location: Cactus Road and Waddell Road
Project Description: Construct crossroad improvements
Estimated Cost: \$9,200,000
Expenditures to Date: \$0
Project Status: CMAR Project underway; project combined with other Loop 303 CMAR projects
Years Project Accelerated: 3 Years

Route: Interstate 10
Project Location: Loop 101 – Sarival Road
Project Description: Reimburse Interest Costs
Estimated Cost: \$10,000,000
Expenditures to Date: \$9,961,800
Project Status: Project is complete
Years Project Accelerated: 3 to 6 Years

**Annual Report
Statewide Transportation Acceleration Needs Account
(STAN)**

Route: Ellsworth Road
Project Location: Hunt Highway to Chandler Heights
Project Description: Construct Capacity Improvements
Estimated Cost: \$10,000,000
Expenditures to Date: \$10,000,000
Project Status: Project is complete
Years Project Accelerated: 5 Years

Pima County Projects

Route: Interstate 10
Project Location: Pinal Air Park to Tangerine Road
Project Description: Construct one additional general purpose lane in each direction
Estimated Cost: \$27,000,000
Expenditures to Date: \$29,631,270
Project Status: Project is complete
Years Project Accelerated: 1 to 3 Years

Route: SR 86
Project Location: Town of Sells
Project Description: Construct roadway widening
Estimate Cost: \$14,000,000
Expenditures to Date: \$14,288,446
Project Status: Project is under construction
Years Project Accelerated: 1 Year

Route: SR 86
Project Location: Valencia to Kinney Road
Project Description: Construct intersection improvements
Estimated Cost: \$1,600,000
Expenditures to Date: \$200,146
Project Status: Project is under construction
Years Project Accelerated: 3 Years

Route: SR 77
Project Location: Calle Concordia to Tangerine Road
Project Description: Construct roadway widening
Estimated Cost: \$8,000,000
Expenditures to Date: \$8,014,543
Project Status: Project is complete
Years Project Accelerated: 2 Years

**Annual Report
Statewide Transportation Acceleration Needs Account
(STAN)**

Thirteen Other County Projects

Route: Interstate 10

Project Location: Pinal Air Park to Picacho Peak

Project Description: Construct one additional general purpose lane in each direction

Estimate Cost: \$75,500,000

Expenditures to Date: \$55,344,363

Project Status: Project is under construction

Years Project Accelerated: 1 Year