

MINUTES
STATE TRANSPORTATION BOARD
PUBLIC HEARING AND BOARD MEETING
9:00 a.m., Friday, May 10, 2013
City of Flagstaff Council Chambers
211 West Aspen Avenue
Flagstaff, Arizona 86001

Pledge

The Pledge of Allegiance was led by Chairman Flores.

Roll Call

Roll call by Board Secretary, Lila Trimmer.

Board Members present: Joe La Rue, Steve Christy, Victor Flores, Kelly Anderson, William Cuthbertson, and Deanna Beaver

Absent: Hank Rogers

Call to the Audience

The following members of the public addressed the Board regarding various issues.

1. Matt Ryan, Coconino County Supervisor, Dist. 3/Flagstaff FMPO, re: 5 Year Plan, supports Scenario C
2. Chris Bridges, Administrator, CYMPO, re: SR 89 and 5 Year Plan
3. Chris Kuknyo, Prescott City Council/CYMPO, re: SR 89
4. Jack Smith, Yavapai County Supervisor, Dist. 5, re: SR 89 and 5 Year Plan
5. Felipe Zubia, Verde Valley Gila County, re: 5 Year Plan and supports Scenario B
6. Steve Lopez, self, re: Highway 60
7. Thomas Thurman, Yavapai County Supervisor, Dist. 2, re: 5 Year Plan
8. Bill Jump, Principle, Out of Africa Park, re: SR 260, 5 Year Plan, and Scenario B
9. Bill Feldmeier, self, re: Rural Projects, SR 260 – Thousand Trails
10. Ferrin Crosby, Apache County Engineer, re: 5 Year Plan
11. Darryl Croft, Chino Valley Town Council/CYMPO, re: Hwy 89 widening
12. Terry Nolan, Mayor, Town of Dewey-Humboldt, re: 5 Year Plan, Hwy 89 and Hwy 89A
13. Jack Husted, [*did not speak*] White Mountain Regional Transportation Committee, re: support Scenario A
14. Doyel Shanley, Apache County Natural Resource Coordinator, re: Road projects to be integrated into 5 Year Plan and SR 261 pavement preservation
15. David Nyer, Tempe Bicycle Action Group, re: funding for bicycle infrastructure
16. Alexander Deem, self, Tempe Bicycle Action Group, re: further investment for bicycle infrastructure
17. Robin Whatley, Camp Verde Councilor, re: SR 260 and supports Scenario B
18. Andy Groseta, self, re: SR 260 widening, Scenario A, and 5 Year Plan
19. Christian Price, Mayor, City of Maricopa, re: overpass in Maricopa
20. Charlie German, Mayor-elect, Town of Camp Verde, re: SR 260, Scenario B
21. Diane Joens, Mayor, City of Cottonwood, re: 5 Year Plan, Scenario B
22. Mary A. Chicoine, Chair, Verde Valley/Regional Economic Organization, re: SR 260 widening, Scenario B, and 5 Year Plan
23. Barry Weller, Apache County Supervisor, Dist. 3, re: Supports Scenario A or any hybrid leaning towards Preservation

24. Russ Martin, Town Manager, Town of Camp Verde, re: 5 Year Plan
25. Casey Rooney, City of Cottonwood Economic Development, re: 5 Year Plan, SR 260, and Scenario B
26. Tom Pitts, self, and various rural organizations, re: Support Scenario B and Hwy 260
27. Jack Hakim, Mayor, Bullhead City, re: SR 95 in Bullhead City and supports Scenario A
28. Pawan Agrawal, Public Works Director, Bullhead City, re: SR 95 in Bullhead City
29. Scott Walters, Tempe Bicycle Action Group, re: Bicycle access, alternative transportation, safety
30. Marianne Laupp, CFO, Verde Valley Companies, re: Hwy 260 and supports Scenario B
31. David Gill, volunteer, BPRCE (Big Park Regional Coordinating Council) and KSB (Keep Sedona Beautiful.org), re: Interchange I-17 and SR 179
32. Clint Basham, self, re: SR 260 —Thousand Trails
33. Brandon Buchanan, City Manager, City of Williams, re: 5 Year Plan, Public Hearing Agenda Item E (FY2014-2018 Airport Development Program)
34. Rick Abasta, [*did not speak*] PIO, Navajo Division of Transportation, re: N20
35. Steve Ayers, Economic Development Director, Camp Verde Government, re: SR 260 widening project
36. Pascol Berlioux, Executive Director, Eastern Arizona Cochise County, re: 5 Year Plan, Hwy 260 and Hwy 89
37. Ron Long, Public Works Director, Town of Camp Verde, re: SR 260, Thousand Trails to I-17, supports Scenario B
38. Jessie Jones, Councilwoman, Town of Camp Verde, re: 5 Year Plan, SR 260 Camp Verde to Cottonwood
39. Dave Norton, Big Park Regional Coordinating Council, re: I-17 and SR 179 Interchange, signage for Sedona, rough new road on I-17 Camp Verde
40. Eric Marcus, Executive Director, Sustainable Economic Development Infrastructure (SEDI), re: SR 260 widening and 5 Year Plan
41. Alicyn Gitlin, Sierra Club Grand Canyon Chapter, re: Grand Canyon National Park Airport
42. Bob Rugloski, self, Camp Verde Lions Club, re: SR 260, supports Scenario B
43. Colbert Dayzie, Tonalea Chapter, Navajo Nation, re: US Highway 160, signage warnings, and speed control
44. Homero Vela, Assistant County Manager, Navajo County, re: supports Scenario A, Hwy 160, Lion Springs, modify Transportation policies to allow Tribal entities to participate in surplus sales
45. Kenny Evans, Mayor, Town of Payson, re: Hwy 260, Lion Springs section
46. Shannon Rivers, self, Gila River Indian Community, re: Loop 202
47. Ana Morago, self, Gila River Indian Community, Akimel O'Odham, re: Loop 202, supports Scenario A
48. Andrew Pedro, self, Gila River Indian Community, re: South Mountain Freeway
49. Kevin Adam, Rural Transportation Advocacy Council, re: 5 Year Plan in Greater Arizona
50. David Lewis, self, Verde Valley Commerce Center, re: SR 260, Camp Verde to Cottonwood
51. Tommie Martin, Vice Chair/Gila County Board of Supervisors, Dist. 1, re: 5 Year Plan, supports Scenario B
52. Steve Stratton, Gila County, re: 5 Year Plan, Silver King, Lions Springs, grant application, and supports Scenario B
53. Paulson Chaco, Division Director, Navajo Nation Division of Transportation, re: US 264, US89T, and N25

[Chairman Flores stopped the meeting for a recess at 11:30 A.M. MST]

[Chairman Flores reconvened the meeting at 11: 42 A.M. MST]

PUBLIC HEARING

Presentation of FY 2014 – 2018 ADOT Tentative Five-Year Transportation Facilities Construction Program Recommendations. <http://azdot.gov/FiveYearProgram>

Scott thanked the City of Flagstaff for hosting the public meeting in their facilities. He stated that to date, in the last three months between Phoenix, Tucson, and the meeting today, the Department has had more than 100 people come in to comment on the five-year program. In the first two-months of the five-year program public comment period, the Department has received more than 700 comments from the public on the website. Comments will still be received up until May 17, 2013. At that time the public comment period will be over. Everyone can submit comments online, in writing, or in person. He said that the Department anticipates more than 1,000 comments will be received for this five-year comment period.

ITEM A: FY2014 – 2018 Statewide Subprograms—Greater Arizona and Statewide Subprograms Scenarios— Scott Omer

Scott provided an overview of the five-year program. The background on the five-year program is developed collaboratively every year with Intermodal Transportation Division (ITD) our engineering side, Financial Management Services (FMS) our finance side, Multimodal Planning Division (MPD) planning side, and our Regional Partners. It demonstrates how federal and state tax dollars will be spent over the next five years. The five-year program must be approved annually. The program is adopted in June and it starts the next fiscal year on July 1. It must be fiscally constrained, which means we cannot spend more than we have. The CFO approves the program each year for fiscal constraint.

The new Federal Transportation Authorization worked under as MAP-21. It requires the national highway performance program and, in the interest of the United States, to focus on the following national goals: safety, infrastructure condition, congestion reduction, system reliability, freight movement and economic vitality, and environmental sustainability. In addition to the five-year program, it is actually supported by ADOT's Long Range Program, our asset management system, as well as the linking Planning to Programming process that we are working on today. The Transportation Board approved the funding scenario in our Long Range plan and it recommended choices with the limited amount of resources that focused on a combination of preservation first, modernization, expansion, and non-highways last. In the past, the Department has spent approximately 76 percent of the total funding available on expansions including the MAG and PAG regions of the State. And that is not something the Department can continue to do. The Department was told the transportation revenues were drastically reduced and it had to cut \$350 Million out of the five-year program. In this programming cycle \$250 Million coming out of FY 2016 and \$100 Million coming out of FY 2017. The transportation revenues in Arizona are derived from the gas tax, sales tax, and VLT and registration fees. In 2007 the revenue stream changed. Now in 2013 the revenues are at about the 2004 level. The reduction in the program is shared across Greater Arizona and in the MAG and PAG regions, each reduced their programs by \$87 Million and \$35 Million, respectively.

In the FY 2009-2013, the Department had about a \$2.5 billion program. In the FY 2014-2018, that number is about \$1.9 billion. This is a \$600 Million reduction in revenue available for transportation projects in Arizona. The preservation investment would be 65-80 percent, which appears high. The actual amount available to invest is quite low. The Department is investing \$140-150 Million on preservation. ADOT staff recommends funds for transportation preservation should be at least \$260-270 Million per year and does not have the ability to do that. Overall there is a 30 percent reduction in revenue available for programming. The State Highway System Infrastructure is valued currently at

\$18.4 billion; however, if the Department needs to replace the transportation infrastructure, the system would cost more than \$100 billion. For every dollar invested today in preservation will be five to seven dollars down the road for replacement of it. The Department's recommendation has always been to focus heavily on preservation.

The three separate scenarios are specifically for Greater Arizona. They are not affected by the amount of funding that we provide to the MAG and PAG regions. MAG and PAG program their own funds. In Greater Arizona, ADOT does that for them specifically, the Transportation Board. While in Greater Arizona, in Scenario A is focusing just on preservation. This scenario removes all the major projects out of the existing five-year program except for a couple of cases, which is the SR 89 Deep Well Ranch Road in the Prescott District. It is an \$18 Million dollar project in FY 2014 because we are so far along on this project. The other project is the \$10 Million US 60 Oak Flats Miami passing lane project. Those two projects stayed in every one of the scenarios.

Scenario A – Focus on Preservation. This scenario is investing very heavily in preservation of our existing system. There are 81 preservation projects from 2014 to 2016, 39 bridge projects, one major project, and 690 miles of pavement preservation projects. An average of \$184 Million per year in preservation from 2014 through 2018 would be allocated. Arizona's interstate system will maintain our existing interstate highways to acceptable levels until 2031 with this scenario.

Scenario B – Focus on Programmed Major Projects. This scenario focuses on major projects; leaving in all of the existing projects that are in the current five-year program FY 2013 to 2017 in addition to the 89 project and the passing lane project on US 60 that was mentioned earlier. ADOT also has 25 bridge projects and only preserves about 458 miles of pavement in the State. This scenario would be investing only \$142 Million in preservation. With this scenario, the pavement condition would maintain an acceptable level until 2017. The pavement condition on the interstate would fall below the acceptable levels. The Greater Arizona projects that remain would be US95 Fortuna Wash Bridge (FY 15) \$13.5 M in Yuma County; the I-10 Ehrenberg Port of Entry (FY 16) \$20 M in La Paz County; the US93 Carrow to Stephens (FY 17) \$22 M in Mohave County; the I-8, Mohawk Rest Area (FY 15) \$20 M; US60, Silver King Project (FY 15) \$45M; SR89, Jct. 89A to Deep Well Ranch Road (FY 16) \$15 M; and lastly, SR260, Lion Springs Project (FY 17) \$40 M.

Scenario C – Combination of Preservation and Major Projects. Scenario C is a hybrid of the two Scenarios A and B and focuses on preservation and maintains some of the major projects in the program. There are four major projects remaining, in addition to two that were mentioned earlier, the 89 project and the US 60. Scenario C would keep 39 bridge projects and 524 miles in pavement preservation and investing about \$150 Million in preservation. The interstate system would at acceptable levels until about 2021. Staff would recommend keeping the four projects, the SR89, Deep Well Ranch Road to Chino Valley (FY 14) \$18 M; the US95 Fortuna Wash Bridge, (FY 15) \$13.5 M; the I-10 Ehrenberg POE, (FY 16) \$20 M; and the US93 Carrow to Stephens, (FY 17) \$22 M. Staff would defer the following projects that were listed earlier: I-8, Mohawk Rest Area \$20 M, US60; Silver King Project \$45M; SR89, Jct. 89A to Deep Well Ranch Road \$15; and the SR260, Lion Springs Project \$40 M out of the five-year program. The Department made these recommendations and followed the prioritization that is used on all projects. These projects were chosen because they were the highest rated and the best projects that fit the need of the system.

ITEM B: FY 2014 - 2018 Statewide Highway Construction Program (Excluding MAG and PAG)—Scott Omer

Scott compared the scenarios A, B, and C. Scenario A is heavily in preservation of the existing transportation system and a small amount in expansion and modernization compared to the other two scenarios. In summary, this year and every year the Department updates all the project costs and uses the most current and update estimates. In FY 2016 and FY 2017 the overall program was reduced by \$350 Million. The Department then programmed out all of the subprograms, each one of those were line items in FY 2014-FY2016.

ITEM C: FY 2014 - 2018 PAG Regional Highway Construction Program—Scott Omer

PAG's share was \$35 Million spread over two years; \$10 Million in FY 2016 and \$25 Million in FY 2017. The revenue that is distributed to the regions across the State is by the Revenue Allocation Advisory Committee (RAAC) formula. That agreement in the Casa Grande Accord is how is determined the amount of funding that is available in MAG and PAG. PAG appropriates their projects in coordination with ADOT. In the FY 2014-2018, PAG is programming about 93 percent of their overall funding in the five-year program into expansion. The specifics of projects that are changing either on schedule or budget are the I-10, Ina Road TI, defer it to FY 2017 from FY 2016. ADOT is working with PAG to make sure the RTA funds of \$34 Million in FY 2016, and in FY 2017, there are \$52 Million in federal aid. The I-10 Ruthrauff Road TI project is another project not listed here. Another project is the I-19, Ajo Way TI project. At this time, the Department is working with the community and PAG to review how this project can be moved up into program. In meetings with the Tucson District staff and PAG, the Department should have an acceptable compromise for everyone. The Department will bring that out in the June meeting. It should be one of the recommended changes to the five-year program.

ITEM D: FY 2014 - 2018 MAG Regional Highway Construction Program—Scott Omer

MAG's regional share of the adjustment was about \$87 Million. They have the same revenue distribution with the same process that Greater Arizona and PAG does. MAG has about 88 percent of their total program invested in expansion. Two updated project costs and schedules affected are the I-10, SR101L to I-17, was reduced by \$73.2 Million due to an error in the program and was corrected. The other project US 60, Meridian Rd, TI Design, was increased by \$120 Million.

Projects that updated the costs and schedules are being deferred to FY 2015 from FY 2014:

1. SR85: Warner St, Bridge, defer to FY 15;
2. SR303L/I-10 TI & Thomas to Camelback, Landscape Const., defer to FY 15;
3. I-10, SR101L to I-17, Utilities, defer to FY 15;
4. SR101L, Pima Rd, Extension, JPA, defer to FY 15.

The South Mountain entire corridor is being deferred one year. Every project that was originally programed from FY 2014 to FY 2019 is being deferred from FY 2015 to FY 2020.

The new traffic interchange projects that are programed in the MAG region system wide:

1. Grand Ave at Bell Rd;
2. Grand Ave at Thompson Ranch (Thunderbird);
3. SR303Loop to El Mirage Rd.

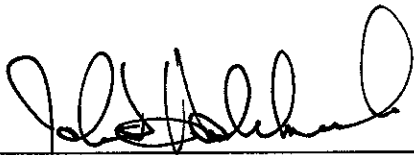
MAG is increasing maintenance funds by \$400K preservation funds from FY 14 to FY18 and invests \$170K in new message signs for posting travel times.

ITEM E: FY 2014 - 2018 Airport Development Program—Scott Omer

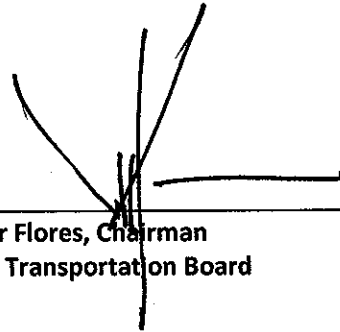
The overall revenue we have available is about \$22 Million. Most of the revenue collected is from flight property taxes. The proposed five-year program in FY 2014 is Federal Match Grants (FSL) \$ 4.5 Million; State-Local Grants (SL) \$15.8 Million; the Airport Pavement Preservation (APMS) \$ 6.5 Million; Airport Development Loans, \$2 Million; and State Planning Services \$2.6 Million. The total program is \$31.5 Million for FY 2014.

A motion to adjourn the Public Hearing meeting was made by Steve Christy and seconded by Kelly Anderson. In a voice vote, the motion carries.

Meeting adjourned at 12:12 P.M. MST



John S. Halikowski, Director
Arizona Department of Transportation



Victor Flores, Chairman
State Transportation Board