

MINUTES
STATE TRANSPORTATION BOARD MEETING
9:00 a.m., Friday, September 18, 2015
Schieffelin Hall
SR 80 (Fremont Street) and 4th Street
Tombstone, AZ 85638

Pledge

The Pledge of Allegiance was led by Board member Jack Sellers.

Opening Remarks

Chairman Anderson thanked City of Tombstone, Cochise County and SouthEastern Arizona Governments Organization (SEAGO) for the hospitality shown to the Board for dinner and hosting our board meeting. He thanked Bill Harmon and team for the groundbreaking event and all the work completed in Tombstone.

Roll call by Board Secretary Mary Beckley

In attendance: Kelly Anderson, Joe La Rue, Deanna Beaver, William Cuthbertson, Jack Sellers, Michael Hammond and Pliny Draper (arrived at 9:30am).

Absent: None.

Call to the Audience

The following member of the public addressed the Board:

1. Ann English, Cochise County Board of Supervisors, re: welcome to board; area needs the infrastructure available for tourists; Davis Road project needs repair (by 9pm the previous evening, 2.5 feet of water over the road); appreciate work done by ADOT, need funding for infrastructure.
2. Randy Heiss, Executive Director, SEAGO, re: pleasure to partner with City of Tombstone and welcome back board to this region; acknowledged all volunteers/City Council members dedicated to promote community; gratitude for board member's service; Steve and Karen Troncale commitment to SR80 safety project to fruition; referred to published opinion article re: Utah's efforts to develop statewide unified transportation plan; suggests Board take a look at what Utah has done.
3. Kee Allen Begay Jr., Navajo Nation Council, re: requests funding, inspection, technical assistance and attention to Northern part of Arizona and Hwy 189, esp. from Chinle to Many Farms Road project; road improvements will increase tourism.
4. Guillermo Valencia, Chairman of Nogales Port Authority, re: international community; reaffirm support of SR189, principal connector of \$26 billion of goods between US and Mexico; partnership with Director Halikowski and ADOT team on aggressive and innovative ways to address transportation infrastructure needs, importance of connectivity between federal highway system and ports of entry; SR189 needs improvement and requests funding firmly committed to this project.
5. Priscilla Cornelio, Pima County DOT Director, re: DE Rod Lane doing a great job; appreciates work on I-10 and SR77; appreciates Mike Kies explaining process for implementation of Sonoran Corridor.
6. Dr. John Moffatt, Pima Co. Strategic Planning Director, re: appreciate progress and support on SR189; passenger rail study released, wants rail to go all the way to Tucson airport; have a bond issue coming up to plan for the Sonoran Corridor; pleased with Rod Lane and Mike Kies in working with Pima County and priorities for and methods of funding.

7. Christian Price, City of Maricopa Mayor, re: appreciates Board support of 347 overpass plan progressing and working with Ak-Chin for funding; supports ADOT assistance to submit TIGER grant application; Maricopa has voiced concern to Senators on need for passing transportation bill and importance of SR 189 and Hwy I-11.
8. Steve Stratton, Westland Construction, re: on behalf of Tombstone Mayor Escapule, welcomed and thanked Board for coming to Tombstone.

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1 (Beginning of excerpt.)

2 CHAIRMAN ANDERSON: Item 1, district engineer's
3 report. Mr. Harmon, you're up.

4 MR. HARMON: Well, good morning, Chairman
5 Anderson and members of the State Transportation Board, Director
6 Halikowski, ladies and gentlemen of the public.

7 Good to be here (inaudible) year. (Inaudible)
8 and also thank all who participated in the groundbreaking
9 yesterday. Welcome to Tombstone and Cochise County.

10 This is a photograph of the building that we're
11 in right now, albeit more than 100 years ago, historic
12 Schieffelin Hall. One of the things I want to point out is that
13 how much I love the American entrepreneurial spirit. If we look
14 right here, there's a (inaudible) saguaro cactus. Even 100
15 years ago, you know, men -- tours came through, and they started
16 seeing the very early silent movies, black and white movies, and
17 they saw the saguaro cactus (inaudible). Saguaro cactus don't
18 grow here, but they saw it in the movies, and so they wanted to
19 get pictures taken in front of them. There's an opportunity
20 that -- to be -- get your photograph taken, part of the wild
21 West.

22 All right. My report today focuses on activity
23 in Cochise County. And here (inaudible) going on now and in the
24 near future. Presently, in -- on the state system, we have
25 about \$16 million under contract. Mostly pavement preservation,

1 enhancement, spot safety work, (inaudible) point out that we
2 have (inaudible) going on here right in Tombstone to widen
3 sidewalks and safety and widening, other improvements here, and
4 it was a lot of work to get here. Obviously challenges that we
5 faced right here in this room. Some interesting meetings in the
6 past. But I'm grateful for the support of the (inaudible)
7 officials and the citizens and business leaders of Tombstone.

8 Other work, you know, we're (inaudible)
9 rehabilitation project, the San Simon rest area. We're putting
10 in one of these big message signs overhead on State Route 90
11 between Benson and Sierra Vista. The other projects are more or
12 less routine preservations, spot safety improvements.

13 (Inaudible) work here in Cochise County
14 (inaudible) local public (inaudible), and it's just shy of
15 \$3 million worth of work. We're wrapping up Chino Road in
16 Douglas. A (inaudible) project to help facilitate movement in
17 and out of the port of entry there.

18 All right. You have to be (inaudible) fiscal
19 year, and as -- this list looks a little small, but it reflects
20 the change that is about to happen on the 1st. But I'll let
21 Tucson district pick up and carry a torch on their projects
22 (inaudible). There's a good half a dozen other projects that
23 are under development or will be advertised soon, in what we
24 call the Saint David maintenance area. So these are projects
25 that are outside that area looking at Tucson. These are

1 projects (inaudible) go forward in the near future (inaudible)
2 in the south district.

3 One of the ones I need to point out to you here,
4 the two here, State Route 19 San Pedro River Bridge Project.
5 Yes, it will have a (inaudible) signal, (inaudible) worry about
6 that kind of thing, but we promise not to do this one until we
7 finish the one on State Route 90. And so this is a sequential
8 project along the San Pedro River. And (inaudible) is still
9 here. She had to leave. (Inaudible) Davis Road (inaudible).
10 So I guess I need to set her apart.

11 All right. And just to, again, highlight this
12 for 2017, (inaudible). The I-10 Cochise TI, this project is to
13 improve the geometrics of the westbound exit and entrance ramps.
14 The current ramps on the westbound side prohibit (inaudible)
15 loads from going around the old trumpet (inaudible) that go back
16 underneath undercuts. So we're going to reconfigure the ramps
17 there to allow -- or try to make a diamond configuration on the
18 north side.

19 What this will do is that the overall height
20 loads that now have to go down Davis Road, you can see on
21 (inaudible) I-10. So this is a incremental relief for the
22 County, the big, oversize loads that go down Davis Road.
23 Complete, but it's one part of that (inaudible) for the County.
24 Again, (inaudible) Douglas, (inaudible) on the books for awhile.
25 We're pretty excited to see that one come out.

1 All right. Time to change. All of you know that
2 here in a couple weeks, the district boundary will be realigned.
3 That purple area right there in Cochise County will be absorbed
4 into the Tucson district. Rod Lane, you're in back. You'll be
5 the new district engineer for this area. And I want to ensure
6 those of you who live in the rural part of Cochise County that
7 Rod is very aware and he's worked with smaller communities, not
8 just the City of Tucson, not just the high-density urban area.
9 So he's going to be taking care of you. (Inaudible) point out
10 obviously that Rod is a good example of how ADOT keeps their
11 smart (inaudible) people in Phoenix and Tucson. (Inaudible.)
12 So -- but (inaudible) that the south district will continue to
13 be a Tombstone project here. We'll -- we're (inaudible).

14 Then with that, I'd just say thanks to everyone
15 in this community. We've faced some interesting challenges,
16 overcome some interesting problems, but we worked together and
17 got it done. And the next time I come here to Tombstone, it
18 will be as a tourist to spend money. And with that, Chairman
19 Anderson, any questions?

20 CHAIRMAN ANDERSON: Questions or comments for
21 Mr. Harmon?

22 Seeing none, thank you very much.

23 MR. HARMON: All right. Thank you. Take care.

24 CHAIRMAN ANDERSON: Director's report,
25 Mr. Halikowski.

1 MR. HALIKOWSKI: Mr. Chairman, I just had one
2 last minute item to report on. I just wanted to let the Board
3 know that ADOT is working hard on developing our future leaders
4 through the Workforce Development Program. As I've been
5 interacting with the staff (inaudible) yesterday and today, I've
6 heard complaints about a lot of our senior leaders have various
7 (inaudible) these days. So I just wanted to let you know that
8 we're going to be taking care of that issue as our (inaudible)
9 continue to progress by bringing (inaudible). Thank you.

10 CHAIRMAN ANDERSON: Thank you.

11 MR. LA RUE: Does that include the Board as well?

12 CHAIRMAN ANDERSON: Consent agenda. Board, your
13 pleasure? Is there anyone wishing to pull one item off the
14 consent agenda? If not --

15 MR. LA RUE: I'd move to approve the consent
16 agenda.

17 MR. SELLERS: Second.

18 CHAIRMAN ANDERSON: Moved by Mr. La Rue, seconded
19 by Mr. Sellers to approve the consent agenda as presented.
20 Discussion?

21 All in favor?

22 BOARD MEMBERS: Aye.

23 CHAIRMAN ANDERSON: Legislative report,
24 Mr. Roehrich.

25 MR. ROEHRICH: I just want to make sure

1 (inaudible) with this stuff right here real quick.

2 Well, good morning, Mr. Chairman, members of the
3 Board.

4 CHAIRMAN ANDERSON: Good morning.

5 MR. ROEHRICH: Mr. Biesty could not be here and
6 asked me to just give a quick overview of some legislative
7 action going on. He actually is in D.C. this week. He had a
8 chance to go out there and meet with most of our delegation,
9 ADOT and 11 of our legislators. And again, his point of his
10 discussion was going to be on there's so much debate I'm hearing
11 from the people here, transportation funding, the
12 re-authorization issue, what do we do to continue to ensure that
13 there's long-range funding so we can continue to move forward
14 with as many improvements as we can, as we work with the Board
15 and prioritize those with staff to develop those?

16 To that end, there are a couple of things. The
17 Senate has moved forward with a -- the next re-authorization for
18 MAP-21. In this case, they called it the Drive Act, Developing
19 a Reliable and Innovative Vision For the Economy. Although it's
20 a six-year bill that they're looking at, they are still working
21 out, obviously, the funding issues for it. That hasn't been
22 funded yet.

23 Now that they're back from recess, the House is
24 addressing that -- their transportation re-authorization. They
25 intend to develop a separate bill. We haven't seen the

1 specifics of that yet, but as we get that information, we'll be
2 able to get staff to analyze it. We'll be able to provide the
3 Board with any analysis or any proponents of that as we get to
4 it. But the big issue, obviously, that Congress is dealing with
5 is funding of it. How are they going to move forward with the
6 funding, whatever the continued bill is.

7 So the current MAP-21 was extended to October
8 29th. Don't know if they'll get to any type of a bill before
9 that. If not, we do expect that they'll be able to continue
10 resolutions as we move forward and as Congress debates the
11 long-term funding for transportation. So that's basically the
12 status for the highway bill.

13 Federal Aviation Administration, they're funded
14 through the end of this month. The expectation is that as they
15 go through their transportation re-authorization of funding. If
16 a bill doesn't get caught up in that, they'll have continuing
17 resolution. So that program, we expect it to continue. We
18 don't expect it to stop. Very similar for the Federal Rail
19 Administration as they go through each component of the
20 transportation funding.

21 At this point, we are continuing to work with our
22 delegation and our contacts in Washington, and we'll continue to
23 come forward with briefings and updates to the Board as we hear
24 the dialogue going on. So at this time, we're kind of
25 (inaudible) waiting on Congress. Hopefully they do something.

1 The expectation is we'll probably see some more particular
2 resolutions at the (inaudible). So that's all I have for the
3 legislative report unless there's questions.

4 CHAIRMAN ANDERSON: Questions of Mr. Roehrich?
5 If not, move into the financial report.

6 MR. ROEHRICH: Financial report, this was a last
7 minute change, and Kristine Ward asked that I do send her
8 apologies. This month and especially the second half of this
9 month is a pretty big time for her as we look at closing out the
10 federal fiscal year. And this year, as other years, you know,
11 there's so much emphasis placed on ensuring that all the funds
12 are being spent, that we're getting every project out and every
13 activity that we could, and she's been down a little bit of
14 staff, but she was just overwhelmed and felt that she needed to
15 be back there and continue to work on the closeout.

16 And what she asked is -- you've got the financial
17 report in front of you, and I believe some was put out for the
18 public so they could review it. If you've got any questions on
19 this, either send her an e-mail or give her a call. She'll try
20 to answer it, but that by next month, in October when we come
21 back, she'll have a comprehensive financial report to give, and
22 that will encompass all of the federal closeouts. We'll have a
23 very good handle on where we have -- especially as we start
24 preparing them for the end of this calendar year, start
25 developing the tentative five-year program to move forward. And

1 so she apologizes for not being here. You have the report in
2 front of you. Any questions, please send them to her or me, but
3 next month she'll be available to give a comprehensive report.
4 But with that, I'll try to answer any questions, but that's the
5 status of the financial.

6 CHAIRMAN ANDERSON: Questions or comments for
7 Mr. Roehrich? Seeing none, thank you, Floyd.

8 Multimodal Planning Division report, Mr. Kies.

9 MR. KIES: Thank you, and good morning, Mr. Chair
10 and members of the Board.

11 There were a lot of questions as we got to
12 approving the last five-year program in June about the 189
13 project. And as the Board -- each Board meeting goes by, the
14 Board hears from stakeholders about the importance of this
15 project. So I thought today that I would give you an update on
16 where we are with this project and some of the challenges that
17 we're -- have ahead of us.

18 So really quick, just a reminder, we are in a
19 study process on 189. There are three major deliverables that
20 this study is providing. One is already complete. This is what
21 we call the alternate screening report, and that is where we
22 looked at some options for 189 from an entire corridor
23 standpoint, some ideas about maybe creating a new parallel
24 corridor or an express corridor that goes down the median of
25 189, or just simply improving the corridor that's there. And

1 the conclusion from this report was that for the corridor, the
2 concept is to improve the existing corridor and utilize what's
3 there.

4 The next activity with the Alternative Screening
5 Report was to look at the I-19 interchange, which is a big focus
6 of this project, and that's where a lot of information about --
7 over the last six months that have been coming out about the
8 options we've been looking at, the options that people are in
9 favor of. And so that -- so numerous of those options are
10 documented in this report, and two options were recommended for
11 further analysis.

12 The next deliverable will be a design concept
13 report, and that's really the engineering side of the study that
14 documents the alternatives that are under consideration, details
15 out a build option and talks about the cost estimates that are
16 associated with that option and all the engineering and design
17 issues related to it.

18 And then the last deliverable is an environmental
19 assessment, which ultimately could give us environmental
20 clearance to go forward with the project. And that is
21 anticipated to be in draft form in the spring of 2016, which
22 would allow us to go out for public hearings, and then assuming
23 that everything checks out, we would recommend to FHWA a
24 preferred plan and ask for an environmental clearance on that.

25 With that said, just to highlight the design

1 concept report, which is currently underway, ultimately this
2 will include a 30 percent design of what we're calling the build
3 alternative, and will highlight the implementation plan, which
4 will give us ideas of different ways that we might be able to
5 implement the plan if there is insufficient funding to do the
6 entire package in one project.

7 Another feature of the design concept report is
8 the estimate of probable costs. As you'll see in this
9 presentation, we're presenting costs in ranges, because we're
10 still at a high-level planning area, and the costs -- we're not
11 able to pinpoint the costs at this point. But by the time we
12 get to the conclusion of the design concept report, we'll have a
13 much more focused idea of what the construction costs would be
14 of the build alternative.

15 And then really quick, the environmental
16 assessment, as you probably all are aware, highlights the
17 environmental consequences or concerns of the project. It's the
18 opportunity for the public to get involved in the process with
19 public meetings and public hearings, and eventually details out
20 the mitigation measures that the project would need to include
21 in order for it to be environmentally clear.

22 So with that, I just want to highlight the build
23 option that is proposed for this corridor. And where we are
24 right now is we have come to consensus on what the build option
25 is and all the fronts of the project that are now moving forward

1 with a common build option so that we're no longer considering
2 different alternatives, and a lot of the alternative discussion
3 was around this interchange between I-19 and the 189. And as
4 the Board may recall, there have been numerous resolutions
5 provided by our stakeholders, such as the City of Nogales, Santa
6 Cruz County, other stakeholders like the port authority, that
7 have given us input that they're in favor of option D, which is
8 one of those interchange configurations.

9 And as we've talked with the stakeholders, what
10 it really comes down to is that option D has some features that
11 the community is really in favor of, and it's these
12 multi-directional ramps north and south between the interstate
13 I-19 and 189, and then also, there's this intersection located
14 right here known as Frank Reed Road that provides access to the
15 Nogales High School, and grate separating the truck traffic from
16 the local traffic is very important to the community.

17 So as we went forward to settle on the
18 recommended plan, we wanted to make sure that those features
19 were included in what we're ultimately recommending. And so
20 this is an overview of the recommended plan that we are working
21 towards now. It's hard to see on this screen, but those
22 features that alternative D included are in there with these
23 flyover ramps in the southbound and the northbound direction,
24 and also the grate separation of Frank Reed Road.

25 You also see a lot of other engineering lines

1 along the entire corridor. The other aspect of this study was
2 to come to agreement on what the entire corridor would look
3 like, and we're at that point now where some of the features
4 along the rest of the corridor include new traffic signals,
5 medians, that would be construction in the middle of the roadway
6 to optimize traffic operations, minimize turning movements and
7 provide more access control along the corridor.

8 This slide just shows the rest of the corridor
9 from where that view left off, all the way down to the Mariposa
10 port of entry, and again, we've got an understanding of what the
11 entire corridor would look like in its ultimate form.

12 So now we get to the study level cost estimates,
13 and if we just look at those corridor improvements, those new
14 traffic lights, the traffic medians, the traffic operation
15 enhancements along the corridor, without thinking about the
16 interchange at I-19, we're estimating those improvements in the
17 range of 20 million to \$50 million at this high level cost
18 estimate.

19 When we then add in the interchange
20 configuration, which includes those ramps between I-19 and the
21 corridor, and overcrossing at Frank Reed Road, we have another
22 100 to \$150 million added to the project.

23 With that said, the funding situation right now
24 with the total cost of the project is now in the range of 120
25 million to 200 million for this project. As you may recall,

1 when we went through the last programming cycle, you did approve
2 \$64 million to be earmarked in the development plan in the year
3 2021, and obviously, that is not equal to the entire cost that
4 we see for the whole project. So what we've done as a
5 department, we've sat down (inaudible) stakeholders and talked
6 about the issue, and as you heard earlier with (inaudible) from
7 the port authority, the local community is very excited and
8 focused on looking for other funding mechanisms that could be
9 combined with the \$64 million that the Board has placed --
10 supplied in the development program.

11 So we're confident that the local community in
12 partnership with ADOT is going to think outside the box and look
13 for some of these unique funding mechanisms, and so our approach
14 at this point is we're moving forward as if the entire project
15 will receive full funding by the time it's ready for
16 construction, and in the meantime, work with the local
17 partnerships to look at those other funding options.

18 So the next steps on this project, again, is to
19 complete the design concept report, which will eventually
20 include a 30 percent design. Again, part of the design concept
21 report is implementation scenarios, different ways that the
22 project could be implemented, depending on the funding situation
23 as we get closer to construction. So those implementation
24 scenarios allow us to cover all bases. We could have a scenario
25 that just utilizes the \$64 million that's in the development

1 program. We could have other scenarios that -- combined with
2 other funding mechanisms that the local community comes forward
3 with, and of course, we'll have a scenario where the entire
4 project is built in one project.

5 Then in -- as I said, in the spring of 2016,
6 we'll come up with a draft environmental impact -- or
7 environmental assessment, which will compare the no build
8 alternative to this preferred build alternative that I've
9 presented. We'll go through public hearings, and then at that
10 point is where these funding options really all need to come
11 together to make sure that we've got the funding package to
12 deliver the entire project, if that's possible.

13 So with that, that's -- that concludes my
14 presentation on where we are and an update on the SR-189
15 corridor.

16 CHAIRMAN ANDERSON: Questions for Mr. Kies on the
17 Planning Division report?

18 MR. HALIKOWSKI: Mr. Chairman.

19 CHAIRMAN ANDERSON: Mr. --

20 MR. HALIKOWSKI: Not a question, but just a
21 comment. As Mike indicated, my goal is to accomplish this in
22 one phase. Otherwise, if you just look at 64 million, we're
23 looking at two phases, and they may be widely spaced apart in
24 years. So our goal is to continue to work with the community to
25 come up with (inaudible) in funding so that we can get in and

1 complete this project and be done with it and get out. So that
2 includes not only the (inaudible) that Mike talked about, but
3 the Frank Reed Road, the extension of the next four miles after
4 Frank Reed Road to Mexico. And then also, Mike, in the 200
5 million, are we looking at Ruby Road TI, or is that outside of
6 this box?

7 MR. KIES: No, this is just about the 189
8 project. So those cost estimates do not --

9 MR. HALIKOWSKI: So in the future, we'll be
10 looking at other safety issues with the Ruby Road TI, which
11 needs improvement.

12 And then I just want to encourage the Board not
13 to look at this as simply a highway system improvement. If
14 you've been around Nogales and visited the warehouses, what
15 you'll find is that in the future, we're going to have to
16 continue to work with the City, not necessarily with State
17 funds, but to improve the streets and some of those 1950s
18 (inaudible). So we're trying to take this as a holistic,
19 systematic point of view, not just fixable symptom, but let's
20 make Nogales a corridor that actually can compete with folks in
21 Texas. And so in that sense, Mr. Chairman, I just want to let
22 you know that the department (inaudible), and we want to see if
23 we could accomplish a really big goal here.

24 CHAIRMAN ANDERSON: Mr. Hammond.

25 MR. HAMMOND: I guess an additional comment. By

1 the way, I applaud you on the way you're approaching this, and I
2 know the City of Nogales wants to keep that 64 million, and as
3 you've said, there will be a 30 percent option (inaudible)
4 utilize that 64 million.

5 But something I think we all need to keep in mind
6 is this isn't about the City of Nogales. It's about the whole
7 state. It keeps coming up, but sometimes we lose sight of it.
8 I mean, I use the example of the railroad that bisects that
9 community. Very important rail corridor into this state, but it
10 actually hurts the City of Nogales the way -- when it takes 20
11 minutes for a train to come through town. I think they've got
12 six a day coming through, and it kind of shuts it down. So
13 they're very sensitive to their needs, but in some respects,
14 they conflict with the State's needs to move goods and services
15 from Mexico into the United States through this very important
16 corridor. And that's what this is really about. It's about the
17 whole state, and sometimes when you look at that big number, you
18 think, man, why would anybody think of putting that kind of
19 money in Nogales. It's really about putting money into the
20 state infrastructure (inaudible) corridor, and a lot of the
21 other trades (inaudible) that we have as a state that we need to
22 (inaudible) the future.

23 CHAIRMAN ANDERSON: Mike, you have the low end
24 120, high end 200. As we go further along, will that get more
25 refined and pinpointed what that actual number might be?

1 MR. KIES: Yes. Yes, Mr. Chair, it will, and
2 that's why we want to show ranges of costs now, because we don't
3 -- we're at a high level planning level, and we were not really
4 confident that we can pinpoint it to a specific number. As we
5 get to the 30 percent design, we'll then have a much, much more
6 narrow cost estimate and have a more confident number.

7 CHAIRMAN ANDERSON: I think to Mr. Hammond's
8 comments that, you know, on that high-end number you should not
9 really let that cause any fear, because it is going to be
10 refined in terms of what it applies to (inaudible). Anyone
11 else? Comments? Questions?

12 MR. KIES: With that, Mr. Chair, I don't have any
13 other items on the MPD report.

14 CHAIRMAN ANDERSON: We'll move into PPAC.

15 MR. KIES: Great. Thank you, Mr. Chair.

16 We do have seven projects on the project
17 modifications. They're Items 7A through 7G, and if the Board
18 doesn't have any questions or comments about those projects, I'd
19 ask for approval of Items 7A through 7G.

20 CHAIRMAN ANDERSON: Board's pleasure on those
21 modification projects?

22 MR. SELLERS: Move for approval.

23 MR. LA RUE: Second.

24 CHAIRMAN ANDERSON: Moved by Mr. Sellers, second
25 by Vice Chair La Rue to approve the modification projects, Items

1 7A through 7G as presented. Further discussion?

2 All in favor?

3 BOARD MEMBERS: Aye.

4 MR. KIES: Thank you, Mr. Chair.

5 We do have eight new projects on the PPAC agenda
6 this month. I do want to clarify two of the projects. They are
7 listed as design stop and yield signs. I do want to clarify
8 with the Board that we do know exactly what stop signs and yield
9 signs looks like. These projects are actually to design
10 locations for stop signs and yield signs along numerous of our
11 railroad break crossings out in the rural areas and along some
12 of our railroads, and so I just wanted to make that modification
13 -- or understanding of what that -- those projects entail.

14 So Items 7H through 7O are the new projects, and
15 unless there's any questions or comments, then I'd ask for
16 approval of Items 7H through 7O.

17 CHAIRMAN ANDERSON: Board's pleasure?

18 MR. HAMMOND: I'll move approval.

19 CHAIRMAN ANDERSON: Moved by Mr. Hammond.

20 MR. LA RUE: Second.

21 CHAIRMAN ANDERSON: Second by Mr. La Rue to
22 approve new projects 7H through 7O. Further discussion?

23 All in favor?

24 BOARD MEMBERS: Aye.

25 MR. KIES: Thank you, Mr. Chair.

1 We do have four airport projects this month.
2 They're Items 7P through 7S, and if there are no questions or
3 concerns about these projects, I'd ask for approval of Items 7P
4 through 7S.

5 CHAIRMAN ANDERSON: Board's pleasure?

6 MR. SELLERS: Move for approval.

7 CHAIRMAN ANDERSON: Moved by Mr. Sellers.

8 MR. CUTHBERTSON: Second.

9 CHAIRMAN ANDERSON: Second by Mr. Cuthbertson to
10 approve the airport projects 7P through 7S as presented.
11 Further discussion?

12 All in favor?

13 BOARD MEMBERS: Aye.

14 MR. KIES: Thank you.

15 CHAIRMAN ANDERSON: Thank you, Mr. Kies.

16 State engineer's report, Dallas. Good morning.

17 MR. HAMMIT: Mr. Chairman, members of the Board.

18 The (inaudible) the last month or currently we
19 have (inaudible) projects under construction totaling \$815.2
20 million in the month of August. We've finalized 20 projects
21 totaling \$52.4 million, year to date 37 projects.

22 One item that I wanted to point out to the Board
23 in the state engineer's report. At the study session you heard a
24 presentation from Game & Fish on some of the work we've
25 partnered with them on. This last week FHWA administrator Karla

1 Petty gave me an award that was issued to our planning folks
2 earlier this year at the 2015 Environmental Excellence Award for
3 our work with Game & Fish and (inaudible) wildlife crossings.
4 So we are being recognized nationally for this (inaudible).

5 The other thing I'd like to point out, and Bill
6 mentioned it earlier, we presented on the district reward
7 organization and instituting transportation systems, management
8 and operations, we will be going live October 1st with that
9 reorganization. So all of that's (inaudible).

10 Any questions on the state engineer's report?

11 CHAIRMAN ANDERSON: Questions? Do you have any
12 contracts?

13 MR. HAMMIT: Thank you for your award of the 14
14 projects on the consent agenda, and we have several projects
15 that we need to talk about. (Inaudible.)

16 One of the things I want to point out here that
17 has -- pretty proud of our staff. Out of the 20 projects,
18 (inaudible) \$26 million, that aggregate, we were within
19 three-tenths of a percent of hitting it. There's some pluses
20 and minuses, and we need to talk about some of those, but
21 overall, we were within three-tenths of a percent of hitting
22 that (inaudible).

23 Item 9A, this is a project in the Saint Johns
24 area. It's a pavement preservation, a local project. The low
25 bid was \$436,999. The State's estimate was \$563,068.10, leaving

1 the project under the State's estimate by \$126,069.10 or 22.4
2 percent. We saw pretty much the whole difference in the asphalt
3 paving. We got a better-than-expected price. The department
4 has reviewed the bid and believes it is responsible and
5 reasonable, and we would recommend award to Sunland, Inc.,
6 Asphalt and Seal Coating.

7 CHAIRMAN ANDERSON: Comments on the 9A?

8 MR. HAMMOND: Recommend approval.

9 MR. LA RUE: Second.

10 CHAIRMAN ANDERSON: Moved by Mr. Hammond, second
11 by Vice Chair La Rue to accept staff's recommendation to award
12 the contract to Item 9A to Sunland, Inc. Asphalt and Seal Coat
13 -- Coating. Further discussion?

14 Seeing none, all in favor?

15 BOARD MEMBERS: Aye.

16 CHAIRMAN ANDERSON: 9B.

17 MR. HAMMIT: Mr. Chairman, this project is in the
18 Town of Cave Creek. It's a roadway widening. It's adding some
19 bike lanes, concrete curb and gutter and a number of ADA ramp
20 improvements. The low bid was \$3,241,791.45. The State's
21 estimate was \$2,539,301.30, leaving the project over the State's
22 estimate by \$702,490.15, or 27.7 percent. On this project it's
23 a lot of piecemeal work. You're adding (inaudible). So we did
24 higher -- see higher-than-expected prices in our concrete items,
25 our roadway excavation, because it's going to have to be handled

1 a couple of times (inaudible) mobilization. We do believe we
2 have a reasonable and responsible bid and would recommend award
3 to Nesbitt Constracting, Inc.

4 CHAIRMAN ANDERSON: The Board's pleasure on 9B?

5 MR. LA RUE: So moved.

6 CHAIRMAN ANDERSON: Moved by Mr. La Rue.

7 MR. SELLERS: Second.

8 CHAIRMAN ANDERSON: Second by Mr. Sellers to
9 approve to award and accept staff's recommendation to award the
10 contract for Item 9B to Nesbitt Contracting Company, Inc.
11 Further discussion?

12 All in favor?

13 BOARD MEMBERS: Aye.

14 CHAIRMAN ANDERSON: 9C, Mr. Hammit.

15 MR. HAMMIT: Mr. Chairman, this project is a
16 countywide striping project throughout Yuma County. The low bid
17 was \$339,630.50. The State's estimate was 321,830, leaving the
18 project under the State's estimate by \$80,199.50 or 25.5
19 percent. We saw better-than-expected prices for both the
20 (inaudible) stripe, comes out of the machine, and the markers,
21 the symbols. We have reviewed that, believe it is a responsible
22 and reasonable bid and would recommend award to Sunline
23 Contracting, LLC.

24 CHAIRMAN ANDERSON: The Board's desire on 9C?

25 MR. HAMMOND: Recommend approval.

1 CHAIRMAN ANDERSON: Moved by Mr. Hammond.

2 MR. LA RUE: Second.

3 CHAIRMAN ANDERSON: Seconded by Vice Chair La Rue
4 to accept staff's recommendation to award the contract from 9C
5 to Sunline Contracting, Inc. Further discussion?

6 All in favor?

7 BOARD MEMBERS: Aye.

8 CHAIRMAN ANDERSON: 9D, Mr. Hammit.

9 MR. HAMMIT: Mr. Chairman, this project is on
10 US-93 near the area of Medlin, just south of Wikieup. It's to
11 install a median crossover to serve two existing access points.
12 The low bid was \$457,457. The State's estimate was 390,640,
13 leaving it over the State's estimate by \$66,817 or 17.4 percent.
14 One thing I need to point out to the Board, there was -- on this
15 project we had one bidder who -- it was determined
16 non-responsive. They did address a couple of the items. They
17 didn't have unit prices. So their bid was listed as
18 non-responsive. They did protest that decision. The department
19 explained that in a letter, and they have accepted that
20 response. So we did deem them non-responsive. The reason for
21 the overage is -- was in the building of the traffic control.
22 After reviewing the responsive bids, we do believe that it is a
23 reasonable and responsible bid and would recommend award to Fann
24 Contracting.

25 CHAIRMAN ANDERSON: I have one question. When is

1 this set to start?

2 MR. HAMMIT: Excuse me?

3 CHAIRMAN ANDERSON: When is this set to start?

4 MR. HAMMIT: Mr. Chairman, the contract time will
5 start 20 days after award.

6 CHAIRMAN ANDERSON: Okay. Board's pleasure on
7 9D?

8 MR. LA RUE: I'll move it.

9 CHAIRMAN ANDERSON: Moved by Mr. -- Vice Chair La
10 Rue.

11 MR. CUTHBERTSON: Second.

12 CHAIRMAN ANDERSON: Seconded by Mr. Cuthbertson
13 to accept and approve staff's recommendation to award the
14 contract for 9D to Fann Contracting. Further discussion?

15 All in favor?

16 BOARD MEMBERS: Aye.

17 CHAIRMAN ANDERSON: 9E.

18 MR. HAMMIT: Mr. Chairman, Board, this is a
19 project in the Town of Parker. It's to work on some concrete
20 sidewalks, curb and gutter and doing some ADA ramp improvements,
21 pavement markings and landscaping. The low bid was \$610,100.
22 The State's estimate was \$430,949.70, leaving it over the
23 State's estimate by \$179,150.30 or 41.6 percent. Again, this is
24 a small project, lots of small areas at work (inaudible) going
25 to have to have starts and stops. Production was not as high as

1 we had estimated, given this higher cost than expected for the
2 concrete items, and also some of the landscaping materials, we
3 saw higher-than-expected costs. We did receive eight bids for
4 this, much more than any of the others on this award, of these
5 ones I've presented. The next highest we had four bids. So
6 this one, there was a lot of interest on this project, but we
7 just missed it on some of those production goals. We do think
8 we have a responsible and reasonable bid and would recommend
9 award to K.A.Z. Construction, Inc.

10 CHAIRMAN ANDERSON: Board's pleasure on 9E?

11 MS. BEAVER: I'm make the motion, but (inaudible)
12 if I have a comment that I would like to (inaudible).

13 CHAIRMAN ANDERSON: Moved by Ms. Beaver.

14 MR. LA RUE: Second.

15 CHAIRMAN ANDERSON: Second by Vice Chair La Rue.
16 Discussion? Ms. Beaver.

17 MS. BEAVER: Yes. My comment is that I would
18 like staff to fully define the jurisdictional aspect within the
19 project limits, because it is within the (inaudible) of Parker,
20 and in the bid information I didn't see any reference to that.
21 So...

22 MR. HAMMIT: Mr. Chairman, Ms. Beaver, the staff
23 will do that and define what is -- and assure that all of the
24 areas within the Town of Parker versus being in tribal lands,
25 and identify that before we make that known to the contractor at

1 the time of the preconstruction conference.

2 CHAIRMAN ANDERSON: Are you comfortable with
3 that, Ms. Beaver?

4 MS. BEAVER: Yes.

5 CHAIRMAN ANDERSON: Okay. Further discussion?
6 All in favor?

7 BOARD MEMBERS: Aye.

8 CHAIRMAN ANDERSON: 9F.

9 MR. HAMMIT: Mr. Chairman, members of the Board,
10 this is a State Parks project. We do have funding for State
11 Parks, and we're working with them. This is at Lake Havasu.
12 This project will improve the parking lot, will work on the boat
13 launch within the channel, do some pier work and some jetty
14 work. The low bid was \$4,059,042.75. The State's estimate was
15 \$2,980,091.85, leaving it over the State's estimate by
16 1,078,950.97 or 36.2 percent. One of the aspects of this
17 project is there's actually work done under water. We don't do
18 a lot of estimating for work done under water. I asked John if
19 -- the director if he would put on (inaudible) and inspect that
20 for us. (Inaudible.)

21 CHAIRMAN ANDERSON: (Inaudible.)

22 (Speaking simultaneously.)

23 MR. HAMMIT: But we did see higher-than-expected
24 pricing in building that copper dam. The excavation, placement
25 of the concrete, (inaudible) and work on the (inaudible). After

1 reviewing the bids -- we did have three bids that were very
2 close together -- we do believe it's a reasonable and
3 responsible bid and would recommend award to N.G.U. Construction
4 Contractors.

5 CHAIRMAN ANDERSON: Board's pleasure on 9F?

6 MS. BEAVER: So moved.

7 MR. LA RUE: Second.

8 CHAIRMAN ANDERSON: Moved by Ms. Beaver, second
9 by Vice Chair La Rue.

10 I do have one question. If we don't have a way
11 to estimate the work under water, do we have a way to inspect
12 the work under water? Is that part of the contract?

13 UNIDENTIFIED SPEAKER: No.

14 MR. HAMMIT: We will be working with the parks
15 department, and their staff will be assisting us, because we did
16 have that conversation. So part of the inspection on the final
17 product will be (inaudible) staff, and I believe they'd have
18 those resources to do that, but I still have the offer open to
19 the director.

20 CHAIRMAN ANDERSON: Further discussion on 9F?

21 Seeing none, all in favor?

22 BOARD MEMBERS: Aye.

23 CHAIRMAN ANDERSON: And 9G.

24 MR. HAMMIT: Mr. Chairman, this last item is a
25 statewide reflective pavement marking project. This project

1 basically is to install what we call raised and recessed
2 pavement markers. As you -- the method of work is you have a
3 mobile operation, but it's very slow moving, and it stops at
4 every 30 feet, puts a dab of glue, that black stuff you see, and
5 then the next operation puts a reflective marker in the ground.
6 As the department estimated it, the traffic control was
7 estimated like a striping operation, which doesn't ever stop,
8 and you need very little traffic control. This being
9 (inaudible) but very slow, traffic control will be needed. So
10 after review, the staff does recommend that we reject all bids.
11 We do not believe that our traffic control matches the required
12 work that is needed on the project. Therefore, we would be
13 asking (inaudible) to reject all bids. The staff will put
14 together the proper traffic control and put it back out for
15 bids.

16 CHAIRMAN ANDERSON: Board's pleasure on 9G?

17 MR. SELLERS: Move to reject all bids.

18 MS. BEAVER: Second.

19 CHAIRMAN ANDERSON: Moved by Mr. Sellers, second
20 by Ms. Beaver to accept and approve staff's recommendation to
21 reject all bids for 9G. Further discussion?

22 All in favor?

23 BOARD MEMBERS: Aye.

24 CHAIRMAN ANDERSON: New business.

25 MR. LA RUE: Mr. Chair, if I could.

1 CHAIRMAN ANDERSON: Mr. La Rue.

2 MR. LA RUE: You know, it's come to my attention
3 that there's one among us who would like to be excused from next
4 month's meeting. However, I think that individual is just so
5 critically important to the Board processes, I think it's should
6 be discussed by the Board on whether we allow that, you know,
7 excuse.

8 CHAIRMAN ANDERSON: Our vote is binding, correct?

9 MR. HALIKOWSKI: Mr. Chairman, the department
10 would welcome that discussion. We rely on this individual
11 heavily for personnel advice (inaudible).

12 CHAIRMAN ANDERSON: Yeah.

13 MR. HALIKOWSKI: And Mr. Chair, as strong as she
14 is, in the back (inaudible), she lifts a heavy load for us, and
15 not having her available would be a significant disadvantage.

16 MR. ROEHRICH: Especially going into such an
17 important activity as a board member.

18 MR. LA RUE: And we think that their request is
19 rather frivolous (inaudible).

20 CHAIRMAN ANDERSON: And do we think we need to
21 seek advice, legal counsel, because this is a non-agendized item
22 for discussion or --

23 MR. LA RUE: We can't vote on it, but we sure
24 can, you know --

25 CHAIRMAN ANDERSON: But there could be a conflict

1 of interest by getting advice from legal counsel today. So we
2 may need to phone somebody else.

3 MR. LA RUE: We may need a special meeting.

4 CHAIRMAN ANDERSON: A special meeting. No, you
5 know --

6 MR. ROEHRICH: (Inaudible.)

7 (Speaking simultaneously.)

8 CHAIRMAN ANDERSON: Please get her her cane or a
9 walker or something. No, it's Michelle's birthday next month,
10 and we wish her the best, and I don't know -- a man can't say
11 that. You could.

12 UNIDENTIFIED SPEAKER: You've already said it.

13 UNIDENTIFIED SPEAKER: (Inaudible).

14 CHAIRMAN ANDERSON: Welcome to the club.

15 MR. LA RUE: Well, I think there's plenty
16 establishments in Wickenburg, correct?

17 CHAIRMAN ANDERSON: Oh, there you go.

18 MR. LA RUE: Yeah.

19 CHAIRMAN ANDERSON: That cater to the senior
20 crowd.

21 UNIDENTIFIED SPEAKER: (Inaudible.)

22 MR. LA RUE: I'm a lame duck.

23 CHAIRMAN ANDERSON: All right. Back to order.
24 Suggestions for the next board meeting?

25 MR. ROEHRICH: Mr. Chair, I've got a couple of

1 comments.

2 CHAIRMAN ANDERSON: Mr. Roehrich.

3 MR. ROEHRICH: I just want to remind -- as you
4 decide on topics, I just wanted to remind everybody the next
5 meeting is October 16th at Wickenburg, and to that end,
6 (inaudible) Mrs. Beaver, Mr. La Rue on that agenda (inaudible)
7 meeting, we do have (inaudible) talk about US-93 and corridor as
8 well as some of the issues about the project around the
9 Wickenburg area and the rest of that corridor. Other than that,
10 we'll address any other topics that you may want for that
11 meeting.

12 Also, make sure that I remind everybody in
13 October we do have the next board retreat or board study
14 session. A (inaudible) transportation funding (inaudible)
15 option for consideration (inaudible) have been working on. That
16 is October 27th. So just a reminder for everybody for next
17 month to do -- mark on your calendars. We'll have the --
18 obviously the agenda out and the study session information
19 (inaudible) together as we (inaudible) posted for those dates.

20 CHAIRMAN ANDERSON: Great.

21 MR. ROEHRICH: And I do have one final item I do
22 want to make. It's a reference to Mr. Harmon's district
23 engineer's report. When you talk about giving up this part of
24 the district that's going to Tucson, but trying to assure the
25 locals don't worry, ADOT's best and brightest are in urban

1 areas. I've worked with Mr. Harmon and his team here for years.
2 I can tell you, Safford district is second to none. And
3 Tombstone (inaudible) district, but he -- Safford district is
4 picking up a big chunk of the Globe district. Those folks are
5 going to very quickly learn how quality Mr. Harmon -- a man of
6 very up humble and modest personality. But I'll quickly -- that
7 district is going to be a work before them, and his whole team
8 (inaudible). So he's a humble man. He wouldn't say it, but
9 I've got to tell you. It's great to come to Safford district
10 and get to work with Bill and his team. Second to none.

11 CHAIRMAN ANDERSON: Thank you, Floyd.

12 (Inaudible.)

13 MR. LA RUE: Here, here.

14 MS. BEAVER: Ms. Chair.

15 CHAIRMAN ANDERSON: Ms. Beaver.

16 MS. BEAVER: Yes. I just wanted to bring up at
17 our special meeting study session that we had in Phoenix, we did
18 have a presentation from the Arizona Game & Fish department with
19 regard to the relationship between ADOT and the Arizona Game &
20 Finish department with regard to road projects, and at that same
21 meeting, prior to the presentation, we had approved some
22 projects, and it was kind of the horse before the cart type
23 thing, and I was wondering if for -- if we can -- projects that
24 we have going on where there is wildlife known to be, you know,
25 utilizing the highway to get across, if we could make sure and

1 have some kind of relationship with Arizona Game & Fish
2 Department where we see if anything could be modified,
3 specifically like fencing.

4 MR. HALIKOWSKI: Mr. Chair, Ms. Beaver, I can
5 guarantee you we do that, because on all projects we develop,
6 one of our major stakeholders that we reach out to on every
7 project -- I won't say every project, but I guess there might be
8 some -- like the (inaudible) pavement marker projects or
9 something we might not, but one would say that more than 90
10 percent of the projects that we do -- we talk -- they get notice
11 of that. They're part of any development team. They're allowed
12 to comment on that. So if we continue to develop a project,
13 that is a primary a partner for us that we -- we coordinate with
14 on 90 percent of the program (inaudible). So that is an ongoing
15 relationship that will continue, and we do not see that. The
16 relationship (inaudible) continue to increase. So yes, ma'am,
17 we will continue that extensively, and I do not see that as a
18 problem going forward (inaudible).

19 MS. BEAVER: No. It's just at our last
20 meeting --

21 MR. ROEHRICH: Right.

22 MS. BEAVER: -- we actually voted on something,
23 and then following the vote, then we had the presentation from
24 Arizona Game & Fish Department, and so I'm -- I had -- we had
25 the presentation --

1 MR. ROEHRICH: Right.

2 MS. BEAVER: -- before we might have asked
3 questions with regard to the fencing that was going to be put
4 in, and you know, if it had been, you know --

5 MR. ROEHRICH: Mr. Chair, Ms. Beaver, I can tell
6 you those projects that you approved, Game & Fish was involved
7 in coordination of those. So they had input into whatever the
8 final design was (inaudible).

9 MS. BEAVER: Okay. Thank you.

10 MR. HALIKOWSKI: (Inaudible.) Board Member
11 Beaver is asking you (inaudible) and you understand what
12 (inaudible) the projects.

13 MS. BEAVER: Well, I think just because we can't
14 look backward at this point, it's just that we had a
15 presentation. It was a very good presentation from them. It's
16 just that in the future, when we do have projects that have to
17 do with putting fencing in, that we, you know, have a
18 relationship with them beforehand to make sure that we're --

19 MR. ROEHRICH: Right. But -- and Mr. Chair,
20 Mr. Director, Ms. Beaver, we do that. I guarantee you, even
21 though it was agendaed because we have a special session
22 (inaudible) project beforehand, and then Game & Fish came out
23 and talked about that (inaudible), that coordination went on.
24 Those projects that (inaudible) I do understand that (inaudible)
25 some questions about those projects, and then you can possibly

1 have brought that in as a discussion.

2 MR. HALIKOWSKI: And Mr. Chair, we have a
3 partnership (inaudible) our executive staffs meet with regularly
4 to discuss better ways (inaudible) how to improve our
5 relationships on projects. So we try to stay in close contact
6 wit them, because we share common issues. So I don't want you
7 to get the impression that we're working (inaudible).

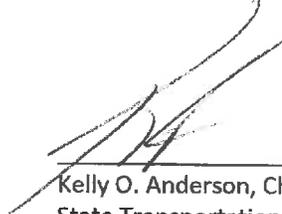
8 (End of excerpt.)

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Adjournment

A motion to adjourn the September 18, 2015 Board meeting was made by Deanna Beaver and seconded by Kelly Anderson. In a voice vote, the motion carries.

Meeting adjourned at 10:25 a.m. MST.



Kelly O. Anderson, Chairman
State Transportation Board



Sec John S. Halikowski, Director
Arizona Department of Transportation