

ARIZONA STATE TRANSPORTATION BOARD
STATE TRANSPORTATION BOARD MEETING

REPORTER'S TRANSCRIPT OF PROCEEDINGS
TELECONFERENCE BOARD MEETING

August 20, 2020
9:00 a.m.

REPORTED BY:

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PREPARED FOR:
ADOT - STATE TRANSPORTATION BOARD

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REPORTER'S TRANSCRIPT OF EXCERPT OF ELECTRONIC
PROCEEDINGS, ADOT - STATE TRANSPORTATION BOARD, was reported
from electronic media by TERESA A. WATSON, Registered Merit
Reporter and a Certified Reporter in and for the State of
Arizona.

PARTICIPANTS:

Board Members:

- Michael S. Hammond, Chairman
- Steve E. Stratton, Vice Chairman
- Jesse Thompson, Board Member
- Sam Elters, Board Member
- Gary Knight, Board Member
- Richard Searle, Board Member
- Jenn Daniels, Board Member

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CALL TO THE AUDIENCE

SPEAKER:	PAGE:
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Kara Harris (Comments read by Floyd Roehrich, Junior).....	6
John Osgood, Navajo County Public Works Director.....	30

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1 (Beginning of excerpt.)

2 CHAIRMAN HAMMOND: Okay. We are now going to do
3 the call to the audience, and since this is a telephonic event,
4 everything will be muted when they call in to the meeting. When
5 your name is called to provide your comments, you will indicate
6 your presence by virtually raising your hand or through the
7 WebEx application. The WebEx host will guide you through the
8 unmuting and muting process following the instructions,
9 including with the meeting agenda. And we'll be patient if it
10 takes a little bit of work to get you on, but we do have some --
11 I think three or four calls to the audience, and just a
12 reminder, a three-minute time limit will be imposed.

13 Floyd, you going to handle that?

14 MR. ROEHRICH: Yes, sir. Thank you, Mr. Chair.
15 We do have three call the audience. The first one is for
16 Mr. Kee Allen Begay, Navajo Nation Council.

17 Mr. Begay, if you are on, please raise your hand
18 and the meeting host will unmute you.

19 MS. ESTELLE: Good morning, Mr. Begay. This is
20 Haley Estelle, I am looking for you on the participant list. If
21 you have joined us over the phone, if you'll please press star
22 three on your phone keypad, that will virtually raise your hand,
23 and I will unmute you. If you're using WebEx through a
24 smartphone, you can select raise hand on the bottom right-hand
25 of the participant list. If you've joined WebEx on your

1 computer application, you can select raise your hand through the
2 participant list, Mr. Begay.

3 I'm not seeing a hand raised, Floyd. So we'll
4 just give him another minute or so.

5 As a reminder, Mr. Begay, you can press star
6 three on your phone, and that will raise your hand.

7 Okay. So I'm not seeing any feedback for
8 Mr. Begay.

9 MR. ROEHRICH: Thank you. Thank you, Haley.

10 So Mr. Chair, Mr. Begay had wanted to address the
11 following issues. Highway 191 road improvements, BUILD grants
12 for 191 road improvements, state highway initiative for
13 broadband smart highways, and a streetlight proposed project.

14 What we will do is I will follow up with
15 Mr. Begay and see if we can work out better to get him to
16 participate in the meeting and get him to attend a future
17 meeting.

18 With that, we'll move on to the second request
19 that we got, and that was from Mr. John Osgood, Public Works
20 Director, Navajo County. Mr. Osgood, please follow the
21 instructions to raise your hand, and the meeting host will
22 unmute you.

23 MS. ESTELLE: Mr. Osgood, this is Haley. I'm
24 looking for your name on the list. As a reminder, to virtually
25 raise your hand, you can press star three on your phone's keypad

1 if you've joined over the phone, or you can find the raise your
2 hand feature using the participant list in one of the WebEx
3 applications.

4 MR. THOMPSON: Haley.

5 MS. ESTELLE: Yes.

6 MR. THOMPSON: Haley, I think he was having a
7 hard time getting on as well.

8 MS. ESTELLE: Okay. Floyd, we may need to follow
9 up with Mr. Osgood after this to see if we can get him
10 connected.

11 MR. ROEHRICH: Okay. And Mr. Chair and board
12 members, Mr. Osgood was looking to address transportation
13 improvements on US-191.

14 So the last call to the audience we got was from
15 Ms. Kara Harris, a constituent who lives in Whetstone, Arizona.
16 She could not attend, but she sent an email and asked me to read
17 it for the record, which is similar to what happened last month.
18 She submitted the same request to speak. What I will do is read
19 her statement.

20 Well, here we are again, another month, another
21 plea. With all my heart, I truly wish we could widen State
22 Route 82 from Sonoyta to Highway 90. Once again, I will remind
23 the Board that since NAFTA, commercial 18-wheel traffic has
24 increased exponentially, making 82 very dangerous as they choose
25 to avoid I-19 and shortcut to I-10 going both east and west to

1 and from Nogales. They, the commercial truckers, have turned it
2 into a two-lane highway, thereby making my hindquarters and
3 other body parts a target on my bicycle getting to Highway 90.

4 Now to the mess on Highway 90. Thank you for
5 getting the workers to finally pick up that six-foot alligator
6 that was thrown from an 18-wheel vehicle that saved my life by
7 obeying the move over law, which most didn't. It took way too
8 long for the crews to pick them up, and after the last board
9 meeting and my complaint, they picked it up the next day.
10 Convenient, but sad it had to come from the top, and just doing
11 their job was not the rationale.

12 Highway 90 is a mess of garbage and well due for
13 a street cleaner and for someone to pick up the trash. I have
14 had two flats in the past week, one front and one back tire.
15 The cause are steel belts, little, tiny pieces of metal that
16 come out of my tires. I have ridden this road for over 15 years
17 and have never had two flats in less than a month.

18 Can you motivate Tucson to spend some money --
19 spend some time and money in Cochise County getting rid of the
20 road hazards in the emergency lanes? My bike riding partner and
21 friend are willing to adopt the portion of the highway from
22 Whetstone to French Joe. If your workers are unable to pick it
23 up, let us know. We can title this section the "Move Over
24 Mamas." FYI, there are a lot of cows out there as well.

25 Once again, I will add I do miss attending the

1 meetings and surely appreciate Floyd sharing my concerns. My
2 best to you all. Sincerely, Kara Harris, Whetstone, Arizona.

3 CHAIRMAN HAMMOND: Floyd, would you also pass on
4 that anecdotally, when I was down in Nogales last week, someone
5 said Google Maps sometimes shows that as the route to go when
6 trucks come across the border. I don't know if there's anything
7 you can do there, but -- but if -- for somebody not familiar
8 with some of the issues, they might take that road just
9 following Google Maps rather than wanting to do a shortcut. So
10 for what it's worth.

11 MR. ROEHRICH: So Mr. Chair, I think Steve is
12 going to address some of these comments in this area as part of
13 the state engineer's report, and I can ask the state engineer in
14 the future to also do as you said, develop a map and we can talk
15 about that route. We would need to agenda that topic. It
16 hasn't been agendaed yet. So we will agenda it for a future
17 meeting.

18 CHAIRMAN HAMMOND: Thank you.

19 MR. ROEHRICH: So what I would like to do, before
20 closing call to the audience, I just want to see one more time
21 if Mr. Osgood was able to get called in.

22 Haley, do you know if Mr. Osgood has made
23 contact?

24 MS. ESTELLE: Sure. Let me just check one more
25 time. Mr. Osgood, if you can hear me and if you've called in

1 over the phone, if you press star three on your phone's keypad,
2 that will virtually raise your hand and I can unmute your line.
3 If you've joined us through the WebEx application, there's a
4 raise your hand button at the bottom of the participant list
5 where you can see the panelist names. If you click on that
6 icon, it will raise your hand. And the same is true for your
7 mobile device. If you've joined on your mobile device, there's
8 a raise your hand icon in the participant list.

9 At this time, Floyd, I don't see any feedback
10 from our attendees, but I will keep an eye out and shoot you a
11 message if I do see him join.

12 MR. ROEHRICH: Thank you, Haley.

13 With that, Mr. Chair, we have completed call to
14 the audience.

15 CHAIRMAN HAMMOND: Okay. That's disappointing we
16 can't give these folks their time on -- to state their issues,
17 but anyway we'll work on it.

18 Moving on now to Item 1, the Director's report.
19 This is for information and discussion only. Director
20 Halikowski.

21 DIRECTOR HALIKOWSKI: Thank you, Mr. Chair. Good
22 morning, board members.

23 Today I want to talk to you a little bit about
24 the timeline for the five-year program that you'll be reviewing,
25 discussing, potentially adjusting for October adoption, and my

1 report today, because of this, is going to have actually four
2 parts to it.

3 The first part will be me discussing generally
4 the timeline, and then, if necessary, you want to dig into
5 what's behind my slide even more, Greg Byres is available to put
6 up some further slides for discussion. And then after that,
7 Kristine will talk to you about revenues and the progress that
8 we're making in forecasts for October. And then lastly, Katy
9 Proctor will give us a legislative Congressional update on any
10 revenue issues that Congress or the State Legislature might have
11 in front of them.

12 So I want to start off with this slide, and this
13 is the one I want to speak off of, and then if we need to, like
14 I said, Greg is available to work behind any of these if you
15 have questions of them.

16 So first off is the determination of funding,
17 which has been ongoing and is continuing with FMS to determining
18 the funding revenues for each year of the program. So as they
19 determine the revenues of -- revenue amounts for each year, the
20 funds have to be then distributed through the RAAC process to
21 determine the allocation to MAG, PAG and Greater Arizona. And
22 as you know, this is largely a formula process through statute
23 and the Casa Grande resolves. So that process is ongoing right
24 now and will continue.

25 The next slide under September 1st through the

1 9th is the preparation of the tentative five-year program, and
2 that is the program, as I said, that you'll be discussing,
3 reviewing, potentially adjusting for adoption in late October.
4 Now, this tentative program, the latest one, is adjusted to the
5 current revenue levels, and it contains projects that were
6 listed in the previously-prepared tentative program that we had
7 presented to you in February. It also has projects that were in
8 the 2020-2024 program that was approved in June of 2019.

9 So taking all these together, you're going to be
10 prioritizing along with all the new projects that were listed in
11 that February program. So the priorities are being utilized to
12 restructure the program for approval in October as well as
13 maintain fiscal constraint.

14 So at this point in time, all the expansion
15 projects have been removed from the program that you'll be asked
16 to approve in October, with the exception of the I-17 flex lane.
17 So the program's been prioritized with preservation projects as
18 well as modernization projects.

19 So on September 14th and 15th, our plan is to
20 meet with each board member for one-on-one briefings, and the
21 purpose of the one-on-one meetings is to inform the board
22 members of the process and rationale utilized in preparing the
23 October tentative program and to get your input on the program
24 as well as the process that's being utilized.

25 So this new program will be presented then at the

1 September board meeting with a request for approval to present
2 it for public comment. And then at the October 16th board
3 meeting, a public hearing on this program will be held. Public
4 comments as well as board comments will be taken for
5 consideration. All the comments received during the comment
6 period will be recorded and reviewed, and a summary of the
7 comments will be provided to the Board prior to the vote for
8 approval. And then at the October 27th board meeting, the 2021
9 to 2025 tentative program will be presented for approval by the
10 State Transportation Board.

11 So that's a high-level walk-through of the
12 timeline, Mr. Chairman, that we're moving from here to approval
13 of the new tentative program in late October. So if there are
14 questions on this particular issue, like I said, Greg is
15 available. We can put up some additional slides if you have any
16 questions at this point.

17 CHAIRMAN HAMMOND: Board members, questions?

18 MR. ELTERS: Mr. Chairman.

19 CHAIRMAN HAMMOND: Yes. Go ahead. Member
20 Elters.

21 MR. ELTERS: I have a question. Thank you.

22 Mr. Halikowski, did I hear you correctly
23 indicating that all expansion projects are now removed from the
24 proposed five-year program except for I-17?

25 DIRECTOR HALIKOWSKI: Yeah. Mr. Chairman, Board

1 Member Elters, that's correct. It pertains to Greater Arizona.
2 I should have specified that. So all the expansion projects for
3 Greater Arizona are removed, and then, of course, the -- we have
4 the exception of the I-17 flex lanes.

5 CHAIRMAN HAMMOND: SR-189 is not -- it's already
6 under construction, right?

7 DIRECTOR HALIKOWSKI: The 189 is in the package.
8 It's fully funded.

9 MR. ROEHRICH: It's under construction.

10 DIRECTOR HALIKOWSKI: It's under construction.

11 MR. ROEHRICH: Mr. Chair, that's under contract.
12 189 is under construction. That's not part of the 2021-2025
13 program.

14 CHAIRMAN HAMMOND: Okay. I got you. Board
15 Member Elters, I didn't mean to interrupt you if you have more
16 questions.

17 MR. ELTERS: One more follow-up, Mr. Chair. So
18 initially, we had some expansion projects in the program through
19 2024 with then transitioning to no expansion projects in the 13
20 other counties starting in 2025. Now, this reflects a different
21 approach with no expansion projects starting in 2021? Again,
22 just to make sure I understand that correctly.

23 DIRECTOR HALIKOWSKI: You understand correctly,
24 Mr. Chairman, Mr. Elters.

25 MR. ELTERS: Okay. Mr. Chairman, I'll probably

1 have additional questions or comments later after Kristine's
2 financial report, but I'm okay for now. Thank you.

3 CHAIRMAN HAMMOND: Thank you, Board Member
4 Elters.

5 Other questions from the Board?

6 VICE CHAIR STRATTON: Mr. Chairman.

7 CHAIRMAN HAMMOND: Board Member Stratton.

8 VICE CHAIR STRATTON: Are there -- are you
9 proposing to return back any grant funding in this new five-year
10 plan, or are we keeping all of the funds that have been
11 appropriated to us?

12 DIRECTOR HALIKOWSKI: Mr. Chairman, Mr. Stratton,
13 we're not proposing to turn back any grant funding. We will be
14 working to keep all that intact.

15 VICE CHAIR STRATTON: Thank you.

16 MR. KNIGHT: Mr. Chairman.

17 CHAIRMAN HAMMOND: Yes. Board Member Knight.

18 MR. KNIGHT: Are any of these meetings projected
19 to be in person at this point in time, or are all of these going
20 to be virtual meetings?

21 DIRECTOR HALIKOWSKI: Mr. Chairman, Mr. Knight,
22 they are virtual meetings.

23 MR. KNIGHT: Okay. Thank you.

24 MR. THOMPSON: Chairman.

25 CHAIRMAN HAMMOND: Yes. Board Member Thompson.

1 MR. THOMPSON: Talking about the expansion
2 projects, I believe that Kee Allen Begay and John Osgood, they
3 were going to encourage the Board to keep that 191 expansion in
4 place, and I'm assuming that once we start meeting you -- the
5 administration starts meeting with us individually, those are
6 the kind of discussions that we're going to have.

7 MR. ROEHRICH: Was there a question there?

8 DIRECTOR HALIKOWSKI: Yeah. Those are the kinds
9 of discussions the Board would have and deliberate on,
10 Mr. Chairman, Mr. Thompson.

11 MR. THOMPSON: What can you tell me at this point
12 about 191?

13 DIRECTOR HALIKOWSKI: Why don't we -- I'm sorry,
14 Mr. Chairman.

15 CHAIRMAN HAMMOND: Go ahead, Jesse.

16 MR. THOMPSON: I guess that's one of the major
17 concerns, when you did mention that in there. Not much of the
18 expansion is going to be happening, but this has been going on
19 quite a while. The request has been coming in over and over.

20 DIRECTOR HALIKOWSKI: Well, Mr. Chairman,
21 Mr. Thompson, you know, what the Board's going to have to decide
22 is what projects they can fit in based on the existing revenues,
23 and you know, as we discuss this tentative program over the rest
24 of this month and into October, I'm sure a lot of that's going
25 to be discussed, and information will be provided to you. So I

1 would say that as we brief you out individually on September
2 14th and 15th, that would be a great time to ask more about the
3 potential revenues and what we have proposed in this program.

4 MR. THOMPSON: Okay. Thank you very much,
5 Chairman, and John.

6 DIRECTOR HALIKOWSKI: Thank you.

7 VICE CHAIR STRATTON: (Inaudible.)

8 DIRECTOR HALIKOWSKI: I'm sorry.

9 CHAIRMAN HAMMOND: Go ahead. Was that Board
10 Member Stratton?

11 VICE CHAIR STRATTON: Yeah. Does this -- since
12 we're dealing with this five-year plan so late in the year, for
13 obvious reasons, do you intend to keep the original schedule
14 next year with the public hearings in March, April, May and
15 adoption in June, or are you going to delay that program further
16 in the year?

17 DIRECTOR HALIKOWSKI: Mr. Chairman, Mr. Stratton,
18 we will keep the regular schedule and start this process over
19 again as we normally do.

20 VICE CHAIR STRATTON: So if the revenues -- if we
21 adopt a five-year plan this year, which will (inaudible) some
22 kind of plan, I'm sure, and the revenues pick up in between the
23 time of adoption and the time of the public hearing next year,
24 we can adjust that five-year plan at that time?

25 DIRECTOR HALIKOWSKI: Mr. Chairman, that is --

1 Mr. Stratton, that's absolutely correct.

2 VICE CHAIR STRATTON: Thank you.

3 CHAIRMAN HAMMOND: Any other questions from the
4 Board?

5 Director, continue.

6 DIRECTOR HALIKOWSKI: So Mr. Chairman, if there
7 are no more questions, with your permission, I'll skip past
8 Greg --

9 MR. ROEHRICH: (Inaudible) Kristine.

10 DIRECTOR HALIKOWSKI: -- since we can always go
11 back to any questions you might have about the timeline and the
12 development. So at this point I'd turn it over to Kristine to
13 give you the financial update.

14 MS. WARD: Good morning.

15 CHAIRMAN HAMMOND: Good morning.

16 MS. WARD: If someone would be so kind as to
17 bring my presentation up.

18 MR. ROEHRICH: It's working. Just give us a sec.
19 Here it comes.

20 MS. WARD: (Inaudible.) If you would, if you'd
21 go to the first slide, Rhett, I'd appreciate it -- or the next
22 slide.

23 So board members, what I thought I would go over
24 with you is kind of a more detail of what the Director just
25 presented to you about where we are in the timeline. On August

1 5th, if you'll recall, the process is is that we gathered a
2 series of economic -- economists. We gathered transportation
3 experts, and we had them provide us a forecast, their individual
4 forecasts on a number of variables that we have found are
5 associated with our good predictors of HURF, Highway User
6 Revenue Fund revenues.

7 And so that panel convened on August 5th, and I
8 thought I would let you know so you have some insight into who
9 actually participated this year. There were 11 participants,
10 and -- and they range here, as you can see, from Maricopa
11 Association of Governments. We had -- Maguire submitted his
12 forecasts. Also got forecasts from Elliott Pollack Company, ASU
13 and so forth. So we had 11 different panelists submitting their
14 forecasts for actually the next 20 years on HURF and the -- also
15 on the Regional Area Road Fund.

16 Going forward, we should -- we will be receiving
17 -- we have received those numbers. I actually meet on them this
18 afternoon, and that is far from the end of the process. We then
19 have to break those revenues down into a much more detailed
20 level in order to forecast what's available for -- for the
21 program.

22 It might interest you to know what the general
23 discussion was amongst the panelists. We had -- we hosted it.
24 It was our first remote RAP panel, and the discussion -- the
25 discussion was quite interesting this year given where we find

1 ourselves. One panelist, I think (inaudible) humor, but also
2 truth in jest of it's just random chaos right now.

3 There was a particular focus on, you know, and
4 questioning about, well, how long will it take us to get back to
5 normal? What will the impacts be of the -- as the rental -- the
6 unemployment insurance -- excuse me -- fades away? What -- you
7 know, and the impact of the stimulus checks and so forth that
8 took place. Impact of litigation being slowed or negated until
9 -- for a period of time as it pertained to mortgage and rental
10 payments.

11 So there was quite a bit of discussion around
12 those items, just general discussion, but then there was a more
13 specific discussion as we went into the individual -- predicting
14 the individual items such as, say, gas and fuel taxes. There
15 was quite a bit of discussion trying to -- trying to estimate,
16 you know, what are we going to experience long term in terms of
17 change in travel behavior? Will we go back to the way we once
18 were in terms of telecommuting and remote work? Will we go back
19 to our normal commutes, or will we still see this telecommuting
20 experience continue?

21 One of the things that was also discussed was
22 remote shopping, as people are now having groceries delivered or
23 Amazon deliveries and so forth. One panelist was just so bold
24 as to say, I do not have a clue as to what -- how long this
25 travel behavior -- these changes will last. And so the -- I

1 guess the common word in terms of -- in the discussions with
2 regards to fuel tax is that, you know, there's still a great
3 deal of uncertainty there.

4 With regards to diesel, however, the -- you know,
5 and the numbers bear this out, we are seeing our diesel fuel
6 taxes remaining steady and even growing slightly as we
7 transition -- you know, we see the decrease in gas tax revenues.
8 Use fuel is remaining -- diesel is remaining steady as we -- as
9 we have all of these additional deliveries, remote shopping and
10 so forth. So that is generally what we experienced in terms of
11 the panel's discussion.

12 Next steps are that we will get those figures,
13 and as you saw on the department's -- on the Director's report,
14 we will have those numbers, and I will be able to provide them
15 to Greg and Dallas and so forth on August 31st.

16 So if -- are there any questions at this point?

17 CHAIRMAN HAMMOND: Board members?

18 MR. ELTERS: Mr. Chairman.

19 CHAIRMAN HAMMOND: Go ahead. Go ahead, Board
20 Member Elters.

21 MR. ELTERS: Kristine, good morning.

22 MS. WARD: Good morning, Mr. Elters.

23 MR. ELTERS: As you look forward in understanding
24 the uncertainty, I wanted to take you back for just a moment to
25 ask how did the year end for 2020? What was the actual compared

1 to the forecast of the fiscal year 2020 that ended on June 30th?
2 And as I look at that, I'm also looking at the FY '21 and the
3 month of July being under 2 percent difference between the
4 actual and the forecast. So I'm interested in the FY 2020 year-
5 end outcome.

6 MS. WARD: So, Mr. Chairman, Mr. Elters, we were
7 88, 89 million dollars under forecast for FY '20. I can send
8 you those -- those figures specifically, but yes, we were under
9 by 88 to 89 million dollars, if I recall correctly, on our
10 Highway User Revenue Funds.

11 MR. ELTERS: So, Kristine, what percent -- what
12 overall percentage would that -- would that be under 10 or over
13 10 percent?

14 MS. WARD: Under 10. It's under 10 percent.
15 It's under 10 percent.

16 MR. ELTERS: If you'd be kind enough to share
17 that, that would be great.

18 MS. WARD: Absolutely, sir.

19 If there aren't any more questions, Mr. Chair,
20 I'd move on to the balance of the presentation, just so I can
21 let you know where -- where we are for July. Understand at this
22 point we are -- we have not got FY '21 forecasts. So what I'm
23 providing you is a comparison -- and Mr. Elters, you might enjoy
24 this -- a comparison to why what we did in July of FY '20.

25 So what you're looking at here is just that, a

1 comparison of July of this year to July of last year. And what
2 you see is, of course, that July of this year, you're seeing a
3 decrease in our gas tax revenues by 12.1 percent. But then
4 again, take a look at diesel where we've actually had 7.9
5 percent growth, a moderate growth level for diesel, and then you
6 can see further down, VLT, again, moderate growth.

7 By way of perspective, by way of context, fuel
8 tax represents about 50 percent of the revenues flowing into
9 HURF, but to break that down even further, gas tax represents 35
10 percent of the revenues flowing into HURF. So if we can
11 maintain, you know, these other categories, of course, that will
12 be quite helpful, but gas tax does represent a significant
13 portion of our revenue base for the Highway User Revenue Fund.

14 Rhett, if you will turn with me to the next
15 slide, I'd appreciate it.

16 So what this provides you is the actual numbers
17 behind that previous chart. So in the area of gas tax, you can
18 see that that's about \$5 million under what we experienced in FY
19 '20, and you can see as we proceed down the variation in
20 revenues. But that gasoline tax decrease of 12.1 percent for
21 the month of July represented about \$5 million.

22 Rhett, if you could (inaudible) the not
23 applicables there, it's because we don't have a '21 forecast at
24 this moment.

25 In terms of the Regional Area Road Fund -- excuse

1 me. One moment. I had a technical situation here. My notes
2 went off my screen.

3 So in retail sales, we had a strong month. I had
4 a very unusual call from our chief economist who says, I don't
5 even know what to do. This is like Christmas from a couple of
6 years ago. We had strong growth in retail sales in the month of
7 July. Now, understand this actually when we -- I'm -- when we
8 get June data here -- it's June reporting -- you're seeing May's
9 activity.

10 So contracting, we also had moderate growth for
11 the month with 9.6 percent strong growth for the year, 16.7
12 (inaudible), and then again you can see -- additionally see
13 restaurant and bar had a very strong decline for the month and
14 strong decline for the year. So this is our close of the year
15 for our Regional Area Road Fund.

16 Rhett, if you can go on to the next slide.

17 You'll recall that we did an April forecast. We
18 were well above actuals. We're well above that April forecast
19 happily, and so we're seeing -- we're just seeing much stronger
20 growth than we would have expected when the pandemic began. One
21 of the things that is slightly cautionary here is this does
22 reflect those unemployment -- that unemployment insurance
23 premium of \$600 that folks would have received. It would also
24 reflect stimulus check money. So we're not really certain how
25 much of the issue is masked, but we did have strong fundamentals

1 going into the pandemic. So maybe between -- maybe the stimulus
2 checks and other relief that the federal government provided
3 will sustain us.

4 If you could go to the next slide, I'd appreciate
5 it, Rhett.

6 This just gives you the actual numbers associated
7 with the previous chart. You can see that to our original
8 estimate for June, we were a little under that one -- 1,485,000,
9 di minimus, and the variation from our April forecast.

10 Moving on, if you would, Rhett.

11 With regards to the federal aid program, I would
12 just remind you that we have the FAST Act getting ready to
13 expire in September, September 30th. Our estimation is that we
14 would receive a series of continuations as opposed to a
15 long-term authorization given the fact that we've got the
16 elections coming up.

17 Mr. Chair, that concludes my presentation. I'd
18 be happy to take any questions.

19 CHAIRMAN HAMMOND: Board members, any questions
20 of our financial expert?

21 MS. WARD: Oh, goodness.

22 CHAIRMAN HAMMOND: Okay. Hearing none, I think,
23 Director, you -- are you finished with your presentation,
24 Kristine -- or excuse me. Go ahead.

25 DIRECTOR HALIKOWSKI: The only -- if there's no

1 questions for Kristine, Mr. Chairman, then I'd ask Katy Proctor
2 to give us an update on what's happening in Congress.

3 MR. KNIGHT: Mr. Chair, this is Board Member
4 Knight. I do have a question for Kristine. I apologize. It
5 took me a minute to get my microphone unmuted, but I'd just like
6 to ask her how the current numbers compare to April COVID '19
7 adjusted forecasts in terms of dollar amounts.

8 MS. WARD: So the April forecast did not have --
9 I do not have the April forecast comparison on HURF, but every
10 -- all of the actuals that we have been receiving since the
11 April forecast have been better than that forecast. I cannot
12 give you precise numbers at this moment. I can send them to
13 you, Mr. Knight. But every number have been -- all the numbers
14 have been better than the original forecast than that -- excuse
15 me -- that revised April forecast when the pandemic began.

16 MR. KNIGHT: (Inaudible). Thank you.

17 MS. WARD: Sure. If you'd like, I'll get
18 those -- I'll send you -- and I'm -- if we didn't get
19 (inaudible), I'm sure -- I will get them back to you, that April
20 comparison.

21 MR. KNIGHT: That would be great. I appreciate
22 it. Thank you.

23 MS. WARD: No problem, sir.

24 CHAIRMAN HAMMOND: Do we have any further
25 questions before we move to (inaudible)? Questions for

1 Kristine? (Inaudible.)

2 DIRECTOR HALIKOWSKI: Katie. So we'll turn to
3 Katy Proctor, Mr. Chair.

4 CHAIRMAN HAMMOND: Okay.

5 DIRECTOR HALIKOWSKI: Congressional update.

6 MS. PROCTOR: Good morning, Mr. Chair and
7 members. As we all remember, the State did adjourn the
8 legislative session on May 26th, and there have been some
9 conversations about whether they were going to come back and do
10 a special session or not. As of now, we have not seen any
11 action in that area, and with the current election season, it
12 seems like it's becoming less likely at this point.

13 On the federal side, you'll probably remember
14 from some of our prior updates that in July, the House passed
15 the Moving America Forward Act, which was a surface
16 transportation reauthorization effort that included numerous
17 other components as well. This is not a bipartisan bill, and
18 since it passed out of the House, it has not seen any action in
19 the Senate. Shortly after that, the House also moved forward
20 with appropriation bills that were consistent with that Moving
21 America Forward Act. At this time both the House and Senate
22 have essentially moved into an August recess, and they are
23 unlikely to return to considering any legislative business until
24 at least September 8th. So conversations about additional COVID
25 aid have kind of stalled out at this point, although there is

1 still talk about approving a skinny COVID relief package that
2 would be a holdover until more (inaudible) conversation can
3 continue this fall.

4 For surface transportation, what this really
5 means is that it's unlikely that we will get a reauthorization
6 bill before the end of September, and we will (inaudible) it's
7 going to be an extension, as Kristine mentioned. As you may
8 remember, the Moving America Forward Act actually contained a
9 clean one-year extension for fiscal '21, with 100 percent
10 federal cost share and some additional funding authority related
11 to the COVID-19 response. It is possible that we could see an
12 extension that would utilize that concept from that bill since
13 it's already over in the Senate right now. It could be a clean
14 cut and paste and then some continuing conversations, or it
15 could be a completely different extension package. We'll
16 hopefully get a better idea on the path forward as soon as the
17 Congressional folks come back in early September.

18 And members, that's my report today.

19 CHAIRMAN HAMMOND: Are there any questions of
20 Ms. Proctor from the Board?

21 MS. PROCTOR: Thank you.

22 VICE CHAIR STRATTON: Thank you. Mr. --

23 CHAIRMAN HAMMOND: Thank you very much.

24 DIRECTOR HALIKOWSKI: Mr. Chairman, if there are
25 no further questions, that will conclude the director's report.

1 CHAIRMAN HAMMOND: One more option and a chance
2 at questions, board members?

3 MR. KNIGHT: Mr. Chair, this is Board Member
4 Knight. In the beginning of the report that Kristine gave,
5 where you had the RAP panel competition, I didn't see anybody
6 listed there from the -- Greater Arizona, and yet there's now
7 been and so on, but nobody Greater Arizona even (inaudible).

8 MS. WARD: So Mr. Chairman, Mr. Knight, the
9 (inaudible) for -- it just so happens that the -- there's an
10 individual that's -- the individual is from MAG. He was not
11 chosen based on the fact that he was from MAG. He was chosen,
12 actually, based on the fact of his transportation expertise. So
13 when the panel members are asked to participate, it's mostly
14 because of their expertise. It's (inaudible) has nothing to do
15 with (inaudible). So, you know, Allen Maguire from Maguire
16 Company or the gentleman from ASU (inaudible) they are not
17 (inaudible).

18 (Interruption in recording.)

19 MR. ROEHRICH: So, Mr. Chairman, this is Floyd.
20 If I could, just two quick -- two quick notes. One of them, we
21 want to acknowledge that Ms. Jenn Daniels, board member, has
22 joined the meeting, and hopefully she will be able to
23 communicate and unmute herself.

24 MS. DANIELS: Yes. Good morning. Sorry. I
25 jumped on in the middle of the presentations about 25 minutes

1 ago or so. So I didn't want to interrupt. Thank you, Floyd.

2 MR. ROEHRICH: And then --

3 MS. DANIELS: I apologize for being late.

4 MR. ROEHRICH: And then, Mr. Chair, the second
5 thing is --

6 CHAIRMAN HAMMOND: (Inaudible) Board Member
7 Daniels.

8 MR. ROEHRICH: And Mr. Chair, our second -- the
9 second point I want to make, Mr. Osgood has now been able to
10 contact, and he has asked if he could still give his
11 presentation. You can do -- it is three minutes. He can do
12 that if you're willing to open up call to the audience again.
13 If not, then we -- he can just submit anything he wants in
14 writing.

15 CHAIRMAN HAMMOND: I would (inaudible) want to
16 hear his comments. So yes, if no board member objects, let's
17 open up call to the audience.

18 MR. ROEHRICH: So then what we will do is we will
19 open call to the audience. I will ask Mr. Osgood to please
20 raise his hand so he can be unmuted, and then the WebEx host
21 will make sure you're unmuted, and you will have your three
22 minutes.

23 Mr. Osgood, are you there?

24 MS. ESTELLE: Good morning, Floyd. It's Haley.
25 Thank you, Jenn, for testing your mic.

1 Mr. Osgood, I see that you have your hand raised.
2 I'm going to go ahead and unmute the line. When I do that, you
3 will be live with the Board for your comments. I'm unmuting you
4 now.

5 Mr. Osgood, you're live.

6 MR. OSGOOD: Thank you very much. Can you hear
7 me?

8 MS. ESTELLE: Yes, sir.

9 MR. OSGOOD: Thank you very much.

10 Good morning, Chairman, members of the Board and
11 Director Halikowski. John Osgood, Navajo County Public Works
12 Director.

13 I just want to speak very briefly about the
14 package of projects included in the tentative five-year
15 transportation facilities plan (inaudible) US-191 in
16 northeastern Arizona, and thank you for continuing to include
17 those projects in the plan going forward.

18 In particular, we greatly appreciate the shoulder
19 widening highway safety project between Many Farms and Chinle
20 scheduled for construction in fiscal year 2022. Lastly, on this
21 important segment of roadway, I just want to again state strong
22 support for the April 4th, 2019 letter submitted to Governor
23 Ducey and Director Halikowski by President Jonathan Nez of the
24 Navajo Nation in which the Nation advocated for the much-needed
25 improvements along that segment of US-191 between Chinle and

1 many Farms.

2 We will request, as Supervisor Thompson
3 mentioned, Board Member Thompson mentioned earlier, we know the
4 request to widen and add pavement over that 16-mile segment has
5 been reviewed at length by ADOT staff. Though we just ask that
6 as a community with schools in that area, continue to advocate
7 for the widening, that ADOT continue to assist in identifying
8 any relevant grant opportunities or other federal funding
9 possibilities.

10 And with that I'll just say thank you very much
11 for the opportunity to speak this morning and for the incredibly
12 important and difficult work you do on behalf of the traveling
13 public throughout Arizona. Thank you.

14 CHAIRMAN HAMMOND: Thank you, Mr. Osgood.

15 Okay. We will now go to Item 2 -- there is no 2
16 (inaudible). So we will pass on that and go right to Item 3.
17 It is the consent agenda. We have that consent agenda in the
18 Board package. Does any member want to remove an item from the
19 consent agenda for further discussion?

20 MR. KNIGHT: Yes. Mr. Chair, I would just like
21 to point out that the consent agenda, Item 3G to be -- just for
22 clarification, it's listed as statewide. I do believe it's in
23 my district. It's in District 6, La Paz County.

24 CHAIRMAN HAMMOND: Is that a clarification,
25 staff, or do we need to remove that from the consent agenda for

1 further discussion?

2 MR. ROEHRICH: So Mr. Chair, this is Floyd.
3 That's an administrative clarification. That has no effect on
4 the ability to award that project as the consent agenda.

5 MR. KNIGHT: And I just put it as a correction.

6 CHAIRMAN HAMMOND: Okay. Was there a motion to
7 approve the consent agenda then as submitted?

8 MR. KNIGHT: So moved, Mr. Chair.

9 MR. THOMPSON: Second. Member Thompson.

10 CHAIRMAN HAMMOND: Okay. We have a motion for
11 approval from Board Member (inaudible) Member Knight, and a
12 second from Board Member Thompson. I think we need to get a
13 roll call here. Is that right, Floyd?

14 MR. ROEHRICH: Mr. Chair, that's correct. So I
15 will call off the board members with a vote. If you support it,
16 please say aye or yes.

17 I'll start with Mr. Stratton.

18 VICE CHAIR STRATTON: Aye.

19 MR. ROEHRICH: Mr. Thompson.

20 MR. THOMPSON: Aye.

21 MR. ROEHRICH: Mr. Elters.

22 MR. ELTERS: Aye.

23 MR. ROEHRICH: Mr. Knight.

24 MR. KNIGHT: Aye.

25 MR. ROEHRICH: Mr. Searle.

1 MR. SEARLE: Aye.

2 MR. ROEHRICH: Ms. Daniels.

3 MS. DANIELS: Aye.

4 MR. ROEHRICH: And Mr. Hammond?

5 CHAIRMAN HAMMOND: Aye.

6 MR. ROEHRICH: Thank you. The motion passes,
7 sir.

8 CHAIRMAN HAMMOND: Okay. We will now move on
9 to -- the motion passes. We'll now move on to Item 4, which is
10 the Multimodal Planning Division Report. Greg.

11 MR. BYRES: Hello, Mr. Chairman. Can you hear me
12 okay?

13 CHAIRMAN HAMMOND: Yes, we can.

14 MR. BYRES: Great. So if I can get my
15 presentation up there. Rhett, (inaudible) on to the next slide.
16 Click two more times. (Inaudible), Rhett. Thank you. One
17 more. Thank you.

18 So I only have three items I wanted to go
19 through, just to give you guys some update on what is happening
20 in MPD. So the first one is we've already talked about the
21 preparation of the tentative five-year program, where we're at
22 and what (inaudible). The next one is the aeronautics program
23 for '21. Next is progress with our P2P process, which is
24 actually going into (inaudible).

25 So next slide, please, Rhett. Next one.

1 So as far as the 2021-2025 tentative program,
2 what we're doing there is obviously we're waiting for the
3 evaluation for funding for the programs (inaudible) each of the
4 projects within each of the years for the program to maintain
5 fiscal constraint as we go through. So in order to take and put
6 those projects into the program, one of the things that we're
7 doing is going through a complete evaluation of the project
8 priorities based on funding. So as we go through each of the
9 different prospects, we can take and establish them into each of
10 the years of the program. Again, it will all be based on the
11 number of projects that (inaudible) those years and (inaudible)
12 will be based on funding.

13 One more click, Rhett, please.

14 So one of the other things that we have that is a
15 little bit different than what we've done in the past is we
16 really have to start strategically looking at HURF funding as
17 the revenues from HURF aren't what they were when we had the
18 original tentative program back in February. So we're making
19 sure that we're making the best use of those HURF funds as we
20 take and set those priorities for both projects and for
21 subprograms as we develop the tentative program.

22 One more time, Rhett. Keep going. One more.

23 So with the aeronautics program, we begin on a
24 year-by-year basis. So right now we're running off of the
25 2020-2024 program, but their (inaudible) program has already run

1 out. So what we're doing right now is working through the
2 program itself or preparing the program itself as we utilize in
3 the tentative program that was originally put forth to the Board
4 back in February, and so there's a -- what we have done is gone
5 through and completed the evaluation for the airport capital
6 improvement projects, and that's done with each of the
7 participating airports of the state, along with FAA as a
8 participant in each of those meetings.

9 One of the other things that we're looking at is
10 grant applications for airport projects are currently being
11 reviewed for compliance, so that as we get a little bit further
12 into the program, probably next month, you'll start seeing
13 projects coming through in PPAC to approve into this current
14 program.

15 So one more click, Rhett, please.

16 So one of the big things that we have is because
17 of the CARES Act, funding from FAA to each of those
18 subrecipients has -- well, what they did is they took and
19 canceled out the match. So the grants (inaudible) went from a
20 90 percent match to a 100 percent match. So we were taking and
21 providing half of the match for each of these airports. So the
22 money that we originally had in our FFL grant program, we no
23 longer have a means of disbursing it. So we're rolling it into
24 our SL, our state and local grant program, so we can get that
25 taken and distributed across as many airports as we possibly

1 can.

2 One more slide. Go ahead, Rhett. One more time.

3 So with our P2P process, again, we're not
4 stopping. We're keeping it on schedule for 2022. And so at
5 this point, with the P2P process, we've already taken and
6 established and scheduled our district workshops. Those will be
7 coming up over the next couple three months, and which I believe
8 each of the board members has received an invite to those. If
9 you haven't, you'll be getting one fairly soon.

10 And then the other thing that we're working on is
11 the technical evaluations are currently ongoing with the
12 projects that have been submitted into P2P, and those
13 (inaudible) technical evaluations (inaudible) bridge and
14 pavement evaluations, as well as some safety issues that go
15 through our HSIP programs as well.

16 So one more click, Rhett.

17 So the safety evaluations are ongoing, and
18 they'll keep on going all the way through until just before the
19 workshops are completed so that we can make sure that all
20 (inaudible) aspects of each of the projects are added to the
21 (inaudible) evaluation.

22 One more click, please.

23 And that's pretty much all that I have, and I'll
24 go over any questions if you have any.

25 CHAIRMAN HAMMOND: Board members, questions of

1 Mr. Byres?

2 Okay. Let's move on to Item 5, with Greg Byres
3 also on the Priority Planning Advisory Committee, the PPAC
4 items. I'm not hearing anybody.

5 CHAIRMAN HAMMOND: So, Greg, you're going to have
6 to unmute yourself. We're up to presenting the PPAC items.

7 MR. BYRES: I apologize for not having that
8 unmuted.

9 So we are bringing forth ten full items. Two
10 items are for modification. These are Items 5A and 5J. 5J came
11 through an amendment, and also, with 5J, that is pending
12 approval from the -- from MAG, which was supposed to occur over
13 the next couple weeks. So with that, we bring both of those
14 items forward with a recommendation for approval.

15 CHAIRMAN HAMMOND: Okay. Just to be clear,
16 you're looking for PPAC project Item 5A and 5J to be approved
17 together; is that correct?

18 MR. BYRES: That is correct.

19 CHAIRMAN HAMMOND: Okay. Do I have a motion or
20 any discussion?

21 MR. ELTERS: So moved, Mr. Chair.

22 CHAIRMAN HAMMOND: Approval motion from Board
23 Member Elters.

24 VICE CHAIR STRATTON: Second.

25 CHAIRMAN HAMMOND: Second from Board Member

1 Stratton. Any more discussion?

2 All in favor?

3 UNIDENTIFIED SPEAKER: Aye.

4 MR. ROEHRICH: So Mr. --

5 CHAIRMAN HAMMOND: (Inaudible) take a roll call?

6 MR. ROEHRICH: Mr. Chair, this is Floyd. You
7 want -- I can put everybody down for a yes, but I should
8 probably do a roll call so we make sure we have it on the
9 record.

10 CHAIRMAN HAMMOND: You know, whatever our -- you
11 know, we don't want to get in any trouble, so (inaudible). Go
12 for it.

13 MR. ROEHRICH: So I would like -- I'll start with
14 Mr. Stratton.

15 VICE CHAIR STRATTON: Aye.

16 MR. ROEHRICH: Mr. Thompson.

17 MR. THOMPSON: Aye.

18 MR. ROEHRICH: Mr. Elters.

19 MR. ELTERS: Aye.

20 MR. ROEHRICH: Mr. Knight. Mr. Knight. You're
21 still muted, Mr. Knight.

22 Mr. Searle.

23 MR. SEARLE: Aye.

24 MR. ROEHRICH: Ms. Daniels.

25 MS. DANIELS: Aye.

1 MR. ROEHRICH: And Mr. Hammond.

2 CHAIRMAN HAMMOND: Aye.

3 MR. ROEHRICH: Mr. Hammond --

4 MR. KNIGHT: This is Mr. Knight. Aye.

5 MR. ROEHRICH: Okay. So motion passes.

6 CHAIRMAN HAMMOND: Okay. Moving to PPAC new
7 projects, Item 5B to 5H. Greg.

8 MR. BYRES: Thank you, Mr. Chairman, board
9 members. Again, these are Items 5B to 5H. These are new
10 projects that are being brought to the Board, and again, these
11 come forward with a recommendation for approval from PPAC.

12 MR. KNIGHT: Mr. Chair, this is Board Member
13 Knight.

14 CHAIRMAN HAMMOND: Go ahead, Board Member Knight.

15 MR. KNIGHT: I have a question. On 5G, what
16 we're doing over the reconstruction of the guardrails from the
17 fire. Is there any -- are there any federal funds that we can
18 apply for when we have a disaster like these fires are creating
19 and the damage that (inaudible) our infrastructure and
20 guardrails and so on? Is there no federal funding available to
21 repair that?

22 DIRECTOR HALIKOWSKI: Mr. Chairman, Mr. Knight,
23 we will be utilizing the federal emergency funds reimbursement
24 process. So essentially, we had the Governor declare a state of
25 emergency based on the fire. We're essentially getting the

1 guardrail repaired as we're applying for reimbursement from the
2 feds for that emergency funding.

3 MR. KNIGHT: Thank you, Director Halikowski.

4 MR. SEARLE: Chairman Hammond.

5 CHAIRMAN HAMMOND: Yes.

6 MR. SEARLE: This is Richard Searle. I've got
7 some questions on 5E and F.

8 CHAIRMAN HAMMOND: Okay. Go ahead.

9 MR. SEARLE: Yes. Can -- first of all, this is
10 on a box culvert project there at Fort Thomas for Graham County.
11 Do we have an estimate on what the construction costs might be
12 on this?

13 MR. BYRES: So Mr. Chairman, Board Member Searle,
14 what we have right now that's being approved is for the design
15 purposes, not for construction yet. So I --

16 MR. SEARLE: Understood. I just -- I had some
17 problems with the costs and the design for a box culvert
18 project, and so I was curious as to what you estimate the costs
19 might be for a couple box culverts on this project.

20 MR. BYRES: At this point in time, Mr. Searle, we
21 do not have an estimate or I don't have all (inaudible) at this
22 point in time.

23 DIRECTOR HALIKOWSKI: So Greg --

24 MR. SEARLE: Okay. Well --

25 DIRECTOR HALIKOWSKI: I'm sorry.

1 MR. SEARLE: -- I did a little -- I reached out
2 to a few people involved up in Graham County, and they're
3 estimating the cost is going to be less than a million dollars,
4 and we've got over 400,000 in design costs, which is close to 50
5 percent, and I'm -- I'm struggling with that.

6 DIRECTOR HALIKOWSKI: So Mr. Chairman,
7 Mr. Searle, if I could suggest, perhaps we could talk with you
8 offline about that project. I would hesitate to talk about cost
9 estimates before we go out to bid and telegraph what we think it
10 would cost, because the bids might come in lower than our
11 estimate. So if we could get together with you offline to
12 discuss the project, that would be better.

13 MR. SEARLE: Well, I can't support this at this
14 time. I think that the 400,000 (inaudible) budgeted for design
15 is exorbitant.

16 VICE CHAIR STRATTON: Mr. Chairman.

17 CHAIRMAN HAMMOND: Go ahead, Board Member
18 Stratton.

19 VICE CHAIR STRATTON: I'd like to ask on this
20 particular project that's being referenced, does that design
21 money include Corps of Engineers and environmental costs?

22 MR. BYRES: Mr. Chairman, Board Member Stratton,
23 yes, it does.

24 VICE CHAIR STRATTON: Is that a significant
25 proportion of the design?

1 MR. BYRES: For these two, yes, it is.

2 VICE CHAIR STRATTON: Thank you.

3 CHAIRMAN HAMMOND: Okay. (Inaudible) vote on it.
4 (Inaudible) see if it flies --

5 MR. ROEHRICH: So Mr. -- I was going to say,
6 Mr. Chair, we have a -- if somebody wants to motion and second
7 it, we can still vote on it and see if we get a quorum and still
8 follow up in answer with Mr. Searle, or you can just remove it
9 from the agenda and we'll have to come back at a future meeting.

10 MR. SEARLE: Chairman Hammond, I have no problem
11 with 5E, is that \$30,000 for staff (inaudible) the fund the
12 design. The problem I have is 5F. It's 392,000 for a
13 consultant, to which I'm stressed on this. So I cannot support
14 5F at this time.

15 CHAIRMAN HAMMOND: So (inaudible), you're
16 recommending not to remove 5F and bring it back a -- next month
17 after hopefully we have some discussions with Board Member
18 Searle? Is that what I'm hearing.

19 DIRECTOR HALIKOWSKI: Mr. Chairman, that is an
20 option, to strike 5F and bring it back next board meeting.

21 CHAIRMAN HAMMOND: Does staff want to make
22 (inaudible) why that's the best thing to do? (Inaudible) I
23 would suggest (inaudible).

24 MR. SEARLE: I would make the motion that we
25 approve Items 5B, C, D, (inaudible) in trouble, on G, H and E.

1 MR. ROEHRICH: So Mr. Chair, how you -- we could
2 simplify that by just saying that you approve Items 5B through
3 5H, with the exception of Item 5F.

4 MR. SEARLE: That works, too.

5 CHAIRMAN HAMMOND: And so do I have a second?

6 VICE CHAIR STRATTON: I second that, and I would
7 like to also add on the 5F to bring it back. I'd like an
8 itemized breakdown showing the design, environmental and the
9 Corps of Engineers and anything else involved with that cost.

10 CHAIRMAN HAMMOND: All right. Board member
11 (inaudible) and staff?

12 MR. ROEHRICH: Yes, Mr. Chair. That's -- that
13 will work.

14 CHAIRMAN HAMMOND: Okay. So we have a --

15 MR. ROEHRICH: So with the motion and a second --

16 CHAIRMAN HAMMOND: -- motion from Board Member
17 Searle, a second from Board Member Stratton with the amendment
18 on (inaudible).

19 Take a roll call vote.

20 MR. ROEHRICH: I will take a roll call vote.

21 Yes, sir.

22 Mr. Stratton.

23 VICE CHAIR STRATTON: Aye.

24 MR. ROEHRICH: Mr. Thompson.

25 MR. THOMPSON: Aye.

1 MR. ROEHRICH: Mr. Elters.

2 MR. ELTERS: Aye.

3 MR. ROEHRICH: Mr. Knight.

4 MR. KNIGHT: Aye.

5 MR. ROEHRICH: Mr. Searle.

6 MR. SEARLE: Aye.

7 MR. ROEHRICH: Ms. Daniels.

8 MS. DANIELS: Aye.

9 MR. ROEHRICH: And Mr. Hammond?

10 CHAIRMAN HAMMOND: Aye.

11 MR. ROEHRICH: The motion passes.

12 CHAIRMAN HAMMOND: Motion passes.

13 All right. Moving on to PPAC Airport Development
14 Program project Item 5I.

15 MR. BYRES: Thank you, Mr. Chairman.

16 PPAC brings forward this one airport project,
17 Item 5I. Again, we bring it forward with a recommendation for
18 approval.

19 CHAIRMAN HAMMOND: (Inaudible) did I hear a
20 motion?

21 MR. THOMPSON: Chairman, this is Member Thompson.
22 I'll move for approval.

23 CHAIRMAN HAMMOND: (Inaudible) Board Member
24 Stratton, and a second from (inaudible) Board Member Knight.

25 MR. ELTERS: Elters.

1 CHAIRMAN HAMMOND: Elters. Okay. I have a
2 motion and a second. A roll call vote, Floyd.

3 MR. ROEHRICH: Mr. Stratton.

4 VICE CHAIR STRATTON: Aye.

5 MR. ROEHRICH: Mr. Thompson.

6 MR. THOMPSON: Aye.

7 MR. ROEHRICH: Mr. Elters.

8 MR. ELTERS: Aye.

9 MR. ROEHRICH: Mr. Knight. Mr. Knight.
10 Mr. Searle.

11 MR. SEARLE: Aye.

12 MR. ROEHRICH: Ms. Daniels.

13 MS. DANIELS: Aye.

14 MR. KNIGHT: This is Board Member Knight. I have
15 aye.

16 MR. ROEHRICH: And Mr. Hammond.

17 CHAIRMAN HAMMOND: Aye.

18 Okay. (Inaudible) PPAC project modification on
19 5J. I want --

20 MR. ROEHRICH: So Mr. Chair, if you remember,
21 Greg already motioned that with 5A through J. He had it in
22 through 5 -- with 5H -- excuse me -- with 5A. So we are done
23 with PPAC items.

24 CHAIRMAN HAMMOND: Okay. Good. Good. Thank you
25 for checking my ability to use an alphabet.

1 Moving on to Agenda Item 6. State engineer's
2 report. Dallas Hammit's not available right now (inaudible)
3 state engineer Steve Boschen -- Boschen.

4 MR. ROEHRICH: Mr. Boschen. Steve Boschen will
5 be will be presenting.

6 MR. BOSCHEN: Members of the Board, can you guys
7 hear me?

8 CHAIRMAN HAMMOND: We can.

9 MR. BOSCHEN: (Inaudible) where we're at in terms
10 of active construction projects. We do have 84 under
11 construction at a cost of 935 million. We are 65 percent spent,
12 which means that we have 324 remaining of those projects. We
13 did finalize 11 projects in July at 45.7 million, and since we
14 just started our fiscal year, that's the same number, 11
15 projects online.

16 Next slide, Rhett.

17 Some other items that Floyd already read about.
18 This one's a constituent inquiry that we had back in July 22nd,
19 and it was about the cracked sealing on State Route 82 and how
20 that's not so friendly on bicyclists, and we do understand that,
21 but right now we do not have any type of rehab for expansion of
22 82 in the books, and I think you heard earlier about that.

23 SR-90 that was a complaint about a gator, and --
24 you guys know what gators are, right? So gators are the tire
25 straps that come off the semis. We do regularly pick those up.

1 Unfortunately, this constituent did not feel that we did it fast
2 enough. We do have a system of picking them up based on what we
3 see out there. In this case, on 90, they get picked up about
4 every two weeks. It just happened that it was picked up a day
5 after the last inquiry. So that's our report on that
6 constituent inquiry.

7 I think Dallas talked about this next one last
8 board meeting, and that was I-17 McGuireville. We did have an
9 inquiry on that. We did come up with some countermeasures, and
10 the restriping did happen this week, and that's kind of a
11 picture of the restriping. What it does is make a 90-degree
12 angle more at the Cornville Road. It's called McGuireville TI,
13 but that's Cornville Road.

14 What I don't have on here and that was already
15 talked about is the Bush Fire response, and right now we do have
16 43 percent of the guardrail completed, and obviously we have
17 other things to do, including fencing. And as Board Member
18 Stratton knows, having good fencing out there is important to
19 keep wildlife off the road. The third component is revegetation
20 through seeding. Now, there was a question earlier. We are
21 using our funds to front the financing of this, but we are
22 getting ER reimbursement, and we're working with our federal
23 partners on that.

24 In terms of 87, I know everybody wants to get up
25 out of their seat. We do have 12.7 miles or we started with

1 12.7 miles of that closed, meaning the lane was closed. We have
2 opened up four miles, but we still have about eight miles left
3 that is closed until we get the rest of the guardrail done.

4 And Chairman and board members, that concludes my
5 state engineer's report.

6 CHAIRMAN HAMMOND: Thank you. Are there any
7 questions on the state engineer's report?

8 VICE CHAIR STRATTON: Mr. Chairman.

9 CHAIRMAN HAMMOND: Go ahead, Board Member
10 Stratton.

11 VICE CHAIR STRATTON: Steve, I know we have
12 several other fires in the area right now, specifically 188 and
13 288 again. Are we sustaining a lot of damage on those fires
14 right now?

15 MR. BOSCHEN: So Chairman and Board Member
16 Stratton, we've been lucky out there. We did have to have a
17 closure on 288, but nowhere near what we had on 87 and 188. So
18 we've been lucky. We've dodged a bullet there.

19 VICE CHAIR STRATTON: How about the fire on the
20 60 near Show Low?

21 MR. BOSCHEN: On 60, I've got to check into that,
22 Board Member Stratton.

23 VICE CHAIR STRATTON: Okay. I know that we've
24 had a lot of other roads closed, and it's a tough situation.
25 You guys are doing a great job. Hopefully we're getting more

1 cooperation from The Forest Service this time than we did last
2 time.

3 MR. BOSCHEN: What we have talked to them about
4 is the backburns and having tenders out there before they start
5 doing the backburns, because that is what did expose a lot of
6 our guardrail on 87 and 188.

7 VICE CHAIR STRATTON: Thank you. I appreciate
8 that.

9 And one other item. Kurt Harris, representative
10 of Globe council, we consulted on -- and I just want to commend
11 him on his presentation. He did a very good job and was very
12 informative for the local politicians and public, and thank you.

13 MR. BOSCHEN: Glad to hear that.

14 CHAIRMAN HAMMOND: Thank you, Board Member
15 Stratton.

16 Okay. Any other questions for Item 6? If not,
17 we'll move to Item 7, construction contracts. Steve, I assume
18 you're handling that for Dallas, also?

19 MR. BOSCHEN: Correct, Chairman Hammond.

20 Rhett, do you have that up?

21 MR. ROEHRICH: Yeah. Steve, we're working on it.
22 Should be coming up any minute.

23 MR. BOSCHEN: Okay. There we go.

24 So thank you for the approval on the agenda
25 items, and appreciate the correction on 3 -- I think it was 3G.

1 Let me -- it should have said District 6, Board Member Knight.
2 The intention of the ADA program is a statewide program. It
3 just happened that the first project that we picked up on was in
4 Parker. So that will be corrected on future ones.

5 So we do have four that we need to talk about.
6 If we can hit the next slide.

7 So this is a left-turn lane up on Horseshoe Bend,
8 and if anybody's gone up there in the last five years, social
9 media has made this area explode. So we've had some challenges
10 up here with people parking. Very important project. I did
11 take a trip to Moab about two years ago, and it really has
12 exploded in terms of use. So this is really important.

13 We were over, and here are the reasons for some
14 of them: Lead-based striping. You know, we've got to go out
15 there and remove the lead-based, because it's very high on that
16 yellow paint. We did not take into account the staff, their
17 remote location here. So we had a little bit more material
18 costs in terms of getting labor out there and getting materials
19 out there. Staff has looked at the bid and do feel that it's a
20 responsive and responsible bid, and we recommend award to Show
21 Low Construction, Inc.

22 CHAIRMAN HAMMOND: Are there questions on Item
23 7A? If not, I'd entertain a motion.

24 MR. SEARLE: Mr. Chair, I would make a motion to
25 approve.

1 MR. THOMPSON: Second.

2 CHAIRMAN HAMMOND: Okay. We have a motion from
3 Board Member Searle, and a second from Board Member Thompson.

4 Floyd, you want to do the roll call?

5 MR. ROEHRICH: Yes, Mr. Chair.

6 Mr. Stratton.

7 VICE CHAIR STRATTON: Aye.

8 MR. ROEHRICH: Mr. Thompson.

9 MR. THOMPSON: Aye.

10 MR. ROEHRICH: Mr. Elters.

11 MR. ELTERS: Aye.

12 MR. ROEHRICH: Mr. Knight. Mr. Knight.

13 MR. KNIGHT: Aye.

14 MR. ROEHRICH: Mr. Searle.

15 MR. SEARLE: Aye.

16 MR. ROEHRICH: Ms. Daniels.

17 MS. DANIELS: Aye.

18 MR. ROEHRICH: And Mr. Hammond.

19 CHAIRMAN HAMMOND: Aye.

20 Okay. 7A passes.

21 Moving on to Item 7B. Oddly, La Paz County.

22 Farmers Bridge. Go ahead, Steve.

23 MR. BOSCHEN: Item 7B, again, we are -- it's a
24 little bit different. It's within the consent agenda, but let
25 me tell you some of the reasons why it's a little bit above, and

1 that is, again, remove lead-based paint, and this is on a
2 bridge. We did a little bit higher prices for asphalt concrete
3 and bridge containment system, but also in the package we did
4 have a DBE anomaly with mixed codes. Staff did analyze it, felt
5 it was a non-material anomaly. So with that, we do recommend
6 award to Technology Construction, Inc.

7 CHAIRMAN HAMMOND: Remind the Board what DBE
8 stands for.

9 MR. BOSCHEN: Disadvantaged business
10 enterprises.

11 CHAIRMAN HAMMOND: Thank you.

12 MR. KNIGHT: Mr. Chair, move to approve.

13 VICE CHAIR STRATTON: Second.

14 CHAIRMAN HAMMOND: Motion to approve from Board
15 Member Knight, second from Board Member Stratton. Okay. We
16 have a motion to approve Item 7C, La Paz County, Farmers Bridge.
17 Floyd, do the roll call.

18 MR. ROEHRICH: Mr. Stratton. Mr. Stratton.

19 VICE CHAIR STRATTON: Aye.

20 MR. ROEHRICH: Mr. Thompson.

21 MR. THOMPSON: Aye.

22 MR. ROEHRICH: Mr. Knight.

23 MR. KNIGHT: Aye.

24 MR. ROEHRICH: Mr. Elters.

25 MR. ELTERS: Aye.

1 MR. ROEHRICH: Mr. Searle.

2 MR. SEARLE: Aye.

3 MR. ROEHRICH: Ms. Daniels.

4 MS. DANIELS: Aye.

5 MR. ROEHRICH: And Mr. Hammond?

6 CHAIRMAN HAMMOND: Aye.

7 Thank you, Floyd.

8 Moving on to Item 7C, this is US-93, Tegner to
9 Wickenburg Ranch Way. Steve.

10 MR. BOSCHEN: Item 7C, we do have a project up
11 in the city of Kingman, and it's an ITS project. It did come in
12 quite a bit higher, 17 percent over. The reasons for the
13 differences, the conductors were higher. The (inaudible) system
14 was higher. We are recommending postponing while the City of
15 Kingman looks for additional funding, and we will bring this
16 back to the Board next month. Recommendation is for
17 postponement.

18 CHAIRMAN HAMMOND: Questions or a motion?

19 MR. SEARLE: Just for clarification, what does
20 ITS stand for?

21 MR. BOSCHEN: Great question, Chairman Hammond
22 and Board Member Searle. Intelligent transportation system.
23 So radar management system, et cetera.

24 MR. KNIGHT: Mr. Chair, this is Board Member
25 Knight. I would move to postpone Item 7D as recommended.

1 CHAIRMAN HAMMOND: Second?

2 MR. SEARLE: Second.

3 CHAIRMAN HAMMOND: Okay. Motion to postpone from
4 Board Member --

5 MR. KNIGHT: I.

6 MR. ROEHRICH: It was Board Member Knight.

7 CHAIRMAN HAMMOND: I didn't hear what you said.

8 MR. SEARLE: Second from Searle.

9 CHAIRMAN HAMMOND: Second from Searle, motion to
10 postpone.

11 And Floyd, would you take roll, please.

12 MR. ROEHRICH: Mr. Stratton.

13 VICE CHAIR STRATTON: Aye.

14 MR. ROEHRICH: Mr. Thompson.

15 MR. THOMPSON: Aye.

16 MR. ROEHRICH: Mr. Elters.

17 MR. ELTERS: Aye.

18 MR. ROEHRICH: Mr. Knight.

19 MR. KNIGHT: Aye.

20 MR. ROEHRICH: Mr. Searle. Mr. Searle.

21 Ms. Daniels.

22 MS. DANIELS: Aye.

23 MR. ROEHRICH: And Mr. Hammond.

24 CHAIRMAN HAMMOND: Aye.

25 Okay. Motion passes.

1 Moving to (inaudible) Item 7C. Mohave County,
2 Courtwright and Pierce Ferry Road.

3 MR. BOSCHEN: Item 7D is a project that has two
4 locations, and it did come a little bit above -- actually, it
5 came in below, which is a good thing, but it's above the 15
6 percent threshold for consent. The reason staff found was we
7 got a really good price on the rumble strip pricing. We thought
8 it was going to be a piecemeal operation, but they just had a
9 very competitive price on the guy that would be doing the
10 cutting in of the rumble strips. So staff's recommendation is
11 to recommend award to Sunline Contracting, LLC.

12 CHAIRMAN HAMMOND: Okay. What's the Board's
13 pleasure? Questions?

14 MR. KNIGHT: Mr. Chair, this is Board Member
15 Knight. I recommend -- I move to -- I move to award Item 7D.

16 MR. ELTERS: Second.

17 CHAIRMAN HAMMOND: Okay. We have a motion from
18 Board Member (inaudible) is that Knight?

19 MR. KNIGHT: Yes.

20 CHAIRMAN HAMMOND: And a second from Board
21 Member?

22 MR. ELTERS: Elters.

23 CHAIRMAN HAMMOND: Did you get that, Floyd?

24 MR. ROEHRICH: Yes, sir. I'm ready to call the
25 roll. So I can call with Mr. Stratton?

1 VICE CHAIR STRATTON: Aye.

2 CHAIRMAN HAMMOND: Okay.

3 MR. ROEHRICH: Mr. Thompson.

4 MR. THOMPSON: Aye.

5 MR. ROEHRICH: Mr. Elters.

6 MR. ELTERS: Aye.

7 MR. ROEHRICH: Mr. Knight.

8 MR. KNIGHT: Aye.

9 MR. ROEHRICH: Mr. Searle.

10 MR. SEARLE: Aye.

11 MR. ROEHRICH: Ms. Daniels.

12 MS. DANIELS: Aye.

13 MR. ROEHRICH: And Mr. Hammond.

14 CHAIRMAN HAMMOND: Aye.

15 Okay. Thank you, Steve.

16 Let's move to Item 8, which is suggestions for
17 future board meetings, questions or comments anybody would
18 like to bring up at this point.

19 MR. KNIGHT: Mr. Chair, this is Board Member
20 Knight. I've got one question. Probably could be answered by
21 Kristine or the Director, but are there any prospects of
22 including the HURF exchange program given the set of figures
23 that we're looking at now?

24 MS. WARD: Mr. Hammond, Mr. Knight, I will tell
25 you that we work with the Department and the Director.

1 (Inaudible) worked very hard to get their swap program back up
2 and running and established. It was tremendously disappointing
3 after all of that effort to have to consider curbing that
4 program again. So when we have these estimates and I can see
5 what the state of the -- the State Highway Fund's revenues are,
6 because that's the dependency here, once we have those, you can
7 trust that we will be making every effort to keep that program
8 fully funded and operating.

9 MR. KNIGHT: Thank you very much, Kristine.
10 Thank you, Mr. Chair.

11 CHAIRMAN HAMMOND: Any other comments or
12 suggestions for board meetings?

13 MR. THOMPSON: Chairman.

14 CHAIRMAN HAMMOND: Yes, Jesse.

15 MR. THOMPSON: I'd like to continue discussing
16 my previous request to do a study on how paving roads on the
17 reservations impacts the (inaudible) performance of public
18 school students out in the remote area. I'd just like to get
19 some direction, again, either from the administration or
20 (inaudible).

21 CHAIRMAN HAMMOND: Is that a study session
22 item, Floyd, (inaudible)?

23 MR. ROEHRICH: So Mr. Chair, Mr. Hammond, that
24 is a study session. That is something that we've been trying
25 to figure out exactly how to prepare for, because, you know,

1 Indian routes, we're not allowed to use our funds on Indian
2 routes, but there are federal programs and BIA programs and
3 other programs. So I do think it's a future topic that we will
4 put something together, and we could have a discussion, but it
5 will be a study session, and it probably won't happen for a few
6 months as we try to figure out exactly how to work on that
7 topic.

8 MR. THOMPSON: Thank you very much, Chairman
9 and Floyd.

10 CHAIRMAN HAMMOND: Thank you, Board Member
11 Thompson.

12 Any other comments or suggestions? If not --

13 MR. ROEHRICH: So Mr. Chair, this is Floyd. I
14 do have a couple of quick notes I want to make. So for next
15 meeting, I do want to point out that we will come back and
16 talk about PPAC Item 5F.

17 I will also talk with the state engineer about
18 putting together a little presentation and discussion on the
19 truck routes, the truck detour routes that Ms. Harris has
20 brought up that you asked about around State Route 80 and
21 State Route 92. So we'll look to bring those two back next
22 month as well.

23 And a reminder that the next meeting is
24 September 18th, and we're still looking at using it as a
25 WebEx, a virtual meeting. We -- in talking with the Board

1 Chair, we do think the next couple months, September and
2 October, the meetings that we have coming up, as the Director
3 outlined, we will look at those as virtual meetings as we
4 continue to coordinate on how to get everybody back together
5 safely.

6 So with that, Mr. Chair, those are my comments.

7 CHAIRMAN HAMMOND: Okay. I would entertain a
8 motion for adjournment, if somebody wants to get out of this
9 meeting.

10 VICE CHAIR STRATTON: So moved.

11 MR. THOMPSON: Second. Second.

12 CHAIRMAN HAMMOND: Okay. We have a motion and
13 a second. I don't think we need to take a roll call.

14 MR. ROEHRICH: No, sir. We're fine. You've
15 just got to say we're adjourned and we're adjourned.

16 CHAIRMAN HAMMOND: Okay. Thank you all.

17 (Meeting adjourned at 10:32 a.m.)
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