

ARIZONA STATE TRANSPORTATION BOARD

Douglas A. Ducey, Governor

Kelly Anderson, Chair
Pliny M. Draper, Member
Joseph E. La Rue, Vice Chair
Deanna Beaver, Member
William Cuthbertson, Member
Jack W. Sellers, Member
Michael S. Hammond, Member

Welcome to a meeting of the Arizona State Transportation Board. The Transportation Board consists of seven private citizen members appointed by the Governor, representing specific transportation districts. Board members are appointed for terms of six years each, with terms expiring on the third Monday in January of the appropriate year.

BOARD AUTHORITY

Although the administration of the Department of Transportation is the responsibility of the director, the Transportation Board has been granted certain policy powers in addition to serving in an advisory capacity to the director. In the area of highways the Transportation Board is responsible for establishing a system of state routes. It determines which routes are accepted into the state system and which state routes are to be improved. The Board has final authority on establishing the opening, relocating, altering, vacating or abandoning any portion of a state route or a state highway. The Transportation Board awards construction contracts and monitors the status of construction projects. With respect to aeronautics the Transportation Board distributes monies appropriated to the Aeronautics Division from the State Aviation Fund for planning, design, development, land acquisition, construction and improvement of publicly-owned airport facilities. The Board also approves airport construction. The Transportation Board has the exclusive authority to issue revenue bonds for financing needed transportation improvements throughout the state. As part of the planning process the Board determines priority planning with respect to transportation facilities and annually adopts the five year construction program.

CITIZEN INPUT

Citizens may appear before the Transportation Board to be heard on any transportation-related issue. Persons wishing to protest any action taken or contemplated by the Board may appear before this open forum. The Board welcomes citizen involvement, although because of Arizona's open meeting laws, no actions may be taken on items which do not appear on the formal agenda. This does not, however, preclude discussion of other issues.

MEETINGS

The Transportation Board typically meets on the third Friday of each month. Meetings are held in locations throughout the state. In addition to the regular business meetings held each month, the Board also conducts three public hearings each year to receive input regarding the proposed five-year construction program. Meeting dates are established for the following year at the December organization meeting of the Board.

BOARD MEETING PROCEDURE

Board members receive the agenda and all backup information one week before the meeting is held. They have studied each item on the agenda and have consulted with Department of Transportation staff when necessary. If no additional facts are presented at the meeting, they often act on matters, particularly routine ones, without further discussion. In order to streamline the meetings the Board has adopted the "consent agenda" format, allowing agenda items to be voted on en masse unless discussion is requested by one of the board members or Department of Transportation staff members.

BOARD CONTACT

Transportation Board members encourage citizens to contact them regarding transportation-related issues. Board members may be contacted through the Arizona Department of Transportation, 206 South 17th Avenue, Phoenix, Arizona 85007, Telephone (602) 712-7550.

NOTICE OF BOARD MEETING OF THE STATE TRANSPORTATION BOARD

Pursuant to A.R.S. Sec. 38-431.02, notice is hereby given to the members of the State Transportation Board and to the general public that the State Transportation Board will hold a meeting open to the public on Friday, July 17, 2015, at 9:00 a.m. at the Town of Payson, Council Chambers, 303 N. Beeline Highway, Payson, AZ 85541. The Board may vote to go into Executive Session to discuss certain matters, which will not be open to the public. Members of the Transportation Board will attend either in person or by telephone conference call. The Board may modify the agenda order, if necessary.

EXECUTIVE SESSION OF THE STATE TRANSPORTATION BOARD

Pursuant to A.R.S. 38-431.02, notice is hereby given to the members of the Arizona State Transportation Board and to the general public that the Board may meet in Executive Session for discussion or consultation of legal advice with legal counsel at its meeting on Friday, July 17, 2015, relating to any items on the agenda. Pursuant to A.R.S. 38-431.03(A), the Board may, at its discretion, recess and reconvene the Executive Session as needed, relating to any items on the agenda.

CIVIL RIGHTS

Pursuant to Title VI of the Civil Rights Act of 1964, and the Americans with Disabilities Act (ADA), the Arizona State Transportation Board does not discriminate on the basis of race, color, national origin, age, gender or disability. Citizens that require a reasonable accommodation based on language or disability should contact ADOT Civil Rights at (602) 712-8946 or civilrightsoffice@azdot.gov. Requests should be made as early as possible to ensure the state has an opportunity to address the accommodation.

Personas que requieren asistencia o una adaptación razonable por habilidad limitada en inglés o discapacidad deben ponerse en contacto con la Oficina de Derechos Civiles de ADOT al (602) 712-8946 or civilrightsoffice@azdot.gov. Las solicitudes deben hacerse tan pronto como sea posible para asegurar que el estado tiene la oportunidad de abordar el alojamiento.

AGENDA

A copy of the agenda for this meeting will be available at the office of the Transportation Board at 206 South 17th Avenue, Room 135, Phoenix, Arizona at least 24 hours in advance of the meeting.

ORDER DEFERRAL AND ACCELERATIONS OF AGENDA ITEMS, VOTE WITHOUT DISCUSSION.

In the interest of efficiency and economy of time, the Arizona Transportation Board, having already had the opportunity to become conversant with items on its agenda, will likely defer action in relation to certain items until after agenda items requiring discussion have been considered and voted upon by its members. After all such discussional items have been acted upon, the items remaining on the Board's agenda will be expedited and action may be taken on deferred agenda items without discussion. It will be a decision of the Board itself as to which items will require discussion and which may be deferred for expedited action without discussion.

The Chairman will poll the members of the Board at the commencement of the meeting with regard to which items require discussion. Any agenda item identified by any Board member as one requiring discussion will be accelerated ahead of those items not identified as requiring discussion. All such accelerated agenda items will be individually considered and acted upon ahead of all other agenda items. With respect to all agenda items not accelerated. i.e., those items upon which action has been deferred until later in the meeting, the Chairman will entertain a single motion and a single second to that motion and will call for a single vote of the members without any discussion of any agenda items so grouped together and so singly acted upon. Accordingly, in the event any person desires to have the Board discuss any particular agenda item, such person should contact one of the Board members before the meeting or Mary Beckley, at 206 South 17th Avenue, Room 135, Phoenix, Arizona 85007, or by phone (602) 712-7550. Please be prepared to identify the specific agenda item or items of interest.

Dated this 10th day of July, 2015
STATE TRANSPORTATION BOARD
By: Mary Beckley

Arizona Highways, Airports, and Railroads



State Highway System

— Interstate

— State Route

— US Highway

✈ Airports

—+— Railroads (In Service)

○ Cities and Towns

□ County Boundaries



Prepared by:
 Arizona Department of Transportation
 Multimodal Planning Division
 Data Bureau GIS Section
 (602) 712-7333
 July 2009

0 20 40 80 Miles

ARIZONA STATE TRANSPORTATION BOARD**STATE TRANSPORTATION BOARD MEETING****9:00 a.m., Friday, July 17, 2015****Town of Payson****Council Chambers****303 N. Beeline Highway****Payson, AZ 85541**

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EXECUTIVE SESSION OF THE STATE TRANSPORTATION BOARD

Pursuant to A.R.S. 38-431.03 (A)(3), notice is hereby given to the members of the Arizona State Transportation Board and to the general public that the Board may meet in Executive Session for discussion or consultation for legal advice with legal counsel at its meeting on Friday, July 17, 2015. The Board may, at its discretion, recess and reconvene the Executive Session as needed, relating to any items on the agenda.

PLEDGE

The Pledge of Allegiance

ROLL CALL

Roll call by Board Secretary Mary Beckley

OPENING REMARKS

Opening remarks by Chairman Kelly Anderson

CALL TO THE AUDIENCE (Information and discussion)

An opportunity for citizens to discuss items of interest with the Board. Please fill out a Request for Public Input Form and turn in to the Board secretary if you wish to address the Board. A three minute time limit will be imposed.

ITEM 1: District Engineer's Report

Staff will provide an update and overview of issues of regional significance including updates on current and upcoming construction projects, district operations, maintenance activities, and any regional transportation studies.

(For information and discussion only — Alvin Stump, Prescott District Engineer)

ITEM 2: Director's Report

The Director will provide a report on current issues and events affecting ADOT.
(For information and discussion only — John Halikowski, Director)

A) Individual Topics

- 1) Update on Arizona Delegation Meeting in Mexico

B) Last Minute Items to Report

(For information only. The Transportation Board is not allowed to propose, discuss, deliberate or take action on any matter under "Last Minute Items to Report," unless the specific matter is properly noticed for action.)

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***ITEM 3: Consent Agenda**

Consideration by the Board of items included in the Consent Agenda. Any member of the Board may ask that any item on the Consent Agenda be pulled for individual discussion and disposition.
(For information and possible action)

Items on the Consent Agenda generally consist of the following:

- Minutes of previous Board Meeting
- Minutes of Special Board Meeting
- Right-of-Way Resolutions
- Construction Contracts that have no bidder protest or State Engineer inquiry and meet the following criteria:
 - Low bidder is no more than 15% under state estimate
 - Low bidder is no more than 10% over state estimate
- Programming changes for items that are a part of the approved scope of the project if they exceed 15% or \$200,000, whichever is lesser.

ITEM 4: Legislative Report

Staff will provide a report on State and Federal legislative issues.
(For information and discussion only — Floyd Roehrich, Jr., Executive Officer)

ITEM 5: Financial Report

Staff will provide an update on financing issues and summaries on the items listed below:
(For information and discussion only — Kristine Ward, Chief Financial Officer)

- Revenue Collections for Highway User Revenues
- Maricopa Transportation Excise Tax Revenues
- Aviation Revenues
- Interest Earnings
- HELP Fund status
- Federal-Aid Highway Program
- HURF and RARF Bonding
- GAN issuances
- Board Funding Obligations
- Contingency Report

ITEM 6: Multimodal Planning Division Report

Staff will present an update on the current planning activities pursuant to A.R.S. 28-506.
(For information and discussion only — Dallas Hammit, Deputy Director for Transportation/
State Engineer)

ITEM 7: Priority Planning Advisory Committee (PPAC)*Page 199**

Staff will present recommended PPAC actions to the Board including consideration of changes to the FY2016 - 2020 Statewide Transportation Facilities Construction Program.
(For discussion and possible action — Dallas Hammit, Deputy Director for Transportation/State Engineer)

ITEM 8: State Engineer's Report**Page 216**

Staff will present a report showing the status of highway projects under construction, including total number and dollar value.
(For information and discussion only — Dallas Hammit, Deputy Director for Transportation/
State Engineer)

ITEM 9: Construction Contracts*Page 224**

Staff will present recommended construction project awards that are not on the Consent Agenda.
(For discussion and possible action — Dallas Hammit, Deputy Director for Transportation/State Engineer)

ITEM 10: Suggestions

Board Members will have the opportunity to suggest items they would like to have placed on future Board Meeting agendas.

*Adjournment

*ITEMS that may require Board Action

Items on the Consent Agenda generally consist of the following:

- Minutes of previous Board Meeting
- Minutes of Special Board Meeting
- Right-of-Way Resolutions
- Construction Contracts that have no bidder protest or State Engineer inquiry and meet the following criteria:
 - Low bidder is no more than 15% under state estimate
 - Low bidder is no more than 10% over state estimate
- Programming changes for items that are a part of the approved scope of the project if they exceed 15% or \$200,000, whichever is less.

MINUTES APPROVAL

- Public Hearing and Board Meeting Minutes May 15, 2015
- Board Special Meeting May 26, 2015
- Board Study Session of May 26, 2015

RIGHT OF WAY RESOLUTIONS (action as noted)

ITEM 3a: RES. NO. 2015-07-A-031
 PROJECT: 191 GH 120 H8324 / 191-B(203)T
 HIGHWAY: BOWIE JUNCTION – SAFFORD
 SECTION: Relation Street – Junction U. S. 70
 ROUTE NO.: U. S. Route 191
 ENG. DIST.: Safford
 COUNTY: Graham
 RECOMMENDATION: Establish new right of way as a state route for upgraded pedestrian facilities and other improvements necessary to enhance convenience and safety for the traveling public.

ITEM 3b: RES. NO. 2015-07-A-032
 PROJECT: 019 PM 061 H8467 / 019-A(220)S
 HIGHWAY: NOGALES – TUCSON
 SECTION: Ajo Way T. I. (Jct. SR 86)
 ROUTE NO.: Interstate Route 19
 ENG. DIST.: Tucson
 COUNTY: Pima
 RECOMMENDATION: Establish new right of way as a state route and state highway to accommodate design change and facilitate the imminent construction phase of the Ajo Way T. I. (Jct. SR 86) Project for realignment and widening improvements necessary to enhance convenience and safety for the traveling public.

- ITEM 3c: RES. NO. 2015-07-A-033
 PROJECT: 202L MA 000 H5380 01R / RAM 600-7-802
 HIGHWAY: SANTAN FREEWAY
 SECTION: Price Road – Arizona Avenue (Alma School Road)
 ROUTE NO.: State Route 202 Loop
 ENG. DIST.: Phoenix
 COUNTY: Maricopa
 DISPOSAL: D-M-448
 RECOMMENDATION: Abandon to the City of Chandler right of way along Alma School Road lying both North and South of the Santan Freeway that is no longer needed for state highway purposes, in accordance with that certain Intergovernmental Agreement No. 14-0004622, dated June 16, 2015.
- ITEM 3d: RES. NO. 2015-07-A-034
 PROJECT: 101L MA 059 H2222 03R / 600-1-728
 HIGHWAY: PRICE ROAD FREEWAY
 SECTION: Ray Road – Pecos Road (Frye Road)
 ROUTE NO.: State Route 101 Loop
 ENG. DIST.: Phoenix
 COUNTY: Maricopa
 DISPOSAL: D-M-449
 RECOMMENDATION: Abandon to the City of Chandler right of way along Frye Road lying East of the Price Road Freeway that is no longer needed for state highway purposes, in accordance with that certain Intergovernmental Agreement No. 14-0004622, dated June 16, 2015.
- ITEM 3e: RES. NO. 2015-07-A-035
 PROJECT: 019 PM 034 H7191 01R
 HIGHWAY: NOGALES – TUCSON
 SECTION: Canoa T. I. – Continental T. I. (Green Valley Hospital)
 ROUTE NO.: Interstate Route 19
 ENG. DIST.: Tucson
 COUNTY: Pima
 RECOMMENDATION: Establish as a state route and state highway donated easement right of way to encompass recently constructed right turn lanes, slope and drainage improvements along the northbound frontage road in Green Valley, constructed by a developer under Permit from ADOT to facilitate hospital access necessary to enhance convenience and safety for the traveling public.
- ITEM 3f: RES. NO. 2015-07-A-036
 PROJECT: 080 MA 000 H0888 01R / F.I. 53
 HIGHWAY: BUCKEYE – GILA BEND
 ROUTE NO.: Old U. S. Route 80
 ENG. DIST.: Yuma
 COUNTY: Maricopa
 DISPOSAL: D-Y-047
 RECOMMENDATION: Vacate and extinguish the State’s interest in easement right of way no longer needed to be retained within the Highway System.

- ITEM 3g: RES. NO. 2015-07-A-037
 PROJECTS: 040 NA 279 H8321 / 040-D(218)A
 HIGHWAY: FLAGSTAFF – HOLBROOK
 LOCATION: I-40 MP 279.2 – 279.7
 ROUTE NO.: Interstate Route 40
 ENG. DIST.: Holbrook
 COUNTY: Navajo
 RECOMMENDATION: Establish right of way for temporary construction easements necessary for the reduction and stabilization of high rock faces along Interstate Route 40 to enhance convenience and safety for the traveling public.
- ITEM 3h: RES. NO. 2015-07-A-038
 PROJECT: 095 YU 000 H8003 / 095-A(204)T
 HIGHWAY: SAN LUIS – YUMA – QUARTZSITE
 SECTION: International Border – Juan Sanchez Blvd. (POE)
 ROUTE NO.: U. S. Route 95
 ENG. DIST.: Yuma
 COUNTY: Yuma
 DISPOSAL: D-Y-048
 RECOMMENDATION: Abandon to the City of San Luis right of way acquired for recent improvements that is no longer needed for state highway purposes, according to the provisions of that certain Intergovernmental Agreement No. 11-111, dated December 26, 2013.
- ITEM 3i: RES. NO. 2015-07-A-039
 PROJECT: 264 NA 402 H6474 / 264-A(207)T
 HIGHWAY: TUBA CITY – WINDOW ROCK
 SECTION: Keams Canyon Trading Post
 ROUTE NO.: State Route 264
 ENG. DIST.: Holbrook
 COUNTY: Navajo
 RECOMMENDATION: Establish as a state route and state highway easement right of way for drainage system improvements necessary to enhance convenience and safety for the traveling public.
- ITEM 3j: RES. NO. 2015-07-A-040
 PROJECT: 010 PM 260 H3190 02R / I-10-4-808
 HIGHWAY: CASA GRANDE – TUCSON
 SECTION: I-10 / I-19 Interchange (Fiandaca Boulevard)
 ROUTE: Interstate Route 10
 ENG. DIST.: Tucson
 COUNTY: Pima
 DISPOSAL: D-T-114-B
 RECOMMENDATION: Abandon to the City of Tucson right of way no longer needed for state highway purposes along Fiandaca Boulevard and El Puente Lane, together with a 30-foot wide easement for ingress and egress, in accordance with Tucson City Ordinance No. 11277, dated June 09, 2015, and that certain Waiver of Four-Year Advance Notice of Abandonment, dated June 18, 2015.

CONTRACTS: (Action as Noted)

Federal-Aid ("A" "B" "T" "D") projects do not need FHWA concurrence, but must comply with DBE regulations; other projects are subject to FHWA and/or local government concurrence and compliance with DBE regulations.

*ITEM 3k: BOARD DISTRICT NO.: 4

BIDS OPENED: June 19, 2015

HIGHWAY: PHOENIX-GLOBE HIGHWAY (US 60)

SECTION: SILVER KING SECTION & SUPERIOR STREETS

COUNTY: PINAL

ROUTE NO.: US 60

PROJECT : TRACS: NH-060-D(208)T : 060 PN 222 H790001C

FUNDING: 94% FEDS 6% STATE

LOW BIDDER: FNF CONSTRUCTION, INC.

LOW BID AMOUNT: \$ 32,896,671.70

STATE ESTIMATE: \$ 35,020,137.00

\$ UNDER ESTIMATE: (\$ 2,123,465.30)

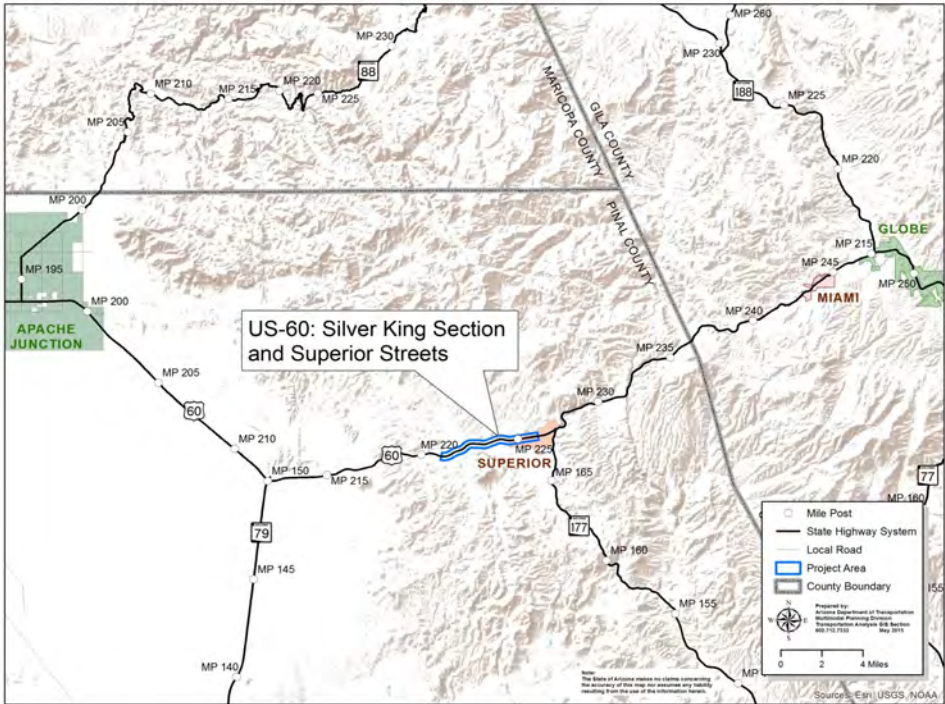
% UNDER ESTIMATE: (6.1%)

PROJECT DBE GOAL: 11.66%

BIDDER DBE PLEDGE: 11.70%

NO. BIDDERS: 6

RECOMMENDATION: AWARD



*ITEM 3I: BOARD DISTRICT NO.: 3

BIDS OPENED: June 19, 2015

HIGHWAY: BENSON-DOUGLAS HIGHWAY, SR 80

SECTION: FREMONT STREET, 3RD STREET TO 6TH STREET

COUNTY: COCHISE

ROUTE NO.: SR 80

PROJECT : TRACS: STP-HSIP-TEA-080-A(200)T : 080 CH 317 H747501C

FUNDING: 94% FEDS 6% STATE

LOW BIDDER: K E & G CONSTRUCTION, INC.

LOW BID AMOUNT: \$ 999,400.00

STATE ESTIMATE: \$ 1,073,406.23

\$ UNDER ESTIMATE: (\$ 74,006.23)

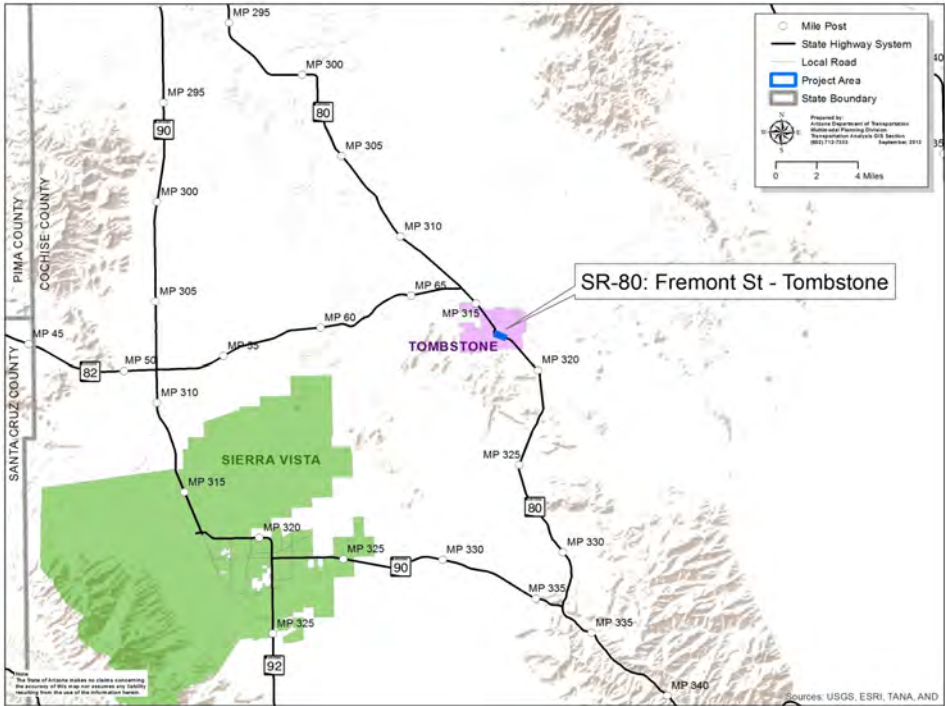
% UNDER ESTIMATE: (6.9%)

PROJECT DBE GOAL: 8.91%

BIDDER DBE PLEDGE: 8.91%

NO. BIDDERS: 4

RECOMMENDATION: AWARD



MINUTES
STATE TRANSPORTATION BOARD PUBLIC HEARING AND BOARD MEETING
9:00 a.m., Friday, May 15, 2015
Chino Valley Town Hall
202 N. State Route 89
Chino Valley, AZ 86323

Pledge

The Pledge of Allegiance was led by Chino Valley Vice Mayor Darrell Croft.

Roll call by ADOT Staff Member Lynn Sugiyama

In attendance: Kelly Anderson, Joe La Rue, Deanna Beaver, William Cuthbertson (via telephone), Jack Sellers and Michael Hammond and Pliny Draper (via telephone).

Absent: None.

Opening Remarks

Chairman Anderson welcomed the new State Transportation Board member Pliny Draper, from District 5, Apache County, appointed yesterday. Chairman Anderson thanked the Granite Creek Vineyards for the dinner, as well as the hosts of the dinner, City of Prescott, Yavapai County, Towns of Prescott Valley, Chino Valley and Dewey-Humboldt.

Call to the Audience (Public Hearing)

The following member of the public addressed the Board:

1. Chris Marley, Chino Valley Mayor, re: welcome to the Board.
2. Christian Price, City of Maricopa Mayor, re: appreciates 347 overpass plan included in the five year program; welcomed new Board members; met with Ak-Chin members and working to get an IGA to ADOT soon.
3. Terry Nolan, Town of Dewey-Humboldt Mayor, re: cooperation of quad cities and appreciation for funding for Hwy 89 to improve transportation between Prescott, Chino Valley and I-40.
4. Mary Mallory, CYMPO Chair and Prescott Valley Councilmember, re: all communities in the state should communicate and work together; recognizes the lack of funding, thanks Board for their work.
5. Steve Stratton, Gila County, re: Hwy 260 between Payson and Heber; Hwy 93 between Wickenburg and Kingman, bottlenecks on both of these corridors; urge to get the designs done and when funds become available, requests these projects can be moved up in the program; staff does a great job.
6. Dr. John Moffitt, Pima County, re: SR 189 and ports of entry; appreciate moving design money into next year, but need final design, so Pima County can go for a Tiger Grant, asks for preliminary design in 2016, and requests final design be completed in 2016.
7. Norm Davis, Public Works Director, Prescott Valley, re: transportation is vital for rural areas; appreciative of AZ Commerce Authority grant to fund an Enterprise Parkway signal on Hwy 69 in less than 1.5 years with ribbon cutting on May 28; thank you to DE Alvin Stump for streamlining process to capture grant/state money; received transportation enhancement grants for multi-use path which runs between Hwy 69 and SR89A; used local SHIP funds to fund CYMPO and replace stop signs; Prescott Valley working on challenges with current federal funding.
8. Alan Abare, Chairman of Wickenburg Chamber of Commerce Transportation Committee, re: thank you Joe La Rue and Deanna Beaver for visit on US 93; requests Board take a strategic look at US 93 and choke points, from south to north; local developer to donate \$10 million and working to get funding from MDOT/MAG, hope to move up the project in the five year plan.

9. JD Greenberg, citizen, re: appreciates CYMPO and District Engineer Alvin Stump; need to eliminate accidents on US93; 105 out of 120 of CYMPO public comments to support providing wildlife corridors and mitigation; please include environmental assessments for any project along Hwy 89; needs I-17 mitigation from Phoenix.
10. Alicyn Gitlin, Sierra Club Grand Canyon Chapter, re: Grand Canyon Airport expansions, \$25M upgrades proposed, concerned with subsidizing harm to springs, animal wildlife, dark skies; concern with large commercial jets to Grand Canyon and install new field lighting; ground water is linked to the springs and ADOT plans to drill a well to take more water to support expansion.
11. Homer Vela, Asst. County Manager, Navajo County, re: thank you Board; SR260 Lion Springs an important safety improvement in 2019; PARR grants for transportation studies, important for the future of rural areas; appreciates ADOT sharing millings with Navajo County, they are shared with other entities and are used in best possible way.

DRAFT

STATE TRANSPORTATION PUBLIC HEARING AND BOARD MEETING – MAY 15, 2015

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1 (Beginning of excerpt.)

2 CHAIRMAN ANDERSON: That is the conclusion of the
3 call to the audience. We'll move into the public hearing
4 description of the plan, and we'll start with Mr. Kies. Before
5 we start, Mr. Kies, congratulations to you on your promotion to
6 assistant director of the ABD division. I'm glad to have you on
7 board.

8 MR. KIES: Thank you very much, Mr. Chair. I'm
9 happy to be in the new role.

10 Great. Well, thank you, Mr. Chair and members of
11 the board. What I'd like to do this morning is give an overview
12 of the tentative program that is currently out for public
13 comment and also give the members of the audience an
14 understanding of what is proposed in that program.

15 Does this click?

16 UNIDENTIFIED SPEAKER: No, this is (inaudible).

17 MR. KIES: Great.

18 So what I was going to cover this morning is
19 first a little background of what the five-year program entails,
20 the process that we follow to identify projects and prioritize
21 them for funding in program, called our Planning to Programming
22 process; an overview of our asset conditions, and then there are
23 actually five sections of the program that I want to highlight
24 today. There is our five-year construction program, which looks
25 at the next five years of projects that we intend to fund and

1 deliver.

2 Then we have what we call is our development
3 program, which is the next five years, so our six through ten
4 year program. So that gives us a ten-year look ahead of all the
5 projects that we intend to develop and implement within ADOT.

6 Then there's two sections of the state that are
7 separated out, the Pima Association of Governments, or the
8 Tucson metropolitan area, and the Maricopa Association of
9 Governments program, or the Phoenix metropolitan area.

10 And then the last section of the program is the
11 airport program, which represents how we intend to prioritize
12 funding for the aviation fund that the state has.

13 So first a little information about the
14 background of the program. It's developed collaboratively
15 within ADOT. We partner with the State Transportation Board and
16 then various parts of ADOT ITD, which is our engineering part of
17 the department, the financial section, and then the planning
18 section, which I'm a part of. And then we reach out to our
19 regional partners. I mentioned PAG and MAG have a separate
20 section of the program, and that's a key collaboration that we
21 do each year.

22 And then as I said earlier, the last two bullet
23 points on this slide is that we have two distinct programs for
24 the ADOT part of the program, the five-year construction
25 program, which we call fiscally constrained, meaning that we

1 limit the amount of funding that we put in that program to the
 2 revenues that we have predicted that we would get over the next
 3 five years, and then our development program, which looks at the
 4 next five years, and that's what we call financially
 5 constrained, meaning we have a reasonable expectation of
 6 receiving those amount of revenues, but since it's a little
 7 further out, we're not as specific as in the five-year program.

8 So how do we select projects that we prioritize
 9 and then place in the program? Well, the first element is our
 10 federal legislation that we're operating under, which is called
 11 MAP-21. This was passed in October of 2012. It informs us to
 12 look at certain goals that the nation has for highway funding,
 13 including safety, the condition of our infrastructure, the
 14 mobility of freight around the state and environmental
 15 sustainability. So we have a process that looks at those items
 16 and actually has criteria that we look to to projects to put
 17 into the program, and that's what that final bullet on this
 18 slide describes our Planning to Programming linkage process
 19 where we identify projects. We compare them to criteria and
 20 then nominate the highest priority projects for the program.

21 So a little information about the Planning to
 22 Programming process. It really is identified in our long-range
 23 plan, which is the 20-year vision that the state has for how we
 24 fund transportation projects. This graphic represents the
 25 process that the long-range plan instructs us to follow as we

1 identify projects and put them into the construction program.
 2 On the far left, you can see all of the ideas that people can
 3 provide us for projects, the needs around the state for
 4 transportation improvements. Each dot represents a single
 5 project. We then divide those into different categories that
 6 the long-range plan has instructed us to do. Those categories
 7 are first modernization, expansion and then preservation and
 8 other non-highway projects.

9 Modernization is the category that really focuses
 10 on a lot of safety improvements to our facilities and also
 11 improving the facilities without expanding the capacity. Some
 12 examples on this slide are about adding shoulders or
 13 straightening curves on a highway without adding more lanes.

14 The expansion category is truly that, projects
 15 that expand the facility by adding lanes or new facilities along
 16 -- around the state.

17 And then the preservation program is to preserve
 18 the system that we have, improve the conditions of our assets.

19 We then take those projects and those categories,
 20 do some performance scoring to determine which are the highest
 21 priority for the state, and then we prioritize the funding for
 22 those projects that are the highest priority around the state.

23 So the goal with the P to P link process is to
 24 provide a performance-based process that links the planning of
 25 the transportation system for the state to the funding that we

1 have available and funding those projects that are of the
2 highest priority.

3 In concept, this process looks like this, where
4 at the bottom of this screen is system performance. We first
5 look at how is our system performing and what type of projects
6 could help us improve that performance of the system. And then
7 on a yearly basis, as we are doing today, we evaluate those
8 projects and put those of highest priority into our delivery
9 program, which is the first five years, and then those longer
10 range vision projects into our development program, which is the
11 second five years, or our six through ten program.

12 So with this process being -- the foundation of
13 this process being system performance, one of the key parts of
14 that performance is what is the condition of our assets? And so
15 I do want to give a little overview of the condition of our
16 assets and how we track that and the type of data that we use to
17 select projects for the five-year program.

18 Each year we identify the value of the
19 transportation system that currently sits out there in the state
20 and how much value we are providing the public with this
21 transportation system. The system this year has been valued at
22 19.7 billion, or nearly \$20 billion worth of investments that we
23 put out for the public's use. However, we need to really focus
24 on preserving these assets. If we don't preserve these assets
25 and keep them in good state of repair, we predict that to come

1 back out and replace them once they have lost their condition,
2 it would cost over \$200 billion to replace these existing assets
3 that we have out there today.

4 So preservation of the system is a very high
5 priority for the staff here at ADOT, and you'll see that we have
6 a lot of focus in our five-year program on preservation, and
7 really, it makes sense. If you think about your car and you
8 don't ever maintain your car and change the oil and tune up the
9 engine, then ultimately it's going to cost you more money in the
10 long range, and that's the same thing with preservation of our
11 transportation system. If we don't pay attention to
12 preservation, at the end of the day it will cost us more to come
13 back and do major improvements to the system instead of minor
14 preservation projects that's -- to keep it in a state of good
15 repair.

16 So this is an example of some of the data we look
17 at when we think about how is our system performing and what
18 condition is the system in. This is the bridge conditions of --
19 around the state. These are all the bridges that we have on the
20 state highway system. This is only the state highway system.
21 It doesn't include local roadways. And you can see that we
22 prioritize them in good, fair and poor condition, and we're
23 happy to say that only 5 percent of the system is what we --
24 bridges are what we consider poor condition. And that's really
25 where we can focus on our -- our attention on preservation of

1 the bridges around the state and put those bridges into the
2 five-year program, those ones that are on the poor list or on
3 the fair list that need some attention.

4 Here's some examples of some of the projects that
5 the board has approved in the past, and we finished this last
6 fiscal year. This is a bridge on State Route 186 that was in
7 poor condition because of a drainage issue, and you can see the
8 before -- the before pictures and then the improvement that's
9 been made, and now it's considered in good condition.

10 Here's another example of a project that we just
11 recently finished on State Route 77. You can see the condition
12 of the deck before, and then there was a deck replacement done.
13 One thing do I like to highlight on this project is you can see
14 that even though the focus of the project was a deck
15 replacement, there were also some improvements made to the
16 roadway at the same time. You see shoulders added and up-to-
17 date bridge rails put on the bridge.

18 And here's a last example of a bridge project
19 that's in -- was in our preservation where actually, in this
20 case, the entire bridge was removed and a brand-new bridge was
21 put in its place on State Route 87.

22 Another way we look at our asset conditions is we
23 look at trends, and this happens to be the condition of our
24 pavement around the state from 2003 to 2014, and on the left you
25 see the interstate highway system around the state and the

1 condition, with green being good, yellow being fair, and red
2 being poor again. And you see that we've put a lot of attention
3 to keeping the condition of our interstate system at a -- in the
4 good range. Over 90 percent of the interstate system is what we
5 consider good -- excuse me -- good pavement condition. However,
6 with the limited funds that we've had, we've had to -- and the
7 focus that we put on the interstate system, we see that the
8 non-interstate pavement condition, we're losing ground, and the
9 trend is that more and more of the non-interstate system is in
10 the poor pavement condition, and that really sets the stage for
11 us focusing more on preservation in our five-year construction
12 program.

13 Here's an example of what we mean by pavement
14 preservation. You can see this project on State Route 85 that
15 was recently completed. The condition of the pavement before
16 the project was done, and then the condition of the pavement now
17 that it's been preserved.

18 So in this five-year and ten-year program that
19 we're presenting today, this is the left of preservation that's
20 being proposed in the program that's out for comment. And every
21 once in awhile we get together with our internal staff to
22 determine what is the optimum amount of funding that we should
23 be spending each year to continue to maintain our transportation
24 system in the same overall condition that we have it today. And
25 that number, according to our internal staff, is -- today is

1 \$260 million per year should be spent on our existing
2 transportation system to keep it at the same state of condition
3 that it is in today.

4 And as you see with the program that we're
5 proposing over the next 10 years, we don't attain that amount of
6 spending until 2024, and there's an effort in this five-year
7 program and then the six through ten-year development program to
8 continuously increase that spending on preservation so we get to
9 that level and hopefully maintain that level at -- into the
10 future.

11 So with that, I will highlight specifically the
12 five-year highway delivery program, which is the state highway
13 program outside of Maricopa and Pima Counties and the funding
14 that is earmarked for that.

15 So another piece of information that we get from
16 our long-range plan is how much we should be spending in each of
17 these investment categories that I mentioned before,
18 preservation, modernization, expansion and non-highway modes.
19 And you can see there that the long-range plan recommends that
20 in preservation, we should be spending in the range of about a
21 third of our program in that category, another third or so in
22 modernization, and the rest in expansion and non-highway modes.

23 This ten-year -- this five-year program that
24 we're presenting today is actually divided up, as you see on the
25 right side of the screen, with 29 percent of the program being

1 dedicated to preservation, 12 percent in the modernization
2 category, and 59 percent in expansion. And you can see some
3 difference between what this program proposes and the
4 recommended investment choice from the long-range plan.

5 I did highlight preservation, that we are
6 consistently increasing the amount of spending we spend on
7 preservation, and you can see we're a little behind the
8 recommendation, but we are trying to catch up with the increased
9 spending that we're proposing. The expansion element of this
10 five-year program, much of that -- those projects are located in
11 the Maricopa County and Pima County areas where they have
12 dedicated funding sources that are dedicated to certain
13 projects, and most of those projects are in the expansion
14 category.

15 So with that -- those voter-initiated funding
16 sources, we have to keep that commitment and continue to put
17 that funding towards expansion projects in those areas. And
18 that's what -- excuse the pie chart a little bit -- with 59
19 percent to expansion.

20 So now if we just talk about Greater Arizona,
21 this is outside of the Maricopa and Pima County areas, the rest
22 of the state, and you see the funding that is proposed in the
23 different categories in Greater Arizona. There's a lot more --
24 there's a lot of mileage of highways out in Greater Arizona that
25 need to be maintained, and a lot of that increased spending that

1 we're proposing on preservation happens in Greater Arizona.

2 So you see 68 percent of the program in Greater
3 Arizona is dedicated to preservation, 24 percent modernization.
4 Again, that modernization category really focuses on safety
5 improvements and minor improvements to highways around the
6 state, and then that leaves us with limited funding in that
7 expansion category where the ability to do major expansion
8 projects around the Greater Arizona part of the state is limited
9 because of the large focus on preservation and the safety
10 program.

11 This is a graph a bar graph that shows it in a
12 different format. Here on this graph, you can see the green
13 part of the funding is what's dedicated towards preservation
14 each year from 2016 to 2020. The red part of the graph is that
15 modernization program or a lot of focus on safety improvements,
16 and then the blue part -- the light blue part of the graph is
17 the expansion program. That's the amount of money that's left
18 over after preservation and modernization that's available for
19 these expansion projects around the state. The other colors you
20 see at the bottom of the graphs are the amount of funding that
21 ADOT needs to develop these projects such as design and
22 environmental review and the planning activities that go into
23 identify the scope of these projects.

24 With that said, this is a map that shows all the
25 preservation projects that are proposed over the next five years

1 around the state. Not expecting people to see every -- the
2 detail of every project, but the intent here is to show that we
3 are focus on preservation throughout the state in different
4 areas. There's preservation along the interstate system and
5 also a preservation project proposed on the non-interstate
6 system. On the left of this slide you do see examples of what
7 those type of projects are, mostly pavement preservation and
8 bridge preservation projects. And then this is an example list.
9 It's not every list that's included in the five-year program.

10 The second part of the five-year program is the
11 modernization program. Again, the map on the right is intended
12 to show that we are focusing on safety improvements and
13 modernization improvements throughout the state on interstate
14 highways as well as non-interstate highways, and then the graph
15 or the table on the left shows examples of what some of those
16 projects are. And you can see the type of work that we include
17 in the modernization program such as construct shoulder
18 widening, safety improvements, constructing roundabouts. One
19 project to highlight there installs DMS signs or those variable
20 message signs that give you information about accidents ahead or
21 weather conditions.

22 And then the last part is our expansion program,
23 and you can see the dots on the map show that very few -- there
24 are a very few number of expansion projects that we're proposing
25 in the five-year program. You can see that the State Route 260

1 project is that light blue dot near Camp Verde, which is a
2 project that widens State Route 260 from a two-lane road for a
3 section to a four-lane divided road.

4 You see the purple dot in the City of Maricopa,
5 the Union Pacific Railroad crossing project, which is included
6 in the five-year program and is phased over several years, where
7 right-of-way and design is part of the 2016 program. And then
8 in 2020 the full construction of that program.

9 The dark blue dot here near Prescott is the
10 further improvements along State Route 89A from Depot Ranch Road
11 to -- excuse me -- there are improvements along 89, from 89A to
12 Depot Ranch Road, and it would be the continuation of the
13 project that you see under construction today between Chino
14 valley and Prescott, and that will be the last phase, and that's
15 proposed in year 2017 as a construction project.

16 So the summary of the tentative -- the five-year
17 program in Great Arizona, some of the larger projects that you
18 see, State Route 260, as I mentioned, and 347 in the City of
19 Maricopa. Other projects that are highlighted here, State Route
20 189, which is that highway from the Mariposa port of entry in
21 Nogales to -- that connects to Interstate 19. We have design
22 funding for that project to continue its development. US-93 at
23 King Springs, the design of that project is proposed in 2019.

24 So with that I'll move on to the -- what we call
25 the development program or the next five years, years six

1 through ten. This would be year 2021 out to 2025. And again,
2 to keep that level of preservation to the point we believe we're
3 maintaining our system adequately, 67 percent of this part of
4 the program is dedicated to preservation, another 16 percent to
5 modernization or those safety focused projects, and then that
6 leaves a chunk of funding for expansion projects at 17 percent
7 from 2021 to 2025.

8 This is, again, a bar chart that highlights the
9 division of the funding that we anticipate over those five
10 years, which is in the range of \$400 to \$450 million a year that
11 we have to put on to the state highway system over those five
12 years. The green part is the amount that we intend to put
13 towards preservation. The red area for modernization, and then
14 the blue area are those expansion projects.

15 And you can see on the top of this chart those
16 expansion projects that we are thinking of implementing over
17 these five years. State Route 189 from the port of entry to
18 I-19 down in the Nogales area, we anticipate a \$64 million
19 construction project in the year 2021. And then the next two
20 years, in 2022 and 2023, there are a couple projects that we
21 propose along Interstate 10 between Phoenix and Tucson. SR-87
22 to Picacho, which is one of those sections that hasn't been
23 widened out to six lanes, an \$85 million project in the year
24 2022, and I-10 Earley to I-8, which is in the Casa Grande area,
25 a \$40 million project for construction in 2023.

1 And then the next two projects in this
 2 development program are along US-93 in 2023 and 2024. US-93
 3 Carrow Stephens, a \$31 million construction project, and then
 4 US-93 King Springs, \$31 million projects. Each of those
 5 projects are in the area between Wikieup and I-40 as you
 6 approach Kingman. And then the last expansion project in the
 7 10-year program is State Route 260 Lion Springs, which has been
 8 mentioned earlier, a \$45 million construction project in the
 9 year 2025.

10 Now I want to focus on the Tucson metro area or
 11 the Pima Association of Governments program. Much of this
 12 program is dedicated towards expansion projects. You see the
 13 pie chart there on this chart. 94 percent of the projects in
 14 the Tucson metro area are in the expansion category, and you see
 15 some of the examples on the list on the left. Ina Road TI, it's
 16 an interchange along Interstate 10, Houghton Road interchange,
 17 Ruthrauff interchange, Country Club interchange, they're all
 18 expansion improvements on interchanges on our interstate highway
 19 system.

20 Some of these projects can't be completed in just
 21 one year, so they're phased, and you see on this list that such
 22 as the Houghton road TI, it's in 2016 and 2019, because certain
 23 elements are in -- are proposed to be completed in one year, and
 24 the rest of the project in a future year. And this table is an
 25 example of the information you can find in the five-year program

1 about how some of these projects are proposed to be phased.

2 You see the first one on this table, Ina Road
 3 interchange along Interstate 10, is proposed to be constructed
 4 over the year 2016 and 2017. The five-year program also
 5 highlights where the funding comes from, and in this case in the
 6 Tucson area, there's local funding that is being contributed to
 7 these projects. That first line on this table, you see listed
 8 as RTA. That is local funding that the half cent sales tax in
 9 the Tucson area is contributing to that project.

10 Next is the Phoenix metro area projects or the
 11 Maricopa Association of Governments area. Again, a lot of focus
 12 on the expansion of the highway system. 97 percent of the
 13 funding that is proposed in the Phoenix metro area is to
 14 expanding the highway system, and the largest project of note is
 15 the first line on this slide, the South Mountain Freeway, SR
 16 loop, 202 loop, which would connect I-10 in the Chandler area to
 17 I-10 in the Tolleson area, and that's a \$1.48 billion project in
 18 this five-year program.

19 Again, some of these projects are phased over
 20 multiple fiscal years, and funding comes from local sources and
 21 federal sources. So that first project that you see on the list
 22 there, I-10, some improvements along the Broadway curve, part of
 23 it is what we call MHPP funding. That's a federal funding
 24 source. But then the other part of the project is from the
 25 regional freeways program, which is the half cent sales tax in

1 Maricopa County.

2 The last part of the program that I want to
3 highlight is the aviation program. This is how the -- we are
4 intending to spend the aviation fund that comes to the DOT each
5 year. And the aviation fund is a fund that the board
6 distributes moneys appropriated to the department from the
7 state, state aviation fund, and then the board shall distribute
8 these moneys in accordance with the needs of the facilities, and
9 therefore we're making a recommendation on how the board divides
10 up those moneys over the next fiscal year.

11 So where does the revenue in the state aviation
12 fund come from? Well, these are all the different sources, but
13 the two large ones, you can see, is that light blue called
14 flight property tax, or the taxes that the individual airports
15 pay towards the fund; and then the other, the large red area, is
16 aviation registration fees. So when a person registers their
17 airplane, gets a license for it, they pay a fee, and that goes
18 into the state aviation fund.

19 Where did the funds that were deposited in the
20 aviation fund go last year? Well, that's what this pie chart
21 shows. Much of the funding is that first light blue area, which
22 is the Aviation Pavement Management System, or APMS, and again,
23 this is the preservation part of the airport system to keep the
24 runways up-to-date, in good repair, and you can see a lot of the
25 funding goes towards that.

1 That purple part of the pie is operating costs
2 that go to the Grand Canyon Airport, which is an airport that's
3 actually owned by ADOT, and you can see the proportion of the
4 funding that needs to go to operate that airport.

5 So over the next fiscal year, this is the
6 proposal for where the aviation program would be distributed to.
7 Much of the aviation improvement projects are done with federal
8 grants, so there's a state match for those grants, and that
9 first line is how much we intend to match federal grants with
10 state money. Then we have a state/local grant program for our
11 airports. The third line there is how much we intend to go to
12 preservation of our runways and taxiways, and then the last part
13 is how much is dedicated to planning the future improvements for
14 airport.

15 With that, I just want to go over the next steps
16 on the approval of this five-year program and all the other
17 elements that I highlighted. This is the last public hearing
18 meeting. We've have had one in March in Tucson. We had a
19 meeting in Phoenix in April, and now this is the last public
20 hearing on the five-year program. This will conclude with a
21 study session May 26th where the board will review all the
22 comments and proposed changes in the program, and that is also
23 the day that we conclude the public comment period. So if the
24 public would like to continue to give us comments on the
25 program, we will be taking those comments until May 26th.

1 Then we will present the final program to the
2 board in June at the meeting in Pinetop, and then the hope is
3 that the governor would sign the final program by June 30th so
4 we can start implementing those projects first thing next fiscal
5 year, which starts July 1st.

6 With that, that is all that I had about the
7 overview of the five-year program. I would be happy to answer
8 any questions.

9 CHAIRMAN ANDERSON: Any question for Mr. Kies?

10 MR. BOSCHEN: I do have a quick question. Is
11 this on?

12 CHAIRMAN ANDERSON: Yes.

13 MR. BOSCHEN: How do you avoid revenue
14 projections into the matrix of a five-year plan, and how are
15 they looked at?

16 MR. KIES: I would -- the question is how would
17 we determine the revenue that goes to the five-year and how are
18 we looking? Would you like to address that?

19 MS. WARD: I can address that.

20 MR. KIES: So our chief financial officer will be
21 giving a financial report as a future item on the agenda, and
22 she'll cover it at that time if that's okay.

23 MR. BOSCHEN: That's perfect.

24 CHAIRMAN ANDERSON: Any others? Bill? Pliny?
25 Any questions?

1 MR. DRAPER: No. (Inaudible).

2 MR. CUTHBERTSON: No questions from me.

3 CHAIRMAN ANDERSON: Motion to move out of the
4 executive session to the hearing process?

5 MS. BEAVER: So moved.

6 MR. LA RUE: Second.

7 CHAIRMAN ANDERSON: Moved by Ms. Beaver, second
8 by Mr. La Rue to adjourn from the public hearing on the
9 2016-2020 Tentative Five-Year Transportation Facilities
10 Construction Program.

11 All in favor?

12 BOARD MEMBERS: Aye.

13 CHAIRMAN ANDERSON: Opposed?

14 UNIDENTIFIED SPEAKER: Aye.

15 CHAIRMAN ANDERSON: All right. Now we're into
16 the regular session, and I do have one call to the audience.
17 Gary Beverly.

18 MR. BEVERLY: Thank you for allowing me to speak
19 late.

20 My name's Gary Beverly. I'm a local resident
21 here for 40 years, and I'm speaking for the Sierra Club. The
22 Grand Canyon chapter of the Sierra Club was formed 50 years ago
23 for the express purpose of protecting the Grand Canyon. We are
24 deeply concerned of the addition of the airport upgrades for the
25 Grand Canyon Airport. In listening to these other people speak,

1 we -- obviously there's a money issue. You need more money.
 2 Here's a spot where you can pick up \$2.3 million from an
 3 unnecessary project and put it to worthy projects, to improving
 4 traffic flow and other public facilities throughout the state.

5 We are -- by the way, I'm also the chair of the
 6 local group of the Sierra Club here, and we have about 650
 7 members. We're all very concerned about this. Protection of
 8 the Grand Canyon is one of the top priorities for over 35,000
 9 people that we communicate with in the state of Arizona. That's
 10 a lot of people. This is a serious issue. We do not want
 11 anything to (inaudible) the continued character of the Grand
 12 Canyon, and this project does. Grand Canyon is trying to
 13 preserve night skies, yet this ADOT plan, it's going to put
 14 airport lights in there and contradict that. Here you've got
 15 government, national park service trying to do one thing. We've
 16 got ADOT working in the opposite direction. The right hand
 17 doesn't know what the left hand is doing. This is not good
 18 government.

19 How about air pollution? You've got the EPA
 20 addressing regional haze issues in the Grand Canyon, imposing
 21 air pollution controls on local coal-generated fire --
 22 coal-fired power plants, big, expensive project, yet you're
 23 going to put in jet commercial service in the south rim of the
 24 Grand Canyon and increase air pollution. You got government
 25 working, right hand, left hand, doesn't know what the other hand

1 is doing. That's not good government.

2 We've got commercial interests in Flagstaff and a
 3 commercial airport there that provide visitor services to the
 4 Grand Canyon. You're going to harm those by building up the
 5 Grand Canyon Airport.

6 (Inaudible) the airport there will increase
 7 development population in the south rim of the Grand Canyon.
 8 The Grand Canyon National Park does not want that, doesn't have
 9 the funds to handle the infrastructure and maintenance that will
 10 be required from that. And so once again, right hand and the
 11 left hand aren't communicating. This is not smart.

12 And finally, some of us look upon this airport
 13 expansion as being basically a subsidy for a foreign developer
 14 to come in and greatly increase commercial impacts on the south
 15 rim of the Grand Canyon. There's a project there, the Canyon
 16 forest village was -- been a controversial issue for over a
 17 decade, and it's been turned down several times. Yet here you
 18 go bringing in a large scale commercial jet service to this
 19 area, which basically facilitates this developer's expansion
 20 points. This is not good use of public money. It's not good
 21 public policy.

22 And then there's the water issue. More wells,
 23 more development on the south rim. The water's going to come
 24 from someplace. There's no identified water source. Deep wells
 25 that penetrate the Mauv aquifer will pull water from seeps and

1 streams on the Grand Canyon south rim. They will diminish the
 2 flow to the Havasupai Nation, and there's, I think, some serious
 3 potential legal issues that can be caused by this. So don't
 4 rush -- don't do this. Take that money, do something useful for
 5 it. Put in some wild life mitigation someplace. Put in some
 6 bypass. Fix some roads that are dangerous to people.

7 Thank you.

8 CHAIRMAN ANDERSON: Thank you, Mr. Beverly.

9 District engineer's report, Mr. Stump. As
 10 always, it's nice to be in your area, neck of the woods.

11 MR. STUMP: Well, good morning, Mr. Chair and
 12 board. I'm going to do a quick run around the district starting
 13 in 87.

14 UNIDENTIFIED SPEAKER: (Inaudible),

15 MR. STUMP: This is the 87 truck escape ramp
 16 south of Payson about 25 miles. It's pointing down. It should
 17 be complete here in the next -- well, by the middle of June.
 18 Next week we'll have both or all four lanes opened back up, and
 19 then the rest will be done by the middle of June. The
 20 contractors had a little bit of a challenge finding a few
 21 truckloads of marble to fill up the rest of the bed on the
 22 escape ramp, but we're getting there.

23 So -- and moving on to the 260, we're moving
 24 along. Next week we have a public information meeting on the
 25 Thousand Trails/I-17. We're starting to have utility

1 coordination meetings, and also looking at right-of-way at this
 2 issue.

3 On 93 you see the world's largest pair of spurs.
 4 That's built in the new Wickenburg Ranch roundabout (inaudible)
 5 spring here.

6 On our widening project, on 93 south of the SR-71
 7 interchange, we're getting to the point where we're just about
 8 done with all of the box structures, and then we'll be really
 9 starting to take shape with that project. We expect that will
 10 be done in November, with the exception of placing the friction
 11 core. So that will probably have to be done in the spring.

12 And then a little update on the Wickenburg Ranch
 13 development. Their next step is to build the roundabout on 89
 14 at their entrance there. That's going to be happening this
 15 year, and then we're also continuing discussion with them about
 16 advancing the 10 million of contribution for mitigating their
 17 impact on 93 to move that forward. Basically, it would cover
 18 the 89/93 intersection and about a mile of 93 going south, be
 19 the northern part of the GAP project. And then we're also
 20 looking at still getting a minor project extended about another
 21 six-tenths of a mile, which would get us close to Vulture Mine
 22 Road, basically connecting -- having four lanes between Vulture
 23 Mine and 89. And then we're also on the south end of the GAP
 24 project, having some discussions with the Town about some
 25 funding ideas to construct the roundabout at Rincon Road as well

1 as connecting, you know, four lanes between there and the
2 (inaudible) roundabout.

3 And then moving over here locally, obviously
4 we've got the 89 widening, and then we also on the north end of
5 town have the road 4 north roundabout. Both of these projects
6 will be completed in the summer, and then also as Norm mentioned
7 earlier on 69, the Town's project for the Enterprise Parkway,
8 which includes the signal on 69. That's going to be opening and
9 complete soon.

10 And then we expect to advertise the Perkinsville
11 roundabout here in the near future. And this is -- the
12 Perkinsville roundabout.

13 And then the upper right-hand corner is our
14 maintenance yard, which we're continuing to talk with the town
15 of Chino about a P3 project that would relocate our yard.

16 Yes, sir.

17 UNIDENTIFIED SPEAKER: This is foolishness, in
18 the building of the roundabout, the traffic circles are way too
19 small. They're -- you can go right down over here and watch the
20 -- look at the truck tracks. They come up over the curb. I
21 mean, I've got pictures here that I've taken. Somebody needs to
22 -- you know, to be really talked to about how to build traffic
23 circles. I've driven in traffic circles most of my life back in
24 New England, over in Scotland, over in Amsterdam, and these
25 things right here --

1 MR. SELLERS: Sir.

2 UNIDENTIFIED SPEAKER: -- I don't know who
3 designed this, but they really need to --

4 MR. SELLERS: Sir.

5 UNIDENTIFIED SPEAKER: -- sit down and have a
6 talking to.

7 MR. SELLERS: Let's (inaudible).

8 UNIDENTIFIED SPEAKER: I'm out of order, but --

9 MR. SELLERS: We need to let Mr. (Inaudible)
10 taken in consideration. Thank you.

11 MR. STUMP: Just to speak --

12 UNIDENTIFIED SPEAKER: Let me know when we can
13 bring comments up and -- us regular people.

14 MR. STUMP: Just to speak real quick to that
15 comment, though, the inside apron is designed for trucks to run
16 over it, and these are designed for semi trucks to be able to
17 stay in lanes while moving through it. But they do have to --
18 if they are on the inside lane, have to track over the apron,
19 but that is what it's designed for.

20 This is just a concept of the Enterprise Parkway
21 project that the Town of Prescott Valley has done, and see where
22 the signal is, which this is going to open up their development
23 there.

24 As far as what we've got in the works for
25 development in the near future, as Norm mentioned, we got the

1 multi-use path coming up this summer. We will also be
 2 advertising two important intersection projects on 169, both at
 3 Cherry Road and Old Cherry and Orme Road. These are
 4 partnerships with Yavapai County to get them done. We're very
 5 appreciative of them, because both of them are expensive
 6 projects with the drainage work that's involved, and we couldn't
 7 have get -- got them done without their help.

8 Later this year, we'll be advertising the Main
 9 Street signal in Dewey, and so get that one done. And then
 10 we're also continuing on with the development of the Deep Well
 11 Ranch Road, SR-89A project. That's the last segment on 89, in
 12 partnership with the City and County on the Willow Creek Road
 13 re-alignment project.

14 In the orange, that's the City and County's part,
 15 which they're getting close to completing the design and expect
 16 to be going to construction this fall. Our project in blue,
 17 which will be continuing in design, and it will be in fiscal
 18 year 17. So it will -- about the time they're done with their
 19 project, we'll be about ready to start up ours, so that will
 20 help with the just -- concept of the Prescott Valley multi-use
 21 path. You can see what it does for connecting the community
 22 from the southern part all the way up to 89A.

23 There's also -- when we built the Viewpoint
 24 interchange, we put a box there so this could in the future be
 25 extended beyond, up north into the (inaudible) and Viewpoint

1 developments, too.

2 Lastly, we're completing the Black Canyon City to
 3 I -- or 69 widening study. The preferred alternative, which is
 4 to do the entire project, is about \$500 million. And so looking
 5 at the price tag of that, we -- before we completed the study,
 6 we wanted to look at some more viable options, something that we
 7 could do in the near term that could provide some benefits, and
 8 what we came up with was a two-lane reversible facility built
 9 adjacent to the existing southbound lanes that could be used for
 10 either directions. For example, on Friday afternoons, it could
 11 be used for the northbound traffic. Sundays, it could be used
 12 for the southbound. And then when we do have our incidents
 13 where we have to either close one or two lanes for a certain
 14 period of time, we can keep traffic moving. And that's about
 15 \$120 million.

16 This is a simulation that -- a couple pictures
 17 that we'll have posted on our web site at some point, but you
 18 can see the upper left one is a view from what it would look
 19 like from about Sunset Point heading south, and then the lower
 20 right is from Black Canyon City heading north.

21 So that's just another option. We'd also looked
 22 at just a climbing lane going northbound, but that doesn't serve
 23 southbound, doesn't help with the incident management. So we
 24 felt this is a viable alternative that could be done over a
 25 couple of years.

1 So with that, that's all I have. Take any
2 questions.

3 CHAIRMAN ANDERSON: Questions for Mr. Stump?

4 UNIDENTIFIED SPEAKER: Yeah, we do. Let me talk
5 to later.

6 CHAIRMAN ANDERSON: Mr. Stump, on behalf of the
7 board, please relay on to your staff and crew that we appreciate
8 all the hard work you do up in your district.

9 MR. STUMP: Thank you. I will.

10 CHAIRMAN ANDERSON: Before we move on, I just
11 wanted to entertain the gentleman's comments. In our agenda, we
12 have a specific order of items, and first off is the call to the
13 public, and you'll have to at a future meeting fill out a
14 speaker card and, you know, have the opportunity to talk on any
15 subject. Mr. Stump --

16 UNIDENTIFIED SPEAKER: (Inaudible) a comment
17 card.

18 CHAIRMAN ANDERSON: That's okay. Mr. Stump,
19 could you meet with the gentleman after the meeting to talk with
20 him and --

21 MR. STUMP: Sure.

22 CHAIRMAN ANDERSON: Great. Thank you.

23 Moving on, director's report. Floyd.

24 MR. BIESTY: I was going to say something but I
25 won't.

1 Mr. Chairman, members of the board, a few of the
2 items I was going to discuss have already been covered. The
3 announcement of Michael Kies as the new MPB assistant director.
4 And also on behalf of Director Halikowski, I want to welcome
5 Mr. Draper to the board and relay that Director Halikowski and
6 his staff look forward to working with you. But other than
7 that, sir, I don't have anything to report.

8 CHAIRMAN ANDERSON: Okay. Move on to the consent
9 agenda. We do have an Item 3L, which staff would like to pull.
10 Are there other items from consent which anybody would like to
11 have set aside for individual discussion?

12 Ms. Beaver?

13 MS. BEAVER: Chairman, it's not because I'm in
14 disagreement or agreement on it. It's just I would like to have
15 a little better understanding of it, and it's Item 3I. I would
16 just like to kind of understand the CMAR contractor and...

17 CHAIRMAN ANDERSON: We'll pull that discussion
18 individually.

19 MS. BEAVER: Okay.

20 CHAIRMAN ANDERSON: Any others?

21 Board's pleasure on the item -- our consent
22 agenda item, less 3L and 3I?

23 MR. LA RUE: So moved.

24 MR. SELLERS: Second.

25 CHAIRMAN ANDERSON: Moved (inaudible) by Mr. La

1 Rue, seconded by Mr. Sellers to approve consent agenda, less 3L
2 and 3I. Discussion?

3 All in favor?

4 BOARD MEMBERS: Aye.

5 CHAIRMAN ANDERSON: 3L, Commissioner Boschen.

6 MR. BOSCHEN: Mr. Chair, Ms. Beaver, Black
7 Mountain Parkway, this is the second project that we're doing.
8 The first phase has already been completed. That was completed
9 last year. It goes right by Pinnacle High School, and for the
10 most part, it was an arterial street improvement. So that was
11 the first phase. Same contractor through the CMAR process.

12 What we're looking at awarding today is the ramps
13 that go over 101 from SR-51. So there's two ramps, both the
14 northbound ramp and a southbound ramp that will come from Black
15 Mountain Parkway. And one of Alvin's favorites, we're going to
16 have a roundabout right at the terminus with Black Mountain
17 Parkway. So that's the scope of what the project involved. It
18 is in the MAG region.

19 Be happy to answer any other questions.

20 MS. BEAVER: And this is for 3I, not for
21 (inaudible).

22 CHAIRMAN ANDERSON: Yeah.

23 MS. BEAVER: Chair, I kind of -- could you just
24 for my benefit where I could better understand what the CMAR
25 contractor, what exactly that is and then also the bidder DBE

1 pledge, that that was where the amendment came from?

2 MR. BOSCHEN: Sure. So from a CMAR contractor,
3 that's one of our alternative delivery methods. So we either
4 have a design build or a contract manager and risk. So it is an
5 alternative delivery method compared to low bid or how we
6 usually bid our projects. What it allows us to do is have both
7 the designer and a contractor on board to co-develop the project
8 so that we can get what's kind a GMP, a guaranteed maximum
9 price.

10 On this project, we got to close enough, within
11 10 percent of the estimate, so we felt comfortable moving
12 forward with this contractor. In terms of the DBE pledge -- and
13 Lynn, I don't have the amendment, because I know that we do have
14 the DBE pledge. I have TVV on there.

15 UNIDENTIFIED SPEAKER: It's 15.25.

16 MR. BOSCHEN: Okay. So they went over their DB
17 -- or the DB requirements that you're required.

18 CHAIRMAN ANDERSON: Mr. La Rue.

19 MR. LA RUE: If I could follow up, help you.

20 So a CMAR, where -- there's some design that's
21 happened before you actually enter into the CMAR. How far along
22 is the design before that contract is put in place?

23 MR. BOSCHEN: Mr. Chair, Mr. La Rue, we get to
24 about 15 or 30 percent design. Then we bring the contractor on
25 board. So again, it's a very co-developed design. So there's

1 no arguments about quantities later. It really helps reduce our
2 change orders going through the CMAR process.

3 MR. LA RUE: Versus a design build, that's where
4 there's, like, very little design, and you're starting that with
5 the team up front, just trying to explain the differences in the
6 contracts.

7 MR. BOSCHEN: Mr. Chair, Mr. La Rue, that is
8 correct. The design build, you're starting from scratch with a
9 design build team, and we kind of have a two-legged stool where
10 we have the owner, if it's a ADOT or a municipality, and we have
11 a design build team. Where we have a CMAR, we have actually
12 have the owner, us as ADOT, we have our own designer, and then
13 we also have the contractor all working together. CMAR is one
14 of the -- again, alternative (inaudible) methods that we use.

15 MR. LA RUE: And Mr. Chair, if I may, then if you
16 contrast that with a hard bid, that's where the design is
17 completely done, you put it out for bid, but then if you have
18 construction pickups with the design, you interchange orders and
19 end up pointing fingers. So these are just different ways to
20 deliver projects and try to do it more efficiently.

21 MR. BOSCHEN: So Mr. Chair, Mr. La Rue, let me
22 add one more thing. From a design build perspective, that's
23 where we really have all the scope nailed. We will want to go
24 down the CMAR path when there is some complexity to the project,
25 if there's some unknowns. And that's where getting the two

1 together to work on it is really a benefit.

2 CHAIRMAN ANDERSON: Questions?

3 For the record, the discussion was on 3I, not 3L.

4 So any further discussion on 3I? Somebody move for approval?

5 MR. LA RUE: I'll motion.

6 MR. HAMMOND: Second.

7 CHAIRMAN ANDERSON: Moved by Mr. La Rue, seconded
8 by Mr. Hammond to approve 3I. Further discussion?

9 All in favor?

10 BOARD MEMBERS: Aye.

11 CHAIRMAN ANDERSON: Opposed?

12 3L, Mr. Boschen.

13 MR. BOSCHEN: 3L. Mr. Chair and board members,
14 we're asking to postpone this project. It is at the port of
15 entry in Parker, and it's a truck screening-type project. We
16 have a additional project or procurement contract that has not
17 moved as far as we needed it to move, and basically what it was
18 was changing a bathroom in the existing port of entry building
19 into a facility so that we can have a rack of servers. That's
20 not moved forward far enough. We do anticipate that we could
21 award this at the June board meeting. So we're comfortable with
22 the bids. We just don't want to get into a situation where we
23 have two contractors not cooperating.

24 CHAIRMAN ANDERSON: So you're looking to postpone
25 until the June meeting?

1 MR. BOSCHEN: Postpone, we recommend postponing
2 until the June board.

3 CHAIRMAN ANDERSON: Ms. Beaver?

4 MS. BEAVER: So moved.

5 CHAIRMAN ANDERSON: (Inaudible).

6 MR. LA RUE: Second.

7 CHAIRMAN ANDERSON: Seconded by Mr. La Rue to
8 postpone the consent agenda Item 3L to the June meeting.
9 Discussion?

10 All in favor?

11 BOARD MEMBERS: Aye.

12 CHAIRMAN ANDERSON: Opposed?

13 Thank you, Steve. Legislative report.
14 Mr. Biesty.

15 MR. BIESTY: Mr. Chairman, members of the board,
16 on the state, state side of the report, there's really nothing
17 to report at this time. As was reported in last month's board
18 meeting, the legislature has adjourned (inaudible). The
19 department is in the process of implementing legislation that
20 was passed that impacts the department, and that's well
21 underway, and we're also looking at options for running bills
22 next year as well. So that's the process we're -- that's
23 underway right now.

24 On the federal level, as has been reported,
25 MAP-21 expires -- is funded through 6/1/15. So June 1st.

1 According to the CBO, about 5 billion is needed to fund through
2 the federal fiscal year, and 11 billion needed through the end
3 of the calendar year. At this point, neither chamber has
4 introduced a bill to extend the June 1st deadline. There's a
5 lot of talk, there's a lot of -- you'll hear a lot of saber
6 rattling. You'll hear a lot of chatter upcoming, but we're
7 pretty confident, as in the -- I think we're up to 27 now
8 extensions, that we'll get at least a short-term extension.

9 The senate, environmental -- the EPW Committee
10 plans to markup a six-year re-authorization bill in June, but
11 that will just lay out policy framework for the next
12 re-authorization. It's up to the Senate Finance Committee to
13 lay out how that would be funded. And you're going to hear lots
14 of ideas thrown out on how to fund transportation, and so we
15 hope that Senate Finance will start entertaining some of those
16 in the near future.

17 Other than that, I have nothing else to report.
18 If you have any questions, I'd be happy to try to answer them.

19 CHAIRMAN ANDERSON: Questions of Mr. Biesty?

20 MR. SELLERS: Mr. Chairman.

21 CHAIRMAN ANDERSON: Mr. Sellers.

22 MR. SELLERS: I'll just comment that Mayor Price
23 and I were part of the Greater Phoenix Economic Council trip to
24 D.C. this week, and one of the things that that group really
25 tried to emphasize is that transportation needs long-range

1 funding to do planning, and hopefully, hopefully we made that
2 message clear.

3 CHAIRMAN ANDERSON: Thank you for your work back
4 there, Mr. Sellers.

5 Any others?

6 Thank you Mr. Biesty.

7 Ms. Ward, you're up.

8 MS. WARD: Good morning.

9 UNIDENTIFIED SPEAKER: Morning.

10 MS. WARD: All right. I have a question that I'm
11 supposed to be addressing in this process. I think we'll get
12 there pretty quick.

13 CHAIRMAN ANDERSON: I will follow and remind you
14 kind of guy.

15 MS. WARD: That's great. I'm allowed to have
16 somebody that doesn't pass out when I get up to come up to the
17 podium.

18 All right. Let's -- have I got the right one?

19 UNIDENTIFIED SPEAKER: No.

20 MS. WARD: No.

21 UNIDENTIFIED SPEAKER: It's the --

22 MS. WARD: It's the mouse?

23 UNIDENTIFIED SPEAKER: Mouse here.

24 MS. WARD: (Inaudible) but when you can, get a
25 multiple choice or you just will fail every time, even if it's

1 50/50.

2 All right. So Mr. Chair and Mr. Hammond, you
3 asked how we are doing compared to the projections that the
4 current program is based on. Well, in FY -- for FY '15, this
5 depicts where we are with our HURF revenue against our
6 projections, and at this point in time, we are 1.2 percent ahead
7 of forecast. So what we consider a reasonable target range is
8 we do not want to be any further than negative 1 percent or
9 greater than 2 percent. So at -- those red lines depict the
10 range that we try to keep our forecasts within. All right?

11 March was a very strong month. We are definitely
12 enjoying the low gas prices year over year. Gas was 3.1 percent
13 above last year -- excuse me -- and is 2.3 percent above
14 forecast. Diesel is also doing quite well, 4.2 percent above
15 last year, and 4.1 percent above forecast.

16 VLT is doing all right, but because of slow
17 growth in the beginning of the year, we're just kind of -- we're
18 still just a little behind forecast.

19 Moving on to RARF, the Regional Area Road Fund is
20 doing well. Again, we are on forecast, just 1 percent above our
21 overall forecast. We had a strong month, 8.6 above last month,
22 with about 32 mil in -- million in revenues. Year-to-date,
23 we've got about 282 million collected, and 4 percent growth
24 year-to-date.

25 Retail is doing quite well, as is restaurant and

1 bar.

2 Contracting continues to be -- continues to be a
3 little weak, although we saw -- you -- one data point does not a
4 trend make, but we had one little -- we've had some little
5 uptick in housing permits and -- in the last month, as well as
6 jobs. We've seen an uptick in jobs.

7 In your packet you'll see in the economic
8 highlights section some references there to and depictions on
9 housing permits.

10 Moving on, Kevin covered the federal aid program.
11 We are awaiting congressional action. And --

12 CHAIRMAN ANDERSON: He's chomping at the bit, so
13 I need to let him ask a question.

14 MR. HAMMOND: I'm just curious. How much in hard
15 dollars does that mean might be available (inaudible)?

16 MS. WARD: Okay. In the -- on -- have to go
17 back.

18 MR. HAMMOND: Just in general.

19 MS. WARD: Okay. Not a lot, sir. So -- because
20 HURF goes through a number of distributions, it's shared with a
21 number of beneficiaries, so even if we get say 1 percent on 1.2
22 billion, that gets spread through a number of beneficiaries.
23 You might get 5 to 10 million out of that that can roll into the
24 program that will then -- we'll program in the subsequent years.

25 MR. HAMMOND: I heard for a couple of communities

1 that's real money.

2 MS. WARD: Yeah. Mr. Chair, Mr. Hammond, point
3 well taken. Sometimes I think I get too caught up in the
4 overall high-level numbers, but yes, I wouldn't be upset if
5 somebody put that in my bank account.

6 Where did we go here? Okay. In terms of our
7 debt -- our financing program, we have capacity in both our HURF
8 credits and our RARF credit. However, those -- we have planned
9 bond issuances that we utilize that capacity, and in particular,
10 the Regional Area Road Fund capacity is forecasted for -- to be
11 used for the South Mountain project.

12 In terms of cash management, what we're doing in
13 terms of getting -- what dollars are we earning on our
14 investment? Well, it's the same sad things that you're earning
15 on your investments. We've got a yield of .71 percent. We've
16 earned \$7.4 million year-to-date.

17 With that, that concludes my presentation. If
18 you have any questions, I'd be happy to answer.

19 CHAIRMAN ANDERSON: Mr. La Rue?

20 MR. LA RUE: Christine, I think one of the
21 questions I heard Board Member Hammond ask, I don't think
22 necessarily be a time to -- to explain today, but maybe at the
23 study session. I think, Mr. Hammond, if I may, I think you
24 asked how do you go about and really formulate an estimate in
25 the program. I know you explained that before. It's really

1 cool blue magic. But I think we probably -- I don't know if you
2 want to hear the information today or wait until the study
3 session, because there is a lot that goes into how they come up
4 with the estimates that are baked into the program, and it's not
5 (inaudible). But I just wanted to remind her that question was
6 on the table.

7 MR. HAMMOND: It's probably complex. It can
8 wait, from my perspective.

9 MS. WARD: (Inaudible).

10 CHAIRMAN ANDERSON: Thank you.

11 MS. WARD: Thank you.

12 CHAIRMAN ANDERSON: Multimodal Planning Division
13 report, Mr. Kies.

14 MR. KIES: Mr. Chair, with all the activities
15 that have been going on with the program and all of the PPAC
16 activities, we didn't prepare a specific multimodal report, but
17 I'd be happy to answer any questions that the board has about
18 any of our activities.

19 CHAIRMAN ANDERSON: Any questions on the NPD
20 activities?

21 Mr. Biesty.

22 MR. BIESTY: Mr. Chairman, I have -- if I may ask
23 the folks who are on the phone, I think we may have a phone
24 that's not muted, because we're getting some beeping, and if
25 your phone's not muted, please mute it.

1 CHAIRMAN ANDERSON: Mr. Cuthbertson, Mr. Draper,
2 the phone (inaudible) on mute.

3 Okay. Moving on to PPAC, Ms. Kunzman, I needed
4 to ask Mr. Kies and Ms. Ward to come up prior to, and we had to
5 make a large PPAC agenda. Some to do with the transfer of money
6 to contingency and deferment of programs, rather than just
7 picking apart individual items on the agenda, we would just hit
8 a broad overview of what's happening at the end of the year.

9 MS. KUNZMAN: That should be fine.

10 CHAIRMAN ANDERSON: Okay. Thank you.

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

12 Yes, there is a lot of activity that our -- the
13 end of our state fiscal year is June 30th, and the May board
14 meeting and then the June board meeting are the opportunities
15 where we make sure that we're in alignment with spending all of
16 our funding that we have available by the end of the fiscal
17 year. So I think Kristine will give an update on how -- what
18 that means from the big picture of rolling money into the
19 contingency, and then I'll cover the PPAC items.

20 MS. WARD: Well, glancing over the PPAC agenda
21 you no doubt noticed that there is a whole bunch of movement
22 coming in and out, and what you are seeing is exactly what Mike
23 referenced, which is we are coming to the end of our state
24 fiscal year, and if you will recall, because we are primarily
25 funded by federal aid, moneys are use or lose. We -- if they do

1 not get expended, they will be turned back over, and I was told
2 at my interview that that is really not a good thing.

3 So what you're seeing is at the end of the year,
4 we kind of get a project shakeout. So major projects that are
5 not yet ready to go will be deferred to a future year, and a
6 major project or some other non-major project from a future year
7 will be advanced into the current year. So you basically are
8 swapping out your projects, but it's all based on project
9 readiness.

10 A second factor that feeds in there is the
11 subprograms. Projects are being developed or evaluated
12 throughout the year, so -- and tend to, unfortunately, they
13 don't deliver and get -- seek authorization evenly throughout
14 the year. So let me see if I can get this. So you guys
15 authorize -- the State Transportation Board authorizes the
16 program, and then ideally, we get a twelfth of that program
17 delivered every month. That's not exactly how it works however.

18 So what happens is you'll see a whole bunch of
19 projects coming in at the end of the year. They're usually out
20 of the subprograms, and those subprogram projects are getting
21 established. That's why you'll see a lot of PPAC activity.
22 They'll call them new projects. They're not new projects in the
23 sense that the board has already approved those amounts. When
24 projects come in over or come in under, you'll also see dollars
25 released, and they flow into the contingency program. And what

1 happens is those projects, as the projects come in over, you'll
2 see activity that says, okay, we're drawing from the contingency
3 program or we're putting dollars into the contingency program.

4 Let me see if I've got -- is that making sense?
5 Did I -- do you have any questions?

6 CHAIRMAN ANDERSON: I think that the -- Kristine,
7 that the bottom line is that whether you move projects in or out
8 or move contingency from those subprograms (inaudible) moving to
9 contingency, you've got to maintain that year fiscally
10 constrained, and you're going to watch or (inaudible) at that
11 last very moment and make sure we're there, right? It keeps
12 that five-year plan whole and the integrity of that plan where
13 it needs to be.

14 MS. WARD: Mr. Anderson, thank you very much for
15 mentioning that fiscally constrained word. Yes, that is exactly
16 what's going on. We are constantly monitoring to, one, make
17 sure that we utilize all the money, but also make sure that we
18 don't over expend.

19 CHAIRMAN ANDERSON: Mr. La Rue?

20 MR. LA RUE: Mr. Chair, what I would ask, and I
21 don't know if we did this last year or not, but at the study
22 session that's coming up, and we're going to talk about the
23 plan, is if we could kind of just get a highlight, because
24 there's a lot of movement. Again, this year there -- I know
25 there's a lot of contracts throughout the year. There was

1 actually a lot of savings.

2 MS. WARD: Uh-huh.

3 MR. LA RUE: There were some overages. I think
4 the savings is really a testament to the different delivery
5 model that, you know, we're doing. But I'd like to just, you
6 know, see how we're using that to advance, because we heard
7 speakers like John Moffatt talk about 189, Steve Stratton back
8 there talking about the -- a couple 93 and 260 and (inaudible)
9 here talking about Wickenburg 93. It's just -- this is really
10 to see how we're using any of that savings, if there's any, how
11 we're advancing and pulling projects and putting it in --

12 MS. WARD: Yeah.

13 MR. LA RUE: -- new locations. So it's probably
14 best at the study session. We're trying to write that up, but
15 I'd like to hear or at least dive into this a little bit deeper
16 at that time.

17 MS. WARD: Very good.

18 Mr. Anderson, Mr. La Rue, just to let you know,
19 Mr. Anderson has requested -- had already requested that I do a
20 full presentation on the contingency subprogram and how that
21 works and how these moneys flow, just exactly what you
22 requested, and so I'm -- it's already on the schedule.

23 CHAIRMAN ANDERSON: Great minds think alike.

24 (Speaking simultaneously).

25 MR. SELLERS: Mr. Chairman.

1 CHAIRMAN ANDERSON: Mr. Sellers.

2 MR. SELLERS: Yeah, another comment in that same
3 vein. One of the things that was talked a lot about in D.C. is
4 how -- if they are successful in repatriating money back to the
5 United States, how those funds would be used, and there was a
6 lot of talk about some of that going to infrastructure, and if
7 that's the case, we want to make sure we have our project, our
8 critical projects ready to go to take advantage of that.

9 CHAIRMAN ANDERSON: Good point.

10 MS. WARD: Thank you.

11 CHAIRMAN ANDERSON: Thank you, Ms. Ward.

12 Mr. Kies, you're up. Ready for PPAC.

13 MR. KIES: Yeah. To follow up with Kristine's
14 points, I just wanted to highlight a few of the PPAC items that
15 represent examples of what Kristine explained was going on
16 towards the end of the fiscal year.

17 Item 7A of the PPAC agenda is actually that item
18 where after all of the subprogram managers have been, to use
19 Kristine's words, the projects have been shaped out. Sometimes
20 there's some money left, the subprogram manager says, well,
21 that's all I've got. You know, I can't fully utilize my entire
22 subprogram. So what we do at this time of the year is we -- we
23 call it we sweep all those subprograms and zero their balances
24 out, because at the end of the year, we have to account for
25 every dollar that has been spent. So 7A is actually -- it's a

1 \$25 million action that is taking all that leftover subprogram
2 money and moving it to contingency. So that's an example of
3 what Kristine was talking about.

4 Item 7D is a pavement preservation project, and
5 as Kristine said, sometimes at this time of the year, we realize
6 that projects are not ready to go as we originally planned it at
7 the beginning of the fiscal year. This happens to be a pavement
8 preservation project that has a very tight paving window.
9 There's only a few months of the year that the paving can happen
10 because of the part of the state that it's in, and the project
11 managers realized I'm not going to make it this year, and we're
12 going to have to do it next year. So that project's being
13 deferred to a future year, and then that money rolls into
14 contingency for this year that has to be used up on another
15 project.

16 7N is a -- another example. It's a project that
17 the funding is being increased, because the project is very
18 close to being released to go for construction, and now we know
19 everything about the project, and the project manager has
20 identified that there needs to be more money for this project in
21 order for the State's estimate to be a fully accounting for all
22 the items. And on this project, the project manager identified
23 that there needed to be more money for safe traffic control,
24 that more striping was needed, more guard rail quantities were
25 needed. So now that project draws from the contingency to take

1 money away from the contingency that's been deposited and fully
2 funds that project.

3 Another project, Item 7AG, as in alpha giraffe,
4 if that --

5 UNIDENTIFIED SPEAKER: (Inaudible).

6 MR. KIES: -- is another project that's
7 increasing the budget. In this case, as the project gets very
8 close to advertisement, the environmental studies have been
9 done, and this project identified a lot of -- a lot more
10 cultural items that need to be investigated as the construction
11 goes on. So the project manager has asked for more funding to
12 cover those additional data recovery activities. Again, this
13 project then draws money from the contingency fund.

14 So at the -- with all these actions that happen
15 this month and probably a few actions next month, all of these
16 ins and outs of the contingency will fully utilize all the
17 funding that we have available and have it on individual
18 projects that are all going to be delivered.

19 I hope that answers your question.

20 CHAIRMAN ANDERSON: It does. I think as we talk,
21 kind of side bar, made the narrative in the cut sheet may go a
22 little more in terms of the -- of a project where it's at
23 from --

24 MR. KIES: Thank you, Mr. Chair. Yes, there's a
25 cut sheet for each, and sometimes it says, you know, project

1 needs more money, but there isn't a full description, and I
2 think that's a great comment that we'll make sure the project
3 managers add more detail.

4 CHAIRMAN ANDERSON: Move on to -- we've got
5 modifications first.

6 MR. KIES: Yes. Yeah. Thank you, Mr. Chair.

7 With that, project modifications is Items 7A
8 through 7AI. This is actually 35 projects that are proposed to
9 be modified by the PPAC committee. Unless there's any questions
10 or projects you want to take individually, I'd ask for approval
11 of the modifications for Items 7A through 7AI.

12 CHAIRMAN ANDERSON: Board's pleasure?

13 MR. SELLERS: So moved.

14 MR. LA RUE: Second.

15 CHAIRMAN ANDERSON: Moved by Mr. Sellers,
16 seconded by Mr. La Rue to accept and approve project
17 modifications Item 7A through 7I as presented. Further
18 discussion?

19 All in favor, say aye.

20 BOARD MEMBERS: Aye.

21 CHAIRMAN ANDERSON: New projects.

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

23 Yes. Items 7AJ through 7CR. This is 61 total
24 projects that are identified as new projects. Again, as
25 Kristine mentioned, those are projects that have -- be

1 identified coming out of the subprograms and being funded as
2 projects. And so unless the board would -- has any questions or
3 would like to take any individually, I would ask for approval of
4 Items 7AJ through 7CR.

5 CHAIRMAN ANDERSON: Board's pleasure?

6 MR. SELLERS: So moved.

7 CHAIRMAN ANDERSON: Moved by Mr. Sellers.

8 MR. LA RUE: Second.

9 CHAIRMAN ANDERSON: Seconded by Mr. La Rue to
10 accept and approve new projects as 7AJ through 7CR as presented.
11 Any discussion?

12 All in favor?

13 BOARD MEMBERS: Aye.

14 CHAIRMAN ANDERSON: Airport projects.

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

16 The last projects from the PPAC committee are the
17 airport projects. These are Items 7CS through 7CU. This is
18 three projects. Unless there's any specific questions, I would
19 ask for approval of Items 7CS through 7CU.

20 CHAIRMAN ANDERSON: Board's pleasure?

21 MR. LA RUE: So moved.

22 MS. BEAVER: Second.

23 CHAIRMAN ANDERSON: Moved by Mr. La Rue, seconded
24 by Ms. Beaver to accept and approve airport projects Items 7CS
25 through 7CU as presented. Discussion?

1 All in favor?

2 BOARD MEMBERS: Aye.

3 CHAIRMAN ANDERSON: Thank you, Mr. Keys.

4 State engineering's report, Steve Boschen.

5 MR. BOSCHEN: Mr. Chair and board members, we
6 have 123 projects under construction at a cost of 806 million.
7 To reference, last month we talked about 125 and a little bit
8 less than 800. So we're tracking about the same. We did
9 finalize 12 projects in April for 25.8 million, and fiscal year
10 to date, we're working on 95 projects. And again, for
11 reference, last month we had 83 projects finalized.

12 CHAIRMAN ANDERSON: Questions or comments for
13 Mr. Boschen?

14 Move on to contracts.

15 MR. BOSCHEN: All right. Help me out with
16 (inaudible). You have the -- that one right there. That's
17 great.

18 Chair and board members, thank you for the eight
19 consent contracts that we've already looked at. We do have four
20 that we need to talk about. I'll start with 9A. This is a
21 project in Apache County, and it's a local pavement marking
22 project with epoxy striping, very small project. We're
23 recommending approval for the contract to go to PMI. Again, the
24 reason for it is very small project, and we do think that the
25 prices are reasonable given that we had a little bit additional

1 mobilization to get there. And again, these small projects are
2 always tough for us.

3 CHAIRMAN ANDERSON: The board's pleasure?

4 MR. HAMMOND: I'll move.

5 MR. LA RUE: Second.

6 CHAIRMAN ANDERSON: Moved by Mr. Hammond, second
7 by Mr. La Rue to accept and approve staff's recommendation for
8 award of the contract for Item 9A to Pavement Markings, Inc.
9 Further discussion?

10 Mr. Draper, this is in your district. You have
11 an opportunity to make comment in this area. If not, then
12 that's okay as well.

13 All right. All in favor?

14 BOARD MEMBERS: Aye.

15 CHAIRMAN ANDERSON: 9B.

16 MR. BOSCHEN: The next project is in the Town of
17 Queen Creek, and it is two multi-use paths, and we did have a
18 lot of competition on this. We did have ten bids, and we
19 actually came in under on this one. The reason for that was
20 removals was less, asphalt materials was less, and we had a
21 really good price on riprap. We are comfortable with the bid,
22 and we did get quite a bit of bid savings on this. We do
23 recommend awarding the contract to Hatch Construction & Paving.

24 MR. SELLERS: So moved.

25 MR. LA RUE: Second.

1 CHAIRMAN ANDERSON: Moved by Mr. Sellers,
 2 seconded by Mr. La Rue to accept and approve staff's
 3 recommendation to award the contract for Item B to Meadow Valley
 4 Contractors. Further discussion?

5 All in favor?

6 BOARD MEMBERS: Aye.

7 CHAIRMAN ANDERSON: 9C.

8 MR. BOSCHEN: Item 9C is in the Town of
 9 Snowflake, and we received five bids on this. It's a local
 10 project along 7th Street. It's a roadway project, and again, we
 11 did get very competitive bids on this. It is a little bit
 12 under, 18 percent. Again, similar, asphalt, materials, grading,
 13 aggregate base, and we do recommend award to Hatch Construction
 14 & Paving.

15 CHAIRMAN ANDERSON: Board's pleasure?

16 MR. LA RUE: So moved.

17 MS. BEAVER: Second.

18 CHAIRMAN ANDERSON: Moved by Mr. La Rue, seconded
 19 by Ms. Beaver to accept and approve staff's recommendation for
 20 award the contract for Item 9C to Hatch Construction & Paving,
 21 Inc. Further discussion?

22 Seeing none, all in favor?

23 BOARD MEMBERS: Aye.

24 CHAIRMAN ANDERSON: 9D.

25 MR. BOSCHEN: The last project I'm going to talk

1 about is in the area of -- where am I at (inaudible) -- down by
 2 Claypool in that vicinity. It's on US-70. We did receive six
 3 bids on this. It is a scour retrofit project, and it was a
 4 little bit over. These are always tough projects for us out in
 5 remote areas. We had additional costs for excavation. Looks
 6 like we couldn't find a really close riprap source, and the
 7 concrete was a little bit more. We do recommend award to KAS
 8 Construction.

9 CHAIRMAN ANDERSON: Board's pleasure?

10 MR. LA RUE: So moved.

11 CHAIRMAN ANDERSON: Moved by Mr. La Rue.

12 MR. SELLERS: Second.

13 CHAIRMAN ANDERSON: Second by Mr. Sellers to
 14 accept and approve staff's recommendation to award the contract
 15 for Item 9D to KAZ Construction, Inc. Further discussion?

16 Seeing none, all in favor?

17 BOARD MEMBERS: Aye.

18 CHAIRMAN ANDERSON: Thank you, Mr. Boschen.

19 Before we move on to suggestions, I -- in my
 20 summaries report, I failed to thank CYMPO. They were part of
 21 the reception last night, so I want to shout out to Chris
 22 Bridges and his staff at CYMPO for putting all that together.

23 Suggestions from the board that they would like
 24 to see in the next board meeting, for our future board meetings?

25 Seeing none.

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Mr. Biesty.

MR. BIESTY: Mr. Chairman, just as a reminder
about the study session. I just wanted to remind the board that
there will be a study session May 26th at HRDC at 9:00 a.m.

(End of excerpt.)

Adjournment

A motion to adjourn the May 15, 2015 Board meeting was made by Deanna Beaver and seconded by Michael Hammond. In a voice vote, the motion carries.

Meeting adjourned at 11:00 a.m. MST.

Kelly Anderson, Chairman
State Transportation Board

Kevin Biesty, Deputy Director for Policy
Arizona Department of Transportation

STATE TRANSPORTATION BOARD SPECIAL MEETING
9:00 a.m., Tuesday, May 26, 2015
Human Resource Development Center (HRDC)
Grand Canyon Room
1130 N. 22nd Ave.
Phoenix, Arizona 85009

Pledge

The Pledge of Allegiance was led by ADOT Director John Halikowski.

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.

Absent: None

Opening Remarks - None

Call to the Audience - None

STATE TRANSPORTATION BOARD SPECIAL MEETING – MAY 26, 2015

I N D E X

PAGE

ITEM 1: OVERVIEW OF AZ SUPREME COURT GLAZER DECISION (Fred Zeder)3

ITEM 2: PPAC AGENDA (Michael Kies)16

1 (Beginning of excerpt.)

2
3 CHAIRMAN ANDERSON: Thank you. At this time I'd
4 like to turn the meeting over to Michelle Kunzman, the ADOT
5 board legal counsel, and we'll go over Item 1. Michelle.

6 MS. KUNZMAN: Thank you, Chairman, members of the
7 board.

8 I had a conversation with the director
9 (inaudible). I had a conversation with the director last week,
10 and we were discussing an important case that's recently been
11 ruled on with the Arizona Supreme Court, and we both agreed, and
12 with the agreement of the Chair, we thought it would be a good
13 idea to have the members of the board really have a little bit
14 better understanding, maybe read the case, but a little bit more
15 understanding about what this case is all about. It does have
16 implications for the department. So what I had suggested to the
17 director is, you know, I've read the case. Obviously I'm
18 familiar with the case, but really I think what would be good
19 would be to hear from the Arizona department -- is that my
20 phone?

21 I thought it would be good to hear from the
22 attorney general who actually argued the case in this matter
23 who can really give you a really good understanding of the
24 actual holding in the case and the implications for the board,
25 because it does have implications for the department, and I

1 (inaudible) too that unfortunately, Mr. Zeder is only going to
2 be here for a brief time because he does have another
3 engagement, but I encourage you to ask questions while he's
4 here, and then obviously if you wanted to have a little bit more
5 discussion, the director can maybe add information as well.

6 So without any more further adieu, I turn it over
7 to Fred Zeder, who is unit chief counsel at the AG's office.

8 MR. ZEDER: Good morning.

9 BOARD MEMBERS: Good morning.

10 MR. ZEDER: The Glazer case came as a surprise, a
11 bad surprise to all of us. It was tried by outside counsel. It
12 involves a crossover accident. In other words, a vehicle leaves
13 his lane of travel, crosses a divided median, in this instance
14 on I-10. Mrs. Glazer was seated in the back seat. Her husband
15 and daughter were in the front seats. They were killed in front
16 of her face, and they sued.

17 We, the State, the attorney who handled the case
18 pled our defense, which is in part (inaudible) ARS Section
19 12-820.03, and it is a key statute in my line of work, which is
20 to defend the Arizona Department of Transportation in highway
21 design cases. And the reason it's key is that it says that a
22 public entity, ADOT, can't be held liable in a highway design
23 case so long as the roadway conformed with generally-accepted
24 engineering stands at the time it was built.

25 In other words, it's a state-of-the-art defense,

1 and it recognizes, the legislature recognizes that we build
 2 these highways for decades, and that we can't modify them
 3 every time a plaintiff's expert, and I'm going to use the term
 4 loosely, declares that there needs to be an upgrade.
 5 Upgrades, as I'm sure you all are well aware, are expensive,
 6 take years to plan, and if we chase lawsuits around trying to
 7 figure out where our roads need to be upgraded, we're simply
 8 playing whack-a-mole.

9 Anyway, the case went to a trial. It resulted
 10 in a four -- or a \$7.8 million verdict against the State. The
 11 trial judge threw that statute out. Basically, he said I
 12 don't know what this statute means, just always a little bit
 13 worrisome when a judge starts an opinion that way, but it
 14 can't mean what it says.

15 I took the case over at this point in time, and
 16 we appealed it to Division 1. Division 1 upheld the trial
 17 court. The verdict got some notoriety. I now have seven of
 18 these cases scheduled for trial. The cases start being tried
 19 in November.

20 So we took this up to the Supreme Court, and
 21 here's what the Supreme Court did with it. The Supreme Court
 22 said, look, the legislature meant what it said. It is
 23 impossible for us to upgrade roads in such a disorganized
 24 basis that we -- we need to rely on our planning process, and
 25 so this state-of-the-art defense continues to exist. However,

1 the statute also provides that if there is an unreasonably
 2 hazardous condition, we -- and that develops, we then have to
 3 warn about it.

4 The Court did not decide this issue, even
 5 though we asked them to. They affirmed the verdict. They
 6 didn't turn it over, but they gave us our statute back. So
 7 while we paid some money, quite a bit of money, we also made
 8 some good case law.

9 Now, the question is what does this case law
 10 mean? The Supreme Court decided that because there was not
 11 evidence in the trial below about what good a warning would
 12 do, they're not going to address that issue. So the next
 13 case, which is coming along, will address that issue. We will
 14 move for dismissal of all of these crossover cases based upon
 15 the Court's holding in the Glazer, the (inaudible) Glazer. It
 16 may be that the court -- the courts will consider this and
 17 each separate trial court will find that the cases should be
 18 dismissed, or they may hold that there needs to be evidence on
 19 what benefit the warning would be.

20 It's our position that a warning really doesn't
 21 do any good, because it's an open and obvious condition. What
 22 are you going to do? Are you going to warn danger, no median
 23 barrier? Anyone can see that. So there is a provision in the
 24 law that if it is impossible to fulfill a statute duty, then
 25 that duty is excused.

1 So long story short, we made an important step
2 forward with the Supreme Court's decision, but the struggle
3 isn't over, and we'll see how we do on these cases that are
4 coming up.

5 If anybody has any questions, I'd be happy to
6 try to answer them.

7 CHAIRMAN ANDERSON: Thank you very much.

8 MR. ZEDER: Sure.

9 CHAIRMAN ANDERSON: Yes.

10 DIRECTOR HALIKOWSKI: I do have a question,
11 Mr. Chairman. There was a dissenting opinion by Justice
12 Bales. Can you talk about that a little bit?

13 MR. ZEDER: Well, yeah. Justice Bales accepted
14 what the Court of Appeals accepted, and basically what it is
15 is it rewrites the statute to include an upgrade exception.
16 Basically, what the court below and the trial court said was
17 that if the conditions on the roadway change so that it
18 becomes more hazardous, then this statute doesn't apply. It's
19 a little difficult, in fact, it's impossible to see what the
20 statute would apply to if that -- if you write that exception,
21 the exception eats -- eats the role in its entirety. So --
22 and this statute stands between us and a fairly chaotic
23 situation in upgrading our roads.

24 We have a very active program here on
25 Interstate 10, and most of these case are on I-10 between

1 Tucson and Phoenix, although not all of them, and we are
2 proceeding a pace with this. But if you then just turn this
3 over to the jury as to when we need to rebuild a road,, it
4 creates a terrible situation for us in managing our assets.
5 There simply isn't enough money in any state's budget to
6 rebuild roadways on the decisions of various juries in civil
7 cases that could be decided for a variety of reasons
8 (inaudible).

9 DIRECTOR HALIKOWSKI: Fred and Mr. Chairman, if
10 I stray into an area that may jeopardize your cases coming up,
11 just let me know. But are the ones that are coming up, are
12 they focused in a certain area on 10?

13 MR. ZEDER: There are -- the Humphrey case is
14 about 500 feet from where the Glazer accident happened. And
15 you say is this particularly dangerous section of roadway?
16 No. These are random events. They can occur on any divided
17 highway, any place in the state. The reason that we're
18 focusing on I-10 is that the ADT, the traffic volume is huge
19 on that roadway, and so quite naturally there are more over
20 there, but so...

21 DIRECTOR HALIKOWSKI: Okay.

22 MR. ZEDER: Yeah, they are -- they're there and
23 south of Picacho Peak. Got one on the other side of Tucson.
24 I've got one to the west of Phoenix on a median that's 170
25 feet wide. They're proposing we need to build a concrete

1 barrier down the center of that median, presumably from
 2 (inaudible) California, I guess. So you're talking about a
 3 huge amount of money that would be lawsuit driven, and that's
 4 just a very chaotic and inefficient way for us to fulfill a
 5 duty that we all take very seriously, and that's to present
 6 the best roads we can.

7 DIRECTOR HALIKOWSKI: So one last question,
 8 Mr. Chairman. The loss of life is tragic, and obviously the
 9 department would want to have zero deaths on the system, but
 10 if I put the case kind of altogether, basically what the Court
 11 said is if we had made improvements, it might have gone the
 12 other way, or if we had put some kind of warning out there,
 13 which is really hard to define what sort of warning that may
 14 be, then we would have fulfilled the terms of the statute.

15 MR. ZEDER: That's correct, but we believe
 16 there's a third way. There are situations where a warning
 17 would not be of assistance, and we believe that the warning
 18 requirement should be excused. It's a little like there's a
 19 civil case that talks about the Grand Canyon. It says,
 20 warning, very big, deep hole. Don't step into this canyon.
 21 Well, you can see there aren't barriers on a lot of these
 22 roads. Some of them do have barriers. We have our own
 23 standard, but -- so that's what that's -- that's the next
 24 case.

25 DIRECTOR HALIKOWSKI: Thanks.

1 MS. BEAVER: Chairman, I would like to ask a
 2 question. On these cases, do the dust storms that happen in
 3 that area, do they factor in to --

4 MR. ZEDER: No, really they don't. Basically,
 5 it's just a function of it takes four seconds, three seconds
 6 for a vehicle to cross that median, and some of them are
 7 people who've had heart attacks, some of them are tire
 8 blowouts. Usually it's somebody who's done something that is
 9 inadvisable, to say the least, as far as their driving
 10 (inaudible).

11 MR. SELLERS: Mr. Chairman.

12 CHAIRMAN ANDERSON: Mr. Sellers.

13 MR. SELLERS: It seems to me the scary part is
 14 if these decisions carry forward is that it could apply to a
 15 lot of things on our highway system other than just crossover
 16 accidents.

17 MR. ZEDER: Oh, absolutely. It would change
 18 totally the way we litigate these cases.

19 DIRECTOR HALIKOWSKI: To that point,
 20 Mr. Chairman, wasn't there an amicus brief filed by the League
 21 of Cities?

22 MR. ZEDER: Yeah. We -- and most helpfully, by
 23 the way. I think the courts kind of think that because we're
 24 the State, we have all the money in the world (inaudible)
 25 probably should send us (inaudible) meetings like this to

1 disabuse them of that. But, you know, this would apply to
 2 Jerome, too. And say, well, you know, your roads over here
 3 aren't the best. You need to rebuild everything through town.
 4 Well, there's just no way that they can do that. So the
 5 cities and the counties filed briefs that helped us very much
 6 get the case before the Supreme Court, and the decision was
 7 four to one in our favor. So I was pleased with that.

8 DIRECTOR HALIKOWSKI: So that point, Fred,
 9 though, the judgment for the 7.8 million was held up and
 10 awarded to the family, but the statute, as the way you
 11 explained it, was saved?

12 MR. ZEDER: Yes.

13 DIRECTOR HALIKOWSKI: The protection of the
 14 statute.

15 MR. ZEDER: We're -- I would (inaudible) that
 16 we also saved the \$7.8 million, but that didn't happen.

17 MR. LA RUE: Maybe this is too deep, but who's
 18 got the burden of proof? So you said that, you know, it's not
 19 a reasonable burden. So is that on the plaintiff to show that
 20 that area of the roadway was, you know, dangerous?

21 MR. ZEDER: Yes.

22 MR. LA RUE: And then once they do that, it
 23 shifts to ADOT to prove and those other countermeasures they
 24 should employ?

25 MR. ZEDER: That's correct. The plaintiff has

1 to show that the road is not reasonably safe for ordinary
 2 travel. That's the standard. Then it becomes incumbent upon
 3 us to either refute that or prove one of these statutory
 4 defenses.

5 These are terrible accidents. I mean, they're
 6 very serious crashes. But you should keep in mind that we are
 7 responsible for -- as the director said, we don't want anyone
 8 to get killed on these highways, and these are a tiny
 9 minority, less than 1 percent of the crashes that occur on
 10 these roadways, and many of those crashes are fatal for other
 11 reasons. So I think you need to look at this in perspective
 12 as well.

13 MS. BEAVER: Mr. Chair.

14 MR. LA RUE: One more. So if we did those
 15 warnings that you were talking about the Court suggested, I
 16 mean, isn't it essentially us admitting it as a dangerous
 17 thoroughfare, so then that burden is proved by the plaintiff,
 18 now it's really then up to the State as whether the warning is
 19 adequate or could they have done something else?

20 MR. ZEDER: That's what we're wrestling with
 21 right now. I think the -- you know, when you read a decision
 22 like this, you say, oh, great, we'll just go print a bunch of
 23 warning signs and stick them around, but you know, the MUTCD
 24 tells you not to do that. If a sign doesn't serve any
 25 legitimate purpose -- and avoiding lawsuits for us, perhaps,

1 is a legitimate purpose -- but the purpose is does it make the
2 road safer. And I would think, no, it doesn't, because
3 there's just -- it doesn't give you any information that would
4 help you modify your behavior to prevent this kind of an
5 accident.

6 DIRECTOR HALIKOWSKI: Translation,
7 Mr. Chairman. MUTCD, *Manual of Uniform Traffic Control*
8 *Devices*, basically governs the signage, and by statute we
9 adopt the MUTCD.

10 MR. LA RUE: By law.

11 DIRECTOR HALIKOWSKI: Right. By statute.

12 CHAIRMAN ANDERSON: So I guess is there -- do
13 we need statutory help with, you know, changing the statute
14 that's protecting?

15 MR. ZEDER: I would advise against this at that
16 point in time, but we'll -- you know, all of our options are
17 open.

18 DIRECTOR HALIKOWSKI: Yeah. So I think,
19 Mr. Chairman, as Fred said, we're continuing to wrestle with
20 this. I didn't come here with a solution today for you as we
21 continue to work with our attorneys, but just really to
22 outline the Glazer case, the fact that there are more of these
23 coming that we're trying to figure out, you know, based on the
24 Court's decision what's our best course of action. And we
25 will work with the board as we move this forward.

1 CHAIRMAN ANDERSON: (Inaudible) comment I think
2 the last board session we had Commander (inaudible) here from
3 DPS --

4 DIRECTOR HALIKOWSKI: Uh-huh.

5 CHAIRMAN ANDERSON: -- talking about,
6 Ms. Beaver, the traffic congestion on 17 when there's
7 accidents, and so a lot of this driver behavior, error,
8 texting, e-mail, voice mail, whatever. So there's a lot of
9 things that go into this, I think, you know.

10 MR. ZEDER: One of the crossover accidents has
11 possibly a texting driver involved, too.

12 MS. BEAVER: Chairman, I have one more
13 question. And I don't know if it even fits under this, but
14 out of your seven cases that you say you have, are those the
15 I-10 section between Phoenix and Tucson, or are they different
16 areas of the state?

17 MR. ZEDER: Five of them are on -- between
18 Phoenix and Tucson. Two of them are outside. One was south
19 of Tucson, one west of Phoenix. But I have claims now coming
20 in from the I-40. This can happen on any divided highway,
21 pretty much anywhere.

22 MR. OMER: Mr. Chair, I guess one of the things
23 that we (inaudible) thank Mr. Zeder. I mean, we really
24 appreciate him taking his time. He has to go to court. One
25 of the things I wanted to point out is, as you're well aware

1 of, is we had a very (inaudible) amount of resources inside of
 2 our capital program, and while this was adjudicated, now we
 3 have to look at why these keep coming in. They can have a
 4 significant impact on our overall program amounts. So we have
 5 quite a few cases that have been filed, more pending out
 6 there, I'm sure, so we have to be conscious how that can
 7 impact our program in the future.

8 DIRECTOR HALIKOWSKI: So just to put a finer
 9 point on it, I think, Mr. Chairman, this section where the
 10 four out of five claims are coming in falls within the Greater
 11 Arizona area, and as you know, by the financials we've shown
 12 you, outside of the MAG and PAG region, we basically have
 13 about 25 million a year for capital improvements. That
 14 particular section around Picacho, to widen that out and
 15 flatten out that curve is probably a \$90-million project.

16 MR. ZEDER: Thank you very much.

17 DIRECTOR HALIKOWSKI: Thank you, Fred.

18 MR. ZEDER: With no more questions, with no
 19 more questions, I'll go do something else.

20 CHAIRMAN ANDERSON: Next up, call to the
 21 audience, I don't have any speaker cards. Those wishing to
 22 speak can do it at the end of the meeting.

23 Item 2, I need to reference that PPAC items
 24 were in Item 2, not in Item 1 as referenced in the packets, so
 25 that will be an on-the-record correction.

1 Mike, you're up.

2 MR. SELLERS: Mr. Chair, can I ask a question?

3 So what (inaudible)?

4 DIRECTOR HALIKOWSKI: They come out of ADOT's
 5 risks management bucket through the Department of
 6 Administration. We pay a premium of roughly \$16 million a
 7 year for (inaudible) fees.

8 UNIDENTIFIED SPEAKER: (Inaudible.)

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

10 There were 18 projects that PPAC took action on
 11 to have a special meeting, and if there are no questions or
 12 individual projects, I'd like -- that the board would like to
 13 take, I'd like to ask approval of Items 1A through 1G, which
 14 are the project modification actions.

15 DIRECTOR HALIKOWSKI: Mr. Chairman.

16 CHAIRMAN ANDERSON: Mr. Sellers.

17 MR. SELLERS: Mike, I'd like to have a little
 18 bit of an explanation on the priority of Item 1A. That
 19 obviously is not something that contributes a lot to customers
 20 in our state, so I just wanted some explanation for that.

21 MR. KIES: Yes, Mr. Sellers, Mr. Chair. Item
 22 1A is a pavement preservation project on Interstate 15. Yes,
 23 Interstate 15 is up in the northwest corner of the state. It
 24 was -- the board did give us action to do this project in the
 25 previous program, and the pavement maintenance is needed up

1 there to keep it in good state of repair. The -- there's the
 2 opportunity, though, now to move that to fiscal year '15. We
 3 have the opportunity of using some funding that's available
 4 from leftover sub programs in this current fiscal year, '15.
 5 So the action here is to actually move it -- advance it to
 6 this fiscal year so that it can be carried out -- it can be
 7 awarded here in the next month or so and have that pavement be
 8 preserved.

9 DIRECTOR HALIKOWSKI: So Mr. Chairman, board
 10 members, to that point, we wrestle with I-15. As you know,
 11 we've got eight bridges up there that require about \$300
 12 million to replace. We've replaced one partially through a
 13 TIGER grant, and I think we're working on the second of the
 14 worst of the lot.

15 That is a tough area for us, especially
 16 bringing it to the board, because prior board members have
 17 said we get no economic benefit from that 30-mile stretch.
 18 However, as you can see under the law, we're bound to maintain
 19 and preserve that area while we try to figure out how to fix
 20 the rest of those bridges from the late '60s, early '70s. So
 21 it's a tough issue, I know, because very few Arizona vehicles
 22 actually travel on that.

23 We had looked at a P3 several years ago. We
 24 applied for an exception with a letter of intent to the
 25 Federal Highway Administration. They denied it, but in

1 between the letter and the denial, we had a lot of opposition,
 2 not only from Mohave County Board of Supervisors, but the
 3 governors of Utah and Nevada were not happy when we talked
 4 about charging a toll on that 30-mile stretch to repair those
 5 bridges.

6 I don't really want to have a panic ensue, but
 7 we're still continuing to figure out how do we fund the
 8 remaining six? Because as we can see, as we do these one at a
 9 time, traffic control is a real nightmare, because the average
 10 ADT of trucks is about 21,000 a day. So...

11 CHAIRMAN ANDERSON: One comment for former
 12 member Rogers. As the weight of those trucks, you had a
 13 weight (inaudible) the heavy trucks crossing the bridge
 14 (inaudible).

15 DIRECTOR HALIKOWSKI: Unfortunately, we --
 16 there's nowhere to go. The bridge -- if that stretch isn't
 17 open, it's a 260-mile detour on some really bad county roads
 18 to get around there. So there's no place to divert them. We
 19 do weight control at St. George port of entry. We have a
 20 joint facility there with the State of Utah where we make sure
 21 the trucks are within legal weight limits.

22 CHAIRMAN ANDERSON: Further questions on
 23 modifications? Board's pleasure?

24 MR. CUTHBERTSON: I'll make a motion.

25 MR. SELLERS: Second.

1 CHAIRMAN ANDERSON: Moved by Mr. Cuthbertson,
2 seconded by Mr. Sellers to accept and approve project
3 modifications 2A through 2G as corrected.

4 All in favor?

5 BOARD MEMBERS: Aye.

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

7 The new projects taken action by PPAC are items
8 2H through 2R, and if there are no questions or the board
9 would want to take one individually, I'd like to ask for the
10 approval of Items 2H through 2R.

11 CHAIRMAN ANDERSON: Comments of questions from
12 the board? (Inaudible).

13 MR. SELLERS: Motion to approve.

14 MR. LA RUE: Second.

15 CHAIRMAN ANDERSON: Moved by Mr. Sellers,
16 second by Mr. La Rue to accept and approve new projects 2H
17 through 2R as corrected. Further discussion?

18 All in favor?

19 BOARD MEMBERS: Aye.

20 CHAIRMAN ANDERSON: Opposed?

21 (End of excerpt.)
22
23
24
25

A motion to adjourn was made by Bill Cuthbertson and seconded by Jack Sellers. In a voice vote, the motion carries.

Meeting adjourned at 9:25 a.m. MST

Kelly Anderson, Chairman
State Transportation Board

John S. Halikowski, Director
Arizona Department of Transportation

**STATE TRANSPORTATION BOARD STUDY SESSION
IMMEDIATELY FOLLOWING THE SPECIAL MEETING
9:00 a.m., Tuesday, May 26, 2015
Human Resource Development Center (HRDC)
Grand Canyon Room
1130 N. 22nd Ave.
Phoenix, Arizona 85009**

Pledge

The Pledge of Allegiance was led by ADOT Director John Halikowski.

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.

Absent: None

Opening Remarks - None

Call to the Audience - None

STATE TRANSPORTATION BOARD STUDY SESSION – MAY 26, 2015

I N D E X

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ITEM 1: FINANCIAL UPDATE ON THE 2016-2020 TENTATIVE FIVE YEAR TRANSPORTATION PROGRAM (Kristine Ward).....3

ITEM 2: 2016-2020 TENTATIVE FIVE-YEAR TRANSPORTATION FACILITIES CONSTRUCTION PROGRAM REVIEW (Michael Kies)6

ITEM 3: KEY COMMERCE CORRIDOR VIDEO (Scott Omer)30

1 (Beginning of excerpt.)

2
3 CHAIRMAN ANDERSON: Moving into the study
4 session. (Inaudible). No call to the public. We're halfway
5 there.

6 We'll start with you, Ms. Ward.

7 MS. WARD: Well, good morning.

8 BOARD MEMBERS: Good morning.

9 MS. WARD: (Inaudible.)

10 DIRECTOR HALIKOWSKI: You seem a little subdued,
11 Kristine. Are you okay?

12 MS. WARD: You know, I did an extra little
13 distance on my run this morning, and I had (inaudible).

14 Well, I have good news and not exciting news to
15 report. This is the -- this is the funding that I provided to
16 you back on January 27th I identified as available to fund the
17 tentative program. A little over -- almost \$3 billion for the
18 entirety of the program, and we have not had any significant
19 changes in that, and that is good. It's not -- I can't add to
20 it, but we are operating within the same amount of funding that
21 we are -- we were operating when we presented back in January.

22 Unfortunately, we are still basing -- we got past
23 the legislative session without too much -- too much pain, but
24 we are still facing a lack -- a highway trust fund, the Federal
25 Highway Trust Fund, it is still facing insolvency. Now, the

1 Senate passed a bill on Saturday. It's gone -- will now go off
2 to the President for a two-month extension, but again, the
3 Federal Highway Trust Fund is scheduled to go insolvent in the
4 late summer.

5 Also, some additional risks to those forecasts
6 that I provided are with regards to we are actually -- you're
7 right. I always seem to have a little bad news mixed in here.
8 We are in the middle of a -- the next time period in which -- or
9 this program falls within the next time period that we could
10 potentially be facing a recessionary cycle. If you'll recall,
11 the last recession hit us between December of 2007 and June of
12 2009. The next one is scheduled to hit, would naturally hit
13 around this period. So I have to point that out as we head into
14 and look at these forecasts.

15 Other than that, I don't have a whole lot else to
16 report.

17 The tentative program that is being provided to
18 you today is fiscally constrained and falls within what we
19 believe the available revenues will be for this next five-year
20 period.

21 With that, I'll take any questions.

22 MR. HAMMOND: Question, Mr. Chairman.

23 CHAIRMAN ANDERSON: Mr. Hammond.

24 MR. HAMMOND: Under economic conditions, you have
25 South Mountain.

1 MS. WARD: I do, and I'm glad you pointed that
2 out. We are heading into -- this five-year cycle, this
3 five-year program, has got the largest project that the
4 department has ever undertaken. The South Mountain project is
5 -- the amount that is forecast to be expended in this five-year
6 program is \$1.8 billion, and it's -- when you're going to spend
7 upwards of \$30 million a month, it makes CFOs very alert on cash
8 flow and cautious. So that's why it's identified up there as a
9 risk.

10 We'll also identify that, you know, of course, we
11 have not -- if you'll recall, Federal Reserve has been talking
12 about taking the foot off -- restraining interest rates, and so
13 we are also potentially facing some inflationary factors as the
14 quantitative easing (inaudible).

15 DIRECTOR HALIKOWSKI: Kristine, on the South
16 Mountain, most of that is RARF funded, correct, Regional Area
17 Road Fund?

18 MS. WARD: A good portion of it, but also, sir,
19 we are doing some HURF bonding on that, which is, of course,
20 dependent upon State Highway Fund revenues is the pledge. In
21 total, in this five-year program, we have about \$1.1 billion
22 worth of bonding built into the program, largely associated with
23 South Mountain. Only 300 million of that is associated with the
24 statewide program.

25 DIRECTOR HALIKOWSKI: So you're alert, but the

1 revenues we believe there for South Mountain (inaudible)?

2 MS. WARD: Yes. Yes, sir. We would --
3 Mr. Chair, Mr. Director, that is correct.

4 DIRECTOR HALIKOWSKI: Again, I don't want to
5 cause (inaudible).

6 MS. WARD: Oh, no. No. That won't. Answer any
7 questions?

8 CHAIRMAN ANDERSON: Further questions of
9 Ms. Ward? (Inaudible.)

10 MS. WARD: Very good. Thank you very much.

11 CHAIRMAN ANDERSON: (Inaudible) a lot of yellow
12 in it, and Mr. Kies is here to explain what this yellow means.

13 Mike, you're up.

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

15 Yeah, I would like to give you an overview of
16 what we are calling the proposed five-year transportation
17 program. Today is the end of the comment period for the
18 tentative five-year program, and we've been keeping up with the
19 changes on that program and now have a proposed program for you
20 that you'll hopefully approve at the next board meeting in June.
21 So with that...

22 As I've said, the public comments have -- are
23 concluding today as part of this public outreach process. We've
24 held three public hearings, as you recall. They were in
25 coordination with the public -- with the board meetings in May

1 -- or in March, April and May. We had one meeting in Tucson, we
2 had a meeting in Phoenix, and just a couple weeks ago, a meeting
3 up in Chino valley.

4 As of May 22nd, which was last week, we have
5 received a total of 46 comments on the tentative program, and
6 you do have a packet that you were given today that highlights
7 all of those comments. Some of them are comments that were
8 received by e-mail. Others are resolutions that have come from
9 major agencies, and others are letters that we've received on
10 the tentative program.

11 So just a reminder of the structure of the
12 program. The five-year program that we're providing you today
13 is partitioned up as you see on the right here, where 29 percent
14 of the total program -- this is for the entire state -- includes
15 Greater Arizona, the MAG metro area -- the Phoenix metro area
16 and the Tucson metro area. 29 percent of the entire program is
17 dedicated to preservation, 12 percent to modernization, and 59
18 percent to expansion. A lot of those expansion projects are
19 located in the Phoenix metro area and the Tucson metro area. As
20 Kristine mentioned, the South Mountain Freeway, the largest --
21 one of the largest projects that the State is undertaking,
22 nearly \$2 billion, is part of that expansion part of the
23 program.

24 On the left here is what the long-range plane
25 suggests that we be spending in these categories. 34 percent on

1 preservation, 27 percent expansion and 29 percent modernization.
2 As we continue to present on the program, we always talk about
3 how we're trying to increase the amount of funding that we put
4 to preservation. This highlights that. The long-range plane
5 shows that we should be spending a little bit more on
6 preservation statewide.

7 With that, I'll just highlight the Greater
8 Arizona program. Again, this is outside of the Phoenix metro
9 area and the Tucson metro area. 68 percent dedicated to
10 preservation, 24 percent modernization, which does not leave a
11 lot for those expansion projects statewide, but we'll get into
12 that for a minute.

13 So as Kristine said (inaudible) that the program
14 is fiscally constrained. So the amount of funding that we have
15 dedicated in each fiscal year in Greater Arizona is mapped out
16 here, and you can see that it varies from 414 million in fiscal
17 year '26 -- or '16, and then as low as 319 million in fiscal
18 year 2020. This just highlights how much in this five-year
19 program is dedicated to projects in each year and how much is
20 dedicated to sub programs.

21 With that said, as Chairman Anderson mentioned,
22 we've provided you all with an updated program booklet, and in
23 the program booklet, it's similar to the tentative program that
24 you were provided in February, but projects that are highlighted
25 in yellow are actually projects that have changed in some way

1 since the tentative program. Either the funding has been
2 changed, the fiscal year, the name of the project, and so on and
3 so forth.

4 Along with this book, we provided you an 11-by-17
5 handout. This 11-by-17 handout just highlights the projects
6 that have been revised in the proposed program, and it goes with
7 the proposed program booklet, and you can look at each project
8 and see whether the project has been moved from one fiscal year
9 to another, if the -- if there's been an increase in the project
10 budget or a decrease, and so on and so forth.

11 This slide essentially summarizes everything that
12 we've done to get from the tentative program to this proposed
13 program that you have in front of you today. All the PPAC items
14 that you've seen at the last board meeting and then the actions
15 that you just approved this morning, a lot of those actions have
16 provided us the opportunity to move some projects from this
17 five-year program that you have in front of you to the current
18 program in fiscal year '15.

19 A total of about \$50 million worth of advancement
20 has -- over these PPAC actions has advanced projects to fiscal
21 year '15. That's provided an opportunity for funding in this
22 five-year program, '16 through '20. However, with some of those
23 projects advancing to '15, some projects were deferred from '15
24 because they weren't ready to be delivered and are now moving
25 into this five-year program that you have in front of you; about

1 \$30 million. So there's a \$20 million net difference between
2 projects that were advanced and projects that were deferred.

3 Also, one of the things that we continuously do
4 as the department is we look at the cost of the projects that
5 we're proposing, where they are in design, have they discovered
6 new issues or needs from a scoping standpoint. Is there a cost
7 savings? And so you see on your 11-by-17 handout at the end
8 where we total everything that there were \$24 million worth of
9 project reductions and \$100 million worth of project increases
10 with the projects that are in the proposed plan. And that's a
11 net of about \$75 million of additional costs that have come to
12 this program.

13 With that said, then we make adjustments to the
14 sub program, about \$55 million reduction in the sub program
15 amounts, and that has brought the program back to fiscal
16 constraint so there have been no impacting costs to the overall
17 program.

18 And that pretty much summarizes every -- all the
19 information that you have in the booklet and the 11-by-17.

20 With that said, I'll just remind everybody of the
21 -- what's included in each of the fiscal years of this proposed
22 program. I'll focus on the expansion program, which is that
23 blue area of these graphs. The other parts are modernization,
24 which is shown in red, and the preservation program, which is
25 shown in green.

1 As far as the expansion program, it hasn't
 2 changed since the tentative program where we have the State
 3 Route 260/Thousand Trails project proposed this next fiscal
 4 year, fiscal year 2016. The amount of funding in this program
 5 has changed though. It used to be \$62 million. Now it's \$52
 6 million, and that's because we -- one of those projects that got
 7 advanced to fiscal year '15 was a right-of-way project for this
 8 project. So \$10 million is being spent in the current fiscal
 9 year that we're in right now.

10 We have State Route 89 from 89A to Deep Well
 11 Ranch Road in fiscal year '17, \$15 million project. U.S. 60
 12 Show Low to 40th Street, which is a name change. It used to be
 13 -- what was it called before? Show Low to?

14 UNIDENTIFIED SPEAKER: Mormon Lake, Little Mormon
 15 Lake.

16 MR. KIES: Mormon -- Little Mormon Lake, \$6
 17 million project in 2018. A design of U.S. 93 King Springs in
 18 2019.

19 And then throughout this five-year program, you
 20 see different phases of the State Route 347, Union Pacific
 21 overpass project in Maricopa, with design and right-of-way
 22 starting in fiscal year '16, more right-of-way plan in 2017, and
 23 then the final construction amount of -- it's actually \$44
 24 million, but we show it in this program as 36 million, because
 25 there's 8 million of local funding being provided to that

1 project.

2 The other part of the program for Greater Arizona
 3 is their development program. This is our six through ten-year
 4 program. Again, it hasn't changed from the tentative program,
 5 so we have -- still have the 189 project in fiscal year 2021.
 6 Two I-10 projects in the area that was discussed earlier,
 7 between Phoenix and Tucson, at Picacho in 2022, and the Earle to
 8 I-8 project in 2023, which is in the Casa Grande area, and then
 9 two projects along U.S. 93 in 2023 and 2024, and then the State
 10 Route 260/Lion Springs construction project in 2025.

11 That was the overview of the changes for the
 12 Greater Arizona part of the program. There really are no
 13 changes of note for the MAG area. There have been some
 14 differences in funding combinations, but all the projects
 15 remain, with the largest project being the South Mountain
 16 corridor that Kristine mentioned earlier.

17 Same with the Tucson metro area, the PAG program.
 18 There are no major changes of note. Most of the projects are
 19 expansion projects along Interstate 10 and Interstate 19.

20 With that, the last thing that I wanted to cover
 21 were some of the project updates. One of the things that we
 22 always want to demonstrate is when we put a project in the
 23 program, that we do have the ability to deliver that project,
 24 and some of these major projects we just wanted to give you an
 25 update really quick.

1 State Route 260/Thousand Trails to I-17, this is
2 a project that's expected to advertise next fiscal year, in
3 fiscal year 2016. We're currently going through the design
4 process. The -- it's a CM at-risk delivery project, and so the
5 contractor and the designer are on board as of a few weeks ago,
6 and environmental clearance is anticipated this summer. And
7 again, the current construction cost is \$62 million.

8 State Route 89 to Junction 89 -- from Junction
9 89A to Deep Well Ranch Road, this project again, the design is
10 underway, and it's being coordinated with a local city project,
11 the Willow Creek bypass. So the Willow Creek bypass is
12 anticipated to be constructed first, and that's anticipated to
13 be completed in December of 2016, and then this project is
14 anticipated to advertise immediately after that in the third
15 quarter of fiscal year '17, and it still remains a \$15 million
16 project.

17 The State Route 347 overpass, this is the project
18 that is shown in fiscal year '20 for major construction. The
19 environmental clearance was -- has been received this spring, in
20 March, which is a major step in the development of this project,
21 and now the next step is the design phase, which will start this
22 summer. Again, the current construction cost is \$55 million.
23 And as you notice in the five-year program, it's phased over
24 several years of the five-year program.

25 The last project to talk about and update is

1 State Route 189. This is the section of road that connects the
2 Mariposa port near Nogales to I-19. This project is not
3 proposed in the five-year program that you have in front of you,
4 but in the development program, the first year of the
5 development program, fiscal year '20 -- I believe it's fiscal
6 year '21. That's a typo there that says it's in fiscal year
7 '22. But to give you an update on where this project is, we
8 have -- we are on our way to getting environmental clearance,
9 and that's anticipated to be next spring. So spring of 2016,
10 and then the construction costs are still estimated at \$65
11 million, with that being anticipated in the development program.

12 MR. HAMMOND: Mike (inaudible).

13 MR. KIES: Yes.

14 MR. HAMMOND: Before you leave that, first of
15 all, appreciate your (inaudible). What's the -- you say the
16 (inaudible) delivery risk. I heard that there was some
17 disagreement locally on design or support. Are these going to
18 be issues that need to be solved that they need to be paying
19 attention to?

20 MR. KIES: Yes, Mr. Hammond. There is -- the
21 actual proposal of what should be built on this project has not
22 been resolved yet, but that is the process that's ongoing. The
23 DCR and -- or the design concept report and the environmental
24 assessment do resolve that, which is why we believe there really
25 is no delivery risk, because the construction is out in fiscal

1 year '21. Still quite a ways out. So we have time to resolve
 2 the difference of opinion between the local community and
 3 stakeholders, document that in a DCR, get environmental
 4 clearance and then go into design, and then still we have six
 5 years to accomplish that.

6 MR. HAMMOND: So they got some work to do.

7 MR. KIES: They do have some work. We have work
 8 to do.

9 DIRECTOR HALIKOWSKI: To that point, Mike, is
 10 there a way for this project to be built sooner? I mean, what's
 11 the soonest date you could go to construction?

12 MR. KIES: Well, one of the approaches might be
 13 that once the environmental assessment is completed and
 14 environmental clearance is obtained, we expect that next spring,
 15 the spring of 2016 -- there have been projects that at that
 16 point have proposed to go in alternative delivery systems such
 17 as design build, which then could accelerate the design and the
 18 construction at the same time. And so I guess the earliest that
 19 it could get underway might be spring to summer of 2016 as a
 20 design build project, but we would want to wait until
 21 environmental clearance is completed.

22 MR. HAMMOND: So they would need to be
 23 (inaudible) on (inaudible) before then. And if they're not, I
 24 mean, you're going to wait until they're in agreement on the
 25 alignment before you do anything? Go ahead.

1 DIRECTOR HALIKOWSKI: Well --

2 MR. HAMMOND: Go ahead.

3 DIRECTOR HALIKOWSKI: Well, you know,
 4 Mr. Chairman, Mr. Hammond, I -- the reason I asked the funding
 5 question is, you know, there's a lot of interest in having this
 6 project done immediately, and you know, I think that there have
 7 been improvements made in Nogales that we feel probably are able
 8 to handle the traffic flow. However, I was down there a few
 9 weeks ago talking with Fresh Produce Association, and you know,
 10 Ruby Road is one of their areas that they really want to get
 11 fixed. I had thought that there were four options and they had
 12 chosen Option D as the preferred design in the facility.

13 MR. KIES: Yes, Mr. Chair, Director. The four
 14 options that you're referring to, there's two major components
 15 to this project. There's an interchange with Interstate 19 and
 16 189, and then there's the whole corridor that then goes about
 17 four miles from that interchange to the border.

18 The four options that you're referring to are
 19 those options at the interchange. So there were different
 20 flyovers or ramp configurations, and Alternative D has been
 21 where everybody's come to consensus that -- but that doesn't
 22 clarify what is going to be done with the rest of the corridor.
 23 The rest of the corridor, the public and the stakeholders have
 24 -- want to do what is called "corridor management," meaning
 25 improving traffic operations by improving intersections, maybe

1 new traffic signals, removing driveways to consolidate access
 2 points, those type of things. That hasn't been resolved yet.
 3 And that really needs to be resolved before you finish the
 4 environmental (inaudible).

5 DIRECTOR HALIKOWSKI: So one of the things I told
 6 the Fresh Produce Association, Mr. Chairman and Board, and I'm
 7 not sure how the Board feels about this, but if you want to
 8 advance funding and perhaps build this project sooner, you have
 9 to expand your thinking into a P3 option. And I know that that
 10 may not be the most popular of options in Nogales, but you know,
 11 with the average ADT there, that may be a viable P3 if you were
 12 looking at a truck-only type toll and facility to separate that
 13 traffic that won't be stopping downtown so that you still keep
 14 your four-wheeler traffic going downtown for the economic
 15 purposes.

16 They didn't really respond to that except to say
 17 that, yes, it's something that we need to keep thinking about.
 18 So there is another funding option if we were to look at a P3 to
 19 do this.

20 The other thing is I got a letter from Mayor
 21 Rosthchild asking why we didn't ask for a TIGER grant in this
 22 round this year. Can you talk about that a little bit?

23 MR. KIES: Well, I guess I could -- yes, I can.
 24 It all is the same subject is the -- we, as the Department of
 25 Transportation, don't believe this project is ready to move

1 forward into final design and construction. We really -- as
 2 Mr. Hammond said, we really need to take the time to make sure
 3 that everybody is on board with what the proposed plan is, and
 4 the team wants to propose what the build alternative would be
 5 this June, next month, but then there needs to be consensus on
 6 that from the stakeholders and the public.

7 The issue with the TIGER grant is that there's
 8 very strict time constraints on a TIGER grant. If we were lucky
 9 to be awarded a TIGER grant on this project, there's a certain
 10 number of months that that project has to be ready for
 11 construction and underway, and without having environmental
 12 clearance in hand, without having a consensus from stakeholders
 13 on what we're actually going to build, we don't -- we didn't
 14 feel the project was ready enough to be under those constraints
 15 of the TIGER grant program. So the -- we thought that the best
 16 option was not to apply this year.

17 DIRECTOR HALIKOWSKI: Because there is a cost to
 18 applying for those.

19 MR. KIES: Yes. A TIGER grant application has a
 20 lot of work that needs to be done, cost-to-benefit ratios have
 21 to be calculated, and it costs the Department between 50,000 and
 22 \$100,000 to prepare a grant application for the TIGER grant.

23 DIRECTOR HALIKOWSKI: So we'll be responding to
 24 the mayor, Mr. Chairman, but I just wanted the Board to know in
 25 case it comes up in conversation.

1 MR. SELLERS: Mr. Chairman.

2 CHAIRMAN ANDERSON: Mr. Sellers.

3 MR. SELLERS: Yeah. Certainly we all get a lot
4 of input about the importance of trying to accelerate this
5 project, but to the director's point, I certainly think P3
6 should be on the table as an item, because all those trucks have
7 already been paying tolls on Mexican Highway 15 (inaudible).

8 DIRECTOR HALIKOWSKI: That is correct.

9 MR. OMER: Mike, real quick on the delivery risk.
10 So we talked about there's no -- so tell me if I'm right or
11 wrong. Just say I'm right.

12 (Speaking simultaneously.)

13 MR. KIES: The delivery risk today -- there is no
14 delivery risk today, but as we move forward, it's completely
15 depending on what the alternative selected is. There could be a
16 risk at that time, whether it be a cost risk, because which
17 select -- which alternative could significantly raise the total
18 cost for the project, and also, you could get in a situation
19 where the community just may not come to agreement with what
20 we're recommending. So our risk in the future could be
21 different than what it says today.

22 Scott, you are right.

23 MR. OMER: Thank you.

24 DIRECTOR HALIKOWSKI: One final point, too. You
25 know, I was contacted by our former board member and chairman,

1 Bobby Lundstrom, about the difficulty of trucks making turns
2 into the warehouses. It's not just 189. It really is the whole
3 system in Nogales, because many of these bridges were sort of
4 wild-catted, you know, during the '50s or whatever over areas
5 that they needed to pass, and they were built fairly small, one
6 lane, and what we're experiencing now is that we're having
7 difficulty of trucks on local streets getting in and out of the
8 warehouses. So the other thing is to look at 189 in conjunction
9 with a comprehensive look at the infrastructure within the city,
10 which is off our system. But it all has to work together in
11 order for it to be maximally efficient, so...

12 MR. HAMMOND: And Nogales has -- Sonora has a
13 little work to do on their side, too.

14 DIRECTOR HALIKOWSKI: They do. We have been in
15 contact with the concessionaire over the past years, Capitan
16 Abed, about fencing, security, pavement, a number of issues
17 there.

18 MR. HAMMOND: I understand he's been more
19 cooperative than he has been in the past. Is that true?

20 DIRECTOR HALIKOWSKI, Mr. Chairman, Mr. Hammond,
21 that is correct. We had to pay a couple visits to him in Mexico
22 City, and worked with him and with (inaudible).

23 MR. LA RUE: So Mr. Chair, Director Halikowski,
24 following the (inaudible) point, Mr. Sellers' point then, how do
25 we push P3? I know we throw it out a lot of times. I know a

1 lot of people say, well, okay, it's something to consider.

2 DIRECTOR HALIKOWSKI: Uh-huh.

3 MR. LA RUE: But how do we get traction? Because
4 I look at this 65 million in fiscal year '21, and I think about
5 this case we just --

6 DIRECTOR HALIKOWSKI: Uh-huh.

7 MR. LA RUE: -- had to us today, and I'm not
8 certain what we're going to deliver into the future until this
9 (inaudible).

10 DIRECTOR HALIKOWSKI: So as (inaudible) back on
11 our P3 staff, let's say at I-15. Perhaps we needed to prepare
12 the groundwork a little better before we went out after that
13 particular P3. In this case, I think before you start getting
14 interest from private entities, we have to have the
15 environmental work in hand, because P3 companies are not going
16 to come in and give you proposals unless they know the
17 environmental approval is done and that it meets standards. So
18 I think keeping it on the table right now is where we should be
19 at, and discussing it with the community and other interested
20 stakeholders as to whether or not that would be a viable project
21 in their mind, also.

22 MR. LA RUE: Raise it once the environmental
23 comes through?

24 DIRECTOR HALIKOWSKI: Right. This is why I asked
25 about how soon some of that can be done, because depending on

1 whether you want to go P3 or not, maybe it's not in the
2 five-year route following this, maybe it comes up sooner, but
3 it's going to depend on how we procure the funding. Otherwise,
4 we wait until the funding comes available.

5 MR. KIES: Mr. Chair, that's all I had about the
6 overview of the proposed program. I'll be happy to answer any
7 other questions.

8 MR. SELLERS: Mr. Chairman,

9 CHAIRMAN ANDERSON: Mr. Sellers.

10 MR. SELLERS: So the largest project that we have
11 in the five-year plan, the South Mountain Freeway, is that
12 proceeding on schedule as far as you can tell right now?

13 MR. KIES: As far as I know. Steve Boschen, is
14 there anything you want -- thumbs up. So it's on schedule.

15 MR. BOSCHEN: It's on schedule in terms of, Mike,
16 you know, we do have a lawsuit against us from the interested
17 parties, and we are -- the courts have addressed that, so we're
18 moving forward.

19 DIRECTOR HALIKOWSKI: Now, Mr. Chairman, not to
20 say, because as I understand it, the Court turned the motion
21 back that was filed by the park and the other entities because
22 it was too large, but did give them another chance to file.

23 MR. BOSCHEN: They do have a second chance to
24 file, but there was not an injunction for us to stop
25 (inaudible).

1 DIRECTOR HALIKOWSKI: So we'll -- absent any, you
2 know, court issues, we'll keep moving this forward
3 expeditiously, but you know, we feel that we're very strong on
4 our process, and we have met all the requirements under federal
5 law that we are supposed to meet, so...

6 MR. SELLERS: Well, it's only been out there for
7 30 years.

8 DIRECTOR HALIKOWSKI: Well, I, you know, hate to
9 remind (inaudible). So anyway, we feel very strongly that
10 working in conjunction with FHWA and our partners at MAG and the
11 City of Phoenix, and we have a good process that should
12 withstand challenge.

13 MS. BEAVER: Chairman, that was going to be my
14 next comment. How many years has this been working its way
15 through the process, you know, so...

16 DIRECTOR HALIKOWSKI: We are preparing to land a
17 white whale.

18 CHAIRMAN ANDERSON: Mike, going back to the six
19 to ten-year time frame, in the changes to the new plan, there's
20 a lot of yellow lines, a lot of things moving in. Specifically
21 on Lion Springs, there's nothing there to turn to design. Is
22 that just because it's a little too far out in terms of the
23 project being delivered? You don't want to start anything now,
24 becomes obsolete, or waiting until it becomes a little closer
25 just to make it cleaner?

1 MR. KIES: That's a good point, Mr. Chair. Yes,
2 the 260/Lion Springs project is -- we have it in the development
3 program in the last year or the tenth year of our program, 2025,
4 for construction. So the thought would be that it would be most
5 convenient to start a design project maybe a few years ahead of
6 that, maybe 2022 as a good example. So that isn't in the
7 current five-year program. It would be in a future five-year
8 program.

9 So we did not make the choice to put any design
10 activities in the five-year program. There's nothing stopping
11 us from starting design early. It's just that -- I mean, it
12 could be considered a double-edged sword, is if you start the
13 project 10 years ahead of when you intend to build it, the good
14 thing would be it's on the shelf, and then if funding comes
15 available and we can accelerate it, it's ready to go, but that
16 could be so far in advance that things could have changed over
17 those years, and we may wind up doing the design early and then
18 having to update the design later, and it could be a more costly
19 process that way.

20 CHAIRMAN ANDERSON: So do you need records that
21 design like it in 2022 on the six to ten, or is it just
22 something that's...

23 MR. KIES: Well, what we have here is if you see
24 this purple line across there, \$30 million a year, we estimate
25 that that's project development costs. So we estimate that

1 that's how much we spend each year to develop the programs that
2 we intend to -- so it would be a part of that. The intention
3 would be it would be a part of that type of process.

4 MS. BEAVER: Chairman Anderson, in follow-up, on
5 that SR-260/Lion Springs, would there be a way of advancing it
6 if some of -- something that's in the pipeline right now came in
7 under the amount that we had identified as what the project
8 would be and maybe advance it that way? I know when we talked
9 about finances, if that kind of money, if something comes in
10 low, it goes into this pot of money and, you know, you adjust it
11 that way, but could we identify that that one maybe could be
12 advanced if there was a situation where we had additional money
13 that came?

14 MR. KIES: Well, that, I think, is what the
15 chairman might have been alluding to, is if we start design
16 early, in the next couple years, then it would be on the shelf,
17 and it would be available to advance if the contingency fund has
18 enough. But if we don't do the design and we let the design
19 wait until 2022, then there isn't much opportunity to advance
20 that, because we'd still have to do the design phase and get
21 ready for the project.

22 MR. OMER: (Inaudible) Mr. Chair. Sorry. This
23 is where, you know, you know, the former deputy director John
24 McGee often would interject and say that the Board has many
25 priorities and many, many things that they can do with the

1 funding that's available. And you have to make a choice as a
2 board on -- you look at just the development program and you --
3 we had a long conversation today with our attorney about I-10,
4 and there's \$128 million in front of us there for projects on
5 I-10 that are fully designed and ready to go. They're just
6 needing the funding.

7 So in the future, the -- a future board would
8 have to make a decision to invest in a SR-260 project for
9 whatever the cost is and for (inaudible) or you invest in
10 Interstate 10, which has been the priority for the Board for
11 years, and we've been looking for availability to actually fund
12 it, and the impact of the I-10 projects versus the impact of
13 what 260 could do. So it's all -- Ms. Beaver, it's all about a
14 choice that a -- this board or a future board would have to make
15 on where you make that investment.

16 DIRECTOR HALIKOWSKI: Just got a letter from the
17 state legislature, Mr. Chairman, and wonders why we're not
18 widening out 85 between Gila Bend and Buckeye. (Inaudible.)

19 CHAIRMAN ANDERSON: We're in Payson in July,
20 correct?

21 UNIDENTIFIED SPEAKER: (Inaudible.)

22 CHAIRMAN ANDERSON: Is there a way to get
23 (inaudible) kind of -- I'm kind of foggy where that Lion Springs
24 area is, where it starts and stops.

25 UNIDENTIFIED SPEAKER: (Inaudible.)

1 CHAIRMAN ANDERSON: For future meetings.

2 MR. KIES: Looks like Mary's taking some notes.
3 She might organize that in July.

4 CHAIRMAN ANDERSON: Mr. La Rue.

5 MR. LA RUE: You know, I -- I'm sure it's pretty
6 early because the case law just came down, but I'm still trying
7 to wrap my head around what we heard this morning, and so I
8 thought -- I'm trying to think about that. Is there something
9 we should be doing differently than we've been doing? Thinking
10 about it differently? Scoring projects differently? And I hate
11 to say it, but I just think that the way they might, my view,
12 have lowered the bar to keep cases in the courts, I just think
13 there's going to be a lot more activity for our litigation side
14 coming. So (inaudible) we need to do business differently. And
15 I appreciate all the economic discussion on, you know,
16 accelerating some of these, but I'm also, you know, a little
17 nervous and cautious about is there something we should be doing
18 differently because of this case.

19 MR. OMER: So Mr. Chair -- sorry, Mike. I would
20 ask Mike maybe at this point to talk a little bit about the P to
21 P process and the rankings that we present to the Board are
22 based on, you know, multiple different criteria.

23 Mike, do you know off the top of your head a
24 couple of the highest-rated projects that we had out there were
25 what?

1 MR. KIES: The couple of the highest-rated
2 projects were on Interstate 10 between Phoenix and Tucson. And
3 we base that on some of the criteria that Scott's referring to
4 is traffic volumes, the number of accidents that have -- are in
5 our crash records, the costs, those sorts of things are all part
6 of that. The scoring for what we call the expansion program.

7 MR. LA RUE: The concern or the challenge I see
8 there is these projects on I-10 are just huge, and when you look
9 at, you know, the greater (inaudible), there's nothing there for
10 expansion. So can you break those projects down since they're
11 looking at 85 million or they're broken down? I mean, is there
12 a different way to tackle that stuff?

13 DIRECTOR HALIKOWSKI: So --

14 MR. LA RUE: Because I'm assuming if we don't
15 preserve a roadway and there's a tragic accident, we're going to
16 have the same result, the same litigation will happen. So you
17 can't really pull it from one spot to the other, I don't think.

18 DIRECTOR HALIKOWSKI: But Mr. Chairman, Mike, we
19 have put quite a bit of money into I-10, correct? We have two
20 sections now we're basically focused on, this curve around
21 Picacho, and then, of course, the section through the
22 (inaudible) community where we also have a narrowing down to two
23 lanes in each direction. So I think we have put quite a bit of
24 funding into 10 over the years.

25 The question becomes, you know, again, based on

1 whatever recommendations come out of the P to P process, where
 2 the Board wants to put the money. As you heard Mr. Zeder say,
 3 these represent less than 1 percent of the fatalities that we
 4 experience in Arizona. So while my heart goes out to the
 5 families for these tragic accidents, also the Board has a
 6 decision to make if these represent less than 1 percent. Are
 7 they the most important safety considerations that we need to
 8 address? So as Mr. Zeder also said, we're wrestling with some
 9 ways that we can try and work this. So it is a little early
 10 given the recent decision as to what direction we may recommend
 11 to the board.

12 MR. LA RUE: And I don't want to focus on I-10.
 13 I'm more focused on are there other safety concerns around the
 14 state, but now that this, you know, kind of spotlight is shined
 15 on how you can -- a plaintiff can bring a case (inaudible), you
 16 know, are we going to get notices on other highways in the
 17 state?

18 DIRECTOR HALIKOWSKI: We may. And, I mean, guard
 19 rail end treatments are another case that's been bouncing around
 20 the country, as you know.

21 MR. SELLERS: But it would seem to me that the
 22 evaluation process that you're going through should help us in
 23 litigation.

24 DIRECTOR HALIKOWSKI: It should. The other thing
 25 that should help us also target these safety issues is that our

1 crash reporting system in the past was not electronic. They
 2 were essentially handwritten forms in most cases, and there
 3 really weren't boxes to check for crossovers or other types.
 4 We, over the past three years at ADOT, have been working on a
 5 different crash reporting system utilizing a system called
 6 Tracks (phonetic) that is largely available to the officers
 7 electronically to file these. They go right into our system,
 8 and they have a way to mark what kind of an accident, if it was
 9 a crossover or some other factor that contributed to the
 10 accident. So that will also help us identify some of the safety
 11 issues.

12 CHAIRMAN ANDERSON: Further comments, questions
 13 for Mike?

14 Thank you, Mike.

15 MR. KIES: Thank you.

16 CHAIRMAN ANDERSON: See you in a month.

17 MR. KIES: Right.

18 CHAIRMAN ANDERSON: Next up is the Key Commerce
 19 Corridor video. Scott.

20 MR. OMER: Thank you, Mr. Chair, for letting me
 21 be here today. So the director and I are going to tag team a
 22 little bit. We're going to talk about (inaudible).

23 All right. So I'm going to talk about Key
 24 Commerce Corridors real quick. And many of you have heard this,

25 That's okay, Lynn. I can talk a lot.

1 So many of you have heard this presentation quite
2 a few times now, but we would -- we'll gladly make some time to
3 spend with Mr. Hammond and Mr. Draper, the new members who
4 haven't really heard us talk very much about Key Commerce
5 Corridors. In the future we'll talk to them.

6 But Key Commerce Corridors, we started this
7 initiative years ago. And about three years ago we started
8 looking at the project itself and developing a study called Key
9 Commerce Corridors. Prior to that, we had been out meeting with
10 the business community in Arizona, and it's an extension of all
11 the work we do on talking about economic development potential
12 and linking transportation and the economy is where this came
13 from.

14 I mentioned Mr. McGee earlier. He -- it was his
15 idea, this concept, that kind of spurred the thought for this,
16 and we took it off from that point, and we started looking at
17 the process of if we had additional revenue available, and
18 that's the (inaudible) we had additional revenue available,
19 where should we be investing? And we wanted to identify
20 specifically, you know, what types of corridors and what types
21 of investments we should be making into the future.

22 This falls in direct line with Governor Ducey's
23 initiative about thinking big and really linking how business
24 growth -- growth in the State's economy and the business growth
25 is specifically linked to transportation and how transportation

1 supports business growth. And we all need to start thinking big
2 and not just thinking about our own business line, which is
3 transportation, but how transportation can be of benefit to
4 other parts of the department, other parts of the state.

5 Key Commerce Corridors is really an integral part
6 of the State's transportation system in Arizona's continued
7 economic growth and development. I have often said, you know,
8 we have a slide that talks about how economic growth is really
9 dependent, and it's part of an overall scheme of things, and
10 it's cyclic, and to me, transportation infrastructure is the
11 foundation to a strong economy for this state.

12 Yes, we have to have job growth, and we have to
13 have job growth in the right markets. We have to have good,
14 sound manufacturing jobs in our base -- in our base markets is
15 really what drives the economy. And once you have that economic
16 growth, it will tie that in with the transportation system that
17 supports it, and we start exporting goods in Arizona, stuff that
18 we make here and sell elsewhere along our infrastructure. It
19 really creates more jobs.

20 So those are things that we've been talking about
21 now for quite awhile, and it's important to highlight that this,
22 you know, is something that, again, gets the support of the
23 governor's initiative as well as what we've been working on, and
24 to have that sound transportation infrastructure to support the
25 economy.

1 DIRECTOR HALIKOWSKI: So let me tag you right
2 there and interject a little bit. Scott's right. We had a
3 proposition, as you recall, that gave nine-tenths of a cent to
4 education and a tenth of a cent, PROP 204, to transportation.
5 That would have generated about \$100 million a year, and John
6 McGee and I were talking about it and said, if we get an extra
7 100 million a year, how will we prioritize it? And then we
8 said, really, 100 million a year is nothing to sneeze at, but if
9 you looked at the interstate system, really like a river system,
10 those are the rivers that our trade and commerce flow over.

11 And we started looking at this from an
12 economist's point of view. Mexico's our number one trading
13 partner. Canada's number two, but more importantly, China's
14 number three. And we started looking to the interstate system
15 and state highway system specifically as the foundational
16 element, as Scott talked about. If we put the right
17 transportation system in and we can lure CEOs and senior
18 management to relocate to Arizona because of good quality of
19 life and transportation system, that's a foundational element
20 that we have to have.

21 And the rest of it, transit, education system,
22 starts to flow from the wealth we believe Arizona can produce by
23 making it here and selling it there. So we've talked to over
24 700 businesses over the past three years, four years. I've been
25 in front of GPEC. I've been in front of the Phoenix Chamber.

1 I'm going to go talk to the Phoenix Chamber of Economic
2 Development Committee today. (Inaudible) and her team
3 (inaudible) have been all over this state talking to business
4 leaders. Essentially, at this point we have the Arizona Chamber
5 of Commerce.

6 What's their initiative called, Scott?

7 MR. OMER: Accelerate Arizona. Sorry.

8 DIRECTOR HALIKOWSKI: Accelerate Arizona, and
9 that's an outgrowth of transportation business partners which
10 includes, you know, a number of people interested in a statewide
11 system. And you only have to look over to California with 16
12 million consumers and a trillion dollar GDP to the west of us.
13 And then, of course, you have Dallas, Fort Worth to the east,
14 roughly the same GDP and consumer market, and then you have
15 Mexico to the south with a growing middle class. So for us, it
16 makes sense and it's time to fund an investment in these Key
17 Commerce Corridors.

18 The hurdles we've faced is that when we talk to
19 the business community, they get it. They understand that this
20 is a good thing to do, but there are so many other fiscal hills
21 that the State is trying to climb over right now that the
22 business community seems more focused on education at this
23 point. But we have to keep talking about this, because we don't
24 believe Arizona can be globally competitive with a 1970s
25 interstate system linking us to Mexico and to L.A. and Long

1 Beach. We need to improve the systems.

2 MR. SELLERS: And to that point, I think it's
3 interesting and encouraging that Maricopa Association of
4 Governments now has an Economic Development Committee. It's
5 probably more active than the Transportation Policy Committee,
6 and that committee recognizes that for that region to be
7 successful, it has to be a statewide system (inaudible) support.
8 And, in fact, that committee is making a trip to Hermosillo and
9 Guaymas, the port of Guaymas, the first week in June. So a lot
10 of recognition on what the director's talking about. But we've
11 got a long ways to go to get it funded (inaudible).

12 MR. OMER: Completely agree, Mr. Sellers, and
13 (inaudible) the director is talking about is -- for us it's
14 really about connectivity and global competitiveness. You know,
15 that connection to Los Angeles and Houston and Dallas. If you
16 look at just L.A., Phoenix, Houston and Dallas, you combine
17 their overall GDPs together, it would be the tenth largest
18 economy in the world.

19 The only other large economies like that, in the
20 United States at least and not in the world, if you look at New
21 York and Chicago, you know, they're really the other four of the
22 six largest cities in the country, but you look at L.A. and
23 Phoenix and Dallas and Houston, you know, just the connectivity
24 between theirs is really where we can generate a huge impact on
25 their overall economy. And while, you know, the emerging

1 markets in Mexico are something that are vitally important to
2 us, we have trading partners in just southern California and
3 Texas that we really should be tapping into, looking how to
4 develop those, as well as our other large trading partner in
5 Canada.

6 So we can't just think about, you know,
7 connecting to far east Asia anymore. That's not the right
8 thing. We have to find those economies that we can connect into
9 and do it as reasonable as possible.

10 DIRECTOR HALIKOWSKI: So we believe that if
11 California has environmental regulations tight enough to a point
12 where it becomes non-profitable to do business there anymore,
13 that as equipment wears out and is no longer grandfathered,
14 Arizona is a very attractive place to come and do business. The
15 other thing is, obviously, there's a water issue, and we've been
16 much more parsimonious about how we handle our water for the
17 future here in Arizona. So we feel we can begin to absorb that.

18 Then the final point I'll make on this issue is
19 that the Canadians are now our largest foreign direct investors
20 here in Arizona. They're moving businesses here. They're
21 buying second houses here. So we need to keep that connection
22 moving forward, also.

23 MR. OMER: And lastly, that connection to
24 California, Texas, that's important. It also ties in directly
25 to the trucking industry. You know, the trucking regulations,

1 basically in a truck day you can go from the port of L.A. and
 2 Long Beach, you include all your loading and unloading times and
 3 idle times and traffic times, you can get to central Arizona in
 4 a day, and that's important. We take advantage of that type of
 5 connection. And then when you look at going on to Texas, it's a
 6 couple-day trip to Texas from there as well. So the new federal
 7 trucking regulations started in 2014, I believe, is when -- you
 8 know, it really is something that had been advantageous to us.
 9 It's about how you get your product to market as quickly as
 10 possible.

11 DIRECTOR HALIKOWSKI: So right now we're working
 12 on an agreement with Texas, New Mexico, Arizona and California.
 13 The four DOD -- four DOT directors have been meeting. Much like
 14 the I-95 corridor in the east, it runs from Florida all along
 15 the coast, we want to turn I-10 into a fully modern,
 16 technologically-capable corridor that runs from Dallas, Fort
 17 Worth, all the way to Long Beach and L.A. And so the four
 18 directors are working on that, because we found if we want to
 19 streamline federal regulations, it's much easier to do it as a
 20 corridor than it is one state at a time trying to go before it.
 21 So we're in a draft agreement phase right now, and I'll be
 22 seeing some of those folks next week at the Intelligent
 23 Transportation Society Conference (inaudible). So we're trying
 24 to move forward with the corridor.

25 MS. BEAVER: When you're speaking -- excuse me,

1 Chairman. When you're speaking of the I-10 corridor, are you
 2 talking about east to west?

3 DIRECTOR HALIKOWSKI: Yes.

4 MS. BEAVER: In its entirety, not where it would
 5 come up and link in to the proposed I-11?

6 DIRECTOR HALIKOWSKI: I-11 theoretically would be
 7 a link to that 10 at some point, but yes, we're mainly talking
 8 about traffic between Dallas, Houston area all the way to the
 9 coast. Other states have now come forward like Florida and
 10 said, we'd like to be a part of that. But the bulk of our
 11 commerce runs between Dallas, Houston and to the coast. Not
 12 that we won't let other states in, but that's our focus is those
 13 four states.

14 MR. OMER: So we did come up with an actual
 15 20-year plan for investing in transportation and specifically
 16 where we should be making those investments, not just on --
 17 looking at a map and say it should be this, but we used things
 18 like job creation, economic competitiveness and connections to
 19 regional and international national markets is how we looked at
 20 where we should be making these investments. And specifically,
 21 we looked at some what we call key commerce corridors; those
 22 facilities that really do the lion's share of moving freight and
 23 commerce across the state of Arizona and connecting to those
 24 markets that we were talking about earlier. The Interstate 10
 25 corridor from the California border to the border with New

1 Mexico in the state of Arizona are huge investments that we feel
2 are vitally important to us.

3 It's not just about the safety improvements that
4 our attorney's office talked about earlier today. It's about
5 connecting, you know, Arizona with international and huge
6 marketplaces. It's about the amount of freight that currently
7 travels on interstate. I mean, there's parts of Interstate 10
8 today that have exceeding of 40 percent trucks on the -- on that
9 facility itself. And we've all driven between Phoenix and
10 Tucson and experienced that uncomfortableness, you could say, as
11 we're driving through there, and that's a big end part of it, is
12 the amount of traffic and the specific number of freight on
13 Interstate 10. And connecting, you know, like I said, Los
14 Angeles and Phoenix to Tucson and on to Texas is vitally
15 important to our economy.

16 Along with I-10, the Interstate 19 corridor was
17 on here as well, and it's about connecting our economy in
18 Arizona with the economy, as Mr. Sellers said, with Mexico. And
19 Interstate 19 with the new port in Mariposa is one of those
20 facilities we think are vitally important to connect to our
21 economy.

22 DIRECTOR HALIKOWSKI: And then, you know, the
23 idea that I-19 connected to 10, and then Interstate 11, all the
24 way up to I-40 gives trucks another north/south route. So I
25 didn't want to overlook that as we were talking about the

1 east/west corridor. The north/south route is important
2 (inaudible).

3 MS. BEAVER: Thank you for bringing that point
4 up. I was just...

5 DIRECTOR HALIKOWSKI: Sorry about that.

6 CHAIRMAN ANDERSON: Mr. Hammond?

7 MR. HAMMOND: For those of you who don't know, my
8 background is in industrial real estate. So about 8,000
9 thoughts go through my head in this discussion (inaudible), and
10 there's no question the infrastructure north, south, east and
11 west is critical, and that's why we're all here. I've been
12 waiting for this, you know, this influx of California companies
13 for 40 years and it hasn't happened. The truth is a lot of
14 companies have to be there. I've heard complaints time and time
15 again when I'm over there, and I say, well, why are you here?
16 Well, we have to be here because the talent's here. You know,
17 and if we're going to get them to stop in Arizona as they drive
18 through, that's where the business community's so concerned
19 about education. We've got to have the work.

20 UNIDENTIFIED SPEAKER: Right.

21 MR. HAMMOND: But having said that, our main
22 strength right at this moment is the intersection between Texas,
23 California, Mexico and points north. And the quicker we can do
24 that, the quicker, you know, we do get that infrastructure
25 connectivity, which is a key commerce corridor. But if we're

1 going to raise the (inaudible) in Arizona and make those trucks
 2 -- or those cars driving back and forth stop, you know, then
 3 it's all about education. So both are very important. And I
 4 think the business community understands the importance of
 5 infrastructure. It's just that they feel right now that
 6 education is what's really holding this state back. Probably
 7 marginal, emphasis on marginally more than infrastructure
 8 (inaudible). I could go on and on.

9 You know, I used to say 20 years ago that
 10 transportation infrastructure was number one, and people would
 11 ask me (inaudible). I'd say University of Arizona is one, two
 12 and three right now, and maybe K through 12 was four, five and
 13 six or (inaudible) as the case may be. So we've moved on.
 14 We've had a lot of issues, but stepping back and identifying key
 15 commerce corridors, you know, the Red Rock facility, to your
 16 point, you know, if we can help the Union Pacific stop those
 17 trains going through here and do something, you know, they were
 18 planning a 300-and-some-odd acre park around there where they
 19 would offer rail-served line -- sites to customers. Do you know
 20 how hard it is to find rail-served property of any quality?
 21 They were going to do that, you know.

22 And by the way, the (inaudible) facility was
 23 planned at the same time as the Red Rock facility, and they're
 24 done. It's just west of El Paso, with a \$400 million investment
 25 that we could have had here in this state for lack of consensus,

1 I guess, is the right word. (Inaudible.) I'm not criticizing
 2 the public sector here on that rail yard, but helping the rails
 3 move through this state and to help them stop when need be,
 4 that's the big problem in Nogales. Trucking is the future
 5 because there is no serious effort to (inaudible) coming through
 6 Nogales to the main line. So, I mean, there's so many issues,
 7 but this is a big step. I could not be more for it.

8 DIRECTOR HALIKOWSKI: I'm sorry.

9 MR. SELLERS: And to your point, I agree that
 10 education is a key priority, and even to the point of having
 11 craft skill training, (inaudible) priority, but the issue we
 12 have with infrastructure is the number of years it takes to plan
 13 and make it happen.

14 UNIDENTIFIED SPEAKER: That's our job. We're not
 15 here to argue, argue education. (Inaudible.)

16 CHAIRMAN ANDERSON: Mr. Draper.

17 (From 10:49 a.m. to 11:05 a.m., Mr. Draper spoke
 18 to the Board and was inaudible for transcription.)

19 CHAIRMAN ANDERSON: Thank you.

20 MR. OMER: Thank you, Mr. Draper.

21 So in addition to the other routes, I'd be remiss
 22 if I didn't mention I-17. (Inaudible) Chris back there. He was
 23 going to yell if I didn't. I-17 is really the lifeblood
 24 connecting northern Arizona and to the markets in Phoenix and
 25 Tucson. So that was one of the other corridors we talked about.

1 All of these together though really brings us to
2 the conversation we need to have that statewide, as Mr. Sellers
3 said, a statewide conversation about linking Arizona's economy,
4 and you really do that by finding a revenue stream and being
5 able to fund those types of specific infrastructure projects
6 that can move us forward into the future.

7 You know, the director has said for quite a few
8 years (inaudible) we were in Dallas together, in Texas, talked
9 about an alignment from, you know, their local municipalities
10 and their mayors to their state legislature and their, you know,
11 national delegates. They're all in alignment about what was the
12 right transportation investments for the State of Texas. That
13 is not what we have here, and that's specifically what we need
14 to have here is that alignment about it's not about, you know, a
15 local issue, it's not about a regional issue.

16 This is about what's best for the State of
17 Arizona. It takes all of us being on the same page, and
18 therefore, we need transportation leadership to step forward and
19 say, this is the types of investments we need to be making.
20 They've done the same thing in California. There's a reason why
21 you have many businesses leaving the state of California. It's
22 because of, you know, those environmental regulations. And as
23 Mr. Hammond said, when we're ready for them, this is a prime
24 place for them to come. There's a reason why oftentimes they
25 leap over Arizona and they go to Austin or they go for North

1 Carolina, because they have that alignment and they're ready for
2 us. We need to take those steps in Arizona to do the same thing
3 so we can take advantage of our geographic connections between
4 those states and the international markets. And you're right,
5 Director, we are doing those things. We just want everyone else
6 to notice it as well.

7 So what I would like to introduce now is a video
8 that I actually showed this at Roads and Streets. The director
9 talked about Roads and Streets, but many of you have not seen it
10 before. You've heard us talking about the importance of
11 transportation to the economy for years. And listening to a
12 bunch of bureaucrats talk about what's good for us is fine.
13 This is actually our customers talking about how transportation
14 impacts their specific businesses, and I think when you hear
15 this and you hear them talking about it, I think we're on the
16 right page.

17 So Lynn (inaudible) run the video.

18 (Arizona Key Commerce Corridors video played.)

19 DIRECTOR HALIKOWSKI: Mr. Chairman, this was made
20 by Kevin's group, and no ADOT employees were hurt during the
21 filming.

22 MR. OMER: So Mr. Chair, what I would say though
23 is in the last four years as a department and specifically
24 Kevin's group (inaudible), people have met with well over 500
25 businesses in the state of Arizona, and our business community

1 has all been on the same voice, that we have to have adequate
 2 transportation infrastructure in place to really help their
 3 businesses out. Whether it's Raytheon, which is a multi-billion
 4 dollar company that, you know, really is in all parts of the
 5 globe, or little apple -- little Annie's Apples in Willcox, they
 6 all need access to infrastructure. And I listen to what our
 7 customers say. To me, it's a call to action about as
 8 transportation professionals and as the -- in the State of
 9 Arizona, we need to be able to provide that infrastructure in
 10 place for our economy to grow.

11 You know, I've said many times how I'm a
 12 transportation guy. I think about numbers and where we should
 13 be doing roads, but I think we need to be listening to our
 14 customers, and they're telling us, you know, these are the
 15 specific corridors they need. It's our Key Commerce Corridors.
 16 So we wanted to take the opportunity to show you guys a video
 17 today, as well as have this little bit of a conversation. We
 18 appreciate your patience. I apologize for the individual -- the
 19 presentation not being up, but at least it was a good dialogue
 20 and you got to see and hear what our customers said. So thank
 21 you. If you have any other questions, we'd like to address
 22 those.

23 MS. BEAVER: Chair.

24 CHAIRMAN ANDERSON: Ms. Beaver.

25 MS. BEAVER: I would like to ask you what can the

1 board do to help work towards this goal?

2 MR. OMER: Well, Ms. Beaver, I appreciate that.

3 Mr. Chairman, Ms. Beaver, we were dying for someone to ask what
 4 you can do. So we actually have a -- we have some handouts and
 5 some fliers, and you can start passing -- no, I'm just kidding.
 6 It's really about being the voice for transportation, and you
 7 all as board members signed -- you're advocates for
 8 transportation, and it's about having the conversation every
 9 time you get about investing in transportation is the right
 10 thing to do.

11 The amount of transportation revenue that we have
 12 in the State of Arizona is nowhere close to being what we need.
 13 You set our transportation policy as far as at least -- not
 14 policy, but our program every year, and you see, you have no
 15 choices. You have zero choices about what you can do with
 16 transportation because of our limited amount of revenue. I
 17 think all of our jobs are going out there and talking about if
 18 we have revenue, we can actually make a difference. And I think
 19 that's where you come in play, having that conversation.

20 MR. BIESTY: Mr. Chair. Ms. Beaver, one of the
 21 things, especially out in Greater Arizona, when we first started
 22 rolling this out, people immediately looked at the map and went,
 23 well, where's -- where's -- how come my highway's not in there?
 24 How come there's not enough here but more here?

25 And the message has been kind of similar to

1 earlier programs that at first were not real well-liked when
 2 they first rolled out, but they -- like, the Stand program. It
 3 allowed money to come into the system, which freed up capacity
 4 for other projects to move up. So if you could help get the
 5 message out to your communities that, don't focus in so much on
 6 the map of what Key Commerce Corridors is showing, because
 7 again, if we get additional revenue in, that will build
 8 capacity. We'll still have additional revenue coming in on our
 9 existing program, and we can focus that as well on those
 10 projects. So that would be helpful.

11 DIRECTOR HALIKOWSKI: I'll put a finer point on
 12 it. You probably all know mayors, county supervisors, state
 13 legislators. Eventually, the legislature has to decide either
 14 to take action on its own or to refer something to the voters if
 15 we're going to do some investment in transportation. The maps
 16 we've shown you, the arrow maps are a \$20 billion program over
 17 20 years. Essentially, a billion dollars a year over and above
 18 what we're currently collecting. That's a heavy lift. It
 19 represents either a doubling of the 18-cent-a-gallon gas tax or,
 20 say, roughly a penny on the sales tax.

21 Those aren't the only two ways to fund it.
 22 Obviously there are other ways, including some private
 23 investment or other ways of generating revenue, but whether it's
 24 tolls or whether we call it an investment, there are just people
 25 that believe that they will not vote for a tax increase.

1 However (inaudible) we need help in convincing folks that this
 2 is a good investment for Arizona's future, and that's where you
 3 come in, because you're -- you are policymakers and influencers
 4 and can talk to people.

5 But some of the other things we're going to face
 6 is that if we go back in history, as was mentioned earlier, we
 7 will focus either on local issues, and Phoenix is proposing a
 8 \$30 billion transit program over 30 years. That's going to dry
 9 up the well, potentially, for voters who say, well, we solved
 10 the transportation problem here, or devolve into regional areas
 11 where we got ours in this area, but that doesn't help us with
 12 connectivity to major markets then. So there's a balance that
 13 we have to also strike of how are we going to move
 14 transportation forward together as a state versus folks who
 15 absolutely don't want to have any investment in it versus folks
 16 who say let me just take care of my area and we'll not worry
 17 about connectivity. That will handle itself some other way.

18 So we have to, as Scott said when he started
 19 this, think big. Arizona needs to connect to a world market.

20 MR. BIESTY: And Scott touched on it earlier,
 21 like the mentality in Texas I've heard many times. Everything
 22 from -- it's from, like, the local school board all the way on
 23 up to the governor. They're all aligned in a mission. The more
 24 people understand that (inaudible) statewide system that
 25 connects local regions and cities, you know, we all have to --

1 we all have to (inaudible) --

2 DIRECTOR HALIKOWSKI: Nearly every Texan I talk
3 to, when they die, they want to go to Austin. (Inaudible.) I
4 don't know why it's not Phoenix or Tucson or Flag or somewhere,
5 but all the Texans want to go to Austin.

6 CHAIRMAN ANDERSON: Mr. Sellers.

7 MR. SELLERS: Yeah. For my (inaudible), you
8 know, I talk to state representatives, I talk to our Congress
9 people, and the issue we're trying to pass here is this pledge
10 that people take about no new taxes, and I keep arguing even
11 though I think fuel tax is a short-term solution, it
12 nevertheless is a solution for the time being, and it's not
13 really taxes. It's a user fee that isn't keeping up even with
14 the cost of maintaining our system, and the price of fuel varies
15 10 cents a gallon every week.

16 UNIDENTIFIED SPEAKER: Every minute.

17 UNIDENTIFIED SPEAKER: Every hour.

18 MR. SELLERS: And ten cents a gallon costs us \$5
19 a month for each driver. You know, if we can't convince people
20 that our infrastructure's worth that, then we -- I don't know.

21 MR. OMER: Mr. Sellers, that's a great point, and
22 what we've been doing now for the last couple of years and we'll
23 continue doing is educating. And as board members, that's what
24 you can do as well. We can provide you with information and
25 with some talking points so you can help spread the word.

1 Mr. Sellers is right, the average Arizonan spends
2 \$9 a month when it comes to fuel tax. Regardless, if you're --
3 you know, you're paying a dollar a gallon of gas or \$5 a gallon
4 of gas, you're spending about \$9 a month towards our
5 infrastructure. That's nothing. You know, we spend \$200 a
6 month on a cable bill many times. You know, I have a wife and
7 three (Speaking simultaneously.)

8 MR. OMER: (Inaudible). I have a wife and three
9 daughters, and so many people can relate. I spend over \$300 a
10 month, I think, in cell phones. Right? \$9 a month in fuel
11 bought per car. So, I mean, we have to make that point that
12 people can realize this is an investment that we have to make in
13 our infrastructure, and it's nothing compared to some of our
14 other investments.

15 MR. LA RUE: You know, Mr. Chair, thank you.
16 Scott, you know, thank you for that video, because it's, you
17 know -- I like the way you like you said, it's folks, you know,
18 are users who use the system, and those are companies that you
19 clearly want to keep Arizona growing. And as I listened to
20 Mr. Sellers about this no new tax pledge, it almost seems like
21 we need to create our own pledge. You know, I pledge about,
22 (inaudible) the Arizona I want, and let's get, you know, local
23 businesses to sign it and developers and then next election
24 cycle we'll get legislators, you know, candidates to sign it.

25 Because, you know, over the weekend I was looking

1 at something in one of the papers, and it was showing how in the
 2 '60s and '70s, our educational level in the state was greater
 3 than national average. You know, and you think back, there's a
 4 lot of manufacturing, industry. Our wages as compared to the
 5 nation was above the national average. Now you fast forward
 6 three decades later, and we're way behind the national average
 7 in wages, way behind -- I mean, if we continue to allow folks to
 8 have this pledge (inaudible), we know where the trend is going
 9 to go, and it's almost like we need to start -- and maybe it's
 10 Accelerate Arizona or Arizona change where somebody needs to
 11 start our own infrastructure pledge. You know, we pledge to
 12 support infrastructure for the Arizona we want. Put it out.

13 MR. OMER: So Mr. La Rue will have that
 14 conversation with our business partners and Accelerate Arizona
 15 specifically about maybe there's a way to do that, but this is
 16 a -- you know, something we're very passionate about, as well as
 17 you guys are. I'm glad you liked the video.

18 While, you know, I've been leading this for
 19 awhile, it was really (inaudible) and our staff that put the
 20 video together. They did a lot of work, going out and meeting
 21 -- I didn't meet with one of the businesses. They met with all
 22 of them, along with our consultant team. So they really did the
 23 work, and we appreciate the upper -- you know, I look at a four
 24 minute video, and there had to be some work there. They
 25 invested, you know, hundreds and hundreds of hours to get it to

1 this point, so we do appreciate the work they do.

2 MS. BEAVER: Mr. Chairman, this type of a video,
 3 have we taken it to -- I realize we've got U of A, ASU
 4 (inaudible) here, but like the PBS channel or our local news
 5 morning shows on Sunday morning where they do these type of
 6 things? Are we reaching out that way, or is that something that
 7 we might reconsider?

8 CHAIRMAN ANDERSON: I just want to jump in.
 9 About six months ago, a year ago, Mike Kies was on Horizon. He
 10 did a fabulous job talking about I-11 and the whole network
 11 (inaudible) Arizona, and not everybody like me watches, you
 12 know, Horizon on a (inaudible).

13 UNIDENTIFIED SPEAKER: He listens to NPR, too.

14 MR. BIESTY: Mr. Chairman, if I might, that is
 15 all part of the communication plan. And again, the delicate
 16 balance is we're a state agency. Right? So we have to partner
 17 very closely with our partners in the private sector to get this
 18 message out. We're providing a lot of critical information to
 19 them that they can then feed to the community.

20 I would like to just briefly touch on Mr. La
 21 Rue's point. You know, I often talk with folks down at the
 22 Capitol, and I make the comparison, Mr. Hammond brought up
 23 education before. When there's a whiff of a cut or something to
 24 impact education, what happens? People flock to the Capitol.
 25 They're e-mailing their legislature. Okay? I mean, it's -- the

1 armies are set loose. When that happens in transportation,
 2 there's nobody. There's nobody. And again, that's -- you know,
 3 as a state agency, we can only do so much, but I think this has
 4 been -- you know, the efforts, the department and its partners
 5 have done over the last few years, I think there's a momentum.
 6 I think when you look at what the change you're getting involved
 7 in, and we just have to keep that up, because --

8 CHAIRMAN ANDERSON: At least in Maricopa
 9 (inaudible) are moving there from Chicago and New York and L.A.
 10 To them a 45-minute drive is a piece of cake. They're used to
 11 three hours one way. So it's kind of that baseline where we
 12 start, and dinner at our house kind of gets a little lively at
 13 times. My wife is president of the school board. She doesn't
 14 like educational cuts, and I'm trying to build roads. So it
 15 becomes an impasse. I'm not going to vote for hers, and she's
 16 not going to vote for mine.

17 UNIDENTIFIED SPEAKER: Who wins that one?

18 MR. SELLERS: Those of us involved at the
 19 municipal level (inaudible), one of the things that you talked
 20 about earlier is a point we need to be able to drive home, and
 21 that is the thing I hear all the time is, is this going to take
 22 away from our local funding? And obviously the answer to that
 23 is no, not if it's done right, it won't, but I think that's a
 24 major concern among municipalities right now.

25 MR. OMER: I think it's a good point,

1 Mr. Sellers, and when Kevin mentioned, you know, not -- people
 2 speaking out about transportation, I guess the people who would
 3 say speak up is RTAC and (inaudible) have talked a lot about
 4 losing funding and transportation in the past, and I think they
 5 would -- and RTAC with Kevin's here. I mean, they're partners
 6 of ours as well, and they would say we shouldn't be worried
 7 about just stopping, you know, the reductions in the HURF. We
 8 should be looking at increasing, and really, Key Commerce
 9 Corridors is that way to do that.

10 For every dollar invested in Key Commerce
 11 Corridors, it's a dollar that we don't have to invest out of the
 12 -- our existing formula amounts. You know, if you rebuild a
 13 portion of I-10 to bring it up to new standards that we can use
 14 to attract and boost our economy, that's a dollar in
 15 preservation on the existing pavement and bridge systems that we
 16 have today. So for the dollar invested there, you can move it
 17 somewhere else, and I think that's part of the message points
 18 that we really need to hone in on. We're still at the high
 19 level today, but we will get to that point where it's finite,
 20 and we'll be able to define what our return on those investments
 21 are.

22 DIRECTOR HALIKOWSKI: But also, the KCC, the
 23 ports of entry are included in there for improvements, correct?

24 MR. OMER: Yes sir. I'm sorry about that. All
 25 of our ports of entry are included. Both the international

1 national and the state ports of entry have funding included, as
 2 well as our bridges. And we do have -- you know, we're blessed
 3 in Arizona. We have a really good bridge system, but we do have
 4 some that are critical in need for repair. So we had some
 5 funding set aside for that as well.

6 MR. HAMMOND: Yeah. Very, very interesting
 7 conversation. I liked your comment on universities getting
 8 funding and (inaudible) to the fact the more articulate than the
 9 average person and better at selling some of their funding needs
 10 over the years and maybe that -- maybe some of those cuts could
 11 be justified just from that perspective. The K through 12
 12 system is really where a lot of the issues are.

13 I think we've got pretty good when it comes to
 14 infrastructure, at least in southern Arizona. I think there's
 15 great awareness of the need to invest in infrastructure down
 16 there. Where everybody seems to bail is on the funding
 17 mechanism for it. And it seems so obvious, a nickel on the gas
 18 tax, but then the regressive argument comes out. You know, then
 19 you get all of this -- and by the way, it's the most (inaudible)
 20 the worst I think of any tax, I think because everybody sees
 21 (inaudible). So they're going to come out against it. But it's
 22 those funding mechanisms that somehow we have to build consensus
 23 around. I don't know how to do it. It seems like everybody I
 24 talk to, you know, is for these kind of funding vehicles. So
 25 maybe -- you know, maybe we're all preaching to each other and

1 not to the right constituency, which is the voter, or maybe the
 2 voter is choosing a higher priority than infrastructure and
 3 funding infrastructure when they vote for some of the
 4 (inaudible) folks in our legislature on how we address some of
 5 these problems.

6 (Inaudible) sometimes get pretty down when I look
 7 at the funding needs versus the funding sources of any kind of
 8 consensus around (inaudible). And so your point, Jack, there is
 9 a sense that if you vote for something statewide, even though --
 10 it does take out of the pocket of the local municipality on what
 11 they can do locally, and after awhile you just batten the
 12 hatches maybe and, you know, kind of (inaudible). So I don't
 13 know. I mean, I'm all across the board here, but it's the
 14 funding source is where people bail, and I don't know how we get
 15 influence on some funding sources for infrastructure. That's
 16 really the question.

17 DIRECTOR HALIKOWSKI: So, Mr. Chairman, and I
 18 appreciate the comments. Over 25 states in the last couple of
 19 three years have somehow found that formula to increase
 20 revenues, because they realize the federal's government's not
 21 riding over the hill to our rescue. Congress reminds me of the
 22 Taylor Swift song of, you know, when it comes to transportation,
 23 *We Are Never, Ever, Ever Getting Back Together*. And --

24 (Speaking simultaneously.)

25 UNIDENTIFIED SPEAKER: Show them the tattoo!

1 MS. BEAVER: It's all the riding in the car he
2 does, you know, listening to the radio.

3 DIRECTOR HALIKOWSKI: So, you know, I don't know,
4 they kick the can down the road, and my impression is come July
5 31st, we'll get another continuing resolution. I don't foresee
6 any magic formula coming out of Congress either, and they know
7 that when it comes to voters, this really doesn't help them at
8 all necessarily to go out and raise gas tax. So the states have
9 really taken this on themselves, and we've been watching very
10 closely as to how they're doing it. But again, it takes
11 leadership and alignment in the states where we've seen it
12 successful, that whatever funding mechanism you're going to use,
13 and we've looked at all 50 states, you have to have some voter
14 education out there and agreement that this is a good thing to
15 do. And so we're just getting started really in that arena,
16 even though we've been at this for some years, in convincing
17 business community folks they need to really do more to give
18 cover to the idea of investment.

19 And we go to the media, and quite frankly, unless
20 something's crashed or fallen down, it's not really a story.
21 I'll remind you of the time we went and sat with the *Arizona*
22 *Republic* on the future I-11 a couple of years ago, and they
23 said, are you building anything yet? We said no. They said,
24 come back to us when you break ground. (Inaudible) story.

25 MR. BIESTY: The *Republic* doesn't even really

1 have anybody covering transportation anymore.

2 DIRECTOR HALIKOWSKI: Right. So the media is
3 very difficult to break into with this sort of thing, because
4 they look at it like, is anybody bleeding? No? Well we've got
5 to move on to the next crisis.

6 MR. OMER: And as far as our responsibility, it's
7 about not getting to the point where we're bleeding, because in
8 those 25 states that have done stuff on a national level,
9 they've taken the initiative to pass some sort of revenue
10 initiative. There's quite a few of those that are in peril.
11 Their infrastructure is physically falling apart. We don't want
12 to be to that point. We don't want to be Michigan that, you
13 know, asks for billions of dollars for pavement and bridge
14 preservation. That's what they're (inaudible). State of
15 Pennsylvania just did a P3 for 538 bridges. We don't want to be
16 in that point.

17 We want to be ahead of the curve, and as a new
18 state, you know, we're not as critical on preservation for our
19 system as many others are, but if we don't start looking about
20 what the future of Arizona's transportation system should be and
21 how we make those investments, we'll be in the same boat that
22 they are. The next board 20 years from now will be looking back
23 and saying, well, how are we going to spend our limited revenue
24 on preserving our infrastructure that's falling to pieces. We
25 don't want to put them in that situation. We should be making

1 those steps today about increasing the revenue, provide them
2 with something we can actually do something with.

3 MS. BEAVER: Chairman Anderson, I would just like
4 to make a comment. With regard to the educational aspect,
5 someone who's served 22 years on a governing board, and my
6 husband's in municipal government and the transportation. What
7 I would see is all the common thing that can really get the
8 public riled up about is these sweeps. We all have to be
9 physically, each one, independently physically responsible, yet
10 it seems like when we have that extra money because, we have
11 been fiscally responsible, then the state comes in and sweeps
12 it. So it's like we can't ever depend on something, and to me,
13 it's like how -- if we don't get that under control where those
14 sweeps aren't happening annually --

15 DIRECTOR HALIKOWSKI: So that reminds me often of
16 a bucket we're pouring into, and then there's a hole in the
17 bottom going out for other purposes. And my thought is that if
18 you're going to take something out to the legislature on new
19 funding source to the voters, you have to Constitutionally put
20 it in a lock box. Your gasoline taxes right now can only be
21 used for transportation or public safety. But when it comes to
22 the vehicle license tax, which we all love to pay once a year
23 when we register our cars, that is not Constitutionally
24 protected for transportation. And what the legislature has done
25 when they're fixing the budget every year is they will pull that

1 off the top before it's deposited into the Highway User Revenue
2 Fund, and they'll take that VLT, because it's not protected, and
3 shift it over to a general fund purpose.

4 And when I was on the legislative side of the
5 aisle and he came over in 2006 and said we're going to shift
6 \$118 million of VLT, I said, how are you guys going to pay for
7 that. And he said, don't worry. We're going to bond for it,
8 and we're going to reduce department expenses and we'll recover
9 \$25 million a year until it's paid back. That never happened.

10 And to believe that somehow when we are bonded
11 out to the maximum that we can recover through bonding and have
12 gone now from a department of 4,700 people to slightly around
13 4,000, that we can save it in operational expenses, we're not
14 going to be able to do that. So any future funding source, you
15 have to by voter approval or by the legislature doing the
16 (inaudible) put it in a Constitutional lock box, because right
17 now they just not withstand the law every year and sweep money
18 out of the VLT. It can be done, but it has to be (inaudible).

19 MR. HAMMOND: And there's a budget shortfall next
20 year.

21 DIRECTOR HALIKOWSKI: Yes, but obviously I would
22 just like to protect transportation funds (inaudible). I'm just
23 selfish that way.

24 MS. BEAVER: But that's the common denominator
25 with education. Municipalities (inaudible) transportation is

1 these sweeps. When you -- when you, for your individual,
 2 whatever your, you know, program is organization is, when you're
 3 doing things in a physical, responsible way and then somebody
 4 comes in takes it away from you, it's like, why did we do that?
 5 Why do we try so hard, you know?

6 DIRECTOR HALIKOWSKI: See, the public believes
 7 that --

8 UNIDENTIFIED SPEAKER: Chairman.

9 DIRECTOR HALIKOWSKI: I'm sorry.

10 UNIDENTIFIED SPEAKER: I was just going to say
 11 we're getting a little bit far afield of the topic.

12 MR. OMER: So, Mr. Chair, what I would offer is
 13 that if we'd gladly come out and meet with the individual board
 14 members and have a -- you know, in-depth conversations with Key
 15 Commerce Corridors, get your ideas, we can move this stuff
 16 forward. I do appreciate the opportunity, the chance to have a
 17 conversation today.

18 I think informing you and educating the board as
 19 well about being advocates and the talking points and really
 20 talking about our message as a state (inaudible) vitally
 21 important. So any time you want to have a conversation, please
 22 let Mary know, and we'll get someone out there to sit down with
 23 you, either at a board meeting or we'll come visit you yourself.
 24 So thank you very much.

25 CHAIRMAN ANDERSON: Scott.

1 MR. LA RUE: You know, Mr. Chair, I think what I
 2 would volunteer (inaudible) with you guys it's probably
 3 (inaudible) there's a few folks in the west valley that are
 4 elected leadership and transportation. I'd be happy to visit
 5 with them, you know, with some of this information and just
 6 probe them again like we've done in the past, just say
 7 (inaudible.)

8 MR. BIESTY: (Inaudible.)

9 MR. LA RUE: (Inaudible.)

10 DIRECTOR HALIKOWSKI: But realize on KCC2, we
 11 look at funding the north/south, the billion dollars on 10, 17
 12 for the spine. SR-30 is another possibility as a billion dollar
 13 project. So there are a number of things that we'd love to
 14 talk, you know, I-11 west -- to the west valley (inaudible).

15 (End of excerpt.)

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A motion to adjourn was made by Jack Sellers and seconded by Deanna Beaver. In a voice vote, the motion carries.

Meeting adjourned at 11:10 a.m. MST

Kelly Anderson, Chairman
State Transportation Board

John S. Halikowski, Director
Arizona Department of Transportation

July 17, 2015

RES. NO. 2015-07-A-031
PROJECT: 191 GH 120 H8324 / 191-B(203)T
HIGHWAY: BOWIE JUNCTION - SAFFORD
SECTION: Relation Street - Junction U. S. 70
ROUTE NO.: U. S. Route 191
ENG. DIST.: Safford
COUNTY: Graham

REPORT AND RECOMMENDATION

TO THE HONORABLE ARIZONA TRANSPORTATION BOARD:

The Intermodal Transportation Division has made a thorough investigation concerning the establishment and improvement of U. S. Route 191 within the above referenced project.

The existing alignment was previously established as a state highway, designated State Route 81, by Resolution of the Arizona State Highway Commission, dated September 09, 1927, entered on Page 26 of its Official Minutes, and depicted on its Official Map of State Routes and State Highways, incorporated by reference therein. Additional right of way was established as a state highway for the location and relocation of the Douglas - Safford Highway by the Resolution dated May 10, 1935, shown on Page 207 of the Official Minutes. Thereafter administratively renumbered by the American Association of State Highway Officials, it was redesignated U. S. Route 666, as disclosed on Page 516 of the Official Minutes dated March 29, 1938; and on Page 309 of those dated August 08, 1952. For widening and improvements at various locations, rights of way were established as state highway by the Resolution of the Commission dated May 31, 1957, shown on Page 199 of the Official Minutes; and subsequently by Resolution 61-121, dated March 07, 1961; Resolution 69-56, dated June 27, 1969; State Transportation Board Resolution 92-01-A-03, dated January 16, 1992; and by Resolution 94-05-A-25, dated May 13, 1994. All 666-numbered route designations were eliminated, and the highway was redesignated as U. S. Route 191 by Resolution 92-09-A-64, dated September 18, 1992. Resolution 2006-03-A-013, dated March 17, 2006; and Resolution 2009-11-A-067, dated November 20, 2009, established additional right of way for further improvement.

July 17, 2015

RES. NO. 2015-07-A-031
PROJECT: 191 GH 120 H8324 / 191-B(203)T
HIGHWAY: BOWIE JUNCTION - SAFFORD
SECTION: Relation Street - Junction U. S. 70
ROUTE NO.: U. S. Route 191
ENG. DIST.: Safford
COUNTY: Graham

New right of way is now needed for upgraded pedestrian facilities and other improvements necessary to enhance convenience and safety for the traveling public. Accordingly, it is necessary to establish and acquire the new right of way for this improvement project.

The new right of way to be established and acquired for the improvements is depicted in Appendix "A" and delineated on maps and plans on file in the office of the State Engineer, Intermodal Transportation Division, Phoenix, Arizona, entitled: "Right of Way Plans of the BOWIE JCT. - SAFFORD HIGHWAY, Relation Street - Junction U. S. 70, Project 191 GH 120 H8324 / 191-B(203)T"; and on maps and plans entitled: "95% Design Plans, BOWIE JCT. - SAFFORD HIGHWAY, U. S. 191, dated March 20, 2015".

In the interest of public safety, necessity and convenience, I recommend that the new right of way depicted in Appendix "A" be established and improved as a state route, and that prior to construction the new right of way shall be established as a state highway.

I further recommend the acquisition of the new right of way, pursuant to Arizona Revised Statutes Sections 28-7092 and 28-7094, an estate in fee, or such other interest as required, to include advance, future and early acquisition, exchanges, donations or such other interest as is required, including material for construction, haul roads and various easements necessary for or incidental to the improvements as delineated on said maps and plans.

July 17, 2015

RES. NO. 2015-07-A-031
PROJECT: 191 GH 120 H8324 / 191-B(203)T
HIGHWAY: BOWIE JUNCTION - SAFFORD
SECTION: Relation Street - Junction U. S. 70
ROUTE NO.: U. S. Route 191
ENG. DIST.: Safford
COUNTY: Graham

Pursuant to Arizona Revised Statutes Section 28-7046, I recommend the adoption of a resolution making this recommendation effective.

Respectfully submitted,

JOHN S. HALIKOWSKI, Director
Arizona Department of Transportation

ARIZONA DEPARTMENT OF TRANSPORTATION
205 South 17th Avenue
R/W Titles Section, MD 612E
Phoenix, AZ 85007-3213

July 17, 2015

RES. NO. 2015-07-A-031
PROJECT: 191 GH 120 H8324 / 191-B(203)T
HIGHWAY: BOWIE JUNCTION - SAFFORD
SECTION: Relation Street - Junction U. S. 70
ROUTE NO.: U. S. Route 191
ENG. DIST.: Safford
COUNTY: Graham

RESOLUTION OF ESTABLISHMENT

JOHN S. HALIKOWSKI, Director of the Arizona Department of Transportation, on July 17, 2015, presented and filed with this Transportation Board his written report under Arizona Revised Statutes Section 28-7046, recommending the establishment and acquisition of new right of way for the improvement of U. S. Route 191, as set forth in the above referenced project.

New right of way is now needed for upgraded pedestrian facilities and other improvements necessary to enhance convenience and safety for the traveling public. Accordingly, it is necessary to establish and acquire the new right of way for this improvement project.

The new right of way to be established and acquired for this improvement is depicted in Appendix "A" and delineated on maps and plans on file in the office of the State Engineer, Intermodal Transportation Division, Phoenix, Arizona, entitled: "Right of Way Plans of the BOWIE JCT. - SAFFORD HIGHWAY, Relation Street - Junction U. S. 70, Project 191 GH 120 H8324 / 191-B(203)T"; and on maps and plans entitled: "95% Design Plans, BOWIE JCT. - SAFFORD HIGHWAY, U. S. 191, dated March 20, 2015".

WHEREAS establishment as a state route, and acquisition of the new right of way as an estate in fee, or such other interest as required, is necessary for this improvement, with authorization pursuant to Arizona Revised Statutes Sections 28-7092 and 28-7094, to include advance, future and early acquisition, exchanges and donations, including material for construction, haul roads and various easements in any property necessary for or incidental to the improvements as delineated on said maps and plans; and

July 17, 2015

RES. NO. 2015-07-A-031
PROJECT: 191 GH 120 H8324 / 191-B(203)T
HIGHWAY: BOWIE JUNCTION - SAFFORD
SECTION: Relation Street - Junction U. S. 70
ROUTE NO.: U. S. Route 191
ENG. DIST.: Safford
COUNTY: Graham

WHEREAS because of these premises, this Board finds public safety, necessity and convenience require the recommended establishment and acquisition of the new right of way needed for this improvement; therefore, be it

RESOLVED that the recommendation of the Director is adopted and made part of this resolution; be it further

RESOLVED that the right of way as depicted in Appendix "A" is hereby designated a state route, and that prior to construction the new right of way shall be established as a state highway; be it further

RESOLVED that the Director is hereby authorized to acquire by lawful means, pursuant to Arizona Revised Statutes Sections 28-7092 and 28-7094, an estate in fee, or such other interest as required, to include advance, future and early acquisition, exchanges and donations, including material for construction, haul roads and various easements in any property necessary for or incidental to the improvements as delineated on said maps and plans; be it further

RESOLVED that the Director secure an appraisal of the property to be acquired and that necessary parties be compensated. Upon failure to acquire said lands by other lawful means, the Director is authorized to initiate condemnation proceedings.

July 17, 2015

RES. NO. 2015-07-A-031
PROJECT: 191 GH 120 H8324 / 191-B(203)T
HIGHWAY: BOWIE JUNCTION - SAFFORD
SECTION: Relation Street - Junction U. S. 70
ROUTE NO.: U. S. Route 191
ENG. DIST.: Safford
COUNTY: Graham

CERTIFICATION

I, JOHN S. HALIKOWSKI, Director of the Arizona Department of Transportation, do hereby certify that the foregoing is a true and correct copy from the minutes of the Arizona State Transportation Board, made in official session on July 17, 2015.

IN WITNESS WHEREOF I have hereunto set my hand and the official seal of the Transportation Board on July 17, 2015.

JOHN S. HALIKOWSKI, Director
Arizona Department of Transportation

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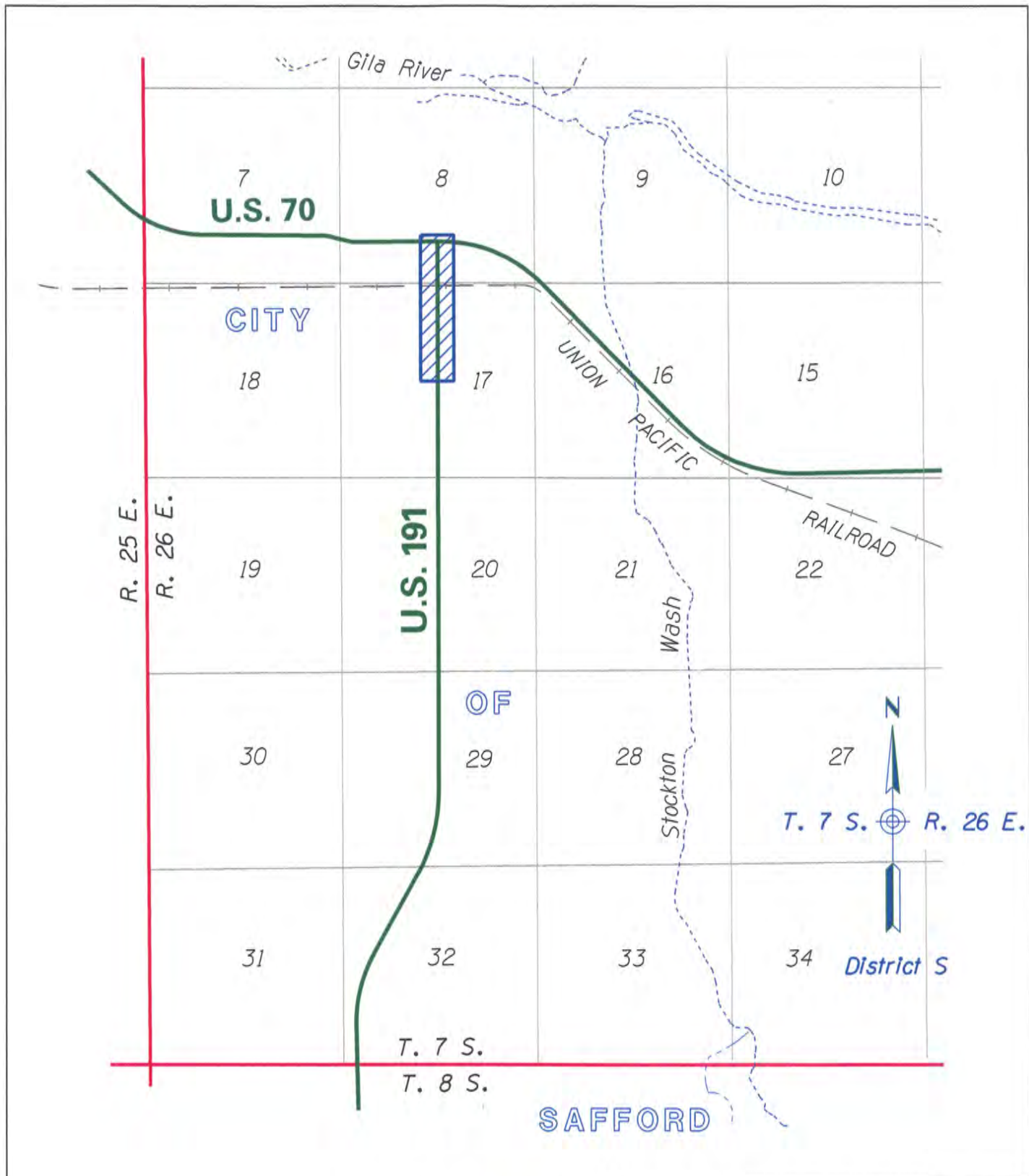
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APPROVED

Ron J. Aschenbach

Assistant Attorney General
Attorney for Department
of Transportation

Date 6/29/15



AREA OF  ESTABLISHMENT

191 GH 120 H8324 / 191-B(203)T
 BOWIE JUNCTION - SAFFORD HIGHWAY
 Relation Street - Junction U.S. 70
 Graham County

2015-07-A-031

APPENDIX "A"

DATE: JULY 17, 2015 SHEET 2 OF 2

July 17, 2015

RES. NO. 2015-07-A-032
PROJECT: 019 PM 061 H8467 / 019-A(220)S
HIGHWAY: NOGALES - TUCSON
SECTION: Ajo Way T.I. (Jct. SR 86)
ROUTE NO.: Interstate Route 19
ENG. DIST.: Tucson
COUNTY: Pima

REPORT AND RECOMMENDATION

TO THE HONORABLE ARIZONA TRANSPORTATION BOARD:

The Intermodal Transportation Division has made a thorough investigation concerning the establishment of new right of way as a state route and state highway for the improvement of Interstate Route 19 within the above referenced project.

The existing alignment was previously established as a state route and state highway, designated U. S. Route 89, by Resolution of the Arizona State Highway Commission, dated September 09, 1927, entered on Page 26 of its Official Minutes, and depicted on its Official Map of State Routes and State Highways, incorporated by reference therein. This alignment was recommended for inclusion in the National System of Interstate Highways by Resolution dated June 08, 1945, shown on Page 70 of the Official Minutes. Additional right of way was established as an access controlled state highway for improvements under Project I-19-1(4)58, by Resolution 61-54, dated October 11, 1960; and Resolution 64-89, dated December 18, 1964. Thereafter, State Transportation Board Resolution 83-02-A-04, dated February 04, 1983; Resolution 83-05-A-20, dated April 15, 1983; and Resolution 83-11-A-41, dated July 15, 1983, established as an access controlled state route and state highway additional right of way for improvement of the Irvington Road Traffic Interchange. Resolution 90-12-A-89, dated December 21, 1990, established a State Route Plan Corridor of this future controlled access state highway; Resolution 2000-09-A-076, dated September 15, 2000, established it as a state highway. Resolution 2012-08-A-033, dated August 17, 2012, established additional right of way as a controlled access state route for the project referenced above.

July 17, 2015

RES. NO. 2015-07-A-032
PROJECT: 019 PM 061 H8467 / 019-A(220)S
HIGHWAY: NOGALES - TUCSON
SECTION: Ajo Way T.I. (Jct. SR 86)
ROUTE NO.: Interstate Route 19
ENG. DIST.: Tucson
COUNTY: Pima

New right of way is now needed to accommodate design change and facilitate the imminent construction phase of the Ajo Way T. I. (Jct. SR 86) Project for realignment and widening improvements necessary to enhance convenience and safety for the traveling public. Accordingly, it is necessary to establish and acquire the new right of way as a state route and state highway, and that access be controlled as necessary for this improvement project.

The new right of way to be established as a state route and state highway and acquired for this improvement, to include access control as necessary, is depicted in Appendix "A" and delineated on maps and plans on file in the office of the State Engineer, Intermodal Transportation Division, Phoenix, Arizona, entitled: "Right of Way Plans of the NOGALES - TUCSON HIGHWAY, Ajo Way T.I. (Jct. SR 86), Project 019 PM 061 H8467 / 019-A(220)S".

In the interest of public safety, necessity and convenience, I recommend that the new right of way depicted in Appendix "A" be established as a state route and state highway, and that access is controlled.

I recommend the acquisition of the new right of way, pursuant to Arizona Revised Statutes Sections 28-7092 and 28-7094, as an estate in fee, or such other interest as is required, including advance, future and early acquisition, access rights, exchanges or donations, including material for construction, haul roads and various easements necessary for or incidental to the improvements, as delineated on said maps and plans.

July 17, 2015

RES. NO. 2015-07-A-032
PROJECT: 019 PM 061 H8467 / 019-A(220)S
HIGHWAY: NOGALES - TUCSON
SECTION: Ajo Way T.I. (Jct. SR 86)
ROUTE NO.: Interstate Route 19
ENG. DIST.: Tucson
COUNTY: Pima

I further recommend the immediate establishment of existing county, town and city roadways into the state highway system as a controlled access state route and state highway which are necessary for or incidental to the improvement as delineated on said maps and plans, to be effective upon signing of this recommendation. This resolution is considered the conveying document for such existing county, town and city roadways and no further conveyance is legally required.

Pursuant to Arizona Revised Statutes Section 28-7046, I recommend the adoption of a resolution making this recommendation effective.

Respectfully submitted,

JOHN S. HALIKOWSKI, Director
Arizona Department of Transportation

ARIZONA DEPARTMENT OF TRANSPORTATION
205 South 17th Avenue
R/W Titles Section, MD 612E
Phoenix, AZ 85007-3213

July 17, 2015

RES. NO. 2015-07-A-032
PROJECT: 019 PM 061 H8467 / 019-A(220)S
HIGHWAY: NOGALES - TUCSON
SECTION: Ajo Way T.I. (Jct. SR 86)
ROUTE NO.: Interstate Route 19
ENG. DIST.: Tucson
COUNTY: Pima

RESOLUTION OF ESTABLISHMENT

JOHN S. HALIKOWSKI, Director of the Arizona Department of Transportation, on July 17, 2015, presented and filed with this Transportation Board his written report under Arizona Revised Statutes Section 28-7046, recommending the establishment and acquisition of new right of way as a state route and state highway for the improvement of Interstate Route 19, as set forth in the above referenced project.

New right of way is now needed to accommodate design change and facilitate the imminent construction phase of the Ajo Way T. I. (Jct. SR 86) Project for realignment and widening improvements necessary to enhance convenience and safety for the traveling public. Accordingly, it is necessary to establish and acquire the new right of way as a state route and state highway, and that access be controlled as necessary for this improvement project.

The new right of way to be established as a state route and state highway and acquired for this improvement, to include access control as necessary, is depicted in Appendix "A" and delineated on maps and plans on file in the office of the State Engineer, Intermodal Transportation Division, Phoenix, Arizona, entitled: "Right of Way Plans of the NOGALES - TUCSON HIGHWAY, Ajo Way T.I. (Jct. SR 86), Project 019 PM 061 H8467 / 019-A(220)S".

July 17, 2015

RES. NO. 2015-07-A-032
PROJECT: 019 PM 061 H8467 / 019-A(220)S
HIGHWAY: NOGALES - TUCSON
SECTION: Ajo Way T.I. (Jct. SR 86)
ROUTE NO.: Interstate Route 19
ENG. DIST.: Tucson
COUNTY: Pima

WHEREAS establishment as a state route and state highway, and acquisition of the new right of way as an estate in fee, or such other interest as required, is necessary for this improvement, with authorization pursuant to Arizona Revised Statutes Sections 28-7092 and 28-7094 to include advance, future and early acquisition, access control, exchanges, donations and material for construction, haul roads and various easements in any property necessary for or incidental to the improvements, as delineated on said maps and plans; and

WHEREAS because of these premises, this Board finds public safety, necessity and convenience require the recommended establishment and acquisition of the new right of way as a state route and state highway needed for this improvement and that access to the highway be controlled as delineated on the maps and plans; and

WHEREAS the existing county, town or city roadways as delineated on said maps and plans are hereby established as a state route and state highway by this resolution action and that no further conveying document is required; therefore, be it

RESOLVED that the recommendation of the Director is adopted and made part of this resolution; be it further

RESOLVED that the right of way depicted in Appendix "A" is hereby designated a state route and state highway, to include any existing county, town or city roadways, and that ingress and egress to and from the highway and to and from abutting, adjacent, or other lands be denied, controlled or regulated as delineated on said maps and plans. Where no access is shown, none will be allowed to exist; be it further

July 17, 2015

RES. NO. 2015-07-A-032
PROJECT: 019 PM 061 H8467 / 019-A(220)S
HIGHWAY: NOGALES - TUCSON
SECTION: Ajo Way T.I. (Jct. SR 86)
ROUTE NO.: Interstate Route 19
ENG. DIST.: Tucson
COUNTY: Pima

RESOLVED that the Director is hereby authorized to acquire by lawful means, pursuant to Arizona Revised Statutes Sections 28-7092 and 28-7094, an estate in fee, or such other interest as is required, to include advance, future and early acquisition, access rights, exchanges or donations, including material for construction, haul roads, and various easements in any property necessary for or incidental to the improvements, as delineated on said maps and plans; be it further

RESOLVED that written notice be provided to the County Board of Supervisors in accordance with Arizona Revised Statute 28-7043, and to the affected governmental jurisdictions for whose local existing roadways are being immediately established as a state route and state highway herein; be it further

RESOLVED that the Director secure an appraisal of the property to be acquired, including access rights, and that necessary parties be compensated - with the exception of any existing county, town or city roadways being immediately established herein as a state route and state highway. Upon failure to acquire said lands by other lawful means, the Director is authorized to initiate condemnation proceedings.

July 17, 2015

RES. NO. 2015-07-A-032
PROJECT: 019 PM 061 H8467 / 019-A(220)S
HIGHWAY: NOGALES - TUCSON
SECTION: Ajo Way T.I. (Jct. SR 86)
ROUTE NO.: Interstate Route 19
ENG. DIST.: Tucson
COUNTY: Pima

CERTIFICATION

I, JOHN S. HALIKOWSKI, Director of the Arizona Department of Transportation, do hereby certify that the foregoing is a true and correct copy from the minutes of the Arizona State Transportation Board, made in official session on July 17, 2015.

IN WITNESS WHEREOF I have hereunto set my hand and the official seal of the Transportation Board on July 17, 2015.

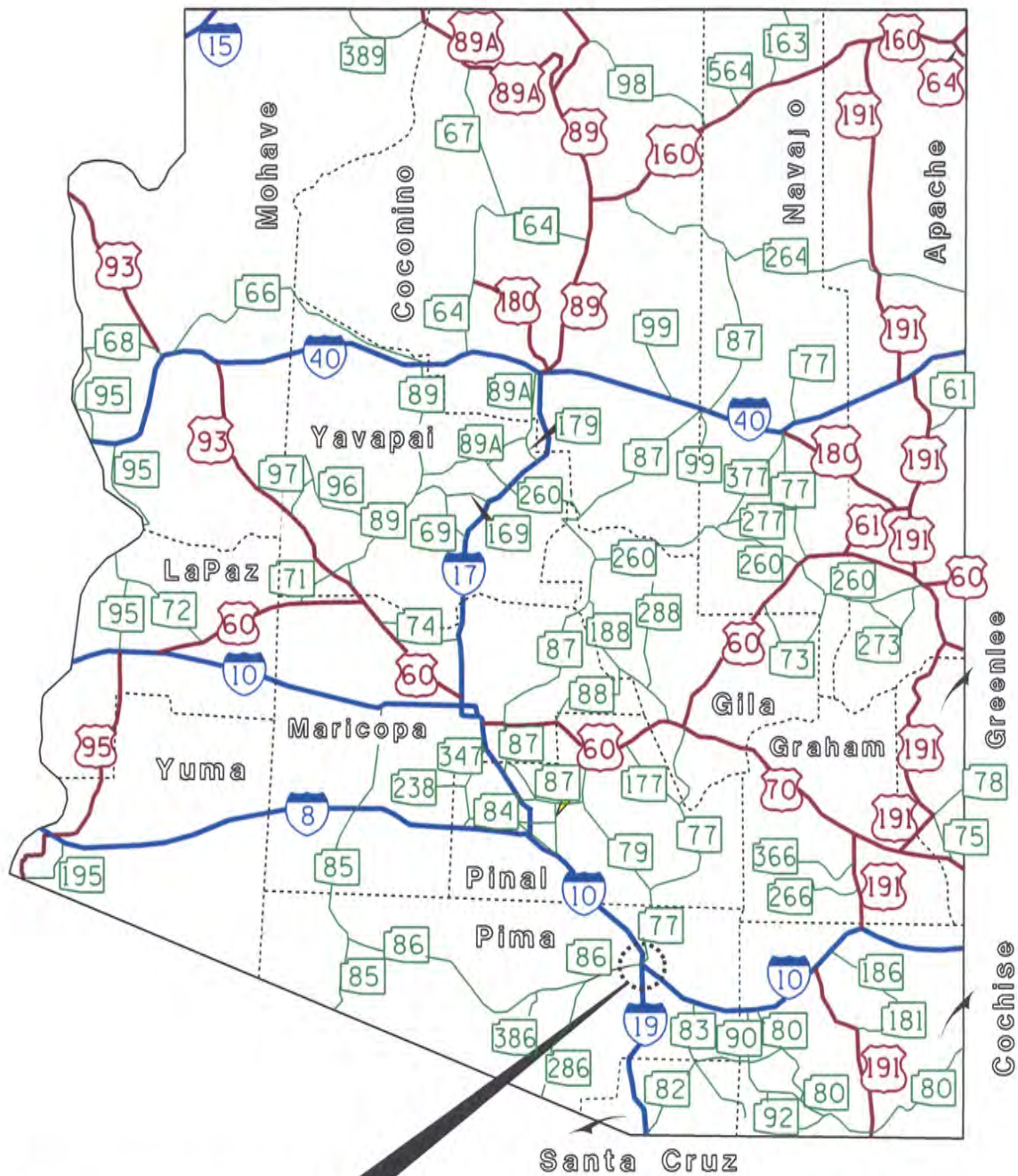
JOHN S. HALIKOWSKI, Director
Arizona Department of Transportation

APPROVED

Ron J. Aschenbach

Assistant Attorney General
Attorney for Department
of Transportation

Date 6/29/15



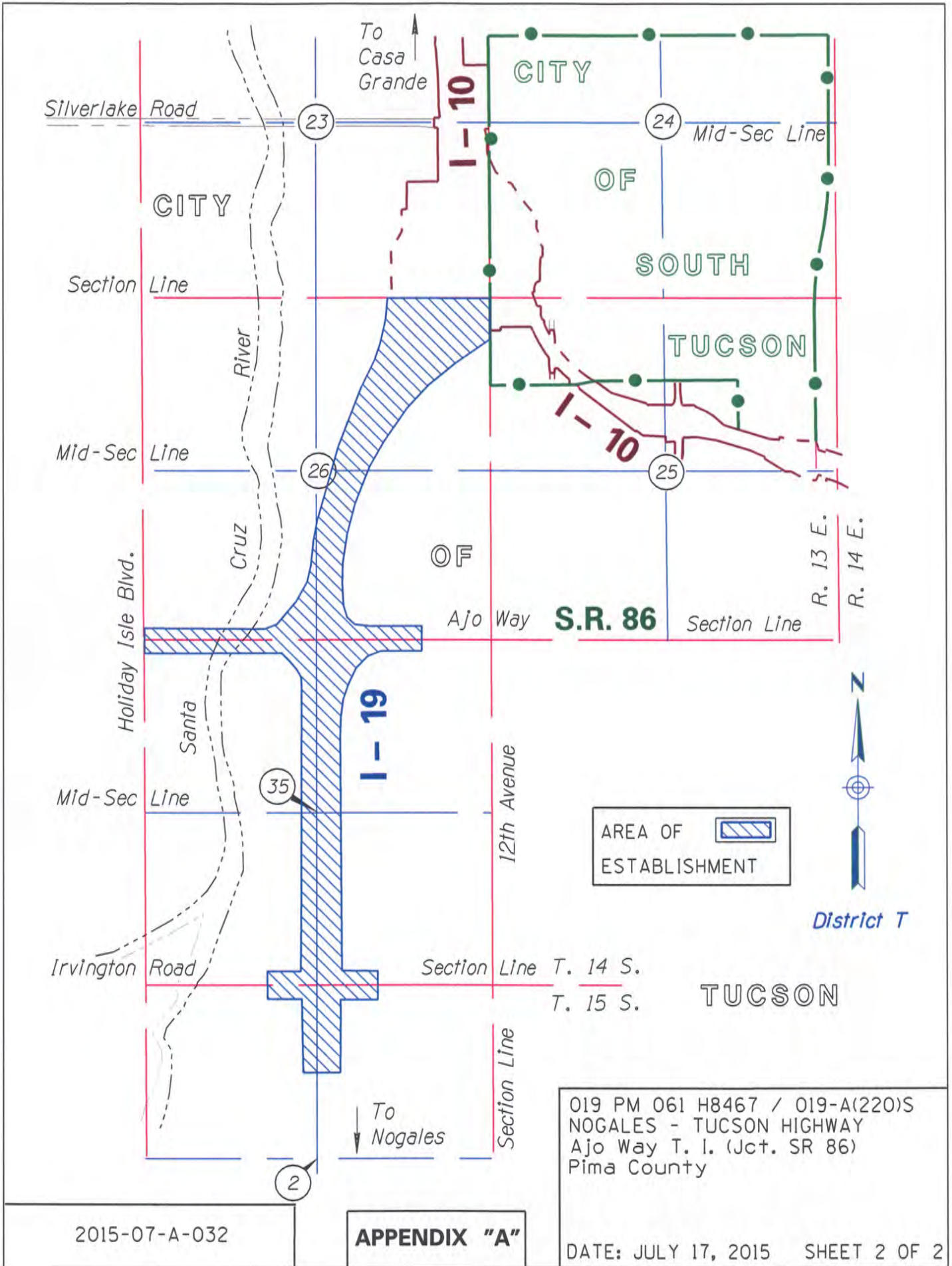
AREA OF ESTABLISHMENT
SEE SHEET 2 OF 2
FOR DETAILS

019 PM 061 H8467 / 019-A(220)S
NOGALES - TUCSON HIGHWAY
Ajo Way T. I. (Jct. SR 86)
Pima County

2015-07-A-032

APPENDIX "A"

DATE: JULY 17, 2015 SHEET 1 OF 2



July 17, 2015

RES. NO. 2015-07-A-033
PROJECT: 202L MA 000 H5380 01R / RAM 600-7-802
HIGHWAY: SANTAN FREEWAY
SECTION: Price Road - Arizona Avenue (Alma School Road)
ROUTE NO.: State Route 202 Loop
ENG. DIST.: Phoenix
COUNTY: Maricopa
DISPOSAL: D-M-448

REPORT AND RECOMMENDATION

TO THE HONORABLE ARIZONA TRANSPORTATION BOARD:

The Intermodal Transportation Division has made a thorough investigation concerning the abandonment of right of way acquired for State Route 202 Loop within the above referenced project.

The right of way to be abandoned was previously established by Resolution 85-04-A-34, dated April 26, 1985, which adopted and approved the State Route Plan for the Southeast Loop Freeway, and established the corridor as State Route 220. A corridor of refined State Route Plan for the location of the future access controlled state highway was subsequently established by Resolution 87-12-A-115, dated December 18, 1987. Resolution 87-11-A-105, also dated December 18, 1987, redesignated the Southeast Outer Loop, consisting of State Routes 217, 216, and part of 220, as State Route 202 Loop. This portion of the State Route Preliminary Transportation Corridor of the Santan Freeway, then ready for construction, was established as an access controlled state highway by Resolution 2001-03-A-017, dated March 16, 2001.

The right of way is no longer needed for state transportation purposes. The City of Chandler has agreed to accept jurisdiction, ownership and maintenance of the right of way in accordance with that certain Intergovernmental Agreement No. 14-0004622, dated June 16, 2015. Accordingly, I recommend that the State's interest in the right of way be abandoned.

July 17, 2015

RES. NO. 2015-07-A-033
PROJECT: 202L MA 000 H5380 01R / RAM 600-7-802
HIGHWAY: SANTAN FREEWAY
SECTION: Price Road - Arizona Avenue (Alma School Road)
ROUTE NO.: State Route 202 Loop
ENG. DIST.: Phoenix
COUNTY: Maricopa
DISPOSAL: D-M-448

The right of way to be abandoned is delineated on the maps and plans on file in the office of the State Engineer, Intermodal Transportation Division, Phoenix, Arizona, entitled: "Right of Way Plans of the SANTAN FREEWAY, Price Road - Arizona Avenue, Project 202L MA 000 H5380 01R / RAM 600-7-802", lying between the engineering stations shown in Appendix "A" attached hereto.

I further recommend that the right of way depicted in Appendix "A" be removed from the State Highway System and abandoned to the City of Chandler, as provided in Arizona Revised Statutes Sections 28-7207, 28-7209 and 28-7213;

Pursuant to Arizona Revised Statutes Section 28-7046, I recommend that the Transportation Board adopt a resolution making this recommendation effective.

Respectfully submitted,

JOHN S. HALIKOWSKI, Director
Arizona Department of Transportation

ARIZONA DEPARTMENT OF TRANSPORTATION
205 South 17th Avenue
R/W Titles Section, MD 612E
Phoenix, AZ 85007-3213

July 17, 2015

RES. NO. 2015-07-A-033
PROJECT: 202L MA 000 H5380 01R / RAM 600-7-802
HIGHWAY: SANTAN FREEWAY
SECTION: Price Road - Arizona Avenue (Alma School Road)
ROUTE NO.: State Route 202 Loop
ENG. DIST.: Phoenix
COUNTY: Maricopa
DISPOSAL: D-M-448

RESOLUTION OF ABANDONMENT

JOHN S. HALIKOWSKI, Director of the Arizona Department of Transportation, on July 17, 2015, presented and filed with this Transportation Board his written report under Arizona Revised Statutes Section 28-7046, recommending the abandonment of portions of right of way along Alma School Road to the City of Chandler, within the above referenced project.

The right of way to be abandoned is delineated on maps and plans on file in the office of the State Engineer, Intermodal Transportation Division, Phoenix, Arizona, entitled: "Right of Way Plans of the SANTAN FREEWAY, Price Road - Arizona Avenue, Project 202L MA 000 H5380 01R / RAM 600-7-802", between the engineering stations shown in Appendix "A" attached hereto.

WHEREAS said right of way is no longer needed for state transportation purposes; and

WHEREAS the City of Chandler has agreed to accept jurisdiction, ownership and maintenance of the right of way in accordance with that certain Intergovernmental Agreement No. 14-0004622, dated June 16, 2015; and

WHEREAS this Board finds that public safety, necessity and convenience will be served by accepting the Director's report; therefore, be it

RESOLVED that the recommendation of the Director is adopted and made part of this resolution; be it further

July 17, 2015

RES. NO. 2015-07-A-033
PROJECT: 202L MA 000 H5380 01R / RAM 600-7-802
HIGHWAY: SANTAN FREEWAY
SECTION: Price Road - Arizona Avenue (Alma School Road)
ROUTE NO.: State Route 202 Loop
ENG. DIST.: Phoenix
COUNTY: Maricopa
DISPOSAL: D-M-448

RESOLVED that the right of way depicted in Appendix "A" is hereby removed from the State Highway System and abandoned to the City of Chandler, as provided in Arizona Revised Statutes Sections 28-7207 and 28-7209; be it further

RESOLVED that the abandonment becomes effective upon recordation in the Office of the County Recorder in accordance with Arizona Revised Statutes Section 28-7213; be it further

RESOLVED that the Director provide written notice to the City of Chandler, evidencing the abandonment of the State's interest.

July 17, 2015

RES. NO. 2015-07-A-033
PROJECT: 202L MA 000 H5380 01R / RAM 600-7-802
HIGHWAY: SANTAN FREEWAY
SECTION: Price Road - Arizona Avenue (Alma School Road)
ROUTE NO.: State Route 202 Loop
ENG. DIST.: Phoenix
COUNTY: Maricopa
DISPOSAL: D-M-448

CERTIFICATION

I, JOHN S. HALIKOWSKI, Director of the Arizona Department of Transportation, do hereby certify that the foregoing is a true and correct copy from the minutes of the Arizona State Transportation Board, made in official session on July 17, 2015.

IN WITNESS WHEREOF I have hereunto set my hand and the official seal of the Transportation Board on July 17, 2015.

JOHN S. HALIKOWSKI, Director
Arizona Department of Transportation

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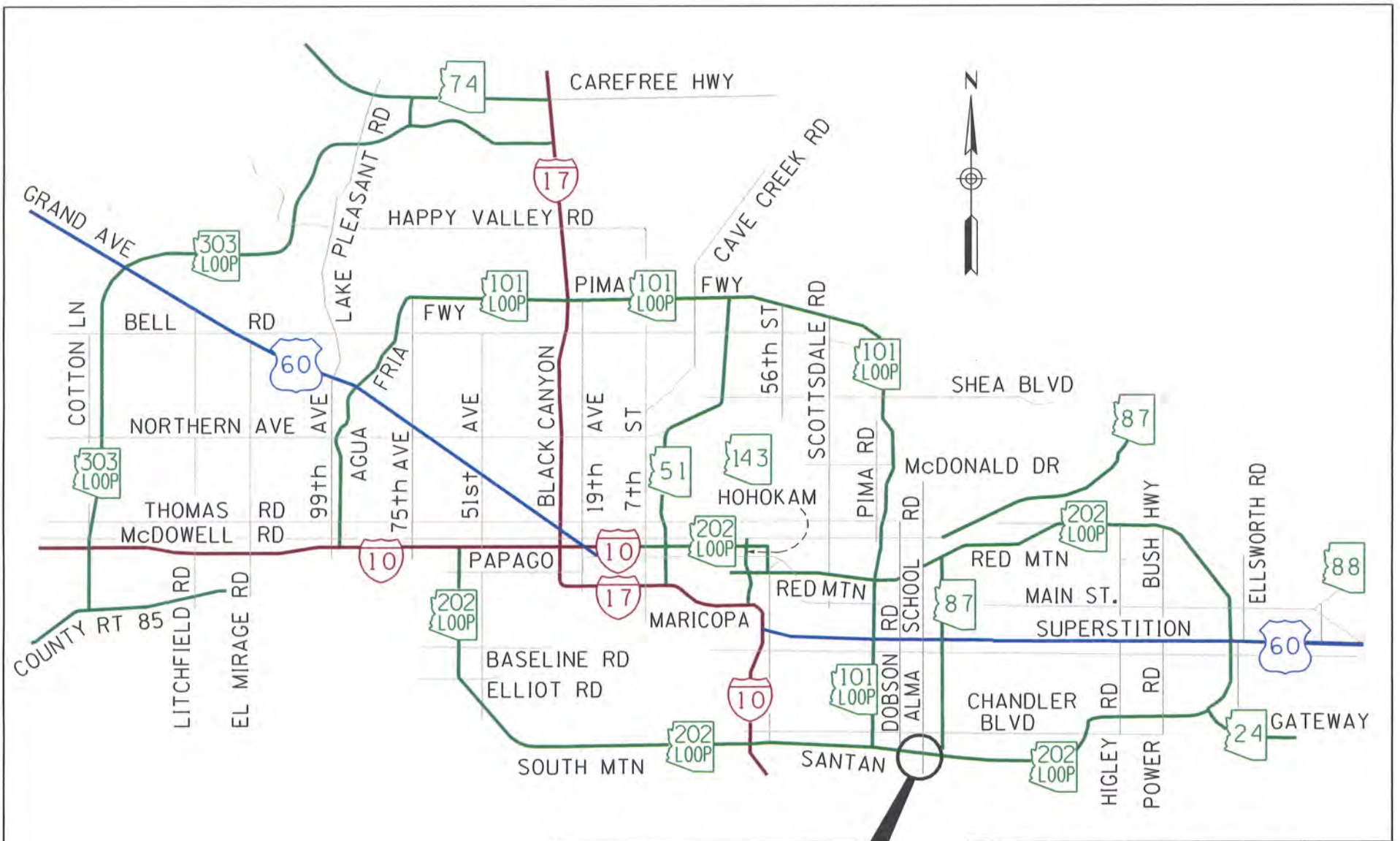
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APPROVED

Ron J. Aschenbach

Assistant Attorney General
Attorney for Department
of Transportation

Date 6/29/15



AREAS OF ABANDONMENT
SEE SHEETS 2 and 3
FOR DETAILS

202L MA 000 H5380 OIR /
RAM 600-7-802
SANTAN FREEWAY
Price Road - Arizona Avenue
(Alma School Road)
Maricopa County

2015-07-A-033

APPENDIX "A"

DATE: JULY 17, 2015 SHEET 1 OF 3

T. 1 S. R. 5 E.
T. 2 S. R. 5 E.

32 33
5 4

Pecos Rd.

P.O.T. 34+21.86
Section Line

CITY



District M

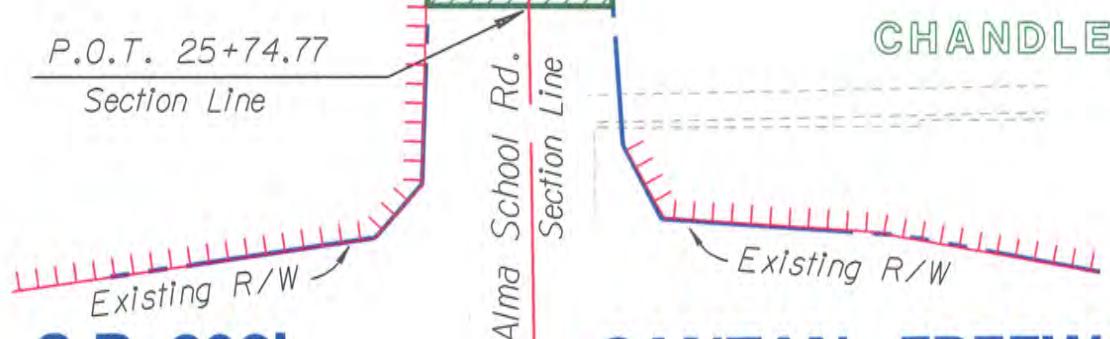
Lot 1

OF

Lot 4

P.O.T. 25+74.77
Section Line

CHANDLER



S.R. 202L

SANTAN FREEWAY

AREA OF 
ABANDONMENT

202L MA 000 H5380 01R /
RAM 600-7-802
SANTAN FREEWAY
Price Road - Arizona Avenue
(Alma School Road)
Maricopa County

5 4

2015-07-A-033

APPENDIX "A"

DATE: JULY 17, 2015 SHEET 2 OF 3

S.R. 202L

SANTAN FREEWAY

32 33
5 4

Existing R/W

Existing R/W

CITY

74.97' LT
P.O.T. 14+23.93

95.94' RT
P.O.T. 14+22.72

Section Line

Section Line

Wildhorse Dr.

SE⁴ NE⁴

SW⁴ NW⁴

Mulberry Dr.

OF

T. 2 S. R. 5 E.

Karen Dr.

District M

P.O.T. 7+76.43
Section Line

Willis Rd.

Mid-Section Line

5 4

NE⁴ SE⁴

CHANDLER

NW⁴ SW⁴

Section Line

AREA OF
ABANDONMENT



202L MA 000 H5380 01R /
RAM 600-7-802
SANTAN FREEWAY
Price Road - Arizona Avenue
(Alma School Road)
Maricopa County

2015-07-A-033

APPENDIX "A"

DATE: JULY 17, 2015 SHEET 3 OF 3

July 17, 2015

RES. NO. 2015-07-A-034
PROJECT: 101L MA 059 H2222 03R / 600-1-728
HIGHWAY: PRICE ROAD FREEWAY
SECTION: Ray Road - Pecos Road (Frye Road)
ROUTE NO.: State Route 101 Loop
ENG. DIST.: Phoenix
COUNTY: Maricopa
DISPOSAL: D-M-449

REPORT AND RECOMMENDATION

TO THE HONORABLE ARIZONA TRANSPORTATION BOARD:

The Intermodal Transportation Division has made a thorough investigation concerning the abandonment of right of way acquired for State Route 101 Loop within the above referenced project.

The right of way to be abandoned was previously established by Resolution 85-04-A-35, dated April 26, 1985, which adopted and approved the State Route Plan for the Price Road Expressway, and established the corridor as State Route 117. A corridor of refined State Route Plan for the location of the future access controlled state highway was subsequently established by Resolution 87-08-A-77, dated August 21, 1987, providing for advance acquisition. Resolution 87-11-A-105, dated December 18, 1987, redesignated and renumbered State Route 117 as State Route 101 Loop. This portion of the State Route Preliminary Transportation Corridor of the Price Road Freeway, then ready for construction, was established as an interim access controlled state highway by Resolution 93-08-A-52, dated August 20, 1993. Thereafter, this portion of the Price Road Freeway, remaining ready for construction, was then established as a state highway by Resolution 98-05-A-13, dated May 15, 1998.

The right of way is no longer needed for state transportation purposes. The City of Chandler has agreed to accept jurisdiction, ownership and maintenance of the right of way in accordance with that certain Intergovernmental Agreement No. 14-0004622, dated June 16, 2015. Accordingly, I recommend that the State's interest in the right of way be abandoned.

July 17, 2015

RES. NO. 2015-07-A-034
PROJECT: 101L MA 059 H2222 03R / 600-1-728
HIGHWAY: PRICE ROAD FREEWAY
SECTION: Ray Road - Pecos Road (Frye Road)
ROUTE NO.: State Route 101 Loop
ENG. DIST.: Phoenix
COUNTY: Maricopa
DISPOSAL: D-M-449

The right of way to be abandoned is delineated on the maps and plans on file in the office of the State Engineer, Intermodal Transportation Division, Phoenix, Arizona, entitled: "Right of Way Plans of the PRICE ROAD FREEWAY, Ray Road - Pecos Road, Project 101L MA 059 H2222 03R / 600-1-728", lying between the engineering stations shown in Appendix "A" attached hereto.

I further recommend that the right of way depicted in Appendix "A" be removed from the State Highway System and abandoned to the City of Chandler, as provided in Arizona Revised Statutes Sections 28-7207, 28-7209 and 28-7213;

Pursuant to Arizona Revised Statutes Section 28-7046, I recommend that the Transportation Board adopt a resolution making this recommendation effective.

Respectfully submitted,

JOHN S. HALIKOWSKI, Director
Arizona Department of Transportation

ARIZONA DEPARTMENT OF TRANSPORTATION
205 South 17th Avenue
R/W Titles Section, MD 612E
Phoenix, AZ 85007-3213

July 17, 2015

RES. NO. 2015-07-A-034
PROJECT: 101L MA 059 H2222 03R / 600-1-728
HIGHWAY: PRICE ROAD FREEWAY
SECTION: Ray Road - Pecos Road (Frye Road)
ROUTE NO.: State Route 101 Loop
ENG. DIST.: Phoenix
COUNTY: Maricopa
DISPOSAL: D-M-449

RESOLUTION OF ABANDONMENT

JOHN S. HALIKOWSKI, Director of the Arizona Department of Transportation, on July 17, 2015, presented and filed with this Transportation Board his written report under Arizona Revised Statutes Section 28-7046, recommending the abandonment of a portion of right of way along Frye Road to the City of Chandler, within the above referenced project.

The right of way to be abandoned is delineated on maps and plans on file in the office of the State Engineer, Intermodal Transportation Division, Phoenix, Arizona, entitled: "Right of Way Plans of the PRICE ROAD FREEWAY, Ray Road - Pecos Road, Project 101L MA 059 H2222 03R / 600-1-728", lying between the engineering stations shown in Appendix "A" attached hereto.

WHEREAS said right of way is no longer needed for state transportation purposes; and

WHEREAS the City of Chandler has agreed to accept jurisdiction, ownership and maintenance of the right of way in accordance with that certain Intergovernmental Agreement No. 14-0004622, dated June 16, 2015; and

WHEREAS this Board finds that public safety, necessity and convenience will be served by accepting the Director's report; therefore, be it

RESOLVED that the recommendation of the Director is adopted and made part of this resolution; be it further

July 17, 2015

RES. NO. 2015-07-A-034
PROJECT: 101L MA 059 H2222 03R / 600-1-728
HIGHWAY: PRICE ROAD FREEWAY
SECTION: Ray Road - Pecos Road (Frye Road)
ROUTE NO.: State Route 101 Loop
ENG. DIST.: Phoenix
COUNTY: Maricopa
DISPOSAL: D-M-449

RESOLVED that the right of way depicted in Appendix "A" is hereby removed from the State Highway System and abandoned to the City of Chandler, as provided in Arizona Revised Statutes Sections 28-7207 and 28-7209; be it further

RESOLVED that the abandonment becomes effective upon recordation in the Office of the County Recorder in accordance with Arizona Revised Statutes Section 28-7213; be it further

RESOLVED that the Director provide written notice to the City of Chandler, evidencing the abandonment of the State's interest.

July 17, 2015

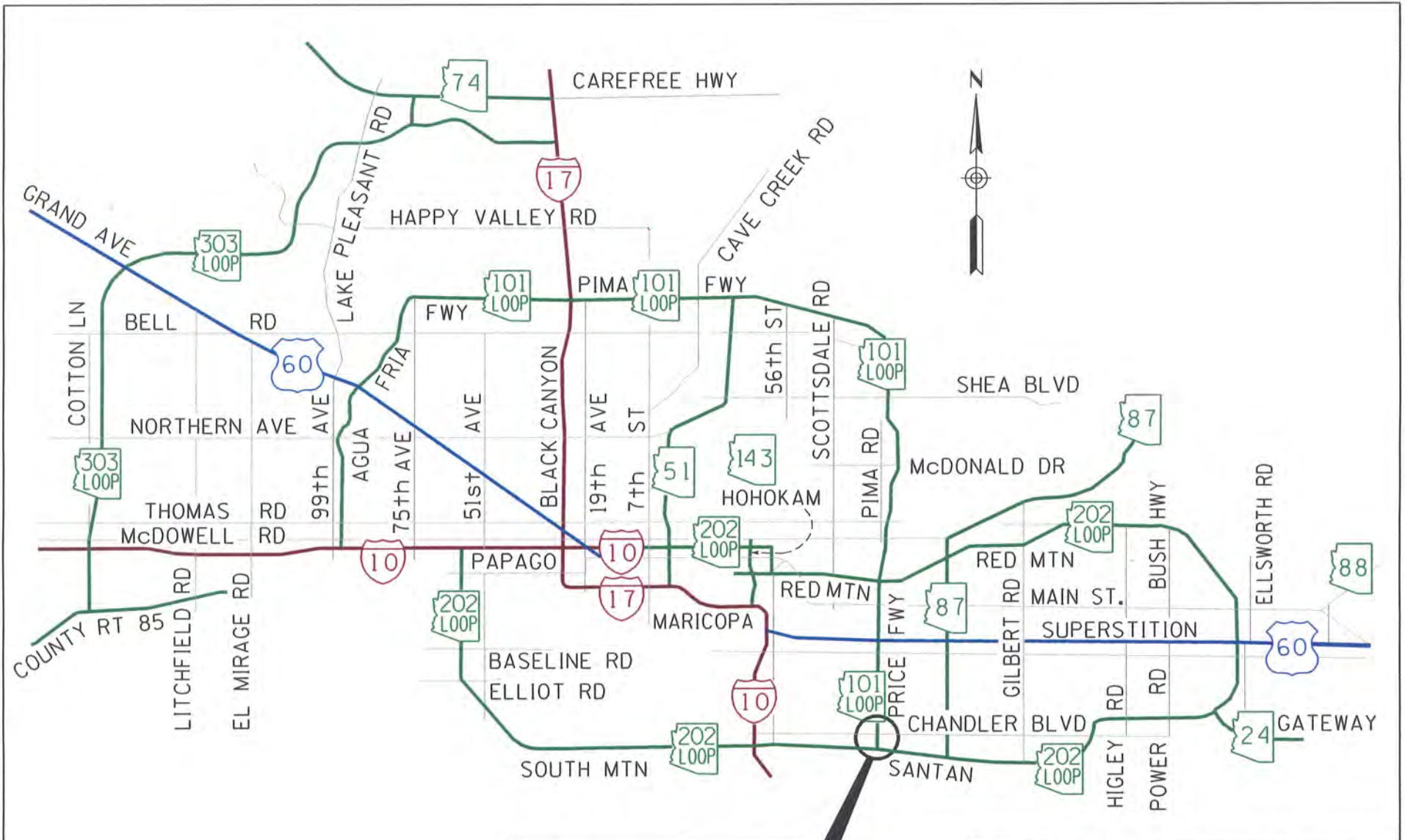
RES. NO. 2015-07-A-034
PROJECT: 101L MA 059 H2222 03R / 600-1-728
HIGHWAY: PRICE ROAD FREEWAY
SECTION: Ray Road - Pecos Road (Frye Road)
ROUTE NO.: State Route 101 Loop
ENG. DIST.: Phoenix
COUNTY: Maricopa
DISPOSAL: D-M-449

CERTIFICATION

I, JOHN S. HALIKOWSKI, Director of the Arizona Department of Transportation, do hereby certify that the foregoing is a true and correct copy from the minutes of the Arizona State Transportation Board, made in official session on July 17, 2015.

IN WITNESS WHEREOF I have hereunto set my hand and the official seal of the Transportation Board on July 17, 2015.

JOHN S. HALIKOWSKI, Director
Arizona Department of Transportation



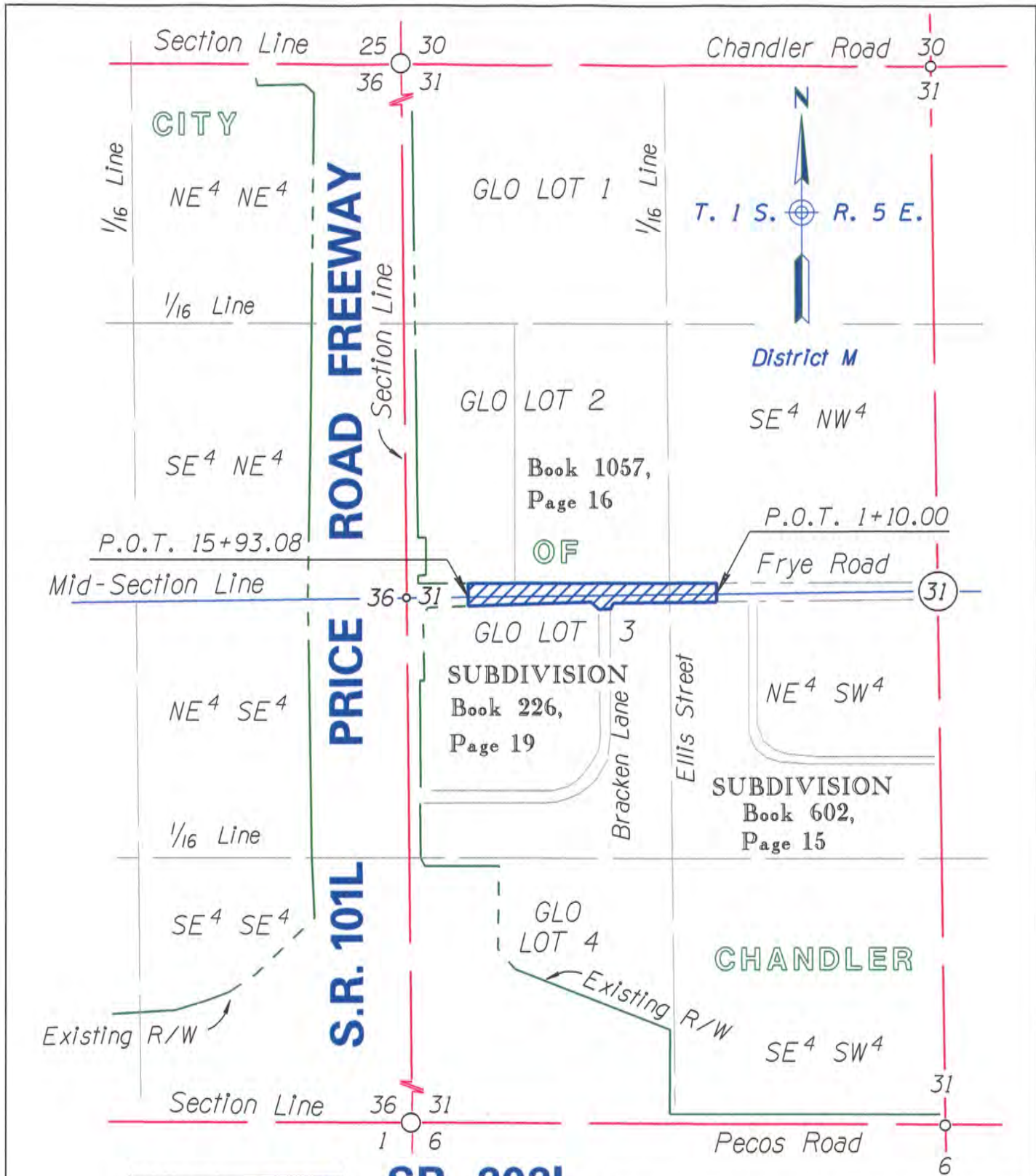
AREA OF ABANDONMENT
SEE SHEET 2 OF 2
FOR DETAILS

101L MA 059 H2222 03R / 600-1-728
PRICE RD FREEWAY
Ray Road - Pecos Road
(Frye Road)
Maricopa County

2015-07-A-034

APPENDIX "A"

DATE: JULY 17, 2015 SHEET 1 OF 2



AREA OF  ABANDONMENT

SR 202L

101L MA 059 H2222 03R / 600-1-728
 PRICE RD FREEWAY
 Ray Road - Pecos Road
 (Frye Road)
 Maricopa County

2015-07-A-034

APPENDIX "A"

DATE: JULY 17, 2015 SHEET 2 OF 2

July 17, 2015

RES. NO. 2015-07-A-035
PROJECT: 019 PM 034 H7191 01R
HIGHWAY: NOGALES - TUCSON
SECTION: Canoa T.I. - Continental T.I. (Green Valley Hospital)
ROUTE NO.: Interstate Route 19
ENG. DIST.: Tucson
COUNTY: Pima

REPORT AND RECOMMENDATION

TO THE HONORABLE ARIZONA TRANSPORTATION BOARD:

The Intermodal Transportation Division has made a thorough investigation concerning the establishment of new right of way as a state route and state highway for the improvement of Interstate Route 19 within the above referenced project.

The existing alignment was previously established as a state route and state highway, designated U. S. Route 89 by Resolution of the Arizona State Highway Commission, dated September 09, 1927, entered on Page 26 of its Official Minutes, and depicted on its Official Map of State Routes and State Highways, incorporated by reference therein. This alignment was recommended for inclusion with the National System of Interstate Highways by the Resolution dated June 08, 1945, entered on Page 70 of the Official Minutes. The Canada to Mexico Highway was realigned by the Resolution dated April 05, 1946, shown on Page 286 of the Official Minutes; and the American Association of State Highway Officials was therein petitioned to designate a uniform number for this route from Sweet Grass, Montana to Nogales, Arizona. In the Resolution dated April 04, 1950, shown on Page 350 of the Official Minutes, additional right of way was established as a state highway for location, relocation, and alteration of the Tucson - Nogales Highway along a relocated centerline, under Federal Interstate Project 86. Thereafter, by Resolution 67-14, dated February 15, 1967, additional right of way was established as a controlled-access state highway, under Project I-19-1(40)33, for the improvement thereof, then as part of Interstate Route 19.

July 17, 2015

RES. NO. 2015-07-A-035
PROJECT: 019 PM 034 H7191 01R
HIGHWAY: NOGALES - TUCSON
SECTION: Canoa T.I. - Continental T.I. (Green Valley Hospital)
ROUTE NO.: Interstate Route 19
ENG. DIST.: Tucson
COUNTY: Pima

A donation of easement right of way is now being established to encompass recently constructed right turn lanes, slope and drainage improvements along the northbound frontage road in Green Valley, constructed by a developer under Permit from ADOT to facilitate hospital access necessary to enhance convenience and safety for the traveling public. Accordingly, it is necessary to establish and acquire the new right of way as a state route and state highway for this improvement project.

The new right of way to be established and acquired by donation for these turn lane, slope and drainage easements is depicted in Appendix "A" and delineated on maps and plans on file in the office of the State Engineer, Intermodal Transportation Division, Phoenix, Arizona, entitled: "Right of Way Plans of the NOGALES - TUCSON HIGHWAY, Canoa T.I. - Continental T.I., Project 019 PM 034 H7191 01R".

In the interest of public safety, necessity and convenience, I recommend that the new right of way depicted in Appendix "A" be established as a state route and state highway.

I recommend the acquisition of the new right of way, pursuant to Arizona Revised Statutes Sections 28-7092 and 28-7094, an estate in fee, or such other interest as required, to include advance, future and early acquisition, exchanges, donations or such other interest as is required, including material for construction, haul roads and various easements necessary for or incidental to the improvements as delineated on said maps and plans.

July 17, 2015

RES. NO. 2015-07-A-035
PROJECT: 019 PM 034 H7191 01R
HIGHWAY: NOGALES - TUCSON
SECTION: Canoa T.I. - Continental T.I. (Green Valley Hospital)
ROUTE NO.: Interstate Route 19
ENG. DIST.: Tucson
COUNTY: Pima

I further recommend the immediate establishment of existing county, town and city roadways into the state highway system as a state route and state highway which are necessary for or incidental to the improvement as delineated on said maps and plans, to be effective upon signing of this recommendation. This resolution is considered the conveying document for such existing county, town and city roadways and no further conveyance is legally required.

Pursuant to Arizona Revised Statutes Section 28-7046, I recommend the adoption of a resolution making this recommendation effective.

Respectfully submitted,

JOHN S. HALIKOWSKI, Director
Arizona Department of Transportation

ARIZONA DEPARTMENT OF TRANSPORTATION
205 South 17th Avenue
R/W Titles Section, MD 612E
Phoenix, AZ 85007-3213

July 17, 2015

RES. NO. 2015-07-A-035
PROJECT: 019 PM 034 H7191 01R
HIGHWAY: NOGALES - TUCSON
SECTION: Canoa T.I. - Continental T.I. (Green Valley Hospital)
ROUTE NO.: Interstate Route 19
ENG. DIST.: Tucson
COUNTY: Pima

RESOLUTION OF ESTABLISHMENT

JOHN S. HALIKOWSKI, Director of the Arizona Department of Transportation, on July 17, 2015, presented and filed with this Transportation Board his written report under Arizona Revised Statutes Section 28-7046, recommending the establishment and acquisition of new right of way as a state route and state highway for the improvement of Interstate Route 19, as set forth in the above referenced project.

A donation of easement right of way is now being established to encompass recently constructed right turn lanes, slope and drainage improvements along the northbound frontage road in Green Valley, constructed by a developer under Permit from ADOT to facilitate hospital access necessary to enhance convenience and safety for the traveling public. Accordingly, it is necessary to establish and acquire the new right of way as a state route and state highway for this improvement project.

The new right of way to be established and acquired by donation for these turn lane, slope and drainage easements is depicted in Appendix "A" and delineated on maps and plans on file in the office of the State Engineer, Intermodal Transportation Division, Phoenix, Arizona, entitled: "Right of Way Plans of the NOGALES - TUCSON HIGHWAY, Canoa T.I. - Continental T.I., Project 019 PM 034 H7191 01R".

July 17, 2015

RES. NO. 2015-07-A-035
PROJECT: 019 PM 034 H7191 01R
HIGHWAY: NOGALES - TUCSON
SECTION: Canoa T.I. - Continental T.I. (Green Valley Hospital)
ROUTE NO.: Interstate Route 19
ENG. DIST.: Tucson
COUNTY: Pima

WHEREAS establishment as a state route and state highway, and acquisition of the new right of way as an estate in fee, or such other interest as required, is necessary for this improvement, with authorization pursuant to Arizona Revised Statutes Sections 28-7092 and 28-7094, to include advance, future and early acquisition, exchanges and donations, including material for construction, haul roads and various easements in any property necessary for or incidental to the improvements as delineated on said maps and plans; and

WHEREAS because of these premises, this Board finds public safety, necessity and convenience require the recommended establishment and acquisition of the new right of way as a state route and state highway needed for this improvement; and

WHEREAS the existing county, town or city roadways as delineated on said maps and plans are hereby established as a state route and state highway by this resolution action and that no further conveying document is required; therefore, be it

RESOLVED that the recommendation of the Director is adopted and made part of this resolution; be it further

RESOLVED that the right of way depicted in Appendix "A" is hereby designated a state route and state highway, to include any existing county, town or city roadways necessary for or incidental to the improvements as delineated on said maps and plans; be it further

July 17, 2015

RES. NO. 2015-07-A-035
PROJECT: 019 PM 034 H7191 01R
HIGHWAY: NOGALES - TUCSON
SECTION: Canoa T.I. - Continental T.I. (Green Valley Hospital)
ROUTE NO.: Interstate Route 19
ENG. DIST.: Tucson
COUNTY: Pima

RESOLVED that the Director is hereby authorized to acquire by lawful means, pursuant to Arizona Revised Statutes Sections 28-7092 and 28-7094, an estate in fee, or such other interest as required, to include advance, future and early acquisition, exchanges and donations, including material for construction, haul roads and various easements in any property necessary for or incidental to the improvements as delineated on said maps and plans; be it further

RESOLVED that written notice be provided to the County Board of Supervisors in accordance with Arizona Revised Statute 28-7043, and to the affected governmental jurisdictions for whose local existing roadways are being immediately established as a state route and state highway herein; be it further

RESOLVED that the Director secure an appraisal of the property to be acquired and that necessary parties be compensated - with the exception of any existing county, town or city roadways being immediately established herein as a state route and state highway. Upon failure to acquire said lands by other lawful means, the Director is authorized to initiate condemnation proceedings.

July 17, 2015

RES. NO. 2015-07-A-035
PROJECT: 019 PM 034 H7191 01R
HIGHWAY: NOGALES - TUCSON
SECTION: Canoa T.I. - Continental T.I. (Green Valley Hospital)
ROUTE NO.: Interstate Route 19
ENG. DIST.: Tucson
COUNTY: Pima

CERTIFICATION

I, JOHN S. HALIKOWSKI, Director of the Arizona Department of Transportation, do hereby certify that the foregoing is a true and correct copy from the minutes of the Arizona State Transportation Board, made in official session on July 17, 2015.

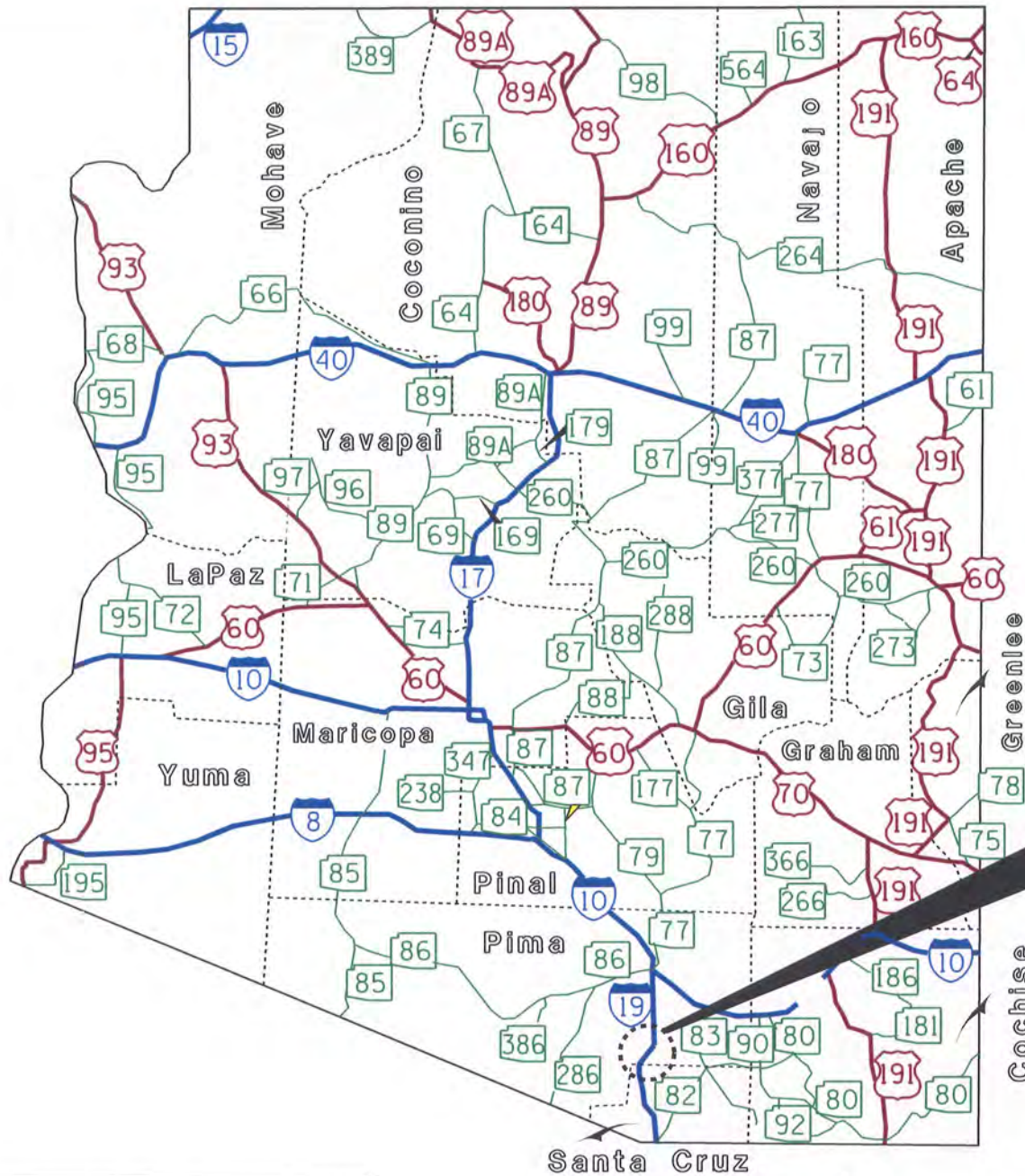
IN WITNESS WHEREOF I have hereunto set my hand and the official seal of the Transportation Board on July 17, 2015.

JOHN S. HALIKOWSKI, Director
Arizona Department of Transportation

APPROVED


Assistant Attorney General
Attorney for Department
of Transportation

Date 7/1/15



District T

AREA OF ESTABLISHMENT
SEE SHEETS 2 - 19
FOR DETAILS

019 PM 034 H7191 01R
NOGALES - TUCSON HIGHWAY
Canoa T. I. - Continental T. I.
(Green Valley Hospital)
Pima County

2015-07-A-035

APPENDIX "A"

DATE: JULY 17, 2015 SHEET 1 OF 19

APPENDIX "A"

EASEMENT FOR ROADWAY PURPOSES

An easement for roadway purposes lying within a portion of Block 36 of Canoa Ranch, Blocks 1-45, a Subdivision recorded in Book 54 of Maps and Plats at Page 74, Pima County Recorder's Office, being within a portion of San Ignacio De La Canoa Land Grant, and as delineated on plans on file in the office of the State Engineer, Intermodel Transportation Division, Arizona Department of Transportation, Phoenix Arizona, entitled right of way plans of State Route I-19 (Canoa T.I.-Continental T.I.) project 019 PM 034 H7191 01R, being within Township 19 South, Range 13 East, portions of Projected Section 3, Gila & Salt River Meridian, Pima County, Arizona, more particularly described as follows:

COMMENCING at a found ADOT 3" aluminum cap monument at ADOT Station 1922+12.07, 125.02 feet to the Right of the Old U.S. 89 Right of Way center line as depicted on said right of way plans of State Route I-19, from which a found ½" rebar with no tag being at ADOT Station 1930+12.30, 124.74 feet to the right of said Old U.S. 89 Right of Way center line as depicted on said right of way plans of State Route I-19, bears North 21°48'55" East a distance of 800.23 feet (record) and 800.25 feet (measured), point also being at the Northwest corner of said Canoa Ranch, Blocks 1-45, a Subdivision recorded in Book 54 of Maps and Plats at Page 74;

THENCE from **COMMENCEMENT POINT**, South 22°37'55" West a distance of 1.20 feet to a point being on the Eastern Right of Way line of said State Route I-19, at ADOT Station P.T. 1922+10.88, 125.00 feet to the right of the existing P.T. point on said Old U.S. 89 Right of Way center line as depicted on said right of way plans of State Route I-19;

THENCE South 23°20'40" West 610.92 feet to a point being at calculated Station 1916+06.47, 125 feet to the right, on the Eastern Right of Way line of said State Route I-19 and the Western boundary line of a parcel recorded in Sequence 20123380484, Pima County Recorder's Office, also being the **TRUE POINT OF BEGINNING**;

THENCE South 65°00'01" East a distance of 36.63 feet to a point;

THENCE South 25°01'02" West a distance of 66.37 feet to a point;

THENCE North 65°00'01" West a distance of 17.63 feet to a point on a non-tangent curve to the right;

APPENDIX "A"

THENCE along said non-tangent curve to the right with a radius of 11617.84 feet, an arc length of 227.49 feet, a central angle of $01^{\circ}07'19''$, with a chord bearing of South $25^{\circ}44'31''$ West, and a chord distance of 227.48 feet to a point;

THENCE South $63^{\circ}32'12''$ East a distance of 18.77 feet to a point;

THENCE South $26^{\circ}30'13''$ West a distance of 81.38 feet to a point;

THENCE North $63^{\circ}32'12''$ West a distance of 4.77 feet to a point on a non-tangent curve to the right;

THENCE along said non-tangent curve to the right with a radius of 11631.84 feet, an arc length of 457.38 feet, a central angle of $02^{\circ}15'11''$, with a chord bearing of South $27^{\circ}49'49''$ West, and a chord distance of 457.35 feet to a point being on the Southern Boundary line of said parcel recorded in Sequence 20123380484;

THENCE along said Southern line, North $83^{\circ}23'17''$ West a distance of 35.69 feet to a point being on a non-tangent curve to the left, being on the said Eastern Right of Way line of said State Route I-19;

THENCE along said Eastern Right of Way line, along said non-tangent curve to the left with a radius of 11598.84 feet, an arc length of 322.38 feet, a central angle of $01^{\circ}35'33''$, with a chord bearing of North $28^{\circ}13'40''$ East, and a chord distance of 322.37 feet to a point;

THENCE continuing along said Eastern Right of Way line, South $62^{\circ}34'07''$ East a distance of 12.00 feet to a point on a non-tangent curve to the left;

THENCE continuing along said Eastern Right of Way line, along said non-tangent curve to the left with a radius of 11610.84 feet, an arc length of 43.93 feet, a central angle of $00^{\circ}13'00''$, with a chord bearing of North $27^{\circ}19'23''$ East, and a chord distance of 43.93 feet to a point;

THENCE continuing along said Eastern Right of Way line, North $62^{\circ}47'07''$ West a distance of 12.00 feet to a point on a non-tangent curve to the left;

THENCE continuing along said Eastern Right of Way line, along said non-tangent curve to the left with a radius of 11598.84 feet, an arc length of 478.00 feet, a central angle of $02^{\circ}21'40''$, with a chord bearing of North $26^{\circ}02'02''$ East, and a chord distance of 477.96 feet to said point being at said calculated Station 1916+06.47, 125 feet to the right, also being the said **TRUE POINT OF BEGINNING**.

APPENDIX "A"

The above described easement contains approximately 24,583 square feet or 0.564 acres more or less.

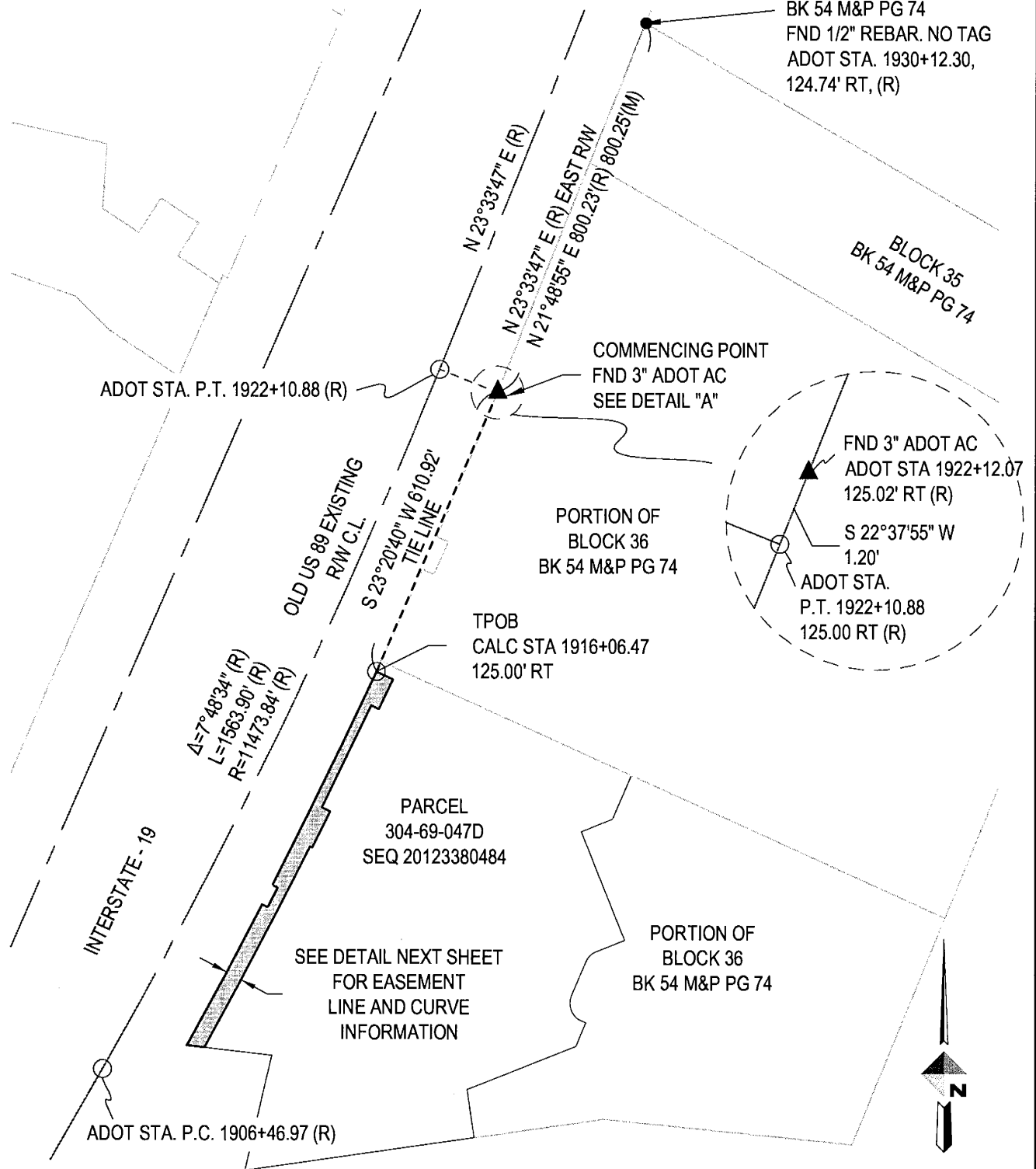
Prepared for : *Green Valley Hospital LLC &
GV II Holding LLC*
Prepared by: *Michael F. York, RLS*
Prepared on behalf of: *DOWL HKM*
Prepared on: *December 04, 2014*



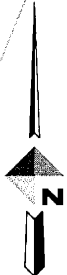
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(R) = RECORD/REFERENCE
 ADOT RIGHT OF WAY PLANS OF STATE ROUTE I-19
 PROJECT No.: 019 PM 034 H7191 01R

MOST NORTHERLY
 CORNER OF
 "CANOA RANCH"
 BK 54 M&P PG 74
 FND 1/2" REBAR. NO TAG
 ADOT STA. 1930+12.30,
 124.74' RT, (R)



SCALE 1" = 300'



DOWL HKM

APPENDIX "A"
SHEET 5 OF 19

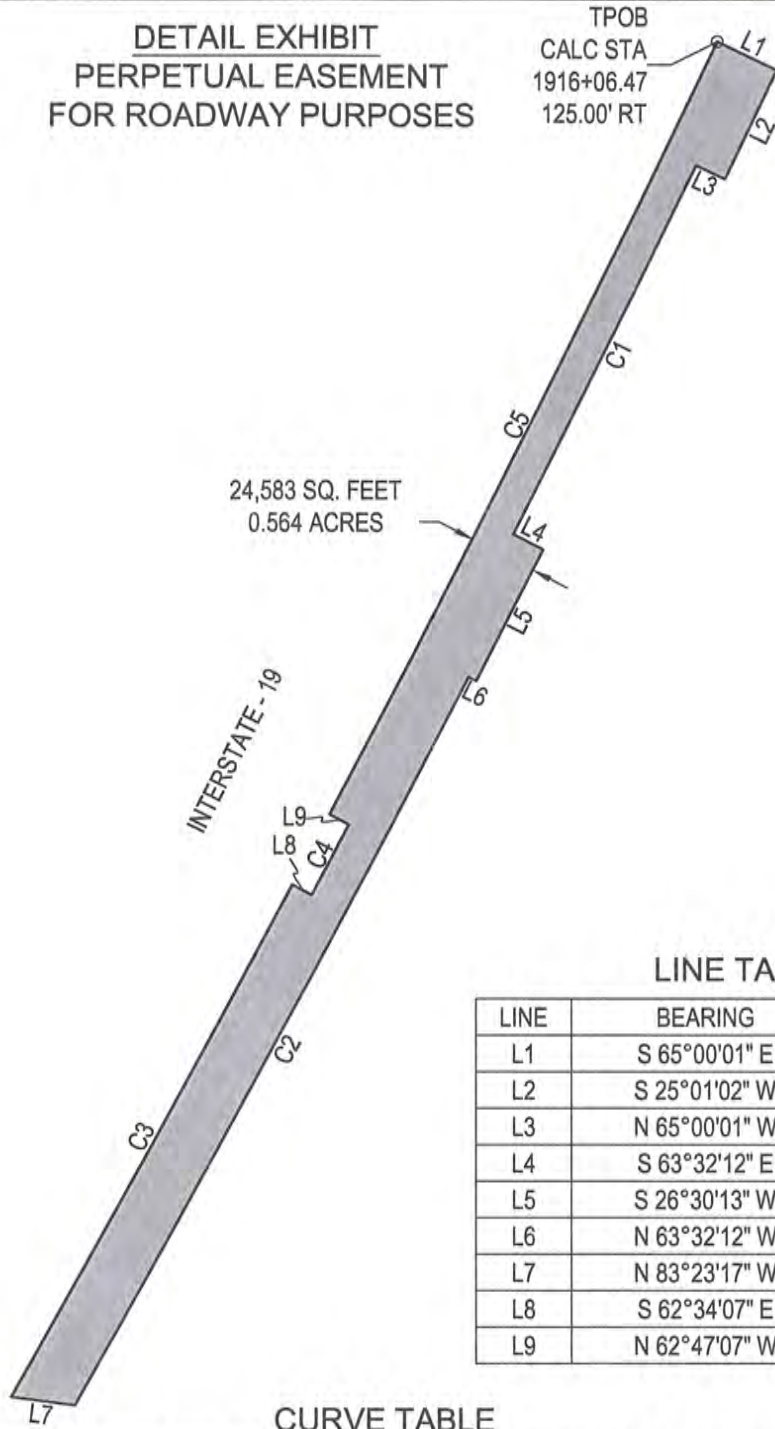
40862.01
 12-23-2014

**DETAIL EXHIBIT
PERPETUAL EASEMENT
FOR ROADWAY PURPOSES**

TPOB
CALC STA
1916+06.47
125.00' RT



SCALE N.T.S.



LINE TABLE

LINE	BEARING	DISTANCE
L1	S 65°00'01" E	36.63'
L2	S 25°01'02" W	66.37'
L3	N 65°00'01" W	17.63'
L4	S 63°32'12" E	18.77'
L5	S 26°30'13" W	81.38'
L6	N 63°32'12" W	4.77'
L7	N 83°23'17" W	35.69'
L8	S 62°34'07" E	12.00'
L9	N 62°47'07" W	12.00'

CURVE TABLE

CURVE	DELTA ANGLE	RADIUS	ARC LENGTH	CHORD BEARING	CHORD LENGTH
C1	1°07'19"	11617.84'	227.49'	S 25°44'31" W	227.48'
C2	2°15'11"	11631.84'	457.38'	S 27°49'49" W	457.35'
C3	1°35'33"	11598.84'	322.38'	N 28°13'40" E	322.37'
C4	0°13'00"	11610.84'	43.93'	N 27°19'23" E	43.93'
C5	2°21'40"	11598.84'	478.00'	N 26°02'02" E	477.96'



DOWL HKM

APPENDIX "A"
SHEET 6 OF 19

40862.01
12-23-2014

APPENDIX "A"

DRAINAGE EASEMENT

An easement for drainage purposes lying within a portion of Block 36 of Canoa Ranch, Blocks 1-45, a Subdivision recorded in Book 54 of Maps and Plats at Page 74, Pima County Recorder's Office, being within a portion of San Ignacio De La Canoa Land Grant, and as delineated on plans on file in the office of the State Engineer, Intermodal Transportation Division, Arizona Department of Transportation, Phoenix Arizona, entitled right of way plans of State Route I-19 (Canoa T.I.-Continental T.I.) project 019 PM 034 H7191 01R, being within Township 19 South, Range 13 East, portions of Projected Section 3, Gila & Salt River Meridian, Pima County, Arizona, more particularly described as follows:

COMMENCING at a found ADOT 3" aluminum cap monument at ADOT Station 1922+12.07, 125.02 feet to the Right of the Old U.S. 89 Right of Way center line as depicted on said right of way plans of State Route I-19, from which a found ½" rebar with no tag being at ADOT Station 1930+12.30, 124.74 feet to the right of said Old U.S. 89 Right of Way center line as depicted on said right of way plans of State Route I-19, bears North 21°48'55" East a distance of 800.23 feet (record) and 800.25 feet (measured), point also being at the Northwest corner of said Canoa Ranch, Blocks 1-45, a Subdivision recorded in Book 54 of Maps and Plats at Page 74;

THENCE from **COMMENCEMENT POINT**, South 22°37'55" West a distance of 1.20 feet to a point being on the Eastern Right of Way line of said State Route I-19, at ADOT Station P.T. 1922+10.88, 125.00 feet to the right of the existing P.T. point on said Old U.S. 89 Right of Way center line as depicted on said right of way plans of State Route I-19;

THENCE South 23°20'40" West 610.92 feet to a point being at calculated Station 1916+06.47, 125 feet to the right, on the Eastern Right of Way line of said State Route I-19 and the Western boundary line of a parcel recorded in Sequence 20123380484, Pima County Recorder's Office, also being the **TRUE POINT OF BEGINNING**;

THENCE South 22°50'43" West 1090.55 feet to a point being at ADOT Station 1911+33.63, 157.00 feet to the right, being on the Southeastern line of an existing drainage easement recorded in Docket 13862 at Page 5832, within a portion of a parcel recorded in Sequence 20123380484, Pima County Recorder's Office, also being the **TRUE POINT OF BEGINNING**;

THENCE South 62°47'07" East a distance of 11.00 feet to a point on a non-tangent curve to the right;

APPENDIX "A"

THENCE along said non-tangent curve to the right with a radius of 11641.84 feet, an arc length of 44.05 feet, a central angle of $00^{\circ}13'00''$, with a chord bearing of South $27^{\circ}19'23''$ West, and a chord distance of 44.05 feet to a point;

THENCE North $62^{\circ}34'07''$ West a distance of 11.00 feet to a point being on a non-tangent curve to the left, being on the Southeastern line of said drainage easement recorded in Docket 13862 at Page 5832;

THENCE along the Southeastern line of said drainage easement, along said non-tangent curve to the left with a radius of 11630.84 feet, an arc length of 44.00 feet, a central angle of $00^{\circ}13'00''$, with a chord bearing of North $27^{\circ}19'23''$ East, and a chord distance of 44.00 feet to point being at said ADOT Station 1911+33.63, 157.00 feet to the right, being the said **TRUE POINT OF BEGINNING**.

The above described easement contains approximately 484 square feet or 0.011 acres more or less.

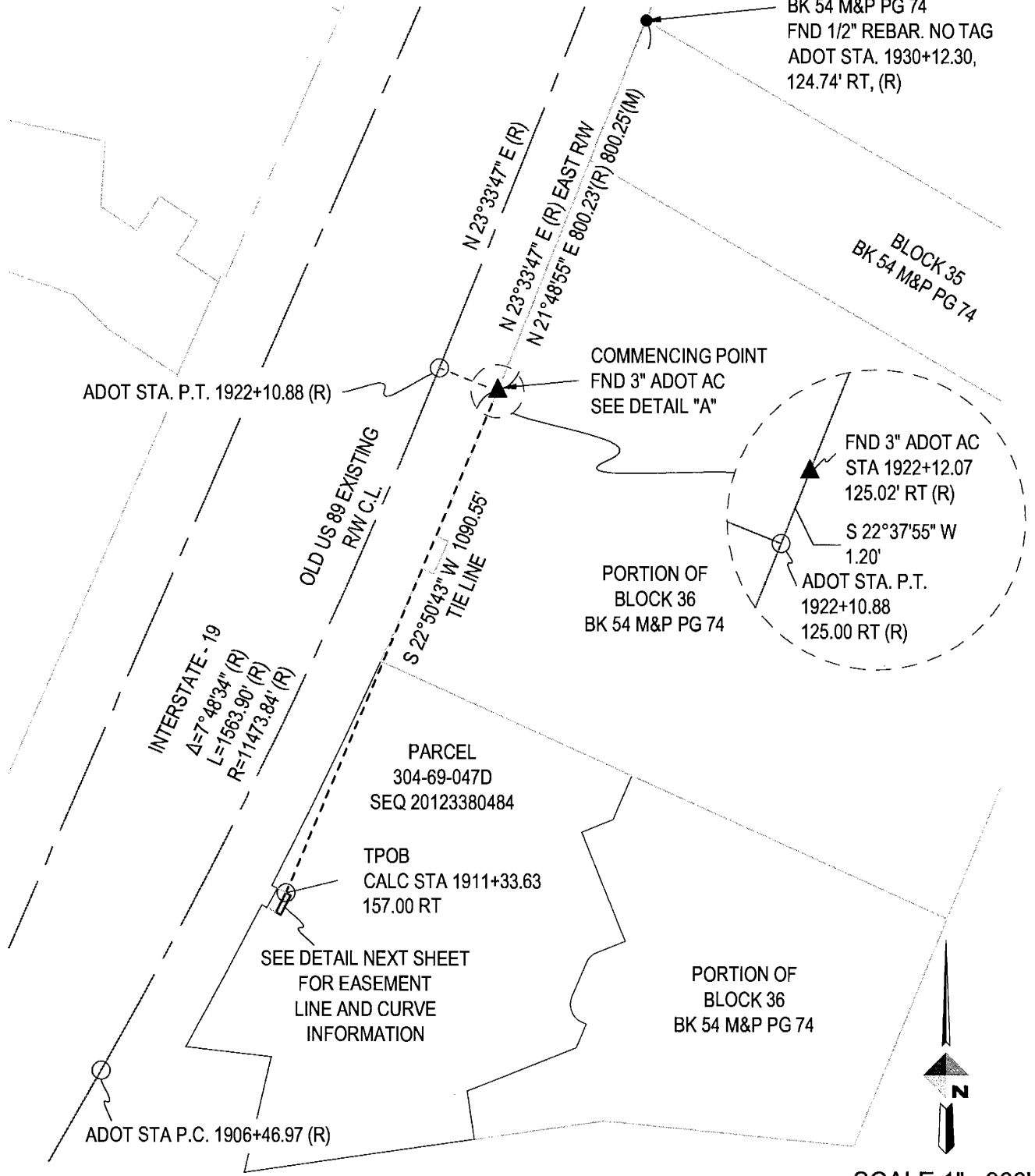
Prepared for : *Green Valley Hospital LLC &
GV II Holding LLC*
Prepared by: *Michael F. York, RLS*
Prepared on behalf of: *DOWL HKM*
Prepared on: *December 23, 2014*



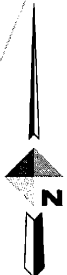
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(R) = RECORD/REFERENCE
 ADOT RIGHT OF WAY PLANS OF STATE ROUTE I-19
 PROJECT No.: 019 PM 034 H7191 01R

MOST NORTHERLY
 CORNER OF
 "CANOA RANCH"
 BK 54 M&P PG 74
 FND 1/2" REBAR. NO TAG
 ADOT STA. 1930+12.30,
 124.74' RT, (R)



SCALE 1" = 300'



DOWL HKM

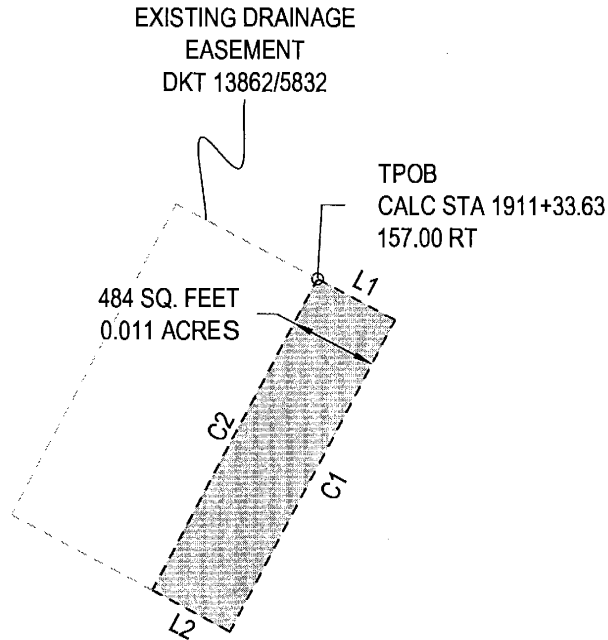
APPENDIX "A"
SHEET 9 OF 19

40862.01
 12-23-2014

DRAINAGE EASEMENT - DETAIL



SCALE N.T.S.



LINE TABLE

LINE	BEARING	DISTANCE
L1	S 62°47'07" E	11.00'
L2	N 62°34'07" W	11.00'

CURVE TABLE

CURVE	DELTA ANGLE	RADIUS	ARC LENGTH	CHORD BEARING	CHORD LENGTH
C1	0°13'00"	11641.84'	44.05'	S 27°19'23" W	44.05'
C2	0°13'00"	11630.84'	44.00'	N 27°19'23" E	44.00'



DOWL HKM

APPENDIX "A"
SHEET 10 OF 19

40862.01
12-23-2014

APPENDIX "A"

SLOPE EASEMENT

An easement for slope purposes lying within a portion of Block 36 of Canoa Ranch, Blocks 1-45, a Subdivision recorded in Book 54 of Maps and Plats at Page 74, Pima County Recorder's Office, being within a portion of San Ignacio De La Canoa Land Grant, and as delineated on plans on file in the office of the State Engineer, Intermodal Transportation Division, Arizona Department of Transportation, Phoenix Arizona, entitled right of way plans of State Route I-19 (Canoa T.I.-Continental T.I.) project 019 PM 034 H7191 01R, being within Township 19 South, Range 13 East, portions of Projected Section 3, Gila & Salt River Meridian, Pima County, Arizona, more particularly described as follows:

COMMENCING at a found ADOT 3" aluminum cap monument at ADOT Station 1922+12.07, 125.02 feet to the Right of the Old U.S. 89 Right of Way center line as depicted on said right of way plans of State Route I-19, from which a found ½" rebar with no tag being at ADOT Station 1930+12.30, 124.74 feet to the right of said Old U.S. 89 Right of Way center line as depicted on said right of way plans of State Route I-19, bears North 21°48'55" East a distance of 800.23 feet (record) and 800.25 feet (measured), point also being at the Northwest corner of said Canoa Ranch, Blocks 1-45, a Subdivision recorded in Book 54 of Maps and Plats at Page 74;

THENCE from **COMMENCEMENT POINT**, South 22°37'55" West a distance of 1.20 feet to a point being on the Eastern Right of Way line of said State Route I-19, at ADOT Station P.T. 1922+10.88, 125.00 feet to the right of the existing P.T. point on said Old U.S. 89 Right of Way center line as depicted on said right of way plans of State Route I-19;

THENCE South 22°47'22" West 386.35 feet to a point being at ADOT Station 1918+28.67, 125.00 feet to the right, on the Eastern Right of Way line of said State Route I-19, on the Western boundary line of said Block 36 of Conoa Ranch, also being the **TRUE POINT OF BEGINNING**;

THENCE South 66°15'22" East a distance of 16.00 feet to a point on a non-tangent curve to the right;

THENCE along said non-tangent curve to the right with a radius of 11614.84 feet, an arc length of 202.05 feet, a central angle of 00°59'48", with a chord bearing of South 24°14'32" West, and a chord distance of 202.04 feet to a point being on the Northern boundary line of a parcel recorded in Sequence 20123380484, Pima County Recorder's Office;

APPENDIX "A"

THENCE along said Northern boundary line, North 65°39'14" West a distance of 16.00 feet to a point on a non-tangent curve to the left, being on the said Eastern Right of Way line of said State Route I-19;

THENCE along said Eastern Right of Way line, along said non-tangent curve to the left with a radius of 11598.84 feet, an arc length of 201.88 feet, a central angle of 00°59'50", with a chord bearing of North 24°14'33" East, and a chord distance of 201.88 feet to a point being at said ADOT Station 1918+28.67, 125.00 feet to the right, being on the Western boundary line of said Block 36, being the said **TRUE POINT OF BEGINNING**.

The above described easement contains approximately 3,231 square feet or 0.074 acres more or less.

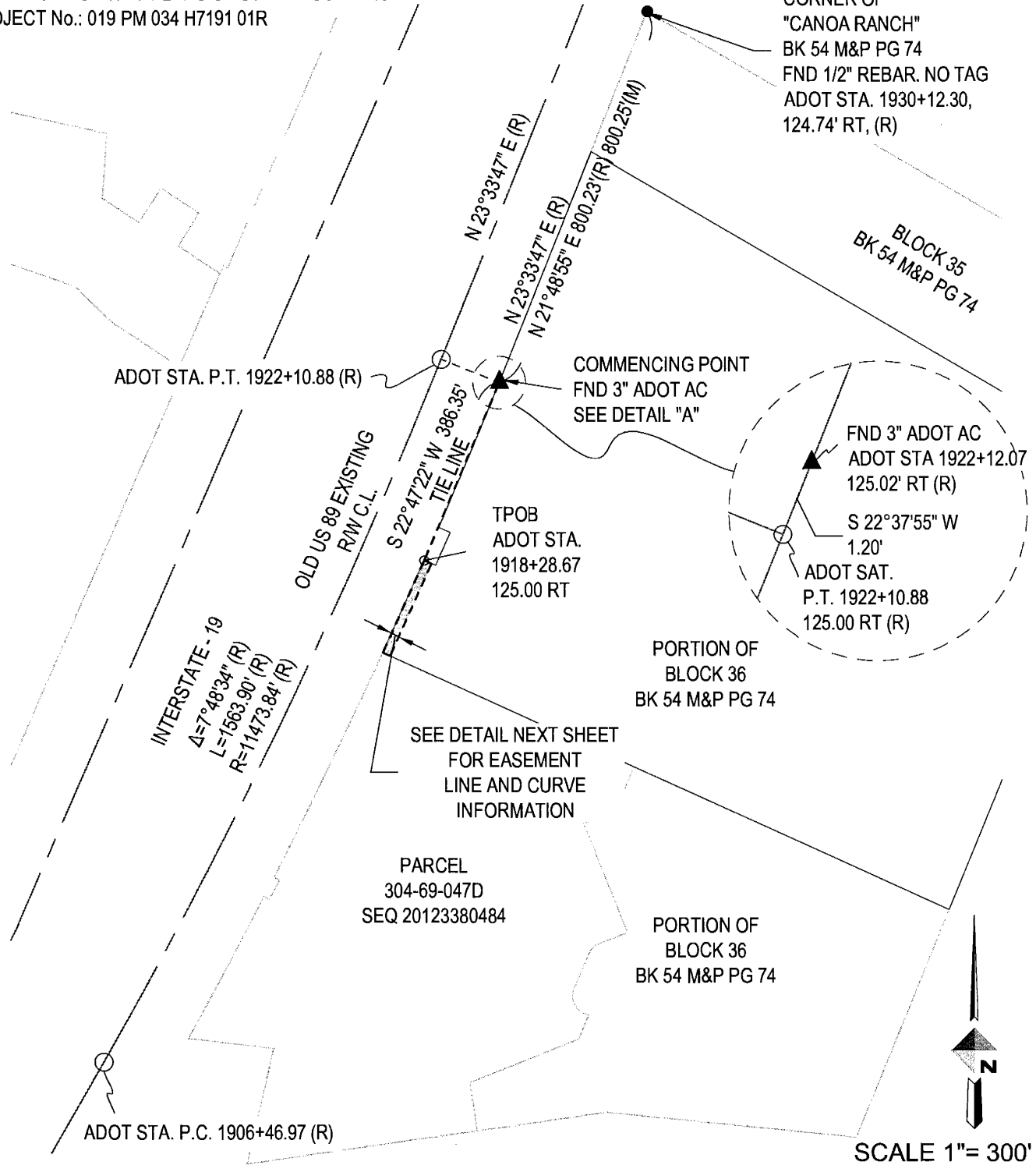
Prepared for : *Green Valley Hospital LLC &
GV II Holding LLC*
Prepared by: *Michael F. York, RLS*
Prepared on behalf of: *DOWL HKM*
Prepared on: *December 23, 2014*



DOWL HKM accepts no liability for this legal description if it has been modified or reformatted in any way, for any reason, from its original format and content or used for any purpose other than that for which it was prepared.

(R) = RECORD/REFERENCE
 ADOT RIGHT OF WAY PLANS OF STATE ROUTE I-19
 PROJECT No.: 019 PM 034 H7191 01R

MOST NORTHERLY
 CORNER OF
 "CANOA RANCH"
 BK 54 M&P PG 74
 FND 1/2" REBAR. NO TAG
 ADOT STA. 1930+12.30,
 124.74' RT, (R)



SCALE 1" = 300'

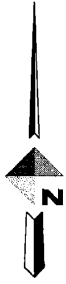


DOWL HKM

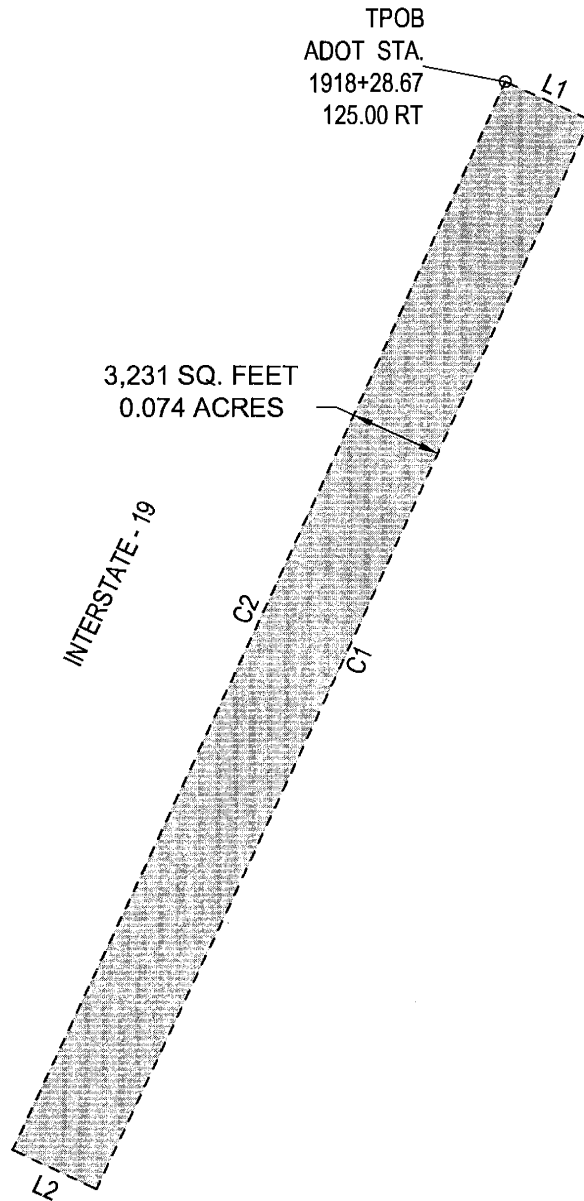
APPENDIX "A"
 SHEET 13 OF 19

40862.01
 12-23-2014

SLOPE EASEMENT - DETAIL



SCALE N.T.S.



LINE TABLE

LINE	BEARING	DISTANCE
L1	S 66°15'22" E	16.00'
L2	N 65°39'14" W	16.00'

CURVE TABLE

CURVE	DELTA ANGLE	RADIUS	ARC LENGTH	CHORD BEARING	CHORD LENGTH
C1	0°59'48"	11614.84'	202.05'	S 24°14'32" W	202.04'
C2	0°59'50"	11598.84'	201.88'	N 24°14'33" E	201.88'



DOWL HKM

APPENDIX "A"

SHEET 14 OF 19

40862.01
12-23-2014

APPENDIX "A"

SLOPE EASEMENT

An easement for slope purposes lying within a portion of Block 36 of Canoa Ranch, Blocks 1-45, a Subdivision recorded in Book 54 of Maps and Plats at Page 74, Pima County Recorder's Office, being within a portion of San Ignacio De La Canoa Land Grant, and as delineated on plans on file in the office of the State Engineer, Intermodal Transportation Division, Arizona Department of Transportation, Phoenix Arizona, entitled right of way plans of State Route I-19 (Canoa T.I.-Continental T.I.) project 019 PM 034 H7191 01R, being within Township 19 South, Range 13 East, portions of Projected Section 3, Gila & Salt River Meridian, Pima County, Arizona, more particularly described as follows:

COMMENCING at a found ADOT 3" aluminum cap monument at ADOT Station 1922+12.07, 125.02 feet to the Right of the Old U.S. 89 Right of Way center line as depicted on said right of way plans of State Route I-19, from which a found ½" rebar with no tag being at ADOT Station 1930+12.30, 124.74 feet to the right of said Old U.S. 89 Right of Way center line as depicted on said right of way plans of State Route I-19, bears North 21°48'55" East a distance of 800.23 feet (record) and 800.25 feet (measured), point also being at the Northwest corner of said Canoa Ranch, Blocks 1-45, a Subdivision recorded in Book 54 of Maps and Plats at Page 74;

THENCE from **COMMENCEMENT POINT**, South 22°37'55" West a distance of 1.20 feet to a point being on the Eastern Right of Way line of said State Route I-19, at ADOT Station P.T. 1922+10.88, 125.00 feet to the right of the existing P.T. point on said Old U.S. 89 Right of Way center line as depicted on said right of way plans of State Route I-19;

THENCE South 23°17'17" West 588.19' feet to a point being at calculated Station 1916+28.97 125.00 feet to the right, on the Eastern Right of Way line of said State Route I-19, on the Western boundary line of a parcel recorded in Sequence 20123380484, Pima County Recorder's Office, being the **TRUE POINT OF BEGINNING**;

THENCE along the Northern boundary line of said parcel recorded in Sequence 20123380484, South 65°39'14" East a distance of 16.00 feet to a point on a non-tangent curve to the right;

THENCE along said non-tangent curve to the right with a radius of 11614.84 feet, an arc length of 22.92 feet, a central angle of 00°06'47", with a chord bearing of South 24°47'50" West, and a chord distance of 22.92 feet to a point;

APPENDIX "A"

THENCE North 65°00'01" West a distance of 16.00 feet to a point on a non-tangent curve to the left, being on the Eastern Right of Way line of said State Route I-19 and Western boundary line of said parcel, also being labeled as **Point "A"**;

THENCE along the Eastern Right of Way line of said State Route I-19 and Western boundary line of said parcel, along said non-tangent curve to the left with a radius of 11598.84 feet, an arc length of 22.74 feet, a central angle of 00°06'44", with a chord bearing of North 24°47'50" East, and a chord distance of 22.74 feet to a point being at said calculated Station 1916+28.97 125.00 feet to the right, also being the said **TRUE POINT OF BEGINNING**.

The above described easement contains approximately 365 square feet or 0.008 acres more or less.

TOGETHER WITH the following description which delineates the second portion of this easement;

COMMENCING at said point labeled as **Point "A"**, being on a non-tangent curve to the right, and on the Eastern Right of Way line of said State Route I-19 and the Western boundary line of said parcel recorded in Sequence 20123380484, Pima County Recorder's Office;

THENCE along said Right of Way line and Boundary line, along said non-tangent curve to the right with a radius of 11598.84 feet, an arc length of 374.61 feet, a central angle of 01°51'02", with a chord bearing of South 25°46'43" West, and a chord distance of 374.60 feet to a point;

THENCE South 63°17'46" East a distance of 33.00 feet to a point being at calculated Station 1912+35.90, 158.00 feet to the right, being labeled as **Point "B"**;

THENCE South 63°32'12" East a distance of 10.00 feet to a point on a non-tangent curve to the right;

THENCE along said non-tangent curve to the right with a radius of 11641.84 feet, an arc length of 453.70 feet, a central angle of 02°13'58", with a chord bearing of South 27°49'13" West, and a chord distance of 453.67 feet to a point being on the Southern boundary line of said parcel recorded in Sequence 20123380484;

THENCE along the Southern boundary line of said parcel, North 83°23'17" West a distance of 10.81 feet to a point on a non-tangent curve to the left;

APPENDIX "A"

THENCE along said non-tangent curve to the left with a radius of 11631.84 feet, an arc length of 457.38 feet, a central angle of 02°15'11", with a chord bearing of North 27°49'49" East, and a chord distance of 457.35 feet to the said point being at calculated Station 1912+35.90, 158.00 feet to the right, also being at said point labeled as **Point "B"**.

The above described easement contains approximately 4,555 square feet or 0.105 acres more or less.

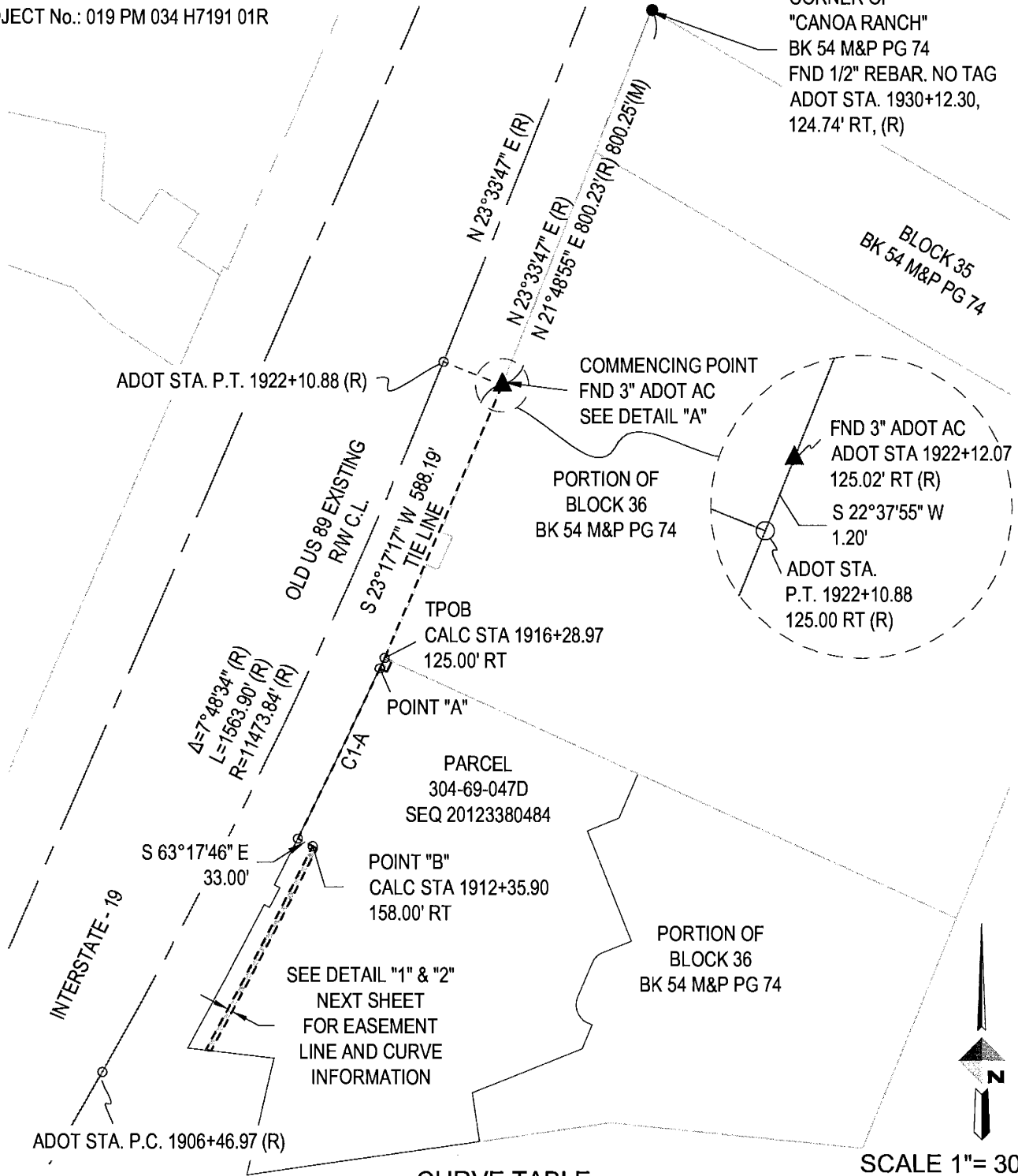
Prepared for : *Green Valley Hospital LLC &
GV II Holding LLC*
Prepared by: *Michael F. York, RLS*
Prepared on behalf of: *DOWL HKM*
Prepared on: *December 23, 2014*



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(R) = RECORD/REFERENCE
 ADOT RIGHT OF WAY PLANS OF STATE ROUTE I-19
 PROJECT No.: 019 PM 034 H7191 01R

MOST NORTHERLY
 CORNER OF
 "CANOA RANCH"
 BK 54 M&P PG 74
 FND 1/2" REBAR. NO TAG
 ADOT STA. 1930+12.30,
 124.74' RT, (R)



CURVE TABLE

CURVE	DELTA ANGLE	RADIUS	ARC LENGTH	CHORD BEARING	CHORD LENGTH
C1-A	1°51'02"	11598.84'	374.61'	S 25°46'43" W	374.60'

SCALE 1" = 300'

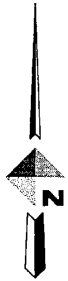
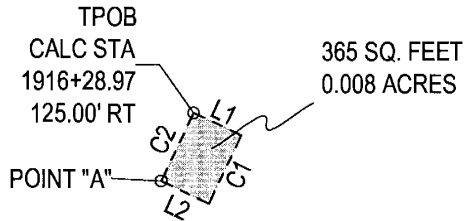


DOWL HKM

APPENDIX "A"
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40862.01
 12-23-2014

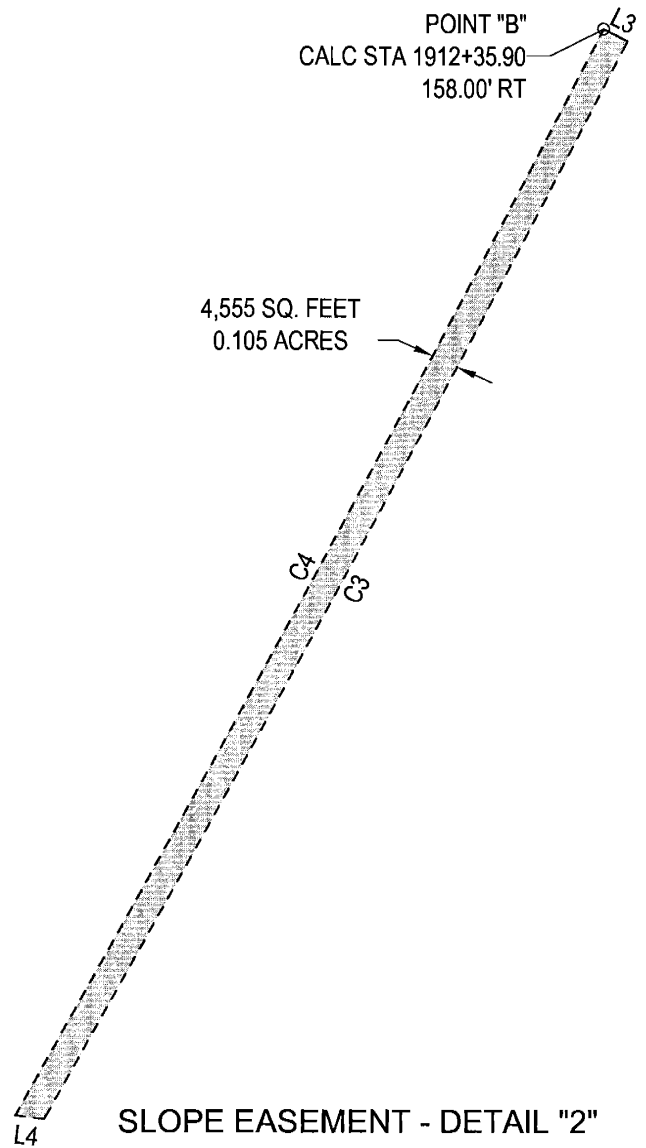
SLOPE EASEMENT - DETAIL "1"



SCALE N.T.S.

POINT "B"
CALC STA 1912+35.90
158.00' RT

4,555 SQ. FEET
0.105 ACRES



SLOPE EASEMENT - DETAIL "2"

LINE TABLE

LINE	BEARING	DISTANCE
L1	S 65°39'14" E	16.00'
L2	N 65°00'01" W	16.00'
L3	S 63°32'12" E	10.00'
L4	N 83°23'17" W	10.81'

CURVE TABLE

CURVE	DELTA ANGLE	RADIUS	ARC LENGTH	CHORD BEARING	CHORD LENGTH
C1	0°06'47"	11614.84'	22.92'	S 24°47'50" W	22.92'
C2	0°06'44"	11598.84'	22.74'	N 24°47'50" E	22.74'
C3	2°13'58"	11641.84'	453.70'	S 27°49'13" W	453.67'
C4	2°15'11"	11631.84'	457.38'	N 27°49'49" E	457.35'



DOWL HKM

APPENDIX "A"

SHEET 19 OF 19

40862.01
12-23-2014

July 17, 2015

RES. NO. 2015-07-A-036
PROJECT: 080 MA 000 H0888 01R / F.I. 53
HIGHWAY: BUCKEYE - GILA BEND
ROUTE NO.: Old U. S. Route 80
ENG. DIST.: Yuma
COUNTY: Maricopa
DISPOSAL: D-Y-047

REPORT AND RECOMMENDATION

TO THE HONORABLE ARIZONA TRANSPORTATION BOARD:

The Intermodal Transportation Division has made a thorough investigation concerning the disposal of portions of easement for highway right of way originally acquired for use within the above referenced project.

The existing alignment was previously established as a state route and state highway, designated U. S. Route 80, by Resolution of the Arizona State Highway Commission, dated September 09, 1927, entered on Page 26 of its Official Minutes, and depicted on its Official Map of State Routes and State Highways, incorporated by reference therein. Thereafter, additional right of way for the location, relocation, alteration and widening to a width of at least 200 feet was established as a state highway by Resolutions of the Commission, dated August 06, 1953, as set forth on Page 211; dated December 12, 1953, on Page 307; and dated February 08, 1955, on Page 164 of the Official Minutes.

Said portion of highway right of way easement is no longer required in the State Transportation System, nor will it be used for public highway purposes. Accordingly, I recommend that said portion of highway right of way easement be removed from the State Transportation System by vacation and extinguishment thereof.

July 17, 2015

RES. NO. 2015-07-A-036
PROJECT: 080 MA 000 H0888 01R / F.I. 53
HIGHWAY: BUCKEYE - GILA BEND
ROUTE NO.: Old U. S. Route 80
ENG. DIST.: Yuma
COUNTY: Maricopa
DISPOSAL: D-Y-047

The portions of highway right of way easement to be vacated and extinguished were acquired by the State of Arizona, by and through its Highway Department (now known as the Arizona Department of Transportation) through those certain instruments, dated August 08, and August 12, 1952, recorded August 18, 1952, in Docket 976, Pages 373 and 377, respectively, records of Maricopa County, Arizona.

All other rights of way, easements and appurtenances thereto, subject to the provisions of Arizona Revised Statutes Section 28-7210, shall continue as they existed prior to the vacation and extinguishment of these portions of easement right of way.

Pursuant to Arizona Revised Statutes Sections 28-7046 and 28-7214, I recommend the adoption of a resolution making this recommendation effective.

Respectfully submitted,

JOHN S. HALIKOWSKI, Director
Arizona Department of Transportation

ARIZONA DEPARTMENT OF TRANSPORTATION
205 South 17th Avenue
R/W Titles Section, MD 612E
Phoenix, AZ 85007-3213

July 17, 2015

RES. NO. 2015-07-A-036
PROJECT: 080 MA 000 H0888 01R / F.I. 53
HIGHWAY: BUCKEYE - GILA BEND
ROUTE NO.: Old U. S. Route 80
ENG. DIST.: Yuma
COUNTY: Maricopa
DISPOSAL: D-Y-047

RESOLUTION OF EXTINGUISHMENT

JOHN S. HALIKOWSKI, Director of the Arizona Department of Transportation, on July 17, 2015, presented and filed with this Transportation Board his written report under Arizona Revised Statutes Sections 28-7046 and 28-7214, recommending disposal of portions of easement for highway right of way from the State Transportation System by the vacation and extinguishment thereof.

The portions of highway right of way easement to be vacated and extinguished were acquired by the State of Arizona, by and through its Highway Department (now known as the Arizona Department of Transportation) through those certain instruments, dated August 08, and August 12, 1952, recorded August 18, 1952, in Docket 976, Pages 373 and 377, respectively, records of Maricopa County, Arizona.

WHEREAS said portions of highway right of way easement are no longer needed for State transportation purposes, nor will they be used for public highway purposes; and

WHEREAS because of these premises, this Board finds public convenience requires that said portions of highway right of way easement be removed from the State Transportation System by vacation and extinguishment; therefore be it

RESOLVED that the recommendation of the Director is adopted and made a part of this resolution; be it further

RESOLVED that these portions of highway right of way easement no longer needed for State transportation purposes, are removed by vacation and extinguishment from the State Transportation System.

July 17, 2015

RES. NO. 2015-07-A-036
PROJECT: 080 MA 000 H0888 01R / F.I. 53
HIGHWAY: BUCKEYE - GILA BEND
ROUTE NO.: Old U. S. Route 80
ENG. DIST.: Yuma
COUNTY: Maricopa
DISPOSAL: D-Y-047

CERTIFICATION

I, JOHN S. HALIKOWSKI, Director of the Arizona Department of Transportation, do hereby certify that the foregoing is a true and correct copy from the minutes of the Arizona State Transportation Board, made in official session on July 17, 2015.

IN WITNESS WHEREOF I have hereunto set my hand and the official seal of the Transportation Board on July 17, 2015.

JOHN S. HALIKOWSKI, Director
Arizona Department of Transportation

APPROVED

Ron J. Gochenbach

Assistant Attorney General
Attorney for Department
of Transportation

Date 6/29/15

July 17, 2015

RES. NO. 2015-07-A-037
PROJECT: 040 NA 279 H8321 / 040-D(218)A
HIGHWAY: FLAGSTAFF - HOLBROOK
LOCATION: I-40 MP 279.2 - 279.7
ROUTE NO.: Interstate Route 40
ENG. DIST.: Holbrook
COUNTY: Navajo

REPORT AND RECOMMENDATION

TO THE HONORABLE ARIZONA TRANSPORTATION BOARD:

The Intermodal Transportation Division has made a thorough investigation concerning the establishment and improvement of a portion of Interstate 40 within the above referenced project.

The existing alignment was previously established as a state route and state highway, designated U. S. Route 66 by Resolution of the Arizona State Highway Commission, dated September 09, 1927, entered on Page 26 of its Official Minutes, and depicted on its Official Map of State Routes and State Highways, incorporated by reference therein. This alignment was recommended for inclusion in the National System of Interstate Highways by Resolution dated June 08, 1945, shown on Page 70 of the Official Minutes. Additional right of way for the improvement of U. S. Route 66 was established as a controlled access state highway under Project I-40-4(22)270 by Resolution 63-30, dated March 12, 1963. Thereafter, Arizona State Transportation Board Resolution 84-10-A-66, dated October 26, 1984, eliminated the U. S. Route 66 designation from all remaining portions in Navajo County, and renumbered and redesignated as Interstate Route 40 all portions overlapped by the Interstate alignment, including this segment.

This project involves improvements outside of the existing right of way. Temporary construction easements outside the existing right of way are needed for the reduction and stabilization of high rock faces along Interstate Route 40 to enhance convenience and safety for the traveling public. Accordingly, it is now necessary to establish and acquire the temporary construction easements needed.

July 17, 2015

RES. NO. 2015-07-A-037
PROJECT: 040 NA 279 H8321 / 040-D(218)A
HIGHWAY: FLAGSTAFF - HOLBROOK
LOCATION: I-40 MP 279.2 - 279.7
ROUTE NO.: Interstate Route 40
ENG. DIST.: Holbrook
COUNTY: Navajo

The areas of temporary construction easement required for this improvement are depicted in Appendix "A" and delineated on maps and plans on file in the office of the State Engineer, Intermodal Transportation Division, Phoenix, Arizona, entitled: "Stage V 100% Design Plans, dated May 15, 2015, for the FLAGSTAFF - HOLBROOK HIGHWAY, I-40 MP 279.2 - 279.7, Project 040 NA 279 H8321 / 040-D(218)A".

In the interest of public safety, necessity and convenience, I recommend that the temporary construction easements depicted in Appendix "A" be acquired in order to improve this portion of Interstate Route 40.

I further recommend the acquisition of material for construction, haul roads and various easements necessary for or incidental to the improvement.

Pursuant to Arizona Revised Statutes Section 28-7046, I recommend the adoption of a resolution making this recommendation effective.

Respectfully submitted,

JOHN S. HALIKOWSKI, Director
Arizona Department of Transportation

ARIZONA DEPARTMENT OF TRANSPORTATION
205 South 17th Avenue
R/W Titles Section, MD 612E
Phoenix, AZ 85007-3213

July 17, 2015

RES. NO. 2015-07-A-037
PROJECT: 040 NA 279 H8321 / 040-D(218)A
HIGHWAY: FLAGSTAFF - HOLBROOK
LOCATION: I-40 MP 279.2 - 279.7
ROUTE NO.: Interstate Route 40
ENG. DIST.: Holbrook
COUNTY: Navajo

RESOLUTION OF ESTABLISHMENT

JOHN S. HALIKOWSKI, Director of the Arizona Department of Transportation, on July 17, 2015, presented and filed with this Transportation Board his written report under Arizona Revised Statutes Section 28-7046, recommending the establishment of temporary construction easements necessary for the improvement of Interstate Route 40.

The areas of temporary construction easement required for this improvement are depicted in Appendix "A" and delineated on maps and plans on file in the office of the State Engineer, Intermodal Transportation Division, Phoenix, Arizona, entitled: "Stage V 100% Design Plans, dated May 15, 2015, for the FLAGSTAFF - HOLBROOK HIGHWAY, I-40 MP 279.2 - 279.7, Project 040 NA 279 H8321 / 040-D(218)A".

WHEREAS temporary construction easements are needed beyond the existing right of way for the reduction and stabilization of high rock faces along Interstate Route 40 to enhance convenience and safety for the traveling public; and

WHEREAS because of these premises, this Board finds that public safety, necessity and convenience require the recommended improvement of said highway; therefore, be it

RESOLVED that the recommendation of the Director is adopted and made a part of this resolution; be it further

July 17, 2015

RES. NO. 2015-07-A-037
PROJECT: 040 NA 279 H8321 / 040-D(218)A
HIGHWAY: FLAGSTAFF - HOLBROOK
LOCATION: I-40 MP 279.2 - 279.7
ROUTE NO.: Interstate Route 40
ENG. DIST.: Holbrook
COUNTY: Navajo

RESOLVED that the Director is hereby authorized to acquire by lawful means including condemnation authority, in accordance with Arizona Revised Statutes Section 28-7092, temporary construction easements or such other interest as is required, including material for construction, haul roads, and various easements in any property necessary for or incidental to the improvements as delineated on said maps and plans; be it further

RESOLVED that the Director compensate the necessary parties for the temporary construction easements to be acquired. Upon failure to acquire said lands by other lawful means, the Director is authorized to initiate condemnation proceedings.

July 17, 2015

RES. NO. 2015-07-A-037
PROJECT: 040 NA 279 H8321 / 040-D(218)A
HIGHWAY: FLAGSTAFF - HOLBROOK
LOCATION: I-40 MP 279.2 - 279.7
ROUTE NO.: Interstate Route 40
ENG. DIST.: Holbrook
COUNTY: Navajo

CERTIFICATION

I, JOHN S. HALIKOWSKI, Director of the Arizona Department of Transportation, do hereby certify that the foregoing is a true and correct copy from the minutes of the Arizona State Transportation Board, made in official session on July 17, 2015.

IN WITNESS WHEREOF I have hereunto set my hand and the official seal of the Transportation Board on July 17, 2015.

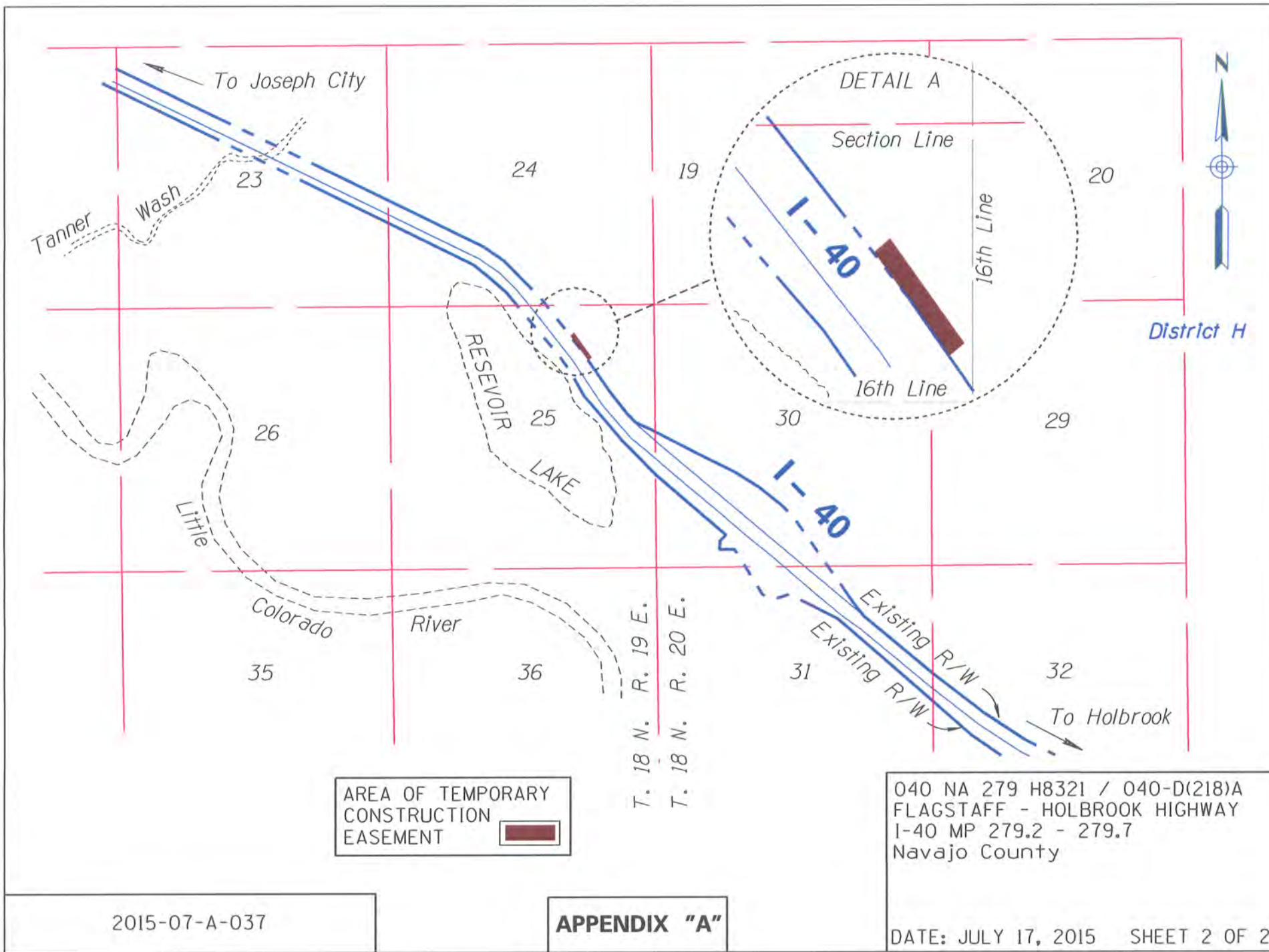
JOHN S. HALIKOWSKI, Director
Arizona Department of Transportation

APPROVED



Assistant Attorney General
Attorney for Department
of Transportation

Date 7/1/15



2015-07-A-037

APPENDIX "A"

040 NA 279 H8321 / 040-D(218)A
 FLAGSTAFF - HOLBROOK HIGHWAY
 I-40 MP 279.2 - 279.7
 Navajo County

DATE: JULY 17, 2015 SHEET 2 OF 2

July 17, 2015

RES. NO. 2015-07-A-038
PROJECT: 095 YU 000 H8003 / 095-A(204)T
HIGHWAY: SAN LUIS - YUMA - QUARTZSITE
SECTION: International Border - Juan Sanchez Blvd. (POE)
ROUTE NO.: U. S. Route 95
ENG. DIST.: Yuma
COUNTY: Yuma
DISPOSAL: D-Y-048

REPORT AND RECOMMENDATION

TO THE HONORABLE ARIZONA TRANSPORTATION BOARD:

The Intermodal Transportation Division has made a thorough investigation concerning the abandonment of right of way acquired for the improvement of U. S. Route 95 within the above referenced project.

The right of way to be abandoned was previously established and designated as a state route by Resolution of the Arizona State Highway Commission, dated May 19, 1936, entered on Page 586 of its Official Minutes; the Resolution dated May 20, 1936, shown on Page 624 of the Official Minutes, designated the Yuma - San Luis Highway as U. S. Route 95; and the Resolution dated May 26, 1936, shown on Page 634 of the Official Minutes designated the highway from the City of Yuma to San Luis as a state highway. Additional right of way was established as a state highway for location, relocation, alteration and widening of portions thereof by Resolution 60-94, dated April 18, 1960; and by Resolution 63-46, dated May 21, 1963. Thereafter, Arizona State Transportation Board Resolution 84-11-A-75, dated November 16, 1984, established existing streets in San Luis as a state route and state highway, which provided for a truck route. Additional right of way for subsequent improvements was established as a state route and state highway by Resolution 98-10-A-014, dated May 15, 1998. In Resolution 2012-10-A-044, dated October 14, 2012; and subsequent Resolution 2014-01-A-003, dated January 17, 2014, additional right of way for the above referenced project was established as a state route and state highway for widening and other improvements within the City of San Luis.

July 17, 2015

RES. NO. 2015-07-A-038
PROJECT: 095 YU 000 H8003 / 095-A(204)T
HIGHWAY: SAN LUIS - YUMA - QUARTZSITE
SECTION: International Border - Juan Sanchez Blvd. (POE)
ROUTE NO.: U. S. Route 95
ENG. DIST.: Yuma
COUNTY: Yuma
DISPOSAL: D-Y-048

The right of way is no longer needed for state transportation purposes. The City of San Luis has agreed to accept jurisdiction, ownership and maintenance of the right of way in accordance with that certain Intergovernmental Agreement No. 11-111, dated December 26, 2013. Accordingly, I recommend that the State's interest in the right of way be abandoned.

The right of way to be abandoned is delineated on the maps and plans on file in the office of the State Engineer, Intermodal Transportation Division, Phoenix, Arizona, entitled: "Right of Way Plans of the SAN LUIS - YUMA - QUARTZSITE HIGHWAY, International Border - Juan Sanchez Blvd. (POE), Project 095 YU 000 H8003 / 095-A(204)T", and is shown in Appendix "A" attached hereto.

I further recommend that the right of way depicted in Appendix "A" be removed from the State Highway System and abandoned to the City of San Luis, as provided in Arizona Revised Statutes Sections 28-7207, 28-7209 and 28-7213;

July 17, 2015

RES. NO. 2015-07-A-038
PROJECT: 095 YU 000 H8003 / 095-A(204)T
HIGHWAY: SAN LUIS - YUMA - QUARTZSITE
SECTION: International Border - Juan Sanchez Blvd. (POE)
ROUTE NO.: U. S. Route 95
ENG. DIST.: Yuma
COUNTY: Yuma
DISPOSAL: D-Y-048

Pursuant to Arizona Revised Statutes Section 28-7046, I recommend that the Transportation Board adopt a resolution making this recommendation effective.

Respectfully submitted,

JOHN S. HALIKOWSKI, Director
Arizona Department of Transportation

ARIZONA DEPARTMENT OF TRANSPORTATION
205 South 17th Avenue
R/W Titles Section, MD 612E
Phoenix, AZ 85007-3213

July 17, 2015

RES. NO. 2015-07-A-038
PROJECT: 095 YU 000 H8003 / 095-A(204)T
HIGHWAY: SAN LUIS - YUMA - QUARTZSITE
SECTION: International Border - Juan Sanchez Blvd. (POE)
ROUTE NO.: U. S. Route 95
ENG. DIST.: Yuma
COUNTY: Yuma
DISPOSAL: D-Y-048

RESOLUTION OF ABANDONMENT

JOHN S. HALIKOWSKI, Director of the Arizona Department of Transportation, on July 17, 2015, presented and filed with this Transportation Board his written report under Arizona Revised Statutes Section 28-7046, recommending the abandonment of right of way within the above referenced project to the City of San Luis.

The right of way to be abandoned is delineated on maps and plans on file in the office of the State Engineer, Intermodal Transportation Division, Phoenix, Arizona, entitled: "Right of Way Plans of the SAN LUIS - YUMA - QUARTZSITE HIGHWAY, International Border - Juan Sanchez Blvd. (POE), Project 095 YU 000 H8003 / 095-A(204)T", and is shown in Appendix "A" attached hereto.

WHEREAS said right of way is no longer needed for state transportation purposes; and

WHEREAS the City of San Luis has agreed to accept jurisdiction, ownership and maintenance of the right of way in accordance with that certain Intergovernmental Agreement No. 11-111, dated December 26, 2013; and

WHEREAS this Board finds that public safety, necessity and convenience will be served by accepting the Director's report; therefore, be it

RESOLVED that the recommendation of the Director is adopted and made part of this resolution; be it further

July 17, 2015

RES. NO. 2015-07-A-038
PROJECT: 095 YU 000 H8003 / 095-A(204)T
HIGHWAY: SAN LUIS - YUMA - QUARTZSITE
SECTION: International Border - Juan Sanchez Blvd. (POE)
ROUTE NO.: U. S. Route 95
ENG. DIST.: Yuma
COUNTY: Yuma
DISPOSAL: D-Y-048

RESOLVED that the right of way depicted in Appendix "A" is hereby removed from the State Highway System and abandoned to the City of San Luis, as provided in Arizona Revised Statutes Sections 28-7207 and 28-7209; be it further

RESOLVED that the abandonment becomes effective upon recordation in the Office of the County Recorder in accordance with Arizona Revised Statutes Section 28-7213; be it further

RESOLVED that the Director provide written notice to the City of San Luis, evidencing the abandonment of the State's interest.

July 17, 2015

RES. NO. 2015-07-A-038
PROJECT: 095 YU 000 H8003 / 095-A(204)T
HIGHWAY: SAN LUIS - YUMA - QUARTZSITE
SECTION: International Border - Juan Sanchez Blvd. (POE)
ROUTE NO.: U. S. Route 95
ENG. DIST.: Yuma
COUNTY: Yuma
DISPOSAL: D-Y-048

CERTIFICATION

I, JOHN S. HALIKOWSKI, Director of the Arizona Department of Transportation, do hereby certify that the foregoing is a true and correct copy from the minutes of the Arizona State Transportation Board, made in official session on July 17, 2015.

IN WITNESS WHEREOF I have hereunto set my hand and the official seal of the Transportation Board on July 17, 2015.

JOHN S. HALIKOWSKI, Director
Arizona Department of Transportation

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APPROVED

Ron J. Aschunbach

Assistant Attorney General
Attorney for Department
of Transportation

Date 6/29/15

July 17, 2015

RES. NO. 2015-07-A-039
PROJECT: 264 NA 402 H6474 / 264-A(207)T
HIGHWAY: TUBA CITY - WINDOW ROCK
SECTION: Keams Canyon Trading Post
ROUTE NO.: State Route 264
ENG. DIST.: Holbrook
COUNTY: Navajo

REPORT AND RECOMMENDATION

TO THE HONORABLE ARIZONA TRANSPORTATION BOARD:

The Intermodal Transportation Division has made a thorough investigation concerning the establishment of new right of way as a state route and state highway for the improvement of State Route 264 within the above referenced project.

The Arizona State Highway Commission entered into a Cooperative Agreement with the Bureau of Indian Affairs to maintain various sections of Indian Roads in the Resolution of October 11, 1956, as set forth on Page 405 of its Official Minutes. The Agreement included the route from Tuba City through Keams Canyon to the New Mexico State Line. The existing 122-mile alignment, then known as Indian Route 3, was initially established as a state route by Highway Commission Resolution 61-43, dated September 09, 1960, which therein designated the highway as State Route 264. Thereafter, the Commission established the alignment as a state highway by Resolution 62-109, dated July 16, 1962.

New right of way is now needed for drainage system improvements necessary to enhance convenience and safety for the traveling public. Accordingly, it is necessary to establish and acquire the new right of way as a state route and state highway for this improvement project.

July 17, 2015

RES. NO. 2015-07-A-039
PROJECT: 264 NA 402 H6474 / 264-A(207)T
HIGHWAY: TUBA CITY - WINDOW ROCK
SECTION: Keams Canyon Trading Post
ROUTE NO.: State Route 264
ENG. DIST.: Holbrook
COUNTY: Navajo

The new right of way to be established and acquired as a state route and state highway for necessary improvements is depicted in Appendix "A" and delineated on maps and plans on file in the office of the State Engineer, Intermodal Transportation Division, Phoenix, Arizona, entitled: "Right of Way Plans of the TUBA CITY - WINDOW ROCK HIGHWAY, Keams Canyon Trading Post, Project 264 NA 402 H6474 / 264-A(207)T".

In the interest of public safety, necessity and convenience, I recommend that the new right of way depicted in Appendix "A" be established as a state route and state highway.

I recommend the acquisition of the new right of way, pursuant to Arizona Revised Statutes Sections 28-7092 and 28-7094, an estate in fee, or such other interest as required, to include advance, future and early acquisition, exchanges, donations or such other interest as is required, including material for construction, haul roads and various easements necessary for or incidental to the improvements as delineated on said maps and plans.

I further recommend the immediate establishment of existing county, town and city roadways into the state highway system as a state route and state highway which are necessary for or incidental to the improvement as delineated on said maps and plans, to be effective upon signing of this recommendation. This resolution is considered the conveying document for such existing county, town and city roadways and no further conveyance is legally required.

July 17, 2015

RES. NO. 2015-07-A-039
PROJECT: 264 NA 402 H6474 / 264-A(207)T
HIGHWAY: TUBA CITY - WINDOW ROCK
SECTION: Keams Canyon Trading Post
ROUTE NO.: State Route 264
ENG. DIST.: Holbrook
COUNTY: Navajo

Pursuant to Arizona Revised Statutes Section 28-7046, I recommend the adoption of a resolution making this recommendation effective.

Respectfully submitted,

JOHN S. HALIKOWSKI, Director
Arizona Department of Transportation

ARIZONA DEPARTMENT OF TRANSPORTATION
205 South 17th Avenue
R/W Titles Section, MD 612E
Phoenix, AZ 85007-3213

July 17, 2015

RES. NO. 2015-07-A-039
PROJECT: 264 NA 402 H6474 / 264-A(207)T
HIGHWAY: TUBA CITY - WINDOW ROCK
SECTION: Keams Canyon Trading Post
ROUTE NO.: State Route 264
ENG. DIST.: Holbrook
COUNTY: Navajo

RESOLUTION OF ESTABLISHMENT

JOHN S. HALIKOWSKI, Director of the Arizona Department of Transportation, on July 17, 2015, presented and filed with this Transportation Board his written report under Arizona Revised Statutes Section 28-7046, recommending the establishment and acquisition of new right of way as a state route and state highway for the improvement of State Route 264, as set forth in the above referenced project.

New right of way is now needed for drainage system improvements necessary to enhance convenience and safety for the traveling public. Accordingly, it is necessary to establish and acquire the new right of way as a state route and state highway for this improvement project.

The new right of way to be established as a state route and state highway and acquired for this improvement is depicted in Appendix "A" and delineated on maps and plans on file in the office of the State Engineer, Intermodal Transportation Division, Phoenix, Arizona, entitled: "Right of Way Plans of the TUBA CITY - WINDOW ROCK HIGHWAY, Keams Canyon Trading Post, Project 264 NA 402 H6474 / 264-A(207)T".

July 17, 2015

RES. NO. 2015-07-A-039
PROJECT: 264 NA 402 H6474 / 264-A(207)T
HIGHWAY: TUBA CITY - WINDOW ROCK
SECTION: Keams Canyon Trading Post
ROUTE NO.: State Route 264
ENG. DIST.: Holbrook
COUNTY: Navajo

WHEREAS establishment as a state route and state highway, and acquisition of the new right of way as an estate in fee, or such other interest as required, is necessary for this improvement, with authorization pursuant to Arizona Revised Statutes Sections 28-7092 and 28-7094, to include advance, future and early acquisition, exchanges and donations, including material for construction, haul roads and various easements in any property necessary for or incidental to the improvements as delineated on said maps and plans; and

WHEREAS because of these premises, this Board finds public safety, necessity and convenience require the recommended establishment and acquisition of the new right of way as a state route and state highway needed for this improvement; and

WHEREAS the existing county, town or city roadways as delineated on said maps and plans are hereby established as a state route and state highway by this resolution action and that no further conveying document is required; therefore, be it

RESOLVED that the recommendation of the Director is adopted and made part of this resolution; be it further

RESOLVED that the right of way depicted in Appendix "A" is hereby designated a state route and state highway, to include any existing county, town or city roadways necessary for or incidental to the improvements as delineated on said maps and plans; be it further

July 17, 2015

RES. NO. 2015-07-A-039
PROJECT: 264 NA 402 H6474 / 264-A(207)T
HIGHWAY: TUBA CITY - WINDOW ROCK
SECTION: Keams Canyon Trading Post
ROUTE NO.: State Route 264
ENG. DIST.: Holbrook
COUNTY: Navajo

RESOLVED that the Director is hereby authorized to acquire by lawful means, pursuant to Arizona Revised Statutes Sections 28-7092 and 28-7094, an estate in fee, or such other interest as required, to include advance, future and early acquisition, exchanges and donations, including material for construction, haul roads and various easements in any property necessary for or incidental to the improvements as delineated on said maps and plans; be it further

RESOLVED that written notice be provided to the County Board of Supervisors in accordance with Arizona Revised Statute 28-7043, and to the affected governmental jurisdictions for whose local existing roadways are being immediately established as a state route and state highway herein; be it further

RESOLVED that the Director secure an appraisal of the property to be acquired and that necessary parties be compensated - with the exception of any existing county, town or city roadways being immediately established herein as a state route and state highway.

July 17, 2015

RES. NO. 2015-07-A-039
PROJECT: 264 NA 402 H6474 / 264-A(207)T
HIGHWAY: TUBA CITY - WINDOW ROCK
SECTION: Keams Canyon Trading Post
ROUTE NO.: State Route 264
ENG. DIST.: Holbrook
COUNTY: Navajo

CERTIFICATION

I, JOHN S. HALIKOWSKI, Director of the Arizona Department of Transportation, do hereby certify that the foregoing is a true and correct copy from the minutes of the Arizona State Transportation Board, made in official session on July 17, 2015.

IN WITNESS WHEREOF I have hereunto set my hand and the official seal of the Transportation Board on July 17, 2015.

JOHN S. HALIKOWSKI, Director
Arizona Department of Transportation

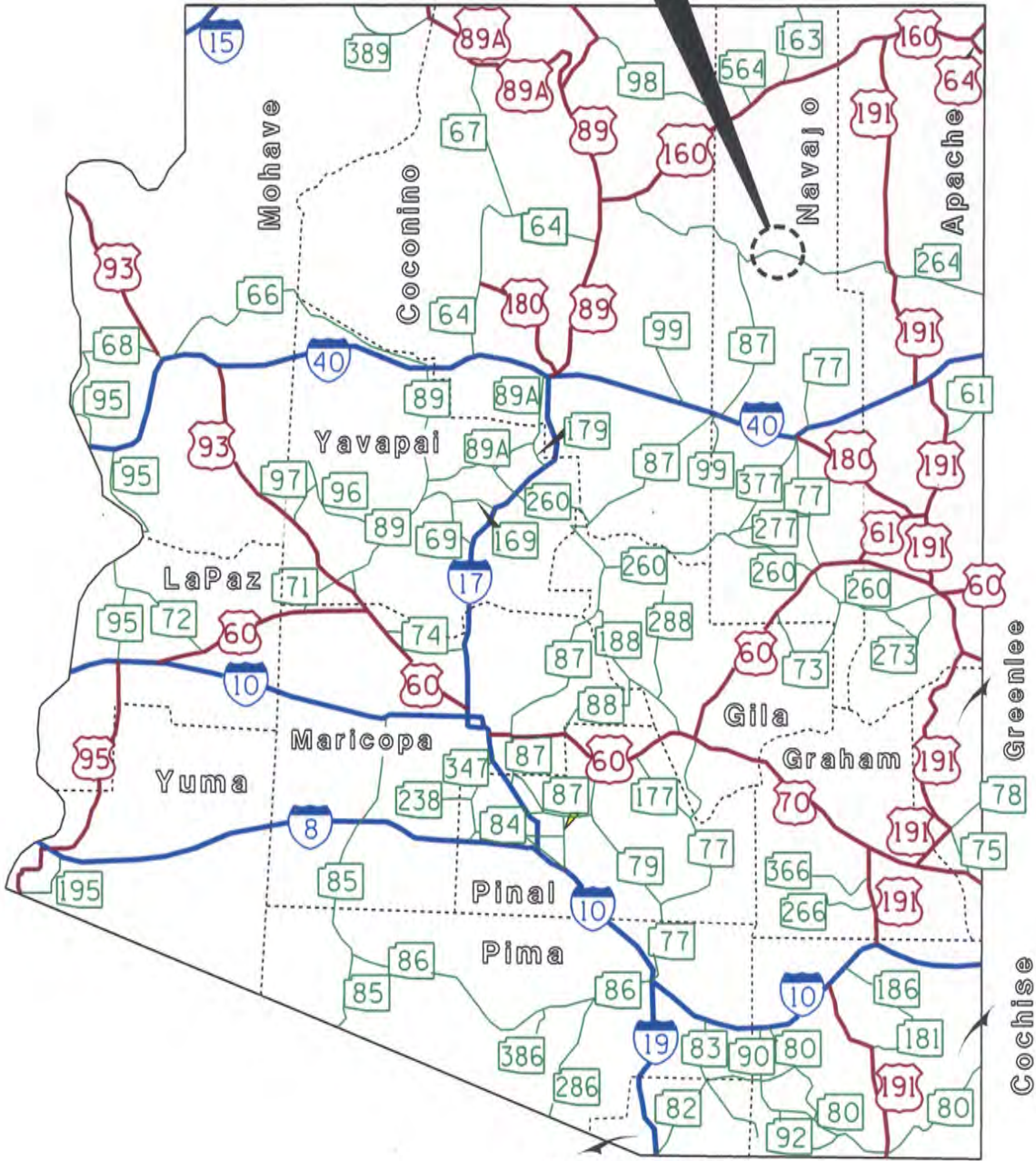
APPROVED

Ron J. Aschenbach

Assistant Attorney General
Attorney for Department
of Transportation

Date 6/29/15

AREA OF ESTABLISHMENT
SEE SHEET 2 OF 2
FOR DETAILS



Santa Cruz

264 NA 402 H6474 / 264-A(207)T
TUBA CITY - WINDOW ROCK
Keams Canyon Trading Post
Navajo County

2015-07-A-039

APPENDIX "A"

DATE: JULY 17, 2015 SHEET 1 OF 2

July 17, 2015

RES. NO. 2015-07-A-040
PROJECT: 010 PM 260 H3190 02R / I-10-4-808
HIGHWAY: CASA GRANDE - TUCSON
SECTION: I-10 / I-19 Interchange (Fiandaca Boulevard)
ROUTE NO.: Interstate Route 10
ENG. DIST.: Tucson
COUNTY: Pima
DISPOSAL: D-T-114-B

REPORT AND RECOMMENDATION

TO THE HONORABLE ARIZONA TRANSPORTATION BOARD:

The Intermodal Transportation Division has made a thorough investigation concerning the abandonment of right of way acquired for Interstate Route 10 at the I-10 / I-19 Interchange within the above referenced project.

The right of way to be abandoned was previously established as a state route and state highway, designated State Route 84 by Resolution of the Arizona State Highway Commission, dated September 09, 1927, entered on Page 26 of its Official Minutes, and depicted on its Official Map of State Routes and State Highways, incorporated by reference therein. Additional right of way was established as an access-controlled state highway for widening between 27th and 39th Streets, and between 10th and 13th Avenues, as set forth in Resolution 61-1, dated July 26, 1960. Thereafter, Arizona State Transportation Board Resolution 90-12-A-89, dated December 21, 1990, established a refined State Route Plan and authorized advance acquisition. Resolution 2000-09-A-076, dated September 15, 2000 established a portion of the State Highway Plan Corridor as a state highway. Subsequently, Resolution 2001-08-A-067, dated August 17, 2001, established additional right of way as a state route and state highway for the improvement of a portion of Interstate Route 10 under the project referenced above. Portions of adjacent right of way were recently abandoned by Resolution 2015-04-A-023, dated April 17, 2015.

July 17, 2015

RES. NO. 2015-07-A-040
PROJECT: 010 PM 260 H3190 02R / I-10-4-808
HIGHWAY: CASA GRANDE - TUCSON
SECTION: I-10 / I-19 Interchange (Fiandaca Boulevard)
ROUTE NO.: Interstate Route 10
ENG. DIST.: Tucson
COUNTY: Pima
DISPOSAL: D-T-114-B

The right of way is no longer needed for state transportation purposes. The City of Tucson has agreed to accept jurisdiction, ownership and maintenance of the right of way in accordance with Tucson City Ordinance No. 11277, dated June 09, 2015, and that certain Waiver of Four-Year Advance Notice of Abandonment, dated June 18, 2015. Accordingly, I recommend that the State's interest in the right of way be abandoned.

The right of way to be abandoned is delineated on the maps and plans on file in the office of the State Engineer, Intermodal Transportation Division, Phoenix, Arizona, entitled: "Right of Way Plan of the CASA GRANDE - TUCSON HIGHWAY, I-10 / I-19 Interchange, Project 010 PM 260 H3190 02R / I-10-4-808", and is depicted and described in Appendix "A" attached hereto; excepting from said description that portion thereof previously abandoned to the City of Tucson, in accordance with that certain Intergovernmental Agreement No. 08-113, dated March 20, 2009, by Arizona State Transportation Board Resolution of Abandonment No. 2015-04-A-023, dated April 17, 2015, recorded April 24, 2015, in Document No. 2015-1140259, records of Pima County, Arizona.

I further recommend that the right of way depicted in Appendix "A" be removed from the State Highway System and abandoned to the City of Tucson as provided in Arizona Revised Statutes Sections 28-7207, 28-7209 and 28-7213;

July 17, 2015

RES. NO. 2015-07-A-040
PROJECT: 010 PM 260 H3190 02R / I-10-4-808
HIGHWAY: CASA GRANDE - TUCSON
SECTION: I-10 / I-19 Interchange (Fiandaca Boulevard)
ROUTE NO.: Interstate Route 10
ENG. DIST.: Tucson
COUNTY: Pima
DISPOSAL: D-T-114-B

Pursuant to Arizona Revised Statutes Section 28-7046, I recommend that the Transportation Board adopt a resolution making this recommendation effective.

Respectfully submitted,

JOHN S. HALIKOWSKI, Director
Arizona Department of Transportation

ARIZONA DEPARTMENT OF TRANSPORTATION
205 South 17th Avenue
R/W Titles Section, MD 612E
Phoenix, AZ 85007-3213

July 17, 2015

RES. NO. 2015-07-A-040
PROJECT: 010 PM 260 H3190 02R / I-10-4-808
HIGHWAY: CASA GRANDE - TUCSON
SECTION: I-10 / I-19 Interchange (Fiandaca Boulevard)
ROUTE NO.: Interstate Route 10
ENG. DIST.: Tucson
COUNTY: Pima
DISPOSAL: D-T-114-B

RESOLUTION OF ABANDONMENT

JOHN S. HALIKOWSKI, Director of the Arizona Department of Transportation, on July 17, 2015, presented and filed with this Transportation Board his written report under Arizona Revised Statutes Section 28-7046, recommending the abandonment of certain portions of right of way to the City of Tucson, within the above referenced project.

The right of way to be abandoned is delineated on maps and plans on file in the office of the State Engineer, Intermodal Transportation Division, Phoenix, Arizona, entitled: "Right of Way Plan of the CASA GRANDE - TUCSON HIGHWAY, I-10 / I-19 Interchange, Project 010 PM 260 H3190 02R / I-10-4-808", and is depicted and described in Appendix "A" attached hereto; excepting from said description that portion thereof previously abandoned to the City of Tucson, in accordance with that certain Intergovernmental Agreement No. 08-113, dated March 20, 2009, by Arizona State Transportation Board Resolution of Abandonment No. 2015-04-A-023, dated April 17, 2015, recorded April 24, 2015, in Document No. 2015-1140259, records of Pima County, Arizona.

WHEREAS said right of way is no longer needed for state transportation purposes; and

WHEREAS the City of Tucson has agreed to accept jurisdiction, ownership and maintenance of the right of way in accordance with Tucson City Ordinance No. 11277, dated June 09, 2015, and that certain Waiver of Four-Year Advance Notice of Abandonment, dated June 18, 2015; and

July 17, 2015

RES. NO. 2015-07-A-040
PROJECT: 010 PM 260 H3190 02R / I-10-4-808
HIGHWAY: CASA GRANDE - TUCSON
SECTION: I-10 / I-19 Interchange (Fiandaca Boulevard)
ROUTE NO.: Interstate Route 10
ENG. DIST.: Tucson
COUNTY: Pima
DISPOSAL: D-T-114-B

WHEREAS this Board finds that public safety, necessity and convenience will be served by accepting the Director's report; therefore, be it

RESOLVED that the recommendation of the Director is adopted and made part of this resolution; be it further

RESOLVED that the right of way depicted in Appendix "A" is hereby removed from the State Highway System and abandoned to the City of Tucson as provided in Arizona Revised Statutes Sections 28-7207 and 28-7209; be it further

RESOLVED that the abandonment becomes effective upon recordation in the Office of the County Recorder in accordance with Arizona Revised Statutes Section 28-7213; be it further

RESOLVED that the Director provide written notice to the City of Tucson, evidencing the abandonment of the State's interest.

July 17, 2015

RES. NO. 2015-07-A-040
PROJECT: 010 PM 260 H3190 02R / I-10-4-808
HIGHWAY: CASA GRANDE - TUCSON
SECTION: I-10 / I-19 Interchange (Fiandaca Boulevard)
ROUTE NO.: Interstate Route 10
ENG. DIST.: Tucson
COUNTY: Pima
DISPOSAL: D-T-114-B

CERTIFICATION

I, JOHN S. HALIKOWSKI, Director of the Arizona Department of Transportation, do hereby certify that the foregoing is a true and correct copy from the minutes of the Arizona State Transportation Board, made in official session on July 17, 2015.

IN WITNESS WHEREOF I have hereunto set my hand and the official seal of the Transportation Board on July 17, 2015.

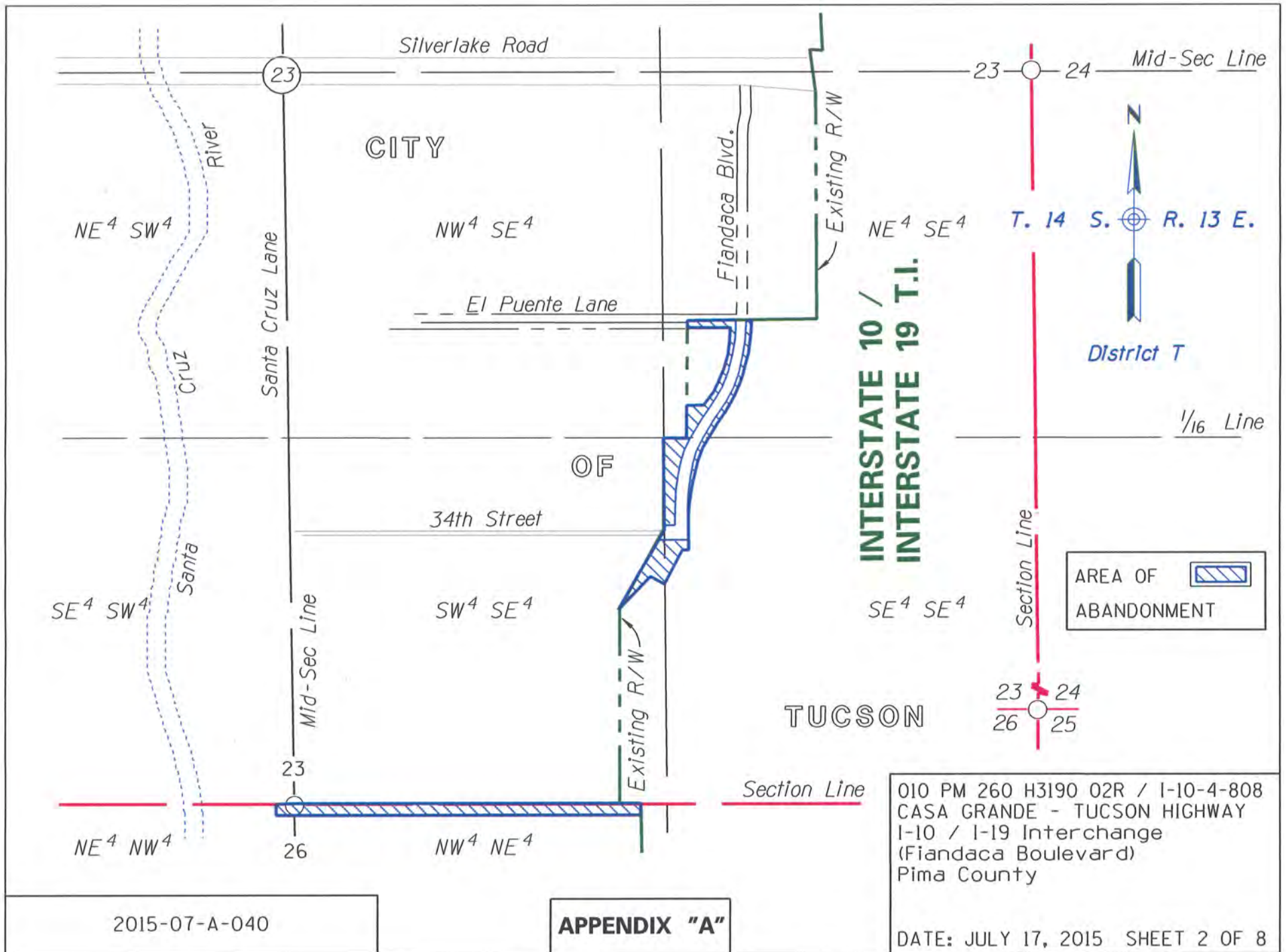
JOHN S. HALIKOWSKI, Director
Arizona Department of Transportation

APPROVED

Ron J. Anshenbach

Assistant Attorney General
Attorney for Department
of Transportation

Date 6/29/15





JANUARY 21, 2015
EEC No. 11011
COT_RW

APPENDIX "A"

LEGAL DESCRIPTION RIGHT-OF-WAY

THAT PORTION OF THE CASA GRANDE – TUCSON HIGHWAY RIGHT-OF-WAY LYING WITHIN THE SOUTHEAST QUARTER (SE 1/4) OF SECTION 23, TOWNSHIP 14 SOUTH, RANGE 13 EAST, GILA AND SALT RIVER MERIDIAN, PIMA COUNTY, ARIZONA, AND AS DELINEATED ON PLANS ON FILE IN THE OFFICE OF THE STATE ENGINEER, INTERMODAL TRANSPORTATION DIVISION, ARIZONA DEPARTMENT OF TRANSPORTATION, PHOENIX, ARIZONA, ENTITLED RIGHT OF WAY PLANS OF CASA GRANDE – TUCSON HIGHWAY, PROJECT I-10-4-808, DESCRIBED AS FOLLOWS:

COMMENCING AT AN ADOT SURVEY MONUMENT MARKING THE SOUTHEAST CORNER OF SAID SECTION 23, FROM WHICH A NAIL, MARKING THE EAST QUARTER CORNER OF SAID SECTION 23 BEARS NORTH 00°36'34" WEST, A DISTANCE OF 2,613.91 FEET;

THENCE ALONG THE EAST LINE OF SAID SECTION 23, NORTH 00°36'34" WEST, 776.20 FEET;

THENCE LEAVING SAID EAST LINE, SOUTH 89°23'26" WEST, 1448.23 FEET TO THE EXISTING WESTERLY RIGHT OF WAY LINE OF SAID CASA GRANDE - TUCSON HIGHWAY, BEING THE **POINT OF BEGINNING**;

THENCE ALONG SAID EXISTING WESTERLY RIGHT OF WAY LINE, NORTH 29°37'34" EAST, 233.08 FEET TO A 3" ALUMINUM CAP AT STATION P.O.C. 31+41.14, 775.74 RIGHT OF RAMP ES CONTROL CENTER LINE;

THENCE CONTINUING ALONG SAID EXISTING WESTERLY RIGHT OF WAY LINE, THE FOLLOWING THREE (3) COURSES:

NORTH 00°49'26" WEST, 332.00 FEET;

NORTH 89°30'10" EAST, 82.08 FEET;

NORTH 00°36'34" WEST, 120.84 FEET;

THENCE LEAVING SAID EXISTING WESTERLY RIGHT OF WAY LINE, SOUTH 89°47'02" EAST, 47.28 FEET;

APPENDIX "A"

THENCE NORTH 27°50'04" EAST, 39.48 FEET TO THE BEGINNING OF A CURVE CONCAVE NORTHWESTERLY, HAVING A RADIUS OF 625.03 FEET;

THENCE NORTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 22°29'23", AN ARC LENGTH OF 245.34 FEET,

THENCE SOUTH 89°30'06" WEST, 138.16 FEET TO SAID EXISTING WESTERLY RIGHT OF WAY LINE OF SAID CASA GRANDE – TUCSON HIGHWAY;

THENCE ALONG SAID EXISTING WESTERLY RIGHT OF WAY LINE, NORTH 00°36'34" WEST, 30.00 FEET TO ADOT P.O.T. STATION 22+19.27, 725.95' RIGHT OF RAMP ES CONTROL CENTER LINE;

THENCE CONTINUING ALONG SAID EXISTING WESTERLY RIGHT OF WAY LINE, NORTH 89°30'10" EAST, 235.68 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE NORTHWESTERLY, HAVING A RADIUS OF 720.03 FEET, A RADIAL LINE TO SAID BEGINNING BEARS SOUTH 87°49'14" EAST;

THENCE LEAVING SAID EXISTING WESTERLY RIGHT OF WAY LINE, SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 25°39'18", AN ARC LENGTH OF 322.41 FEET;

THENCE SOUTH 27°50'04" WEST, 145.40 FEET TO THE BEGINNING OF A CURVE CONCAVE SOUTHEASTERLY, HAVING A RADIUS OF 700.00 FEET;

THENCE SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 18°51'18", AN ARC LENGTH OF 230.36 FEET TO THE BEGINNING OF A COMPOUND CURVE CONCAVE EASTERLY, HAVING A RADIUS OF 435.63 FEET, A RADIAL LINE TO SAID BEGINNING BEARS NORTH 81°01'15" WEST;

THENCE SOUTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 12°35'48", AN ARC LENGTH OF 95.78 FEET;

THENCE SOUTH 03°37'03" EAST, 67.57 FEET;

THENCE SOUTH 89°15'05" WEST, 12.60 FEET;

THENCE SOUTH 46°23'44" WEST, 110.59 FEET;

THENCE NORTH 48°44'12" WEST, 40.80 FEET;

THENCE SOUTH 41°15'48" WEST, 116.92 FEET TO SAID EXISTING WESTERLY RIGHT OF WAY LINE OF SAID CASA GRANDE – TUCSON HIGHWAY, BEING THE **POINT OF BEGINNING**.

Prepared by:
ENGINEERING AND ENVIRONMENTAL CONSULTANTS, INC.

PATRICIA GAJDA, RLS



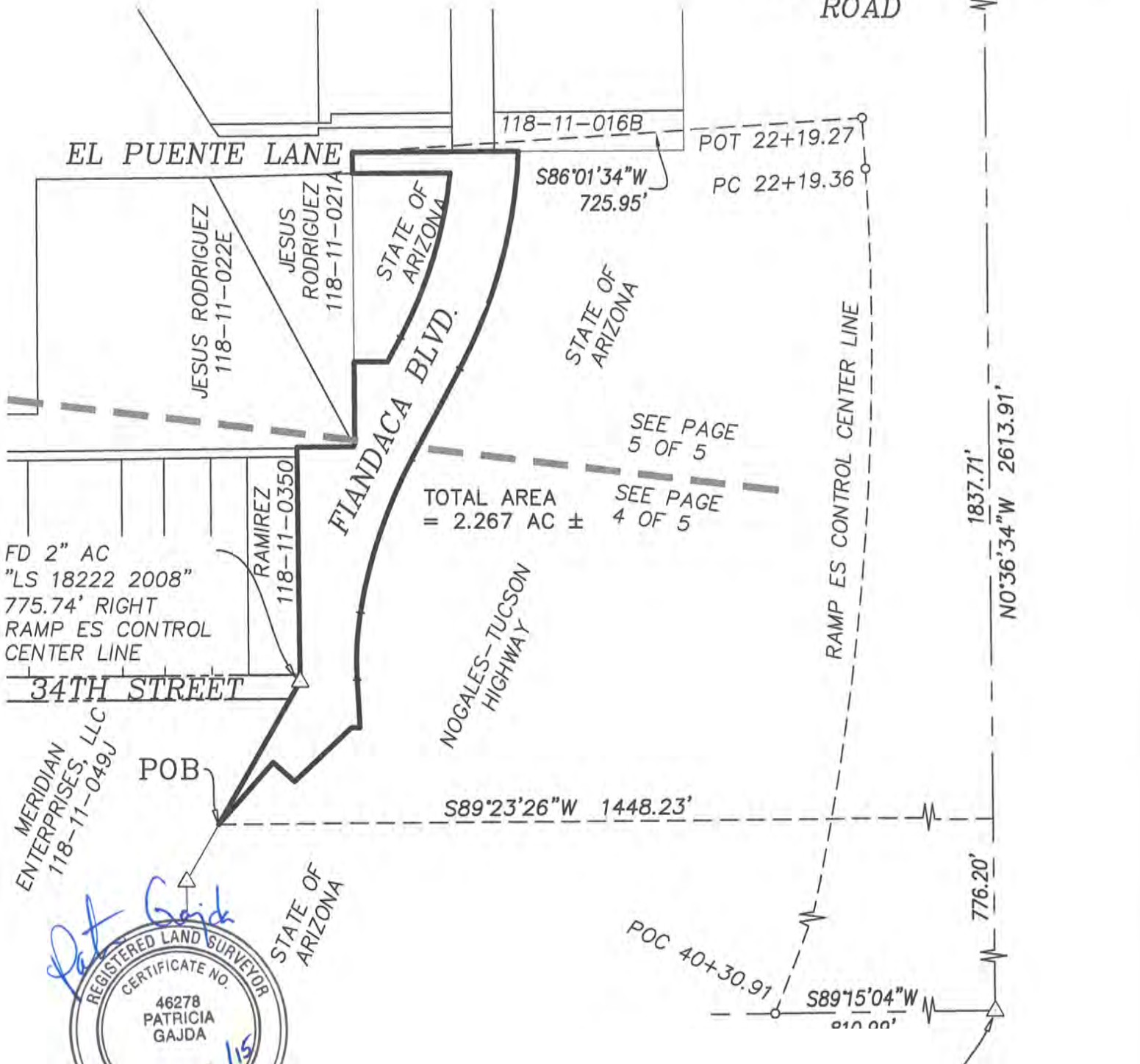
APPENDIX "A"



1"=200'

E 1/4 COR
SEC 23
NAIL

SILVERLAKE
ROAD



FD 2" AC
"LS 18222 2008"
775.74' RIGHT
RAMP ES CONTROL
CENTER LINE

MERIDIAN
ENTERPRISES, LLC
118-11-049J



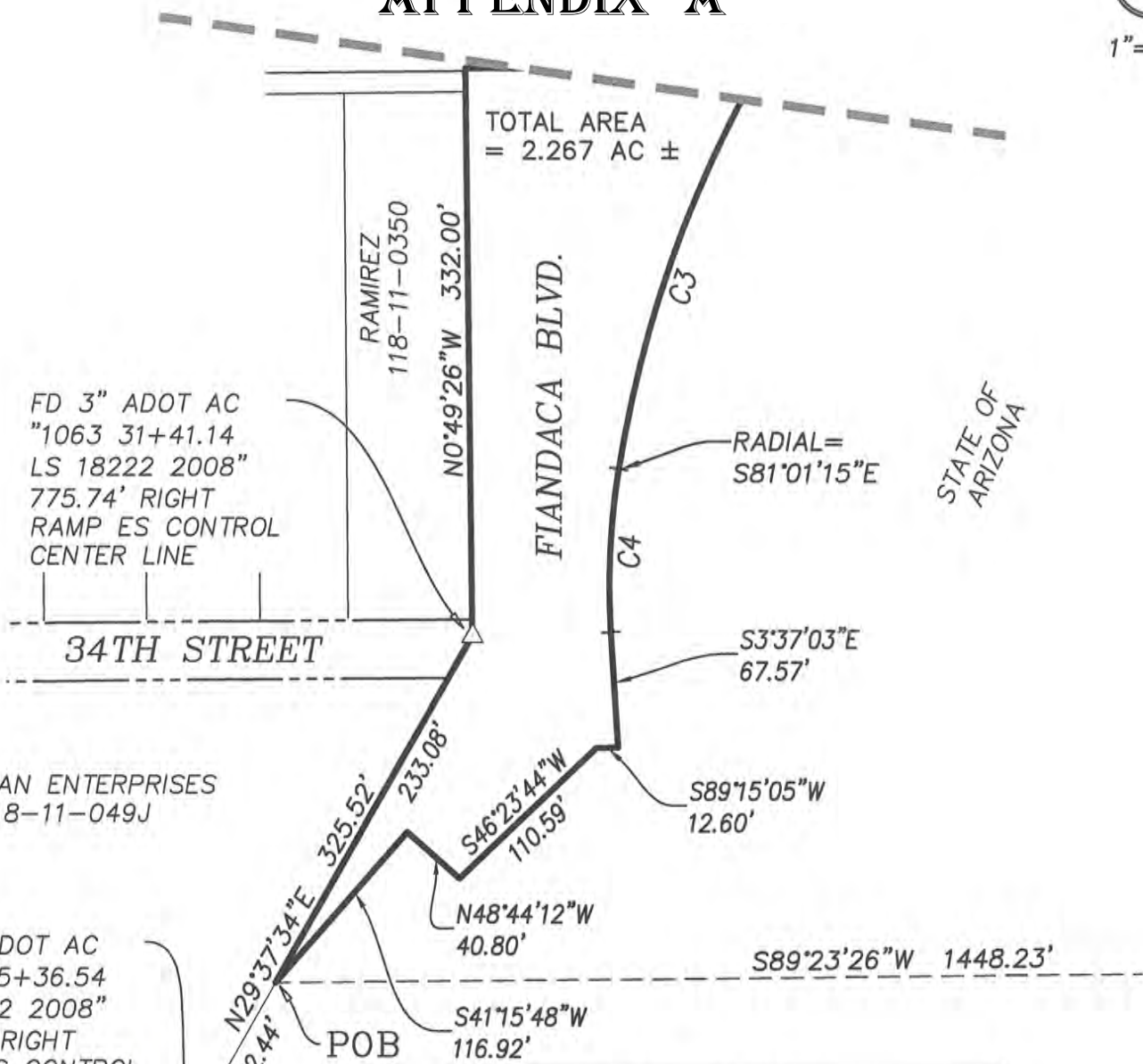
RIGHT-OF-WAY
SEC. 23, T-14-S, R-13-E, G&SRM
PIMA COUNTY, ARIZONA

Engineering and Environmental Consultants, Inc.
4625 E. FT. LOWELL RD.
TUCSON, ARIZONA 85712 520-321-4625

APPENDIX "A"



1"=100'



CURVE TABLE				
CURVE #	LENGTH	RADIUS	DELTA	TANGENT
C3	230.36'	700.00'	18°51'18"	116.23'
C4	95.78'	435.63'	12°35'48"	48.08'



RIGHT-OF-WAY
 SEC. 23, T-14-S, R-13-E, G&SRM
 PIMA COUNTY, ARIZONA

Engineering and Environmental Consultants, Inc.
 4625 E. FT. LOWELL RD.
 TUCSON, ARIZONA 85712 520-321-4625

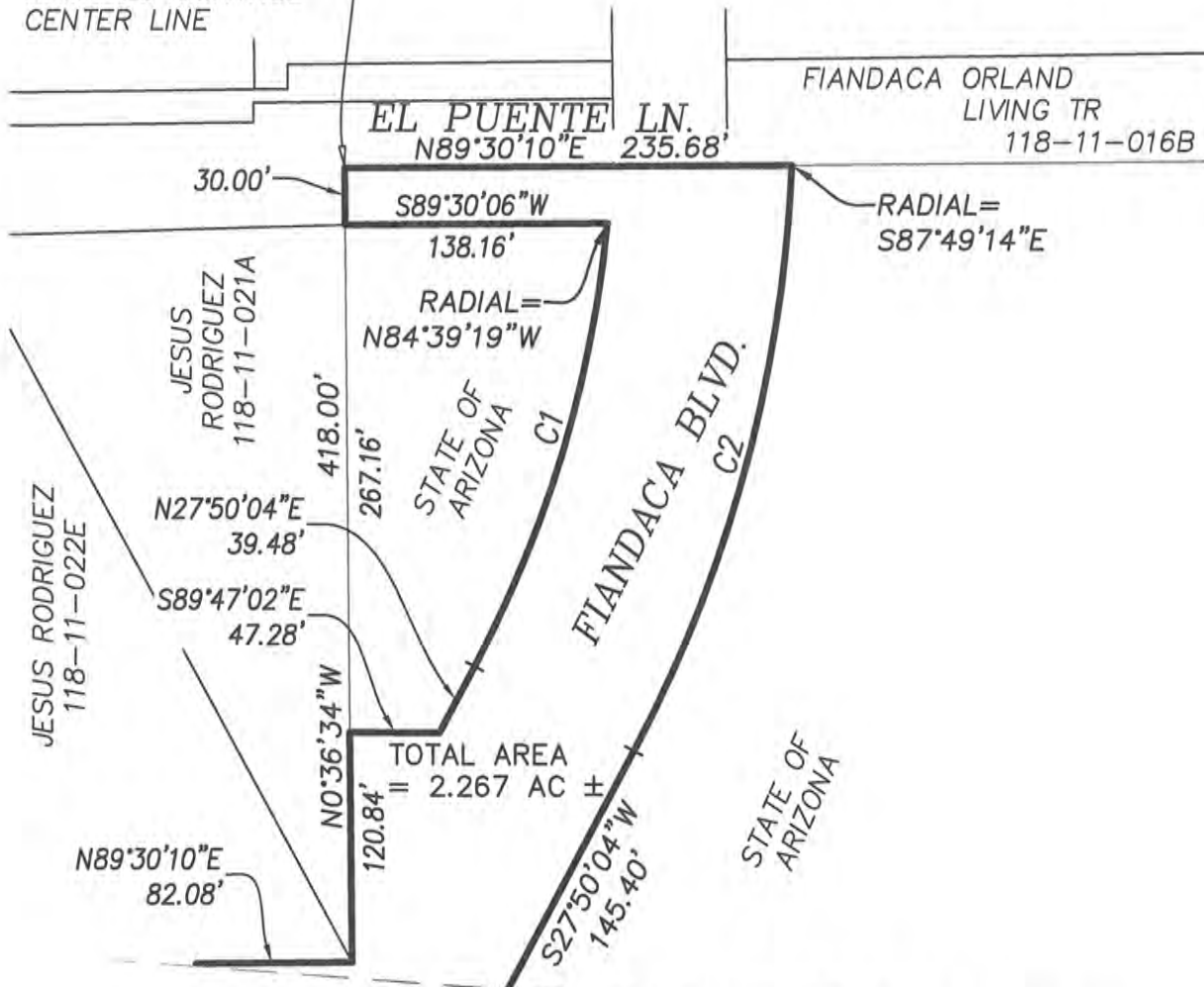


ADOT P.O.T.
 STATION 22+19.27
 725.95' RIGHT
 RAMP ES CONTROL
 CENTER LINE

APPENDIX "A"



1"=100'



SEE PAGE 4 OF 5



CURVE TABLE				
CURVE #	LENGTH	RADIUS	DELTA	TANGENT
C1	245.34'	625.03'	22°29'23"	124.27'
C2	322.41'	720.03'	25°39'18"	163.95'

RIGHT-OF-WAY

SEC. 23, T-14-S, R-13-E, G&SRM
 PIMA COUNTY, ARIZONA

Engineering and Environmental Consultants, Inc.

4625 E. FT. LOWELL RD.
 TUCSON, ARIZONA 85712 520-321-4625



APPENDIX "A"

LEGAL DESCRIPTION RIGHT-OF-WAY

AN EASEMENT FOR INGRESS AND EGRESS PURPOSES, AS DEPICTED ON MAPS AND PLANS ON FILE IN THE STATE ENGINEER'S OFFICE OF THE ARIZONA DEPARTMENT OF TRANSPORTATION, INTERMODAL TRANSPORTATION DIVISION, PHOENIX, ARIZONA, ENTITLED: "RIGHT OF WAY PLAN OF THE CASA GRANDE – TUCSON HWY, I-10 / I-19 INTERCHANGE, PROJECT 010 PM 260 H3190 02R / I-10-4-808"; AND AS CONVEYED TO THE STATE OF ARIZONA, BY AND THROUGH ITS DEPARTMENT OF TRANSPORTATION, IN THAT CERTAIN DOCUMENT DATED JANUARY 11, 2002, RECORDED APRIL 02, 2002, IN DOCKET 11769, PAGE 4822, OFFICIAL RECORDS OF PIMA COUNTY, ARIZONA, OVER THE FOLLOWING DESCRIBED PROPERTY:

TRACT 1:

THE NORTH 30.00 FEET OF THE EAST 77.00 FEET OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER (NE $\frac{1}{4}$ NW $\frac{1}{4}$) OF SECTION 26, TOWNSHIP 14 SOUTH, RANGE 13 EAST, GILA AND SALT RIVER MERIDIAN, PIMA COUNTY, ARIZONA.

TRACT 2:

THE NORTH 30.00 FEET OF THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER (NW $\frac{1}{4}$ NE $\frac{1}{4}$) OF SECTION 26, TOWNSHIP 14 SOUTH, RANGE 13 EAST, GILA AND SALT RIVER MERIDIAN, PIMA COUNTY, ARIZONA;

EXCEPT THE EAST 100.00 FEET.

CONTAINING 39,143.57 SQUARE FEET, MORE OR LESS

Resolution 2015-07-A-040 — July 17, 2015
Disposal D-T-114-B

SHEET 8 OF 8

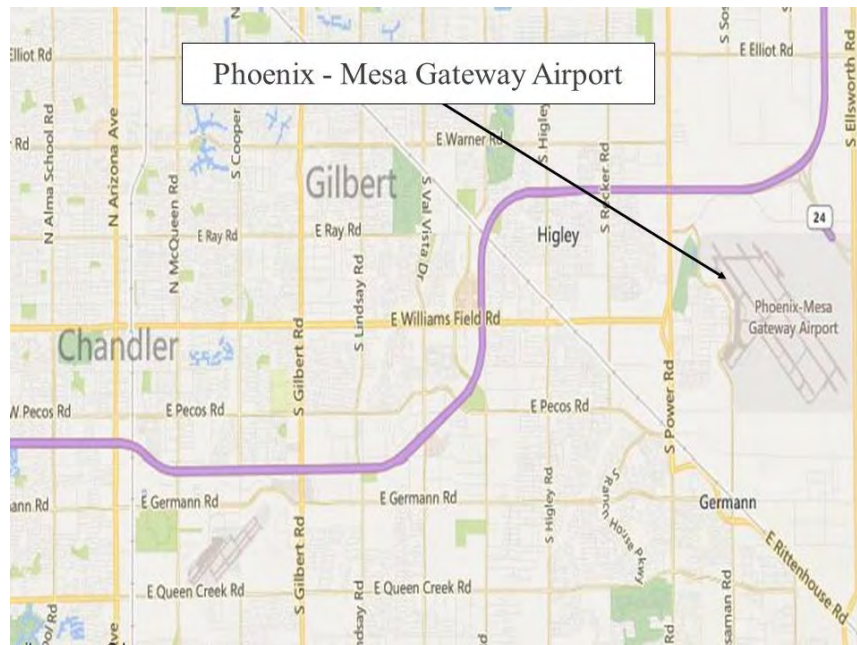
*ITEM 7b.	AIRPORT NAME:	Grand Canyon National Park	Page 208
	SPONSOR:	ADOT ASD	
	AIRPORT CATEGORY:	Commercial Service	
	SCHEDULE:	FY 2015 – 2019	
	PROJECT #:	E6G1L	
	PROGRAM AMOUNT:	New Project	
	PROJECT MANAGER:	Kenneth Potts	
	PROJECT DESCRIPTION:	Update Master Plan Study.	
	REQUESTED ACTION:	Recommend STB approval.	
	FUNDING SOURCES:		
		FAA	\$630,000
		Sponsor	\$0
		State	\$61,852
		<i>Total Program</i>	\$691,852



*ITEM 7c.	AIRPORT NAME:	Eloy Municipal	Page 209
	SPONSOR:	City of Eloy	
	AIRPORT CATEGORY:	Public GA	
	SCHEDULE:	FY 2015 – 2019	
	PROJECT #:	E6F1N	
	PROGRAM AMOUNT:	New Project	
	PROJECT MANAGER:	Scott Driver	
	PROJECT DESCRIPTION:	EA for Drainage Improvements, Land Acquisition and Relocation of Taxiway A.	
	REQUESTED ACTION:	Recommend STB approval.	
	FUNDING SOURCES:		
		FAA	\$225,227
		Sponsor	\$11,056
		State	\$11,056
		<i>Total Program</i>	\$247,339



*ITEM 7d.	AIRPORT NAME:	Phoenix-Mesa Gateway	Page 210
	SPONSOR:	Phoenix-Mesa Gateway Airport Authority	
	AIRPORT CATEGORY:	Commercial Service	
	SCHEDULE:	FY 2015 – 2019	
	PROJECT #:	E6F10	
	PROGRAM AMOUNT:	New Project	
	PROJECT MANAGER:	Scott Driver	
	PROJECT DESCRIPTION:	Rehabilitate Runway 30C (First 1000ft).	
	REQUESTED ACTION:	Recommend STB approval.	
	FUNDING SOURCES:		
		FAA	\$3,316,790
		Sponsor	\$162,816
		State	\$162,817
		<i>Total Program</i>	\$3,642,423



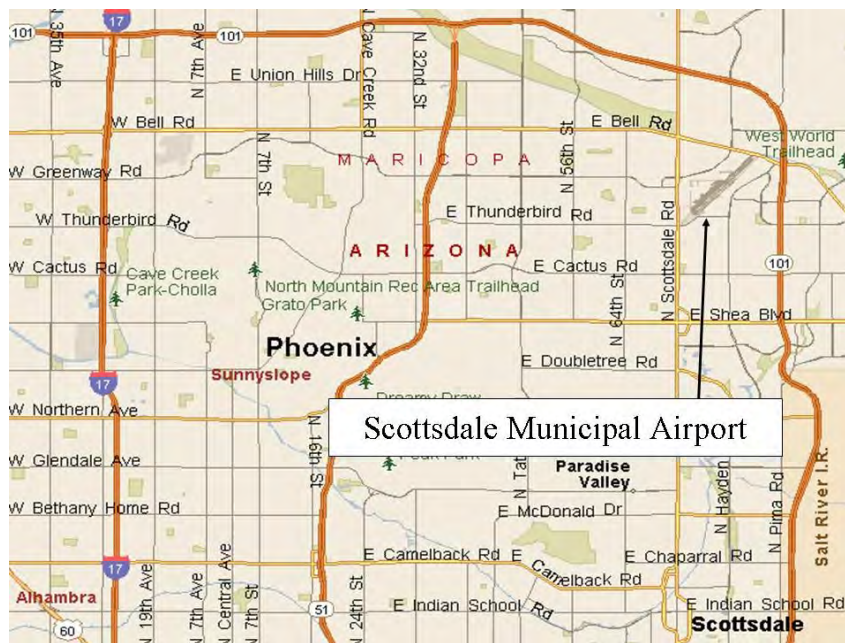
*ITEM 7e.	AIRPORT NAME:	Grand Canyon National Park	Page 211
	SPONSOR:	ADOT ASD	
	AIRPORT CATEGORY:	Commercial Service	
	SCHEDULE:	FY 2015 – 2019	
	PROJECT #:	E6G1M	
	PROGRAM AMOUNT:	New Project	
	PROJECT MANAGER:	Kenneth Potts	
	PROJECT DESCRIPTION:	Conduct Land Use Study, minimum Standards Study, Rates & Charges Study, Sustainable Management Plan & collect data for Airport Geographic Information System (AGIS).	
	REQUESTED ACTION:	Recommend STB approval.	
	FUNDING SOURCES:		
		FAA	\$0
		Sponsor	\$0
		State	\$343,589
		<i>Total Program</i>	\$343,589



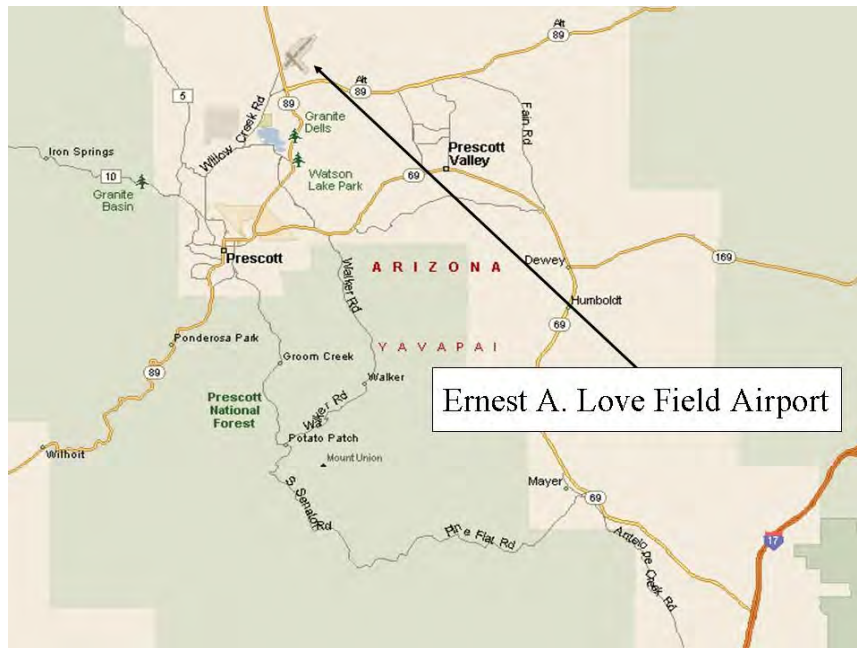
*ITEM 7f.	AIRPORT NAME:	Flagstaff Pulliam	Page 212
	SPONSOR:	City of Flagstaff	
	AIRPORT CATEGORY:	Commercial Service	
	SCHEDULE:	FY 2015 – 2019	
	PROJECT #:	E5F3R	
	PROGRAM AMOUNT:	New Project	
	PROJECT MANAGER:	Jennifer Grunest	
	PROJECT DESCRIPTION:	Rehabilitate Runway 3/21-Design Only.	
	REQUESTED ACTION:	Recommend STB approval.	
	FUNDING SOURCES:	FAA	\$293,500
		Sponsor	\$14,407
		State	\$14,408
		<i>Total Program</i>	\$322,315



*ITEM 7g.	AIRPORT NAME:	Scottsdale Airport	Page 213
	SPONSOR:	City of Scottsdale	
	AIRPORT CATEGORY:	Reliever	
	SCHEDULE:	FY 2015 – 2019	
	PROJECT #:	E5F3S	
	PROGRAM AMOUNT:	New Project	
	PROJECT MANAGER:	Jennifer Grunest	
	PROJECT DESCRIPTION:	Rehabilitate Taxiway Bravo	
	REQUESTED ACTION:	Recommend STB approval.	
	FUNDING SOURCES:		
		FAA	\$2,282,904
		Sponsor	\$112,064
		State	\$112,065
		<i>Total Program</i>	\$2,507,033



*ITEM 7h.	AIRPORT NAME:	Ernest A. Love Field	Page 214
	SPONSOR:	City of Prescott	
	AIRPORT CATEGORY:	Commercial Service	
	SCHEDULE:	FY 2015 – 2019	
	PROJECT #:	E5F3T	
	PROGRAM AMOUNT:	New Project	
	PROJECT MANAGER:	Jennifer Grunest	
	PROJECT DESCRIPTION:	Taxiway Lighting, Install Emergency Generator.	
	REQUESTED ACTION:	Recommend STB approval.	
	FUNDING SOURCES:		
		FAA	\$3,359,500
		Sponsor	\$88,408
		State	\$88,408
		<i>Total Program</i>	\$3,536,316



**ARIZONA DEPARTMENT OF TRANSPORTATION
MPD - Aeronautics Group**

Project Committee Recommendations

AIRPORT: BENSON MUNI
SPONSOR: CITY OF BENSON
CATEGORY: Public GA
PROJECT NUMBER: 6F1K
AIP NUMBER: 3-04-0077-017-2015
DATE: June 3, 2015

New Project

Changed Project

Current Program Description	Fiscal Year	State Share	Sponsor Share	FAA Share	Total Amount	Priority Number
Expand Apron (Construction new helicopter parking pad), Install Miscellaneous NAVAIDS (Rotating Beacon, Relocate Taxiway Hold Signs, Runway 10 Threshold Lighting)	2016	\$12,174.00	\$12,173.00	\$247,989.00	\$272,336.00	123
Revised Program Description	Fiscal Year	State Share	Sponsor Share	FAA Share	Total Amount	Priority Number
Justification For Recommendation: Federal Match Grant						

Source of Funds:	2016 - Federal Programs (State Match)		
Original Set-Aside	Amount committed to date	Present Balance	Balance if Approved
\$9,356,341	\$0	\$9,356,341	\$9,344,167

Aeronautics Project Development Committee Recommends to PPAC:

Approval [] Disapproval

Date: June 3, 2015

Aeronautics Representative:

SARCIA *UC*

Priority Planning Committee Recommends to Transportation Board:

[] Approval [] Disapproval

Date: July 1, 2015

State Transportation Board Action:

[] Approval [] Disapproval

Date: July 17, 2015

**ARIZONA DEPARTMENT OF TRANSPORTATION
MPD - Aeronautics Group**

Project Committee Recommendations

AIRPORT: GRAND CANYON NATIONAL PARK
SPONSOR: ADOT ASD
CATEGORY: Commercial Service
PROJECT NUMBER: 6G1L
AIP NUMBER: 3-04-0019-026-2014
DATE: June 3, 2015

New Project
 Changed Project

Current Program Description	Fiscal Year	State Share	Sponsor Share	FAA Share	Total Amount	Priority Number
Update Master Plan Study.	2016	\$61,852.00	\$0.00	\$630,000.00	\$691,852.00	105
Revised Program Description	Fiscal Year	State Share	Sponsor Share	FAA Share	Total Amount	Priority Number
Justification For Recommendation:						
Sponsor request for State match to AIP 3-04-0019-026-2014.						

Source of Funds:		2016 - Federal Programs (State Match)		
Original Set-Aside	Amount committed to date	Present Balance	Balance if Approved	
\$9,356,341	\$12,174	\$9,344,167	\$9,282,315	

Aeronautics Project Development Committee Recommends to PPAC:

Approval Disapproval

Date: May 20, 2015

Aeronautics Representative: 

Priority Planning Committee Recommends to Transportation Board:

Approval Disapproval

Date: July 1, 2015

State Transportation Board Action:

Approval Disapproval

Date: July 17, 2015

**ARIZONA DEPARTMENT OF TRANSPORTATION
MPD - Aeronautics Group**

Project Committee Recommendations

AIRPORT: ELOY MUNI
SPONSOR: CITY OF ELOY
CATEGORY: Public GA
PROJECT NUMBER: 6F1N
AIP NUMBER: 3-04-0014-013-2015
DATE: June 11, 2015

New Project
 Changed Project

Current Program Description	Fiscal Year	State Share	Sponsor Share	FAA Share	Total Amount	Priority Number
EA for drainage improvements, land acquisition, and relocation of Taxiway A	2016	\$11,056.00	\$11,056.00	\$225,227.00	\$247,339.00	232
Revised Program Description	Fiscal Year	State Share	Sponsor Share	FAA Share	Total Amount	Priority Number
Justification For Recommendation: Federal Match Grant						

Source of Funds:		2016 - Federal Programs (State Match)	
Original Set-Aside	Amount committed to date	Present Balance	Balance if Approved
\$9,356,341	\$74,026	\$9,282,315	\$9,271,259

Aeronautics Project Development Committee Recommends to PPAC:

Approval [] Disapproval Date: June 11, 2015
Aeronautics Representative: SMALL WK

Priority Planning Committee Recommends to Transportation Board:

[] Approval [] Disapproval Date: July 1, 2015

State Transportation Board Action:

[] Approval [] Disapproval Date: July 17, 2015

ARIZONA DEPARTMENT OF TRANSPORTATION MPD - Aeronautics Group

Project Committee Recommendations

AIRPORT: GRAND CANYON NATIONAL PARK
SPONSOR: ADOT ASD
CATEGORY: Commercial Service
PROJECT NUMBER: 6G1M
AIP NUMBER:
DATE: June 3, 2015

New Project
 Changed Project

Current Program Description	Fiscal Year	State Share	Sponsor Share	FAA Share	Total Amount	Priority Number
Conduct Land Use Study, Minimum Standards Study, Rates and Charges Study, Sustainable Management Plan, and collect data for Airport Geographic Information System (AGIS).	2016	\$343,589.00	\$0.00	\$0.00	\$343,589.00	105
Revised Program Description	Fiscal Year	State Share	Sponsor Share	FAA Share	Total Amount	Priority Number
Justification For Recommendation:						
Sponsor request for studies associated with the Master Plan Study update.						

Source of Funds:		2016 - State/Local Program (State Match)		
Original Set-Aside	Amount committed to date	Present Balance	Balance if Approved	
\$14,359,552	\$0	\$14,359,552	\$14,015,963	

Aeronautics Project Development Committee Recommends to PPAC:

Approval Disapproval

Date: May 20, 2015

Aeronautics Representative:

Priority Planning Committee Recommends to Transportation Board:

Approval Disapproval

Date: July 1, 2015

State Transportation Board Action:

Approval Disapproval

Date: July 17, 2015

ARIZONA DEPARTMENT OF TRANSPORTATION MPD - Aeronautics Group

Project Committee Recommendations

AIRPORT: SCOTTSDALE
SPONSOR: CITY OF SCOTTSDALE
CATEGORY: Reliever
PROJECT NUMBER: 5F3S
AIP NUMBER: 3-04-0032-032-2015
DATE: May 29, 2015

New Project
 Changed Project

Current Program Description	Fiscal Year	State Share	Sponsor Share	FAA Share	Total Amount	Priority Number
Rehabilitate Taxiway Bravo	2015	\$112,065.00	\$112,064.00	\$2,282,904.00	\$2,507,033.00	155
Revised Program Description	Fiscal Year	State Share	Sponsor Share	FAA Share	Total Amount	Priority Number
Justification For Recommendation:						
Federal Match Grant						

Source of Funds:	2015 - Federal Programs (State Match)		
Original Set-Aside	Amount committed to date	Present Balance	Balance if Approved
\$4,947,064	\$1,616,966	\$3,330,099	\$3,218,034

Aeronautics Project Development Committee Recommends to PPAC:

Approval Disapproval Date: May 29, 2015

Aeronautics Representative:

Priority Planning Committee Recommends to Transportation Board:

Approval Disapproval Date: July 1, 2015

State Transportation Board Action:

Approval Disapproval Date: July 17, 2015

**ARIZONA DEPARTMENT OF TRANSPORTATION
MPD - Aeronautics Group**

Project Committee Recommendations

AIRPORT: ERNEST A. LOVE FIELD
SPONSOR: CITY OF PRESCOTT
CATEGORY: Commercial Service
PROJECT NUMBER: 5F3T
AIP NUMBER: 3-04-0030-035-2015
DATE: May 29, 2015

New Project
 Changed Project

Current Program Description	Fiscal Year	State Share	Sponsor Share	FAA Share	Total Amount	Priority Number
Taxiway Lighting, Install Emergency Generator	2015	\$88,408.00	\$88,408.00	\$3,359,500.00	\$3,536,316.00	136
Revised Program Description	Fiscal Year	State Share	Sponsor Share	FAA Share	Total Amount	Priority Number
Justification For Recommendation: Federal Match Grant						

Source of Funds:	2015 - Federal Programs (State Match)		
Original Set-Aside	Amount committed to date	Present Balance	Balance if Approved
\$4,947,064	\$1,729,031	\$3,218,034	\$3,129,626

Aeronautics Project Development Committee Recommends to PPAC:

Approval [] Disapproval

Date: May 29, 2015

Aeronautics Representative:  

Priority Planning Committee Recommends to Transportation Board:

Approval [] Disapproval

Date: July 1, 2015

State Transportation Board Action:

[] Approval [] Disapproval

Date: July 17, 2015

**Summary of Grants to be presented
To the State Transportation Board
On July 17, 2015**

FY 2016 Federal Match Program (FSL); Program balance prior to 7/17/15: \$9,356,341

<u>Airport and Grant ID</u>	<u>State Grant Amount</u>	<u>Balance</u>
Benson, 6F1K	\$12,174	\$9,344,167
GCNAP, 6G1L	\$61,852	\$9,282,315
Eloy, 6F1N	\$11,066	\$9,271,259
Gateway, 6F10	\$162,817	\$9,108,442

FY 2016 State/Local Program (SL); Program balance prior to 7/17/15: \$14,359,552

<u>Airport and Grant ID</u>	<u>State Grant Amount</u>	<u>Balance</u>
GCNAP, 6G1M	\$343,589	\$14,015,963

FY 2015 Federal Match Program (FSL); Program balance prior to 7/17/15: \$3,344,507

<u>Airport and Grant ID</u>	<u>State Grant Amount</u>	<u>Balance</u>
Flagstaff, 5F3R	\$14,408	\$3,330,099
Scottsdale, 5F3S	\$112,065	\$3,218,034
Prescott, 5F3T	\$88,408	\$3,129,626

STATE ENGINEER'S REPORT
June 2015

The Status of Projects Under Construction report for June 2015 shows 113 projects under construction valued at \$792,813,980.16. The transportation board awarded 17 projects during June valued at approximately \$35.8 million.

During June the Department finalized 9 projects valued at \$83,384,225.15. Projects where the final cost exceeded the contractors bid amount by more than 5% are detailed in your board package.

Year to date we have finalized 123 projects. The total cost of these 123 projects has exceeded the contractors bid amount by 5%. Deducting incentive/bonus payments, revisions, omissions and additional work paid for by others, fiscal year to date reduces this percentage 5.1%.

MONTHLY CONSTRUCTION REPORT

Jun-15

PROJECTS UNDER CONSTRUCTION	113
MONETARY VALUE OF CONTRACTS	\$792,813,980.16
PAYMENTS MADE TO DATE	\$502,938,665.81
INTERSTATE	26
PRIMARY	53
LOCAL GOVERNMENT	30
NON-FEDERAL AID	4
OTHER	0
CONTRACTS EXECUTED IN JUNE 2015	10
MONETARY AMOUNT OF CONTRACTS EXECUTED	\$19,431,883.10

FIELD REPORTS SECTION

EXT. 7301

Arizona Department of Transportation
Field Reports Section
Completed Contracts Fiscal Year 2015
 June, 2015

Project Number	Location District	State Estimate	Contractor	Bid Amount	Final Cost	Monetary	Percent
TM-017B(210)A H630101C	MUNDS PARK TRAFFIC Flagstaff District						
	Working Days: 424 = 365 Days Used: 445						
		10,431,856.00	MEADOW VALLEY CONTRACTORS, INC.	Low Bid = (\$437,317.65) or 4.19% under State Estimate \$9,994,538.35	\$10,511,212.92	\$516,674.57	5.2 %
STP-160-B(202)A H757101C	LAGUNA CREEK BRIDGE #20001 Holbrook District						
	Working Days: 417 = 250 Days Used: 423						
		2,047,851.00	MEADOW VALLEY CONTRACTORS, INC.	Low Bid = \$592,993.30 or 28.96% over State Estimate \$2,640,844.30	\$2,708,297.15	\$67,452.85	2.6 %
303-A(202)T H787301C	SR303L: CAMELBACK ROAD Phoenix District						
	Working Days: 425 = 320 Days Used: 400						
		35,417,480.00	PULICE CONSTRUCTION, INC.	Low Bid = (\$545,728.43) or 1.54% under State Estimate \$34,871,751.57	\$37,428,647.65	\$2,556,896.08	7.3 %
CBI-999-A(247)A H790601P	MARIPOSA PORT OF ENTRY Tucson District						
	Working Days: 331 = 180 Days Used: 331						
		7,136,842.27	HENSEL PHELPS CONSTRUCTION CO.	Low Bid = \$0.00 or 0.00% over State Estimate \$7,136,842.27	\$7,944,002.12	\$807,159.85	11.3 %

Arizona Department of Transportation
Field Reports Section
Completed Contracts Fiscal Year 2015
 June, 2015

Project Number	Location District	State Estimate	Contractor	Bid Amount	Final Cost	Monetary	Percent
888-A-(212)T H834301C	VARIOUS LOCATIONS Phoenix District						
Working Days: 316 = 120 + 35 + 19 + 142							
Days Used: 301							
			ROADWAY ELECTRIC, LLC	Low Bid = (\$132,445.25) or 17.22% under State Estimate			
		769,280.25		\$636,835.00	\$711,417.79	\$74,582.79	11.7 %
GLN-0-(221)T SS84501C	PEORIA AVE, 67TH AVE TO 43RD A Phoenix District						
Working Days: 188 = 150 + 38							
Days Used: 175							
			CONTRACTORS WEST, INC.	Low Bid = (\$64,099.50) or 7.44% under State Estimate			
		861,985.00		\$797,885.50	\$831,101.00	\$33,215.50	4.2 %
010-B-(204)A H770901C	I-10, PERRYVILLE RD TI Phoenix District						
Working Days: 473 = 345 + 29 + 3 + 11 + 14 + 6 + 45 + 20							
Days Used: 289							
			SKANSKA USA CIVIL WEST ROCKY MOUNTAIN DISTRICT INC.	Low Bid = \$1,529,605.00 or 8.86% over State Estimate			
		17,268,345.00		\$18,797,950.00	\$19,680,325.95	\$882,375.95	4.7 %
THIR-0-(201)T SL68401C	REAY LANE, JOHNSON ST.- Safford District						
Working Days: 60							
Days Used: 55							
			VISUS ENGINEERING CONSTRUCTION, INC.	Low Bid = \$97,736.50 or 24.42% over State Estimate			
		400,299.50		\$498,036.00	\$482,585.16	(\$15,450.84)	-3.1 %

Arizona Department of Transportation
Field Reports Section
Completed Contracts Fiscal Year 2015
 June, 2015

Project Number	Location District	State Estimate	Contractor	Bid Amount	Final Cost	Monetary	Percent
010-A-(214)T	EHRENBERG TI						
H800801C	Yuma District						
Working Days: 231 = 180	+ 21 + 4 + 23 + 3						
Days Used: 231							
		2,884,621.75	GREY MOUNTAIN CONSTRUCTION, LLC	Low Bid = (\$55,595.75) or 1.93% under State Estimate \$2,829,026.00	\$3,086,635.40	\$257,609.40	9.1 %

Completed Contracts (Fiscal Year 2015)

June, 2015

<u>Totals</u>	<u>No. of Contracts</u>	<u>State Estimate</u>	<u>Bid Amount</u>	<u>Final Cost</u>
# of Projects: 9	9	\$77,218,560.77	\$78,203,708.99	\$83,384,225.15
		<u>Monetary</u>		<u>Monetary</u>
		\$985,148.22		\$5,180,516.16


Accumulation to Date (Fiscal Year 2015 ONLY)

No. of Contracts	Accumulative State Estimate	Bid Amount	Final Cost	Monetary	Percent
117	\$954,019,052.16	\$918,568,627.84	\$965,798,448.04	\$47,229,820.20	5.1%

Prepared By:

Yvonne Navarro
Field Reports Unit, X6849

Checked By:


Lenyne Hicks, Manager
Field Reports Unit, X7301

FINAL COST VS BID ADJUSTED

FISCAL YEAR 2015

LESS ADJUSTMENTS FOR								
MONTH	CUMULATIVE FINAL COST	REVISIONS/ OMISSIONS #4 & #5	INCENTIVE/ BONUS #7	ADD'L WORK PD OTHERS #3	CUMULATIVE ADJ	CUMULATIVE BID AMOUNT	ADJUSTED FINAL COST	ADJ CUM
Jul-14	\$ 40,161,580	\$ 92,438	\$ 96,061	\$ -	\$ 188,499	\$ 40,648,158	\$ 39,973,081	-1.7%
Aug-14	\$ 62,698,529	\$ 7,105,120	\$ 1,016,958	\$ (97,306)	\$ 8,213,271	\$ 63,040,780	\$ 54,485,258	-13.6%
Sep-14	\$ 293,237,580	\$ 255,118	\$ 88,171	\$ -	\$ 8,556,560	\$ 279,113,819	\$ 284,681,020	2.0%
Oct-14	\$ 474,659,410	\$ 2,748,864	\$ 927,789	\$ 56,686	\$ 12,289,899	\$ 451,673,571	\$ 462,369,511	2.4%
Nov-14	\$ 478,668,023	\$ 105,923	\$ (1,827)	\$ -	\$ 12,393,995	\$ 455,860,722	\$ 466,274,028	2.3%
Dec-14	\$ 517,066,978	\$ 463,715	\$ 876,159	\$ 280,832	\$ 14,014,701	\$ 493,756,102	\$ 503,052,277	1.9%
Jan-15	\$ 524,804,099	\$ 212,631	\$ (11,080)	\$ -	\$ 14,216,252	\$ 501,389,168	\$ 510,587,847	1.8%
Feb-15	\$ 542,600,222	\$ 166,678	\$ 383,079	\$ 6,871	\$ 14,772,880	\$ 518,781,273	\$ 527,827,342	1.7%
Mar-15	\$ 767,839,776	\$ 633,752	\$ 1,896,336	\$ 17,950	\$ 17,320,918	\$ 742,410,225	\$ 750,518,858	1.1%
Apr-15	\$ 793,648,000	\$ 536,521	\$ 383,872	\$ -	\$ 18,241,311	\$ 800,352,647	\$ 775,406,689	-3.1%
May-15	\$ 882,414,223	\$ 1,364,419	\$ 335,739	\$ 117,081	\$ 20,058,551	\$ 840,364,919	\$ 862,355,672	2.6%
Jun-15	\$ 965,798,448	\$ 2,008,807	\$ 688,553	\$ -	\$ 22,755,911	\$ 918,568,628	\$ 943,042,538	2.7%
		\$ 15,693,986	\$ 6,679,810	\$ 382,114	\$ 22,755,911			
G:\F_rpts\Board Report FY15								
e-mail to Jason Hafner								
e-mail to Barb Domke at year end								

CONTRACTS: (Action As Noted)

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

*ITEM 9a: BOARD DISTRICT NO.: 3

Page 235

BIDS OPENED: June 19, 2015

HIGHWAY: NOGALES-TUCSON HIGHWAY (I-19)

SECTION: PALO PARADO – TUBAC TI

COUNTY: SANTA CRUZ

ROUTE NO.: I-19

PROJECT : TRACS: IM-019-A(211)T : 019 SC 016 H815601C

FUNDING: 94% FEDS 6% STATE

LOW BIDDER: THE ASHTON COMPANY, INC. CONTRACTORS & ENGINEERS

LOW BID AMOUNT: \$ 4,074,442.47

STATE ESTIMATE: \$ 4,807,341.50

\$ UNDER ESTIMATE: (\$ 732,899.03)

% UNDER ESTIMATE: (15.2%)

PROJECT DBE GOAL: 7.12%

BIDDER DBE PLEDGE: 7.12%

NO. BIDDERS: 6

RECOMMENDATION: AWARD



*ITEM 9b: BOARD DISTRICT NO.: 4

Page 239

BIDS OPENED: June 19, 2015

HIGHWAY: PHOENIX-GLOBE HIGHWAY (US 60)

SECTION: EAST OF QUEEN CREEK TUNNEL

COUNTY: PINAL

ROUTE NO.: US 60

PROJECT : TRACS: NH-EB-060-D(215)T : 060 PN 228 H855801C

FUNDING: 94% FEDS 6% STATE

LOW BIDDER: FISHER SAND & GRAVEL CO. DBA SOUTHWEST ASPHALT PAVING

LOW BID AMOUNT: \$ 975,000.00

STATE ESTIMATE: \$ 857,416.46

\$ OVER ESTIMATE: \$ 117,583.54

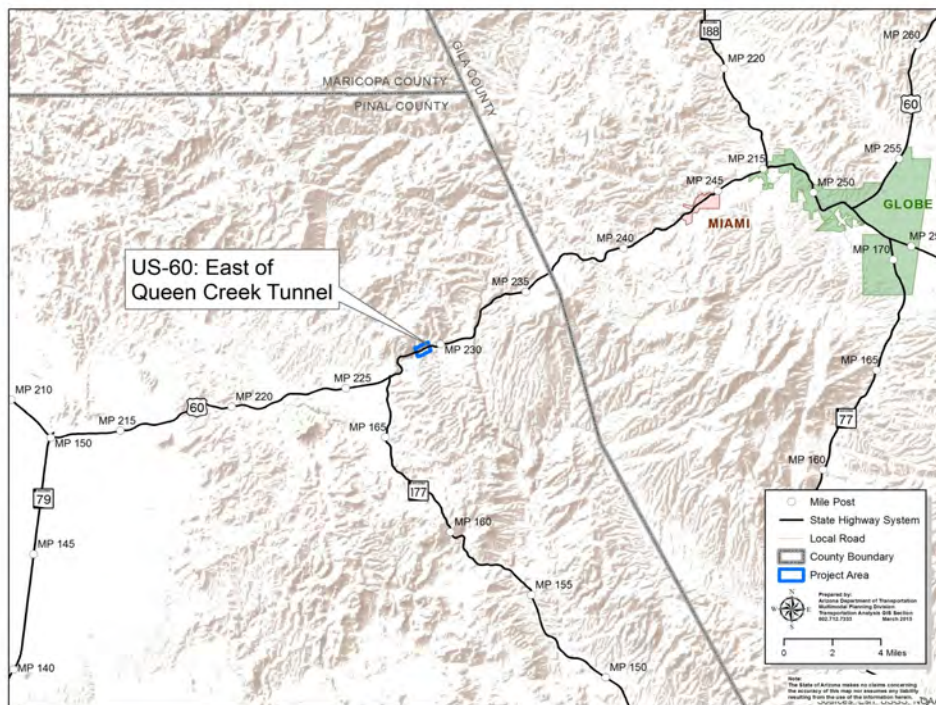
% OVER ESTIMATE: 13.7%

PROJECT DBE GOAL: 9.98%

BIDDER DBE PLEDGE: 11.47%

NO. BIDDERS: 3

RECOMMENDATION: AWARD



*ITEM 9c: BOARD DISTRICT NO.: 6

Page 242

BIDS OPENED: June 19, 2015

HIGHWAY: HOOVER DAM – KINGMAN HIGHWAY (US 93)

SECTION: KINGMAN WASH TI

COUNTY: MOHAVE

ROUTE NO.: US 93

PROJECT : TRACS: STP-093-A(204)T : 093 MO 001 H850001C

FUNDING: 94% FEDS 6% STATE

LOW BIDDER: TIFFANY CONSTRUCTION COMPANY

LOW BID AMOUNT: \$ 259,565.30

STATE ESTIMATE: \$ 211,248.70

\$ OVER ESTIMATE: \$ 48,316.60

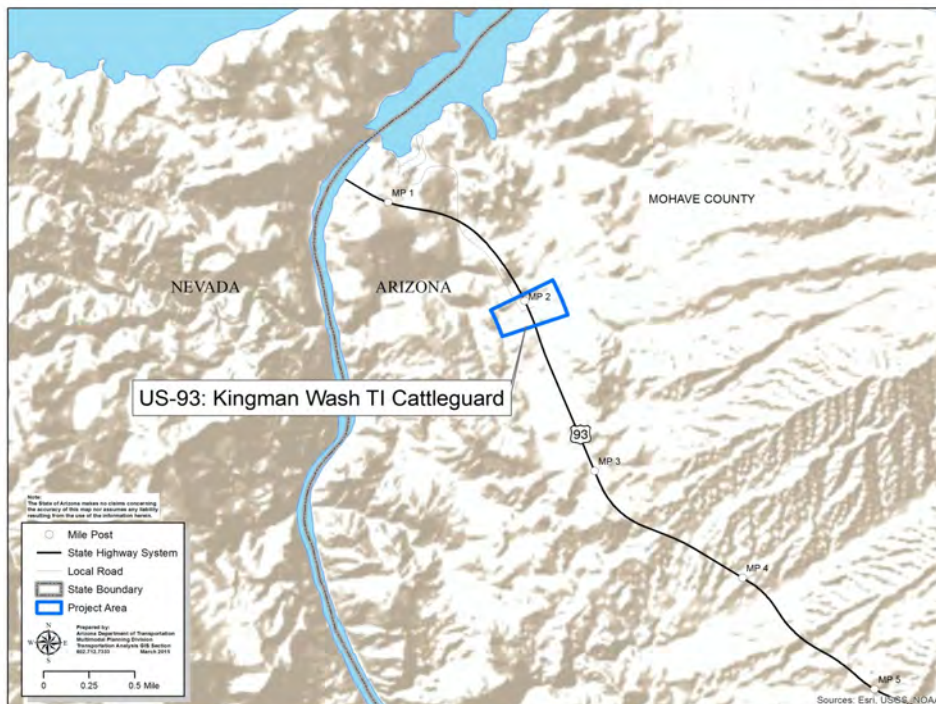
% OVER ESTIMATE: 22.9%

PROJECT DBE GOAL: 5.95%

BIDDER DBE PLEDGE: 6.13%

NO. BIDDERS: 9

RECOMMENDATION: AWARD



ARIZONA DEPARTMENT OF TRANSPORTATION
 INTERMODAL TRANSPORTATION DIVISION
 CONTRACTS AND SPECIFICATIONS SECTION

BID RESULTS

Completion Date:

850 Calendar Days

The proposed Construct New Roadway project is located in Pinal County, with the western limit located approximately 27 miles east of the Town of Apache Junction (approximately 11 mile east of the intersection of US 60 and SR 79) beginning at MP 221.72 and extending easterly beyond the SR 177 TI to MP 226.87, for approximately 5.1 miles. The work includes reconstructing the existing two-lane undivided roadway into a four-lane divided highway and reconstructing the existing three-lane roadway into a four-lane roadway with a raised median. The work also includes seven new structures, one structure widening and three structure rehabilitations. The work consists of installing asphaltic concrete and asphalt rubber asphaltic concrete friction course; concrete bridge structures; reinforced concrete box culverts ; pipe culverts; riprap and gabions; curb and gutter; raised medians; sidewalks; fence; striping; signing; lighting; guardrail; seeding; utility trenching; and other related work.

Bid Opening Date : 6/19/2015, Prequalification Required, Engineer Specialist : Sarker Sajedur Rahman

Project No.	Highway Termini	Location	Item
060 PN 222 H790001C NH-060-D(208)S	PHOENIX - GLOBE HIGHWAY (US 60)	SILVER KING SECTION & SUPERIOR Globe District	10313

Rank	Bid Amount	Contractor Name	Address of Contractor
1	\$32,896,671.70	FNF CONSTRUCTION, INC.	115 S. 48TH ST TEMPE, AZ 85281
2	\$34,667,436.88	PULICE CONSTRUCTION, INC.	2033 W. MOUNTAIN VIEW RD. PHOENIX, AZ 85021
	\$35,020,137.00	DEPARTMENT	
3	\$35,602,970.35	AMES COMBS JOINT VENTURE	8333 E HARTFORD DRIVE SCOTTSDALE, AZ 85255
4	\$36,177,979.04	FANN CONTRACTING, INC	1403 INDUSTRIAL WAY PRESCOTT, AZ 86301
5	\$36,945,000.00	COFFMAN SPECIALTIES, INC.	9685 VIA EXCELENCIA, SUITE 200 SAN DIEGO, CA 92126

Rank	Bid Amount	Contractor Name	Address of Contractor
6	\$39,713,452.70	HAYDON BUILDING CORP	4640 E. COTTON GIN LOOP PHOENIX, AZ 85040

Apparent Low Bidder is 6.1% Under Department Estimate (Difference = (\$2,123,465.30))

ARIZONA DEPARTMENT OF TRANSPORTATION

ADVERTISEMENT FOR BIDS

BID OPENING: FRIDAY, MAY 22, 2015, AT 11:00 A.M. (M.S.T.)

TRACS NO 060 PN 222 H7900 01C
PROJ NO NH-060-D(208)S
TERMINI Phoenix – Globe Highway (US 60)
LOCATION Silver King Section & Superior Streets

ROUTE NO.	MILEPOST	DISTRICT	ITEM NO.
US 60	221.72 to 226.87	GLOBE	10313

The amount programmed for this contract is \$45,000,000. The location and description of the proposed work and the representative items and approximate quantities are as follows:

The proposed Construct New Roadway project is located in Pinal County, with the western limit located approximately 27 miles east of the Town of Apache Junction (approximately 11 mile east of the intersection of US 60 and SR 79) beginning at MP 221.72 and extending easterly beyond the SR 177 TI to MP 226.87, for approximately 5.1 miles. The work includes reconstructing the existing two-lane undivided roadway into a four-lane divided highway and reconstructing the existing three-lane roadway into a four-lane roadway with a raised median. The work also includes seven new structures, one structure widening and three structure rehabilitations. The work consists of installing asphaltic concrete and asphalt rubber asphaltic concrete friction course; concrete bridge structures; reinforced concrete box culverts ; pipe culverts; riprap and gabions; curb and gutter; raised medians; sidewalks; fence; striping; signing; lighting; guardrail; seeding; utility trenching; and other related work.

REPRESENTATIVE ITEMS	UNIT	QUANTITY
Clearing and Grubbing	Acre	79
Removal of Trees	Each	32
Removal of Structural Concrete	Cu.Yd.	67
Removal of Asphaltic Concrete Pavement	Sq.Yd.	11,395
Remove Bituminous Pavement (Milling)	Sq.Yd.	55,304
Roadway Excavation	Cu.Yd.	501,499
Aggregate Base, Class 2	Cu.Yd.	39,564
Asphaltic Binder (PG 70-10)	Ton	4,808
Asphaltic Concrete (Miscellaneous Structural)(Special)	Ton	1,942
Asphaltic Concrete Friction Course (Asphalt-Rubber)	Ton	5,379
Asphaltic Concrete (3/4" Mix)(End Product)(Special Mix)	Ton	97,050
Pipe Culvert (24"-60")	L.Ft.	6,725
Concrete Catch Basin	Each	34
Cantilever Sign Structure (SD-9.10, Type 3C)	Each	2
Sign Panel	Sq.Ft.	2170
Temporary concrete Barrier (Installation and Removal)	L.Ft.	10,091
Temporary Painted Marking (Stripe)	L.Ft.	610,071
Pavement Marking (W & Y) Extruded Thermoplastic	L.Ft.	200,000
Permanent Pavement Marking (White & Yellow)	L.Ft.	141,550
Pole(Special) (APS STD. 1940)(38'-0" Length)	Each	71
Plating Pits (Rock Excavation)	Each	200
Seeding (Class II)	Acre	76
Tree (36" Box) (Tree and Cactus)	Each	56

REPRESENTATIVE ITEMS	UNIT	QUANTITY
Shrub (One & Five) Gallon	Each	352
Cactus	Each	3,203
Landscape Irrigation System	L. Sum	1
Barbed Wire Game Fence	L.Ft.	27,821
Guard Rail, W-Beam, Single Face	L.Ft.	9,088
Concrete Curb	L.Ft.	11,213
Concrete Sidewalk	Sq.Ft.	19,531
Concrete barrier (special Half) (Detail LL)	L.Ft..	1339
Riprap Gabions)	Cu.Yd	6,054
Riprap (Dumped)	Cu.Yd	3927
Wall (Screen)	Sq.Ft.	10,300
Retaining Wall (Curb Wall, Detail CC)	Sq.Ft.	360
Concrete Unit Pavers	Sq.Yd.	1,833
Remove Bridge	L. Sum	1
Structural Excavation	Cu.Yd.	5,832
Structural Backfill	Cu.Yd.	2,846
Structural Concrete (Class S) (F'C=3000)	Cu.Yd.	1,246
Structural Concrete (Class S) (F'C=3500)	Cu.Yd.	2,802
Structural Concrete (Class S) (F'C=4000)	Cu.Yd.	53
Structural Concrete (Class S) (F'C=4500)	Cu.Yd.	2,575
Reinforcing Steel	Lb.	1,221,982
Drilled Shaft Foundation (42"-72")	L.Ft.	1,333

The time allowed for the completion of the work included in the Construction Phase of the contract will be 850 calendar days.

The time allowed for the completion of the work included in the Landscape Establishment Phase of the contract will be 730 calendar days.

The Arizona Department of Transportation hereby notifies all bidders that pursuant to this advertisement for bids, Disadvantaged Business Enterprises will be afforded full opportunity to submit bids in response to this solicitation and will not be discriminated against on the grounds of race, color, sex, or national origin in consideration for an award.

The minimum contract-specified goal for participation by Disadvantaged Business Enterprises in the work, as a percentage of the total amount bid, shall be 11.66.

Project plans, special provisions, and proposal pamphlets may be purchased from Contracts and Specifications Section, 1651 W. Jackson, Room 121F, Phoenix, AZ 85007-3217, (602) 712-7221. Plans and bidding documents should be available for sale to bidders within one week following the advertisement for bids. The cost is \$400, payable at time of order by cash, check or money order. Please indicate whether a bid proposal package or a subcontractor/supplier set is desired. An additional fee of \$15 will be charged for each set of Special Provisions requested which is not accompanied by the purchase of a related set of project plans. Checks should be made payable to the Arizona Department of Transportation. No refund will be made for plans and specifications returned. We cannot guarantee mail delivery.

One CD containing the geotechnical investigation report is available for purchase at Contracts and Specifications Section. The cost of each CD is \$5, payable at time of purchase by cash, check or money order.

This project is eligible for electronic bidding.

Cross sections and/or earthwork quantity sheets, if available, may be ordered from the Control Desk of Roadway Design Section at (602) 712-8667. Orders must be placed at least five days prior to bid opening to insure availability. Documents may be picked up and paid for at Contracts & Specifications Section.

No contracting firm will be issued a proposal pamphlet until it has become prequalified. The Application for Contractor Prequalification shall be filed at least 15 calendar days prior to the bid opening date. The Application may be obtained from Contracts and Specifications Section.

No award will be made to any contractor who is not a duly licensed contractor in accordance with Arizona Revised Statutes 32-1101 through 32-1170.03.

All labor employed on this project shall be paid in accordance with the minimum wage rates shown in the General Wage Decision. These rates have been determined in accordance with the requirements of the law and issued by the Secretary of Labor for this project. The wage scale is on file in Contracts and Specifications Section and copies may be obtained at all reasonable times.

A proposal guaranty in the form of either a certified or a cashier's check made payable to the State Treasurer of Arizona for not less than ten percent of the amount of the bid or in the form of a surety (bid) bond for ten percent of the amount of the bid shall accompany the proposal.

Surety (bid) bonds will be accepted only on the form provided by the Department and only from corporate sureties authorized to do business in Arizona.

Proposal pamphlets shall be submitted only in the envelope provided by the Department to:

Arizona Department of Transportation
Intermodal Transportation Division
Contracts and Specifications Section
1651 West Jackson Street, Room 121F
Phoenix, Arizona 85007-3217

Sealed bids will be received until the hour indicated and then publicly opened and read. No bids will be received after the time specified.

Engineering Specialist:	Sarker Rahman	(602) 712-8262
Construction Supervisor:	Mindy Teague	(928) 402-5620

STEVE BEASLEY,
Acting Engineer- Manager
Contracts & Specifications Section

060 PN 222 H7900 01C
NH-060-D(208)S
03/31/2015; SR

ARIZONA DEPARTMENT OF TRANSPORTATION
 INTERMODAL TRANSPORTATION DIVISION
 CONTRACTS AND SPECIFICATIONS SECTION

BID RESULTS

Completion Date:

170 Working Days

The proposed project is located in Cochise County, on State Route 80 in the City of Tombstone, beginning at milepost 317.15 and continuing east to milepost 317.52. The proposed work includes concrete sidewalk, concrete sidewalk ramps, concrete curbing, asphaltic pavement, historic building porch re-construction, landscaping, irrigation, street lighting, and signing and other related items.

Bid Opening Date : 6/19/2015, Prequalification Required, Engineer Specialist : Vian Rashid

Project No.	Highway Termini	Location	Item
080 CH 317 H747501C 080-A-(200)T	BENSON - DOUGLAS HIGHWAY SR 80	FREMONT ST.,3RD ST. TO 6TH ST. Safford District	21114

Rank	Bid Amount	Contractor Name	Address of Contractor
1	\$999,400.00	K E & G CONSTRUCTION, INC.	1601 PASEO SAN LUIS - STE #202 SIERRA VISTA, AZ 85635
	\$1,073,406.23	DEPARTMENT	
2	\$1,251,778.60	HUNTER CONTRACTING COMPANY	701 N COOPER ROAD GILBERT, AZ 85233
3	\$1,270,275.48	GRANITE CONSTRUCTION COMPANY	4115 E ILLINOIS ST TUCSON, AZ 85714
4	\$1,492,884.03	FALCONE BROS & ASSOCIATE INC.	15885 N. EQUESTRIAN TRL TUCSON, AZ 85739

Apparent Low Bidder is 6.9% Under Department Estimate (Difference = (\$74,006.23))

ARIZONA DEPARTMENT OF TRANSPORTATION

ADVERTISEMENT FOR BIDS

BID OPENING: FRIDAY, JUNE, 19, 2015, AT 11:00 A.M. (M.S.T.)

TRACS NO 080 CH 317 H7475 01C
 PROJ NO STP-HSIP-TEA-080-A(200)T
 TERMINI BENSON-DOUGLAS HIGHWAY, SR 80
 LOCATION FREMONT STREET, 3rd STREET to 6th STREET

ROUTE NO.	MILEPOST	DISTRICT	ITEM NO.
SR 80	317.15 to 317.52	SAFFORD	21114

The amount programmed for this contract is \$1,593,000.00. The location and description of the proposed work and the representative items and approximate quantities are as follows:

The proposed project is located in Cochise County, on State Route 80 in the City of Tombstone, beginning at milepost 317.15 and continuing east to milepost 317.52. The proposed work includes concrete sidewalk, concrete sidewalk ramps, concrete curbing, asphaltic pavement, historic building porch re-construction, landscaping, irrigation, street lighting, and signing and other related items.

REPRESENTATIVE ITEMS	UNIT	QUANTITY
Remove Bridge (Piers, Foundation, Stairs and Railing)	L. Sum	1
Remove Bituminous Pavement (Milling)(1/2")	Sq.Yd.	6,857
Roadway Excavation	Cu.Yd.	506
Aggregate Base, Class 2	Cu.Yd.	339
Asphalt Binder(PG 70-22 TR+)	Ton	17
Asphaltic Concrete Friction Course (Special with PG 70-22 TR+)	Ton	274
Asphaltic Concrete (Miscellaneous Structural)	Ton	480
Sign Post (Perforated)(2 1/2 S)	L.Ft.	152
Obliterate Pavement Marking (Stripe)	L.Ft	13,998
Temporary Water-Filled Barrier	L.Ft./Day	69,000
Flagging Services (DPS and Local Enforcement Officer)	Hour	256
Pavement Marking(White & Yellow) Extruded Thermoplastic	L.Ft.	6,180
Permanent Pavement Marking(Painted)(White & Yellow)	L.Ft.	4,121
Luminaire (Horizontal Mount)(HPS 250 Watt)(Special)	Each	11
Granite Mulch	Sq.Yd.	2,016
Landscaping Establishment (Monthly)	Month	12
Concrete Sidewalk (C-05.20)	Sq.Ft.	9,482
Concrete Driveway (Detail B)	Sq.Ft.	6,664
Miscellaneous Work(Adobe Masonry & Stucco Repair)	L. Sum	1
Miscellaneous Work (Porch Canopy)	L. Sum	1
Construction Surveying and Layout	L. Sum	1

The time allowed for the completion of the work included in the Construction Phase of the contract will be 170 working days.

The time allowed for the completion of the work included in the Landscape Establishment Phase of the contract will be 365 calendar days.

The Arizona Department of Transportation hereby notifies all bidders that pursuant to this advertisement for bids, Disadvantaged Business Enterprises will be afforded full opportunity to submit bids in response to this solicitation and will not be discriminated against on the grounds of race, color, sex, or national origin in consideration for an award.

The minimum contract-specified goal for participation by Disadvantaged Business Enterprises in the work, as a percentage of the total amount bid, shall be 8.91.

Project plans, special provisions, and proposal pamphlets may be purchased from Contracts and Specifications Section, 1651 W. Jackson, Room 121F, Phoenix, AZ 85007-3217, (602) 712-7221. Plans and bidding documents should be available for sale to bidders within one week following the

advertisement for bids. The cost is \$56, payable at time of order by cash, check or money order. Please indicate whether a bid proposal package or a subcontractor/supplier set is desired. An additional fee of \$5 will be charged for each set of Special Provisions requested which is not accompanied by the purchase of a related set of project plans. Checks should be made payable to the Arizona Department of Transportation. No refund will be made for plans and specifications returned. We cannot guarantee mail delivery.

This project is eligible for electronic bidding.

No contracting firm will be issued a proposal pamphlet until it has become prequalified. The Application for Contractor Prequalification shall be filed at least 15 calendar days prior to the bid opening date. The Application may be obtained from Contracts and Specifications Section.

No award will be made to any contractor who is not a duly licensed contractor in accordance with Arizona Revised Statutes 32-1101 through 32-1170.03.

All labor employed on this project shall be paid in accordance with the minimum wage rates shown in the General Wage Decision. These rates have been determined in accordance with the requirements of the law and issued by the Secretary of Labor for this project. The wage scale is on file in Contracts and Specifications Section and copies may be obtained at all reasonable times.

A proposal guaranty in the form of either a certified or a cashier's check made payable to the State Treasurer of Arizona for not less than ten percent of the amount of the bid or in the form of a surety (bid) bond for ten percent of the amount of the bid shall accompany the proposal.

Surety (bid) bonds will be accepted only on the form provided by the Department and only from corporate sureties authorized to do business in Arizona.

Proposal pamphlets shall be submitted only in the envelope provided by the Department to:

Arizona Department of Transportation
Intermodal Transportation Division
Contracts and Specifications Section
1651 West Jackson Street, Room 121F
Phoenix, Arizona 85007-3217

Sealed bids will be received until the hour indicated and then publicly opened and read. No bids will be received after the time specified.

Engineering Specialist:	Vian Rashid	(602) 712-8260
Construction Supervisor:	Rene Teran	(520) 586-2949

STEVE BEASLEY,
Acting Engineer-Manager
Contracts & Specifications Section

080 CH 317 H7475 01C
080-A(200)T
05/13/2015; VR:

ARIZONA DEPARTMENT OF TRANSPORTATION
 INTERMODAL TRANSPORTATION DIVISION
 CONTRACTS AND SPECIFICATIONS SECTION

BID RESULTS

Completion Date:

130 Working Days

The proposed work is located in Santa Cruz County on I-19, approximately 16 miles north Nogales. The project begins at milepost 16.00 and extends northerly to milepost 21.10. The work consists of milling the existing Asphaltic Concrete (AC) and replacing it with AC and Asphalt-Rubber Asphaltic Concrete Friction Course (AR-ACFC). The work also includes removing the existing bridge railing and replacing it with concrete bridge barrier. Additional work includes sealing cracks in the shoulders, replacing guardrail and guardrail end terminals, replacing pavement markings, and other miscellaneous work.

Bid Opening Date : 6/19/2015, Prequalification Required, Engineer Specialist : Hossain Iqbal

Project No.	Highway Termini	Location	Item
019 SC 016 H815601C 019-A-(211)T	NOGALES - TUCSON HWY (I-19)	PALO PARADO - TUBAC TI Tucson District	12715

Rank	Bid Amount	Contractor Name	Address of Contractor
1	\$4,074,442.47	THE ASHTON COMPANY, INC. CONTRACTORS & ENGINEERS	2727 S. COUNTRY CLUB ROAD TUCSON, AZ 85713
2	\$4,396,835.00	GREY MOUNTAIN CONSTRUCTION, LLC	3190 SOUTH GILBERT ROAD SUITE #5 CHANDLER, AZ 85286
3	\$4,430,000.00	FISHER SAND & GRAVEL CO. DBA SOUTHWEST ASPHALT PAVING	1302 W. DRIVERS WAY TEMPE, AZ 85284
4	\$4,598,000.00	FANN CONTRACTING, INC	1403 INDUSTRIAL WAY PRESCOTT, AZ 86301
5	\$4,640,304.46	FNF CONSTRUCTION, INC.	115 S. 48TH ST TEMPE, AZ 85281
6	\$4,740,196.00	GRANITE CONSTRUCTION COMPANY	4115 E ILLINOIS ST TUCSON, AZ 85714

Rank	Bid Amount	Contractor Name	Address of Contractor
	\$4,807,341.50	DEPARTMENT	

Apparent Low Bidder is 15.2% Under Department Estimate (Difference = (\$732,899.03))

ARIZONA DEPARTMENT OF TRANSPORTATION

ADVERTISEMENT FOR BIDS

BID OPENING: FRIDAY, JUNE 19, 2015, AT 11:00 A.M. (M.S.T.)

TRACS NO 019 SC 016 H815601C
PROJ NO IM-019-A(211)T
TERMINI NOGALES – TUCSON HWY (I-19)
LOCATION PALO PARADO – TUBAC TI

ROUTE NO.	MILEPOST	DISTRICT	ITEM NO.
I-19	16.00 to 21.10	TUCSON	12715

The amount programmed for this contract is \$7,000,000. The location and description of the proposed work and the representative items and approximate quantities are as follows:

The proposed work is located in Santa Cruz County on I-19, approximately 16 miles north Nogales. The project begins at milepost 16.00 and extends northerly to milepost 21.10. The work consists of milling the existing Asphaltic Concrete (AC) and replacing it with AC and Asphalt-Rubber Asphaltic Concrete Friction Course (AR-ACFC). The work also includes removing the existing bridge railing and replacing it with concrete bridge barrier. Additional work includes sealing cracks in the shoulders, replacing guardrail and guardrail end terminals, replacing pavement markings, and other miscellaneous work.

REPRESENTATIVE ITEMS	UNIT	QUANTITY
Removal of Bituminous Pavement (Milling)	Sq. Yd.	190,000
Asphaltic Concrete Friction Course (Asphalt – Rubber)	Ton	5,200
Asphaltic Concrete (3/4" Mix)(End Product)	Ton	38,300
Structural Concrete (F'C = 4,000)	Cu. Yd.	30
F-Shape Bridge Concrete Barrier and Transition (34")	L. Ft.	1,650
Deck Joint Assembly (2X2 Compression Seal)	L. Ft.	340
Pavement Marking (Thermoplastic)	L. Ft.	180,000
Pavement Marker (Raised)	Each	4,700
Pavement Marking (Painted)	L. Ft.	145,000
Guard Rail, W-Beam, Single Face	L. Ft.	1,700
Provide On-The-Job Training	Hour	1,000
Contractor Quality Control	L. Sum	1
Construction Surveying and Layout	L. Sum	1

The time allowed for the completion of the work included in this project will be 160 calendar days.

The Arizona Department of Transportation hereby notifies all bidders that pursuant to this advertisement for bids, Disadvantaged Business Enterprises will be afforded full opportunity to submit bids in response to this solicitation and will not be discriminated against on the grounds of race, color, sex, or national origin in consideration for an award.

The minimum contract-specified goal for participation by Disadvantaged Business Enterprises in the work, as a percentage of the total amount bid, shall be 7.12 percent.

Project plans, special provisions, and proposal pamphlets may be purchased from Contracts and Specifications Section, 1651 W. Jackson, Room 121F, Phoenix, AZ 85007-3217, (602) 712-7221. Plans and bidding documents should be available for sale to bidders within one week following the advertisement for bids. The cost is \$53.00, payable at time of order by cash, check or money order. Please indicate whether a bid proposal package or a subcontractor/supplier set is desired. An additional fee of \$5.00 will be charged for each set of Special Provisions

requested which is not accompanied by the purchase of a related set of project plans. Checks should be made payable to the Arizona Department of Transportation. No refund will be made for plans and specifications returned. We cannot guarantee mail delivery.

This project is eligible for electronic bidding.

No contracting firm will be issued a proposal pamphlet until it has become prequalified. The Application for Contractor Prequalification shall be filed at least 15 calendar days prior to the bid opening date. The Application may be obtained from Contracts and Specifications Section.

No award will be made to any contractor who is not a duly licensed contractor in accordance with Arizona Revised Statutes 32-1101 through 32-1170.03.

All labor employed on this project shall be paid in accordance with the minimum wage rates shown in the General Wage Decision. These rates have been determined in accordance with the requirements of the law and issued by the Secretary of Labor for this project. The wage scale is on file in Contracts and Specifications Section and copies may be obtained at all reasonable times.

A proposal guaranty in the form of either a certified or a cashier's check made payable to the State Treasurer of Arizona for not less than ten percent of the amount of the bid or in the form of a surety (bid) bond for ten percent of the amount of the bid shall accompany the proposal.

Surety (bid) bonds will be accepted only on the form provided by the Department and only from corporate sureties authorized to do business in Arizona.

Proposal pamphlets shall be submitted only in the envelope provided by the Department to:

Arizona Department of Transportation
Intermodal Transportation Division
Contracts and Specifications Section
1651 West Jackson Street, Room 121F
Phoenix, Arizona 85007-3217

Sealed bids will be received until the hour indicated and then publicly opened and read. No bids will be received after the time specified.

C&S Technical Leader:	Iqbal Hossain	(602) 712-7471
Construction Supervisor:	Dan Casmer	(520) 780-4109

STEVE BEASLEY,
Engineer-Acting Manager
Contracts & Specifications Section

019 SC 016 H815601C
Advertised on 5/27/15

ARIZONA DEPARTMENT OF TRANSPORTATION
 INTERMODAL TRANSPORTATION DIVISION
 CONTRACTS AND SPECIFICATIONS SECTION

BID RESULTS

Completion Date:

100 Working Days

The proposed project is located in Pinal County, on US 60 approximately 1 mile east of the Town of Superior, beginning at Milepost 228.10 and extending east along US 60 to Milepost 228.85. The proposed work consists of scaling rocks, constructing concrete barrier, installing guardrail and fence and related items.

Bid Opening Date : 6/19/2015, Prequalification Required, Engineer Specialist : Do David

Project No.	Highway Termini	Location	Item
060 PN 228 H855801C 060-D-(215)T	PHOENIX-GLOBE HWY (US 60)	EAST OF QUEEN CREEK TUNNEL Globe District	16515

Rank	Bid Amount	Contractor Name	Address of Contractor
	\$857,416.46	DEPARTMENT	
1	\$975,000.00	FISHER SAND & GRAVEL CO. DBA SOUTHWEST ASPHALT PAVING	1302 W. DRIVERS WAY TEMPE, AZ 85284
2	\$980,919.93	J. BANICKI CONSTRUCTION, INC.	6423 S. ASH AVENUE TEMPE, AZ 85283
3	\$1,019,220.01	D B A CONSTRUCTION INC.	P O Box 63035, PHOENIX, AZ 85043

Apparent Low Bidder is 13.7% Over Department Estimate (Difference = \$117,583.54)

ARIZONA DEPARTMENT OF TRANSPORTATION

ADVERTISEMENT FOR BIDS

BID OPENING: FRIDAY, JUNE 19, 2015, AT 11:00 A.M. (M.S.T.)

TRACS NO 060 PN 228 H8558 01C
PROJ NO NH-EB-060-D(215)T
TERMINI PHOENIX – GLOBE HWY (US 60)
LOCATION EAST OF QUEEN CREEK TUNNEL

ROUTE NO.	MILEPOST	DISTRICT	ITEM NO.
US 60	228.10 to 228.85	GLOBE	16515

The amount programmed for this contract is \$1,300,000. The location and description of the proposed work and the representative items and approximate quantities are as follows:

The proposed project is located in Pinal County, on US 60 approximately 1 mile east of the Town of Superior, beginning at Milepost 228.10 and extending east along US 60 to Milepost 228.85. The proposed work consists of scaling rocks, constructing concrete barrier, installing guardrail and fence and related items.

REPRESENTATIVE ITEMS	UNIT	QUANTITY
Remove (Boulders and Rock Debris)	Cu. Yd.	910
Remove (Fractured Rock Mass)	Cu. Yd.	80
Roadway Excavation	Cu. Yd.	80
F-Shape Bridge Concrete Barrier and Transition (34")	L. Ft.	750
Chain Link Fence, Type 1 (72")	L. Ft.	750
Guardrail, W-Beam, Single Face	L. Ft.	240
Safety Scaling	Sq. Yd.	12,300
Construction Surveying and Layout	L. Sum	1

The time allowed for the completion of the work included in this project will be 100 working days.

The Arizona Department of Transportation hereby notifies all bidders that pursuant to this advertisement for bids, Disadvantaged Business Enterprises will be afforded full opportunity to submit bids in response to this solicitation and will not be discriminated against on the grounds of race, color, sex, or national origin in consideration for an award.

The minimum contract-specified goal for participation by Disadvantaged Business Enterprises in the work, as a percentage of the total amount bid, shall be 9.98.

Project plans, special provisions, and proposal pamphlets may be purchased from Contracts and Specifications Section, 1651 W. Jackson, Room 121F, Phoenix, AZ 85007-3217, (602) 712-7221. Plans and bidding documents should be available for sale to bidders within one week following the advertisement for bids. The cost is \$19.00, payable at time of order by cash, check or money order. Please indicate whether a bid proposal package or a subcontractor/supplier set is desired. An additional fee of \$5.00 will be charged for each set of Special Provisions requested which is not accompanied by the purchase of a related set of project plans. Checks should be made payable to the Arizona Department of Transportation. No refund will be made for plans and specifications returned. We cannot guarantee mail delivery.

This project is eligible for electronic bidding.

No contracting firm will be issued a proposal pamphlet until it has become prequalified. The Application for Contractor Prequalification shall be filed at least 15 calendar days prior to the bid opening date. The Application may be obtained from Contracts and Specifications Section.

No award will be made to any contractor who is not a duly licensed contractor in accordance with Arizona Revised Statutes 32-1101 through 32-1170.03.

All labor employed on this project shall be paid in accordance with the minimum wage rates shown in the General Wage Decision. These rates have been determined in accordance with the requirements of the law and issued by the Secretary of Labor for this project. The wage scale is on file in Contracts and Specifications Section and copies may be obtained at all reasonable times.

A proposal guaranty in the form of either a certified or a cashier's check made payable to the State Treasurer of Arizona for not less than ten percent of the amount of the bid or in the form of a surety (bid) bond for ten percent of the amount of the bid shall accompany the proposal.

Surety (bid) bonds will be accepted only on the form provided by the Department and only from corporate sureties authorized to do business in Arizona.

Proposal pamphlets shall be submitted only in the envelope provided by the Department to:

Arizona Department of Transportation
Intermodal Transportation Division
Contracts and Specifications Section
1651 West Jackson Street, Room 121F
Phoenix, Arizona 85007-3217

Sealed bids will be received until the hour indicated and then publicly opened and read. No bids will be received after the time specified.

Engineering Specialist:	David Do	(602) 712-7445
Construction Supervisor:	Mindy Teague	(928) 402-5627

STEVE BEASLEY,
Engineer-Acting Manager
Contracts & Specifications Section

060 PN 228 H8558 01C
Advertised on 5/8/15

ARIZONA DEPARTMENT OF TRANSPORTATION
 INTERMODAL TRANSPORTATION DIVISION
 CONTRACTS AND SPECIFICATIONS SECTION

BID RESULTS

Completion Date:

55 Working Days

The proposed cattleguards installation project is located on US 93 from MP 1.95 to MP 2.15 in Mohave County. The work includes installation of four new cattleguards, fence, pull boxes, guardrail, placing granite mulch, and other related work

Bid Opening Date : 6/19/2015, Prequalification Required, Engineer Specialist : Ghorbani Mahmood

Project No.	Highway Termini	Location	Item
093 MO 001 H850001C 093-A-(204)T	HOOVER DAM-KINGMAN HIGHWAY (US 93)	KINGMAN WASH TI Kingman District	79815

Rank	Bid Amount	Contractor Name	Address of Contractor
	\$211,248.70	DEPARTMENT	
1	\$259,565.30	TIFFANY CONSTRUCTION COMPANY	P O Box 97970, PHOENIX, AZ 85008
2	\$261,950.56	J. BANICKI CONSTRUCTION, INC.	6423 S. ASH AVENUE TEMPE, AZ 85283
3	\$265,859.24	MCCORMICK CONSTRUCTION CO.	3640 HWY 95 #110 BULLHEAD CITY, AZ 86442
4	\$268,000.00	K.A.Z. CONSTRUCTION, INC.	1138 S. SANTA RITA AVENUE TUCSON, AZ 85719
5	\$280,845.02	RUMMEL CONSTRUCTION, INC	7520 E. ADOBE DRIVE SCOTTSDALE, AZ 85255
6	\$284,825.60	INTERMOUNTAIN WEST CIVIL CONSTRUCTORS, INC.	1564 N. ALMA SCHOOL RD, SUITE #200 MESA, AZ 85201
7	\$287,000.00	TECHNOLOGY CONSTRUCTION, INC.	5430 SIDE ROAD PRESCOTT, AZ 86301

Rank	Bid Amount	Contractor Name	Address of Contractor
8	\$299,540.60	MEADOW VALLEY CONTRACTORS, INC.	3333 E. CAMELBACK RD, SUITE #240 PHOENIX, AZ 85018
9	\$311,445.90	FALCONE BROS & ASSOCIATE INC.	15885 N. EQUESTRIAN TRL TUCSON, AZ 85739

Apparent Low Bidder is 22.9% Over Department Estimate (Difference = \$48,316.60)

ARIZONA DEPARTMENT OF TRANSPORTATION

ADVERTISEMENT FOR BIDS

BID OPENING: FRIDAY, JUNE 19, 2015, AT 11:00 A.M. (M.S.T.)

TRACS NO 093 MO 001 H850001C
PROJ NO STP-093-A(204)T
TERMINI HOOVER DAM – KINGMAN HIGHWAY (US 93)
LOCATION KINGMAN WASH TI

ROUTE NO.	MILEPOST	DISTRICT	ITEM NO.
US 93	1.95 to 2.15	KINGMAN	79815

The amount programmed for this contract is \$ 278,000. The location and description of the proposed work are as follows:

The proposed cattleguards installation project is located on US 93 from MP 1.95 to MP 2.15 in Mohave County. The work includes installation of four new cattleguards, fence, pull boxes, guardrail, placing granite mulch, and other related work

REPRESENTATIVE ITEMS	UNIT	QUANTITY
Cattle Guard (4 and 5 unit)	Each	4
Guardrail	L. Ft.	38
Fence	L. Ft.	72
Pull Box (No. 5)	Each	4
Granit Mulch	Sq. Yd.	273
Embankment Spillway (Detail A)	L. Ft.	50

The time allowed for the completion of the work included in this project will be 55 working days.

The Arizona Department of Transportation hereby notifies all bidders that pursuant to this advertisement for bids, Disadvantaged Business Enterprises will be afforded full opportunity to submit bids in response to this solicitation and will not be discriminated against on the grounds of race, color, sex, or national origin in consideration for an award.

The minimum contract-specified goal for participation by Disadvantaged Business Enterprises in the work, as a percentage of the total amount bid, shall be 5.95.

Project plans, special provisions, and proposal pamphlets may be purchased from Contracts and Specifications Section, 1651 W. Jackson, Room 121F, Phoenix, AZ 85007-3217, (602) 712-7221. Plans and bidding documents should be available for sale to bidders within one week following the advertisement for bids. The cost is \$13.00, payable at time of order by cash, check or money order. Please indicate whether a bid proposal package or a subcontractor/supplier set is desired. An additional fee of \$5.00 will be charged for each set of Special Provisions requested which is not accompanied by the purchase of a related set of project plans. Checks should be made payable to the Arizona Department of Transportation. No refund will be made for plans and specifications returned. We cannot guarantee mail delivery.

This project is eligible for electronic bidding.

No contracting firm will be issued a proposal pamphlet until it has become prequalified. The Application for Contractor Prequalification shall be filed at least 15 calendar days prior to the bid opening date. The Application may be obtained from Contracts and Specifications Section.

No award will be made to any contractor who is not a duly licensed contractor in accordance with Arizona Revised Statutes 32-1101 through 32-1170.03.

All labor employed on this project shall be paid in accordance with the minimum wage rates shown in the General Wage Decision. These rates have been determined in accordance with the requirements of the law and issued by the Secretary of Labor for this project. The wage scale is on file in Contracts and Specifications Section and copies may be obtained at all reasonable times.

A proposal guaranty in the form of either a certified or a cashier's check made payable to the State Treasurer of Arizona for not less than ten percent of the amount of the bid or in the form of a surety (bid) bond for ten percent of the amount of the bid shall accompany the proposal.

Surety (bid) bonds will be accepted only on the form provided by the Department and only from corporate sureties authorized to do business in Arizona.

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Contracts and Specifications Section
1651 West Jackson Street, Room 121F
Phoenix, Arizona 85007-3217

Sealed bids will be received until the hour indicated and then publicly opened and read. No bids will be received after the time specified.

Engineering Specialist:	Mahmood B. Ghorbani	(602) 712-6093
Construction Supervisor:	Alison Baker	(928) 681-6030

STEVE BEASLEY,
Acting Engineer-Manager
Contracts & Specifications Section

093 MO 001 H850001C
STP-093-A(204)T
Advertised: 05-27-2015