

MINUTES
STATE TRANSPORTATION BOARD STUDY SESSION
IMMEDIATELY FOLLOWING THE SPECIAL MEETING
9:45 a.m., Tuesday, August 25, 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: Joe La Rue, Deanna Beaver, William Cuthbertson (telephonically), Jack Sellers, Michael Hammond and Pliny Draper.

Absent: Kelly Anderson

Opening Remarks – None

Call to the Audience – None

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1 (Beginning of excerpt.)

2

3 VICE CHAIR LA RUE: And that takes us to the --

4 UNIDENTIFIED SPEAKER: Board study session.

5 VICE CHAIR LA RUE: -- Board study session, and
6 roll call we can dispense with. That's already noted.

7 Opening remarks, we'll dispense with.

8 Call to the audience. We received no call to the
9 audience in this study session, so we're ready for Item 1.

10 MR. ROEHRICH: Thank you, Mr. Chairman, members
11 of the Board.

12 Ms. Beaver had asked for us to look at
13 presenting -- reporting with Arizona Game and Fish. We give a
14 lot of presentation on (inaudible) and I guess (inaudible.) So
15 thank you, Ms. Beaver, for (inaudible) contacting Game and Fish,
16 and they're more than happy to come in here and continue with
17 the discussion (inaudible).

18 (Inaudible) introduce Mr. Jeff Gagnon from
19 Arizona Game and Fish. I know he has some additional members
20 from their team here that he will introduce, but I'm going to
21 turn it over to Jeff and let him go ahead and present, and then
22 ask any questions from the Board.

23 VICE CHAIR LA RUE: Thank you.

24 MR. GAGNON: Good morning, Vice Chair, members of
25 the Board. I appreciate you giving us the opportunity to speak

1 today. Board Member Beaver, thanks for setting up this
2 presentation for us.

3 And I want to introduce some of the folks from
4 our staff. We've got Joyce Frances, (inaudible), Cheri Boucher
5 from our Project Evaluation Program, (inaudible) Scott Sprague,
6 who's a research (inaudible) Game and fish, and Kevin Kinsall's
7 hiding back there somewhere. That's our research coordinator.
8 They'll be around for questions when we're done if we need to.
9 So I've got quite a bit to present, so I'll go ahead and move on
10 with the presentation.

11 The objectives of the presentation are to talk
12 about the effects of highways on wildlife, and they give
13 examples of how ADOT, Game and Fish can collaborate together and
14 overcome these effects and some of the future opportunities on
15 collaboration that we'll have with Game and Fish and ADOT.

16 A lot of what we do, again, with Fish and ADOT
17 requires both missions to come together. If we look at ADOT's
18 mission, to provide a safe, efficient, cost effective
19 transportation system, and then Game and Fish's mission to have
20 wildlife around for our grandchildren and their grandchildren,
21 you see as we save people's lives and wildlife lives, we also
22 save money, and you'll see a lot of examples of this as I go
23 through this presentation.

24 As we know, the population's growing. This is a
25 slightly outdated map on the population growth, but we

1 (inaudible) idea that the population's growing, and ADOT needs
2 to accommodate that through their transportation systems. We
3 see that Arizona is one of the major ports or one of the major
4 roadway support cities, and this map doesn't include the new
5 I-11 that will go in there somewhere, and you can see major
6 growth's coming through this area.

7 If we look at Arizona as a whole, there's lots of
8 roads going in, lots of planning and lots of opportunities
9 coming up for these that are planned for properly.
10 Wildlife/vehicle collisions, they've increased over 100 percent
11 over the last decade. They account for about 200 fatalities a
12 year nationwide. The national average of accidents with
13 wildlife, of all accidents with wildlife, the average is 5
14 percent for -- per stretch of highway. There are stretches here
15 in Arizona where accidents with wildlife account for 20 to 50
16 percent of all accidents along the stretch of roadway. An
17 example of that is I-17, (inaudible) Flagstaff, right around 20
18 percent northbound and southbound, all accidents with wildlife.
19 So we can see that there's some issues there.

20 As we know, here in Arizona we have the elk
21 (inaudible). Elk are some of the bigger issues that we have
22 versus some of the states, and this is a -- one of those
23 captured, you know, pretty -- pretty severe collisions, and you
24 kind of see it. This is State Route 260 before we completed all
25 the fencing and underpasses near Christopher Creek. This was a

1 minivan that hit, I believe, seven elk in one shot, and luckily
2 that person walked away, but I mean, that's basically what we
3 see when the elk wins.

4 Now, this graph is the cost of elk and deer
5 collisions to society. This is a report to Congress that was
6 put out a few years back. 2008, I believe. And this monetary
7 value that I use here will be used throughout the presentation,
8 so keep this in mind.

9 So if you use Interstate 17, the same 30-mile
10 stretch as I mentioned, there are roughly 85 elk/vehicle
11 collisions per year along that stretch, and 18 deer/vehicle
12 collisions per year along that stretch. And you look at costs
13 of elk and deer collisions to society, see elk is about \$18,000
14 per collision and 8,000 for deer. And you look at the -- it's
15 vehicle cost, human injuries, maintenance folks having to go out
16 and scrape the animal off the road. There's a lot of stuff that
17 goes into this. That's where that report to Congress came up
18 with. So the cost to society for that stretch of I-17 is 1.73
19 million per year.

20 That's if the State is not sued. Those of you
21 that have been around can remember Booth versus the State of
22 Arizona, which was a \$4 million case. That one was completed in
23 about 2004, and they said the State was negligent and not doing
24 enough for wildlife. So this is kind of a baseline for where we
25 started several years ago.

1 Another thing we see with roads and wildlife is
2 we see habitat fragmentation or roads and developments cutting
3 through wildlife habitats. So they can't migrate, can't move to
4 get water, no genetic interchange, and we have a lot of examples
5 of that here in this state. Just I'll start with some of the
6 smaller ones, like the, you know, desert tortoise along Highway
7 87. Their home range won't -- basically don't cross the road.
8 If you try and cross the road, obviously they're a tortoise.
9 They can't get across the road very easily. They're slow.

10 But you look at an animal like whitetail deer.
11 You think they wouldn't have much of a problem. Here's an
12 example on State Route 260. The deer on the right there -- and
13 those are GPS coordinates, those dots, and each color is an
14 individual animal. The deer on the right was going along a
15 two-lane stretch of road before improvements and didn't cross
16 the road. The deer on the left, that's basically near Tunnel
17 Creek and Indian Gardens, it crossed -- its ability to cross the
18 road increased dramatically once the underpass and four-lane
19 highway went in. So even though now it's a four-lane highway,
20 because it has a wildlife underpass, their ability to cross
21 increases, and this is a common -- among all those animals,
22 those whitetail deer (inaudible).

23 Mule deer, you see the same things with mule
24 deer. This is down on North Sun Valley Parkway. Field deer
25 aren't crossing the road, and basically, they do get hit or they

1 avoid traffic. You'll see that with surprisingly even elk.
2 Again, this is -- that map is individual elk on -- each color is
3 an individual elk, and each dot is a location every two hours.
4 If you look at I-17 (inaudible) elk, and over a two-year period
5 we only had 900 crossings of I-17 because -- the highway was
6 pretty much a barrier at 17,000 (inaudible).

7 If you look at State Route 260 near Christopher
8 Creek (inaudible) studies, they crossed the highway 11,000
9 times. So we have 11,000 crossings versus 900 crossings of
10 those two highways, and both of them have a lot of elk, and the
11 biggest difference there was -- one of the biggest differences
12 was traffic volume.

13 (Inaudible) mountain lions, and they were having
14 problems getting across the road. Basically, of all mountain
15 lion studies we've done, the highways pretty much segregate
16 their movements, and when they do try and get across (inaudible)
17 roadkill. So we can see how highways have these impacts on the
18 wildlife's ability to cross the road.

19 The pronghorn faces one of the -- probably one of
20 the bigger challenges in our state. If you look at all the
21 pronghorn studies, in this case, all the dots, each color is a
22 different pronghorn study that we've done, and pretty much are
23 all separated by highways, and you can see kind of that
24 fragmentation going on.

25 There's an example of State Route -- US-89 near

1 (inaudible), north of Flagstaff, (inaudible) 37 pronghorn, and
2 you can see the animals (inaudible) on the east side of the
3 road, put colors on. None of them crossed the road. And this
4 is only a two-lane road for the most part. Runs about, I
5 believe, 8,000 vehicles a day, 7,000, somewhere around there, or
6 did at the time.

7 And the collared (inaudible) the animals west
8 side of the road, west side, same thing. (Inaudible) go across
9 and get back over. In fact, we found when we did genetic
10 samples of these animals, it's genetically different populations
11 across this road. So -- and across State Route 64. So you can
12 see when you start inbreeding animals, you start seeing declines
13 in the population. So opportunities to offset this are a good
14 way to go.

15 So that gets us to, you know, some of the ways
16 that we could collaborate to get this done. So we know what to
17 do or we know what the problems are now when we do. This is a
18 quick spiel on why (inaudible). You know we've got problems
19 with what animals you need to deal with, and if you leave it to
20 the biologists, this is what you end up with, so this is why the
21 biologists need engineers to help get it done right instead of
22 (inaudible).

23 So Arizona State Route 260 project is kind of
24 where a lot of what we learned started. This project was in the
25 planning stages in the 1990s and started construction in --

1 around '99, 2000, and completed construction just about 2013,
2 and it was a two-lane road being upgraded to a four-lane divided
3 highway. This process has been going on for a long time and
4 included 11 wildlife underpasses and six bridges that could pass
5 wildlife. And (inaudible) Canyon section was the last one
6 completed in 2013.

7 Game and Fish had the opportunity to evaluate
8 these wildlife crossings, and we used video cameras to see how
9 the animals reacted, how many animals went through. Ultimately,
10 during that study we had 15,000 animals use those underpasses.
11 We had a pretty good sample size to see how those animals
12 reacted. One of our first studies was in a little --
13 (inaudible) Canyon section at Little Green Valley. You see
14 those two underpasses. They're side -- they're within about
15 maybe 200 yards of each other, which is interesting, and you see
16 the one with walls and the one without walls (inaudible). We
17 actually found some major differences in how the elk react to
18 those. What you normally would see was that culvert up there in
19 the upper right-hand corner and also -- so this allows to pass
20 water and wildlife at the same time, and (inaudible) fencing.
21 So this was some of our earlier -- (inaudible). Some of -- this
22 is VCR stuff. This is going back a ways.

23 So these elk would come in, look up on the walls
24 of these structures looking for predators, and they would turn
25 around, basically would run off and wouldn't use the structures.

1 UNIDENTIFIED SPEAKER: (Inaudible.)

2 MR. GAGNON: And so it went on to (inaudible)
3 Ranch section, this structure had basically a (inaudible). We
4 were able to work with ADOT and the forest to make this a
5 structure that immediately was accessible by wildlife. So just
6 that (inaudible) management process (inaudible) to give us a
7 successful structure off the bat. So we were learning as we
8 were going through there.

9 We also found that if the bridges were offset,
10 animals then look and see all the way through, wasn't -- wasn't
11 very large. So they wouldn't go through as often as if they had
12 -- the bridges lined up. So we learned that even those
13 structures were then about two miles of each other, the one on
14 the right started out with a lot more use than the one on the
15 left. Now, what we did see, once all the fencing went in, we
16 started to see more of an equalization of some of these.
17 Fencing was a key to that.

18 During the project we also collared 110 elk, and
19 we wanted to see how it affected the ability of elk to cross the
20 road. So we captured them in clover traps like this, go out and
21 rope them, and for those of you who have been around awhile,
22 that's former district engineer Tom Foster helping us rope that
23 elk, bring it down, put a collar on it, and basically sent it on
24 its way to collect two GPS locations -- or a GPS location every
25 two hours for approximately two years.

1 This is what our map looked like. Half a million
2 GPS (inaudible), 11,000 highway crossings, and you can see the
3 yellow stripe through there. That's State Route 260 basically
4 from Star Valley or from Payson all the way up to the rim. So
5 you can see how they lived right along that highway. So a great
6 opportunity to learn as this was going on.

7 So how many (inaudible) animals cross was we
8 break the highway up into ten-mile segments, take a GPS location
9 on one side and then the other side of the road, and we tally
10 that as a crossing, and then we start to see these patterns form
11 these crossings are tallied. And you get data that looks like
12 this. So if you're an engineer and you want to know where to
13 put your wildlife crossings, a graph like this, this is
14 basically the number of crossings by tenth-mile segment. So if
15 you wanted to pick where am I going to put my wildlife crossing
16 or fencing, it pretty much speaks for itself with this data
17 driven approach. And so we were able to take -- we started
18 using these types of methods as we moved on from what we learned
19 in 260 to other projects (inaudible).

20 One stretch is along Christopher Creek. You see
21 this is a blown-up version of (inaudible) show you. You can see
22 the black boxes and striped boxes are bridges with wildlife
23 underpasses. Well, the original fencing that went in is in
24 yellow here, and basically we saw -- we were seeing accents and
25 crossings to those. So we used that data to tie bridges --

1 bridge and underpasses together. We used GPS data to save us
2 (inaudible) with the fencing.

3 And so we put in fencing there with ADOT. ADOT
4 came in and put in fencing there, and we were able to intercept
5 that peak right there. This is what we found basically. When
6 the structure is in, it kind of wasn't a build it and they will
7 come. They actually pretty well avoided them until the fencing
8 went in. So prior to the fencing and after fencing, we looked
9 at the elk/vehicle collision -- number of elk/vehicle
10 collisions, wildlife underpass use and the ability of elk to
11 cross the road.

12 So what we saw in 2004, once Christopher Creek
13 was done, the underpasses are in, which are those black boxes,
14 the outlined boxes, no fencing, we found that 51 collisions with
15 elk in about a five-mile stretch. So you can see the red is
16 where the highest collisions were, and the green is, you know,
17 just one collision. And so using that GPS data and -- we were
18 able to come in and fence a small stretch of that area, and we
19 went down to eight collisions, or an 84 percent reduction in
20 collisions.

21 If you look at the costs of collisions I showed
22 you earlier, that was about a \$798,000 benefit we saw based on
23 the cost of the elk/vehicle collision. We estimated --
24 basically estimated costs of that stretch of fencing was about
25 660,000 at the time, but those fencing costs jumped up and down

1 quite a bit throughout the construction periods.

2 The completion of fencing -- with the completion
3 of fencing, we saw obviously an increase in the number of
4 animals using the underpasses. You can see as a few of them
5 went through, most of them went over, they would come up to the
6 -- in the video camera, they'd come up to the structure and then
7 just cross over, or some would go underneath and cross under one
8 set of land and go up into the median. Eventually, once the
9 fencing went in, they were all forced to go through and we saw
10 an increase in use.

11 Giving you just quickly without getting into too
12 much detail, basically, when there's a two-lane road, about 88
13 percent of the elk that would approach the highway would cross.
14 Once it went to a four-lane road with underpasses and no
15 fencing, you cut it in half. So their ability to cross was cut
16 down. But when fencing came in, then it went back to almost
17 preconstruction level. So even though it went from a two-lane
18 to a four-lane divided highway, the ability of those elk to
19 cross was pretty much maintained with fencing and those
20 underpasses in place.

21 What this -- one of the key factors we saw is
22 when animals try and cross the highways like this, what you saw
23 is this lower graph here, when an animal tries to cross a
24 (inaudible) -- this is based off our GPS data and the traffic
25 counter we had ADOT help us put in during the project -- as the

1 traffic lines increased, the ability of elk to cross the highway
2 decreases significantly, but when you look at that same -- the
3 same crossings at the underpasses, you don't see that reduction
4 in the ability of animals to cross the road. So the traffic is
5 going overhead in this case and not affecting them.

6 So what we've learned from 260, to carry it
7 forward, was the placement, design and -- placement and design
8 was pretty important. Fencing was one of the most important
9 things we found to make these things work properly. This has to
10 do with the funnel concept, we call it. Basically, wildlife, as
11 they come through the hidden fencing, which in this case is the
12 wall of the funnel, and then use the crossing structure, which
13 is the spout of the funnel, to get through the barrier, which is
14 the highway in this case. So if you have (inaudible) underpass
15 there, you have the animals coming down the road, trying to
16 cross, a few go through, a few don't, but kind of (inaudible),
17 and you still end up with these animals that don't quite make it
18 across, versus when you have the funnel properly in place, they
19 come down, they're forced through, and it allows them to get
20 across safely. So motorists and the elk, there's no
21 interactions there.

22 So we took a lot of what we learned from this
23 project that was going (inaudible), but about 2004 really
24 starting to work on some more of Highway 93. So we know
25 placement and design and fencing was most important. So we

1 carried this forward. Highway 93 being upgraded from a two-lane
2 to a four-lane divided highway. Again, bisecting Black
3 Mountain, desert bighorn sheep. The population, you see I-40,
4 State Route 68, US-93 going through the Black Mountain -- Black
5 Mountains where those desert bighorn sheep live.

6 And so we saw that this was the state's largest
7 bighorn sheep population, accounting for 30 percent of the
8 State's total bighorn sheep, and there was a concern of sheep
9 fragmentation and sheep getting killed on the road. Had
10 approximately 11 sheep/vehicle collisions per year. That goes
11 back into the '90s before, actually, they have the shutdown of
12 the dam. And so how we ran -- how we did this project, we went
13 out and captured animals. We used our fixed wing to out and
14 find animals, and then we'll go out and catch them with a
15 helicopter, with ground spotters. (Inaudible), also catch them
16 with a helicopter, put collars on them, and again, send them on
17 their way, collect the location every two hours.

18 What we found is 82 percent of those animals
19 either crossed the road or tried and cross the road at --
20 actually, it was five main locations, but there were three -- 82
21 percent, there were three of those locations. (Inaudible) 3.3,
22 5.1 and 12.2. And those are the locations based on the GPS
23 data. So we had another data-driven approach to moving forward
24 with Highway 93.

25 In the meantime, State Route 68 had some bighorn

1 sheep underpasses that were being monitored, and overall, they
2 only had 30 -- about 32 sheep crossed under those three
3 underpasses. So based on that information and the number that
4 didn't cross there (inaudible), overpasses were selected for
5 this project. So construction wasn't -- you know, completed in
6 2010, 2011. There's a bird's eye view of one of the overpasses
7 there, a sheep's eye view of one of the overpasses. And so,
8 again, we brought in our video camera systems to monitor this
9 stuff to see how well this worked. So --

10 UNIDENTIFIED SPEAKER: (Inaudible.)

11 MR. GAGNON: So this is our first -- first
12 bighorn sheep crossing we got -- crossing we documented.
13 February 1st, 2011 over US-93. So it was a ram, one of our --
14 actually, one of our collared rams came through February 1st,
15 2011. So actually was able to sleep again after that.

16 And so -- and here's a good one that we like to
17 show. This is a newly-born lamb, basically. A little lamb born
18 probably an hour ago. So one of the things we saw on State
19 Route 68 was we had no (inaudible) or lambs cross those
20 underpasses, but on 93 they were adapting to it pretty quickly.

21 So what we saw since then, 5,000 sheep crossings
22 versus 32 on State Route 68. Collisions reduced by 85 percent.
23 Based on some of the costs, we estimate about \$470,000 cost
24 savings, and the permeability and the ability of the animals to
25 move where they need to go is solved, and we have safe motorists

1 in that area as well.

2 UNIDENTIFIED SPEAKER: Quick question. Is the
3 \$470,000 an annual savings or --

4 MR. GAGNON: That's -- that 470 we estimate is
5 since the completion --

6 UNIDENTIFIED SPEAKER: Okay.

7 MR. GAGNON: -- we've gotten (inaudible).

8 Wildlife crossings and fencing work, you know, we
9 know they work, and so why even consider another option? What
10 brings us to, you know, sometimes highways aren't going to be
11 rebuilt for a long time or sometimes the budgets just aren't
12 there. This was a safety (inaudible) project that we did with
13 the Flagstaff district up along I-17. As I mentioned, I-17,
14 they have a lot of collisions there, pretty severe collisions.
15 People are driving fast, and they're hitting elk at high rates
16 of speed, and so (inaudible) 85 elk a year killed on I-17
17 (inaudible) Flagstaff, basically right there kind of tells a
18 story.

19 We worked with -- Game and Finish worked with
20 ADOT and with Stanley Consulting on (inaudible) and production
21 report. We had worked on the design concept report (inaudible).
22 I know this project had been -- processes have changed, but this
23 is out there, so you're aware of it. We actually have
24 identified where (inaudible) crossings and fencing. These are
25 potential not necessarily, you know -- I mean, this is some of

1 the options we have based on, you know, land, land use and
2 topography and where the animals are moving and wildlife/vehicle
3 collision rates.

4 But anyway, in the meantime, since that project
5 wasn't moving forward anytime soon, we decided to focus on one
6 of the higher (inaudible) of collisions in 2007, 2008 from here
7 (inaudible) park area. In this case, we were focused
8 specifically on elk. There was (inaudible) transportation
9 enhancement funds, and Flag district kicked in a fair amount,
10 too, to help support this, and so we just heightened this
11 existing cattle fence to see if we could keep the elk off the
12 roads. (Inaudible) Canyon Bridge (inaudible) an opportunity to
13 cross. (inaudible) Canyon Bridge, also.

14 What we saw for that stretch of road was 20.3
15 collisions per year for that stretch of road. We had one
16 collision in two years following that fencing, tying in the
17 structures. That gave us a 98 percent reduction of elk/vehicle
18 collisions, and so the cost of the project was 1.67 million.
19 That included design and construction. And the savings from
20 this basically paid for itself based on the costs I showed you
21 in less than five years. So that's a very successful project
22 (inaudible).

23 We also saw increases in the uses of the bridges
24 on all I-17. Would be included elk, deer, coyote, bobcat,
25 mountain lion. We saw some bear and some javelina, raccoon, you

1 name it. A lot of different animals.

2 Another opportunity to have -- this is going way
3 back to the T21 days, working with Prescott district, and
4 putting an elk crosswalk and fencing in. Again, we put a
5 retrofit fencing like I showed you. We also put an elk
6 crosswalk at the end. So as the animals came to the end of the
7 fence, they would turn on signs to alert the motorists if there
8 were elk near here. And what we saw to that (inaudible) speed
9 test, we about an 11-mile-per-hour reduction, and we saw that
10 vehicles were starting to brake a lot more. About 70 percent of
11 the time, they would brake, versus only about 8 percent of the
12 time when the signs were off. So it was slowing people down.

13 And more importantly, collisions with elk dropped
14 dramatically in that stretch. Basically, the original grant
15 through transportation enhancement was three-quarters of a
16 million. We figured that that basically has paid for itself
17 already. We were expecting 1.7 million by the end of 2014 based
18 on those collision reductions.

19 We still get deer, deer and bear and other
20 animals killed, because that kind of fence that I showed you is
21 just the height and right-of-way fence that they can still get
22 through. But we are keeping the elk/vehicle collisions down
23 pretty good in that area.

24 A lot of the -- what I'm seeing, a lot of the
25 maintenance folks are starting to really buy in in districts

1 that are working. They don't have to clean the elk off the road
2 anymore, and they're starting to build teams (inaudible) a lot
3 of buy in on that.

4 I want mention cost savings. I mentioned the
5 Booth versus State of Arizona, \$4 million case. 2012, you guys
6 are probably familiar with the Sayer versus State of Arizona,
7 (inaudible) \$8 million case. So that case was pretty much
8 tossed out, and the trial highlighted the collaboration between
9 Game and Fish and ADOT throughout Arizona. Even other states
10 came in and said, you know, Arizona is -- leads in this stuff.
11 So they're doing more than anybody else, so you really can't
12 fault them for what -- what happened here.

13 So another proactive compliance with Fish and
14 Wildlife helped save money basically through mitigation for
15 species that are threatened and endangered. It helps -- in the
16 case of the desert horse, for example, helps -- if they -- if
17 they're not listed (inaudible), it helps keep them from getting
18 listed. If they do get listed, it helps you from slowing down
19 projects later when issues come up. So Game and Fish is working
20 with you guys to help -- help these things move forward
21 properly.

22 Some of the things that we've worked on with ADOT
23 include this (inaudible) won a system initiative, a couple other
24 awards for being one of the first states to look at (inaudible)
25 statewide, and ADOT was a leader for this, along with several

1 other agencies, including Game and Fish. We started to break
2 those down. The reason we do these is you can't collar every
3 animal. So this helps you look at other animals, other wildlife
4 species throughout, look at their corridors and how to mitigate
5 for them. (Inaudible) some levels of individual corridors, and
6 so basically what I'm getting at is you have projects in -- you
7 have concerns with wildlife, Game and Fish has the resources and
8 knowledge to help resolve some of these issues.

9 Some of the upcoming coordination opportunities,
10 (inaudible), ADOT (inaudible) on -- in October --

11 UNIDENTIFIED SPEAKER: October 15th.

12 THE WITNESS: October 15th we've got a meeting to
13 discuss some individual issues. We're involved with your
14 Strategic Highway Safety Plan, helping, you know, consider
15 wildlife and those issues. We're working with you on South
16 Mountain. Loop 202 addresses wildlife concerns. Future I-11
17 corridor, we're working with you now, and we hope to continue to
18 work with you to address the wildlife concerns as I-11 goes
19 forward. Right-of-way fencing guidelines or wildlife
20 (inaudible) also more motorist-friendly wildlife guidelines are
21 being worked on for use, and we've got -- this is just touching
22 on -- we've got a lot going on where we're helping out on
23 projects that -- statewide through either coordination or
24 (inaudible) weekly meetings or whatever is needed there.

25 One of things we see is -- lately, especially, is

1 we're starting to see funding for wildlife be an issue. It's
2 harder to get funding, and even though it's written well in the
3 MAP-21, projects that mitigate (inaudible) wildlife (inaudible)
4 to eliminate or reduce crashes involving vehicles and wildlife,
5 (inaudible) public safety, et cetera, et cetera.

6 What happens is it generally falls low on the --
7 on the priority list, and so having funding tied to these -- to
8 the wildlife issues could help us in the future. Right now the
9 wording's there and the ability's there. It's just harder to
10 get done. So some of these wildlife (inaudible) funding, too,
11 like if you do a geotech survey, that's one thing. But you also
12 need to consider wildlife when you go forward with projects in
13 some of these things.

14 As I mentioned, Arizona (inaudible) we have
15 several exemplary system initiative awards. We've got partner
16 excellence rewards. We (inaudible) 2013 (inaudible) conference,
17 21 countries came to Arizona to look at what was going on in
18 Arizona. In fact, Nevada and other -- in Nevada, they've
19 (inaudible) and wildlife crossings, and (inaudible) bypass, when
20 you cross the river, you might even see (inaudible) overpasses.
21 In the future you'll see overpasses that are being put in with
22 our involvement.

23 And basically, that's what I've got for you, and
24 again, I thank you for your time. I'll have to check with my
25 crew to see if I've -- if they wanted to add anything to this.

1 UNIDENTIFIED SPEAKER: The only thing I might
2 mention if there is -- if the board members not be familiar with
3 the Booth or Sayer cases, you may give just a couple of details
4 on what those are.

5 MR. GAGNON: Okay. The Booth case was on I-40,
6 east of Flagstaff. A gentleman hit an elk that had already been
7 hit, was laying in the road. He had hit that elk, rolled his
8 vehicle, was injured, sued the State for \$4 million, and like I
9 said, the State said that -- they said the State was negligent.

10 This was at the time 260 was already happening.
11 So it wasn't like State Route 260 happened because of the Booth
12 case, but its time wasn't far enough along. And so this was
13 about the time when they started saying putting up silhouette
14 signs is not enough, because there were signs up in that case.
15 And so -- so that was where things started moving forward.

16 And then the Sayer case, again, was an elk that
17 was already -- that was already dead. A gentleman hit it on a
18 motorcycle and had some injuries, and they sued the State, and
19 in this case, like I said, it was -- it was thrown out based on
20 all the work that Arizona was doing with wildlife.

21 VICE CHAIR LA RUE: Well, thank you. Any
22 questions? Board members? Follow-up?

23 MS. BEAVER: I just -- I appreciate you coming
24 and --

25 MR. GAGNON: Thank you very much.

1 MS. BEAVER: -- making a presentation.

2 MR. SELLERS: Yeah. Great -- great presentation.
3 Thank you.

4 VICE CHAIR LA RUE: Yeah. Very nice. And I --
5 myself, I can speak for myself, was not really aware. I knew we
6 had some of this deployed, but this was a great overview of how
7 extensively you're (inaudible) it, you're innovative, you're on
8 -- you know, you're leading the way, and that's -- that's very
9 nice. That's very nice. The -- as I think about unintended
10 consequences, you're probably going to have to hand out more
11 hunting permits now, because the vehicle predator is no longer
12 around, but I guess that's a positive, so...

13 UNIDENTIFIED SPEAKER: (Inaudible.)

14 VICE CHAIR LA RUE: (Inaudible.)

15 UNIDENTIFIED SPEAKER: Mr. Chair --

16 VICE CHAIR LA RUE: Please.

17 UNIDENTIFIED SPEAKER: Sorry, Mr. Hammond.

18 MR. HAMMOND: (Inaudible) they're building one in
19 -- we're building one in Oro Valley right now. These aren't
20 cheap. It's a \$9 million overpass, and my guess is it's for the
21 bighorn sheep. But a lot of folks are wondering what that
22 structure is, because it kind of starts and goes, but it's quite
23 impressive, and these are expensive structures, but I'm glad
24 we're doing it. It's an overpass but --

25 MR. GAGNON: Yeah. Yeah. So the overpass was

1 paid for by RTA, Regional Transportation Authority.

2 MR. HAMMOND: Right.

3 MR. GAGNON: And that one was put in based on
4 some -- several species. Mountain lion was one of the key
5 species. There were sheep, deer, tortoise, et cetera, et
6 cetera. And that particular one (inaudible) more expensive
7 structure. I have seen structures of the same width in the
8 valley. Just put one in for about \$3 million. So it depends on
9 the structure that you go with. The arch structures, the
10 (inaudible) structures go for a lot less than the bridged one
11 that look like, basically, a transportation interchange. So the
12 cost can vary greatly, but they're not all as expensive as that.
13 But we hope to see good things out of that, too.

14 MR. HAMMOND: Well, knowing Tucson, it's probably
15 the biplanes we're putting in (inaudible).

16 VICE CHAIR LA RUE: Be careful. Yeah. Careful.

17 MR. SELLERS: I appreciate this so much, because
18 I suspect that most of the comments we get from people who talk
19 to us are somewhat cynical about what's -- what we're doing and
20 why we're spending money on that. So it's very beneficial to us
21 to be able to explain to them the cost benefit of this and the
22 safety benefit as well.

23 MR. HAMMOND: Very helpful.

24 VICE CHAIR LA RUE: You know, kind of a divergent
25 question. I noticed ADOT sends us out the press release

1 connections every day or so, and it's very, very nice, and about
2 six weeks ago there was an article that came out on that list
3 that said there were five strikes in Flagstaff area, and I don't
4 remember if deer, elk or combination, in one day and that just
5 struck me as wow. So is there something causing that movement?
6 Was that just one of those days to stay alert and stay out of
7 Flag that --

8 MR. GAGNON: Certain times of the year are worse
9 than others, and obviously Flagstaff isn't as bad in the winter,
10 because a lot of those animals migrate down south. So you
11 notice, if you drive I-17 a lot, as you get north of Stoneman
12 Lake and you just start hitting the top of rim, particularly in
13 the winter, you start seeing dead elk all over that place. And
14 you get in the summer and spring, they start moving more up
15 towards Flagstaff, and it's really dry. They're moving to get
16 water, across the road to get water. And in that particular
17 day, you know, five strikes in a day is relatively high, but
18 it's not that uncommon for that stretch of road up there.

19 VICE CHAIR LA RUE: Wow. Yeah. Being a flat
20 lander down here, that kind of caught my attention and said,
21 wow, luckily I wasn't...

22 MR. GAGNON: And those were all elk.

23 VICE CHAIR LA RUE: All elk that day.

24 MR. GAGNON: A person was hospitalized in that
25 one, yeah.

1 VICE CHAIR LA RUE: Wow.

2 MS. BEAVER: Well, and Vice Chair La Rue, I think
3 also what I didn't notice in here was on the west side of the
4 state, we have issues with wild burros, and they seem to
5 reproduce like rabbits over there. I don't know if that -- that
6 falls maybe under BLM as opposed to the Arizona Game and Fish
7 but --

8 MR. GAGNON: Well, we're working on it, but as we
9 deal with the burro issue, we also have concerns with sheep,
10 making sure things (inaudible). Burrows are definitely an
11 issue. It's more -- it is more of a BLM.

12 MS. BEAVER: Well, and I think there was fencing
13 put up. ADOT assisted with fencing just above Lake Havasu City.

14 MR. GAGNON: Right.

15 MS. BEAVER: A stretch over there where burros
16 were an issue, so...

17 MR. ROEHRICH: Well, Mr. Chair and board members,
18 that was going to be kind of my comment. We don't normally
19 bring individual projects or individual improvements we're doing
20 to the board. They get wrapped up into other projects to move
21 them forward.

22 I was going to point out that that -- I know at
23 least in my experience, at least for the past decade, the
24 improved relationship not only with Arizona Game and Fish, but
25 U.S. Fish and Wildlife and (inaudible), as we all addressed

1 these issues, I think it's greatly improved. You're seeing the
2 benefit from that here at one level that's at with the Arizona
3 Game and Fish, because our relationship with them is just -- I
4 think has just been fantastic and continues to grow as we
5 address these.

6 But that's something we're having to deal all our
7 partners out there, stakeholders who have a -- this type of an
8 interest as we look on our projects. So we don't necessarily
9 break individual improvements to you. They get brought in
10 collectively within the projects, but staff is addressing those,
11 and we're working with great teams like Arizona Game and Fish to
12 address those so we could make them safer, more efficient, more
13 (inaudible), but then the wildlife as well and the other
14 inhabitants, all the inhabitants of the state.

15 VICE CHAIR LA RUE: All right. (Inaudible)
16 Draper.

17 MR. DRAPER: I think part of the problem, at
18 least up where I'm from, the fences aren't high enough. It's so
19 easy for them to just one after another, going right over.
20 (Inaudible) water up there.

21 MR. GAGNON: There's a couple things there.
22 We've found that what stops an elk and deer is they put
23 (inaudible). When you ease the -- there was the standard
24 right-of-way fence, the cattle fence. They can cross that no
25 problem. What we're finding is if you have a fence and a road

1 and a fence, you actually can get those animals -- they don't
2 have a (inaudible) they'll pile up, and then they don't get over
3 the other one before a car gets there.

4 So what we're trying to promote with the fencing
5 guidelines is making it so animals can get over it easier and
6 get across rather than get stuck in there. Also, the deer and
7 the pronghorn, they'll get underneath. They go underneath and
8 they get stuck. So we're working with ADOT to make it so those
9 animals can get through there as quickly as possible versus
10 getting stuck on the road and being hit. But the only way to
11 completely keep them out -- even adding another strand won't
12 keep the deer out. For example, they'll still go under. The
13 elk will still try to go over, but we know (inaudible), but you
14 can't put that in without wildlife crossings, because then
15 you're completely blocking the movements.

16 MR. DRAPER: Yeah. Another thing I'm seeing is
17 that when the wind blows debris and sand and stuff eventually
18 starts burying the fence. So you look for the low (inaudible).

19 MR. GAGNON: Yeah, I think -- I think that the
20 animals wouldn't have a problem crossing it anyway until you put
21 in a high enough fence.

22 MS. BEAVER: Well, Vice Chairman, I just
23 appreciate the fact that you kind of spotlighted an issue that I
24 think -- and as Mr. Roehrich said, you know, the relationship
25 with ADOT and Arizona Game and Fish and other agencies included,

1 you know, are trying to work to resolve some of these, and I
2 think the general public sometimes doesn't realize these things
3 are happening until we do presentations like this from time to
4 time.

5 MR. GAGNON: Well, and I think there's certain
6 levels in ADOT that don't realize we're available. A lot of
7 times we're seeing projects come out, and they'll be almost done
8 before we -- you know, certain ones go to our project evaluation
9 program, but some of the maintenance projects we don't see, and
10 by the -- by that time it's too late for us to help. So we'd
11 like to send a message down that we're there to collaborate on
12 any of this stuff.

13 VICE CHAIR LA RUE: Great. Thank you so much.
14 Thank you for your time.

15 MR. GAGNON: Thank you.

16 VICE CHAIR LA RUE: Deanna, thank you for
17 bringing this forward. This is great, great item.

18 So guess we'll head to Item Number 2, but maybe
19 Mary -- I don't know if you have to make sure the minutes
20 reflect that Director Halikowski joined us and is here. But I
21 noticed that we don't have a director's report agendized, so we
22 can't hear from him, so... Maybe he can --

23 MS. BEAVER: He probably did that on purpose.

24 VICE CHAIR LA RUE: Maybe he can insert himself
25 somewhere in the program.

1 Item Number 2.

2 MS. WARD: This is not going to be as fascinating
3 as wildlife. This is a -- that's a tough act to follow.

4 UNIDENTIFIED SPEAKER: You may need to use the
5 mic so they can hear you in the back.

6 VICE CHAIR LA RUE: Just as long as we don't end
7 up roadkill, you know.

8 MS. WARD: What's that?

9 MS. BEAVER: Splat.

10 MS. WARD: You as a board requested that I give
11 an update and kind of a review of the process of what's involved
12 with the contingency subprogram, often referred to as the
13 contingency fund. So that's the -- that's the purpose of this
14 update.

15 I wanted to first let you know that every time
16 you vote on the program, built into the five-year program each
17 year are contingency funds or contingency subprograms. One is
18 construction and one is development. Two -- two contingency
19 funds. I'm going to focus -- because the process is the same
20 for both, I'm going to focus on the construction, construction
21 subprogram.

22 So each year \$5 million is built in to that
23 construction one and designed, 4.2, and then it's going down to
24 2.5 -- are built in so -- for issues that are encountered
25 throughout the program year. So let's take a look at what the

1 -- where the money comes from that flows into the subprograms
2 and where it goes -- where that money then goes.

3 You start out with that -- those beginning
4 balances that I just told you about, but where the -- where's
5 the money come from? Well, money flows into the contingency
6 subprogram from these things I've listed here on the right.
7 We're going to go into each of those items as well as where the
8 money goes. I want to emphasize here that all of the
9 expenditures from the contingency subprogram are approved by the
10 Board except for construction change orders and overruns. And
11 that's because you've got a project that's in progress at the
12 time, and we can't really wait to -- to -- for the Board to
13 reconvene to keep the project going on schedule. So let's go
14 into these one by one.

15 I will say that I found -- I apologize -- an
16 error on this. We are missing one listing, construction budget
17 changes, on this list.

18 So some of the money that flows into the
19 contingency subprograms are from canceled projects. If a
20 project is canceled either due to new -- there's a new priority,
21 take, for instance, the I-11 study. There were projects that
22 were canceled in order to fund that study. Also, if a project
23 is not ready to deliver, it's not ready to move forward, it will
24 end up canceled, and the funds associated with that project will
25 flow into the program. Typically, cancellation, we should also

1 kind of use the word "delay," because in most cases what
2 happens, it's canceled, it's moved out to a time period -- a
3 future time period when the project can actually go.

4 Construction awards, over and under, those --
5 those dollars flow into and out of the contingency subprogram.
6 You just voted today on a series of construction awards that
7 came in both under and over, and this is, you know, the actual
8 award is actually -- the actual awarded amount is more or less
9 than what was built into the program due to either changes in
10 prices or additional items that were discovered in the bidding
11 process identified by the contractor.

12 Also, project closeouts. Now, this is something
13 that you -- that is more accounting in nature. It happens in my
14 shop, in the Financial Management Services division, and what
15 this is is as a project is completed, that project will
16 typically have some leftover dollars on it. As we do that final
17 closeout, those dollars that are left over flow into the
18 contingency fund. I will let you know you will doubt that you
19 have ever -- you'll ever remember it, but when I present the
20 five-year program to you, I actually build in an estimate, and
21 this last year I built in an \$10 million estimate of dollars
22 that I actually expect to come in from project closeouts. So
23 the result of that is that you get to program -- those dollars
24 get built into the program. Now, what actually we receive in
25 project closeouts may be different, but that 10 million is what

1 I built in -- had built in this last year. I'll be specific.

2 So budget transfers. Budget transfers are a
3 process of when we get to around the April time frame, we start
4 what we kind of call the shakedown process. FMS and ITD work
5 together to look at all of the projects. Where have we got
6 unused dollars? Where have we got projects where we think
7 there's a few more dollars sitting on them than we actually
8 need? Or are there dollars sitting in subprograms that are
9 extra dollars that they do not think that they will expend at --
10 in this fiscal year? Those dollars, once we kind of do that
11 shakedown, we do a transfer, a budget transfer into the
12 contingency fund of those dollars.

13 Now, new projects, new projects are a little --
14 oh, that is a little bit of a misrepresentation or a
15 communication with regards to new projects. What this --
16 they're not actually new projects. They're more advanced
17 projects, and we have a separate category for advanced projects
18 I'll be going on to, but this reason this is there is when we
19 finish that shakeout process, we take all of those dollars
20 and -- in the April time frame, and we take all those extra
21 dollars from those subprograms and we throw them into the
22 contingency fund, as I just said, through a budget transfer.

23 But guess what, the subprograms are still working
24 away, and they are pooling. So when those subprograms have
25 moved those dollars into the contingency fund, any projects, any

1 new projects, subprogram projects are coming out of the
2 contingency fund where they previously would have come out of
3 their individual subprograms.

4 Does that -- are you following? Because -- any
5 questions on that?

6 VICE CHAIR LA RUE: You guys follow? Questions?

7 MS. WARD: All right. I'll just trust that
8 you're going to stop me if you...

9 All right. Advanced projects. This is -- this
10 is by far one of the items that we'll see most often when we get
11 to the end of this, and I'll show you the numbers associated.
12 This is where we take dollars that have flown into the
13 contingency fund, and if there are excess dollars there, we will
14 advance projects that you have already approved in the five-year
15 program into the current year. And sometimes we will also
16 switch programs -- switch projects. If a project is not ready
17 the current year, we'll switch it to a future year or -- and
18 bring another project into that year.

19 Another category, construction change orders and
20 overruns. So decreases, increases to construction project costs
21 after award, this is the one that I said does not come before
22 you, because the projects are underway. So if we get change
23 orders or other overruns during construction, those come out of
24 the contingency fund or go into it if we have decreases.

25 There we go.

1 Design budget changes. At the end of the year,
2 the same way we do the shakeout process of the subprograms, we
3 take the other design budget -- the other design contingency
4 fund, and we start putting all of our contingency funds
5 together. So there is a component in April where we actually
6 will be spending -- if a design budget comes in over or under,
7 it will be flowing through the construction contingency fund,
8 because at the end of the year, we're just trying to get
9 everything into a singular place so we can make sure that we use
10 every dollar available to us. And then we have, of course, an
11 all other category, because we can't fit it into the other ones.

12 MS. BEAVER: I have a question.

13 VICE CHAIR LA RUE: Sure. Ms. Beaver.

14 MS. BEAVER: With regard to the change orders --
15 I know this has got a couple of slides, the slide before -- but
16 anyway, with regard to the change orders, when -- when you have
17 those, is there a dollar amount that you don't exceed? You
18 know, how do you rationalize making the change orders if it's
19 something that doesn't come from Board approval, those dollars?
20 Is there, like, an amount that's kind of just built in that you
21 can -- that, you know, the finance department can just do it
22 independently of bringing it forward.

23 MR. ROEHRICH: Mr. Chair, Ms. Beaver, when we
24 award the project, the dollar amount you work with in the
25 project is not only to pay the contractor, but it pays a

1 contingency -- small contingency fund, as well as construction
2 administration. It's kind of all wrapped -- wrapped into that.

3 But during the course of a project, as you start
4 seeing that there's changes that they identify, we'll do change
5 orders. And as long as we stay within the contingency fund that
6 was set for that project, then we're good to go. Sometimes,
7 though, we encounter something that's much larger than that, and
8 it exceeds that amount, and that's where through the state
9 engineer's office, and I guess I don't know if necessarily --
10 Dallas is here to speak to that -- through the state engineer's
11 office, his team will evaluate and determine if that -- it's
12 important that this gets done, for the character of the project,
13 for the safety of the project to move forward. If it is, then
14 they work with Kristine to say, okay, I'm going to need X amount
15 of money. It wasn't in the original amount. It's good to go.

16 How our relationship has been with the Board is
17 since you approved that project, you've kind of given us the
18 authority to go out there and get that project done to the level
19 of what the project is. We don't change the scope. We don't
20 change the limits of the project, but as long as we stay within
21 that, we necessarily address issues, because things happen
22 during construction that are probably not identified at the
23 time, because we don't have the whole project opened up like a
24 contractor does.

25 So we don't bring those back, because it's

1 already been approved by the Board, and I guess the relationship
2 has been ADOT, you go out there and you do it as cheaply and as
3 economical but at safely and as completely as possible. As long
4 as we have the financial wherewithal to continue to do that,
5 that's done administratively so the Board doesn't come back and
6 then see where those changes are made.

7 MS. BEAVER: Vice Chair La Rue, I think the
8 reason I was asking is I -- when we talked, generally speaking
9 in other areas, not necessarily with ADOT, but procurement law,
10 and that's where I was wondering if those dollars there --
11 you're saying that there are some contingency built in, but then
12 if it's something that exceeds that. I was just wondering --
13 but it all falls within the confines of -- ADOT would have to
14 follow procurement as well, right? So but then it prompts --

15 MR. ROEHRICH: Mr. Chair, Ms. Beaver, correct,
16 but our procurement is not the same as Arizona procurement, like
17 the Title 32 or some other title. As a Title 28 agency, we have
18 examinations in how we procure our construction work, and we
19 have the laws that are associated with that as well as the
20 rules, and yes, we do follow those and we stay within those
21 conditions. So if you're familiar with the state procurement
22 rules and you think it -- it's a little different for
23 construction projects.

24 MS. BEAVER: Okay. Thank you.

25 MR. LA RUE: Any other questions, comments?

1 UNIDENTIFIED SPEAKER: (Inaudible.)

2 MS. WARD: (Inaudible.) I'll do a total recap of
3 FY '15.

4 So ultimately, when we do our end of the year
5 closeout, because ultimately we have to make sure that that fund
6 is cleared out to zero, we need to make sure that all of those
7 dollars are utilized. So in April and -- in April, FMS and ITD
8 do that whole shakeout.

9 VICE CHAIR LA RUE: And FMS is Financial
10 Management --

11 MS. WARD: Financial Management Services. I'm
12 sorry. That's home to me.

13 VICE CHAIR LA RUE: And ITD is?

14 MS. WARD: Intermodal Transportation Division.

15 It says FMS tell -- we just let them know, this
16 is the amount of dollars that are available in the contingency
17 (inaudible). We're over here bossing Dallas around.

18 And then that volume of dollars, ITD --
19 Intermodal Transportation Division programs projects, subject to
20 Board approval, to absorb those -- to utilize those dollars. I
21 will tell you this is an ongoing collaborative relationship that
22 we are in -- we were working with ITD and NPD continuously
23 through the closeout process in the last three months of the
24 fiscal year to make sure all the dollars are utilized.

25 So this is FY 2015. Remember the program is on a

1 state fiscal year. So this -- what this shows, it starts out,
2 you'll see that beginning balance of \$5 million. You'll see
3 advanced construction projects that we discussed, budget
4 transfers. That's that end-of-year shakeout out of the
5 subprograms, and any dollars that are from projects.

6 And I should also let you know that these are net
7 numbers. So in other words, you'll have dollars within a
8 category, some coming in, some going out type of thing. You
9 understand? So if you've got a construction budget change,
10 could be positive. You could have a series of positive changes.
11 You could have a series of negative changes.

12 Construction awards, construction change orders
13 and overruns, the design budget -- excuse me -- the design
14 budget changes, I reference, and then the new projects, which I
15 told you were not actually new projects. Those are projects in
16 which subprogram dollars are being spent -- expended. They've
17 been swept into the contingency fund, and now we're doing new
18 subprograms projects. And then other funding revisions.

19 And then the final closeout -- remember, I told
20 you this is a projection that we do at the beginning of the
21 year. We build it into the five-year program. We estimated 10
22 million. We actually received 12 million. 22 million. \$12
23 million more.

24 So what happens to the overall positives? If we
25 come out ahead, we advance projects, projects that you have

1 already approved in the five-year program. And then from there,
2 that frees up dollars in the future years from which they were
3 advanced. And then you get to re -- those projects get --
4 projects get to be -- additional projects get to be programmed
5 in the next budget cycle.

6 That -- I think I go into --

7 VICE CHAIR LA RUE: Kristine, before you leave
8 that page --

9 MS. WARD: Sure.

10 VICE CHAIR LA RUE: -- and I don't know if you
11 can tie this directly, but as you go down through there, where
12 does the Board vote on that stuff? So some of that looks like
13 PPAC, some of it's --

14 MS. WARD: It is.

15 VICE CHAIR LA RUE: -- this, some of it's that,
16 so...

17 MS. WARD: It is. PPAC -- PRB, PPAC and board
18 process, you're -- so we had the -- you've got the consent
19 agenda.

20 VICE CHAIR LA RUE: Right, on the contract,
21 Correct.

22 MS. WARD: You've got PPAC changes. You've got
23 the contract awards. All of those are mixed up in there.

24 VICE CHAIR LA RUE: Right. So other than the
25 construction change orders, which you said we may or may not be

1 involved in --

2 MS. WARD: Uh-huh.

3 VICE CHAIR LA RUE: -- virtually everything else,
4 we're involved in in some capacity.

5 MS. WARD: Everything else, you're involved in
6 so...

7 Yes, sir.

8 MR. HAMMOND: Please explain to the -- didn't I
9 hear we were holding contingency funds for budgetary issues in
10 Washington? I mean, is that a different bucket, or am I just
11 not remembering what I heard correctly?

12 MS. WARD: Mr. Chair, Mr. Hammond, are you
13 referencing the fact that we are trying to get to where we have
14 adequate operating cash balances?

15 MR. HAMMOND: Yeah. Wasn't there once a
16 discussion that we had to be careful because if the funding
17 stops in Washington, we need to keep our project going
18 (inaudible) money back for that contingency (inaudible)?

19 MS. WARD: Mr. Chair, Mr. Hammond, you are
20 essentially correct. There's a -- we are -- if you'll recall,
21 back when the fiscal crisis hit, when the Great Recession, the
22 department -- department's cash balances went down to in some
23 cases negative levels. We were dipping into reserve funds. In
24 the last few years, we have spent and made a conscious effort to
25 build an adequate cash research back up.

1 One of the items that that cash reserve is
2 necessary for is to prepare for or be prepared for issues when
3 the -- our (inaudible) fund source, the federal aid, if we had
4 any brakes in the distribution of those dollars. So yes, it is
5 -- among other things. Those reserves are also -- I mean, to
6 deal with the fact that we are putting out contractor payments
7 on a monthly basis, running anywhere from \$35 to \$75, million.
8 We have \$10 million worth of payroll every two weeks. You know,
9 it's -- you know, the basics.

10 MR. HALIKOWSKI: So, Mr. Chairman, last year, I
11 think it was, when we were facing yet another precipice with the
12 feds threatening not to continue funding, the question came up,
13 well, if funding gets cut off, is Arizona going to stop all of
14 its projects. In that particular case, we were able to say that
15 based on the phasing of the projects and the contingency fund,
16 we could hold out, I think, for about six months to a year,
17 depending on the rate of burn at that time.

18 It happened again this year. I think it was our
19 32nd or 33rd extension on federal highway fund. So it becomes
20 very important to have this contingency fund to ensure that we
21 don't have to incur significant cost by making contractors
22 demobilize their equipment and shutting down those jobs because
23 of lack of funding. So this fund has played some very strategic
24 roles for us in the past.

25 VICE CHAIR LA RUE: So that's separate from these

1 (inaudible).

2 MR. HALIKOWSKI: That -- Mr. Chair, Mr. Hammond,
3 yes, that is correct.

4 So why do we need the subprogram? Well, of
5 course, you guys have heard me repeatedly do the fiscal
6 constraint song. We are required to be fiscally constrained by
7 program year, and the difficulty is, is you'll see -- you've
8 seen -- that contingency fund serves as an (inaudible). If we
9 didn't have the contingency fund, what would end up happening is
10 we would have a series of, okay, every time something came over,
11 we've got to cut the program. Every time something comes under,
12 okay, you could potentially spend it all. What you end up with
13 is a program that is -- that is just not stable.

14 Keep in mind that at any time we have under way
15 projects, a number -- projects totaling 650 to \$700 million that
16 are underway and moving, you know, 1,000 plus -- plus projects
17 in that number, and just in the -- the numbers I just showed
18 you -- actually, that should be 860 -- there are 860
19 transactions that took place in the contingency fund last year.
20 There's a lot of activity going on to account for there. These
21 contingency -- the contingency as well as is looked upon by GFOA
22 in their financing policies as a best practice, as well as it is
23 looked upon favorably by our rating agencies to see stability
24 and risk management, basically financial risk management
25 accounted for.

1 So that concludes my presentation. If you have
2 any questions, I'd be happy to answer.

3 VICE CHAIR LA RUE: Questions, comments,
4 concerns?

5 MS. BEAVER: We're all still awake.

6 VICE CHAIR LA RUE: Yeah. All right. You know,
7 I'd like to probably meet the person that has to stay up every
8 night and figure out for those movements in and out of that --
9 and I knew it was a busy account, but I didn't realize it was
10 that busy --

11 MS. WARD: Yes.

12 VICE CHAIR LA RUE: -- (inaudible). That's a
13 pretty busy -- pretty busy exercise going on there, so...

14 MR. HALIKOWSKI: Well, Mr. Chair, kudos to
15 Kristine, because I think she relayed that 2009, '10, we were in
16 negative balances, and so that's not a good position for a
17 department with this amount of projects to be in. We really
18 have struggled keeping all of the different needs that have been
19 expressed to ensure that we have an adequate contingency fund.
20 So kudos to you and your staff.

21 VICE CHAIR LA RUE: Agreed.

22 All right. Item Number 3. If there's no other
23 questions on 2, let's move to 3, and that would be Dallas.

24 MR. HAMMIT: Mr. Chairman, members of the Board,
25 the Intermodal Transportation Division, basically, the group

1 that does -- they do the planning and operation. We're looking
2 at a restructuring, and Mr. Sellers, Ms. Beaver just heard this
3 presentation last week, but we would -- felt it important to
4 bring it in front of the Board and at least use it interactively
5 so that if there's a question during slides, don't wait until
6 the end. Go ahead and interrupt me.

7 What does ITD do? The Intermodal Transportation
8 Division. We develop transportation projects. We oversee
9 construction of those transportation projects, and we operate
10 and maintain the state highway system.

11 What does it mean to develop those projects?
12 Part of it, we compile crash data. We develop (inaudible)
13 project assessments. We issue clearances, right-of-ways
14 utilities, environmental. We create (inaudible) engineering
15 projects. Those are (inaudible) projects. We manage those
16 projects. We acquire right-of-way and (inaudible). You act
17 upon that regularly at your board meetings (inaudible). We do
18 project review. We work with our local public agencies that
19 they need to design (inaudible). We create construction
20 contracts. We respond to multiple people's requests for
21 information. And then after we're going -- and throughout
22 projects we monitor our environmental compliance.

23 In our construction projects, we administer those
24 projects, and that's a big word, a lot going on for that, but we
25 do project documentation as our partners at federal highways.

1 If we didn't write it down, it really didn't happen. We have to
2 document. We do inspection. We do testing. We pay our
3 contractors.

4 Operation of our system, that includes
5 maintaining our infrastructure and managing the traffic. We use
6 that through our traffic operations center, but it goes
7 throughout the state, not just in Phoenix. When we have a crash
8 on I-17, we're getting the word out and managing that traffic
9 flow. Last Friday I had a decision when I got up to State Route
10 74. Do I need to keep going on 17 to get home, or do I go
11 around because there's a closure? I opted to go around, but I
12 had a choice, and because of the Board, we're managing the flow
13 so people aren't parked on the interstate.

14 We manage the (inaudible) process. Anyone who
15 wants to encroach into our right-of-way through a driveway for a
16 sign, for anything, has to get a permit. Then the department
17 (inaudible) that process. And we perform operational
18 engineering. Any improvements, traffic control devices, signs,
19 striping, all of those things. That's the high level of things
20 that we do.

21 So a question came up with some of our
22 challenges. With the current challenges, our current program,
23 advances, how many engineering districts does ADOT need, and how
24 many engineering districts can ADOT support? And so you've
25 heard ADOT and all state agencies have been challenged that when

1 we have people retire, leave the agency, we fill those
2 (inaudible). So if someone leaves, we fill back six out of
3 every ten positions. So with that requirement, we ask the
4 question: How can we continue to move forward with our current
5 structure?

6 Areas that we considered, (inaudible) definitely
7 an operational (inaudible). We have our maintenance crews
8 throughout the state that respond to crashes, plow snow, repair
9 guardrails, (inaudible) strategically (inaudible). That is one
10 of our controls in this consideration.

11 We looked at our construction program. How much
12 is in one area versus how much is another area? That will
13 determine how many people and (inaudible).

14 We looked at political. You know, would it help
15 if we (inaudible) all the county or the majority of the county
16 in one place so that they could go to one district to get
17 information versus having to go to multiple ones. And then, of
18 course, we get input from our staff multiple times.

19 So in -- 2000 -- January of this year, we had --
20 and we do today -- ten engineering districts. We had three
21 operational groups, and that was our construction group, our
22 maintenance group and our traffic operations center, and then
23 our development group. So that would be our design (inaudible)
24 bridge group, traffic design, roadway design, our contract areas
25 with our engineering contracts and our consultant contracts, our

1 contractors, and the major projects branch. That is basically
2 South Mountain today.

3 The last time we redistricted was 1993. So if
4 you remember 1993, if you had a cell phone, it was one of those
5 bricks. If we had a computer in the district, we had one. We
6 did not have one on every desk. My cell phone sitting on the
7 chair over there does more than my computer did in 1993.

8 So as we looked at it, with these advances, can
9 we cover more area, because we've increased our communication.
10 We've increased a lot of our opportunities to manage larger
11 areas. So last September, so even before the governor came into
12 office, a group of us met and looked at, hey, what is the
13 structure of our division, and can we do it better?

14 We also saw that in our materials group, we had a
15 retirement coming up. Our state materials engineer was
16 retiring, and do we need to fill that position, knowing some of
17 the challenges facing the department? And we made a decision
18 not to fill that position. But we can still manage all of those
19 activities in multiple areas.

20 Part of those activities were to do quality
21 assurance on construction projects. Our construction group did
22 the inspection quality assurance. Our materials did the
23 testing. We could combine those into the same area and be more
24 efficient.

25 We looked at our bridge group. We have a

1 geotechnical group that does geotechnical design, which leads
2 right into a bridge design project. We need that information.
3 We can move those folks, those designers from geotech into the
4 bridge group, and they'd work side by side with the people on an
5 earlier phase.

6 The same way with our roadway. Our pavement
7 designers were in a different section than our roadway
8 designers. They are a different function, but they get a lot of
9 synergy working together. So we made that decision and made
10 that change starting in January -- shortly after this year.

11 The other area that we looked at was in our
12 project management. We had two project management teams, one
13 for the urban area -- basically, it handled the Phoenix, Tucson
14 projects -- and one that did statewide.

15 Again, we had a retirement. We had the
16 opportunity to look at, hey, one of them retired. Is this the
17 time to combine those groups? We have a smaller program that we
18 did a few years ago. Does it make sense? And we made the
19 decision it does. So those two groups have been combined into
20 one project management area.

21 So as we move forward, again, we had the ten
22 districts, three operational groups, 13 development groups and a
23 major project. What we're going to look forward to, and we're
24 announcing this to (inaudible) later this week, is to a system
25 that has eight engineering districts, three operational groups,

1 11 development groups, major projects and a TSM&O, and I'll
2 explain that here in just a second.

3 Now, let me go over what we're looking at with
4 our engineering districts. Go back one. So you can see the
5 areas of the ten districts. Go on there. So the yellow lines
6 is the boundaries of the old district.

7 So I'll start around in the Kingman/Prescott
8 area. We're combining the whole Kingman district with
9 three-fifths of the Prescott district. How did I get
10 three-fifths? We have five maintenance (inaudible). One of the
11 things I could do was a -- a key area is our operational
12 control, where our maintenance yards are really control where
13 we're at. But we saw some -- efficiencies if we could find a
14 Verde Valley -- half of it's (inaudible) in Flagstaff, half of
15 it's in Prescott. We put the whole Verde Valley and the
16 maintenance wards in one district.

17 Also in the Payson area, having that (inaudible)
18 there, it made sense to move that to the Flagstaff district. We
19 combined a number of our snow resources in one area, and they
20 can share those. Because most of the time when we have a snow
21 event, it doesn't hit the whole state. You'll have -- you know,
22 we have some of those major storms that do, but many of them are
23 isolated. This will allow us to share resources very quickly
24 with the other district.

25 The district office will be in Prescott, but the

1 Kingman office will remain open. All the services you can do
2 today, you can go -- today you can go get a permit, you can talk
3 with a senior staff member, you can ask about a project. All of
4 that will remain in the Kingman office, and those services will
5 be there.

6 We'll just have one district engineer, and it
7 will be housed in Prescott, but he will make regular trips to
8 the Kingman area. The Flagstaff area, as I said, added the two
9 maintenance units from Prescott as well as the Winslow
10 maintenance area from the Holbrook area.

11 Now you have the whole I-40. The major part of
12 the snow areas on I-40 are in the Flagstaff district, and we
13 could have the synergy of having those maintenance forces
14 working together.

15 The Holbrook district, with the exception of the
16 Winslow maintenance work, (inaudible) and added three areas from
17 the Globe district, from the Springerville, Saint Johns and
18 Show Low. Now, pretty much all of Apache and Navajo County are
19 in one district. There's a little bit in here by Winslow, but
20 for the most part, all of Apache and Navajo County are one
21 district. So if you're -- there -- anywhere within the
22 district, you could go get a permit from one office. You could
23 hear a consistent voice from the district engineer. And the
24 remaining part of the Globe district, there was two main
25 (inaudible) near Globe and then the Roosevelt area. They

1 combine with the Safford district.

2 Safford district remains intact other than around
3 Benson, Sierra Vista, because with the NPO, a lot of their
4 operational control ties very closely with Tucson. They've
5 combined into the Tucson district. That's the only change to
6 the Tucson district for the most part. There's a boundary
7 change that I'll point out here in a minute as well.

8 The Yuma district is unchanged except for in a
9 responsibility of maintaining State Route 85, you know the area
10 just north of the Gila River, right at the bridge, you go to the
11 Phoenix district. It made sense to keep that (inaudible) Yuma,
12 because the same group that maintains up to this point also
13 maintain I-10 up to the county line. So now they will have that
14 whole area. They drove through it to get to other parts of the
15 district. It just made sense.

16 Other areas in the Phoenix district will be still
17 two districts, a construction district and a maintenance
18 district. We are looking at, does it make sense to (inaudible),
19 those and today it does not. In the future it may. But one of
20 the things we looked at today, this area of 303, just west of
21 the 303 and (inaudible) Avenue, you're in the Prescott district.
22 So if you're in Surprise and you needed an access permit, if you
23 went to Prescott and dealt with Prescott -- and that made sense
24 in 1993. There was nothing there, but today it does not. So
25 we're adjusting those boundaries, and that will be within the

1 Phoenix district.

2 We are also adjusting around the Town of
3 Maricopa. It is (inaudible) the nearest maintenance unit is in
4 the Phoenix area. (Inaudible) just as quick or quicker. So
5 we're proposing to move that line just for efficiencies and
6 still provide the same service.

7 So what is -- I mentioned TSMO, Transportation
8 Systems Management and Operation, and this is -- Brent Cain is
9 going to be our leader in this, and this (inaudible) an
10 integrated program to optimize the performance of the existing
11 infrastructure through the implementation of systems, services,
12 projects, to preserve capacity and approve the liability and
13 safety of our transportation system.

14 I want to emphasize we're preserving our existing
15 structure. We're not -- we don't have the funds to expand, to
16 add new lanes every time we have a capacity issue, nor do we
17 have room, nor does it make sense in today's world. Can we use
18 technology to be smarter as we advance?

19 So if we could use technology to alert drivers
20 when there's a crash on I-17, and like me taking the alternate
21 route, it took me the same amount of time. (Inaudible) moving
22 the whole time going through Wickenburg, had a nice drive,
23 versus sitting on I-17. We could use that management to move
24 people. And as soon as I stop people on I-17, that backup
25 continues to grow (inaudible). If I'm in the Valley, I can let

1 you know this exit and give you choices. One I like today is
2 when I come in, I have a choice. If I have to go the airport, I
3 know how long it takes me to get to the airport if I go on I-10
4 or if I take the loop around I-17 to I-10. We put that message
5 out, and we had a chance to make a decision, not after you're
6 already stuck. So those are some TSMO-type activities. You're
7 going to see --

8 MR. HALIKOWSKI: Chairman, if I could expand on
9 that, when Dallas is talking about system services and projects
10 in this area, we're heavily looking at vehicle and
11 infrastructure communications, vehicle-to-vehicle
12 communications, other technology you've heard of like active
13 traffic management. This would include the use of technologies
14 for wrong-way drivers.

15 Were you going to go over some of those? Okay.
16 Sorry if I jumped (inaudible) here.

17 MR. HALIKOWSKI: You laid it out perfectly.

18 As the director said, active traffic management
19 through our TOC. Signal control, we manage our signals better
20 and move people along faster. Vehicle (inaudible) structure,
21 and our vehicles move (inaudible) talk to our signals and our
22 infrastructure, and they come in and talk to each other.

23 We've introduced -- for wrong way drivers we've
24 put up two types of detection. So if someone's going down the
25 ramp the wrong way, we have a radar and microwave detections

1 that will alert a traffic operations center who has a DPS
2 officer in it 20 hours a day. They can go out and chase this
3 person down. And our newest ones actually put a (inaudible)
4 when the car goes the wrong way down these -- in a place where
5 he can respond, hasn't had too much to drink, it will alert them
6 that it's -- they're going the wrong way.

7 We are looking to expand (inaudible) over 100
8 interchanges just in the Phoenix area, but we have wrong way
9 (inaudible) last Saturday had one at Black Canyon City, went up
10 towards (inaudible), and a DPS officer had to crash into that
11 vehicle to stop it, and luckily there was no fatality. Our
12 officer was hurt and had to have medical treatment. But those
13 types of innovations and technologies is what this group is
14 going to take us to the next level. I know John's been very --
15 our director -- very heavily involved and connected (inaudible),
16 and I don't know if you want to speak a little more to that?

17 MR. HALIKOWSKI: Well, just that the way it's
18 happening, I mean, some of our manufactures are developing
19 different platforms for two vehicles as they're coming out, and
20 you're reading that (inaudible) partnering with them, whether
21 it's in the Silicon Valley, whether it's in Detroit, whether
22 it's in Pittsburgh with Carnegie Mellon. There's all sorts of
23 testing going on.

24 So what we're trying to do at the department is
25 to get ourselves properly structured in order to not only

1 address these, but try to see how -- into the future about where
2 we should be going with our partners between infrastructure, the
3 transportation system, how drivers will have to be trained in
4 the future, what will be available in the vehicles to them, what
5 services we should provide, what we could contract out, let's
6 say, companies perhaps like Waze to provide -- Waze, W-a-z-e --
7 to provide information to travelers.

8 We're heavily invested, as you know, in truck
9 prescreening right now at our ports of entry, and this isn't
10 just about collecting revenue. We now are looking at technology
11 that will help us identify if brakes aren't working through
12 infrared, but also the weight detection, because that becomes
13 very important on the pavement preservation side to keep truck
14 weights appropriate.

15 So the latest one that came out is President
16 Obama, I think, is announcing a partnership with the USDOT and
17 the states on truck parking as a result of Jason's Law, and so
18 states will be doing an assessment. But how do we automate
19 truck parking? Do we have adequate space? And if a driver
20 needs to stop at the eleventh hour, will a facility be available
21 in that range?

22 So there's a big umbrella called intelligent
23 transportation technologies, and that will fit under the TSMO.
24 And that becomes especially important today, because as I was
25 sitting here -- I would like to pass this out, Mr. Chairman.

1 It's an executive order that was just posted by the governor on
2 self-driving vehicle testing (inaudible) in the State of Arizona
3 and establishment of an oversight committee, which it looks like
4 ADOT will be a part of this. So I'm just going to hand those
5 out. These are -- this maybe happened 30 minutes ago at the U
6 of A. The governor did a joint presentation with Uber and
7 (inaudible), and so I just wanted to make you aware of why TSMO
8 in the department will become an extremely important division.

9 MR. SELLERS: And I might mention we have one of
10 General Motors' IT innovation centers right here in Chandler.

11 MR. HALIKOWSKI: So it's now us having to look at
12 our organizational structure and realizing the traditional type
13 of professional training that we hired, we may have to be
14 looking at (inaudible) engineers to computer programmers, data
15 statisticians, a whole different range of talents that are going
16 to go into operation of the system versus our traditional pool
17 of employees.

18 MS. BEAVER: I -- just this morning, in fact,
19 but I wasn't visually watching it, but I was listening to it, on
20 the news, and I -- so I don't know what state it was in, but DPS
21 now are going to be using, instead of chasing vehicles on
22 highways, where they can actually shoot, like, a GPS at the
23 vehicle.

24 MR. HALIKOWSKI: Right.

25 MS. BEAVER: And follow them on a computer rather

1 than chasing them on freeways and that, they can --

2 MR. HALIKOWSKI: Right.

3 MS. BEAVER: -- watch them on a computer and then
4 know where they stop and direct officers there, so it's
5 interesting.

6 MR. HALIKOWSKI: It's very James Bond,
7 Mr. Chairman, Board members, but it's happening out there.
8 They're using and testing that technology right now.

9 On the wrong-way drivers, we were going to use a
10 machine gun application and just coat the car with those so we
11 can follow it anywhere. But in all seriousness, those are the
12 kind of things that we're looking for.

13 The issue is which technology will be successful,
14 which will not? And if you go back in -- just in a microcosm,
15 look at the Betamax versus VHS fight. There were a lot of
16 people betting on Betamax, and it was actually in some ways a
17 better technology, but it did not survive, whereas VHS did. So
18 before we go invest a lot of the taxpayers' hard earned money
19 into a technology, we want to be sure that we're betting on the
20 right course, because we don't want to wind up owning the
21 Betamax system when everybody else has VHS.

22 MR. HAMMIT: So with that, one of the things
23 that's very important is to pool our resources where we have
24 them and give them (inaudible) even more so. And I want to
25 stress, this structure isn't -- you know, you're not (inaudible)

1 but you're growing here. We're not growing. We're aligning
2 more efficiently. So we're taking people from our traffic
3 group, our transportation technology group, our maintenance
4 group and our central maintenance as well as Phoenix and
5 building this team, because not growing the operation, but it's
6 taking these specialty resources and putting them in one area
7 and they'll work together.

8 We'll have a system of traffic maintenance that
9 works as a system throughout the state, and more so, this is in
10 the traffic area which (inaudible) and signals. How can we do
11 this more efficiently? Our system maintenance, that's
12 (inaudible) mainly a Phoenix area, but that's our lighting, our
13 pump stations and those type of operations. Our traffic
14 management, this is a traffic operation center, but now we're
15 (inaudible). We will be stationed at the traffic operation
16 center. So when there's a (inaudible), or a few weeks ago we
17 had State Route 89A with the flooding and we closed that, it --
18 that person would be co-located and coordinate those activities
19 from our operation center statewide.

20 MR. HALIKOWSKI: And let me just add to the TOC.
21 In partnership with MAG, because they helped us bear the cost,
22 we have DPS located now, and we are finding out that we're able
23 to respond more quickly and more efficiently to incidents.

24 And it's not just getting emergency responders
25 out there. It's moving the crash off as quickly as possible to

1 avoid secondary crashes, and that's one of our leading causes of
2 further backups is when you have a secondary crash that's
3 following the initial one because you have that big queue of
4 traffic behind it.

5 So in this area, there is a lot that we're going
6 to be doing on the operations side, and it's as simple as
7 officers being able to computer populate a crash form and all
8 using the same codes, because that data feeds into us, and then
9 we analyze it and can analyze it to determine where we have
10 trouble spots, whether it's with an engineering issue, whether
11 it's with a features issue on that particular facility, driver
12 education issue.

13 So this becomes information, data that we can all
14 begin to share if we're on the same computer (inaudible) and
15 working with the crash reports. Plus, just imagine the DPS
16 officer who's got three vehicles involved, and he has to fill
17 out the driver's license information by hand on three different
18 reports. Then he's got to fill out the tow slips, and then he's
19 got to fill out the exchange of information cards for the
20 drivers involved.

21 We're now working on a system called TraCS with
22 DPS where all of that is computer populated onto forms based on
23 the machine bar code on the back of your driver's license. It
24 will greatly reduce time that we have to have out there per
25 officer. So just another example of what we're loading in under

1 this division.

2 MR. HAMMIT: And, in fact, today one of the PPAC
3 agenda items that you approved was bringing in another city into
4 the TraCS program. So that's just -- we're getting more and
5 more of those cities into that program, and that will give us
6 better information throughout the state.

7 The last one on here I wanted to emphasize was
8 the traffic safety, our engineering safety. We're looking at
9 that as that operational. We may change the name. But we have
10 our design group, but we also need to do -- have that
11 opportunity to look at the operational safety. Can we do more
12 of our road safety assessments? Can we coordinate our
13 operational safety more than we have in the past? Not just
14 designing it. How do we incorporate the operations safety
15 (inaudible)?

16 So our structure moving forward, and again, this
17 will be announced to our staff on Thursday, specifically in my
18 area, the influence -- Mike Kies' area, the multimodal planning
19 will be there, our environmental planning. The orange in the
20 middle used to be the core function of ITD. Now it's going to
21 be basically the project delivery and district operations. The
22 South Mountain, the major projects, we get into I-11, that would
23 -- project, that would be a major project under our south -- one
24 of those projects will be there, and then our transportation
25 systems and operation -- management and operations.

1 Moving forward, we're going to continue to look
2 for opportunities to be more efficient. I don't see one next
3 week, but we're not going to stop for 16 years, say, hey, we're
4 good where we're at. That's going to be a continuing process of
5 improvement as we go forward. I want to emphasize that we will
6 maintain the offices in Kingman and Globe, and all the services
7 that people could get today, they will tomorrow and the day
8 after in those areas.

9 On our project delivery, we're going to continue
10 our performance. We measure ourselves, and one of our goals and
11 my goals personally is you awarded a number of projects today,
12 and next month you're going to award a lot more. I want those
13 spread out throughout the year much better. Kristine's shaking
14 her head. She wants to allocate those throughout the year. So
15 our goal is that 20 percent of them are delivered in the first
16 quarter, 30 in the second, and 30, and 20 percent the fourth.
17 It's going to take us a little bit to get there, but that's how
18 we're measuring ourselves on our performance on the project
19 delivery.

20 We're going to keep using the technology as --
21 and look at our -- if we can do it more efficiently and use
22 technology, we're going to do that.

23 And then as we moved into a transportation system
24 management and operations, how can that help us with emergency
25 response, on our maintenance, traffic safety and embracing all

1 these new technologies that (inaudible).

2 Any questions?

3 MR. HALIKOWSKI: I just want to, Mr. Chairman, if
4 I could, point out, Dallas as had a bullet up there on lean
5 process management. Lean does not mean that we're going to go
6 and start cutting employees. This is not a personnel reduction
7 exercise. What we're calling lean, and this will be done
8 throughout the agency as we're launching this, is daily process
9 improvement. And it asks questions of what are we doing? Do we
10 need to be doing this? Why are we doing it? Could somebody
11 else do it? Or how do we do it more efficiently? And it starts
12 to look at where you have wasted your processes and cutting out
13 that waste.

14 So it doesn't necessarily mean that we're going
15 to go -- we'll be speaking to over 600 of our managers and
16 supervisors tomorrow at our yearly leadership conference, and we
17 will be talking about pushing this lean process throughout the
18 agency. And the message to employees is we will never go back
19 prior to the recession and have lots of money to just hire
20 people and spend money without keeping an extremely close eye on
21 it. In the future, and this is what we should be doing, is we
22 need to become as sufficient an organization as possible.

23 VICE CHAIR LA RUE: Yes, sir.

24 MR. HAMMOND: John, a question. The -- just how
25 many employees does ADOT have total (inaudible).

1 MR. HALIKOWSKI: When I came on board, we had
2 4,700 positions, and through personnel reform and now the lean
3 process that we're wanting, I want to say you're --

4 UNIDENTIFIED SPEAKER: (Inaudible.)

5 MR. HALIKOWSKI: We're up to 4,000.

6 MR. HAMMOND: My question is at one time I think
7 there was a conscious effort to outsource 40 percent of the
8 design and do 80 in house (inaudible) all of it's done in house
9 now, for the most part. How -- do you see any return to that
10 policy, and how do you -- how do you kind of ebb and flow with
11 the workload when you're trying to do it all in house? I'm just
12 kind of curious.

13 MR. HALIKOWSKI: So I'm going to turn to Dallas,
14 because depending on what part of the process you're looking at,
15 in some areas we're up to 80 percent outsourced. In some areas
16 we're not. But why don't you...

17 MR. HAMMIT: We'll measure (inaudible) another
18 one of our measurements. If you look at our total development
19 from start to finish, all of our design, what we (inaudible)
20 contract, we contracted approximately just a little bit more
21 than 70 percent, and we did 30 percent of it in house. Almost
22 every one of your major projects are done by a consultant. Our
23 team does some of the smaller (inaudible).

24 So if you look at project by project, it was
25 almost 50/50 last year. The dollars amount, we did 70/30 or --

1 it was a little more than that, actually, that the (inaudible)
2 community did about a little over 70 percent and we kept -- just
3 stayed under 30 percent in house. (Inaudible) to 75/25 and move
4 towards that.

5 MS. BEAVER: A question. I have a question. I
6 don't know. Well, sort of two. So am I understanding correctly
7 that the -- when we look at this reduction, that it's going to
8 be more like attrition, like people retiring or...

9 MR. HALIKOWSKI: Yes, ma'am.

10 MS. BEAVER: You know, going somewhere else --

11 MR. HALIKOWSKI: Right.

12 MS. BEAVER: -- or something as opposed to
13 actually looking to -- okay, we're going to cut that position.

14 MR. HALIKOWSKI: Exactly.

15 MS. BEAVER: So -- so then at that point, this
16 lean process is going to be whenever someone through attrition
17 leaves, should we fill that position or --

18 MR. HALIKOWSKI: So in answer to your question,
19 Board Member Beaver and Mr. Chairman, right now we have an
20 executive group. It's Dallas and myself, Scott Omer, Kristine.
21 We meet once a month. All the division positions right now,
22 because of the hiring freeze coming to us, and as Dallas said,
23 as we lose ten, we're only able to refill six under that model.
24 So what we're doing is very closely examining those positions
25 that become open and making decisions. In order to meet our

1 goals, what are we going to fill this month? What will we carry
2 over? Is that position truly critical, or can we accomplish
3 that function in some other way without refilling it as an
4 (inaudible).

5 MS. BEAVER: And then the other question, I just
6 wanted to ask with regard to the district realignment, is that
7 -- is there a fixed date that that goes online or is it
8 something that is just going to be kind of phased in, sort of?

9 MR. HAMMIT: Good question. Mr. Chairman,
10 Ms. Beaver, (inaudible).

11 And I want to follow up a little bit on what John
12 said. One of the things that we're telling our folks and we're
13 moving towards, used to be in state government a need to fill
14 position (inaudible) a vacancy rating. We don't have any
15 vacancies. We have needs, just like in business. So if you
16 have a need, you ask for a position. You don't ask to fill a
17 position because you have a number and it's vacant today. We
18 were pushing, you need to explain I have this need, and then
19 (inaudible) person not that -- you know, I used to have 20
20 people, and now I only have 15, and so I'm 20 percent down. We
21 can't work in that area anymore.

22 And the other thing, on the lean -- and then I
23 want to stress this because we use this -- the lean is to look
24 at our processes (inaudible) people. So if we can do more
25 efficiently (inaudible) people, the lean process review isn't to

1 do with less people. It's to look at our process and how can we
2 do it efficiently.

3 And we're sensitive with our (inaudible), because
4 when we explain that to them, we're not looking to get rid of
5 people through this. We're looking at doing things more
6 efficiently. We're very fortunate -- I don't know if we're
7 fortunate -- position wise we had two district engineer
8 openings. So as I go down to district, I'm not displacing
9 anybody or moving people. So that worked out well for us. One
10 got a promotion, so that's (inaudible). The other one's
11 retiring, and he (inaudible) that he enjoys his retirement.
12 We're going to miss him a lot, because he was a great resource,
13 but no one's losing their job through (inaudible).

14 VICE CHAIR LA RUE: Question: Does ADOT do
15 employee surveys or satisfaction surveys? Do they measure
16 employee engagement, those things?

17 MR. HALIKOWSKI: We do an annual employee
18 engagement survey through the Department of Administration, and
19 we get scores on that based on division and agency overall, and
20 then we're ranked with other state agencies. We've also done
21 internal surveys through consultants and others to draw -- try
22 and gauge our employees' levels of satisfaction. So it's one of
23 the metrics we keep relying on, and as you can imagine, there
24 are a whole lot of things that go to measures of employee
25 engagement and satisfaction. I think on our last DOA, and I

1 can't -- what was the number, do you remember?

2 MR. HAMMIT: Basic generally was six -- around
3 60 --

4 MR. HALIKOWSKI: 60 percent were.

5 MR. HAMMIT: -- were either agreed or strongly
6 agreed that they were fully engaged, and a lot of neutrals. It
7 was a small number that disagreed with that, but a lot
8 (inaudible).

9 VICE CHAIR LA RUE: Small disengage, a lot of
10 neutral. So the -- you know, the positive is you can move them
11 to engaged employees and (inaudible) you have a core engaged.
12 And so, I mean, ADOT, just listening in the years of all this, I
13 mean, your key asset that you have is your employee base, and so
14 your engaged employee base is what's going to make or break all
15 of these initiatives, this new technology, accepting all of that
16 is just really -- it's really that engaged employee base.

17 MR. HALIKOWSKI: So communications people feeling
18 like they're making a difference, having (inaudible) work. At
19 some point, you know, pay rate comes into their -- but if you
20 look at, you know, the State since 2009, it's been probably one
21 of the most tumultuous eras the State's been through. So we're
22 trying to figure out, you know, what the golden key is on
23 employee engagement. It's not necessarily one thing. It's
24 really having a committed leadership team that is promoting
25 engagement stability and the fact they can make a difference

1 throughout the organization.

2 The other big thing is going to be metrics. How
3 do you know you're winning? How do you know you're being
4 (inaudible)? And I firmly believe the employees want to see
5 scorecards. Are we making a difference? Are we doing better?
6 You know, are we reducing fatality rates, making other positive
7 differences in the world?

8 VICE CHAIR LA RUE: Good. Excellent. Any other
9 questions? I think this is phenomenal. I applaud the effort,
10 applaud the -- I love the innovative leadership approach and
11 this new technology. I think that sets us apart, creates a
12 differentiation, and I think it's one that engaged employees get
13 very excited about.

14 MR. HAMMIT: (Inaudible) this week for sure, and
15 so we wanted you to know in case you get a question from
16 (inaudible).

17 VICE CHAIR LA RUE: No, we appreciate it. With
18 any little bit of change, there's anxiety, there's fear. It's
19 nice that if we do get those calls, we'll kind of know what's
20 happening, and then we just need to message up and message the
21 positive aspects of what's happening here, so -- and then so any
22 Board members that get those questions, feel free to feed it
23 back to Dallas or to the director on some support.

24 MS. BEAVER: (Inaudible.) I did want to ask you,
25 Dallas, those new districts and that, because, you know, after

1 you made the presentation at the league, evidently kind of some
2 them of went back and the information was already getting out
3 there, but the new district boundaries and that, is this
4 presentation going to be on our web site so --

5 THE WITNESS: Probably not until they make their
6 announcement to staff.

7 MR. HAMMIT: Yeah. And we're doing that Thursday
8 morning. So by the end of the week --

9 MS. BEAVER: Okay.

10 MR. HAMMIT: -- we can do that.

11 MS. BEAVER: Because it's already out there.

12 MR. HAMMIT: Okay.

13 MS. BEAVER: I know --

14 MR. HAMMIT: People were taking pictures, I know.

15 MS. BEAVER: Yeah.

16 MR. HAMMIT: And, you know, it's hard to
17 (inaudible) one thing we're very fortunate, you know, you talk
18 about engagement. You know, John, this will be the third year
19 he's brought in every supervisor and they get to be heard. They
20 get to come together, hear directly from the leadership team,
21 and then they have time to express as a group their concerns,
22 and that's helped with the engagement quite a bit. This also
23 (inaudible) a chance to reach every supervisor within the
24 department at once to let them know these changes.

25 VICE CHAIR LA RUE: Good. Thank you. If there's

1 nothing further, we'll move on to item four.

2 MR. ROEHRICH: Mr. Chairman, members of the
3 Board, we've been on this now for two hours and 20 minutes.
4 Want to take a short break, or you just want to finish up?
5 (Inaudible) the Board members, so I'm not going to say it's
6 going to be long, but I hope that it's a very engaging with a
7 lot of questions back and forth, so...

8 VICE CHAIR LA RUE: I leave that up to the Board.
9 Board's pleasure, small break or keep on going?

10 MS. BEAVER: Sure. Why don't we go for a
11 five-minute break?

12 VICE CHAIR LA RUE: Five to ten minute break.
13 It's -- let's try 11:30-ish.

14 (Short break taken.)

15 VICE CHAIR LA RUE: Let's get started so we can
16 finish up. We're on Agenda Item Number 4 on -- Floyd, you want
17 to introduce this one?

18 MR. ROEHRICH: Yes, I would. Thank you
19 Mr. Chair, members of the Board.

20 For a number of years now, we've had various
21 Board members talk about the communications, how the
22 communication's not just internally between Board members or ADOT
23 staff, but with outside the general public (inaudible) or
24 general public who have a desire to contact the Board with
25 issues. Previously there was a Board e-mail set up that was

1 boardinfo.gov, which came through the director's office. Mary
2 kind of manages that. The phone number for the Board, that's
3 Mary's phone number. So a lot of communication would flow
4 through her, out to Board members and back.

5 And I know that at various times of the year,
6 especially during the five-year program and other times, we get
7 bombarded -- Board members would get bombarded with e-mails.
8 And to -- for the most part, the e-mails that we have set up for
9 the Board members (inaudible) own personal e-mails. You give it
10 to us and we (inaudible). We never give it out to anybody.

11 But as issues come through Mary and myself, we
12 send them on (inaudible) to those -- your personal e-mails. I
13 imagine over time things fill up your servers, and as well, if
14 there's ever a public records request, and as representative of
15 a public body in this State Transportation Board, you're -- you
16 know, the stuff you keep on your personal servers or your
17 computers at home are subject to public record requests. And
18 then -- and so one of the issues that we started looking at
19 was --

20 UNIDENTIFIED SPEAKER: (Inaudible.)

21 MR. ROEHRICH: You can make your own legal
22 interpretations. Michelle is here to advise you as well. So
23 don't take me as your legal advisor.

24 So one of the things that we started to do was to
25 look at not just improving the communication, but also, you

1 know, better access between Board and constituents and the
2 public, but also we're modernizing as we move forward here in
3 the 21st century.

4 So last year we developed a new Board web site,
5 and I think all of you have probably either seen it or been on
6 it. I think there was a short discussion, the
7 aztransportationboard.gov. So it's got a new web site and we
8 keep populating, pointing the public to that. We keep
9 populating with information that comes through. One of the
10 things we've been developing with, and I'm going to introduce --
11 or turn it over to Cyndi Striegler here in just a little bit.
12 Cyndi's from our IT team. She's one of the managers that kind
13 of oversees this web data as well as development of e-mail
14 accesses and things for the executive team.

15 But one of things that we were looking at is
16 individual e-mail addresses for the Board members each that come
17 through the Transportation Board web site. Constituents can go
18 on there and send stuff to you that come directly to you through
19 this server, but again, it protects you from having it come to
20 your own, personal e-mail address. It could go through this
21 Transportation Board e-mail address, and (inaudible) is through
22 process it can inform -- I know the e-mail can come to you.
23 Mary and I get copied on it so we can follow up, and from there,
24 once again, you can decide, I'm going to respond to this person,
25 or this is an issue that I'd like, you know, Mary, you or Floyd

1 or somebody to respond to on my behalf, take care of it, and
2 then we go through the process of how we plan to do that.

3 One of them is to make it a little bit easier for
4 people to contact you, but also to be set up under the separate
5 e-mail addresses with a separate server that Cyndi will show you
6 how to access. That keeps them out of your personal system,
7 unless that's how you would prefer to have them. Then we'll do
8 that. But we're setting this up as a way that it's held on
9 State Transportation Board, ADOT's server, through the State
10 Transportation Board web site as a way for people to contact
11 you, and then from there, there's a process, and it's just the
12 same as, you know, replying or forwarding like you do -- handled
13 e-mail before.

14 But it can be managed in way that hopefully
15 doesn't impact your personal e-mails at home, as well as gives
16 you that opportunity to see a better direct communication and
17 response to constituents or to communications that come from the
18 public, as well as from the Board members and staff. You can
19 use this if you want. It's also a way to make sure that, you
20 know, we -- recorded those opportunities and the (inaudible) as
21 well.

22 So one of the issues that we're looking at is
23 just e-mail communication processes. The Board web site is up.
24 We're continuing to refine it, and Cyndi's helping us with that,
25 but for now what I'd like is Cyndi to kind of talk through the

1 e-mail program and the communication program, Envoy, which is
2 (inaudible) internal within ADOT. You don't need to get
3 (inaudible) right now, and it's really the e-mail process. And
4 Cyndi's planning on walking through how the program is set up
5 and how it would function, and from there we'll talk about when
6 we may go live and then how we'd continue to support you as you
7 get used to doing this, if you choose to go ahead and use this
8 process.

9 VICE CHAIR LA RUE: Okay.

10 MS. STRIEGLER: Thank you, Floyd. Thank you for
11 having me.

12 We have put up, as Floyd mentioned, it's a State
13 Transportation Board web site a year, year-and-a-half ago, and
14 we have been maintaining that since. The next improvement we
15 would like to make to it is to provide the means for someone to
16 contact you and for you to be able to manage your e-mail. We
17 will as we have -- there's two handouts that Mary distributed
18 that you can take home with you to use as reference.

19 The first thing we will be doing is issuing or --
20 and activating e-mail addresses for each of you under the
21 aztransportationboard.gov domain. So your e-mail addresses that
22 we will be sending you with the -- for instance,
23 dbeaver@azstatetransportationboard.gov -- or
24 aztransportationboard.gov.

25 So you will be receiving that along with your

1 ADOT log-in to get into the web mail to access to your site. So
2 from the bottom of the Board web site, you go -- and down here
3 at the bottom, you will now see -- it's a little hard to see
4 right now with the projector, but it says remote access. If you
5 click on that remote access button, it will take you to the
6 Outlook web interface.

7 And this is -- you -- many of you may already use
8 this. This is regular Outlook mail for their web mail. So it
9 is the same -- same thing you will see here with mailboxes, and
10 it's very similar to GMail and some of the others. So you will
11 be able to get into your mail here.

12 What it will do, and I'm already logged in here,
13 but it will provide you with a log-in. So let's get out and go
14 and try that again. So (inaudible) it will be on every page.
15 Here. If I click on it now, it should not have a problem
16 because it's already logged in. But it comes up and asks you
17 for your credentials, and you will use DOT slash, and whatever
18 your (inaudible) you were assigned is, which most likely -- I
19 think at this time, I'm not sure if they're starting with a C or
20 a D, but we will send you that with a password. Once you --

21 MR. ROEHRICH: So I'd like to see that step just
22 so that they can see what it looks like.

23 MS. STRIEGLER: So let me see if I can get out
24 and start (inaudible).

25 VICE CHAIR LA RUE: If you've got your

1 smartphone, you can pull it up on your smartphone and just go to
2 the web site and then hit load access.

3 MS. STRIEGLER: Yeah. You can get them.

4 VICE CHAIR LA RUE: If you guys want to see what
5 it looks like, there it is.

6 MS. BEAVER: Oh, here. It's on the second page
7 (inaudible).

8 VICE CHAIR LA RUE: Yeah.

9 MS. BEAVER: (Inaudible.)

10 VICE CHAIR LA RUE: There it is.

11 MS. STRIEGLER: And here is the log-in. All you
12 (inaudible) indicate if you're on a (inaudible), and then your
13 log-in will be a DOT log-in, DOTOT with a backslash, whatever
14 your (inaudible) is and your password, and it will go ahead and
15 bring up the mail.

16 MR. ROEHRICH: So they have this that says e-mail
17 account that has the (inaudible) follow.

18 VICE CHAIR LA RUE: Yeah.

19 MR. ROEHRICH: Follow that along.

20 VICE CHAIR LA RUE: Okay.

21 MR. ROEHRICH: So like Mary said, that's on page
22 2 of the notes.

23 MS. STRIEGLER: Yes. There are screen shots,
24 step-by-step screen shots for logging in, samples and doing your
25 mail.

1 MR. ROEHRICH: So then Cyndi, if I understand
2 that, we will provide you with that user name.

3 MS. STRIEGLER: Yes.

4 MR. ROEHRICH: DOT slash whatever it is, like
5 every employee has one. Mine's (inaudible.) So every
6 employee's going to get one. You'll get one as well that you
7 log in. Originally, they'll send in, you'll say your password,
8 the log-in is going to be whatever, Arizona1 or password or
9 1234, whatever. But then when you get that, the first thing
10 it's going to ask you to do is change a password to the password
11 you know. So it's secure for you to use once you do that
12 log-in.

13 MS. STRIEGLER: Then once you log in, you would
14 -- you'll be on the screen like you see up here at the top.
15 There is here under options -- you can change your password
16 right here in the corner. Under the options link, you can
17 change your password. Now, if your password is expired, because
18 it will require to be changed every month, you will see a yellow
19 bar, and it's -- an example of it is in the handout here.
20 You'll see a bar at the top of this that just says your password
21 is expired. Click here to change it, and it will ask you then
22 to -- it will prompt you to put in your old password and
23 whatever your new password is, and that will happen monthly.

24 We do need to use this e-mail at least once --
25 you know, at least, say, once a month or more to keep it active

1 or you might get notes from the system saying you're not
2 using -- you know, there's no (inaudible), but there should be
3 no other issue other than using it at least once a month.

4 (Inaudible.)

5 VICE CHAIR LA RUE: And if I forget my password,
6 there's a step to?

7 UNIDENTIFIED SPEAKER: Well, only you.

8 MS. STRIEGLER: There is always --

9 UNIDENTIFIED SPEAKER: (Inaudible) help desk.

10 MS. STRIEGLER: That is not -- the help desk
11 number is not something I put on this write-up, but I will
12 include it in what we send you just in case.

13 VICE CHAIR LA RUE: Oh, so there's not an
14 automatic recovery built into the system?

15 MS. STRIEGLER: No, there is on here. You can
16 change the password, and I -- I'm not sure about -- I forgot my
17 password.

18 VICE CHAIR LA RUE: Okay.

19 MS. STRIEGLER: But if there's not, you can call
20 the support desk and they can reset it for you.

21 VICE CHAIR LA RUE: Okay.

22 MR. HALIKOWSKI: I've been there many times.

23 (Inaudible.)

24 MS. STRIEGLER: Now, so that's --

25 VICE CHAIR LA RUE: Frequent flier.

1 MS. STRIEGLER: That's the alternate to your
2 e-mail, new e-mail account. And -- oh, and if you haven't
3 already had an ADOT e-mail account, which I believe Board Member
4 Beaver has one that she has used, anything you had will be
5 transferred over. So you're not going to lose anything that's
6 currently in your account.

7 MS. BEAVER: You know what, I used -- because I
8 thought we had one. I have -- I have no clue how to get into
9 it.

10 MS. STRIEGLER: Well, that makes it easier.

11 MR. ROEHRICH: You'll get into it the same way
12 but --

13 MS. BEAVER: You all have access to mine.

14 MR. ROEHRICH: (Inaudible.)

15 MS. STRIEGLER: So your -- anything that was
16 there before will go -- as far as an ADOT e-mail address will go
17 away, and it will be combined now to this new one that we're
18 going to send you that's specific for (inaudible).

19 MS. BEAVER: Okay.

20 MS. STRIEGLER: So that's how you get into e-mail
21 to read what comes to you.

22 But the biggest change we have is we're going to
23 be changing over. Instead of having just this Board integral
24 e-mail address that's up here in the corner, (inaudible) we are
25 going to be changing that over to have a (inaudible) we are

1 going to be changing that over to have a link to a contact form,
2 and the contact form comes up like this. And you can submit --
3 and I forward you one just to test and kind of show you, and
4 this -- this is my granddaughter's name, so...

5 MR. ROEHRICH: Now, Cyndi, this is what's there
6 today. So if somebody goes on to the web site and says --

7 MS. STRIEGLER: No. This is the new one.

8 MR. ROEHRICH: This is the new one.

9 MS. STRIEGLER: This is the new form. It is --
10 the other handout, the second handout --

11 MR. ROEHRICH: So your second handout says
12 Contacting the Board and E-Mail Processing.

13 MS. STRIEGLER: Right. And on the front page it
14 shows you what the button will look like to launch the form, and
15 on page 2 shows you the form itself.

16 MS. BEAVER: So we're currently -- excuse me.

17 VICE CHAIR LA RUE: No, no, this is what this is
18 for is a lot of questions.

19 MS. BEAVER: So where currently, if someone was
20 to hit that button, Board info, whatever, it would bring up an
21 e-mail thing, and then they could type an e-mail and send it to
22 you.

23 MS. STRIEGLER: Right.

24 MS. BEAVER: Okay. Now, instead of that process
25 happening, this is what's going to happen?

1 MS. STRIEGLER: Right. Is that will change and
2 you'll now -- they'll now see this form, and then they will
3 complete that -- you'll get the various information about
4 whatever information you could gather from (inaudible) contact.
5 If they choose not to, the only things that are truly required
6 are the e-mail. So you -- so we can contact them. So if they
7 don't want to give up their address, they do not have to. We
8 are asking for it, but they do not have to. And we do ask they
9 put in the e-mail address twice just to make sure they got it
10 right.

11 Now, in this drop-down box, they can choose to
12 submit this e-mail to any one of you, and the -- for the two
13 gentlemen who are not here now, it's just because we haven't
14 added you to the system yet. You will be here listed, and these
15 last four will -- these three will go away. That's our testing,
16 so that I can do testing. So they could choose to send this
17 directly to the chairman or any Board member, or they could
18 choose to say all Board members if they wanted to do so.

19 General Board questions go to Mary and Floyd, and
20 from there, they'll review them, answer them, and/or pass them
21 along as whatever's appropriate.

22 MS. BEAVER: Where currently Mary will get --
23 because of the Board info, she'll get that information and kind
24 of disburse it to where it needs to go.

25 MS. STRIEGLER: Correct.

1 MS. BEAVER: That will go away. That -- like if
2 it comes to us individually, there isn't going to also be one
3 that's going to --

4 MS. STRIEGLER: No, there is. Behind the system
5 and you'll see a picture of it at the end of this same handout,
6 there is a system, a dashboard where if they have -- they use it
7 to track all the tickets that come in. Everything that somebody
8 sends in, all the responses to those are recorded. So we have a
9 history. We can go back at any time and see what came in, what
10 the responses were.

11 This goes a long way toward that public
12 information response. It also goes a long way to saying, oh,
13 well, we started getting comments a long time ago for I-11.
14 What were those questions? They can be categorized in groups,
15 and that information will be maintained. So they do get a
16 question -- or a copy in that form.

17 MR. ROEHRICH: Yeah. So when it does come to
18 you, a copy does come to Mary and myself. Like I said, this is
19 easy enough for them -- for you to say, oh, this is a quick
20 answer, I'm going to respond to it, or you know, I'm not sure
21 what this answer is, ADOT, one of you take care of it, but then
22 you tell us that we know that it's this tracking number, because
23 the number will be in the subject line, because you get multiple
24 requests. But it's this item number. Could you track it?
25 Could you respond on -- to it for me? And then we can take care

1 of it, because then we will have access to go up there and look
2 at that on this system.

3 And the other point I wanted to make is the way
4 this is set up right now, if you go into ADOT's web site, you as
5 a constituent want to send a question to ADOT, it's very similar
6 to this right now. So we're making that -- you know, Cyndi's
7 kind of intent was to mirror them a little bit. So as people
8 get familiar with ADOT Transportation Board, how to respond,
9 work through the e-mail systems and the communication systems,
10 they'll look pretty similar. So there's not a lot of difference
11 in between those (inaudible).

12 MS. STRIEGLER: There's little difference. The
13 drop down (inaudible) -- the direct, who to send the comments
14 to, it's a different drop down, obviously ADOT, but a lot of the
15 rest of it is -- it's very similar, and the functionality is
16 largely the same.

17 Now, with this, I can go ahead and finish this
18 form submitting -- like I said, they have do the mail. They
19 have to do the subject and give whatever their comment is. They
20 have the option also to upload file or -- files and documents
21 and if there's something that's appropriate to send.

22 And then when you submit this, the person will
23 receive this notice -- not that notice. Something is off. But
24 they will receive the notice saying -- and there's an example in
25 your packet that the information was received and that it would

1 be forwarded to the appropriate people. They also receive, if
2 you look in your -- on that packet -- an e-mail back which shows
3 -- which will show what the person has received. They get an
4 e-mail basically saying thank you for this, for your message.
5 Here is your code to track your message and a link to submit
6 again under the same ID.

7 At the same time, the Board would receive this
8 information. This is one I sent earlier. There was a note that
9 came in saying the I-11 -- I asked for information about the
10 I-11 study on the first note, and as a Board member, that's what
11 I received. As a Board member, I responded, thank you for your
12 inquiry with the fine information on the I-11 site. So I got
13 copied on what they sent and my response, and all this is also
14 recorded in the Envoy system that Mary and Floyd are going to be
15 managing for you. Once the tickets are responded to and they've
16 established that they're taken care of, they can close those
17 tickets, but they're still available in storage and can be
18 pulled up at any time.

19 MS. BEAVER: I guess my question would be with
20 regard to two years ago, I believe, we got a mass of e-mails on
21 a particular topic during the five-year planning process. Those
22 came through the board info, and you all responded accordingly.
23 Now if they're going to come to us individually, and it was like
24 a template where they were just firing off e-mails like this,
25 are we going to have to individually respond to all of those

1 or --

2 MR. ROEHRICH: Well, in that case, Ms. Beaver,
3 what I think is going to happen is they're going to go into the
4 option that says all Board members. So I don't think they're
5 going to click them to you all individual -- they'll go to all
6 Board members. So if they're going to broadcast to all of you,
7 Mary and I will see them, and they'll be this whole list of
8 things. We'll give them the standard response like we did last
9 year that said thank -- this is during the five-year program
10 hearing and (inaudible). Everybody who sent in got responses of
11 thank you for your comments and, you know, we're taking them
12 under consideration as we develop the five-year program. That
13 will be the same thing that we'll do within that.

14 But instead of that coming to your personal
15 e-mail address and filling in your server, it's going to go to
16 this address, which you access remotely when you went to look at
17 them, and then therefore it doesn't, you know, build up along
18 with all the other personal e-mails and everything else that
19 you're working with. It's all going to be on this server. But
20 it will be handled the same way. The responses will be the same
21 and we'll respond. When you all got those last time, they went
22 to Board info, and the way we have it set up is if you go to
23 Board info and you sent something in, each of you got a copy of
24 it.

25 MS. BEAVER: Uh-huh.

1 MR. ROEHRICH: It's going to be the same if they
2 do that. Or if somebody in your area just wants to send you
3 something and doesn't care about the rest of the Board members,
4 they can pick you under choosing contact and just send it to
5 you, and then you just can respond to it, or like I said,
6 forward back to me or Mary saying, could you guys please handle
7 this.

8 MS. BECKLEY: So, Mr. Chair, if we respond on
9 their behalf, they will get copy of it? Okay. So then you'll
10 be able to see that we've responded or we've gotten an answer
11 from staff and responded so that it's done.

12 MS. STRIEGLER: And you don't need to worry once
13 things -- tickets have been taken care of, you don't have to
14 keep a copy for archive purposes unless you choose to, because
15 it will be in the Envoy system. So there will be a record of
16 it. You don't have to keep -- necessarily keep a folder of
17 every response you've ever -- or every inquiry you've ever had
18 unless you choose to.

19 MS. BEAVER: Okay. And I guess I'm kind of
20 confused that way with regard to public information. I wear
21 kind of multiple hats sometimes, and I know with school board
22 stuff, you're supposed to keep that stuff forever. And, you
23 know, would it be the same thing with ADOT stuff? I mean, how
24 can we pick and choose? I find that now where I'm getting stuff
25 from Mary. I'm getting stuff from the -- because I've gone onto

1 the link to get e-mails about different areas of the state,
2 update information. And so now I'm getting things multiple, and
3 then you even get the advertisement stuff, and it's like, okay,
4 where's the -- or invited to -- I've gotten several -- well,
5 more than several invitations to go to some kind of training,
6 whether it be in Las Vegas or California or back on the east
7 coast. But it's coming through that board info, and I'm
8 thinking I didn't request it. It wasn't like there's any kind
9 of communication going on with me and that. It's just -- it's
10 like somebody handing me a flier, but they're doing it through
11 the e-mail.

12 MS. BECKLEY: And that's another thing why to go
13 to this system is then we're not going to have that junk mail
14 that comes in all the time, because once you get on there, I
15 can't unsubscribe to it. It just keeps coming. So this way,
16 someone's going to actually have to go to their computer, pick
17 out who they want to send it so that we can't -- we're not going
18 to get that junk all the time.

19 MR. ROEHRICH: I guess I just also want to
20 clarify what Cyndi said. You don't have to keep a copy of it.
21 Right now, it's coming to you in your personal e-mail address,
22 and so you're keeping a copy of it on your e-mail server,
23 whoever your provider is. You don't have to keep a copy of that
24 anymore, because it's on ADOT's server. So if there is ever a
25 public records request that said I want all the e-mails between

1 the department and X board member, I can go right to ADOT's
2 server, we can copy it down. I -- as long as you use the
3 system, we never have to go ask for your personal e-mail,
4 because it's no longer on that system. It's all in this system.
5 So I -- to be -- to be clear, when she says you don't have to
6 keep a copy of it anymore, you don't have to keep a copy of it
7 on your system. You can delete it, because Envoy and ADOT's
8 mail server's got a copy of it. So we'll always be able to pull
9 it off of that.

10 Now, if you choose to respond -- let's say you
11 get an e-mail from this, and maybe it's more private than you
12 want. You choose to respond, so you're using your own personal
13 e-mail as a response. You never see the response back or never
14 comes back, so it's on our server. Then that is something you
15 should be keeping, because you are supposed to be conducting
16 Board business within the public. So then that I would keep.
17 But if you're just responding to the e-mails that come through
18 here, we have a record of it on the ADOT mail server.

19 MR. LA RUE: So Cyndi, let me ask a question. So
20 when an e-mail comes through this system, say, to my address, if
21 I don't have it cued in to my system where I'm checking it, how
22 do I know I received an e-mail? Does this send me -- can
23 this --

24 MS. STRIEGLER: No. You would need to log in and
25 check this e-mail periodically.

1 MR. LA RUE: There's no alert system this can
2 send to another e-mail box to say an e-mail arrived or any
3 smartness of that nature.

4 MS. STRIEGLER: No.

5 MS. BEAVER: Well, I do think -- I don't know
6 what kind of smartphone you've got --

7 MR. LA RUE: Right.

8 MS. BEAVER: -- but my understanding is they can
9 -- if you have a second e-mail address --

10 MR. LA RUE: Yeah.

11 MS. BEAVER: -- you can identify, I think it's up
12 to like --

13 MR. LA RUE: Yeah.

14 MS. BEAVER: -- three e-mail addresses --

15 MR. LA RUE: Yeah.

16 MS. BEAVER: -- on a smartphone.

17 MR. LA RUE: Yeah. I mean, I think -- I've got a
18 corporate smartphone, and so I think our security systems are
19 such, I don't think I can build this in and get past our
20 security. But as long as I know I need to be checking my
21 e-mail, I can do that.

22 MS. STRIEGLER: I mean, you could certainly like
23 -- you could log into this from your phone.

24 MR. LA RUE: Right.

25 MS. STRIEGLER: Okay (inaudible).

1 MR. LA RUE: Just periodically I need to check
2 in, or, and I don't want to place on staff -- but I have a few
3 things at work that actually staff will send me a nice reminder,
4 say, you know, you got ten items over in this system that you
5 need to --

6 MS. STRIEGLER: And you do have that option --

7 MR. LA RUE: Not that I want to put it on the
8 staff --

9 MS. STRIEGLER: Yeah, with Mary. She -- I mean,
10 with that dashboard, it shows all the tickets that are kept --
11 come in and if -- and when they have not been responded to in
12 any way, they look a little different to her. So they'll be
13 able to monitor from the standpoint of, oh, we do see a back up,
14 you know. There -- she would notice. We'll say it that way.

15 MR. LA RUE: Yeah.

16 MS. BEAVER: Can I thank you in advance?

17 MS. BECKLEY: Now, what I really would like to do
18 though is still send e-mails out just information wise without
19 going through the system, because otherwise I'm afraid you're
20 not going to get --

21 MR. LA RUE: You're not going to get as timely of
22 a response --

23 MS. BECKLEY: (Inaudible.)

24 MR. LA RUE: -- if it's up to me to check this,
25 unless I can figure out a way through my corporate group to say,

1 can I imbed this like I do the corporate one.

2 MS. BECKLEY: And so that's why I think we're
3 using this e-mail system mostly for constituents.

4 MR. ROEHRICH: That's a very good point, but
5 you're making me think as I sit here. I (inaudible) about that
6 when we met with Cyndi before. I think, Cyndi, what I'd like to
7 do is afterwards, maybe we can sit down and talk about is there
8 a way that where we can ping something to you and send you a
9 message? Is there any type of an application -- app out there
10 or something that if you get an e-mail that sends you a text to
11 your phone number, so something pops up that says you've got a
12 message.

13 MS. STRIEGLER: Well, think this one through,
14 because if you get a lot, you will get a lot of (inaudible).

15 MR. LA RUE: Yeah. So that's the down side.

16 (Speaking simultaneously.)

17 MR. ROEHRICH: -- like the little (inaudible)
18 bites. People send you 250 e-mails, all -- they'll forward an
19 e-mail from all these people if that comes through, that's going
20 to -- that's going to (inaudible).

21 MS. STRIEGLER: (Inaudible.)

22 MR. LA RUE: Right.

23 MR. SELLERS: Yeah. I don't know -- I'm not sure
24 how they do it, but the City of Chandler right now sends us, I
25 don't know, maybe daily, a list of all the e-mails that have

1 come into my City account. It doesn't -- you know, you can't
2 click on it and get -- and then see an individual e-mail. You
3 have to go into the system and get it.

4 MR. ROEHRICH: However, they send to you, not
5 through your Chandler account, to your personal e-mail so you'll
6 know to check your Chandler account; is that right?

7 MR. SELLERS: (Inaudible.)

8 MR. ROEHRICH: Okay. Okay. (Inaudible)
9 something -- maybe something like that we're (inaudible).

10 MR. LA RUE: There's got to be some other things
11 here you could add on, because I know that I've had deals where
12 I've got -- I've got the corporate e-mail, but I've got other
13 e-mail where they'll actually ping it. If it comes in on a
14 different e-mail, they actually ping it and do things. So I
15 think there's a lot more capability here, but the issue is do we
16 want to do that through the ADOT system. I don't know what your
17 protocols are.

18 MS. BECKLEY: Right, because you know, when I
19 send you just a press release or something, then every single
20 time I send something, then --

21 MR. LA RUE: Right.

22 MS. BECKLEY: -- ping.

23 MR. LA RUE: Right.

24 MS. BECKLEY: You know, I wasn't really going to
25 send that through this either. I was going to still use my

1 contact information, because I'm really worried about losing
2 contact to not have anybody check this and then -- and --

3 MR. HAMMOND: I could not agree more, Mary. I
4 hope we kind of refine what needs to go through this official
5 web site and let the others (inaudible). I mean, I've already
6 (inaudible.)

7 (Speaking simultaneously.)

8 MR. HAMMOND: -- regular e-mail.

9 MR. ROEHRICH: Right.

10 MR. HAMMOND: If we're clear on what needs to go
11 through this web site.

12 MR. ROEHRICH: We can start like that. Why don't
13 we just start with that where we're really only looking at this
14 for those outside constituents, the public, who wants to access,
15 you staff can continue to go through the systems that we have
16 set up. There's no reason to change that. But this just allows
17 us to track those outside correspondences and then make sure
18 that they're responded to, and again, make it easy for you to
19 say, okay, I'm going to handle this right now, respond, or
20 forward and say, you guys take care of this, and then we can do
21 that.

22 MS. STRIEGLER: Now, there is one point I just
23 want to mention, and it is on the handout here in red on the
24 next-to-last page. When you are responding to e-mails you get
25 through this contact form, the title will look like this,

1 contact State Transportation Board, and I have an ID, and tell
2 you what their e-mail address is. When you're responding to one
3 of these, please just hit reply. Don't change the subject and
4 don't use forward, because the system uses this title and that
5 number in that format to tie it to the previous ticket so that
6 they wrote to you. That allows it to be tied back together
7 automatically. So if you just hit reply, and you can add a CC
8 on the bottom if you want to, that's fine, but just don't change
9 the to or the subject, and that way the tracking will be
10 continuous.

11 MR. HAMMOND: Did I understand then we're not to
12 forward (inaudible) handle this, or we reply saying staff is
13 going to handle it, and then put you guys down there on the CC
14 list? Is that what I just understood?

15 MS. STRIEGLER: No. You could forward -- you
16 could forward it to Mary.

17 MR. ROEHRICH: Yeah.

18 MS. STRIEGLER: But don't reply to the person,
19 because (inaudible) go forward, it (inaudible) in the systems.
20 But Mary, that's okay. When you're just telling Mary to deal
21 with it, that's okay, but don't -- when you're responding to
22 someone, you want to hit reply so that it goes back through the
23 system.

24 MR. ROEHRICH: I don't know how they do that, but
25 that's a good system.

1 MR. LA RUE: So Cyndi, the other thing that I
2 typically to do to try to organize my mailbox is over on the
3 left you can see where you have the file folders.

4 MS. STRIEGLER: Uh-huh.

5 MR. LA RUE: Do I have access to create file
6 folders?

7 MS. STRIEGLER: Yes.

8 MR. LA RUE: To organize. So we'll all -- we
9 have access to manipulate that?

10 MS. STRIEGLER: Yes.

11 MR. LA RUE: Okay.

12 MS. STRIEGLER: You'll be able to create whatever
13 folders you need to create to keep your world organized.

14 MR. LA RUE: Okay.

15 MS. STRIEGLER: Yeah. This works very much like
16 any other e-mail account. I mean, it is, just -- it's just
17 another e-mail account specific for (inaudible).

18 MR. LA RUE: Well, this looks like Microsoft
19 Exchange. Is that --

20 MS. STRIEGLER: This is. Yeah.

21 MR. LA RUE: Yeah. So that's what we use. So
22 it --

23 MS. STRIEGLER: Yeah.

24 MR. LA RUE: As long as --

25 MS. STRIEGLER: So it's exactly what you're used

1 to using in your office. It's just this is the web -- the web
2 mail version.

3 MR. LA RUE: Right. So I utilize that as well.

4 MS. STRIEGLER: Yeah.

5 MS. BEAVER: So this was the same?

6 MR. LA RUE: Yes. This is Microsoft Exchange
7 programs, I think, when you load it.

8 MS. BEAVER: So I --

9 MR. LA RUE: Into that, that --

10 MS. BEAVER: -- should be able to --

11 MR. LA RUE: -- to do that, and then I think
12 there's -- there's some numbers and stuff you have to feed into
13 this that can allow you --

14 MS. STRIEGLER: We could probably help a little
15 bit with a couple of ideas on possibly test out hooking it up
16 through an app possibly. I'd have to see what's (inaudible),
17 what's not. But, you know, we could test it a little bit and
18 see if we can help you with that at all.

19 MS. KUNZMAN: Chairman, Mr. La Rue, I'm
20 wondering, too, if maybe before it goes live to maybe make sure
21 that there are some guidelines, tips. I also have just some
22 concerns about potential (inaudible) violation, too. So I think
23 there would need to be a little bit more information given to
24 the Board so that, you know, you talk about a reply all,
25 (inaudible) that would be a violation a (inaudible). So just

1 wanted to --

2 MR. ROEHRICH: I don't think it was (inaudible).

3 MS. STRIEGLER: No.

4 MR. ROEHRICH: You reply to whoever the sender
5 was. Whoever the sender was, you reply to them or you forward
6 to myself and Mary. That was the -- to me the thought.

7 MS. STRIEGLER: Yeah. The note was not to use
8 reply all, not to use forward unless you're sending it just to
9 Mary to say please deal with this, because the system wouldn't
10 capture the conversation. So reply keeps everything captured in
11 the system and available for request.

12 MR. ROEHRICH: But Michelle's (inaudible) the
13 safe e-mail rules the Board (inaudible) on right now is the same
14 as you move forward under the system. You don't talk Board
15 business outside of the Board meeting. You don't send e-mails
16 to a bunch of Board members and stuff. I mean, it's the same --
17 to me it's the same issues you'd deal with now.

18 MS. KUNZMAN: Well, the only thing I can see
19 that's different is it makes it easier to potentially violate
20 the open meeting laws. I just want to stress that (inaudible)
21 if they (inaudible) all Board members versus --

22 MR. ROEHRICH: Well, the constituents, they do
23 that now. If they go to Board info, all the Board members get
24 the e-mail that that comes in.

25 MS. KUNZMAN: And then --

1 MR. ROEHRICH: So they still have --

2 MS. KUNZMAN: The Board member -- and if the
3 Board member replies to the constituent, then say all again and
4 have --

5 MR. ROEHRICH: No. They're only sending --
6 because it's under a blind CC, if you -- if the Board member
7 replies to all, it only goes back to the constituent. It
8 doesn't go back to everybody who's on the blind CC.

9 MS. BECKLEY: (Inaudible.) That response from
10 the constituent then goes back to all the Board members?

11 MS. KUNZMAN: (Inaudible.)

12 MR. ROEHRICH: Okay.

13 MS. STRIEGLER: Okay.

14 MS. BECKLEY: So that --

15 MS. STRIEGLER: We need to get -- I need
16 further --

17 MS. BECKLEY: Okay.

18 MS. STRIEGLER: -- conversation in that one,
19 because I'm not quite (inaudible).

20 MR. LA RUE: And I do like the idea of -- again,
21 I hate to put burden on people, but the idea of maybe coming up
22 with a small e-mail etiquette rules reminder, because I am
23 amazed over time how people forget some of that, and then you
24 see things happen, and sometimes it gets -- the horse is out of
25 the barn before somebody says, oh, you shouldn't do that. So be

1 nice just periodically -- or create it, and then periodically
2 remind us maybe on an annual basis or when you --

3 MR. ROEHRICH: (Inaudible) bottom of an e-mail
4 that says due to open meeting laws, please do not reply to all,
5 and please any communication be directed back to staff. We can
6 do things like that safe act just to kind of help remind Board
7 members as they start responding to them.

8 MS. BECKLEY: My concern is that even though the
9 Board members know that, we can't control (inaudible).

10 MR. ROEHRICH: Oh, right. Yeah.

11 MS. BECKLEY: (Inaudible) all the Board members,
12 and then one Board member responding, and then the constituent
13 including everyone again. Now you all have done violated the
14 open meeting law, so...

15 MR. ROEHRICH: But we have that now. We can't
16 control the constituents now, you know, whatever they choose to
17 do.

18 MS. BECKLEY: If they don't get responded to
19 again, they can't forward back (inaudible).

20 MR. ROEHRICH: Well, they can go back to Board
21 info and --

22 (Speaking simultaneously.)

23 MR. ROEHRICH: Not on the same (inaudible).

24 MS. BECKLEY: (Inaudible.)

25 MR. ROEHRICH: Correct. Correct. They would

1 have to retype it, whatever their issue was, to go back to that
2 (inaudible).

3 MS. BEAVER: You know, kind of presently --
4 excuse me again.

5 MR. LA RUE: These are good questions.

6 MS. BEAVER: I should have said --

7 MR. LA RUE: No, no, no. Go ahead. It's getting
8 late. We've got to go.

9 MS. BEAVER: Whenever I get these e-mails that
10 come through that Board thing, I don't respond to any of them
11 unless Mary has specifically said this has come in, it was
12 addressed to you.

13 MR. ROEHRICH: Right.

14 MS. BEAVER: Can you -- you know, I'm really
15 taking her lead as far as what I need to respond to on those
16 e-mails that come through the system. And I don't really
17 communicate with any of the other Board members.

18 MR. ROEHRICH: Which you're not supposed to.
19 You're doing it exactly right. You're not supposed to
20 communicate with them on that.

21 MS. BEAVER: Well, I think -- isn't it if there's
22 anything that would become action of the Board, you kind of err
23 on the side of caution -- just with all that school board stuff
24 was, like, I'll just stay away from it all and then we don't
25 have to deal with it. That's kind of how I've always taken the

1 position.

2 So, you know, any group things, I would probably
3 stay out of, because -- because I think even text message --
4 isn't it the same kind of concern?

5 MR. LA RUE: Uh-huh. Same.

6 MS. KUNZMAN: Yes.

7 MS. BEAVER: Yeah. So...

8 MR. ROEHRICH: Well, right now, if a Board member
9 in your -- or if a public in your district wants to contact you,
10 they've got no way to contact you unless they go to board info
11 and they send it to everybody. This point was to allow the
12 people who want to talk to you and communicate with you directly
13 can do that without everybody getting a copy of it. But the
14 option is is they want all of you to see the issue.

15 Like during the five-year program, instead of
16 (inaudible) put in seven different e-mail messages on an issue,
17 you know, we've allowed them to send it to all of you, and so
18 maybe that's something maybe we need to take away. They can't
19 send it to all the board members, that if they do have a message
20 they want to get, they've got to do it seven times individually.
21 I guess we can talk about that, if that's the more appropriate
22 way to try circumvent any meetings --

23 MS. STRIEGLER: Well, the other possibility is if
24 that was removed and there's a chance that they may just send it
25 to general, at that point Mary could send it out to the group.

1 (Inaudible.)

2 MR. ROEHRICH: So we could talk to that.

3 MS. BEAVER: Actually --

4 MR. ROEHRICH: (Inaudible.)

5 MS. BEAVER: -- I like that filter better. I
6 know it's more difficult for Mary, but I really like that
7 better.

8 MR. ROEHRICH: Well, see, right now, the Board
9 (inaudible) will get a message that says, I'm trying to get
10 ahold of Mr. Anderson. Could you please give him my
11 information? Because that just happened here recently, just a
12 few weeks ago. You all got the e-mail message that said, here's
13 this person trying to get ahold of Mr. Anderson. Well, it would
14 be nice if they could just go there and say -- send an e-mail to
15 Mr. Anderson, hey, I live in Maricopa, and I'd like to
16 (inaudible) my representative. I have a question for you, and
17 then, you know, (inaudible) communication.

18 MR. HAMMOND: (Inaudible.)

19 MS. BEAVER: Yeah.

20 MR. ROEHRICH: We're hoping (inaudible) anything
21 else, we're open to make it easier for people to contact their
22 Board members that they want to, make it easier for the Board to
23 say, yes, here's my response or staff take care of it. And then
24 as we (inaudible) the example was when Ms. Beaver said, you
25 didn't get 250 e-mails in your personal e-mail account at home

1 from all these (inaudible) papered us with stuff last year.

2 You don't have to deal with that because it's all
3 going to be on ADOT's server. If you're done with it, we can
4 give them the general response back, thank you for commenting,
5 and then you all can delete it out of there, because we will
6 have it through -- through this system, we'll always have a
7 record of it. Just (inaudible) trying to do little separation
8 between you, personal life and your Board activity, but keep all
9 the Board activity centralized so it's an easily -- way to
10 manage it. But as Michelle said, we've got to make sure that
11 (inaudible).

12 MS. BEAVER: Okay. I have a question. With
13 regard to our communication as individual Board members with
14 Mary, is there a way that when she sends something, she could
15 send it to my ADOT Board e-mail address and to my personal
16 e-mail address at home, where it's like you're sending it to
17 both of them, and that way I'm absolutely reading my personal
18 ones at home, but it's in the system, also?

19 MS. STRIEGLER: It wouldn't alleviate the public
20 information problem at that point, I don't think.

21 MR. SELLERS: Well, what they've told us in the
22 City of Chandler is that that's okay as long as the response
23 goes back through the City system. And again, if it doesn't,
24 then whatever I have on my computer is public, public
25 information.

1 MR. ROEHRICH: I mean, I think that would work.
2 I mean, (inaudible) reply back, it will be on ADOT's server, but
3 it will be on Mary's -- under Mary's ID number or whatever,
4 personal account, but it will be on the ADOT server. So we
5 could do that. (Inaudible) --

6 MS. BEAVER: Well, I guess for me is --

7 MR. ROEHRICH: -- for you guys. Whatever works
8 for you all.

9 MS. BEAVER: When she's corresponding with me,
10 sometimes she'll have you CCed on there.

11 MR. ROEHRICH: Right.

12 MS. BEAVER: So what I'm saying is if she could
13 just CC, you know, my --

14 (Speaking simultaneously.)

15 MS. BEAVER: Well, my personal or my ADOT one.

16 MS. BECKLEY: They wouldn't go through this
17 system though.

18 (Speaking simultaneously.)

19 UNIDENTIFIED SPEAKER: But the key will be then
20 you would have to respond back through the ADOT system.

21 UNIDENTIFIED SPEAKER: You know, my suggestion is
22 we just get it up --

23 UNIDENTIFIED SPEAKER: Just put (inaudible).

24 UNIDENTIFIED SPEAKER: And we'll see when we need
25 to tweak it real quick, I think.

1 MR. ROEHRICH: That -- the process is we want to
2 get it started, I think, after Labor Day. Is that what you
3 said?

4 MS. STRIEGLER: We were looking basically next
5 week, tentatively.

6 MR. ROEHRICH: Well, we'll have to wait and see.
7 Michelle's got a look on her face, so maybe it will be after
8 Labor Day.

9 MS. STRIEGLER: Yeah.

10 MR. ROEHRICH: But the idea, as you said,
11 (inaudible), we've got to move this forward. Cyndi's team's
12 been working on this. We've been trying to get this set up
13 because of, you know, some of the responses we heard from Board
14 members in the past. I agree with you. Let's get it functional
15 and then we'll kind of work through it. Like any other system,
16 and because it is Microsoft Outlook, hopefully you're familiar
17 within that -- to me the whole issue is really how do I access
18 it. Once you get familiar with that, you manage your e-mails
19 within that system like you do now. Reply, forward, to do,
20 whatever, realizing that Mary and I are -- it's going to come
21 back through the system, and Mary and I will be able to help you
22 manage that, respond to do whatever.

23 MS. BEAVER: Well, I'm just here to tell you, I
24 have no problem with either one of you seeing what's going on.

25 MR. ROEHRICH: Oh, Mary does a fabulous job.

1 Yeah, absolutely.

2 MR. LA RUE: So I think listening to all of this,
3 you know, it might be easier for Mary if whatever group contact
4 you have for us, we can just imbed in our Board e-mail and
5 our -- whatever are designated, so that when you send it out
6 under that group contact, we're populating both. I think then,
7 you know, if it's something that you send out to me to say, are
8 you attending, and I generally say, yes, no, very quickly, I may
9 choose to do it through my other e-mail source, and then I guess
10 I determine whether or not I keep that as a public record or
11 not. Now I'm just dragging it into an archive file where -- but
12 if it's something that I know it's Board business, it's
13 something there, then I need to go into the Board, e-mail and
14 respond back, then I know that's all captured on the State
15 system, and I don't have to worry about the records request.

16 MR. ROEHRICH: To me I think that's a very good
17 distinction. If it's really staff stuff, we'll do a lot of the
18 same stuff (inaudible) Mary (inaudible) you all. This is when
19 an outside party, a private citizen wants to contact either an
20 individual member or all the Board members, just like people who
21 want to come in and contact ADOT today, has a similar form to
22 that. This is set up to do that, and it allows us to track it
23 back through this system.

24 So that type of responses you don't necessary
25 look have to keep on -- on your personal, because you know we've

1 got the record of it here. As long as we follow back through,
2 as Cyndi had said, either by reply or forward to me and Mary so
3 we have it, we always have a record of it.

4 MS. BEAVER: Well, to your point, if I'm talking
5 about just communication with myself and somebody within ADOT,
6 if something is sent to my personal e-mail and to my ADOT and I
7 respond back, say, from my personal to them, it's going to be
8 captured in the ADOT system because --

9 MR. ROEHRICH: It will be on our server.

10 MS. BEAVER: Yeah, because it --

11 MR. ROEHRICH: We will have a record of it on our
12 server.

13 MS. BEAVER: Because it went in to them. Is that
14 different than what you're saying in Chandler?

15 MR. SELLERS: What I'm saying is if you're
16 dealing with an issue that we would be asked to consider a vote
17 on, you really need to have that in the ADOT system and not on
18 your personal system.

19 MR. LA RUE: Yeah. Here's where I think the --

20 MR. SELLERS: So all the -- all copying you, in
21 addition, you know, in two different e-mails would do is alert
22 you to go to your ADOT system and respond.

23 MR. LA RUE: Yeah. I think where it's
24 problematic is so let's say there's a records request. They
25 request, you know, everything that ADOT may see, and they see

1 your personal e-mail. They're going to come and make a records
2 request on your personal e-mail, and if you sit there and only
3 have four, you know, then they're going to want to scan your
4 system to say, are there other e-mails that you've been sending
5 that they can pick up a trace on, and that's where the forensic
6 guys, you know, spend a lot of time there.

7 And in, like, what we're seeing on the national
8 level, if there's some stuff that's missing that's embarrassing,
9 then you've got -- you've got to answer to something. So I
10 think it really becomes a judgment, and I, for one, probably am
11 not going to take time to go into ADOT's system if it says, are
12 you attending, and I do yes/no.

13 MR. ROEHRICH: Especially stuff directly from
14 Mary.

15 MR. LA RUE: Right, because --

16 MR. ROEHRICH: (Inaudible.)

17 MR. LA RUE: Nobody's going to get excited about
18 that.

19 MR. ROEHRICH: Right.

20 MR. LA RUE: But if it's, you know, something
21 involving a deal, then we've really got to go on the ADOT system
22 if you don't want to have them, you know, going through. You
23 know, when they come pick up your computer, it's a little
24 intimidating and, you know, you sit there for two days without a
25 computer going, what are these guys doing?

1 MS. STRIEGLER: It wasn't the original intention,
2 as I understood it, to make -- necessarily make everything go
3 through. Mainly it was to capture what the constituents are
4 trying to write to you and then your responses to them is the
5 primary. Mary would -- can e-mail you on your ADOT account, but
6 yeah, she could copy you personally, and just like you're
7 discussing is fine. The main, predominant ones, as I understand
8 it, is the anything with the constituents.

9 MS. BEAVER: Would it --

10 MS. STRIEGLER: (Inaudible) your ADOT -- your
11 state board address and you reply from your state board address,
12 it keeps them clean.

13 MS. BEAVER: Would we not though -- if we're
14 responding -- I -- I wouldn't normally respond to a constituent
15 first. I mean, isn't that something that we usually run through
16 a filter process?

17 MR. ROEHRICH: I think it --

18 MS. BEAVER: You know, like --

19 MR. ROEHRICH: -- depends on what they're asking.
20 Like I said, the most recent, when we got -- the person wrote in
21 and said, I'd like to contact Mr. Anderson, give him my number.
22 You can decide whether you want to do that or not. You can
23 reply and say, I don't give out my personal number. If you had
24 something, you know, related to the Board, use this venue --

25 MS. BEAVER: Uh-huh. Uh-huh.

1 MR. ROEHRICH: -- to request it. You know, other
2 than that, no.

3 But you're right, sometimes the (inaudible) I
4 live out on state route whatever, whatever, and the roads are
5 rough and nobody is out here cleaning up the trash and those
6 things like that. You go, what's the issue? Well, that should
7 really be an ADOT response. You could even reply to them and
8 say, thank you very much for that. It's an operational issue.
9 ADOT has the primary responsibility for that. I have included
10 on the bottom of this, me or Mary or whatever, so they can
11 follow through and tell you exactly what's going on.

12 Once you know the specifics of what's requested,
13 absolutely, Mrs. Beaver, a lot of those things can come back to
14 us, because the Board does get questioned a lot of times as far
15 as, hey, I'm having a problem. I can't get my permit or, you
16 know, the road's a mess in front of my road. What do I got to
17 do to get it repaired? And that doesn't necessarily require a
18 Board response. We can do that.

19 MS. BEAVER: Well, I know some of the stuff that
20 I have come in has to do with the NPOs, whether it's Yuma, up in
21 Yavapai County or --

22 MR. ROEHRICH: WACOG.

23 MS. BEAVER: -- or Lake Havasu City, WACOG, those
24 things where there might be communication going on that's not
25 directly tied to ADOT, but it's sort -- it's indirectly tied to

1 ADOT.

2 MR. ROEHRICH: It's tied to your role as a
3 Transportation Board member.

4 MS. BEAVER: Yes.

5 MR. ROEHRICH: Correct.

6 MS. BEAVER: And so that thing, should I now have
7 it redirected where it's going through the ADOT system as
8 opposed to myself communicating? I'll just use as an example,
9 Gene Knight with the Lake Havasu NPO. Is that something that I
10 can communicate directly with her on my e-mail and keep a
11 special folder that's ADOT-related business?

12 MR. ROEHRICH: My initial response is yes, if you
13 choose to do that. But if you wanted to clear it off of your
14 personal folder, give her this new e-mail address, and she can
15 send it to you at this e-mail address.

16 MR. LA RUE: You know, maybe Deanna, while
17 they're -- what might be helpful for some of us is while they're
18 gearing us up to go on that, as -- look at the e-mails that you
19 get in over the next week or two, and if there's some that
20 you're saying, how would I do this, I'd send them to staff and
21 say, you know, what do you -- how do you suggest I, you know, do
22 this in the future when we go live to give you a sense for how
23 to, you know, how to gate keep that (inaudible).

24 MR. ROEHRICH: My understanding is -- Cyndi, is
25 once that e-mail address is up, you can use this Envoy, but if

1 you give that e-mail address to (inaudible) or you give it to
2 somebody else, they can just e-mail you directly, and then you
3 can just take it through this server. So it doesn't have to,
4 again, get bogged down on your own personal server. Absolutely.

5 So you can have -- so if they're sending e-mail
6 now to your home e-mail address, you know, the agendas and all
7 the backup data because they've got presentations for their next
8 executive director's meeting, you can say, fine, send me all
9 that stuff, but I want -- give them this e-mail address, and
10 they'll send it to you there, and you just have to go on there
11 and check it and copy off or repair whatever you want, or you
12 can not. You can continue to have it come to your home.

13 Again, it was -- the intent is not -- we're not
14 making you change. I'm telling you this is available, and I
15 think (inaudible) the point is maybe the best thing to do is use
16 it under the circumstances when the general public wants to
17 contact us might be the best way. Right now, you've got
18 relationships over the years you've built with people. They use
19 a certain e-mail address in communication for you, especially
20 Cyndi -- or Mary and myself. Maybe we continue on with that.
21 Fine. We want it to work effectively for you.

22 MS. BEAVER: Well, I just have a question for
23 maybe legal. You know, like when you -- because we've been
24 using more our personal e-mail addresses for however many years,
25 and those if we -- we've kept, you know, saved the e-mails, you

1 know, that are ADOT related. At the time we leave service are
2 we supposed to actually turn those over to ADOT where they
3 actually have a file folder of them?

4 MS. KUNZMAN: Well, every -- anything that you're
5 sending or receiving related to Board business is considered a
6 public record.

7 MS. BEAVER: Uh-huh.

8 MS. KUNZMAN: So, I mean, I would say that, you
9 know, yes, because obviously that's related to the Board's
10 public information. And so if you are using your personal
11 e-mail as a form of communication of the Board's business, all
12 of that is really the Board's communication. So if you were to
13 leave, you would probably need to turn all -- all those e-mails
14 over.

15 The other alternative is if there was ever a
16 public records request that came in and it was for a period of
17 time when you were actively involved, then they would come to
18 you at that point and ask for that information.

19 MS. BEAVER: So if -- if I turned over, you know,
20 where I saved them, saved them, and basically turned over, say,
21 a memory stick to -- you know, that had all of my records from
22 my personal e-mail that has transpired from the beginning until
23 say the present --

24 MS. KUNZMAN: I mean, you could do that. I don't
25 know that it's necessary.

1 MS. BEAVER: Uh-huh.

2 MS. KUNZMAN: I mean, just you knowing, though,
3 that if there's ever a request, and of course, it depends on the
4 public record request, because a public records request could be
5 for a very limited period of time and may not necessarily be the
6 period of time where you were actively involved.

7 MS. BEAVER: Uh-huh.

8 MS. KUNZMAN: So I'm not so sure that it's really
9 necessary to go through all that work. I think it's probably
10 sufficient (inaudible) as a Board member to just know that if
11 there's ever a public records request, a custodian of record at
12 ADOT may come to you and say, we need these records relating to
13 these issues.

14 MR. ROEHRICH: I can tell you in all the years,
15 no Board member after leaving ever gave us a copy of anything.

16 MR. LA RUE: You know, but I like the question,
17 because I was thinking, wow, I could -- the last day of service
18 put it all on a memory stick and say, there you go, and then --

19 MR. ROEHRICH: Walk away, huh?

20 MR. LA RUE: I basically, you know, when that
21 records request, if it comes in, say, I know nothing, I have
22 nothing and, you know, see my buddy, Floyd. He's got --

23 MR. ROEHRICH: All the records are turned in to
24 me.

25 THE WITNESS: Hillary told me to do it that way.

1 MR. LA RUE: That's right.

2 Well, good discussion. I think there's a lot
3 more to come. I think it is like Board Member Hammond said,
4 it's going to be a learning exercise once we go live.

5 MR. ROEHRICH: So once -- we will go back, meet
6 Cyndi one more time. We'll get Michelle in on this and work
7 something out. We'll put together another little tutorial on
8 how this will work, and then we'll plan to look at kicking it
9 off early September. You're right. We were talking September
10 1st, but maybe after Labor Day.

11 MS. BECKLEY: You mean maybe more middle
12 September then?

13 MR. ROEHRICH: Yeah. After Labor Day we'll get
14 something.

15 And then from there, we'll start you on the
16 process of just using it or we'll let it evolve as people get
17 comfortable using it. But again, we're not trying to make it
18 more difficult. We're trying to give you this as an avenue to
19 make it easier to communicate, and maybe if it's used in a more
20 specific case, the outside constituency, we'll keep
21 communicating as we are today with everything else because it's
22 working.

23 We want this to be effective. We're not trying
24 to do something that becomes burdensome and less communicative.
25 We want it to be more, more communicative and more easier to

1 use. So we'll let it work from there once it's up and running.

2 MR. LA RUE: Excellent. Any other discussion on
3 this item?

4 (End of excerpt.)

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Maricopa Association of Governments Reconciliation Agreement

THIS AGREEMENT is entered into this date June 18th, 2015, between the STATE OF ARIZONA, acting by and through its DEPARTMENT OF TRANSPORTATION ("ADOT") and the MARICOPA ASSOCIATION OF GOVERNMENTS, acting by and through its appropriate authority.

I. RECITALS

1. The State is empowered by Arizona Revised Statute § 28-401, to enter into this Agreement and has delegated to the undersigned the authority to execute this Agreement on behalf of the State.
2. MAG is empowered by the Arizona Revised Statutes §§ 28-6308 and 28-6353 to enter into this Agreement, and is authorized to execute this Agreement on behalf of MAG.
3. MAG has requested, and ADOT has prepared, a reconciliation for the periods FFY 2006 to FFY 2014. A determination has been made that the MAG sub-allocated ledgers are due \$12,090,163 in obligation authority.
4. The parties wish to resolve all the past ledgers through FFY 2014.

II. AGREEMENTS:

NOW THEREFORE, ADOT and MAG agree as follows:

1. A transfer will be prepared in the amount of \$8,709,362 of federal obligation authority from the Regional Transportation Plan Freeway Program to the MAG Arterial Life Cycle Program. Attached to this agreement as Exhibit 1 is the COG/MPO Federal-Aid Transfer or Loan Request Form evidencing the transfer of \$8,709,362 which will be executed by both ADOT and MAG upon the approval and execution of this Agreement.
2. ADOT will process error corrections totaling \$3,380,801 in FFY16 on the MAG ledger.
3. The transfer and error corrections resolve all past, present and future actual or potential disputes or questions regarding the status of funds up to September 30, 2014. Neither party will assert any further disagreement.

4. This agreement **will** be effective upon approval and execution by the MAG Executive Director and the State Transportation Board.

IN WITNESS WHEREOF, the Parties have executed this Agreement the day and year first above **written**.

MARICOPA ASSOCIATION OF GOVERNMENTS

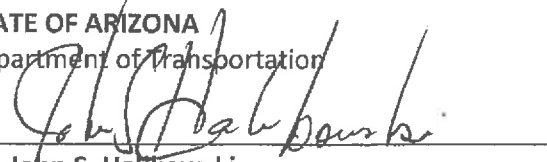
By



Dennis Smith,
Executive Director, MAG

STATE OF ARIZONA
Department of Transportation

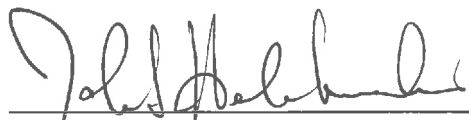
By



John S. Hallkowski,
Director, ADOT

A motion to adjourn was made by Deanna Beaver and seconded by Joe La Rue. In a voice vote, the motion carries.

Meeting adjourned at 12:30 p.m. MST



John S. Halikowski, Director
Arizona Department of Transportation



Joseph E. La Rue, Vice Chairman
State Transportation Board