

STATE TRANSPORTATION BOARD MEETING MINUTES

9:00 a.m., Friday, June 16, 2017

Town of Payson
Council Chambers
303 N. Beeline Highway
Payson, AZ 85541

Pledge

The Pledge of Allegiance was led by Chairwoman Deanna Beaver.

Roll call by Board Secretary Linda Hogan

In attendance: Deanna Beaver, William Cuthbertson, Joe La Rue, Jack Sellers, Steve Stratton and Jesse Thompson. Michael Hammond participated telephonically.

Absent: None.

Opening Remarks

Chairwoman Beaver thanked Mayor Swartwood and the Council for their hospitality in hosting the Board meeting in Payson. She also thanked them for the barbeque dinner that they hosted at Rumsey Park adding that the catering company, Suzie Q's Barbeque, was voted one of the top ten in the state. Chairwoman Beaver also thanked the Mayor of Globe and the Mayor of Star Valley and their staff for attending the dinner. She noted the location, food, and networking opportunities were well received.

Chairwoman Beaver proceeded to mention her history note for the meeting. She explained that she had gone back to look up the history of the fifty mile road plan from Phoenix to Payson and read an article from *The Arizona Republic*, dated February 17, 1933.

Title VI of the Civil Rights Act

Kevin Biesty, Deputy Director for Policy, reminded all attendees to fill out survey cards to assist our Civil Rights Department.

Call to the Audience:

The following members of the public addressed the Board:

1. Craig Swartwood, Mayor of Payson, re: Thanked the Board for their support and for coming to rural Arizona to hold a meeting. He expressed his sincere appreciation for the positive relationship the Town has with the District Engineers. Mayor Swartwood also thanked the Board for putting the Lion's Spring Extension Project back into the 5-year program. He added they are currently working with ADOT on a grant for consideration on altering the SR87/SR260 Intersection and timing the traffic lights. He noted the Board is always welcome in Payson.
2. Chris Bridges, CYMPO Administrator re: Asked the Board for consideration to add funding for the SR 69 Safety and Capacity Improvement Program to the 5-year program. He stated CYMPO is bringing \$1 million to fully fund the final design and they are in the final review process of the draft joint project agreement. Mr. Bridges also discussed the additional construction funding that would be made available by CYMPO in 2020 and 2021.
3. Andy Smith, Transportation Planning Manager, Pinal Regional Transportation Authority, re: Provided an update on the Pinal Regional Transportation Plan to be developed between 2018 and 2037. He stated this plan was approved by the Pinal Regional Transportation Authority Board on June 5, 2017 and was also presented to the Pinal County Board of Supervisors on June 14, 2017. He explained this plan will be solely dependent upon the proposed transportation excise tax being passed by Pinal County voters in November 2017.

4. Kee Allen Begay, Jr., Navajo Nation Councilmember, re: Asked for support, consideration, and recommendation to improve the safety of the roads in Many Farms, Arizona and the surrounding areas. He explained that there is an increase of traffic and visitors who come to see our monuments such as the Grand Canyon, Four Corners, Canyon de Chelly, Monument Valley, etc. and we need our visitors to travel on safe roads. Mr. Begay thanked the Board for their time.
5. Irene Higgs, Executive Director, Sun Corridor MPO, re: Presented Resolution 2017-02 to encourage ADOT to seek alternate funding for I-15 transportation roadway improvements. She encouraged ADOT to seek additional funding sources to fund the roadway, such as TIGER, FASTLANE Grants and roadway tolling.
6. Charlie Odegaard, Councilmember, Flagstaff re: Thanked the Board for going to Flagstaff in April to hear the city's needs. He introduced Barbara Goodrich, Deputy City Manager of Flagstaff.
7. Barbara Goodrich, Deputy City Manager, Flagstaff, re: Thanked the Board and ADOT for the service they provide to the state. She added they are pleased with the priority being given in repairing both I-40 and I-17 and the efforts to clean up the highways. She also discussed the planning and development activity on the Milton and US180 Corridor and added the city appreciates these efforts and encouragement. Ms. Goodrich stated the City is requesting that the Board place the Fourth Street Bridges at the I-40 Replacement in the Widening Project into the 5-year plan. An intergovernmental agreement must be in place and she noted the City has reached out to the Northcentral District Engineer, Audra Merrick, to begin discussions.

STATE TRANSPORTATION BOARD MEETING – June 16, 2017

INDEX

PAGE

ITEM 1: DISTRICT ENGINEER'S REPORT (Bill Harmon).....3

ITEM 2: DIRECTOR'S REPORT (John Halikowski)12

ITEM 3: CONSENT AGENDA13

ACTION TAKEN

MOTION TO APPROVE CONSENT AGENDA.....13

ITEM 4: LEGISLATIVE REPORT (Kevin Biesty)..... 14

ITEM 5: FINANCIAL REPORT (Kristine Ward).....22

ITEM 6: ADOPTION OF AUTHORIZING RESOLUTION, GRANT ANTICIPATION NOTES 2017A (Kristine Ward)26

ITEM 7: MARICOPA ASSOCIATION OF GOVERNMENTS (MAG) PROPOSED AMENDMENT TO THE REGIONAL TRANSPORTATION PLAN (Clemenc Ligocki)27

ITEM 8: FINAL APPROVAL OF THE FY 2018-FY 2022 FIVE YEAR STATEWIDE TRANSPORTATION FACILITIES CONSTRUCTION PROGRAM (Clem Ligocki/Kristine Ward)32

ITEM 9: MULTIMODAL PLANNING DIVISION REPORT (Clemenc Ligocki)41

ITEM 10: PRIORITY PLANNING ADVISORY COMMITTEE (PPAC) (Clemenc Ligocki)43

ACTION TAKEN

MOTION TO APPROVE ECONOMIC STRENGTH PROJECTS 10a45

MOTION TO APPROVE PROJECT MODIFICATIONS ITEMS 10b through 10q46

MOTION TO APPROVE NEW PROJECTS ITEMS 10r through 10z48

ITEM 11: STATE ENGINEER'S REPORT (Dallas Hammit).....50

ITEM 12: CONSTRUCTION CONTRACTS (Dallas Hammit)54

ACTION TAKEN

MOTION TO APPROVE ITEM 12a.....56

MOTION TO REJECT ITEM 12b57

MOTION TO POSTPONE ITEM 12c.....58

MOTION TO APPROVE ITEM 12d59

MOTION TO POSTPONE ITEM 12e.....60

MOTION TO APPROVE ITEM 12f61

MOTION TO APPROVE ITEM 12g.....63

MOTION TO APPROVE ITEM 12h64

MOTION TO APPROVE ITEM 12i.....65

ITEM 13: SUGGESTIONS.....66

1 (Beginning of excerpt.)

2 CHAIRWOMAN BEAVER: We'll move on then to the

3 district engineer's report. And we have Bill Harmon with us

4 from the Southeast District.

5 MR. HARMON: Good morning, Chairwoman Beaver and

6 members of the State Transportation Board. I appreciate the

7 opportunity to be here. It's a little bit of a different dance

8 step for me to be here in the Flagstaff district area. My

9 friends in Phoenix felt sorry for me that I didn't have a chance

10 this year to visit with you. I'm twice as big as Audra, but

11 she's twice as smart. So I think you're getting the short end

12 of the stick. Nevertheless, I appreciate being here.

13 My name's Bill Harmon, just because you're in the

14 Southwest District, headquartered in Safford. Let's see. You

15 know where it is. Thank you very much. That will help.

16 Okay. Just a note here. We're changing our

17 district boundaries again just a little bit, tweaking the

18 northwest corner where the Central District, South Central and

19 Southeast Districts come together. July 1st, we're reopening

20 our Superior yard, and so we're adjusting the boundaries a

21 little bit so that our new boundary will go just a few miles

22 shy of where the Renaissance Festival is on US-60 and down just

23 above Florence. So we won't -- (inaudible) Florence city limit

24 area, but we'll take 79 out to the Florence Junction area as

25 well as closer to town -- town, the big city. So that's to

1 provide better emergency response as well as routine service in
2 that corner of the world.

3 Okay. As recently completed, the US-60 Oak Flats
4 pass lane project, which (inaudible) was recognized in San
5 Francisco recently for her leadership and partnering abilities.
6 She did a tremendous job there. A very difficult project, and
7 all in the same area, the US-60 tunnel lighting project at
8 US-60, the rock scaling around portal, it all was going on at
9 about the same time, as well as the US-60 (inaudible) to
10 Superior project. A lot of work. A lot of big investment in
11 that area. And the State Route 288 rock fall mitigation
12 project, as well as a number of routine projects.

13 So under construction right now, in the Silver
14 King to Superior project, the contractor was really hoping to
15 have finished this summer, but he didn't quite -- get quite
16 far enough. There's a temperature limitation on the final
17 pavement. His contract (inaudible) about November, but he'll be
18 back in the fall to do the finish paving. So Board Member
19 Stratton is -- he's been helping me to get along with the
20 neighbors out there, and I appreciate that. He knows a lot of
21 people out there and helps keep things moving for me.

22 Hey, if you look at the picture, the bright flood
23 light on the 14-foot boulder, standing next -- or -- one of our
24 inspectors is standing next to, you can see the size of the
25 boulders that were coming down on State Route 77 off those

1 cliffs, and it just pounded the pavement and made a lot of
2 pavement repair.

3 And then the US-70/BIA 6 intersection, just
4 outside of the casino, Apache Gold Casino.

5 All right. So advertising. Yeah, here. We're
6 trying to wrap up the fiscal year. The US-70 San Carlos High
7 School to BIA 170 turn lanes, that's been long anticipated. And
8 then US-60 Cieniga Creek to Well Canyon is actually a project
9 that overlaps district boundaries. The Southeast District will
10 not be administering that project, although a portion of it lies
11 within the district.

12 Might mention another big project that
13 (inaudible) west area. It is on the San Carlos reservation, and
14 that's the biosafety improvement project on US-70, which we've
15 been working on for many years, and that will be advertising
16 this week.

17 So 2018, the outlook for major projects, there's
18 some of the major projects, the US-60 Pinto Creek Bridge. We
19 hope to advertise that maybe this time next year or maybe just a
20 little bit sooner. That's the big arch bridge that people cross
21 over. It's a really beautiful structure, but it's seen better
22 days. The US-70 westbound passing lanes in Peridot, the San
23 Carlos area for the traffic heading west of Phoenix, give them a
24 chance to pass each other in that pretty hilly terrain out
25 there.

1 State Route 77, Gila River Bridge in Winkelman,
2 we'll be replacing, and then US-60, we're doing a traffic
3 calming project in the -- by the Circle K, Claypool area, as
4 well as a lot of other routine smaller pavement preservation,
5 those kind of projects.

6 All right. So projects of interest that are out
7 there maybe a few more years, State Route 88 -- 188 rest area,
8 and I always have a hard time getting my tongue wrapped around
9 Mazatzal. Audra and I wrestled -- arm wrestled who gets that
10 rest area, but she won and I got it.

11 So US-60 Queen Creek Bridge, it's a similar
12 structure to Pinto Creek. That will be out there also about
13 2020, 2021, depending on how everything tends (inaudible) that
14 one.

15 And then if you've driven down US-70 by the
16 Apache Gold Casino, there's a miniature passing lane on the
17 eastbound side that we're going to extend. That's -- give you
18 more than 3.7 seconds of passing opportunity.

19 Okay. Not on the five-year plan yet, but
20 interesting, State Route 88, Apache Lake to Roosevelt. That's
21 the Apache Trail, and we were a recipient of a Federal Land
22 Access Program, or FLAP project, which there will be a match
23 required for that, but it is to do a grade, drain, pavement work
24 on that dirt road between the marina and the Roosevelt Dam. So
25 that will improve safety and maintainability out there. We felt

1 very fortunate to get a project like that. Those are hard to
2 get, the FLAP projects, and we were really excited to get that
3 one. So as -- as that comes together, we'll keep everyone
4 briefed on its progress. But it's not quite firmed up yet
5 enough to program construction funds.

6 And then some folks have asked when are we going
7 to do pavement preservation in the Tonto Basin area, and you
8 know, pavement in a lot of places are bad, but (inaudible) we're
9 very aware that -- of our (inaudible) potholes. We'll keep it
10 going. It's a lot of attention out there, but we'll keep it
11 pieced together until we can't get a project out there.

12 All right. Issues of regional concern in our
13 corner of the world. Of course, preservation and safety on all
14 routes. That's always there.

15 Modernization of the US-60, US-70 corridor. I
16 would offer the observation that over the many years we have
17 been working -- we drive there. If you ever pull off on one of
18 those pull-offs and look, you can see on the canyon walls the
19 old mule trails and them little, narrow trails that, you know,
20 prospectors were using, those kind of things. And then you look
21 at the old pictures of the highway, and really we've done a lot
22 of work out there, but there's still a lot of work that needs to
23 be done.

24 And interesting is that the old adage, you build
25 it, they will come, that as we have done these incremental

1 improvements on that corridor, traffic is increasing. It is a
 2 shorter route to go, say, from New Mexico, Safford, Globe and on
 3 into Phoenix via US-70, US-60, as it is to go through Tucson on
 4 I-10. So (inaudible) truckers and people traveling across the
 5 country are figuring out, "Oh, this is not as bad as it used to
 6 be." So people are moving on that corridor either for -- during
 7 emergency detours or as well as just planning ahead.

8 The third item there, the -- just a footnote for
 9 us to be aware of low volume route study, which ADOT planning
 10 recently completed. It identified routes across the state that
 11 are less than 200-ish vehicles a day, and that picture is a
 12 picture of State Route 288 between the junction of 188 and the
 13 community of Young. And that, for example, has about 100
 14 vehicles a day. So there are policy decisions that we'll be
 15 facing in the future about how do we manage these legacy
 16 corridors. How do we sign them? How do we maintain them? And
 17 perhaps in some places where it makes sense, are there turn back
 18 opportunities?

19 So I say that, some districts have very little --
 20 very few routes, if all -- if at all. The Southeast District,
 21 about a fourth of the routes in our district would be
 22 characterized as low volume routes.

23 All right. So now, US-60 corridor, you can see
 24 it used to have overhanging cliffs. So you have to drive fast
 25 right underneath them. As people got nervous about that, we

1 probably took them out. But again, we are making progress, and
 2 we appreciate the Board's attention and ADOT's hard work.
 3 Realizing this is decades worth of work, so life is incremental.
 4 We know there's not enough money to do everything at once, but
 5 as we keep moving forward, baby steps, we're doing a lot of work
 6 over the years.

7 All right. Pinto Creek Bridge, the existing
 8 bridge shown on the left. If you look real close, you see the
 9 rust on the girders. It's an old bridge. Like I said, it's
 10 seen better days. The new bridge is on the right. It will be
 11 a steel girder on concrete columns. It will be nice looking.
 12 We've worked closely with The Forest Service about what it
 13 should look like, and we have a good consensus about dressing it
 14 up so it's fitting in that setting. It will be constructed
 15 parallel to the old bridge, and then we'll remove the old
 16 bridge.

17 Okay. And that is a picture of State Route 88
 18 Apache Trail from the Fish Creek Hill overlook, looking down on
 19 it, if you were heading east towards Roosevelt.

20 Thank you for all your help. Questions?

21 CHAIRWOMAN BEAVER: Thank you.

22 UNIDENTIFIED SPEAKER: Thank you.

23 CHAIRWOMAN BEAVER: Thank you, Audra, for
 24 sharing.

25 MR. LA RUE: Mr. Stratton got a question down

1 there?

2 CHAIRWOMAN BEAVER: Does -- Board Member
3 Stratton. Excuse me. Mr. Harmon.

4 MR. STRATTON: Two comments and then a
5 question, and I'm not quite sure this is the appropriate place
6 for the question. The first comment, and with having the
7 Globe (inaudible) manager here, I want to thank Dallas for
8 making sure the new Pinto Creek Bridge has suicide fencing on it
9 to eliminate a problem that's been occurring frequently, or in
10 our area.

11 Secondly, you may want to recount 288 on the
12 first week of August, as my grandmother's side of the family
13 reunion will be up there (inaudible).

14 The question I have is is -- and if this is the
15 wrong place or I should address to Dallas or the director -- you
16 mentioned the Renaissance Festival, and last year we had a lot
17 of complaints about the traffic and the backups and this and
18 that, and the statement we made as ADOT was that we would not
19 re-issue the traffic permit as it has been in the past few
20 years. Have we made any strides on that or working with them
21 and coming up with any new plans?

22 MR. HARMON: That permit is (inaudible)
23 throughout the Central District, out of Phoenix. So that's one
24 of the reasons I want to stay out of there.

25 UNIDENTIFIED SPEAKER: You took the rest area.

1 MR. HARMON: Yeah. I took the rest area.

2 MR. ROEHRICH: You take that over, Bill, you get
3 free turkey legs.

4 CHAIRWOMAN BEAVER: Dallas -- Dallas looks like
5 he's want to go volunteer some --

6 MR. HALIKOWSKI: Only because I nodded at him.

7 MR. HARMON: And he may not have any more
8 information on it than I do.

9 MR. HAMMIT: (Inaudible.) Madam Chair, Member
10 Stratton, Bill, and our deputy state engineer, Jessie
11 Gutierrez, has met with folks in Globe. We are tweaking that
12 traffic control. We're looking for better ways to do it, but
13 the Renaissance Faire is an event that we're just not in a
14 position to cancel. So we're looking at everything we can do to
15 tweak it to make traffic flow as good as possible. We're
16 looking for different options on where we turn people around,
17 because one of the big things is you have to -- when you exit,
18 you have to go towards Globe to turn around to come back, and so
19 we're going to continuously tweak that traffic control and look
20 for better ways, but the event will continue. I don't know how
21 we can stop it.

22 MR. STRATTON: We've --

23 MR. HAMMIT: Yeah. And I don't think anyone's
24 asked us to do that. We're just looking for different ways to
25 keep it going.

1 MR. STRATTON: Yeah. I'd like to make that very
2 clear. I'm not asking it be canceled. I support the event, but
3 if we can look at different ways to help the traffic flow is all
4 I'm asking.

5 CHAIRWOMAN BEAVER: Thank you. Any other
6 questions?

7 MR. ROEHRICH: Good job.

8 CHAIRWOMAN BEAVER: Thank you.

9 MR. HARMON: Thank you.

10 CHAIRWOMAN BEAVER: Now we will move on to the
11 director's report. Mr. Halikowski.

12 MR. HALIKOWSKI: Madam Chair, I don't really have
13 anything of note. I think that through the agenda, we'll
14 probably comment on different issues. So I really don't have
15 a report for you today, and we'll keep things moving.

16 CHAIRWOMAN BEAVER: Okay. Thank you.

17 MR. HALIKOWSKI: Actually, though, I do have a
18 last minute. I did want to introduce Linda Priano, who's joined
19 our staff in the Director's Office, and all of you are familiar
20 with Linda Hogan, but we recently had a retirement. Juanita
21 Kason (phonetic) left, and so we're playing musical chairs.
22 Lila's still my assistant. Linda Hogan will be working with
23 Scott, and Linda Priano will be taking over, as you know, the
24 Board duties. So we're very fortunate to have Linda. She spent
25 how much years down at MAG?

1 MS. PRIANO: Five.

2 MR. HALIKOWSKI: Five years at MAG, and also
3 worked for the CEO at PetSmart. So she comes with a high degree
4 of professionalism, background and experience, and we're lucky
5 that we were able to nab her. But she said her final deciding
6 thing was that the Director's Office seemed like such a warm and
7 welcoming place to work. Something about tea time at the zoo,
8 but... So anyway, welcome, too, Linda.

9 CHAIRWOMAN BEAVER: Thank you, and welcome.

10 MS. PRIANO: Thank you.

11 CHAIRWOMAN BEAVER: And the other Linda, she's
12 going to stop by once in awhile and visit, right?

13 Okay. Now we'll move on to the consent agenda.
14 Do we have a motion to approve the consent agenda as
15 presented?

16 MR. SELLERS: Madam Chair.

17 CHAIRWOMAN BEAVER: Board Member Sellers.

18 MR. SELLERS: I move for approval of the
19 consent agenda as submitted.

20 CHAIRWOMAN BEAVER: Okay.

21 MR. CUTHBERTSON: I second.

22 CHAIRWOMAN BEAVER: Okay. Motion by Jack
23 Sellers, seconded by Bill Cuthbertson to approve the consent
24 agenda as presented. Is there any additional?

25 All those in favor?

1 BOARD MEMBERS: Aye.

2 CHAIRWOMAN BEAVER: All those opposed? Motion
3 carries.

4 We got that. Mr. Hammond, we heard you.

5 MR. LA RUE: He's awake.

6 MR. HAMMOND: Okay. Sounds good.

7 CHAIRWOMAN BEAVER: Now we'll move on to Item
8 4, the legislative report. Kevin Biesty.

9 MR. BIESTY: Thank you, Madam Chair, members of
10 the Board. Well, summertime, it's pretty quiet down at the
11 State Capitol. Not a whole lot going on, thankfully. Of note,
12 on the state legislative side, we are currently in discussions
13 with FHWA and beginning to formulate the MOU in order to take
14 over the NEPA process at the state level. So we're look --
15 we're very excited about that the Legislature approved that, and
16 we're well underway to get that done.

17 On the federal side, we should have received an
18 update this week from Bruce Bartholomew. Of note, the
19 infrastructure plan being discussed by President Trump is still
20 being discussed. Governor Ducey was back there with other
21 governors last week, I believe, and was part of the discussions
22 with the White House talking about the needs, particularly of
23 Arizona, but also of the western states, and I'm happy to -- to
24 see that one of the things that the President agrees with is the
25 issue of being able to privatize or commercialize rest areas.

1 So we're hoping that Congress will agree with that and make the
2 necessary adjustments to the federal law so that we would be
3 allowed to do that, just like some of our states on the east
4 coast that were grandfathered in. So that's -- that's
5 promising.

6 But I will -- and just so you know, I mean, this
7 has been an issue that -- I remember the first visit to D.C., I
8 think it was Director Halikowski 's first week as director, we
9 had -- he was part of then Chairman Micah's (phonetic) from
10 Florida's kitchen cabinet on the transportation infrastructure,
11 and that was one of the big things that he brought up then was
12 that this was something that is necessary for states like
13 Arizona, so...

14 MR. ROEHRICH: Only because former Chairman
15 Feldmeier was on fire (inaudible).

16 MR. BIESTY: So I'm glad that that's still --
17 that's at least part of the discussion right now, but I will
18 tell you that there is pretty formidable opposition to that
19 proposal, as of the past, but at least now we have the White
20 House and hopefully some key members of Congress helping to push
21 that ball down the field.

22 MR. HALIKOWSKI: And it's important, as you know,
23 because a rest area costs about \$15 million per copy here in
24 Arizona, and if we were able to privatize and either save all or
25 a part of that, that's money that could be going into other

1 projects. So it's something we're watching closely.

2 MR. BIESTY: And I would like to point out that
3 there were two -- two things that people seem to confuse. One
4 is privatization of rest areas, and the other is
5 commercialization at rest areas. Obviously privatization of
6 rest areas, you turn over all or part of the operation to a
7 private company. The other option is commercialization, where
8 you allow commercial activities in the rest area. So you
9 could allow a Starbucks, a McDonald's or some other entity to
10 be in the rest area and hopefully provide a revenue stream.
11 So I'm glad that that's being discussed, and other than that,
12 I stand to answer any questions either on the state or the
13 federal side.

14 CHAIRWOMAN BEAVER: Thank you.

15 Does anyone -- okay. Board Member Stratton.

16 MR. STRATTON: Thank you, Madam Chair.

17 Kevin, you mentioned the privatization of the
18 rest areas, and also on that same paragraph or bullet talks
19 about the technology existing interstates.

20 MR. BIESTY: Uh-huh.

21 MR. STRATTON: What's the possibility of that,
22 Congress taking action on that?

23 MR. BIESTY: Board Member Stratton, Chairwoman
24 Beaver, I think that's going to be part of the discussion, but
25 even when -- hear in Arizona, when we were pushing our P3 bill

1 through the Legislature, when you get to the level of saying,
2 "We're going to toll a facility that's already in existence,"
3 that's where a majority of the push back comes in -- comes from,
4 particularly from the public, with the concept that, "We paid
5 for it. You shouldn't double charge us."

6 What people miss out on is the fact that, yes,
7 the facility may be paid for, but there has to be ongoing
8 maintenance as well and improvements and expansion of such,
9 similar to your house. You may pay off your house, but there's
10 also going to be some sort of cost to maintain it and upgrade
11 and put a new roof on, et cetera. So that takes a lot of
12 education of folks. I'm not saying it's impossible, but that's
13 where the push back comes from.

14 Now, how we've -- we've kind of dealt with it
15 with folks saying, like, here in Arizona, we can't toll an
16 existing facility, but if we add lanes or add capacity, we could
17 toll those lanes. So you could have a hot lane concept. So
18 it's nothing the facility has banned, but if you make
19 improvements or expansion, you could put a toll on those, those
20 sections.

21 MR. HALIKOWSKI: So one of the tweaks, Madam
22 Chair, Board Member Stratton, is I think it's Rhode Island is
23 tolling bridges --

24 MR. BIESTY: Uh-huh.

25 MR. HALIKOWSKI: -- on the (inaudible).

1 MR. BIESTY: Bridges are exempt.

2 MR. STRATTON: Very interesting.

3 MR. HALIKOWSKI: So that's a possibility we're
4 looking to, but there are some -- already, I think, some legal
5 challenges mounting in Rhode Island as to whether or not that's
6 possible. And it's not so much it's a bridge toll. It's a
7 truck only toll on the bridges. So it's interesting and
8 something we're looking into.

9 CHAIRWOMAN BEAVER: Okay. Thank you.

10 MR. BIESTY: Thank you.

11 CHAIRWOMAN BEAVER: And you'll keep us updated as
12 you move forward, then, on it?

13 MR. BIESTY: Yes.

14 CHAIRWOMAN BEAVER: Okay. Board Member Thompson.

15 MR. THOMPSON: Madam Chair, I think one of the
16 biggest concerns that usually jumps in front of me is that
17 many times these type of grants, these private funding, you
18 know, usually it falls short of addressing a lot of projects
19 in the really remote areas. In order to be part of the
20 formula, I would like to know exactly what kind of eligibility
21 criteria is there at the moment, or do we foresee that will
22 allow us to be prepared for those funding that's coming for
23 those projects.

24 MR. BIESTY: Madam Chairman, Mr. Thompson, are
25 you referring to the proposed infrastructure plan --

1 MR. THOMPSON: Yes.

2 MR. BIESTY: -- that's being discussed?

3 MR. THOMPSON: Uh-huh.

4 MR. BIESTY: So broad picture, what it's looking
5 like is that they're going to infuse about 200 billion in new
6 funding, and then that would be used to leverage additional
7 funding from private sources, but they're also looking for local
8 matches.

9 MR. THOMPSON: Uh-huh.

10 MR. BIESTY: I guess the easiest, at this
11 point, given what limited information we have, what I -- if
12 you think of it this way, that any infusion in money that a
13 state may get, let's say Arizona, regardless of where that new
14 money may go, that frees up other moneys to be used for areas
15 that may not meet that eligibility. So you build capacity into
16 the program.

17 For instance, when the Legislature had the Stand
18 Fund, even though some of the more rural folks said it was
19 unfair because it went to specific projects, mainly within the
20 more populated areas, what we were able to show and what really
21 got people on board was by freeing up that money, you built
22 capacity. You could move projects up that are in the program
23 that are out in later years. So that truly, with additional
24 money, you can build projects around the state. But as far as
25 the exact formula --

1 MR. THOMPSON: Uh-huh.

2 MR. BIESTY: -- we don't have those details yet.
3 But we will be keeping the Board up-to-date as more details come
4 out and pencil goes to paper.

5 MR. THOMPSON: Thank you, Madam Chair.

6 CHAIRWOMAN BEAVER: Thank you.

7 MR. HALIKOWSKI: But Madam Chair, I would add
8 that Board Member Thompson's point is well taken. Many of the
9 rural members of Congress are concerned that the plans or the
10 proposals they've seen so far tend to favor more populated urban
11 areas.

12 MR. THOMPSON: Uh-huh.

13 MR. HALIKOWSKI: So there's a lot of concern
14 among Congress that whatever this plan turns out to be, that
15 it treat rural areas more fairly.

16 MR. BIESTY: It is urban centric in that -- in
17 that sense, and then that has -- that has been voiced.

18 CHAIRWOMAN BEAVER: Well, in kind of a
19 continuation to that, and it's more of a comment, I think,
20 based on even what Mr. Begay was asking earlier, as far as
21 understanding -- I think sometimes in the rural areas, like,
22 for instance, to have that shovel ready project where there's
23 that eligibility, I think it's what can we do to help educate
24 some of those rural areas, specifically in their requests. How
25 do we educate them on these are what -- these are the different

1 steps that we are aware that need to be done in order to even
2 get eligible for the moneys. And, you know, where those areas
3 could be working, you know, kind of getting those things done
4 where they're ready to go whenever funding is available.

5 MR. BIESTY: Well, Madam Chairman and members of
6 the Board, it's kind of like the whole discussion we've had over
7 the last few years about P3s, right? Everybody -- a lot of
8 people will come to us and say, "Well, just make it a P3." You
9 know, wide -- I-17 alternatives or widening. We have to spend a
10 lot of time educating folks that that doesn't fit for
11 everything, right, because you have to have the proper amount of
12 vehicles traveling on it. It has to be feasible from a
13 financial standpoint. You're not going to charge vehicles \$50
14 apiece to use it if the volume counts are low. So it's the
15 whole process of finding those projects that are eligible for
16 this tool in the toolbox, which will free up money for other
17 projects that may not be utilized by that tool.

18 But we do have a lot of tools in our toolbox, as
19 you know, and what our message to Congress has been and what
20 Crystal has -- Crystal, that's my wife's name. Sorry.
21 Kristine. Kristine -- I say that only (inaudible) is educating
22 folks that what a lot of people talk about are financing
23 mechanisms. And we have a lot of financing mechanisms. But
24 it's the funding and the cash to pay those bills. I could have
25 a million dollar credit limit currently, but if I don't have the

1 income to maintain it, it's very useless to me. So that is
 2 happening. That education is happening with members of
 3 Congress, with the administration, with elected officials, but
 4 also with the public.

5 MR. HALIKOWSKI: I would just add again this --
 6 as far as from what I know, the plan being proposed that the
 7 advice being given to states and local governments is be
 8 prepared to kick in money to obtain federal money. And so
 9 that becomes, again, very difficult in states where you have a
 10 low -- or areas of the state where you might have a lower
 11 economic base to generate revenue. It goes back to we really
 12 have to look at the transportation system as a system that has
 13 to connect together. You can't start to Balkanize urban versus
 14 rural. It has to work together. Otherwise, it doesn't work.
 15 And so that's our advice back to Congress, is think of it as a
 16 system. Don't pit one area of the state against another.

17 CHAIRWOMAN BEAVER: Thank you.

18 Okay. Do we have any other questions?

19 Okay. Let's move on now to finance report.

20 Crystal -- Christina -- Kristine. Good morning.

21 MS. WARD: Good morning. Crystal, huh?

22 (Inaudible.)

23 All right. Let's see here. Starting off with
 24 HURF. We are still within target. We're a little below
 25 forecast, but we're still in (inaudible). Nothing (inaudible)

1 particularly concerned about. VLT is our strongest category,
 2 and -- oh, as a point of interest, we are -- a point of
 3 interest, but hopefully not a point of anything to cause
 4 depression, is HURF is finally on track to reach 2007 peak
 5 levels (inaudible) 2017 to get back to 2007 levels of revenue.

6 Moving on to Regional Area Road Fund, RARF is
 7 mildly above forecast, with about 343 million in revenues
 8 collected to date. We've got moderate growth in (inaudible)
 9 categories and -- again, right on target.

10 I wanted to give you a brief update on the
 11 Aviation Fund. I don't have a separate slide for that. The
 12 Aviation Fund, if you'll recall, we had a significant amount of
 13 deferred payments due to cash flow issues. I'm happy to report
 14 that we will have the total of the deferred payments was about
 15 \$8.7 million, and it impacted about 36 different airports. As
 16 of, actually, today, we should finalize getting payments out to
 17 the bulk of those airports, leaving just one airport that we'll
 18 have to (inaudible) area. So we will -- as of today, we'll have
 19 the bulk of the airports resolved and the payments -- the
 20 deferred payments sent out.

21 I would -- Madam Chair, if I may, there is a
 22 separate topic. Agenda Item Number 6 deals with the debt
 23 program, in a sense. Or if the board members have any questions
 24 on this part of my presentation, I'd be happy to take them.
 25 Otherwise, I would suggest moving on to Agenda Item Number 6.

1 CHAIRWOMAN BEAVER: Do we have any questions
2 right now?

3 Okay. Thank you. You can move on.

4 MS. WARD: So you have before you today a
5 resolution to complete a Grant Anticipation Note issue. So to
6 meet the funding requirements of the capital program, we're
7 looking to move forward with a GAN issuance. The amount that we
8 will be going forward to borrow is \$76 million. And if you'll
9 recall, if I haven't mentioned it before, Grant Anticipation
10 Notes are obligations against future federal dollars that we've
11 taken -- that we get from Arizona. And the issue was -- the
12 issue that is before you today, this GAN issue is in line with
13 what we have presented before in terms of it will be a level
14 debt service throughout the term, and the term will be 15 years
15 -- looking at a term of 15 years for this issue.

16 (Inaudible) we're expecting that we will go to
17 market with this in late August, around the August 28th time
18 frame, but as we go closer and we will evaluate the exact timing
19 of that. But what I would appreciate before it's actioned on or
20 consideration today is for getting us approval to move forward
21 with a \$76 million GAN issue for new money for the five-year
22 program.

23 That concludes my presentation. I'd be happy to
24 take any questions.

25 CHAIRWOMAN BEAVER: So we're on Item 6. The

1 motion before the Board is to approve the tenth supplemental
2 resolution dated June 16th, 2017 as presented by staff.

3 MR. LA RUE: Move it.

4 CHAIRWOMAN BEAVER: Motion by Board Member
5 La Rue. Seconded by Board Member Stratton. Is there any
6 additional questions anyone wants to ask Kristine?

7 MR. LA RUE: I do have a question.

8 CHAIRWOMAN BEAVER: Board Member La Rue.

9 MR. LA RUE: So Kristine, so in January you
10 stood before us with the financing plans for the -- what were
11 the five-year plan. Is this consistent with that plan that you
12 stood before us.

13 MS. WARD: Madam Chair, Mr. La Rue, I am very
14 happy to say it is precisely in line to that plan and on
15 schedule with that plan. So --

16 MR. LA RUE: And when you say "precisely," you
17 mean right down to the dollar?

18 MS. WARD: Right down to timing and the dollar.

19 MR. LA RUE: Because in the plan, it says
20 you're going to do GAN notes of 75 million, and I thought I
21 heard you say 76.

22 MS. WARD: Madam Chair, Mr. La Rue, how
23 insightful you are. The \$75 million issuance was based on just
24 the proceeds required for the program. I apologize. They did
25 not include the cost of issuance. So that is that \$1 million --

1 MR. LA RUE: A million dollars.
 2 MS. WARD: -- variation.
 3 MR. LA RUE: Is to pay -- pay all the lawyers.
 4 MS. WARD: Maybe lawyers and underwriters and --
 5 MR. ROEHRICH: Lawyers have to eat, too.
 6 MR. LA RUE: Yeah. Exactly.
 7 CHAIRWOMAN BEAVER: You tell that lawyer
 8 telling a lawyer joke.
 9 MR. LA RUE: No. So I -- thank you.
 10 MS. WARD: You're welcome.
 11 MR. LA RUE: I just wanted to make sure.
 12 MS. WARD: Is there anything from Madam Chair?
 13 CHAIRWOMAN BEAVER: No. He gets extra points for
 14 catching that.
 15 MR. BIESTY: You get 1 percent of the 1
 16 million.
 17 UNIDENTIFIED SPEAKER: (Inaudible) credit line
 18 you were talking about earlier (inaudible).
 19 MR. ROEHRICH: (Inaudible.)
 20 MR. LA RUE: I'd call for the question.
 21 CHAIRWOMAN BEAVER: Board Member La Rue has
 22 called for the question to approve is -- for the approval of the
 23 tenth supplemental resolution dated June 16th, 2017 as
 24 presented.
 25 All those in favor?

1 BOARD MEMBERS: Aye.
 2 CHAIRWOMAN BEAVER: All those opposed? Got it.
 3 All those opposed?
 4 The motion carries. Thank you, Mr. Hammond, too.
 5 We'll move on now to Item 7, the Maricopa County
 6 Association of Governments, better known as MAG, the proposed
 7 major amendment to the Regional Transportation Plan. Clem.
 8 MR. LIGOCKI: Hello, Madam Chair.
 9 CHAIRWOMAN BEAVER: Welcome.
 10 MR. LIGOCKI: Members of the Board. I'm Clem
 11 Ligocki with the Multimodal Planning Board -- of planning, and
 12 at the recent study session, you did have a presentation from
 13 MAG regarding these amendments. Mr. Bob Hazlett is here in the
 14 event that there's any detailed questions that you may have.
 15 So what I have is just simply review a very
 16 brief overview of what you had as a refresher with the study
 17 session.
 18 So we have two amendments that are major
 19 amendments requested, and one is the Interstate 11 corridor from
 20 I-10 to US-93, to add that to the Regional Transportation Plan,
 21 and the other is State Route 30, the -- as a freeway facility
 22 from State Route 85 to Loop 303, and then also from State Route
 23 202 to South Mountain to I-17.
 24 And the reason that this is before you again is
 25 because statute requires a majority vote from the State

1 Transportation Board and those other agencies that you see
2 listed there in the slide.

3 And again, just as a refresher, again, the time
4 line. And I thank MAG and Bob for allowing me to steal some
5 of the nice graphics that they had in the previous
6 presentation that you had. Remember going back to 2008,
7 again, the Hassayampa Valley Framework Study, and then in
8 2012, MAP-21 designating the interstate along US-93 between
9 the metro area of Phoenix and up to Las Vegas, and then 2014,
10 completion of the Intermountain West Corridor Study, and then
11 2015, the FAST Act extending south to Nogales, and then, of
12 course, now 2016, we've begun the more broad tier one
13 environmental impact study. That's ongoing. That should be
14 completed by 2019, based on our current schedule.

15 And so with that then, to the purpose of the
16 major amendment on I-11, as I mentioned, the tier one study is
17 ongoing. It's very conceptual. When we complete that, we
18 should have approximately 200 -- excuse me, a 2,000-foot wide
19 corridor, but much will have to be refined in the next tier two
20 study. But it is necessary to have a reasonable expectation of
21 funding identified before we could move to a tier two EIS
22 analysis, and in that tier two then, a center line could then be
23 established.

24 So what we have is the purpose here then, we need
25 to add the segment between I-10 and US-93 so that when the time

1 comes and we're ready, we can proceed with the tier two EIS. So
2 the expectation of future funding be availability assumes the
3 extension of the financing mechanisms that we currently have
4 available on the MAG region, such as the half-cent sales tax.
5 But it could be considered a reasonable expectation by the time
6 we get to that point.

7 So that's the recommendation concerning I-11.
8 I'll have a slide at the end that has wording recommending the
9 recommendations for both this I-11 project and SR-30. So I'll
10 go to SR-30. This just illustrates the corridor, which itself
11 is illustrated from State Route 85 over to the Durango Curve on
12 I-17. So it's just listed here to give you a general idea of
13 where that might be, and of course, more environmental studies
14 would be needed to really define that corridor.

15 But then getting to the specifics of the
16 requested amendment, this highlights that center section between
17 State Route 303 and State Route 202. Way back in 2003 when the
18 original Regional Transportation Plan was adopted, this was
19 identified as a six-lane freeway, but then with the economic
20 downturn, of course, there were adjustments needed to be made.
21 Some items were removed from the program, and this was one of
22 those. So it was deferred but then returned back to the program
23 earlier this year.

24 So that segment is there established, but what
25 the amendment is about is the west section, which you see here,

1 which was from State Route 85 to 303, which was deferred from
 2 the program and not added back in, and then the east section
 3 from 202 over to the Durango Curve area, I-17, again, there's
 4 nothing active there. This was not in the original plan, but is
 5 widely recognized as a missing link and important to getting the
 6 entire corridor defined from 85 all the way to I-17. So it's
 7 this west section and this east section, then, both sections,
 8 that are requested to be added so that things can move forward
 9 in total.

10 So with that, then, the motion that we have to
 11 recommend, and I'll read this, as we have a member on the phone,
 12 first is to recommend a major amendment to the Maricopa
 13 Association of Governments Regional Transportation Plan to add
 14 the Interstate 11 corridor from Interstate 10 to US-93 into the
 15 MAG 2040 Regional Transportation Plan, contingent upon a finding
 16 of air quality conformity, and to recommend a major amendment to
 17 the Regional Transportation Plan to add the State Route 30
 18 corridor as a freeway facility from State Route 85 to Loop 303,
 19 and from State Route 202/South Mountain to I-17, into the MAG
 20 2040 Regional Transportation Plan, contingent upon a finding of
 21 air quality conformity.

22 So those are the two recommended major
 23 amendments, and so that is what we have, if there are any
 24 questions. I'll thank Bob Hazlett for making the trip up here.
 25 He's available, and I can help as I'm able to do so.

1 MR. LA RUE: Move as presented.

2 MR. LIGOCKI: I would request that --

3 MR. SELLERS: Second.

4 CHAIRWOMAN BEAVER: Motion by Board Member La
 5 Rue, seconded by Board Member Sellers to approve the MAG
 6 proposed major amendments to the Regional Transportation Plan as
 7 presented. Is there any additional questions or...

8 MR. HALIKOWSKI: Madam Chair, I just want to go
 9 on the record as saying that ADOT supports these motions from
 10 (inaudible) perspective. We've worked quite closely with MAG
 11 and the folks that support getting into a tier two from I-10
 12 to Wickenburg, and this motion, if approved, will remove the
 13 final two barriers but putting an end to the Regional
 14 Transportation Plan and enacting fiscal constraint.

15 On the SR-30 piece, as you know, we have long
 16 supported the expansion to include Buckeye and the I-17 to the
 17 202 piece for two reasons. One is that as we all know, I-10,
 18 east and west, depending on the time of day, is a parking lot
 19 as you're trying to get in and out. Plus it's our major link to
 20 international markets at Long Beach and L.A.

21 So from the traffic perspective, the safety
 22 perspective, extending that out to Buckeye as we're watching the
 23 population (inaudible) grow in that area is critical. Fixing
 24 the I-17 Durango Curve is a dream we've had for a long time, and
 25 that will greatly improve the regional freeway system with the

1 other elements that MAG is planning to enact.

2 So I just want to thank Bob and MAG for working
3 so closely with us. These are two excellent pieces that you
4 have before you.

5 CHAIRWOMAN BEAVER: Okay. Thank you, Director
6 Halikowski, for that additional input.

7 If there's nothing additional, all those in
8 favor?

9 BOARD MEMBERS: Aye.

10 CHAIRWOMAN BEAVER: All those opposed? The
11 motion carries.

12 So noted, Board Member Hammond. Okay.

13 MR. HAMMOND: What's that? Yeah. Yes.

14 CHAIRWOMAN BEAVER: Okay. We got it. It
15 passed.

16 We'll move on now to Item 8, the final approval
17 for -- of the FY 2018-FY 2022 Five-Year Statewide Transportation
18 Facilities Construction Program.

19 Are we -- okay. I didn't know if you and
20 Kristine were going to work together or this or -- okay. Clem.

21 MR. LIGOCKI: Madam Chair, members of the Board,
22 I would just note that the fiscal constraint has been performing
23 and we're in good shape there, and in talking with Kristine, so
24 we're good (inaudible) move with that.

25 And so you've had these nice, tight presentations

1 from Bret Anderson (inaudible) the last few months. I'm not a
2 great substitute for Bret. I don't have the program memorized
3 like he does, but I'll do my best. And you also had the study
4 session back at the end of May where we went through all the
5 items. So I'm just going to do a quick review. I'm not going
6 to be representing everything, but if there are questions, I'll
7 do my best. We have the benefit of having some district
8 engineers and, of course, Dallas here. So we'll do our best to
9 answer any questions you may have.

10 CHAIRWOMAN BEAVER: Do we have any additional
11 questions? I think with regard to the five-year plan, Board
12 Member Stratton.

13 MR. STRATTON: Is there any additional update on
14 the 4th Street Bridge and their JPA with ADOT?

15 MR. LIGOCKI: Yeah. Madam Chair, Board Member
16 Stratton, I think that the testimony we heard earlier is on
17 target. While we have not placed any change -- or made any
18 change to place the project into the program at this time, our
19 direction is very positive to move forward, to work on the
20 (inaudible) agreement. So we need to do that, and then, of
21 course, we'll need to work together to define the project and
22 determine what the appropriate cost is. And provided those
23 things come together, which we expect that they will, then we
24 would anticipate coming back to the Board to request approval to
25 work it into the program at the appropriate time in the

1 appropriate year. So we're optimistic and positive on that.

2 MR. STRATTON: And if I recall correctly, that
3 money was going to be available through the bridge group?
4 Correct?

5 MR. LIGOCKI: Madam Chair, Board Member Stratton,
6 we have 2 million in the program already, and we would need to
7 add a -- perhaps up to another 2 million to match the 5 million
8 that the City is offering for that \$9 million estimate they
9 currently have. But again, when we define that project and
10 define that, we'll have to see what the costs turn out to be.
11 But we do have the 2 million, and then we would add to that to
12 make the project whole.

13 MR. STRATTON: Okay. So we are committed to the
14 project then as long as the JPA is (inaudible)?

15 MR. LIGOCKI: Madam Chair, Mr. Stratton, yes, we
16 would recommend that.

17 MR. STRATTON: Thank you.

18 Earlier Chris Bridges spoke in call to the
19 public, which under that we cannot ask any questions. If I
20 could ask him to come to the podium.

21 Chris, you said you were that close to having a
22 JPA. What is "that close"? Where are you exactly?

23 MR. BRIDGES: Madam Chair, Board Member Stratton,
24 we are basically down to Patrick Stone in ADOT finance and Alvin
25 Stump hammering out what the terminology of the capped amount

1 means for the project, and once they come to an agreement, our
2 region is all ready to sign the document. Our board's already
3 authorized our chairman to sign the document the second we get
4 it. He's ready to go. He keeps emailing me and calling me and
5 saying, "I haven't seen it yet. Where is it?" It could be a
6 matter of hours. It could be a matter of days. It could be a
7 week.

8 MR. STRATTON: Thank you.

9 CHAIRWOMAN BEAVER: Okay. It's possible Alvin
10 Stump, the District Engineer, has called in. Alvin, are you on
11 line?

12 MR. STUMP: Yes, I am.

13 CHAIRWOMAN BEAVER: Would you like to add
14 anything to this conversation?

15 MR. STUMP: Sure. Good morning, Madam Chair,
16 Board. Kind of mostly echoing what Chris said. We had
17 incorporated some fixed amount language into the agreement last
18 week and Patrick had questions about it, and we just haven't had
19 a chance (inaudible) fine tune that language, but otherwise, we
20 are 99.9 percent done with the agreement. It's just that it's
21 the fixed dollar amount without additional approval for any
22 additional costs. But we do feel that \$1 million could cover
23 the final design. We've already done a project assessment for
24 the project. So we feel like we got a good foundation for it.

25 MR. STRATTON: Madam Chair.

1 MR. STUMP: That's all I got.

2 CHAIRWOMAN BEAVER: Okay. Board Member Stratton.

3 MR. HALIKOWSKI: Just a point of order, Madam

4 Chair. I'm a little concerned. We're talking about the five-

5 year plan.

6 UNIDENTIFIED SPEAKER: Yeah.

7 MR. HALIKOWSKI: This project isn't in the five-

8 year plan, and we're kind of on thin ice as far as the agenda

9 item. I don't know if there would be a motion to add it into

10 the five-year plan, but there --

11 MR. STRATTON: There very possibly may be --

12 MR. HALIKOWSKI: Okay.

13 MR. STRATTON: -- in the (inaudible).

14 (Inaudible.)

15 MR. HALIKOWSKI: Yeah.

16 MR. STRATTON: I'll tie it back right now.

17 Should we come back with JPA signed, do we have money in

18 contingencies in this five-year plan to come up with -- the

19 worst case scenario, I believe, would be about \$7.7 million?

20 MS. WARD: So right now -- and I believe we're

21 talking about the 69 project. Is that what we're discussing?

22 MR. STRATTON: That's correct.

23 MS. WARD: My understanding is that project is

24 not built into the five-year program. So other portions of the

25 program would have to be reduced if there was a choice to fund

1 the project once the numbers had been finalized, in order to

2 maintain fiscal constraint. So right now, no, there is not

3 contingency built in for the project.

4 MR. STRATTON: So if the Board were to want to

5 add that to the five-year plan contingent upon signing of the

6 JPA, then we would have to suggest where the money would come

7 from, or would staff be able to move that money?

8 MS. WARD: Staff -- what I believe would happen

9 is that staff would recommend -- if that was the Board's will to

10 put that project in the program, staff would come up with

11 recommendations with where to reduce the program financially in

12 order to support the addition of that project.

13 MR. LIGOCKI: Something would have to come out.

14 MR. HALIKOWSKI: In other words, to meet fiscal

15 constraint, something's going to have to give elsewhere.

16 UNIDENTIFIED SPEAKER: Madam Chair (inaudible).

17 MR. STRATTON: So would that have to be done for

18 the five-year plan, or could a modification be done once that

19 JPA is signed?

20 MS. WARD: Madam Chair, Mr. Stratton, until that

21 JPA is signed and we had a guarantee of the funding, I would --

22 UNIDENTIFIED SPEAKER: Funding, yeah.

23 MS. WARD: -- I would ask that that not be

24 incorporated in the program, because it is -- until that is

25 signed, there is not a reasonable expectation. And so I would

1 not advise (inaudible).

2 MR. HALIKOWSKI: It's that, Madam Chair,
3 Mr. Stratton, and plus we've spent a lot of years getting away
4 from putting things in the five-year plan as placeholders that
5 were actually underfunded and didn't meet fiscal constraint.
6 I'm concerned if we start going down and adding projects into
7 the plan contingent upon, we're going to be heading back into
8 that direction. And so our preference would be to wait until
9 the JPA's signed and we have some time to sit down and look at
10 this a little more, and then I think you can modify the plan in
11 the future.

12 MS. WARD: Yeah.

13 MR. HALIKOWSKI: Pardon me?

14 MR. LIGOCKI: Every month.

15 MR. HALIKOWSKI: Every month.

16 MS. WARD: Exactly.

17 MR. HALIKOWSKI: Right. So we can modify the
18 plan in the future.

19 MR. STRATTON: I don't disagree with you,
20 Mr. Halikowski, and we shouldn't do things contingent, because
21 there --

22 MR. HALIKOWSKI: Yeah.

23 MR. STRATTON: -- have been things done in the
24 past that didn't materialize, and it affects many projects.

25 My -- I do believe, however, that we need to send

1 a message to the general public that we recognize when these
2 entities come forward with dollars, substantial dollars in most
3 cases, that we need to be supportive of that where we can, when
4 we can and partner with them, much like The Pinal -- the program
5 that Andy talked about earlier and moving forward with the
6 voters. Those are significant, such as MAG and PAG and others,
7 so...

8 MR. HALIKOWSKI: Sure.

9 MR. STRATTON: This board member would like to
10 make sure that the public understands those are recognized, and
11 as far as I'm concerned, be considered when they come forward,
12 if possible. So I would like to make a motion that we accept
13 the five-year plan the way it is with the understanding that
14 should either one of the JPAs be signed by Flagstaff or
15 Prescott --

16 CHAIRWOMAN BEAVER: CYMPO.

17 MR. STRATTON: -- (inaudible) come back to the
18 Board for consideration of funding and adjusting the five-year
19 plan at that point.

20 CHAIRWOMAN BEAVER: Okay. So just for
21 correction, it's CYMPO, right?

22 MR. STRATTON: Yes.

23 CHAIRWOMAN BEAVER: Okay.

24 MR. HALIKOWSKI: Could I suggest an alternative,
25 Madam Chair, and see if this would satisfy it? Because again,

1 we're going down this road, I think, of talking about
 2 understandings and contingencies. You know, before you
 3 (inaudible) the five-year plan, if you wanted to bring this
 4 into the plan and discuss it further and send that message, we
 5 might want to just put it on the agenda for next month for
 6 consideration, and that way we could have a more full
 7 discussion, and it would remove my discomfort from the fact
 8 that we're out here in territory discussing something that's
 9 not really agendaed for discussion. And that would give the
 10 public notice that if they wanted to talk about that more to the
 11 Board, it's going to be agendaed and on the calendar.

12 MR. STRATTON: That's acceptable, and I'll
 13 amend my motion to accept the five-year plan as presented.

14 MR. LIGOCKI: Thank you, sir. Thank you, Madam
 15 Chair.

16 MR. CUTHBERTSON: I'll second.

17 CHAIRWOMAN BEAVER: Okay. Motion by Board Member
 18 Stratton, seconded by Board Member Cuthbertson to accept the FY
 19 2018-2022 Five-Year Statewide Transportation Facilities
 20 Construction Program. It was amended, correct? To --

21 MR. CUTHBERTSON: No. As presented.

22 CHAIRWOMAN BEAVER: As presented. And it's with
 23 the understanding that we are going to come back -- --

24 (Speaking simultaneously.)

25 MR. HALIKOWSKI: Just as presented, and then

1 Madam Chair, as Board Member Stratton made a request to you, the
 2 item could be placed on the agenda.

3 CHAIRWOMAN BEAVER: Okay. So (inaudible) --

4 UNIDENTIFIED SPEAKER: (Inaudible.)

5 CHAIRWOMAN BEAVER: -- at the end of the meeting
 6 when we address that.

7 MR. STRATTON: Yes.

8 MR. HALIKOWSKI: Yes.

9 CHAIRWOMAN BEAVER: If there's no further
 10 questions, all those in favor?

11 BOARD MEMBERS: Aye.

12 CHAIRWOMAN BEAVER: All those opposed? Motion
 13 carries.

14 Now we will move on to Item 9, the Multimodal
 15 Planning Division report. Clem.

16 MR. LIGOCKI: Madam Chair --

17 CHAIRWOMAN BEAVER: Good to see you.

18 MR. LIGOCKI: -- thank you for that last item
 19 approval. And so I don't have any slides for this, so
 20 Mr. Buyers (phonetic) was -- is not available today. I don't
 21 really have anything significant to present except what I want
 22 to do is go back and recognize a comment that was made by the
 23 Board at a previous meeting about the importance of tribal
 24 planning and the fact that Mr. (inaudible) had retired, and we
 25 had the vacancy. So we had moved briskly to get things moving.

1 We have some strong candidates, and we are conducting interviews
2 next Wednesday. So we're moving quickly to address that. I
3 just wanted to make you aware of that.

4 CHAIRWOMAN BEAVER: Okay.

5 MR. LIGOCKI: And that's all I have.

6 CHAIRWOMAN BEAVER: Thank you. And in regard
7 to that, as soon as there is a position, could you please
8 contact Mr. Begay just to -- and Mr. Thompson to make sure
9 that they're in the loop on it?

10 MR. LIGOCKI: Madam Chair, we'll absolutely do
11 that.

12 CHAIRWOMAN BEAVER: Okay. Thank you.

13 MR. LA RUE: Madam Chair, if I could follow up on
14 that. So Clem, I'm glad you brought that up, because you know,
15 Mr. Begay's been coming here --

16 MR. LIGOCKI: Uh-huh.

17 MR. LA RUE: -- many times, and we've made visits
18 up there, and when I looked at the Pinnel (phonetic) work that
19 was just handed out where they've created this regional plan, do
20 the Navajos have a regional plan or -- for that area of the
21 state? And if so, you know, we probably should hear it here,
22 and if not, we should figure out a way to help them create that
23 plan.

24 MR. LIGOCKI: Madam Chair, Mr. La Rue, yeah, they
25 did. And I would also mention that there was a resolution

1 sometime ago for ADOT to prepare a report to the Navajo Nation
2 about activity that's ongoing, planning efforts and such. We
3 did prepare that report. It was sent and followed up on that
4 actually within the last week to see, you know, were there any
5 thoughts on that. And so that's all available. I believe,
6 Mr. Thompson, we sent that to a representative of yours so you
7 would have that available, because you were not there, I think,
8 when we originally prepared that. So that's out there, too.

9 I am available until we hire our new tribal
10 planner, and we'll do our very best to address any questions
11 that you might (inaudible).

12 CHAIRWOMAN BEAVER: Thank you.

13 MR. THOMPSON: Madam Chair.

14 CHAIRWOMAN BEAVER: Board Member Thompson.

15 MR. THOMPSON: If you could, can you resend that
16 information, too? I'm having a meeting with the western part of
17 the Navajo population this weekend. I (inaudible) information
18 that they're asking for. You could do that maybe. Okay?
19 Appreciate it.

20 MR. LIGOCKI: Madam Chair, Mr. Thompson, we
21 absolutely agree so.

22 CHAIRWOMAN BEAVER: Okay. Thank you.

23 MR. THOMPSON: Thank you, Madam Chair.

24 CHAIRWOMAN BEAVER: Thank you.

25 Okay. Now we'll move on to the Priority Planning

1 Advisory Committee.

2 MR. LIGOCKI: Madam Chair, thank you again.

3 So we have the PPAC recommendations. Today we
4 have 3 economic (inaudible) project recommendations, 16 project
5 modifications, 8 new projects. And so that's what we have for
6 you today. So first (inaudible). I think we have the state
7 engineer's report (inaudible) I do not have any slides. So I'll
8 just -- I'll just talk through this. And you have the agenda
9 item there. So first item, 10A. So the Economic Strength
10 Project Fund, that provides \$1 million annually for projects
11 that help provide economic strength creating jobs and retaining
12 jobs, capital investments, other significant contributions to
13 the regional economy. I had an earlier stint with ADOT, and I
14 remember drafting this late one night at the request of
15 legislators to (inaudible), and we modeled this after a
16 Wisconsin and Iowa program, and so this -- I have some fond
17 memories with this program.

18 The way it works by statute is the Arizona
19 Commerce Authority evaluates and rates the applications and
20 provides recommendations to the State Transportation Board. So
21 ADOT does not have a role in prioritizing projects, but they
22 have (inaudible) good candidate projects, and there are three
23 projects that are recommended. One is for the City of Casa
24 Grande, \$475,000. Another for Show Low at \$293,987, and then
25 the Town of Camp Verde was \$231,013. You have the specific

1 information in your packet, pages 165 to 168. There's some very
2 good benefits (inaudible) projects, and so we would fulfill that
3 recommendation and recommend approval of Item 10A, those three
4 ESP projects.

5 CHAIRWOMAN BEAVER: Do we have a motion to accept
6 and approve Item 10A as presented?

7 MR. THOMPSON: Madam Chair, I would move to
8 approve.

9 CHAIRWOMAN BEAVER: Okay. Board Member Thompson
10 made the motion. Board Member Stratton made the second to
11 accept and approve Item 10A as presented.

12 All those in favor?

13 BOARD MEMBERS: Aye.

14 CHAIRWOMAN BEAVER: All those opposed? Thank
15 you. The motion carries.

16 MR. LIGOCKI: Thank you, Madam Chair.

17 Then I would like to move to the 16 product --
18 project modifications, Items 10B through 10Q. And just a few
19 stipulations I'd like to add to that. There are three items
20 that are contingent. We would like to recommend contingent on
21 MAG Regional Council approval, and those are Items 10L, State
22 Route 101, and then Item 10M, which (inaudible) State Route
23 (inaudible), and then 10Q, which is I-17, the (inaudible)
24 rehabilitation.

25 So unless there are questions, I'd like to

1 request approval of Items 10B through 10Q, with 10L, 10M and 10Q
2 contingent on a MAG Regional Council approval, which is expected
3 on (inaudible).

4 UNIDENTIFIED SPEAKER: So moved.

5 MR. LA RUE: Second.

6 CHAIRWOMAN BEAVER: Okay. The motion is to
7 accept and approve the project modifications, Items 10B through
8 10Q as presented.

9 All those in favor?

10 BOARD MEMBERS: Aye.

11 CHAIRWOMAN BEAVER: All those opposed? The
12 motion carries.

13 Thank you.

14 MR. LIGOCKI: Madam Chair, thank you.

15 So finally, we have the new projects, Items 10R
16 through 10Z, but there are some situations that I need to make
17 here, and I have to start first with 10Z, which is the
18 construction for the wrong-way detection program, and I would
19 mention that we would not be requesting action on that item
20 today, because back at the telephonic meeting on June 9th, the
21 Board approved this item for the 3.7 million for construction.
22 So we -- I will not mention that item when it comes time for the
23 recommendation. So (inaudible).

24 However, we have do have Item 10Y, which is
25 importantly the software procurement that goes along with that

1 project, and that's \$300,000 for that Item 10Y that is there.
2 That item will be contingent on MAG approval. They are moving
3 expeditiously. We're expecting that to be on the agenda for the
4 MAG Regional Council Executive Committee on Monday, the 19th.
5 So we can thank MAG for working with us expeditiously to get
6 this moving. So that item is important. It is contingent on
7 that approval.

8 And then one other item, which is 10R, US-60 at
9 Val Vista, a pump station, is also contingent upon MAG Regional
10 Council approval. We believe that will be on the 28th of this
11 month again.

12 So unless there are questions, I would request
13 approval of Items 10R through 10Y, leaving out Item 10Z. So 10R
14 through 10Y, with Items 10R and 10Y contingent on MAG Regional
15 Council approval. (Inaudible.)

16 MR. SELLERS: Madam Chair.

17 CHAIRWOMAN BEAVER: Board Member Sellers.

18 MR. SELLERS: On 10Y, I think the original amount
19 we were told on that was 400,000. Is this a revised estimate?

20 MR. LIGOCKI: Madam Chair, Mr. Sellers, you're
21 correct that that was revised. It was originally brought to the
22 Priority Planning -- excuse me -- the PPAC, Priority Planning
23 Advisory Committee, with a little higher amount, but in
24 discussions with the project manager and internally, we
25 determined that 300,000 was (inaudible).

1 MR. SELLERS: With that I move for approval with
 2 the contingency noted.

3 MR. CUTHBERTSON: Second.

4 CHAIRWOMAN BEAVER: Okay. Motion to accept Items
 5 10R and 10Y -- wait. Motion to accept and approve the new
 6 project items as presented with the --

7 MR. HALIKOWSKI: That's good.

8 MR. LA RUE: That's good.

9 MR. LIGOCKI: (Inaudible.)

10 CHAIRWOMAN BEAVER: Thank you. No, you don't
 11 have to repeat the whole.

12 MR. LIGOCKI: It's okay. Items 10R through
 13 10Y --

14 CHAIRWOMAN BEAVER: Y.

15 MR. LIGOCKI: -- with 10R and 10Y contingent on
 16 MAG Regional Council approval.

17 CHAIRWOMAN BEAVER: Thank you.

18 All those in favor?

19 BOARD MEMBERS: Aye.

20 CHAIRWOMAN BEAVER: All those opposed? Motion
 21 carries.

22 Thank you. Now --

23 MR. HALIKOWSKI: Madam Chair, I'd just like to
 24 note, thank you for the Board for coming together last week on
 25 the wrong-way driver system. As you know, this is a high

1 priority with lots of attention focused on it, and I want to
 2 commend our staff. I mean, we are developing and will implement
 3 a state-of-the-art system that is not used in its current form
 4 anywhere else in the country. So thank you to the Board for
 5 coming together on short notice.

6 MR. STRATTON: I think the frustration that we've
 7 all felt is that there's a lot of misinformation in the press --

8 MR. HALIKOWSKI: Yes, sir.

9 MR. STRATTON: -- about Arizona being worse than
 10 other places --

11 MR. HALIKOWSKI: Right.

12 MR. STRATTON: -- which is not true.

13 MR. HALIKOWSKI: That is not true. So -- but
 14 there is, as you know, lots of attention focused on this, and
 15 without getting into this, because we are not agendaed to do it,
 16 I just want to say thank you.

17 CHAIRWOMAN BEAVER: Thank you.

18 MR. LIGOCKI: Madam Chair.

19 CHAIRWOMAN BEAVER: Yes.

20 MR. LIGOCKI: With my short-term memory failing
 21 fast, I just wanted to double-check. Did we have a motion and a
 22 second before we took the action?

23 UNIDENTIFIED SPEAKER: Yes.

24 UNIDENTIFIED SPEAKER: Yes.

25 UNIDENTIFIED SPEAKER: Yes.

1 MR. LIGOCKI: We did. Okay. I'm sorry. My
2 long-term memory is a lot better than my short-term. But
3 Floyd's not here, so I thought I would check.

4 MR. HALIKOWSKI: Are you eating those brownies
5 again?

6 MR. LIGOCKI: I was trying to stay away from
7 brownies.

8 CHAIRWOMAN BEAVER: Yes, I believe it was Sellers
9 and Cuthbertson that made the motion and second, so...

10 MR. HALIKOWSKI: At long last.

11 CHAIRWOMAN BEAVER: Welcome.

12 MR. HAMMIT: Madam Chair, you ready for the
13 state engineer's report?

14 CHAIRWOMAN BEAVER: Yes.

15 MR. HAMMIT: All right. The state engineer's
16 report. Currently we have 118 projects under construction
17 totaling \$1.536 billion. Eight projects were finalized in
18 April, totaling 20.4 million, and year to date we've finalized
19 123 projects.

20 I'll use one minute of my state engineer's report
21 to follow up on wrong way drivers. I'm not going to go into it
22 in depth because it's not --

23 MR. HALIKOWSKI: (Inaudible.)

24 MR. HAMMIT: -- agendized, but I wanted to let
25 you know what we've done since last Friday. We had a meeting

1 with the Governor's office, and we -- we're setting up the task
2 force. We will have another meeting. I will leave here and --
3 at 2:30 and meet with the Governor's office. With the actions
4 you took and the actions MAG's taking next week, we will
5 advertise our project next week. We will have that project in
6 front of you no later than the July board meeting. If things
7 can go a little faster, we may ask for another telephonic
8 meeting, but we want to have this job under contract with the
9 first day of work on July 31st.

10 That is where we're pushing. One of the things
11 that we're doing to accelerate it is some of these items have a
12 little bit of a lead time because of the specialty. We're going
13 to buy those ourselves as the department and have them
14 (inaudible) department furnished material, and so they're
15 waiting for the contractor when they get on board. So we're
16 doing everything we can to have this system up and running by
17 the first of next year, where it was earlier looking like it
18 would have been this time next year. So we're moving as fast as
19 we can.

20 MR. HALIKOWSKI: I would just like to note, you
21 know, under the state engineer's report that this is the pilot
22 portion of the system on I-17, but that doesn't mean that your
23 group is slowing down on looking at the next steps and expanding
24 the (inaudible).

25 MR. HAMMIT: Madam Chair, Director, you're

1 exactly right. Because one of the exciting for me parts of
2 this, our folks came up with the idea, but they're using
3 existing equipment, and part of that equipment is those little
4 cameras you see when you come up to some of our traffic signals.
5 Some of them we detect the presence -- so there's a vehicle
6 present with a camera, sometimes we detect it with a loop. But
7 those intersections with cameras, we can take that technology,
8 do some software modification, and so with no hardware, be able
9 to at the top of the ramps at least, start getting detection
10 information there, and it will be basically a programming, not a
11 hardware construction project. If we detect at the bottom now
12 we need some more hardware and more -- a project, but we're
13 going to be able to do some things throughout this system, both
14 metro and anywhere else that we have these type of cameras that
15 we can get this information that will help us with this issue.

16 MR. HALIKOWSKI: So we're not going to stay
17 confined just to 17. We're going to keep looking outward, even
18 as we're running the pilot on 17.

19 UNIDENTIFIED SPEAKER: And Madam Chairman,
20 Director, I think it's also important to point out that we're
21 also looking -- we're not stopping there. We're continuing to
22 look at newer technologies and newer options to detect, and
23 maybe someday prevent people's bad decisions from impacting
24 others, but just so you know, that's something we're
25 continuously look at.

1 MR. SELLERS: And maybe this should wait until
2 the end of the meeting, but would this be something that perhaps
3 we could have an agenda item to talk about what we're
4 forecasting and perhaps where money sources might come from to
5 do it?

6 MR. HALIKOWSKI: So Madam Chair, Board Member
7 Sellers, that would be an excellent item we could look at for
8 next month and come back and give you a report on the
9 deployment, but also where this task force is going, because
10 as we've pointed out, detection and warning of drivers is one
11 thing, but you have to have personnel at this point to apprehend
12 them and stop them. And so --

13 UNIDENTIFIED SPEAKER: Yes.

14 MR. HALIKOWSKI: -- what we're trying to do is
15 step down the time frame between the detection and the
16 notification to the personnel, but then also be able to track
17 where the vehicle is, because at the speed some of these
18 vehicles move, they can quickly be on another part of the system
19 where we have no idea where they're at. With the loop
20 technology, we can track them by mile and give DPS more precise
21 locations.

22 UNIDENTIFIED SPEAKER: And not to prolong the
23 discussion, Madam Chair, but part of the problem is the reports
24 now are coming in from other drivers, and as you know, in a
25 split second trying to drive your car and call an emergency

1 number and determine where you are and say where the vehicle is,
2 that causes a lot of -- they don't know if they're going
3 northbound, southbound, eastbound. So this will eliminate the
4 human factor for that.

5 MR. HALIKOWSKI: But I don't want to lose focus
6 that we're probably going to exceed 900 fatalities in the coming
7 year --

8 UNIDENTIFIED SPEAKER: (Inaudible.)

9 MR. HALIKOWSKI: -- in the state. So we have a
10 problem that is also much larger than wrong-way driving.

11 UNIDENTIFIED SPEAKER: Yes.

12 MR. HALIKOWSKI: And that's that human behavior
13 continues to contribute to this ever-growing number of
14 fatalities.

15 MR. STRATTON: Madam Chair.

16 CHAIRWOMAN BEAVER: Board Member Stratton.

17 MR. STRATTON: I'd like to thank staff for this
18 diligence in working on this, and to your comment, you may need
19 meetings, more meetings, I'm willing to meet as many times as we
20 need to to expedite any of these projects for safety reasons.

21 MR. HALIKOWSKI: Thank you.

22 CHAIRWOMAN BEAVER: Thank you.

23 MR. HAMMIT: Moving on to the construction
24 projects, thank you for approving the nine projects that you
25 approved in the consent agenda. We had nine projects to talk

1 about, get some more justification.

2 At the bottom of the page there, this second-to-
3 the-last line, it's changed quite a bit in the last few months,
4 and I'm going to read. This month, the low bids, the sum of
5 them was 25 million, nine hundred and -- call it 61 dollars.
6 The State's estimate was 23,561,000, a difference of \$2.4
7 million, or 10 percent.

8 We have been averaging close to a tenth of a
9 percent, and now we're at ten percent. So I went and talked to
10 a couple of our bigger contractors yesterday to see what's going
11 on. Are prices going up? What are they seeing in the market?
12 And what they told me is overall, they're not changing prices,
13 but when there's risk, they're pricing that risk a little more
14 aggressive than they had in the past.

15 So you might ask what's risk? If I have a tight
16 working area that creates risk, because I know my production
17 changes. If I have a two-season job, it creates risk on my work
18 force and what prices are going to be over that two season. If
19 I have a project that has difficult terrain, that could create
20 risk, or if I have specialty items. And so we're going to look
21 at that in our estimates. We're going to adjust some of those,
22 but we're -- I'm going to follow it over the next few months.
23 This is the first time we've seen such a big jump, but as you
24 look at the justifications, look for those risk items, because
25 you'll see them in a number of these projects.

1 So with your permission, Madam Chair, I'll go to
2 Item 12A.

3 CHAIRWOMAN BEAVER: Please.

4 MR. HAMMIT: Item 12A is a reconstruction on Main
5 Street in Globe. The low bid was \$614,630.21. I'm sorry. I'm
6 a little bit (inaudible). The State's estimate was \$511,981.25.
7 It was over the State's estimate by \$102,649.96, or 20 percent.
8 Where we saw the biggest differences were in pricing for the
9 retaining wall, the concrete in that, the metal handrail and the
10 riprap. As we've reviewed the bids, they did say a lot of those
11 were moving in and with this type of work, but after review, the
12 department believes it is a responsive and responsible bid and
13 would recommend award to Standard Construction Company, Inc.

14 MR. STRATTON: So moved.

15 CHAIRWOMAN BEAVER: Motion to accept by Board
16 Member Stratton to accept and approve staff's recommendation to
17 award the contract for Item 12A to Standard Construction
18 Company, Inc. Is there a second?

19 MR. THOMPSON: Second.

20 CHAIRWOMAN BEAVER: It's -- it was double
21 seconded. Okay. Board Member Thompson seconded.

22 With a motion and a second, if there's no
23 additional discussion, all those in favor?

24 BOARD MEMBERS: Aye.

25 CHAIRWOMAN BEAVER: All those opposed? Motion

1 carries.

2 Okay. We'll move on now to 12B.

3 MR. HAMMIT: Thank you, Madam Chair.

4 This project is in the town of Wenden. It was to
5 do some shoulder repairs. The low bid was \$724,230.74. The
6 State's estimate was \$532,531.90. It was over the estimate by
7 \$191,698.84, or 36 percent. In talking with La Paz County, they
8 are asking us to reject all bids, rescope the project and
9 re-advertise, and that is staff's recommendation, to reject all
10 bids, and it will come back to the Board at a later time.

11 CHAIRWOMAN BEAVER: Is there a motion to accept
12 and approve the staff's recommendation?

13 MR. CUTHBERTSON: So moved.

14 CHAIRWOMAN BEAVER: Motion by Board Member
15 Cuthbertson.

16 MR. LA RUE: Second.

17 CHAIRWOMAN BEAVER: Seconded by Board Member La
18 Rue to reject all bids for Item 12B.

19 If there's no further discussion, I guess I would
20 just comment. La Paz County's kind of in a financial situation
21 right now, so I'm sure that factors into it.

22 Anyway, all those in favor?

23 BOARD MEMBERS: Aye.

24 CHAIRWOMAN BEAVER: All those opposed? The
25 motion carries.

1 We'll move on now to Item 12C.

2 MR. HAMMIT: Thank you, Madam Chair.

3 Item 12C is an alley reconstruction within the
4 city of Glendale. The low bid for this project was 595,000
5 even. The State's estimate was \$477,867. It was over the
6 State's estimate by \$117,133, or 24.5 percent. Staff is
7 recommending postponement. The City of Glendale does want to
8 move forward. They need to move some finances around, but we
9 anticipate this coming back next month, but we're asking for
10 postponement at this time.

11 MR. LA RUE: Madam Chair, I'd move to recommend
12 -- I move to accept staff's recommendation to postpone that.

13 MR. THOMPSON: Second.

14 CHAIRWOMAN BEAVER: Motion by Board Member La
15 Rue, seconded by Board Member Thompson to approve the -- to
16 accept and approve the staff's recommendation to postpone Item
17 12C.

18 If there's no additional discussion, all those in
19 favor?

20 BOARD MEMBERS: Aye.

21 CHAIRWOMAN BEAVER: All those opposed? The
22 motion carries.

23 Move on to Item 12D, please.

24 MR. HAMMIT: Thank you, Madam Chair.

25 We're staying within the town of Glendale. This

1 is a project to install signals and dynamic message signs. The
2 low bid was \$642,000. The State's estimate was \$1,085,057.74.
3 It came in under the State's estimate by \$443,057.74, or 40.8
4 percent. We saw better-than-expected pricing on the sign
5 bridge, so those are -- is the structure that those overhead
6 signs are mounted to, the control cabinets and then the signals
7 themselves. We have reviewed the bids and believe they are
8 responsive and responsible and would recommend award to CS
9 Construction, Inc.

10 CHAIRWOMAN BEAVER: Do we have a motion to accept
11 and approve the staff's recommendation?

12 MR. LA RUE: So moved.

13 MR. SELLERS: Second.

14 CHAIRWOMAN BEAVER: Seconded by Board Member
15 Sellers to accept and approve staff's recommendation to award
16 the contract for Item 12D to CS Construction, Inc.

17 If there's no additional discussion, all those in
18 favor?

19 BOARD MEMBERS: Aye.

20 CHAIRWOMAN BEAVER: All those opposed?

21 The motion carries. Thank you.

22 Item 12E.

23 MR. HAMMIT: Thank you, Madam Chair.

24 Item 12E is a project in Litchfield Park. It's a
25 multiuse path. The low bid was \$315,000. The State's estimate

1 was \$392,000, or \$77,000 over the -- or excuse me -- under the
 2 State's estimate, 19.6 percent. On this project, there are some
 3 DBE issues. Some paperwork was failed to be submitted by the
 4 apparent low bidder. We are asking for postponement so we can
 5 give them a chance to respond to our letter back to them.

6 MR. LA RUE: Madam Chair, I move to accept
 7 staff's recommendation to postpone.

8 MR. SELLERS: Second.

9 CHAIRWOMAN BEAVER: Motion by Board Member La
 10 Rue, seconded by Board Member Sellers to accept and approve
 11 staff's recommendation to postpone Item 12E.

12 If there's no additional discussion, all those in
 13 favor?

14 BOARD MEMBERS: Aye.

15 CHAIRWOMAN BEAVER: All those opposed? The
 16 motion carries.

17 Item 12F.

18 MR. HAMMIT: Thank you, Madam Chair.

19 This is in Yuma. This is -- if you know where
 20 the (inaudible) service highway, State Route 191 ties into
 21 Interstate 8 at Air View Road. The -- it's intersection
 22 improvements. The low bid on this project was \$8,003,000. The
 23 State's estimate was \$5,961,404. It was over the State's
 24 estimate by \$2,041,596, or 34.2 percent. If you look at the bid
 25 items where we were underestimating was in the drainage

1 excavation and the asphalt --

2 MR. HALIKOWSKI: Did you change --

3 MR. HAMMIT: Oh, I'm sorry. You're supposed to
 4 keep me on track.

5 MR. HALIKOWSKI: That's Litchfield. There you
 6 go.

7 MR. HAMMIT: All right.

8 MR. HALIKOWSKI: Now we're in Yuma.

9 MR. HAMMIT: There we go.

10 And (inaudible) concrete items. I mentioned
 11 earlier one of the big risk items are multi-season job. In
 12 Yuma, where the weather's the nicest, you can't work because of
 13 the produce. This is a key area where the trucks, you have two
 14 ways in to many of the package sheds, and Araby is one of those
 15 locations. So we gave times where the contractors can't work,
 16 and we saw that in our pricing. After review of the bids, the
 17 department believes they are reasonable and responsive and would
 18 recommend award to J. Banicki Construction, Inc.

19 CHAIRWOMAN BEAVER: Do we have a motion to accept
 20 and approve the staff's recommendation to award the contract for
 21 Item 12F to J. Banicki Construction, Inc.?

22 MR. CUTHBERTSON: So moved.

23 MR. THOMPSON: Second.

24 CHAIRWOMAN BEAVER: Okay. There's a motion by
 25 Board Member Cuthbertson and a second by Board Member Thompson

1 to award the contract -- to accept and approve the staff's
2 recommendation to award the contract for Item 12F to J. Banicki
3 Construction, Inc.

4 Is there any additional discussion?

5 I would just like to comment. Boy, that's --
6 that's quite a significant overestimate.

7 MR. HAMMIT: Madam Chair, as -- when we looked at
8 it, again, we underestimated some of the items, and then the
9 durations of work. They're building a roundabout on each end of
10 this interchange, and just the volume of traffic, the contractor
11 estimated they would have to phase it more than we had estimated
12 to get the work done, because they would have limited space.

13 CHAIRWOMAN BEAVER: Okay. Is there any
14 additional comments?

15 Okay. The motion is to accept and approve the
16 staff's recommendation. All those in favor?

17 BOARD MEMBERS: Aye.

18 CHAIRWOMAN BEAVER: All those opposed? The
19 motion carries.

20 Move on to Item 12G.

21 MR. HAMMIT: Thank you, Madam Chair.

22 Item 12G is on US-93. This is to do some deck
23 rehab on the Burro Creek Bridge. The low bid was \$2,170,794.59.
24 The State's estimate was \$1,666,983.03. It was over the State's
25 estimate by \$503,811.56, or 30.2 percent. As we looked at

1 prices, we saw higher-than-expected pricing in the concrete
2 removal, the demo of the deck, the roadway excavation and
3 mobilization. If you've been across this bridge, it's over a
4 deep canyon. We underestimated the work required, really the
5 time to capture when you demo it. You can't let the material
6 fall into the canyon. We have reviewed the bids, and after that
7 review, the department believes it is a reasonable and
8 responsive bid and would recommend award to FNF Construction,
9 Inc.

10 CHAIRWOMAN BEAVER: Do we have a motion to accept
11 and approve staff's recommendation to award the contract for
12 Item 12G to FNF Construction, Inc.

13 MR. STRATTON: So moved.

14 CHAIRWOMAN BEAVER: Motion by Board Member
15 Stratton. Do we have a second?

16 MR. CUTHBERTSON: Second.

17 CHAIRWOMAN BEAVER: Seconded by Board Member
18 Cuthbertson to accept and approve the staff's recommendation to
19 award the contract for Item 12G to FNF Construction, Inc.

20 All those in favor?

21 BOARD MEMBERS: Aye.

22 CHAIRWOMAN BEAVER: All those opposed? The
23 motion carries.

24 Item 12H.

25 MR. HAMMIT: Thank you, Madam Chair.

1 Item 12H is on the Loop 202. It is in the town
 2 of Gilbert, or the city of Gilbert, excuse me. It's to install
 3 closed-circuit television cameras and dynamic message signs.
 4 The low bid was \$4,184,269. The State's estimate was 3,799,495
 5 -- excuse me -- \$3,799,495.33. It was over the State's estimate
 6 by \$384,773.67, or 10.1 percent. As we reviewed the bid, we saw
 7 higher-than-expected pricing for the conduit in the pull boxes
 8 (phonetic), and again, it was more in the labor to install those
 9 items we had underestimated. In review of the bids, the
 10 department believes they are responsible and -- responsive and
 11 responsible bid and would recommend award to CS Construction,
 12 Inc.

13 CHAIRWOMAN BEAVER: Do we have a motion to accept
 14 and approve staff's recommendation to award the contract for
 15 Item 12H to CS Construction, Inc.?

16 Board Member Sellers makes a motion.

17 MR. SELLERS: So moved. And by the way, Dallas,
 18 you were correct the first time. It's the town of Gilbert.

19 MR. HAMMIT: Oh, okay.

20 MR. HALIKOWSKI: In the city of Glendale. You
 21 figured as long as you were getting one in.

22 MR. CUTHBERTSON: I second.

23 CHAIRWOMAN BEAVER: Okay. Motion by Board Member
 24 Sellers, seconded by Board Member Cuthbertson to accept and
 25 approve the staff's recommendation to award the contract for

1 Item 12H to CS Construction, Inc. Just for clarification, it is
 2 in the city of Gilbert.

3 All those in favor?

4 BOARD MEMBERS: Aye.

5 CHAIRWOMAN BEAVER: All those opposed? The
 6 motion carries.

7 We'll move on to Item 12I.

8 MR. HAMMIT: Thank you, Madam Chair.

9 Item 12I is coming to you from the town of
 10 Payson. This is a project in the city of Maricopa. It is a
 11 preparation for our 347 bridge overpass project. It is a
 12 demolition project. The low bid was \$27,900. The State had
 13 estimated \$120,000. It was under the estimate by \$92,100, or
 14 76.8 percent.

15 This is the first time we've contracted through
 16 our contracts and specs group on this type of work. Generally,
 17 these projects wouldn't have come in front of the Board. We
 18 felt that it was important. It is a part of a project. It
 19 needs to, for transparency, come in front of the Board.

20 Our staff had estimated the costs, and they just
 21 overestimated how long it was going to take to demo the
 22 building. We're working with different contractors. We just --
 23 I don't know that it was a great price. We just overestimated
 24 the duration it takes to do this type of work. After review of
 25 the bids, the department believed that it is a reasonable and

1 responsive bid and would recommend award to Breinholt
2 Construction Company, Inc.

3 MR. STRATTON: So moved.

4 CHAIRWOMAN BEAVER: Motion by Board Member
5 Stratton.

6 MR. THOMPSON: Second.

7 CHAIRWOMAN BEAVER: Seconded by Board Member
8 Thompson to accept and approve the staff's recommendation to
9 award the contract for Item 12I to Breinholt Contracting
10 Company, Inc.

11 If there's no further discussion, all those in
12 favor?

13 BOARD MEMBERS: Aye.

14 CHAIRWOMAN BEAVER: All those opposed? The
15 motion carries.

16 UNIDENTIFIED SPEAKER: And that passed even
17 though Mayor Price is absent today.

18 CHAIRWOMAN BEAVER: So...

19 (Speaking simultaneously.)

20 CHAIRWOMAN BEAVER: We'll move on now to Item 13.

21 Thank you, Dallas.

22 Board suggestions for future board meetings, and
23 I believe we had two that just came up today. One is the -- to
24 address the project in Prescott, the 69 project. State Route 69
25 safety and capacity improvements.

1 MR. STRATTON: Would that be for update and
2 possible action?

3 CHAIRWOMAN BEAVER: Yes. That's what you're
4 asking, correct?

5 MR. STRATTON: Yes.

6 CHAIRWOMAN BEAVER: Yes. And then --

7 MR. LA RUE: Madam Chair, clarification. Are you
8 asking just for that project or any project that a JDA is
9 signed? Because isn't 4th Street --

10 MR. STRATTON: Any project that --

11 CHAIRWOMAN BEAVER: Okay. So 4th Street --

12 MR. STRATTON: They need to be --

13 CHAIRWOMAN BEAVER: -- then we can --

14 MR. STRATTON: They need to be listed separately
15 since they're possible action, I would believe.

16 UNIDENTIFIED SPEAKER: I would recommend that.

17 MR. HALIKOWSKI: Yeah. We'll probably do them
18 separate (inaudible).

19 CHAIRWOMAN BEAVER: And I think that is titled...

20 MR. STRATTON: Those two. Are there...

21 CHAIRWOMAN BEAVER: I was looking to see if they
22 actually had kind of a formal name that they -- got 4th Street
23 Bridge over Interstate 40 replacement and widening project. And
24 that's in Flagstaff.

25 MR. HALIKOWSKI: Floyd will be back Monday and

1 (inaudible).

2 CHAIRWOMAN BEAVER: You'll put him on it?

3 MR. HALIKOWSKI: That's right. (Inaudible.)

4 CHAIRWOMAN BEAVER: On them? And then the third
5 item was the question about the pilot program --

6 MR. SELLERS: Update.

7 CHAIRWOMAN BEAVER: -- update, if that could
8 also --

9 MR. SELLERS: Well, and the future planning for
10 that.

11 CHAIRWOMAN BEAVER: Yes.

12 And I think the only additional thing I'd ask, I
13 don't think it would be an agenda item, but since we are going
14 to be in Kingman and there's that TI up there, is it possible
15 that we could have the area engineer or someone, if the Board's
16 available on the Thursday before, to go out and kind of be given
17 kind of a logistical --

18 MR. HALIKOWSKI: Uh-huh.

19 CHAIRWOMAN BEAVER: -- a field trip experience.

20 UNIDENTIFIED SPEAKER: Road trip.

21 UNIDENTIFIED SPEAKER: Madam Chair, you're
22 talking the 93, the potential 93 --

23 CHAIRWOMAN BEAVER: Yes.

24 UNIDENTIFIED SPEAKER: -- I-40 interchange? It
25 -- yeah. Well, it's the one that's in Prescott that has to do

1 -- or not -- excuse me. Kingman.

2 UNIDENTIFIED SPEAKER: Right.

3 CHAIRWOMAN BEAVER: Yes.

4 UNIDENTIFIED SPEAKER: Would be the
5 re-alignment --

6 CHAIRWOMAN BEAVER: Yes.

7 UNIDENTIFIED SPEAKER: -- of 93 --

8 CHAIRWOMAN BEAVER: Yes.

9 UNIDENTIFIED SPEAKER: -- (inaudible). Yes,
10 ma'am.

11 CHAIRWOMAN BEAVER: Yes. Thank you.

12 Is there anything additional?

13 Board Member Thompson?

14 MR. THOMPSON: Is that meeting in July?

15 CHAIRWOMAN BEAVER: Yes. I believe it's the
16 21st.

17 MR. THOMPSON: Okay. I'm assuming you are all
18 aware at the various projects that have been proposed by the
19 public, several roads within the area that I represent, 260, 60,
20 and I'm assuming (inaudible) from one phase (inaudible) 260, 60,
21 and of course, the 4th Street. I know there's several projects
22 that were recommended. Again, (inaudible) Begay from the
23 reservation talking about the many forms of the project.

24 CHAIRWOMAN BEAVER: So I guess my question is:
25 Is it at a stage where it could be considered to be approval at

1 this point, or -- or is it something that we would maybe need to
2 address at a future board meeting?

3 MR. THOMPSON: That's -- I guess that's where I'm
4 saying, you know, where do I start and how do we move
5 (inaudible)?

6 MR. HALIKOWSKI: Well, I think, Madam Chair,
7 Board Member Thompson, that the two projects that we're talking
8 about, as was described, they're this close to signing
9 agreements, and the idea was if they're that close, can we get
10 them into the program?

11 UNIDENTIFIED SPEAKER: (Inaudible.)

12 MR. HALIKOWSKI: So I'm not sure where Many Farms
13 is. I don't think we've got anything --

14 MR. THOMPSON: Okay.

15 MR. HALIKOWSKI: -- in the plan or (inaudible)
16 close to it.

17 UNIDENTIFIED SPEAKER: So maybe just an update,
18 Madam Chair.

19 MR. HALIKOWSKI: How about if we --

20 CHAIRWOMAN BEAVER: Well, and you know, we're
21 going to be up on the Navajo reservation in September at that
22 board meeting. Would that be a good -- appropriate time to
23 bring it up?

24 MR. THOMPSON: As long as (inaudible).

25 CHAIRWOMAN BEAVER: Okay. So maybe we could look

1 to bringing it up this September.

2 MR. HALIKOWSKI: Okay. We'll set that for
3 September.

4 MR. THOMPSON: Again, I would just like to inform
5 the board members that I will not be with you in the July
6 meeting. I will be heading back to Washington lobbying for
7 funding for the Native American reservation, that we need more
8 moneys coming in on -- to the Native American community. So
9 that's where I'll be out there. So -- but I may be able to call
10 in, so...

11 CHAIRWOMAN BEAVER: Okay.

12 MR. LA RUE: Madam Chair, if I may, on the Many
13 Farms, my memory on that is it was many -- it was mostly safety
14 improvements that ADOT was going to work with the local chapter
15 there and implement -- I don't think many of those things will
16 come back to this board. And so I -- you know, I think there's
17 a memo out on that. If the Board would like to be updated, I'm
18 sure ADOT can do that.

19 UNIDENTIFIED SPEAKER: Sure.

20 MR. LA RUE: I think the -- the other thing,
21 though, that I was trying to bring up is much like we see, if
22 the Navajo Nation has a transportation improvement plan that's
23 fiscally funded in some manner, you know, bringing that forward
24 to talk about what their priorities are and how do they couple
25 in with the statewide priorities and where is that system

1 through the northeast part of the state, that might be helpful.
 2 And that -- I don't know if that's the agenda item you were
 3 thinking about, but clearly if you're not here in July, it
 4 shouldn't come in July. I don't think we meet in August, and
 5 so --

6 CHAIRWOMAN BEAVER: September's (inaudible).

7 MR. HALIKOWSKI: And so Madam Chair, let us take
 8 this item back as staff, and we'll look at proposing an agenda
 9 item then for your approval --

10 CHAIRWOMAN BEAVER: Okay.

11 MR. HALIKOWSKI: -- for September.

12 CHAIRWOMAN BEAVER: Well, and possibly it might
 13 be if there could -- could we look into -- to see where they are
 14 with regard to their...

15 MR. LA RUE: And we're meeting up there
 16 somewhere.

17 MR. HALIKOWSKI: Right.

18 CHAIRWOMAN BEAVER: Yes. Yes.

19 MR. LA RUE: So maybe at the same time.

20 MR. HALIKOWSKI: In September.

21 MR. LA RUE: Oh, September?

22 MR. HALIKOWSKI: Right. So we'll work together
 23 and come up with an agenda item or items --

24 MR. THOMPSON: Okay.

25 MR. HALIKOWSKI: -- to present to the Board on

1 the transportation improvement plan for the nation and any other
 2 issues like Many Farms that you want updates on.

3 CHAIRWOMAN BEAVER: Okay.

4 MR. THOMPSON: That's good enough.

5 CHAIRWOMAN BEAVER: Is that --

6 MR. THOMPSON: Thank you, Madam Chair.

7 (End of excerpt.)

8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

Adjournment

A motion to adjourn the June 16, 2017 State Transportation Board meeting was made by Jack Sellers and seconded by Jesse Thompson. In a voice vote, the motion carries.

Meeting adjourned at 10:59 a.m. MST.


Deanna Beaver, Chairwoman
State Transportation Board


John Halikowski, Director
Arizona Department of Transportation