

**STATE TRANSPORTATION BOARD MEETING  
TELEPHONIC/VIDEO MEETING  
BOARD MEETING  
9:00 a.m., January 15, 2021  
NO MEMBERS OF THE PUBLIC WILL BE ALLOWED TO ATTEND IN-PERSON**

**Call to Order**

Chairman Hammond called the State Transportation Board meeting to order at 9:02 a.m.

**Pledge**

The Pledge of Allegiance was led by Floyd Roehrich, Jr., Executive Officer.

**Roll Call by Board Secretary Sherry Garcia**

A quorum of the State Transportation Board was present. **In attendance:** Chairman Stratton, Vice Chairman Thompson, Board Member Hammond, Board Member Knight, Board Member Searle, and Board Member Daniels by telephone conference. There were approximately 65 members of the public in the audience.

**Opening Remarks**

Chairman Stratton reminded members of the public, to keep their computer or phone muted during the meeting, unless called to speak during the Call to Audience.

**Title VI of the Civil Rights Act**

Floyd Roehrich, Jr., read the Title VI of the Civil Rights Act of 1964, as amended. Floyd, also reminded individuals to fill out survey cards, with link shown on the agenda.

**Call to the Audience**

An opportunity was provided to members of the public to address the State Transportation Board. Members of the public were requested not to exceed a three minute time period for their comments.

ARIZONA STATE TRANSPORTATION BOARD  
STATE TRANSPORTATION BOARD MEETING

REPORTER'S TRANSCRIPT OF PROCEEDINGS

Webex Videoconference

January 15, 2021  
9:02 a.m.

REPORTED BY:

TERESA A. WATSON, RMR  
Certified Reporter  
Certificate No. 50876

Perfecta Reporting  
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PREPARED FOR:  
ADOT - STATE TRANSPORTATION BOARD

(Certified Copy)

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

6  
7 PARTICIPANTS:

8 Board Members:

9 Steven E. Stratton, Chairman  
10 Jesse Thompson, Vice Chairman  
11 Gary Knight, Board Member  
12 Richard Searle, Board Member  
13 Jenn Daniels, Board Member  
14 Michael S. Hammond, Board Member  
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# CALL TO THE AUDIENCE

SPEAKER:	PAGE:
Janet Aniol.....	9
Mayor Craig McFarland (comments read by Floyd Roehrich, Junior).....	11
Rick Yanke.....	17

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1 (Beginning of excerpt.)

2 CHAIRMAN HAMMOND: Thank you, Floyd. Just a  
3 reminder to everybody to keep their phones on mute unless you're  
4 called upon to speak.

5 Now, my opening remarks are going to be very  
6 brief. I gave my longer comments at my last official board  
7 meeting on -- in December, and so I'm -- my main role this  
8 morning is to turn the gavel over the vice chair, but I would  
9 like to just say what a pleasure it has been to serve on this  
10 board for the last six years and as the chairman for the last  
11 year, but I think the memory I'll carry most is the friends I've  
12 made. Not just on the Board or within ADOT, but in all of the  
13 communities that we've visited over the last six years. One of  
14 my disappointments this year is that we have not been able to  
15 visit the communities and meet the people that kind of make  
16 things happen there and hear their needs. So -- but it's been  
17 one of the better boards, best boards that I've had the pleasure  
18 of serving on, and I thank everybody that's made it such a  
19 pleasure.

20 The -- let's see where am I here, because I  
21 skipped a little bit.

22 Okay. All right. Now, my only role here is to  
23 get a motion and a second to -- to make our vice chair the  
24 chair, and then turn the meeting over to the vice chair, who is  
25 Board Member Stratton. So I would entertain a motion to --

1 MR. ROEHRICH: (Inaudible.)

2 CHAIRMAN HAMMOND: What's that?

3 MR. SEARLE: Mike, this is Richard. I make that  
4 motion.

5 CHAIRMAN HAMMOND: Okay.

6 MR. KNIGHT: Second.

7 CHAIRMAN HAMMOND: Okay. Motion by Board Member  
8 Searle, second by Board Member Knight, correct?

9 MR. KNIGHT: Correct. I'm finally on.

10 CHAIRMAN HAMMOND: Okay. Great.

11 MR. KNIGHT: I can hear you.

12 CHAIRMAN HAMMOND: Any discussion or objection?

13 Okay. All in favor? Oh, no. Roll call vote.

14 Sorry about that.

15 Floyd, you're muted.

16 MR. ROEHRICH: I will go ahead and do the roll  
17 call vote.

18 Mr. Hammond.

19 CHAIRMAN HAMMOND: Here. Yes.

20 MR. ROEHRICH: Mr. Stratton.

21 MR. STRATTON: Aye.

22 MR. ROEHRICH: Mr. Thompson.

23 Mr. Knight.

24 MR. KNIGHT: Aye.

25 MR. ROEHRICH: Mr. Searle.

1 MR. SEARLE: Aye.

2 MR. ROEHRICH: Ms. Daniels. Ms. Daniels.

3 MS. DANIELS: Aye. Aye.

4 MR. ROEHRICH: Thank you. The motion passes,  
5 with the exception of Mr. Thompson, who was not able to vote.

6 MR. HAMMOND: Okay. Congratulations, Board  
7 Member Stratton. You are now chair.

8 CHAIRMAN STRATTON: Thank you, Mr. Hammond.

9 Floyd --

10 MR. ROEHRICH: So congratulations, Mr. Stratton,  
11 and if you have any comments you would like to make.

12 CHAIRMAN STRATTON: I'd just like to thank Mike  
13 again for leading us through these strange times we're in. He's  
14 the first chairman of the Webex meeting for a year, and you did  
15 an excellent job, Mike. You're right, I do have big shoes to  
16 fill. You've been a good friend, and I've learned a lot from  
17 you, and I appreciate you, and thank you for serving Arizona as  
18 you have.

19 And for those of you that can unmute yourself and  
20 put yourself on camera, I'm going to ask you to do so at this  
21 time and join me in giving Mike a standing ovation for what he  
22 has weathered and gone through through this time.

23 MR. HAMMOND: I have to say, I think that's the  
24 virtual standing ovation I've seen (sic). Thank you.

25 CHAIRMAN STRATTON: Thank you, Mr. Hammond.

1                   Floyd, do we need to elect a vice chair at this  
2                   time?

3                   MR. ROEHRICH: Mr. Chairman, yes. We now need a  
4                   motion for a vice chair, and by statutory, the vice chair would  
5                   be Mr. Thompson.

6                   MR. KNIGHT: Mr. Chair, this is Board Member  
7                   Knight. I move that Mr. Thompson be appointed vice chair.

8                   MR. SEARLE: This is Richard Searle. I'll  
9                   second.

10                  CHAIRMAN STRATTON: A motion by Gary and a second  
11                  by Richard. Would you have the roll call vote, please?

12                  MR. ROEHRICH: Yes, sir.

13                  Mr. Hammond.

14                  MR. HAMMOND: Aye.

15                  MR. ROEHRICH: Mr. Knight.

16                  MR. KNIGHT: Aye.

17                  MR. ROEHRICH: Mr. Searle.

18                  MR. SEARLE: Aye.

19                  MR. ROEHRICH: Mr. Searle.

20                  MR. SEARLE: That was an aye.

21                  MR. ROEHRICH: Ms. Daniels.

22                  MS. DANIELS: Aye.

23                  MR. ROEHRICH: Chairman Stratton.

24                  CHAIRMAN STRATTON: Aye.

25                  MR. ROEHRICH: And Vice Chair Thompson, soon-to-



1 be Vice Chair Thompson.

2 Again, sir, we don't have -- Mr. Chair we don't  
3 have Mr. Thompson connected, but you do have -- the motion  
4 passes.

5 CHAIRMAN STRATTON: Thank you.

6 I did have one other comment that I'd like to  
7 say. I've came off a job and I'm in a motel room, so there may  
8 be a lot of background noise that I can't control, and please  
9 bear with me. At this time I'd like to allow any other board  
10 member that has any comments concerning the chairman, outgoing  
11 chairman. I'll open it to the -- to the Board at this time.

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

14 CHAIRMAN STRATTON: Yeah, Gary. Go ahead.

15 MR. KNIGHT: I just wanted to tell Michael that  
16 it's been a pleasure working with him for the last three years.  
17 When I came on the Board three years ago, he gave me a lot of --  
18 has given me a lot of advice, and he's been a very good mentor,  
19 and I really appreciate his support and everything that he's  
20 been able to do in these strange COVID times with Webex  
21 meetings. I think he handled them very, very well, and  
22 hopefully we won't have another complete year of these Webex  
23 meetings and we'll be able to meet in person again.

24 Thank you, Mr. Chair.

25 MR. HAMMOND: Thank you, Gary.

1                   CHAIRMAN STRATTON: Thank you, Board Member  
2 Knight. Is there anyone else that would like to make a comment?

3                   Hearing none, we'll move on to call to the  
4 audience. Since this is a telephone/Webex conference meeting,  
5 everyone will be muted when they came into the meeting. When  
6 your name is called to provide your comments, you will indicate  
7 your presence by virtually raising your hand and using your  
8 phone keypad or through the Webex application. The Webex host  
9 will guide you through the unmuting and muting process following  
10 the instruction included in the meeting agenda.

11                  A reminder there is a three-minute time limit.

12                  And, Floyd, would you do the honors of calling  
13 the names, please?

14                  MR. ROEHRICH: Yes, sir, Mr. Chair. The first  
15 request we got was from Janet Aniol. Janet, Ms. Aniol, would  
16 you please raise your hand so we can unmute you?

17                  MS. ANIOL: Good morning, Board, ADOT, and  
18 internet space friends. I'm Janet Aniol of the Beaver Creek  
19 Community Association, representing McGuireville, Rim Rock and  
20 Lake Montezuma. We are nearly 6,000 residents just north of  
21 Camp Verde and located either side of I-17 at Exit 293.

22                  We are genuinely concerned about the potential of  
23 brush fires spreading to our homes. These occur regularly along  
24 Highway 260 and I-17 in the area served by our fire district,  
25 Copper Canyon Fire and Medical. We are requesting that the high

1 grass and brush along these corridors, including medians, be  
2 mowed regularly.

3 We do understand that a water truck must follow  
4 maintenance much of the year due to possible fires from  
5 equipment sparks. Just in the small area served by our fire  
6 district, there were 19 confirmed brush fire incidents along  
7 these corridors from the dates of May 21st through December 7th  
8 of last year. Many fires were small, but a couple were  
9 considered large or multiple fires.

10 The incident that was the worst for Beaver Creek  
11 required a slurry bomber and Bambi buckets from a helicopter.  
12 Several blocks were evacuated, and the housing around Rim Rock  
13 Airport was put on alert. Had the fire not been halted, it was  
14 headed toward Beaver Creek School, which is our evacuation  
15 center. We were lucky this time.

16 Our community has one paved road in and out. If  
17 a major portion of us need to evacuate quickly, we will be on a  
18 dirt road.

19 Please heed our request for more vigilant  
20 maintenance of grass and brush along our ADOT corridors and  
21 those of other areas. This will go a long way in prevention of  
22 these types of fires that require instant reaction from our fire  
23 districts and threaten property and homes.

24 The Association will follow up by sending a  
25 formal letter and the incident spreadsheet. Thank you for the

1 opportunity to speak.

2 CHAIRMAN STRATTON: Thank you, ma'am.

3 Floyd, the next speaker.

4 MR. ROEHRICH: Mr. Chairman, we've got one other  
5 request, and it was from Mayor Craig McFarland. He said that he  
6 did not want to speak, but he wanted to have a one-sentence  
7 statement made, and it references I-10 widening between Casa  
8 Grande and the I-10/202 exchange, and it's that this needs to be  
9 ADOT's number one priority, and then he says, Please make it so.

10 CHAIRMAN STRATTON: Okay.

11 MR. ROEHRICH: So those are the two requests that  
12 we have. That's all.

13 Mr. Chairman, real quick, I just want to  
14 double-check, because Mr. Thompson says he is on the phone, and  
15 I want to see that we have audio of him.

16 Mr. Thompson, are you available? Can you hear  
17 us? Mr. Thompson, if you're on the phone, you need to unmute  
18 your phone.

19 VICE CHAIR THOMPSON: Hello. Can you hear me?

20 MR. ROEHRICH: Mr. Thompson, I -- yes,  
21 Mr. Thompson. This is Floyd. Yes, we can hear you.

22 VICE CHAIR THOMPSON: Okay. Thank you.

23 CHAIRMAN STRATTON: Board Member Thompson, thank  
24 you for joining us, and I'd like to congratulate you on the  
25 unanimous vote of making you the vice chairman this year.

1 With that --

2 VICE CHAIR THOMPSON: Chairman, do -- can I have  
3 a minute or two?

4 CHAIRMAN STRATTON: Absolutely.

5 VICE CHAIR THOMPSON: I'd like to let every  
6 organization or community know that I'd like to continue  
7 partnering with them and moving forward to the State Board, the  
8 projects that they have.

9 In addition to that, again, let me thank  
10 everyone. You all know I live on the reservation. Picture now  
11 driving north on 87, which is going from Winslow north. See  
12 those tall buttes off in the distance, off to the left. Just  
13 north of those is a community where I was raised.

14 When we were young, we'd climb up as far as we  
15 could, and what seemed like a million lights, and wondered if we  
16 would ever get to enjoy those scenes -- those that represent  
17 looking at Winslow, Flagstaff, Holbrook. Then we'd climb down  
18 and look back on our community and see the dirt roads, failing  
19 conditions and school buses stuck with -- in the mud.

20 You all can picture that I know the conditions of  
21 these tribal dirt roads. We can help each other to continue  
22 improving the overall quality of life for the students and for  
23 the seven school districts who need to travel these failing  
24 roads every day and for all of our rural communities and  
25 businesses, and that's the extent of my comments.

1 Thank you, Chair. Appreciate it.

2 CHAIRMAN STRATTON: Thank you, Vice Chairman  
3 Thompson.

4 I will now move on to Item 2, the director's  
5 report. This is for information and discussion only.

6 DIRECTOR HALIKOWSKI: Thank you, Mr. Chairman. I  
7 appreciate that. I don't have anything new to report since we  
8 met last month, and any comments we might have, we'll address  
9 either in the financial report or the legislative report. So I  
10 have nothing else.

11 Katy, if you're on the line, are there any  
12 updates to the legislative report you'd like to provide?

13 MS. PROCTOR: Sure. Good morning, Mr. Chair and  
14 members.

15 On the State side, the 55th Legislature first  
16 regular session convened on January 11th. Session started  
17 quickly for ADOT, as our director and CFO provided an excellent  
18 overview of the HURF to the Transportation Committee this week.  
19 As of this morning, already 525 bills have been introduced this  
20 session.

21 As we did last year throughout the legislative  
22 session, I will compile a weekly update for you on  
23 transportation project bills that our staff is tracking. We  
24 currently have 13 bills on that list, and in addition to  
25 tracking, we're continuing to meet with legislators and are

1 working closely with the Governor's staff on transportation  
2 issues.

3 On the federal side, as you'll hear later, right  
4 before the holidays, Congress did pass a second COVID relief  
5 package in conjunction the fiscal '21 appropriations bill.  
6 Among the numerous COVID relief package provisions, the COVID  
7 section also contained \$10 billion in additional support for  
8 state DOTs. I will be deferring to my colleague, Kristine Ward,  
9 for more of the details.

10 Also notable, President-Elect Biden is calling  
11 for another 1.9 billion COVID relief package that would include  
12 20 billion for transit agencies. Subsequently, a recovery  
13 package would be expected to include additional infrastructure  
14 funding.

15 It also appears that the Senate Commerce  
16 Committee is lining up a confirmation hearing for President-  
17 Elect Biden's DOT pick, Pete Buttigieg, as possibly as early as  
18 next Thursday, the 21st.

19 And members, I'd be happy to answer any questions  
20 you might have.

21 CHAIRMAN STRATTON: Does anyone have any  
22 questions?

23 MR. KNIGHT: Mr. Chair, this is Gary.

24 CHAIRMAN STRATTON: Yes. Board Member Knight.

25 MR. KNIGHT: I do have a question. I know that

1     there was relief funding that we're going to get. I think it  
2     was 183 million or -- I forgot the exact number -- but at any  
3     rate -- and I realize that ADOT is required to send a portion of  
4     that to MAG and PAG, but has staff studied and decided how much,  
5     if any, is going to be funded -- of that funding is going to go  
6     to COGs and MPOs in the rural areas, the other 13 counties?

7             DIRECTOR HALIKOWSKI: Mr. Chairman, if I might,  
8     could we pick that up during Kristine's financial presentation?  
9     We're still in the process of assessing exactly the amounts of  
10    money and how this is going to work, but I think Kristine would  
11    be better suited to probably answer that question during her  
12    presentation.

13            MR. KNIGHT: Thank you.

14            CHAIRMAN STRATTON: Very good, John.

15            DIRECTOR HALIKOWSKI: Thank you, sir.

16            CHAIRMAN STRATTON: John, do you have any last  
17    minute items?

18            DIRECTOR HALIKOWSKI: No, Mr. Chairman. I think  
19    Katy covered it. We met with the Transportation Committee in  
20    the House this week, and Kristine and I gave them a HURF  
21    overview, and it contained much of the information that we've  
22    provided to you already.

23            Next week Kristine and I will be presenting to  
24    the Associated General Contractors, and we're going to be  
25    discussing, you know, the financial outlook plus various other



1 issues that we deal with with AGC.

2 So right now, we're in this pattern of where  
3 we're talking with legislators. As you can imagine, many of  
4 them -- since the last session ended abruptly with the skinny  
5 budget, they're looking at other projects if -- if the revenues  
6 continue to hold. As we presented, you know, sales taxes are  
7 doing very well. Economy's doing well, but as we pointed out to  
8 the committee, gasoline taxes are still struggling.

9 So lots of discussion about, you know, revenue  
10 issues among the committee, but once again, no clear direction,  
11 but they do seem at least in the House committed to talking  
12 about some of the issues. So we'll see where we go, Mr. Chair.  
13 We're just kind of (inaudible).

14 CHAIRMAN STRATTON: Thank you, John.

15 Any questions from the Board?

16 VICE CHAIR THOMPSON: Chairman.

17 CHAIRMAN STRATTON: Board member -- Vice Chair  
18 Thompson.

19 VICE CHAIR THOMPSON: There was a request from  
20 Page that needed to make a comment, and his name was not  
21 announced. His name is Rick Yanke, Rick Yanke from Page, and  
22 they had requested to speak, and the name was not called, and I  
23 believe they might be on the call at this time. (Inaudible.)

24 CHAIRMAN STRATTON: We will go back to the call  
25 to the audience then.

1                   Floyd, do you have that information?

2                   MR. ROEHRICH: So yeah. Mr. Chairman, this is  
3                   Floyd. I did receive an email that I was just looking at. We  
4                   -- you have the right, obviously, to go back to call to the  
5                   audience, but we did not receive it in the time frame that it  
6                   was required. So those speaker requests had to be by 8:00 a.m.,  
7                   so -- but you have the right -- if you want to open up call to  
8                   the audience, then we can go ahead and ask Mr. Rick Yanke from  
9                   the city of Page to raise his hand, and he will get his three  
10                  minutes.

11                 CHAIRMAN STRATTON: At this time, we will open up  
12                 call to the audience, and if that individual would like to raise  
13                 his hand, we can recognize him.

14                 MR. YANKE: Hello, Chairman Sutton (sic) and  
15                 board members. Thank you for allowing me to address you. I'm  
16                 addressing you on project Highway 89 north, Lake Paul Boulevard  
17                 roundabout project, city of Page, Coconino County.

18                 For years our city has been working with our ADOT  
19                 district engineer on a very dangerous intersection.  
20                 Unfortunately, to no avail. Through those years, there has been  
21                 increasing traffic accidents, including a recent fatality of one  
22                 of our community's most beloved residents. Although not in the  
23                 five-year plan, we believe ADOT also recently identified this  
24                 project as one of its priorities. When making the decision to  
25                 select projects for the five-year plan, I urge you to also give

1 this project special consideration due to the one-of-a-kind  
2 hardship Rule 17-6-413 places upon our city.

3 The Page area, the Page/Lake Powell area  
4 houseboat transportation provision limits the type of traffic  
5 control devices which can be used along Highway 89 in the Page  
6 area. These places -- this places Page in a serious  
7 disadvantage when ranking for projects that require facilities  
8 for serious consideration. Again, I urge you to add Highway  
9 89/North Lake Powell Boulevard roundabout project to ADOT's  
10 plans as soon as possible.

11 Thank you for your time and serious  
12 consideration.

13 CHAIRMAN STRATTON: Thank you for your comments.

14 I will now move to Item 3, district engineer's  
15 report with Brian Jervas, Southeastern Assistant District  
16 Engineer.

17 MR. ROEHRICH: Brian, this is Floyd. Are you  
18 able to unmute yourself?

19 MS. ESTELLE: Brain, you should be a -- Brian is  
20 a panelist now. He should be able to unmute his line.

21 MR. JEVAS: Can you hear me now?

22 CHAIRMAN STRATTON: Yes. We can hear you.

23 MR. JEVAS: Beautiful. Good morning, Chairman  
24 Stratton and board members. My name is Brian Jervas. I am the  
25 assistant district engineer for the Southeast District located

1 in Safford. I'll give you a short presentation on our current  
2 projects, what we have on the -- on the table coming up.

3 Our district management consists of Bill Harmon,  
4 District Engineer. I'm the assistant district engineer on the  
5 east side. Mr. Kurtis Harris is the assistant district engineer  
6 on the west side. Our superintendent on the east side is Tyrel  
7 Cranford. Superintendent on the west side is George Collaco,  
8 and our ASO is Jennifer Alvarez.

9 Next slide.

10 All right. Here's a list of our complete --  
11 recently completed projects. We had a passing lane, Ramboz  
12 Wash, which is just east of Cutter by the casino on 70. I don't  
13 know if any of you guys travel that road much. There used to be  
14 a passing lane that was about 500 feet long, which was not very  
15 practical. So we extended that a mile, which turned out real  
16 well for us.

17 Another project we just completed was US-70,  
18 Bylas to Pima. A chip seal. \$2.5 million. Active Transport  
19 (phonetic) did that, and we just finished that a couple months  
20 ago.

21 One of our more (inaudible) projects was Zorilla  
22 Bridge -- Street Bridge in the town of Clifton. Real unique  
23 type project. The bridge is over 100 years old. I think it was  
24 born -- built in 1917, 1918. What we did is resurfaced with  
25 some wood planks and gave it a fresh coat of paint (inaudible)

1 San Francisco River in Clifton.

2 Another good project we've completed is the 8th  
3 Avenue/Airport Road roundabout. It was a Graham County local  
4 government project. Turned out real well. It's a three-legged  
5 intersection that was pretty dangerous. A lot of big trucks for  
6 the mines, and the contractor has an office over there. Turned  
7 out nice.

8 Another project we just completed was US-191 the  
9 Black Hills Back Country Byway. Pavement preservation. Very  
10 heavily traveled road between Safford and the mine. So we got a  
11 lot of good compliments on that, which doesn't happen very often  
12 for us, but we appreciate that.

13 And next slide. I have a few photographs.

14 This is Zorilla Bridge in Clifton.

15 Next slide.

16 This is the roundabout that we just completed at  
17 Airport Road and 8th Avenue. It's able to accommodate very  
18 large trucks, because the mine is the -- -- uses it quite a bit.

19 And the Black Hills Back Country Byway.

20 Next slide.

21 Here's a list of our projects that we have under  
22 construction right now. US-60/Pinto Creek Bridge, a quite large  
23 job. We still have roughly a year left of construction, and I'm  
24 sure if you drive on the -- you come across it, it's quite a  
25 structure. It's a very good project for us.

1           Another bridge we're doing is on -- well, let me  
2 skip down. US-77 is another bridge we're doing in Pinal County,  
3 crossing the Gila River Bridge over by Winkelman, our --  
4 Winkelman.

5           We're just finished a paving job, US-60, Superior  
6 and Gila County line, which is through the canyon, from Top of  
7 the World to Superior. Very interesting project. A lot of  
8 traffic on that road.

9           And the last one we're working on, we just  
10 started, is SR-366 on Swift Trail, which is up Mount Graham.  
11 It's emergency relief money we had from the Frye fire in 2017,  
12 and it caused some substantial flooding. The Governor declared  
13 a state of emergency, and we're finally getting that kicked off,  
14 which we're pretty excite about. We just started this month.

15           Next slide.

16           Here's some photos. This is the Pinto Creek  
17 Bridge. Quite a -- quite an amazing structure. They're, I  
18 don't know, probably a third of the way complete, halfway  
19 complete. Hopefully we'll get some girders out there and get  
20 the -- get this project finished up in the next year or so.

21           Next slide.

22           This is the Gila River Bridge on SR-77. Shows  
23 some girders being set. This is probably three weeks ago. Set  
24 girders. They're getting ready to pour the deck and complete  
25 that project. Should be done hopefully in June or July. So

1 this summer we'll have that wrapped up.

2 Next slide.

3 This is our 366 emergency relief project. This  
4 is -- the top photo there on the left, that's a pile of logs  
5 that came down the canyon after the fire, and that's Wet Canyon,  
6 and it blocked the road off for several days, and there's a lot  
7 of cabins and a lot of activity up there. So we -- we had to  
8 get that open as soon as possible.

9 And the bottom left is the old bridge, which was  
10 what the bottleneck was. The photo's taken from the new bridge,  
11 which the person's standing under, which had substantial scour,  
12 but we ended up having to remove the old historic bridge to make  
13 room for the flows to get through there. It was the bottleneck,  
14 and the trees blocked it up, and then the water came over the  
15 top of the road.

16 Next slide.

17 This is some of the damage that occurred up on  
18 the trail. The two photos on the left are erosion. The water  
19 came down the hill, over the road and cut out the road, and in  
20 the process of doing some reconstruction, they're going to put  
21 in some gabion mattresses and stabilize that area.

22 As you see, the bottom right note is where we had  
23 some erosion control that got washed out, and the rock bolts all  
24 came loose. We've got to replace all those. Also, we're  
25 cutting hazard trees. There's probably 2 or 3,000 hazard trees

1 that they're cutting right now and hauling off.

2 Next slide.

3 Okay. There are some of the projects we have up  
4 and coming in the development stage. US-60 Queen Creek Bridge  
5 replacement, which is down by Superior. Another big project  
6 similar to Pinto Creek Bridge. It's scheduled for fiscal year  
7 '22, '23. We're kind of watching it closely (inaudible) don't  
8 do the Pinto Creek Bridge and the Queen Creek Bridge at the same  
9 time. So once the Pinto Creek wraps up, then we'll start  
10 working on the Queen Creek Bridge.

11 Another structure we're working on is US-60  
12 Waterfall Canyon, which is just east of the Queen Week Bridge,  
13 and that should happen in the fiscal year '22.

14 We have a pavement preservation project on SR-191  
15 between 266 and 366, which is -- I've been looking forward to  
16 for years. It's -- we've been putting microseals on it, trying  
17 to hold it together these last couple years, and I think that,  
18 if I'm not mistaken, it's in the five-year plan stated for '22  
19 or '23.

20 And a project that's coming up right away on 266  
21 is Pitchfork Creek Bridge, which is a smaller scour project over  
22 by the Bonita area, state prison, Fort Graham.

23 Next slide.

24 We're working on -- actually, the Willcox west TI  
25 on I-10. It advertised last week, and we're supposed to open it



1 a week from today -- or it advertised a couple weeks ago. So  
2 we'll opening that a week from today, so we're excited about  
3 that. It's a deck replacement.

4 Then we have another Willcox TI, which is on the  
5 east side, which is a deck rehab, and that one, I think, is  
6 scheduled -- it's out quite a ways. Probably '23, '24.

7 And US-191 Cochise railroad overpass. That's a  
8 big project on 191, just south of I-10, between Sunsites and the  
9 interstate. That one's been on the books for a while. I'm  
10 hoping we can get that one going. That's a pretty treacherous  
11 piece of road there.

12 And the last one, which is we're going to start  
13 here real soon, should advertise in the next month or so, is  
14 Pintek Ranch Road. It's a rock fall mitigation. \$3.5 million  
15 on SR-80, just between SR-90 and Bisbee.

16 Next slide.

17 Local government projects. Graham County, Fort  
18 Thomas River Bridge, it's a Graham County project. I think  
19 they're utilizing the offline bridge money so it's roughly a  
20 million dollar project. That's in scoping right now. It just  
21 started a couple weeks ago, the scoping process.

22 And the City of Safford, 20th Avenue, Relation  
23 Street, Golf Course Road. It's a road widening, which the  
24 community is really looking forward to. They did the northern  
25 half, I don't know, six, seven years ago, and it went over real

1 well, and they're trying to finish off the rest of it. This has  
2 been in the works for, boy, four or five years, trying to get  
3 money set aside through SEAGO. Everybody's looking forward to  
4 that. It should happen here in the next year or so.

5 Next slide.

6 And that's it, in a nutshell. Safe travels. And  
7 any questions?

8 CHAIRMAN STRATTON: Do any of the board members  
9 have questions for Brian?

10 Very good. Thank you, Brian. Great  
11 presentation.

12 MR. JEVAS: Thank you, and have a good weekend.

13 CHAIRMAN STRATTON: You, too.

14 I will now move to Item 4, consent agenda. Does  
15 any member have any item they want to remove from the consent  
16 agenda?

17 Hearing none, I'll accept a motion to approve the  
18 consent agenda.

19 MR. KNIGHT: Chairman, this is Richard. I move  
20 to approve the consent agenda.

21 CHAIRMAN STRATTON: We have a motion from Board  
22 Member Searle. Do I have a second?

23 VICE CHAIR THOMPSON: Second. Chairman Thompson.

24 CHAIRMAN STRATTON: Second from the vice  
25 chairman.

1                   Floyd, would you call the roll, roll call vote,  
2 please?

3                   MR. ROEHRICH: Yes, Mr. Chair.

4                   Mr. Thompson.

5                   VICE CHAIR THOMPSON: Aye.

6                   MR. ROEHRICH: Mr. Knight.

7                   Mr. Searle.

8                   I'm sorry. Mr. Searle. I couldn't hear. Thank  
9 you, Mr. Searle.

10                  Ms. Daniels.

11                  Mr. Hammond.

12                  MS. DANIELS: Aye.

13                  MR. HAMMOND: Aye.

14                  MR. ROEHRICH: And Chairman Stratton.

15                  CHAIRMAN STRATTON: Aye. Motion passes. Thank  
16 you.

17                  Agenda -- we'll move on to Agenda Item 5,  
18 financial report with Kristine. Good news today, Kristine.  
19 Smile for us.

20                  MS. WARD: Thank you very much, Mr. Stratton.  
21 Good morning, board members, and let me start off by saying,  
22 Mr. Stratton and Mr. Thompson, congratulations. I look forward  
23 to working with you. It's always -- it's always exciting when  
24 you've got a transition. It's like, oh, what new things will --  
25 what new questions will come of it? And I always learn from

1 those transitions. So welcome and congratulations.

2 CHAIRMAN STRATTON: Thank you.

3 VICE CHAIR THOMPSON: Thank you.

4 MS. WARD: Rhett, if you could go to my first  
5 slide.

6 Where we are right now is we are still out of our  
7 target zone, but we're out of target zone in a good way. We are  
8 6.3 percent above forecast year to date for the Highway User  
9 Revenue Fund, having collected about \$793 million. To put that  
10 -- to give you some perspective of what that means to the  
11 program, remember the program is supported not by HURF itself,  
12 but by the State Highway Fund, the (inaudible) of HURF, and what  
13 this means to the State Highway Fund in terms of increased  
14 moneys that could flow into the program eventually is about  
15 \$17 million.

16 Rhett, if you could move me on to the next slide,  
17 that would be great.

18 This gives you -- this slide gives you a  
19 breakdown of what December's revenues looked like, and what you  
20 see there is that we are still -- gas tax is still being  
21 significantly impacted and is 9.6 percent behind last year's  
22 collections at this time for this period. Likewise, we've all  
23 got -- also got some unusual activity in that the vehicle  
24 license tax is dramatically ahead of last year, and quite  
25 honestly, use fuel is ahead as well. In terms of forecast, I

1 just spoke to those a moment ago, and you can see on that far  
2 right-hand column that we are 6.3 percent -- actuals are 6.3  
3 above -- 6.3 percent above forecast.

4 Rhett, if you could move to the next slide for  
5 me.

6 The Regional Area Road Fund, we are 2.9 percent  
7 above forecast. Close on our or forecast but not right on.  
8 Retail sales are doing quite well. We've got -- we're 19.3  
9 percent over forecast -- or 19.3 percent over last year at this  
10 time.

11 Rhett, if you'll go to the next slide, they'll  
12 see the detail of this.

13 So here, this gives you the breakdown, and you  
14 can see that for the month of November, we were 12.9 percent  
15 over last year's numbers, but when you look at year to date, we  
16 are actually for retail sales 19.3 percent over last year's  
17 numbers. It's -- this is -- these are fascinating times.

18 Unfortunately, on the restaurant and bar, if you  
19 look at the restaurant and bar numbers there a little further  
20 down on the table, you'll see that for the month of November, we  
21 were 11.2 percent under last year's November at this time -- you  
22 know, last year at this time, and we're .2 percent behind  
23 forecast. Year to date on restaurant and bar, we are under by  
24 12.6 percent. That -- that equates to about \$18.7 million. So  
25 everybody go get carryout, please.

1                   If we could go to the next slide, I'd appreciate  
2     it.

3                   Oh, I kind of sped through the first part so we  
4     could get to this part. And, Mr. Knight, I'll try to address  
5     your question in the -- in my presentation as well.

6                   So what we've got, what we've got is a 6,000-page  
7     bill, and Director, I'm sorry, I did not read all 6,000 pages.  
8     I read some critical ones, though, so -- but please forgive.  
9     No, I have not covered all 6,000 pages. So what we've got right  
10    now is we've got estimates. There were two bills, as Katy  
11    mentioned, the appropriations bill, as well as, you know, the  
12    CARES Act, the sequel.

13                  So in the CARES Act, Mr. Knight, you were  
14    correct. Your numbers were right on in terms of the estimates  
15    we've got so far is that Arizona's apportionment will be about  
16    182, 183 million dollars. You were spot on. And you were also,  
17    from what we can read of the summaries and the bills at this  
18    time, we're looking at about 14 percent of that 182, 183 million  
19    being sub-allocated to regions -- cities greater than 200,000 in  
20    population. So that basically is meaning MAG and PAG area.  
21    Maricopa and Pima areas.

22                  So what that leaves for the State as a whole, our  
23    estimates at this point are about \$157 million that we would be  
24    looking at coming from the act. Now, the reason I keep saying  
25    estimates, one, because people in my role always say that; and

1 two, because one thing about a 6,000-page bill or any  
2 appropriations bills or relief bills that we've seen, you know,  
3 FHWA, there are usually off-the-top items that -- and so we are  
4 waiting to see what off-the-type -- off-the-top items might be  
5 coming -- might be impacting those numbers. So but these are  
6 our -- these are our estimates at this point.

7 Now, so when do we find out the real numbers?  
8 When do they reveal themselves? We have been in conversations  
9 with the FHWA, the Arizona division office, and what they have  
10 been told is that the notices with the numbers for both of these  
11 bills, the appropriations bill as well as the CARES Act bill,  
12 will be released the week of the 18th. So sometime next week,  
13 if there -- that information, you know, if people follow through  
14 with those deadlines, sometime next week we are going to receive  
15 notices.

16 So once we receive those notices, we are going to  
17 take those, and just like we have a normal process, the  
18 development -- the department will develop a series of  
19 recommendations for the Board, and we would hopefully expect to  
20 be able to present those to you at the study session on I  
21 believe it's the 26th.

22 That -- before I move on to this one last little  
23 item, do you have any questions there? Did I get your question,  
24 Mr. Knight? And it will be coming to you on the 26th and with  
25 hopefully real numbers and real recommendations.

1                   CHAIRMAN STRATTON: Board Member Knight.

2                   MR. KNIGHT: Yes, thank you, Kristine. That's --  
3 I just wanted to make sure that you are considering or will  
4 consider that the COGs and MPOs in Greater Arizona will receive  
5 some funds from the 183 million. We just don't know exactly how  
6 much yet.

7                   MS. WARD: No, sir. No, sir. We don't know  
8 exactly how much. You know, it's kind of ironic, because that  
9 183, as I mentioned, it comes down to about, you know -- around  
10 -- our preliminary estimate is about 157. So I think -- you  
11 know, it's kind of ironic, because the amount that the Board had  
12 to cut when we -- when we presented it and what was passed in  
13 the '21 to '25 program reduced the program by \$175 million.

14                   So if they had -- you know, it's just  
15 happenstance that the numbers are coming out that way, and I  
16 hope that the final numbers come out that way. I'll have to say  
17 in my tenure, this is the first time we've gotten this kind of  
18 an influx, and it's kind it's kind of exciting, so...

19                   The last point Mr. -- I'm sorry.

20                   CHAIRMAN STRATTON: Kristine?

21                   MS. WARD: Yes, sir.

22                   CHAIRMAN STRATTON: I had one other question on  
23 the money. How long will it take for that money to filter down  
24 to us?

25                   MS. WARD: I apologize, Mr. Stratton, I do not



1 know the answer to that question. I don't suspect it will take  
2 too long, because they did have in the bill that there was a  
3 requirement that they get these notices out within 30 days. So  
4 I don't expect it will be terribly long after that, but  
5 unfortunately, sir, I don't have a specific answer to that.

6 CHAIRMAN STRATTON: Do you think you may have an  
7 answer by the 26th at the work session?

8 MS. WARD: I will -- you know what? I will  
9 approach FHWA. As soon as we get those notices, I'll ask the  
10 division office if they can give me insight, sir. So I will  
11 report back to you on the 26th one way or another. Would that  
12 be okay, sir?

13 CHAIRMAN STRATTON: Absolutely. Thank you.

14 MS. WARD: Uh-huh. No problem.

15 CHAIRMAN STRATTON: Go ahead.

16 MS. WARD: The one thing I have to report on is  
17 that later today we will be seeing the executive budget released  
18 and should be able to report back to you on what's in that  
19 release and hopefully what the Legislature has to say as well  
20 with regards to budget at the meeting on the 26th.

21 So, Mr. Stratton, board members, that's -- that  
22 concludes my presentation. I would be happy to take any  
23 questions.

24 CHAIRMAN STRATTON: Thank you, Kristine. Board  
25 members, do you have any questions?

1 VICE CHAIR THOMPSON: Chairman.

2 CHAIRMAN STRATTON: Board Member Thompson, Vice  
3 Chair.

4 VICE CHAIR THOMPSON: Kristine, what's is the --  
5 as you can see that I'm calling in to be on this meeting, and  
6 most of the time like that because it's very difficult, you  
7 know, to get all the information. We don't have that capacity  
8 here to see what you present. Is there any possibility of maybe  
9 sending along these slides right along with the board packet.  
10 Every month? That will be that will be good for us. That will  
11 be good for me to be looking at it when you're talking about all  
12 those -- bringing up all those information.

13 That's all I have. Thank you.

14 CHAIRMAN STRATTON: Kristine?

15 MS. WARD: Yes, sir. So I believe -- I -- the  
16 packet did come out a little late. It came to you this morning  
17 instead of yesterday. My apologies for that, but Mr. Thompson,  
18 have you been receiving the packet?

19 VICE CHAIR THOMPSON: Yes, I have.

20 MS. WARD: All right, sir.

21 MR. ROEHRICH: Kristine, this is Floyd.

22 MS. WARD: Yes, sir.

23 MR. ROEHRICH: I think -- I want to make sure.  
24 Mr. Thompson receives a printed packet to his home. We email  
25 out the presentations prior to the meeting, and what I

1 understood, Mr. Thompson, is you're not on a computer, so you  
2 could not see the presentation or the packet that we  
3 electronically sent you. You're talking about a paper packet;  
4 is that correct?

5 VICE CHAIR THOMPSON: Yes, sir. Thank you very  
6 much.

7 MS. WARD: All right.

8 MR. ROEHRICH: Mr. Chairman, we'll try to work on  
9 that, but we don't normally have these presentations in time to  
10 print and send out. So let me work with staff and see what we  
11 can do. We send them all electronically. We also post all the  
12 presentations to the State Transportation Board website. So the  
13 public and any member, even board members, could go on their  
14 website, and you'll see the presentations for every meeting  
15 there as well. So electronically, we get them out as best we  
16 can. Paper wise, I don't know that we can print them and send  
17 them to board members to have them for this meeting, hard  
18 copies, but we'll see what we can do to accommodate  
19 Mr. Thompson.

20 CHAIRMAN STRATTON: I appreciate you looking into  
21 it. I'd like to say that the staff has done a tremendous job in  
22 accommodating the requests by board members over the time, and  
23 we have been receiving packets as requested, and I thank you for  
24 that.

25 Any other questions for Kristine?

1                   Okay. We'll move on to Item 6.

2                   Thank you, Kristine.

3                   MS. WARD: Thank you sir.

4                   CHAIRMAN STRATTON: Item 6, Greg Byres. This is  
5 for information and discussion only. Greg.

6                   MR. BYRES: Thank you very much, Mr. Chairman,  
7 board members. And again, I'd like to extend my congratulations  
8 to you, Chairman Stratton, and Vice Chair Thompson for your  
9 nominations and what you've done to date so far. So thank you  
10 very much.

11                  CHAIRMAN STRATTON: Thank you, Greg.

12                  VICE CHAIR THOMPSON: Thank you.

13                  MR. BYRES: So -- thank you.

14                  So what I've got today is I'm going to go through  
15 a couple, three things that we've got going on in MPD. The  
16 first one is the present -- the preparation of our '22 to '26  
17 five-year program. The second one is some of the upcoming  
18 studies that we have that we're working on. And then the third  
19 thing is the State Transportation Board members one-on-one  
20 meetings, and I'll kind of get into details in that here in just  
21 a second.

22                  As far as the five-year program goes, the  
23 development of the program itself is underway. We've been  
24 reviewing the projects that are currently in the program and  
25 checking those over for budgetary as well as scopes, and we also

1 have our planning-level scoping that's going on that takes and  
2 develops those scopes as well as the costs or the budget costs  
3 for each of those projects.

4 We also are looking at our subprograms in the  
5 program. One of the things that we're trying to do this year is  
6 maximize the number of projects that come out of those  
7 subprograms so that those can be identified in the program which  
8 the Board approves rather than having as many projects as we  
9 currently have coming through our PPAC process, coming out of  
10 those subprograms. So that's a goal that we're trying to set  
11 for this year and trying to maximize those projects.

12 As far as our upcoming studies go, we've got  
13 corridor profile studies for the Northwest, Northcentral and  
14 Northeast districts that are currently scheduled to kick off  
15 here in the next couple months. We also have the southern  
16 districts that are going to be starting up later on this year.

17 These corridor profile studies aren't new  
18 studies. What they are is they're updates to the prior studies  
19 that we've done. They started out about ten years ago. So  
20 we've already done several projects that came out of those  
21 corridor profile studies, and so now's the time to start going  
22 back and looking at those and seeing what kind of changes we've  
23 had within those corridors and updating the recommendations for  
24 any projects that are necessary within those corridors.

25 There's a considerable number of projects that we

1 put into P2P that come out of those corridor profile studies,  
2 and the nice things with those studies is we have a lot of  
3 public input that goes into those. So we get a very broad range  
4 of projects that come through those corridor studies.

5 One other one that we have is our freight plan  
6 update. We're just getting ready to do that. It's kicking off  
7 here within the next month or two. Its completion date should  
8 be the fiscal year '22. We update this freight plan every five  
9 years, and the last one was completed back in 2017.

10 Next slide, please.

11 A couple other projects that we have or studies  
12 coming up. Our Long Range Transportation Plan. We're getting  
13 ready to kick that off. We're currently compiling several  
14 pieces of information so that we can get ready to start doing  
15 that. We look at having that completed in fiscal year '23.  
16 Again, this is one that we update on a five-year basis. The  
17 last one was completed in 2018.

18 One other project that we're working on right  
19 now, which is a new project, is we're putting together the  
20 Tribal Consultation Matrix. This project is to -- it was  
21 initiated in '21. We're looking at trying to have it completed  
22 in '23. The project is basically taking and looking at  
23 different ways that we can accelerate contracts and processes  
24 when working through tribal entities. So it's a big deal. I  
25 think a big thing here is that we've got some really, really

1 good coordination going with all of the stakeholders. We've  
2 developed a really good momentum, and so we're carrying through  
3 and getting that completed.

4 Next slide.

5 As far as the one-on-one meetings go, this is  
6 something that we kicked off two years ago. Unfortunately, we  
7 got interrupted last year with COVID and were unable to do it.  
8 We had the delays in the preparing the program and so forth. So  
9 we want to get this back on track.

10 So what we're looking at doing is trying to get  
11 these going here in the next month or so, and what it is is for  
12 the new board members that hadn't been through this before,  
13 we're trying to do one-on-ones with the board members. The  
14 meeting provides insight as to the development of five-year  
15 program. It goes through the processes, the how we prioritize  
16 projects, as well as the compliance requirements that we have  
17 through the feds and through the state regulations that have to  
18 be met with the program itself. And so it's a -- it's a really  
19 good program. I hope -- past board members got quite a bit out  
20 of it. We want to keep that going. I think it's a good means  
21 of being able to educate everybody on what it is, and when  
22 they're reviewing the program, where the information come --  
23 came from and how it got into the program, so...

24 So that's -- it's a also a good opportunity for  
25 questions and answers, and the last round that we did this,

1     there was a lot of questions. I hope we provided all the  
2     answers. So it's a good opportunity, and I think it -- it works  
3     both ways for us. We get to learn what you're looking for, as  
4     well as you get to see how the program's put together and what  
5     all goes into it.

6                     So with that, that's my update, and I have --

7                     DIRECTOR HALIKOWSKI: Mr. Chairman.

8                     MR. BYRES: -- I'm here for any questions anybody  
9     may have.

10                    DIRECTOR HALIKOWSKI: Greg, Mr. Chairman, this is  
11     the director. I would just edit the word "incite," because  
12     we're not trying to incite a riot among the Board. (Inaudible)  
13     change that to, like, s-i-g-h-t.

14                    MR. BYRES: You're absolutely correct. I saw  
15     that as I was just reading it.

16                    CHAIRMAN STRATTON: Better choice of words,  
17     Director.

18                    Do any of the board members have any questions  
19     for Greg?

20                    Hearing none, we'll move on to Item 7. Greg,  
21     you're up again.

22                    MR. BYRES: So thank you very much, Mr. Chairman.  
23     This is for the Priority Planning Advisory Committee project  
24     modifications. With this we're bringing forth 13 total  
25     projects. The first ones we have are Items 7A through 7E.



1 These are modifications to existing projects, and we bring this  
2 forward with a recommendation for approval.

3 CHAIRMAN STRATTON: Do I -- does any board member  
4 have any questions for Greg on the items? If not, I'll  
5 entertain a motion.

6 MS. DANIELS: So moved.

7 CHAIRMAN STRATTON: Do I have a second?

8 MR. SEARLE: Searle, second.

9 CHAIRMAN STRATTON: A motion by Ms. Daniels and  
10 second by Mr. Searle. I'll call for the vote. Floyd.

11 MR. ROEHRICH: Vice Chair Thompson.

12 VICE CHAIR THOMPSON: Aye.

13 MR. ROEHRICH: Mr. Knight.

14 MR. KNIGHT: Aye.

15 MR. ROEHRICH: Mr. Searle.

16 MR. SEARLE: Aye.

17 MR. ROEHRICH: Ms. Daniels.

18 MS. DANIELS: Aye.

19 MR. ROEHRICH: Mr. Hammond.

20 MR. HAMMOND: Aye.

21 MR. ROEHRICH: Chairman Stratton.

22 CHAIRMAN STRATTON: Aye. The motion passes.  
23 Greg.

24 MR. BYRES: The next items we have are we have  
25 five projects that are -- or I'm sorry. Excuse me. We have

1 seven projects that are new projects that PPAC is bringing  
2 forward. These are Items 7F through 7L, and again, we bring  
3 these forward with a recommendation for approval.

4 CHAIRMAN STRATTON: Any questions from the board  
5 members?

6 Hearing none, Greg, I have a couple questions on  
7 F and G.

8 MR. BYRES: Yes.

9 CHAIRMAN STRATTON: When I first looked at this,  
10 I -- knowing that we have a lot of wildlife crossings, it  
11 just -- it struck a little odd. (Inaudible) going to have a  
12 signal for hawks, but in my quest for information, I found out  
13 that these are the HAWK pedestrian signals, and I want to make  
14 sure the rest of the Board knew that, and in the future if we  
15 could label those as such, I would appreciate it.

16 MR. BYRES: We most certainly can.

17 CHAIRMAN STRATTON: Thank you.

18 MR. SEARLE: Chairman Stratton, I appreciate the  
19 question. (Inaudible) same thing.

20 CHAIRMAN STRATTON: One other comment. I'll tell  
21 the other board members. A HAWK system was put in in Globe, my  
22 hometown, at a very dangerous intersection by the high school,  
23 and I had my doubts if that would take care of the situation,  
24 but it did, and I commend the staff for what they've done there.  
25 So these are very worthwhile projects, both of them. I believe

1 total about 1.1 million or so, and I believe it's worthwhile  
2 money spent for the citizens of our state. Thank you.

3 And with that, I'll entertain a motion to  
4 approve.

5 MR. KNIGHT: Mr. Chair, move for approval.

6 CHAIRMAN STRATTON: Do I have a second?

7 MS. DANIELS: Second. Second. This is Jenn  
8 Daniels.

9 CHAIRMAN STRATTON: I have a motion by Gary  
10 Knight, a second by Jenn Daniels. Any questions? Any  
11 discussion?

12 Floyd, would you make the roll call?

13 MR. ROEHRICH: Yes, sir.

14 Mr. Thompson.

15 VICE CHAIR THOMPSON: Aye.

16 MR. ROEHRICH: Mr. Knight.

17 MR. KNIGHT: Aye.

18 MR. ROEHRICH: Mr. Searle.

19 MR. SEARLE: Aye.

20 MR. ROEHRICH: Mr. Searle.

21 MR. SEARLE: Aye.

22 MR. ROEHRICH: Ms. Daniels.

23 MS. DANIELS: Aye.

24 MR. ROEHRICH: Ms. Daniels.

25 MS. DANIELS: Aye.

1 MR. ROEHRICH: Mr. Hammond.

2 MR. HAMMOND: Aye.

3 MR. ROEHRICH: And Chairman Stratton.

4 CHAIRMAN STRATTON: Aye. The motion passes.

5 Greg.

6 MR. BYRES: Mr. Chairman, we have one more item.

7 This is Item 7M. This is an airport project. This is for Rolle  
8 Airfield. It's for construction of a new apron, and again, PPAC  
9 brings this forward with a recommendation for approval.

10 CHAIRMAN STRATTON: Does any board member have a  
11 question?

12 Hearing none, I'll entertain a motion.

13 MR. KNIGHT: Mr. Chair, this is portions of my  
14 district. I move for approval.

15 CHAIRMAN STRATTON: Do I have a second?

16 MR. SEARLE: Searle, second.

17 CHAIRMAN STRATTON: I have a motion by  
18 Mr. Knight, a second by Mr. Searle. Floyd, would you call for  
19 the vote, roll call?

20 MR. ROEHRICH: Mr. Thompson.

21 VICE CHAIR THOMPSON: Aye.

22 MR. ROEHRICH: Mr. Knight.

23 MR. KNIGHT: Aye.

24 MR. ROEHRICH: Mr. Searle.

25 MR. SEARLE: Aye.

1 MR. ROEHRICH: Ms. Daniels.

2 MS. DANIELS: Aye.

3 MR. ROEHRICH: Mr. Hammond.

4 MR. HAMMOND: Aye.

5 MR. ROEHRICH: Chairman Stratton. Aye. Motion  
6 passes.

7 Greg, thank you.

8 MR. BYRES: Thank you.

9 CHAIRMAN STRATTON: Move on to Item 8, state  
10 engineer's report, Dallas Hammit. This is for information and  
11 discussion only.

12 MR. HAMMIT: Thank you Mr. Chair. And again,  
13 I'll be the next to congratulate you on your new role, as well  
14 as you, Mr. Thompson. I look forward to this year.

15 As Rhett's pulling up our state engineer's  
16 report, currently we have 68 projects under construction  
17 totaling \$880.7 million. We did finalize three projects in  
18 December, totaling 5.9 million, and have finalized 22 projects  
19 to date.

20 One of the things on those projects under  
21 construction, next month you'll see that jump up substantially,  
22 as we entered into a contract with the developer on the  
23 I-10/Broadway Curve a few weeks ago.

24 And for -- to remind the Board, on a P3 project,  
25 if the project is within the budget, a P3 project is awarded --

1 or the contract is signed by the Director, and that was done the  
2 first week in January. The project with the changes that the  
3 Board made in December was within the project budget.

4 The other thing I wanted to give a quick  
5 refresher on, and because we will talk about it later in the  
6 agenda is a contract method of -- we call it CMAR, contract  
7 manager at risk. This is a delivery type that the department  
8 uses, and a contract manager at risk delivery method, or CMAR,  
9 we select a contractor based on qualifications, not low bid. In  
10 addition, we bring them on early in the process so they can  
11 assist the department and the designer in putting together  
12 design.

13 So real quick, a design/bid/build, our normal  
14 process, the department hires the designer. We get 100 percent  
15 done. We bid out the project and select a builder, a  
16 contractor, by low bid. A design/build, we get the project to a  
17 very high level of design, like 15 percent, and then we hire a  
18 design builder team to design and contract. Those are selected  
19 based on qualifications and price.

20 Again, the CMAR, the contract manager at risk, we  
21 select based on qualifications, and then we negotiate a price.  
22 On that price, it's guaranteed maximum price. Since the  
23 designer is there during -- excuse me -- the contractor is there  
24 during the development, they have the opportunity to know the  
25 quantities, to calculate the quantities. So those things are

1 not unknown to the contractor. So that's why it's a guaranteed  
2 maximum price.

3 Will there be change orders? There could be.  
4 They're much less likely, but if there is something that truly  
5 couldn't have been known during the design, that is somewhere  
6 where we work with the contractor, but other times, since they  
7 are there, we don't have changes or much less chance for any  
8 change orders.

9 I've heard questions, well, once we have them on  
10 board, you're stuck with their price. Well, the way the  
11 department works that, once we're negotiating price, the  
12 department prepares an estimate. Our designer prepares an  
13 estimate, and then we also hire a independent cost -- our  
14 independent consultant, made of consultant and contractors to do  
15 an independent cost estimate. So we have a lot of backup to --  
16 for us to use as we negotiate a price with our contractor.

17 CHAIRMAN STRATTON: Dallas, can I ask a question  
18 at that point?

19 MR. HAMMIT: Mr. Chair, of course.

20 CHAIRMAN STRATTON: The Board that goes through  
21 this to help you, if there happened to be a change order, would  
22 they also review those?

23 MR. HAMMIT: Mr. Chairman, yes, they are  
24 available to do that. Not always would we use them, but they're  
25 definitely available if we believe we need their expertise or we

1 cannot come to an agreement on that change order, then they are  
2 available for the staff to use.

3 CHAIRMAN STRATTON: So, basically, these change  
4 orders are scrutinized more than a normal job?

5 MR. HAMMIT: Mr. Chairman, yes. We -- they're  
6 not -- we never expect to have change orders. We know they  
7 come, but yes, we do evaluate these with a -- a strong eye, I'll  
8 say, that we look to make sure we should -- there was no way  
9 that we would have known that during the development of the  
10 project.

11 CHAIRMAN STRATTON: Thank you.

12 MR. HAMMIT: The last thing I want to point out  
13 is we are not required to keep that contractor through the  
14 process if we can't come to an agreement. Since it's a  
15 negotiation, if we could not come to an agreement, the  
16 department has the right to end negotiations and bid out the  
17 project. We have exercised that one time before. So it is not  
18 where we want to go, we invest a lot with the contractor in our  
19 plans. We hired who we thought was the most qualified to work  
20 on it, but if we cannot get into our budgets or we cannot  
21 justify their guaranteed maximum price, we do have the option to  
22 end negotiations and go back to a design/bid/build where we  
23 would accept the low bid on a project.

24 Any questions, Mr. Chair or board members, on the  
25 contract manager at risk process?



1                   CHAIRMAN STRATTON: Does the Board have any  
2 questions?

3                   Dallas and Director, because we have two fairly  
4 new board members, and we're anticipating two brand-new board  
5 members soon, at a future work session I think it would be good  
6 if we could put all of these different methods of delivering  
7 projects on the Board work session agenda so the new board  
8 members can be exposed, and the current -- the old board members  
9 learn a little bit more, too.

10                  DIRECTOR HALIKOWSKI: I agree, Mr. Chairman.  
11 We'll be sure to prepare something. There are nuances and  
12 differences and complexities to these different contracting  
13 methods, and refreshers are always good. So we'll set something  
14 up.

15                  CHAIRMAN STRATTON: Yeah. Thank you.

16                  MR. SEARLE: Chairman Stratton, this is Richard.

17                  CHAIRMAN STRATTON: Yes.

18                  MR. SEARLE: In regard to this conversation on  
19 the contracts, who ultimately makes the decision (inaudible) you  
20 go? That would be -- yeah. Who's making that -- the final  
21 decision here?

22                  CHAIRMAN STRATTON: Dallas.

23                  MR. HAMMIT: Yeah. Mr. Chairman, Member Searle,  
24 right now the department does. We have a matrix that we use to  
25 evaluate what method we should use. Generally, we use the

1 contract manager at risk. If there's an expertise needed, that  
2 it makes a lot of sense to bring a contractor in and use their  
3 expertise as we develop the project. We do not do a lot of  
4 these. I think this will be the first one that the Board's  
5 awarded in probably two to three years. So it is not something  
6 we use regularly, but it is a tool in our toolbox, but right now  
7 the department makes that decision.

8 DIRECTOR HALIKOWSKI: So, Mr. Chairman, I just  
9 want to say that all of these projects bring a unique or unique  
10 factors to us, and there is quite a deliberative process on how  
11 best to meet the needs of the taxpayer, if you will, in the most  
12 efficient ways. And so there's quite a lot of deliberation as  
13 to which contracting method might fit best given the project,  
14 its size, its scope, the time we want to bring it in. So  
15 there's many different things that go into the decision-making  
16 process.

17 CHAIRMAN STRATTON: Thank you, John.

18 Any further questions for Dallas?

19 Hearing none, let's move on to --

20 VICE CHAIR THOMPSON: Chairman.

21 CHAIRMAN STRATTON: -- item -- yeah. Yes, sir.

22 VICE CHAIR THOMPSON: Chairman. Dallas, during  
23 the negotiation process, are the stakeholders involved during  
24 this time or are they just notified of the changes that needed  
25 to be made? Dallas?

1                   MR. HAMMIT: Mr. Chairman, Vice Chairman,  
2 definitely stakeholders are involved in the development of the  
3 project. They are not involved in price negotiations, but in  
4 scope changes and in the development of the project, we  
5 definitely do work with our stakeholders, either federal, local,  
6 or private, depending on where the project is, but they are not  
7 involved in the price negotiations.

8                   VICE CHAIR THOMPSON: Thank you very much,  
9 Chairman and Dallas.

10                  CHAIRMAN STRATTON: Any other questions for  
11 Dallas?

12                  DIRECTOR HALIKOWSKI: The only other thing I  
13 would point out, Mr. Chairman, is that many times scope changes  
14 come from the stakeholders. They may want to add features to  
15 the project. So it's not always a one-way directional type  
16 thing.

17                  CHAIRMAN STRATTON: Okay. Thank you, John.  
18 These are all good questions and answers, and I look forward to  
19 the presentation at a work session. Thank you.

20                  Moving on to Agenda Item 9, construction  
21 contracts, for discussion and possible action. Dallas.

22                  MR. HAMMIT: Thank you, Mr. Chair, and thank you,  
23 Board, for the approval of the four projects on the consent  
24 agenda.

25                  We have two projects set up that need

1 justification. As you see the slide in front of you, you can  
2 see throughout the year right now, if you combine the projects,  
3 we are \$27 million under -- the State's estimate was higher than  
4 the low bid, but 19 million was on one project in the MAG  
5 region. So you take that one out. We are much closer to the  
6 State's estimate matching the low bid on aggregate.

7 But any other questions on this or I'm -- are we  
8 ready for Item 9A?

9 CHAIRMAN STRATTON: I think we're ready for 9A,  
10 Dallas.

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

12 Item 9A is a project on US-95 near Bullhead City.  
13 It is to construct a turn lane. On the project the low bid was  
14 \$533,412. The State's estimate was \$436,135. It was over the  
15 State's estimate by \$97,277, or 22.3 percent. We had higher  
16 than expected pricing in our mineral aggregate that is used in  
17 our asphaltic mix, as well as mobilization. The department has  
18 reviewed the bid and believes it is a responsive and responsible  
19 bid and does recommend award to Mountain High Excavating, LLC.

20 CHAIRMAN STRATTON: Thank you, Dallas.

21 Any questions on this matter? If not, I'll  
22 entertain a motion.

23 MR. KNIGHT: Mr. Chair, this is Board Member  
24 Knight. I move to approve Item 9A as recommended.

25 CHAIRMAN STRATTON: Do I have a second?

1 MR. SEARLE: Searle. I'll second.

2 CHAIRMAN STRATTON: Okay. We have a motion by  
3 Board Member Knight, a second by Board Member Searle.

4 Floyd, would you do the roll call, please?

5 MR. ROEHRICH: Yes, sir.

6 Mr. Thompson.

7 VICE CHAIR THOMPSON: Aye.

8 MR. ROEHRICH: Mr. Knight.

9 MR. KNIGHT: Aye.

10 MR. ROEHRICH: Knight.

11 MR. KNIGHT: Aye.

12 MR. ROEHRICH: Mr. Searle.

13 MR. SEARLE: Aye.

14 MR. ROEHRICH: Ms. Daniels.

15 MS. DANIELS: Aye.

16 MR. ROEHRICH: Mr. Hammond.

17 MR. HAMMOND: Aye.

18 MR. ROEHRICH: Chairman Stratton.

19 CHAIRMAN STRATTON: Aye. Unanimous, motion  
20 passes.

21 We'll move on to Item 9B.

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

23 Item 9B is a bridge replacement project on  
24 Interstate 15 over the Virgin River. It's Virgin River Bridge  
25 Number 1, and this project is a contract manager at risk

1 project. On the project -- and we say low bid on the slide, but  
2 the guaranteed maximum price on that bid was \$55,994,447. The  
3 State's estimate was \$54,020,241. It was over the State's  
4 estimate by \$1,974,205, or 3.7 percent.

5 As we evaluated the -- the contractor, this  
6 price, we saw differences in our estimate and theirs in their  
7 asphaltic binder, the traffic control items, and to do the work  
8 we're going to have to do -- build a cofferdam within the river  
9 boundaries on there. We did review those and did come to an  
10 agreement that their guaranteed maximum price does meet the --  
11 we believe that is a fair price.

12 A couple things I do need to point out. One, on  
13 the agenda it talked about one bidder. Because this is a CMAR  
14 project, we only negotiated with the contractor that was the  
15 most qualified through that process. There were three proposals  
16 that started the process. We selected one of those to continue  
17 forward. So we did start with three proposals, but only one  
18 worked on us -- worked with us on a price.

19 The other thing, as you saw on this project from  
20 the agenda, the contractor did not achieve the Disadvantaged  
21 Business Enterprise goal of 8.16 percent. If a contractor does  
22 not meet that, they must submit a good faith effort to be  
23 considered by the department. In evaluating that good faith  
24 effort, the department looks at things like did the contractor  
25 do any market research to find out (inaudible)? Did they break

1 up some of the items that may attract smaller contractors to  
2 work with them? Did they reject any of the DBEs, the  
3 disadvantaged business enterprises, to do work? Did they make  
4 efforts to assist them in bidding -- or bonding their credit,  
5 helping with their insurance? Did they help them with obtaining  
6 equipment, supplies or materials?

7 The contractor submitted that information and  
8 more. In review of their good faith effort, the department with  
9 concurrence of -- with the FHWA did determine that Kiewit made a  
10 good faith effort to meet the DBE goal within the means of the  
11 DBE specifications and federal DBE requirements. With that, the  
12 department has reviewed the bid and believes it is a responsive  
13 and responsible bid and recommends water to Kiewit  
14 Infrastructure West Company.

15 CHAIRMAN STRATTON: Thank you, Dallas. Any  
16 questions from board members?

17 VICE CHAIR THOMPSON: Chairman.

18 CHAIRMAN STRATTON: Yes. Vice Chairman.

19 VICE CHAIR THOMPSON: Dallas, there might be some  
20 people on call that the process, this might be new to them. Can  
21 you, and then to remind me as well, where you get that 1.9  
22 million to make the difference?

23 MR. HAMMIT: Mr. Chairman, Mr. Vice Chairman,  
24 good question. And one of the things on this, when the Board  
25 approves a program on this, it includes the construction, the

1 oversight, money for law enforcement and a number of other  
2 things in the total program. Last month we had a conversation,  
3 and the Board increased the total program to \$73 million. This,  
4 even though it's over our estimate, falls within our total  
5 program cost, and so there will be no additional funds needed to  
6 support this project, because it falls within the program that  
7 the Board approved last month.

8 To go further --

9 VICE CHAIR THOMPSON: Thank you very much.

10 MR. HAMMIT: -- Mr. Chairman, Mr. Vice Chairman,  
11 if that was not the case, it comes out of contingency, but in  
12 this case the project is fully funded within the program.

13 VICE CHAIR THOMPSON: Thank you very much, Dallas  
14 and Chairman.

15 CHAIRMAN STRATTON: Thank you, Jesse.

16 Any other questions?

17 MR. KNIGHT: Mr. Chair, this is --

18 CHAIRMAN STRATTON: Hearing none, I'll accept a  
19 -- excuse me. Go ahead.

20 MR. KNIGHT: Mr. Chair, this is Board Member  
21 Knight.

22 CHAIRMAN STRATTON: Go ahead.

23 MR. KNIGHT: I would just like to say that I  
24 agree with a lot of the things that you've said in the past  
25 about this bridge funding on 23 miles of I-15, but that being



1 said, I was happy to see that we have 99.03 percent of the  
2 funding is federal, and that being said, I move to approve  
3 Agenda Item 9B.

4 CHAIRMAN STRATTON: We have a motion. Do we have  
5 a second?

6 MR. SEARLE: This is Searle. I'll second.

7 CHAIRMAN STRATTON: Very good. I have a motion  
8 by Board Member Knight and a second by Board Member Searle.

9 Floyd, would you do the roll call vote, please?

10 MR. ROEHRICH: Yes, sir.

11 Mr. Thompson.

12 VICE CHAIR THOMPSON: Aye.

13 MR. ROEHRICH: Mr. Knight.

14 MR. KNIGHT: Aye.

15 MR. ROEHRICH: Mr. Searle.

16 MR. SEARLE: Aye.

17 MR. ROEHRICH: Ms. Daniels.

18 MS. DANIELS: Aye.

19 MR. ROEHRICH: Mr. Hammond.

20 MR. HAMMOND: Aye.

21 MR. ROEHRICH: Chairman Stratton.

22 CHAIRMAN STRATTON: Aye. The motion carries.

23 Thank you.

24 Moving on to Item Agenda Item 10, suggestions for  
25 future board meetings. Do any of the board members have any

1 suggestions for future meetings?

2 MR. ROEHRICH: Mr. Chairman, this is Floyd. I've  
3 just got a couple comments I'd like to quickly make.

4 CHAIRMAN STRATTON: Okay.

5 MR. ROEHRICH: Just a reminder, the next meeting  
6 is the study session on January 26th, and right now the topics  
7 are going to be the financial and legislative update that  
8 Kristine will be giving, as she said, depending upon what we  
9 have in executive budget, as well as analysis of the federal  
10 stimulus bill and any other issues that might come up.

11 And then the outline for the tentative five-year  
12 transportation program, the new program we will be addressing  
13 this year, we traditionally start laying out those meetings at  
14 the study session, and then you heard from Greg Byres earlier  
15 coordinating with him as board members to get individual briefs  
16 will allow you to have additional knowledge either at the study  
17 session or right after the study session, and we will follow  
18 into the February board meeting where we norm- -- where we would  
19 ask the Board to adopt the tentative program so we could start  
20 the public hearing process.

21 So that's set up for study session at the end of  
22 the month, Tuesday, January 26th. Agenda will come out next  
23 week. So if you have other topics you want us to address,  
24 please let us know. I can coordinate them with the board  
25 chairman.

1                   And then as a reminder, February 14th (inaudible)  
2     still continue with the remote meetings for now as we deal with  
3     the COVID pandemic. So February will be a Webex meeting as  
4     well.

5                   Those are my comments, Mr. Chairman.

6                   CHAIRMAN STRATTON: Okay. Thank you, Floyd.

7                   On that note, I'd like to make a comment to the  
8     board members that I talked to the Director and to Floyd about  
9     this, and as soon as it's safe to do so, even if we're not  
10    moving to communities around the state, I would at least like to  
11    get the board members together in Phoenix at the ADOT facility  
12    to start having those meetings. I think it's extremely  
13    important for the new members to intermix with the existing  
14    members and gain knowledge, and as we get two new members, we'll  
15    have a majority of the Board will be new. I think it's more  
16    important. So as things evolve and the vaccines go and come out  
17    and such, be aware that at some point I will be asking you to  
18    gather with the Board as a whole. Thank you.

19                  Do we have any other suggestions? Topics? If  
20    not, I'll entertain a motion to adjourn.

21                  MR. KNIGHT: So moved.

22                  CHAIRMAN STRATTON: I have a motion. That's --

23                  VICE CHAIR THOMPSON: Chairman, I will so move.

24                  CHAIRMAN STRATTON: We have a motion by

25    Mr. Knight. We have a second by Vice Chairman Thompson. I

1 don't think this needs a roll call. Everybody in favor say aye,  
2 please.

3 BOARD MEMBERS: Aye.

4 MR. ROEHRICH: Thank you, Mr. Chairman, and  
5 congratulations on ascension to the chair. Look forward to this  
6 year.

7 CHAIRMAN STRATTON: Thank you and stay safe,  
8 everyone. Thank you.

9 VICE CHAIR THOMPSON: Thank you.

10 (Meeting adjourned at 10:35 a.m.)  
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1 STATE OF ARIZONA     )  
                                  )     ss.  
2 COUNTY OF MARICOPA )  
3

4         BE IT KNOWN that the foregoing proceedings were reported  
5 by me, TERESA A. WATSON, Registered Merit Reporter, Certified  
6 Reporter, Certificate No. 50876, State of Arizona, from an  
7 electronic recording and were reduced to written form under my  
8 direction; that the foregoing 59 pages constitute a true and  
9 accurate transcript of said electronic recording, all done to  
10 the best of my skill and ability.

11         I FURTHER CERTIFY that I am in no way related to any of  
12 the parties hereto, nor am I in any way interested in the  
13 outcome hereof.

14         DATED at Phoenix, Arizona, this 8th day of February 2021.  
15  
16

17                                   /s/ Teresa A. Watson      

18                             TERESA A. WATSON, RMR  
19                             Certified Reporter  
                              Certificate No. 50876  
20  
21  
22  
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24  
25

**Adjournment**

***A motion to adjourn the January 15, 2021, State Transportation Board meeting was made by Board Member Gary Knight and seconded by Vice Chairman Jesse Thompson. In a voice vote, the motion carried.***

**Meeting adjourned at 10:35 a.m. PST.**

Not Available for Signature \_\_\_\_\_

Steven Stratton, Chairman  
State Transportation Board

Not Available for Signature \_\_\_\_\_

John S. Halikowski, Director  
Arizona Department of Transportation