

**STATE TRANSPORTATION BOARD MEETING
IN PERSON WITH OPTIONAL TELEPHONIC/WEBEX ATTENDANCE
9:00am, April 15, 2022
City of Nogales
2150 North Congress Drive, Suite 120
Nogales, Arizona 85261**

Call to Order

Board Chairman Thompson called the State Transportation Board Meeting to order at 9:00 a.m.

Pledge

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

Roll Call by Sherry Garcia

A quorum of the State Transportation Board was present. **In attendance (in person):** Chairman Thompson, Vice Chairman Knight, Board Member Maxwell, Board Member Searle. **In attendance (via WebEx):** Board Member Daniels, Board Meck, Board Member Stratton. There were approximately 58 members of the public in the audience.

Opening Remarks

Chairman Thompson 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
IN PERSON AND BY VIDEOCONFERENCE

City of Nogales
Santa Cruz County Complex
2150 North Congress Drive, Suite 120
Nogales, Arizona 85261

April 15, 2022
9:00 a.m.

REPORTED BY:
TERESA A. WATSON, RMR
Certified Reporter
Certificate No. 50876

PERFECTA REPORTING
(602) 421-3602

PREPARED FOR:
ADOT - STATE TRANSPORTATION BOARD

(Original)

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

6

7 PARTICIPANTS:

8 Board Members:

9 Jesse Thompson, Chairman
10 Gary Knight, Vice Chairman
11 Richard Searle, Board Member
12 Jenn Daniels, Board Member (via WebEx)
13 Ted Maxwell, Board Member
14 Jackie Meck, Board Member (via WebEx)
15 Steve Stratton, Board Member (via WebEx)

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CALL TO THE AUDIENCE

Bruce Bracker, Supervisor, Santa Cruz County.....	4
Tom Murphy, Mayor of Sahuarita.....	6
Jaime Chamberlain, Chairman, Greater Nogales Santa Cruz Port Authority.....	7
Allison Moore, Executive Vice President, Fresh Produce Association of the Americas.....	10
Greg Lucero, VP Government Affairs, South32.....	11
John Moffatt, Director, Infrastructure, SALC.....	13
Kee Allen Begay, Junior, Navajo Council Delegate, Many Farms Chapter.....	14
Crystal Figueroa, Executive Director, YMPO.....	16
Jim MacLean, City Councilman, City of Winslow (via WebEx)....	17
Darryl Ahasteen, Commission President, Nahata Dziil Commission Governance (via WebEx).....	20
Jacqueline Begaye, Secretary/Treasurer, Many Farms Chapter (via WebEx).....	21
Jennifer Thompson, Controller, Freeport-McMoran Bagdad, Inc. (via WebEx).....	23

AGENDA ITEMS

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1 (Beginning of excerpt.)

2

3 CHAIRMAN THOMPSON: Now we will go on to call to
4 the audience. And again, I'd like to turn this over to Floyd.
5 I know that you need to go over some protocols, some things that
6 we need to pay attention to.

7 MR. ROEHRICH: Thank you, Mr. Chairman.

8 We have 13 so far, 13 requests. Five online and
9 eight are in person. We will go ahead and address the eight
10 people here in the -- in person first. Then we will go to the
11 online participants, and again, we that ask we -- all their
12 comments when called, we ask you hold your comments to three
13 minutes in duration.

14 CHAIRMAN THOMPSON: Okay. Thank you very much.
15 And again, we'll turn it back to you, call out those -- the
16 names of the people that wish to make a comment, those that are
17 online and those that are in the audience.

18 So, Floyd, turn it over to you.

19 MR. ROEHRICH: Yes. Yes, sir. Our first speaker
20 will be Supervisor Bruce Bracker.

21 MR. BRACKER: Good morning. And Chairman
22 Thompson and ADOT board members, good morning. Welcome to Santa
23 Cruz County. It is our sincere pleasure to host you in our
24 community and also in our facility.

25 In the transportation world, the last two years

1 have been very, very exciting for us in this part of the world
2 -- in this part of Arizona. The groundbreaking and completion
3 of SR-189 flyover has made a huge difference in our community,
4 and I'd like to thank the Board for all their work in trying to
5 figure out, and ADOT staff, on how to piece the financing
6 together on that. It has made a big difference.

7 Also, the work on I-19 from Tubac through
8 Sahuarita has really changed our commute to Tucson, which if you
9 live in Nogales, you probably end up going to Tucson two or
10 three times a week, and it is a really big change.

11 Also, the rehabilitation of the bridge at Ruby
12 Road, which was -- has been a series -- you're doing a series of
13 bridges on I-19. So thank you very much for investment in
14 our -- in our transportation system down here.

15 But I also wanted to give a shout-out to your
16 maintenance crews. Your maintenance crews have been outstanding
17 in cutting back the weeds away from the edges of the road, which
18 is a huge safety issue for us. Cleaning up our roads in the
19 last few months after the pandemic, we know there's been a
20 challenge getting the prisoners out there to help them do that
21 work, but they've really -- you know, they've really come
22 through for us, and our roadways are looking better than they
23 have in the last two years because of the pandemic.

24 I also want to acknowledge there's going to be
25 some statements from some community members, representatives of

1 the Port Authority, Fresh Produce Association, different
2 organizations, about Ruby Road and Rio Rico Drive. So I'm going
3 to leave that to them, but again, welcome to our community and
4 thank you very much for coming down.

5 CHAIRMAN THOMPSON: Thank you, Supervisor.
6 Floyd.

7 MR. ROEHRICH: Our next speaker is Mayor Tom
8 Murphy.

9 MR. MURPHY: Good morning, Chairman Thompson and
10 board members, and good morning, Board Member Daniels. I had
11 the pleasure I thought -- I had the opportunity to see you
12 again, but it was a pleasure always working with her when she
13 was the mayor, and very happy to be down in Nogales, and it's --
14 just wanted to offer my congratulations.

15 When SR-189 was being put together, the Town of
16 Sahuarita was very supportive of that, because even though we're
17 in Pima County and this is another county down here, Nogales,
18 the fresh produce industry, feeds America, and it's so important
19 to have that infrastructure and -- and thanks. I could almost
20 say ditto of everything that you commented on, with Sahuarita
21 Road, the redecking that's going on.

22 Not only do we appreciate that work that's
23 happening there, but the sensitivity of -- and the communication
24 with our residents, doing a lot of work at night, that's a big
25 pinch point for us, and you've been able to keep that traffic

1 flowing and the communication with us very well.

2 And I did notice when we came down the condition
3 of I-19 on the southern end. So the only thing is if you just
4 keep that going north (indiscernible) through Sahuarita, we'd
5 really appreciate that, but our new town manager, who knows a
6 little bit about Nogales, Shane Dille and I, are very proud to
7 be here and just wanted to thank all of you for all of our work,
8 because as a region we either are going to sink or swim and
9 thrive, and we'd rather thrive.

10 So thank you for everything you do for our
11 community. Appreciate it.

12 CHAIRMAN THOMPSON: Thank you, Mr. Murphy.
13 Floyd.

14 CHAIRMAN THOMPSON: Our next speaker is Mr. Jaime
15 Chamberlain.

16 MR. CHAMBERLAIN: Hello, everyone. Chairman
17 Thompson and members of the Board, welcome to Nogales. Welcome
18 to our community. My name is Jaime Chamberlain and I am
19 chairman of the Greater Nogales Santa Cruz County Port
20 Authority.

21 I know last night we had a chance and an
22 opportunity to interact and get to know each other a little bit
23 better. Also, with the ADOT Leadership Board, and I would be
24 remiss if I wouldn't thank you all in person for coming to the
25 SR-189 ribbon cutting, which was absolutely fantastic.

1 Mr. Searle, Mr. Maxwell, Mr. Thompson,
2 Mr. Stratton, thank you all for being with us a couple weeks ago
3 during that inauguration. It was a tremendous project, and I'd
4 like to congratulate Director Halikowski and all of his team.
5 He had part of his team here today delivering a truly impactful
6 state-of-the-art project that will impact our community and the
7 Arizona/Mexico corridor for generations to come.

8 And I believe that by now you understand the
9 importance of Nogales and being a gateway for tourism and
10 investment, and obviously the economic trading and security of
11 our -- of our great state of Arizona.

12 But while SR-189 was a keystone project, it's
13 part of a broader transportation system that we see here in
14 Nogales, and as many as 2,000 trucks a day cross through this
15 port of entry here in Nogales, and we deliver fresh produce and
16 manufactured goods all over North America. A vast number of
17 these trucks come in and deliver our products from our
18 distribution centers, and then they deliver throughout -- they
19 get onto I-19 and deliver throughout the country.

20 As I stand here today, I want to stress the
21 importance of modernizing the I-19 interchanges at Ruby Road and
22 Rio Rico Drive. I know that you've all heard me speak about
23 this many, many times, but I have to tell you we look at this
24 project in Ruby Road and Rio Rico as the second phase to what
25 was SR-189 here, and it is a transportation system that we're

1 looking for. And it's not only the trucks that cross the border
2 on -- every year, over 400,000 of them, but it's all the
3 tourists and it's also the hundreds of thousands of trucks that
4 come into our community and go out of our community through our
5 I-19 to deliver all over the country.

6 The situation at this -- at these interchanges is
7 further complicated by the growth in the local population as
8 well, the non-commercial traffic, and these put a tremendous
9 amount of stress with this population growth in the Rio Rico
10 area and in between Nogales as well.

11 So I know some of are you going to say, well, you
12 just got some money here from SR-189, and now we're asking for
13 just a little bit more, but like I said, we look at this as a
14 transportation system. So phase one was SR-189, and phase two
15 would be the I-19 interchanges.

16 In 2018 we finished the DRC, and at that time
17 that project was -- had a cost of about \$26 million. We're now
18 in -- estimating the improvements are more now in the range of
19 about \$35 million.

20 So again, not all these projects will be -- will
21 address the congestion, but -- I'm sorry -- these projects will
22 address the congestion and the safety of our community.

23 I thank you very much for bringing me -- coming
24 to Nogales and making time to see us here. Thank you all very
25 much.

1 CHAIRMAN THOMPSON: Thank you, Chairman.
2 Floyd.

3 MR. ROEHRICH: Our next speaker is Ms. Allison
4 Moore.

5 MS. MOORE: Thank you, everybody, for being here.
6 My name is Allison Moore. I'm with Fresh Produce Association of
7 the Americas, and Jaime made my job really easy. So I'm just
8 going to take what Jaime said and reiterate how important it is
9 for us to look at our transportation infrastructure investments
10 here as an overall system.

11 So we're getting trucks from the port of entry
12 onto I-19 faster, and now they're arriving much more quickly at
13 the Ruby Road interchanges, and we need to make sure that we're
14 facilitating the movement of that traffic through those
15 interchanges for sure.

16 I also want to take this opportunity to say thank
17 you very much to the ADOT staff on all the big projects we've
18 had here. Bruce mentioned them. Bridge redecking, of course,
19 State Route 189, all the construction on I-19. They have been
20 really great at working with the needs of the industry to make
21 sure we still had trucks moving and flowing through some really
22 big construction upheaval, you know, that was going on here in
23 town.

24 So, you know, they never hesitated to try to help
25 us figure out ways to make sure there weren't delays as they

1 were doing construction, and that's hugely important for us,
2 because time is really money in the world of fresh produce and
3 freshness and shelf life. So I do have to give a shout-out to
4 ADOT and thank them very much for making all of our big
5 construction projects as painless as possible, and we look
6 forward to working with you to figure out how we're going to
7 move forward on the Rio Rico/Ruby Road project.

8 So thank you very much.

9 CHAIRMAN THOMPSON: Thank you, Allison.
10 Floyd.

11 MR. ROEHRICH: Our next speaker is Mr. Greg
12 Lucero.

13 MR. LUCERO: Good morning, Mr. Chairman, board
14 members. My name is Greg Lucero. I am the vice president of
15 government affairs for South32. South32 is a global mining and
16 metals company headquartered in Perth, Australia. We have
17 operations in Australia, South Africa, South America, and in the
18 U.S., we are about to break ground on a significant project for
19 this region. The Hermosa project. It's going to produce two
20 critical minerals, manganese and zinc, along with lead and
21 silver.

22 All these minerals help produce green energy.
23 Manganese, for example, is roughly about 90 percent imported.
24 It's not produced domestically in the United States. It's
25 critical for EV battery production. All your lithium batteries

1 need manganese for them to actually be producing energy.

2 Why I'm here before you is to put this project on
3 the radar for ADOT. We are about to break ground, about this
4 time next year. It's going to be a \$2 billion project. We're
5 looking at roughly about 1,000 employees during construction
6 over the next roughly four years. Once we get into a steady
7 state of production, we're going to have about 600 employees,
8 direct employees, about 1,800 indirect. We intend to this have
9 this project as a carbon neutral project. All our equipment is
10 going to be EV, and we're going to look at renewable energy.

11 We are working closely with Santa Cruz County to
12 develop an inland port somewhere in the Rio Rico area, and why
13 this is important, because we're going to be operating 24/7, and
14 we're going to be looking at shipping concentrate about eight
15 trucks an hour.

16 So with this inland port, it's also going to
17 generate significantly more traffic in that area. Don't know
18 what interchange we'll be using or if we -- we'll be looking at
19 a new interchange, but the impact is going to be significant,
20 both to SR-82, I-19 and the port of entry.

21 Yesterday there was some discussion on charging
22 stations at the ports of entry. I mentioned it to Mark that we
23 need to start looking at charging stations at the Nogales port
24 of entry, because up until we get this in that port, we will
25 likely be trucking to Guaymas. So there's going to be a big

1 demand for charging stations at the border.

2 Thank you.

3 CHAIRMAN THOMPSON: Thank you, Greg.

4 MR. ROEHRICH: Our next speaker is Mr. John
5 Moffatt.

6 MR. MOFFATT: Good morning, Chairman Thompson and
7 board members. I'm John Moffatt, the Director of Infrastructure
8 for the Southern Arizona Leadership Council. On behalf of the
9 140 CEOs and business leaders of SALC, we're very appreciative
10 of the collaboration between the state legislature, the
11 Department of Arizona Department of Transportation and the
12 Nogales community to ensure that the SR-189 project moved
13 forward quickly, and it's a tremendous success, not only for
14 Santa Cruz County, but also for Arizona. It enables the 2,000
15 trucks a day and -- well, the next step north is Pima County,
16 and as we see this increased traffic, we -- we're working on
17 some projects there as well.

18 The -- I recently retired as the economic
19 development director for Pima County, and I continue to have
20 keen interest in the airport area and the Sonoran corridor, in
21 the Sahuarita -- this is just as important in that as well.

22 The area around Tucson International Airport has
23 seen the addition of over 5 million square feet of industrial
24 space over the past three or four years. With large industrial
25 developers, these are not local anymore. We have Lincoln

1 Properties, we have VanTrust, which is the Van Tuyl family, and
2 the Schnitzer property. So they -- they're building spec space,
3 which we needed badly. All of these are significant projects,
4 and many of them are logistics focused.

5 The Tucson Airport Authority has also related a
6 plan to develop well over 3,000 acres, both east and south of
7 the airport. All of this activity is taking place adjacent to
8 or within two miles of the recommended route identified in the
9 tier one study for the Sonoran corridor. If there's potential
10 funding from the Department of Transportation for the tier two
11 study for the Sonoran corridor and the Legislature, development
12 in that area is moving very rapidly, and we would encourage --
13 my goal today is to encourage that your consideration and in
14 both (indiscernible) urging that we've (indiscernible) that tier
15 two study as soon as it's funded.

16 So thank you for your time.

17 CHAIRMAN THOMPSON: I appreciate your comment,
18 John.

19 So Floyd.

20 MR. ROEHRICH: Our next speaker is Mr. Kee Allen
21 Begay, Junior.

22 MR. BEGAY: Good morning. (Speaking Native
23 language.)

24 Good morning. My name is Kee Allen Begay,
25 Junior. I'm with the Navajo Nation Council from the

1 northeastern part of the state of Arizona. I do serve on the
2 Navajo Nation Council. Our oversight is the transportation.

3 I continue to advocate for Highway 191 in the
4 northeastern part of the state. While everyone is talking about
5 traffic of semis, of course, they probably go through our state
6 and our area. So I guess that we do need to have a better
7 understanding that -- while they go through the -- this
8 community goes up north into wherever they're going, there is a
9 broader need of improvement of the public highways in the
10 northern part of the state of Arizona.

11 So the one area that I keep talking about is the
12 smart highway. So that's one thing, I believe, that we're
13 really having a discussion at the tribal level. Smart highway,
14 all these internet connections that are -- I guess, the vehicles
15 are getting to be smart as well, but nonetheless, I just went to
16 ask for your support, because a lot of these infrastructures
17 will be within the right-of-way of your roads.

18 So I think there needs to be an administrative
19 matter, administrative discussion, some detail that needs to be
20 discussed, especially if we knew -- talking about tribal land,
21 reservation, dealing with the BIA and the Department of Interior
22 (indiscernible) federal government.

23 So those are some areas that I just wanted to
24 continue to ask, and I do appreciate ADOT for initiating and
25 starting the 13-mile right-of-way improvement between Many Farms

1 and Chinle, Arizona, and we thank you very much for that, and
2 that there's several bridges that's being improved as well in
3 that area. We thank you. Our advocacy continues to work, and
4 our relationship continues to improve.

5 So, again, I want to say thank you very much for
6 all that you do for the State of Arizona and everyone else and
7 the community of Nogales. Thank you very much. And I believe
8 that you guys will be down in Chinle in the month of December.
9 So we will just be anticipating how we need to coordinate and
10 plan for that session. So again, thank you very much, and you
11 all have a wonderful day.

12 CHAIRMAN THOMPSON: (Speaking Native language.)
13 Thank you, Delegate Begay.

14 MR. ROEHRICH: Our next speaker is Crystal
15 Figueroa.

16 MS. FIGUEROA: Good morning, Mr. Chair and
17 members of the State Transportation Board. My name is Crystal
18 Figueroa, and I'm the new executive director for the Yuma
19 Metropolitan Planning Organization, YMPO.

20 First and foremost, I want to thank ADOT staff
21 and the State Board for all of the widening of US Route 95
22 initial segment efforts. Currently, the next base of the US-95
23 improvement is at 95 percent design, and YMPO looks forward to
24 working with support and collaboration with ADOT staff and the
25 Board; on construction funding for the next phase of the project

1 and continued effort for future segments -- for completion of
2 future segments.

3 Having that said, I'm looking forward to
4 attending future board meetings and building a relationship with
5 each and every every one of you. Thank you.

6 CHAIRMAN THOMPSON: Thank you for those comments
7 as well. Appreciate that.

8 Floyd.

9 MR. ROEHRICH: Mr. Chairman, the next speaker
10 requests we have are people who are attending virtually. So
11 when I call your name, will you please raise your hand and the
12 WebEx host will work with you on unmuting the line so you will
13 have your three minutes to make your comments.

14 Mr. Jim MacLean. Mr. MacLean, please raise your
15 hand. Virtually, that is.

16 WEBEX HOST: Mr. MacLean, I've requested your
17 unmute.

18 MR. MACLEAN: Good morning. I'm Councilman
19 MacLean. Are we connected?

20 WEBEX HOST: Yes.

21 MR. ROEHRICH: Yes. Yes, Councilman. We can
22 hear you.

23 MR. MACLEAN: Okay. Is it possible for us to
24 share our screen with you?

25 MR. ROEHRICH: No, sir. It is not. We're not

1 set up for that. I apologize.

2 MR. MACLEAN: Okay. Okay. Well, anyway,
3 greetings from Winslow, Arizona. We'd like to thank the State
4 Transportation Board for allowing us an opportunity to present
5 what we call the Lindberg Parkway Project to you.

6 Before we begin, though, we'd be remiss if we
7 didn't first thank Chairman Jesse Thompson for his years of
8 service. He's really helped Winslow and northern Arizona. So
9 Jesse, we want to publicly just say, hey, thank you for your
10 service very much.

11 Our Winslow Parkway Project is connecting the
12 corridor down State Route 87 between Phoenix and I-40, running
13 north and south. 87 runs through Payson and comes up, and it's
14 become a major connector for traffic, shipping and freight. The
15 difficulty we're having is that here in Winslow, we only have
16 two connection points.

17 We run into the BNSF railroad tracks. And so
18 when the semis and so forth come through, they have to go
19 through this underpass that's a single lane underpass that was
20 built in 1936. And so what we have there is a safety issue. We
21 have congestion, and it's created a bottleneck, but if there
22 were any emergencies, it actually separates one part of our town
23 from the other part of town.

24 It's also hobbled our economic development,
25 because we've tried to accommodate new development and new

1 industry, but they're not able to get their trucks under this
2 underpass because it's at such a sharp angle. I think if you
3 can imagine, you know, in 1936, what they did is they dug a hole
4 under the tracks, and so we cannot get large trucks carrying
5 things like trusses or windmill blades or anything like that
6 under the tracks there.

7 So what we're proposing is that we create what
8 we're calling the Lindberg Parkway, and it would take off just
9 south of town, and it would go around the airport and around
10 Winslow, and it would connect to an overpass that we have clear
11 on the west end of Winslow, and that way all of the commerce and
12 the freight could go around and actually over the tracks for
13 this project.

14 So we're not asking that we build a new on ramp
15 to I-40. We're just asking that we use an existing overpass.
16 However, we need help. The project, we estimate to be between
17 15 and 17 million dollars, but it would reroute the trucks and
18 the freight around Winslow, because they simply can't go under
19 that underpass, and there's a huge bottleneck there. So with
20 this project, it would just open up --

21 MR. ROEHRICH: So Mr. MacLean, Mr. MacLean, your
22 three minutes are up. Could you please wrap up your comments?

23 MR. MACLEAN: Sure. We just would like to thank
24 you for addressing you, and we bring this project to you and ask
25 that you'd consider it, and we're hoping to get on ADOT's five-

1 year plan, and we just appreciate the time. We thank you very
2 much.

3 CHAIRMAN THOMPSON: Thank you for those wonderful
4 comments, Mr. MacLean.

5 So Floyd, next.

6 MR. ROEHRICH: Our next speaker is Mr. Darryl
7 Ahasteen. Mr. Ahasteen, please raise your hand.

8 WEBEX HOST: Mr. Ahasteen, I have requested an
9 unmute.

10 MR. AHASTEEN: This is Darryl Ahasteen from
11 Nahata Dziil Commission on Governance out of Navajo Nation,
12 bringing my three minutes in reference to moving the port of
13 entry from its current location out to Milepost 318 on I-40.

14 I did submit a presentation already, and one of
15 the -- one of the things that changed is talking with Puerco,
16 Puerco Valley department, the fire department, talking with the
17 fire chief here, he has indicated that the -- his department is
18 at the level of -- technicians, probably a level 2 reference to
19 hazardous material responders, and they can take care of
20 hazardous spills up along the interstate and probably along the
21 rail also, if need be, but he did say that they are HAZMAT
22 responder qualified as technicians. And -- oh, I get way ahead
23 of myself on this three-minute speech.

24 I'd like to thank the Chair and the board members
25 of the State Transportation Board and also to Kristi and Floyd

1 for helping me out every month to get on the agenda and sending
2 me the information on how to get on board and stuff like that.
3 So (speaking Native language). Thank you very much.

4 And personal experience, yesterday I'm coming out
5 of Gallup after I bought some groceries and some fuel.
6 Approaching the port of entry, there was -- it was congested,
7 people -- trucks leaving the port of entry, and then we had some
8 belly dumps getting -- taking off on Exit 390 -- 339, and they
9 wouldn't let me back in. So I had to go all the way down to
10 Chambers and turn around and come back and get off the
11 interstate on the eastbound side. So it is getting congested,
12 and our exit right here at 339 is getting really busy.

13 So thank you for my three-minute speech.
14 (Speaking Native language.) Thank you.

15 CHAIRMAN THOMPSON: (Speaking Native language.)
16 Thank you, Darryl.

17 MR. ROEHRICH: Our next speaker is Ms. Jaqueline
18 Begaye. Ms. Begaye, please raise your hand.

19 WEBEX HOST: Ms. Begaye, I've requested an
20 unmute. You will need to unmute your line.

21 MS. BEGAYE: Hello. Hello.

22 MR. ROEHRICH: Yes, Ms. -- yes, Ms. Begaye. We
23 can hear you.

24 WEBEX HOST: You are unmuted.

25 MS. BEGAYE: Okay. Good morning. My name is

1 Jaqueline Begay. I am with the Many Farms community. I am the
2 Many Farms Chapter secretary/treasurer. Good morning. Thank
3 you for giving me this opportunity to make comment.

4 First of all, on behalf of Many Farms community
5 and the surrounding areas that utilize the road between Chinle
6 and Many Farms, I want to thank you, Arizona Department of
7 Transportation, Board and employees, for starting the
8 construction to widen the shoulder between Chinle and Many
9 Farms.

10 The reason I'm calling in is to ask again if you
11 could extend that from Milepost 460.3 to 463, which is from the
12 bridge outside of Many Farms to the turnoff to Many Farms High
13 School, while the contractors are still there, because they're
14 coming in at the end of this week -- not the end of this week,
15 but the end of this month. They should be starting
16 construction, and they will be staying in the vicinity of Many
17 Farms Chapter.

18 The reason I'm saying 460.3 to 463 is, you know,
19 that's the -- within that community of Many Farms, and as you
20 know if you've been down here, traveling that road, there's a
21 drop in that on the highway. The bus, the headstart bus,
22 people -- buses from Holbrook, (indiscernible), BIA schools,
23 they come through there. And in inclement weather, when it's
24 raining or snowing, when you start skidding, you just end up
25 having to go off the ditch and wait a couple of days or hours

1 before anybody can come out and pull you out.

2 And the most concerning is when there is an
3 emergency vehicle coming. As you know, you have to pull off the
4 road. We can't pull off the road because there's nowhere to
5 pull off. We just end up parking in the middle of the road and
6 giving access to the emergency vehicle.

7 But I want to thank you again for funding from
8 Chinle to Many Farms. That is greatly appreciated. The tourist
9 season's opening up and, you know, people use that road to
10 travel to the Canyon de Chelly there in Chinle, from Monument
11 Valley as well.

12 Again, thank you. I want to thank our Delegate
13 Begay for advocating on our -- Navajo Nation's behalf all the
14 time. Thank you.

15 CHAIRMAN THOMPSON: (Speaking Native language.)
16 Thank you for those remarks, Ms. Begaye.

17 Floyd.

18 MR. ROEHRICH: Our next speaker is Jennifer
19 Thompson. Ms. Thompson, please raise your hand.

20 WEBEX HOST: Ms. Thompson, you are unmuted.

21 MS. THOMPSON: Great. Can you hear me?

22 MR. ROEHRICH: Yes, Ms. Thompson. We can.

23 MS. THOMPSON: Okay. Thank you.

24 Good morning, everybody. I'm Jennifer Thompson.
25 I'm the controller and townsite utilities manager with Freeport-

1 McMoRan Bagdad, which is a copper mining company in Yavapai
2 County. I'd like to thank the Board, Director Halikowski and
3 the ADOT team for the investments in the current program and the
4 tentative program under construction for U.S. Route 93. These
5 improvements will enhance both the safety and operation of this
6 critical highway for both commercial and non-commercial
7 vehicles.

8 Many of our Freeport Bagdad team members and
9 their families travel this road, which is why we're here today,
10 to voice our support and express our gratitude.

11 Freeport-McMoRan has a history of collaboration
12 and partnership with ADOT and most recently, we've partnered
13 with the Northwest District and signed a joint partnership
14 agreement with ADOT where we provided a million dollars for a
15 feasibility study for State Route 97, which is our connection
16 from 93 to the -- to the Bagdad site in an effort to address the
17 safety and capacity needs.

18 That effort resulted in identification of key
19 safety and capacity improvements needed for that highway, and
20 this has recently become more urgent as we move closer to
21 doubling the size of our copper operations.

22 Freeport Bagdad stands ready to partner with you
23 and the department to make these important improvements and
24 continue doing our part to support the infrastructure needs of
25 this region.

1 In closing, I'd like to take a moment to
2 congratulate and welcome the newly-appointed district
3 administrator for the Northwest District, Anthony Brozich. I
4 look forward to meeting him and introducing him to our team and
5 continuing our partnership and addressing the needs of both US
6 Highway 93 and State Route 97.

7 And thank you for your time, and wish you all a
8 safe holiday weekend.

9 CHAIRMAN THOMPSON: Thank you, Ms. Thompson.
10 Floyd.

11 MR. ROEHRICH: Our next speaker is Mr. Joseph
12 Jarvis. Mr. Jarvis, please raise your hand.

13 WEBEX HOST: Mr. Jarvis, as a reminder, if you
14 are a call-in-only user, please press star 3 on your phone to
15 give us that raised hand signal.

16 Floyd, I'm not seeing a raised hand at this time.

17 MR. ROEHRICH: Thank you, Kristi.

18 Mr. Chairman, that's all the requests that we
19 have to speak.

20 CHAIRMAN THOMPSON: Maybe we can come back to
21 Mr. Jarvis whenever he's available.

22 MR. ROEHRICH: Yes, sir. If you wanted to open
23 it up again, you can. I think we --

24 CHAIRMAN THOMPSON: Yeah.

25 MR. ROEHRICH: -- should get on with the rest of

1 the agenda, and then maybe at the end of the meeting make one
2 more try.

3 CHAIRMAN THOMPSON: I try to hear from everybody
4 that wishes to address the Board, and also that all those
5 comments that are being made by each one of you, we are reminded
6 of those comments every so often, specifically at the end of the
7 year. So again, we do appreciate all those comments that are
8 made.

9 Now we will move on to Item 1.

10 MR. MAXWELL: Mr. Chair.

11 CHAIRMAN THOMPSON: Okay. Max.

12 MR. MAXWELL: I appreciate it, Mr. Chair. I
13 decided to follow up and take an opportunity to make a couple
14 comments.

15 CHAIRMAN THOMPSON: Go ahead.

16 MR. MAXWELL: First off, call to the audience is
17 great. It's very important to all of us on the Board, because
18 we get to hear from the community throughout the state and here
19 at the local region that we're holding the meeting. Those --
20 these meetings being public and having public participation is
21 incredibly important to our mission.

22 So first I want to apologize to the folks that
23 put on the dinner last night. I understand I missed an
24 incredible time. It -- my apologies coming down.

25 I want to congratulate you on SR-189. There were

1 a ton of folks involved in that project, and when you see it,
2 you will see the magnitude and the impact it's going to have,
3 but if it wasn't for the county and the city and the produce
4 associations and the community working together to build
5 statewide support for moving one -- SR-189 into the five-year
6 plan, it never would have happened. So it wasn't just local.
7 It wasn't just ADOT. It was really a statewide effort that got
8 that moved forward in the five-year plan.

9 And in regards to all the comments and what we're
10 hearing today, it is so important to understand the input to the
11 five-year plan. We have our upcoming five-year plan input
12 session coming on (indiscernible) have input to the five-year
13 plan, and I'd encourage anyone who's interested in projects in
14 their region and getting things done to make sure that they're
15 taking a good look at the five-year plan, provide your input and
16 then show up and remain engaged.

17 I think that was the key to Santa Cruz County, to
18 the City of Nogales, to the -- to the business community down
19 here. You remained engaged until the Board really heard what
20 you said and the case had been made, and that is why SR-189 went
21 forward. And congratulations on that.

22 And again, my apologies for missing the event
23 last night. The interaction with the community is one of the
24 most important things we do. So thank you, Mr. Chair.

25 CHAIRMAN THOMPSON: Thank you, Board Member Ted

1 Maxwell. We appreciate the comments and now some specific
2 details about our next meeting and the five year approval, the
3 five-year plan will be announced at the end of this meeting.
4 (Indiscernible.)

5 Gary?

6 VICE CHAIR KNIGHT: I've got just a short comment
7 on Ted's comments. Your comments to the Board are extremely
8 important, but remember that as soon as we approve the five-year
9 plan that we're working on now, work starts on the next five-
10 year plan.

11 So what we hear from you today and at our
12 meetings, even though it may be too late to actually get into
13 the five-year plan that we're going to approve this June, keep
14 in mind that those comments do not go unnoticed, and when the
15 work starts on the next five-year plan, that's when those
16 comments will really be looked at closely, if there wasn't
17 anything that we could do to get them in this five-year plan.

18 So just keep in mind it's an ongoing process, and
19 you need to keep your comments coming so that we know where your
20 desires lie so that we can get them into a five-year plan.

21 Thank you, Mr. Chair.

22 CHAIRMAN THOMPSON: Thank you, Gary.

23 Anybody on the WebEx wishing to make a comment?

24 MR. ROEHRICH: Mr. Chairman, I would caution the
25 Board. We're -- you're starting to deliberate amongst

1 yourselves on topics that are not on the agenda.

2 UNIDENTIFIED SPEAKER: Yeah.

3 MR. ROEHRICH: I realize they were just general
4 comments in reference to call to the audience and input from the
5 public, I think, which is good to make, but if you start
6 responding to each of the board members, I think you're off
7 agenda topic.

8 CHAIRMAN THOMPSON: Okay, Floyd. That's why
9 you're there.

10 MR. ROEHRICH: Might be also why you get rid of
11 me (indiscernible).

12 UNIDENTIFIED SPEAKER: Don't tempt us.

13 CHAIRMAN THOMPSON: Okay. Now, our next -- we
14 will now move on to Item 1, the director's report.

15 Floyd.

16 MR. ROEHRICH: Thank you, Mr. Chairman.

17 The Director is conflicted and unable to attend
18 today. He does send his apologies, but it's a last minute item.
19 I was going to address two things, and I appreciate the input
20 from Board Members Knight and Maxwell, because I was going to
21 talk about the five-year program coming up, because I think it
22 is important that the public does review the five-year agenda
23 online, provide their comments either through the online portal,
24 through telephone comments or the public hearing, which will be
25 May 20th next month. It is an in-person as well as virtual

1 meeting set up for, and at that time it is important if you have
2 comments to bring them in.

3 And, Mr. Knight, I very much appreciate the
4 comment you made in that we try to address every project this
5 year, but it is an ongoing process, and sometimes you get in the
6 comments start as deliberating for future years. So don't feel
7 your input isn't successful one time. It's successful over
8 time, and I think it's very important that we continue to do
9 that.

10 So next month's meeting is in the valley. It's
11 at the Salt River Pima -- Salt River Pima Maricopa Indian
12 Council Chambers. It will be at that site Friday, May 20th.

13 The second point I wanted make real quick is we
14 continue to get a lot of questions about the infrastructure bill
15 that Congress passed and the funding and what does that mean for
16 the program. We're working very closely with the COGs and MPOs,
17 as well as other stakeholders.

18 As our staff is evaluating the implementation of
19 that and looking at the new programs and working with our
20 federal partners at the Federal Highway Administration. We
21 continue to take the guidance we're getting, and we're
22 evaluating how to move that forward. You've already heard a
23 couple little presentations on that so far. You'll probably
24 hear more as we get closer to the public hearing. You'll also
25 hear from Kristine what some of the financial impacts are that

1 we've been able to assess.

2 So there's a lot of information still working,
3 and I know people want immediate answers. I just want to remind
4 everybody staff is breaking that down. It was a big bill.
5 Thousands of pages with a lot of new programs, a lot of funding,
6 and as we continue to work and implement the guidance and the
7 programs, we will continue to be briefing this board, briefing
8 our stakeholders and our partners in the COG and MPO regions as
9 well. There's a lot of good information, but it's taking a
10 little while to digest. We ask people to be patient.

11 I also would also note that it's a big impact to
12 the state, and the Governor's office has started a task force
13 that will be headed by Sarah Weber, their -- I think it's the
14 chief operating officer for the Governor's staff, and she has
15 been leading a task force with state agencies and key personnel
16 who are going to be looking at how this is affecting the state
17 and our component on it -- on ADOT transportation will be a key
18 -- a member of that as we begin to look at the breadth of that
19 bill, which is an extensive bill. Not just transportation, but
20 it covered many, many areas, and again, the State is looking at
21 that. So just wanted to remind that to everybody and let them
22 know that we're moving forward.

23 I also know -- would like to now bring up
24 Ms. Katy Proctor. She's going to give a state and federal
25 legislative update and may address a little bit more of that as

1 well.

2 CHAIRMAN THOMPSON: Katy.

3 MS. PROCTOR: Good morning, Mr. Chairman and
4 members. Thanks for having me today. It's great to see
5 everybody in person. I'm going to focus on the state update
6 today, as opposed to federal, and just let you know a few things
7 about what's going on with the Legislature.

8 Today would be the 96th day of session.
9 Unfortunately, I do not think we're wrapping up in 100 days this
10 year, so we can just take that one off the table right now. At
11 this point committees have wrapped up, and bills that have
12 fiscal impact are parked in the rules committees, and the floor
13 calendars are slowing down a little bit. Everything's getting a
14 little bit lighter as budget negotiations continue.

15 This year we also have several large policy items
16 and tax issues that are on the horizon as well that will go in
17 conjunction, I think, with those continued budget conversations.

18 The Finance Advisory Committee met last week, and
19 JLBC issued some new revenue numbers, and I think that's really
20 important to note. It looks like there could be up to
21 \$1.3 billion available for ongoing expenditures and an
22 additional 2.8 billion for one-time expenditures that would be
23 added to the baseline potentially going forward.

24 That's a large amount of money. It's a little
25 bit higher than what was expected back in January as well. So

1 that will figure back into those budget negotiations.

2 Speaking to some members this week, there's a lot
3 of different scenarios at play. Nobody seems to have exactly
4 what the path forward is right now. That's probably pretty
5 normal for this time of year, especially with such a large
6 surplus to consider.

7 One thing I would like to point out is that as
8 you probably recall, the executive had a proposal to put
9 \$400 million onto the I-10 widening project, and that was in the
10 executive's budget back in January when it was released.

11 As Paul is going to report to you later, one of
12 the new programs created in the federal infrastructure
13 legislation was a discretionary grant called the Mega Grant, and
14 ADOT will be applying for that Mega Grant for the I-10 corridor
15 and is hopeful to use those state moneys to promote a
16 significant state match. What we want to do is demonstrate that
17 we have significant state and local commitment to the project
18 and make it the most competitive application possible.

19 In order to do that, we need the Legislature to
20 appropriate that money by May 13th, and that is the drop dead
21 date for ADOT to be able to include those state moneys as that
22 significant state match and demonstrate that significant
23 commitment in that grant application process.

24 So this is something that we are meeting with our
25 stakeholders on right now and really trying to get the word out

1 for folks. We do believe there's a good opportunity here for
2 the state, especially in light of that significant budget
3 surplus. It seems like all of the stars are potentially in
4 alignment, so we're really trying to work with our stakeholder
5 community right now and make sure that folks know that this
6 opportunity's on the horizon, and we need help to get across the
7 finish line. And again, that day is May 13th. It's a really
8 great opportunity, and we look forward to moving forward with
9 that. I know Paul is going to talk a little bit more about the
10 grant process later.

11 So Mr. Chair and Members, I'd be happy to answer
12 any questions you might have.

13 CHAIRMAN THOMPSON: Any members here in person or
14 those online have any questions for Katy?

15 Thank you, Katy. I think every so often you keep
16 us informed on these kinds of issues. So thank you very much.

17 MR. ROEHRICH: So, Mr. Chairman, that ends the
18 director's report. Thank you.

19 CHAIRMAN THOMPSON: So that includes your last
20 minute items to report? You don't have any?

21 MR. ROEHRICH: Yes, sir. All my items were last
22 minute items, because I just made it up. Katy came prepared. I
23 just made it up when the director said he wasn't -- unable to
24 make the meeting.

25 CHAIRMAN THOMPSON: Okay. If he's still coming

1 on, we'll try to hear from him as well?

2 MR. ROEHRICH: Yes, sir. I do not expect him,
3 though, but --

4 CHAIRMAN THOMPSON: Okay.

5 MR. ROEHRICH: -- we'll watch to see if he logs
6 in. Thank you, sir

7 CHAIRMAN THOMPSON: Okay. We will now move on to
8 Item 2, District Engineer's report. Jeremy Moore, Assistant
9 District Engineer for Southcentral District.

10 MR. MOORE: Thank you.

11 CHAIRMAN THOMPSON: Good morning.

12 MR. MOORE: Good morning, Mr. Chair and members
13 of the Board. My name is Jeremy Moore. I am the assistant
14 district engineer for the Southcentral District.

15 I want to start off by providing (indiscernible)
16 to the community to, the City of Nogales, Santa Cruz County, the
17 Nogales school district, Port Authority, ADOT staff, Ames
18 Construction, Fresh Produce and many more for their patience and
19 support during the construction of 189.

20 I also want to note that I am very proud and
21 honored to have been part of that project as well. So with
22 that, I'll go ahead and talk a little bit about 189 and some
23 other upcoming projects in the district -- in the area.

24 Next slide.

25 So State Route 189. This project's delivery

1 method was design/build. The design/builder was Ames
2 Construction and Horrocks Engineers. Part of the funding for
3 this project was the \$25 million TIGER grant. The contract
4 amount for this was 82 million. Contract was awarded in
5 February of 2020, and the start of construction was March of
6 2020, with a estimated completion date of May of 2022. The only
7 thing that we have left on this project is the final striping,
8 which we need the correct ambient and surface temperatures to do
9 that successfully.

10 Next slide, please.

11 Project improvements. All right. We've got the
12 Mariposa Road to I-19 flyover connection. We've got the
13 two-lane roundabout, intersection at Target Range Road. We've
14 got improvements at Grant Avenue and Mariposa. You've got the
15 raised median along Mariposa. You've got the widening at
16 Mariposa Road. We've got drainage improvements, lighting
17 improvements, signing and striping, sidewalk and curb and
18 gutter, ADA improvements, additional storage capacity for the
19 turning lanes at the intersections, and intersection
20 improvements.

21 Next slide, please.

22 So one of the things that made this project kind
23 of unique and was one of -- a first for me was the delivery
24 method on this project, which was a design build. So our
25 typical delivery method that I'm used to is, you know, we design

1 a project. It's advertised. Contractors bid the jobs, and then
2 you've got the lowest bidder that is tentatively awarded the
3 project, in the (indiscernible).

4 ADOT holds the design in that process, whereas on
5 189, we utilized a different method, which was the design/build,
6 and that's basically where the contractor now hires the design
7 team. They are in charge of the construction and the design
8 process. And so ADOT would put out a request for
9 qualifications, technical proposals, the cost to build the job
10 and build time of the project, so all of the proposers are on
11 that -- are interested in the contract.

12 Once that's submitted, then ADOT forms a
13 selection panel, and then that selection panel will go through,
14 review all the scoring, score the qualifications, the typical
15 proposals, cost and the time to build the job, and then we end
16 up with the selected candidate. And on this project it was Ames
17 Construction (indiscernible). But that's a little bit unique in
18 it was a very interesting process, and I really enjoyed it,
19 so...

20 Next slide, please.

21 So some other projects in the area. We've got
22 the Potrero Canyon Bridge, which is a scour retrofit project.
23 We've got Southwest Concrete Paving as the contractor on that
24 one. The contract alone is 790,000. Delivery method is design
25 bid build. Traditional delivery method with an expected

1 completion date of late spring of 2022.

2 Next slide, please.

3 Then we've got our I-19 broadband project. This
4 is kind of similar to 189, because the delivery method is again
5 design/build. And so our design/builder on this is Sundt
6 Construction, and then Kimley-Horn is the designer. Contract
7 amount is 14.9 million. Delivery method is, again,
8 design/build, and the expected completion date is early 2023.

9 Next slide, please.

10 Then we've got our I-10 San Pedro River Bridge
11 project. This is out in the Benson area and Cochise County, and
12 it is a whole bridge replacement, new girders, new beams, new
13 deck, new columns, the whole entire structure, substructure,
14 superstructure. Contractor on this project is FNF Construction.
15 Contract amount was 6.14 million. Delivery method is
16 design/bid/build, traditional method, with an expected
17 completion date fall of 2022.

18 And next slide, please.

19 And that concludes the district update.

20 CHAIRMAN THOMPSON: Board Members, do you have
21 any questions?

22 UNIDENTIFIED SPEAKER: Jeremy, on the -- on the
23 Benson project, are they on schedule? Are they ahead? Behind?
24 How are we looking for that?

25 MR. MOORE: They're on schedule. Yeah, they're a

1 little bit ahead, but I think we're going to beat the completion
2 date on that one, as long as we've got no issues with weather or
3 anything, should be on target.

4 UNIDENTIFIED SPEAKER: All right. Sounds good.
5 Thank you.

6 MR. MOORE: Thank you.

7 MR. MAXWELL: Mr. Chair.

8 CHAIRMAN THOMPSON: Maxwell.

9 MR. MAXWELL: Mr. Chair, Jeremy, first thing I
10 wanted to say is congratulations on a job well done. You know,
11 we've talked a lot about the support necessary to get a project
12 funded and move forward sometimes on the five-year plan, but
13 when it comes down to it, it really is the contractor that
14 performs the actual work as well as the ADOT team that oversees
15 and supervises and ensures that it's all done -- SR-189, when
16 you go out and see it, you know it is a truly (indiscernible)
17 example of what's possible.

18 My question for is you say the thing that you
19 found most interesting was the design/build, and noticed that on
20 another one of the bids, design/build is also the method of
21 choice. Do you see that going forward, and what do you think
22 the advantages are, just to kind of educate us on using that
23 type of process?

24 MR. MOORE: Sure. Mr. Chair, members of the
25 Board, so yeah, you know, with 189, what I saw is we took -- we

1 took a four-year project and having condensed it down to
2 essentially a two-year project. So you don't -- you didn't have
3 to go through, like, you know, an 18-month, 14-month design
4 process and then go into a two-year construction process. We
5 took it down to a two-year process. We kind of designed it as
6 we built it at the same time. So we really shrunk that timeline
7 down.

8 Second thing I also see as far as the benefit is
9 innovation. Right? We're getting the contractor's ideas on how
10 they can utilize their equipment, their men and stuff like that
11 get, you know, a good -- a good dollar amount on this project,
12 and it takes a lot of risk off the department and puts the risk
13 back onto the contractor.

14 So it's -- that was two of the biggest things
15 that I saw was just innovation, the risk, getting them involved
16 on how to build this team. So that when we get into
17 construction, we don't have a lot of change orders and a lot of,
18 you know, disagreements with what the plans are. They are in
19 charge of the plans. They control it. We oversee it. We
20 review it, and then we move forward as a team.

21 MR. MAXWELL: Okay. Thank you for that
22 information. Maybe a follow-up. I don't know if it's for you
23 or if, Floyd, you take it on behalf of the Director. Since that
24 is obviously something new -- this is new, first time you've
25 ever saw it, it's going forward -- how is it determined on these

1 projects going forward? Obviously by the time they get to the
2 Board, the bid technique has been decided. How is that
3 determined on projects?

4 MR. ROEHRICH: So -- so Mr. Chairman,
5 Mr. Maxwell, the infrastructure and delivery ideal -- what's --
6 infrastructure delivery and operations group, they have a matrix
7 when they're looking at projects in the five-year program for
8 the potential, which should we do traditional design/bid/build,
9 which we do design/build, which do we use for maybe our P3
10 opportunities, because you can put design/build in there, but
11 then you have more flexibility in the procurement process. And
12 then is there construction manager at risk.

13 So there's a number of different options
14 available to us contracting wise, and the technical team through
15 the state engineer's office and through the (indiscernible)
16 division, we'll evaluate those projects, determine which is the
17 best forward. On a lot of projects if the -- if the scope is
18 pretty straightforward, we'll just design it and then put it out
19 for bid, because there's not a lot of, as Jeremy said,
20 opportunity or room for innovation.

21 Where there is room to either bring projects
22 together or take more complicated projects and get the
23 contractor and the designer together as a team to work on that,
24 to save not only time, but sometimes you can save a little bit
25 of efficiencies and moneys and things like that, then we'll look

1 at that as an opportunity. But not all projects align itself to
2 that, because there is still some things when we talk about
3 transferring risk to the contractor or to others. We as an
4 owner can't transfer. We have to take that on. So we'll
5 balance what are those conditions in the -- in the project.

6 And then there are other projects where we know
7 there's some innovations, kind of complicated, but we want to
8 technically control it, and then that's where we'll do the
9 construction manager at risk. We'll hire a contractor, and then
10 we'll hire a designer separate, but then we will still take the
11 lead in that role to make sure that the design elements, the
12 technical settlements we want are addressed, but then the
13 contractor could bring in some efficiencies within that.

14 So we go through a process to do that. I know
15 we've heard from people, Hey, if design/build is so efficient
16 and effective, why don't you do all projects design/build? Not
17 all projects are real strong candidates for that. That's why we
18 have a process to go through, and again, a lot of people are
19 experienced with it. They've worked on a number of them, and
20 now we're starting to see as an opportunity where it is, but we
21 evaluate that every year as we evaluate the five-year program.

22 MR. MAXWELL: Director -- or Mr. Chair, Floyd,
23 Jeremy, thank you for the response. I thought it was good to
24 get that out so that the public could hear maybe -- they heard
25 the words it's more efficient. It gets it done in a timely

1 manner, and at possibly cost savings. You think it all can be
2 done that way, but it's good to have that background, so I
3 appreciate your answers.

4 MR. ROEHRICH: And Mr. Chairman and Mr. Maxwell,
5 I don't want to speak on it directly. You have the state
6 engineer here. I don't know if he would like to offer any
7 additional comments or corrections to my comment but... Put him
8 on the spot a little bit.

9 MR. BYRES: Thank you, Floyd.

10 Actually, Floyd did an excellent job describing
11 exactly what we go through. One of the big things that we have
12 is in evaluating each of the different projects is one of the
13 things that Jeremy just brought up, and that's risk, and when we
14 transfer that risk, we also increase costs of projects. So
15 that's something that we have to -- kind of have to be very
16 careful about as we balance on projects. So other than that,
17 what Floyd said is dead nuts on how we take and process
18 everything through.

19 MR. MAXWELL: Thank you, Greg.

20 CHAIRMAN THOMPSON: Jeremy, thank you. And
21 then -- thank you, Jeremy.

22 MR. MOORE: Thank you.

23 CHAIRMAN THOMPSON: And then moving an engineer
24 and all the engineers within our area, (indiscernible) some
25 assistance, we reach out to one of you. So thank you

1 (indiscernible).

2 MR. MOORE: Thank you. Thank you.

3 CHAIRMAN THOMPSON: Now, we will now move on to
4 Item 3, consent agenda. I know that one of you have an item
5 that you want removed from the consent agenda, or do any of you
6 want to make any corrections on the agenda?

7 So we'll go to Richard first.

8 MR. SEARLE: Yes. Chairman Thompson, I would
9 like to make a note on the minutes for our Marana meeting has a
10 correction. I notice in the minutes that I was referenced as
11 the vice chair all through the meeting, and although I
12 appreciate the honor, I think it belongs to Mr. Knight here.

13 MR. ROEHRICH: So, Mr. Chairman, Mr. Searle, I
14 realize that on the front page they identified Mr. Knight as
15 vice chair, but I guess I did not look at -- through the
16 narrative, and approving the minutes with your correction will
17 correct those minutes.

18 MR. SEARLE: Very good.

19 CHAIRMAN THOMPSON: Your time is coming, Richard.

20 MR. SEARLE: I'm in no hurry.

21 CHAIRMAN THOMPSON: So with that, do I have a
22 motion to approve the consent agenda as presented?

23 MR. SEARLE: So moved.

24 UNIDENTIFIED SPEAKER: I think we're -- you
25 should move to have it amended.

1 MR. SEARLE: As amended.

2 CHAIRMAN THOMPSON: Okay.

3 MR. SEARLE: Well, that's what I mean.

4 UNIDENTIFIED SPEAKER: Okay.

5 MR. ROEHRICH: Perfect. If we could approve the
6 consent agenda as amended.

7 CHAIRMAN THOMPSON: Right.

8 MR. ROEHRICH: So you have --

9 MR. SEARLE: That's my motion.

10 MR. ROEHRICH: -- a move motion by Board Member
11 Searle.

12 VICE CHAIR KNIGHT: And I'll second it.

13 CHAIRMAN THOMPSON: Okay. There's a motion by
14 Richard and then second by Gary to approve the amend- -- the
15 consent agenda as amended. Now (indiscernible) the Board now
16 that we have a motion and a second, is there any discussion on
17 this other than what Richard mentioned? Anybody online?

18 There being none, all those in favor say aye.

19 BOARD MEMBERS: Aye.

20 CHAIRMAN THOMPSON: Any opposed?

21 Floyd, conduct roll call vote for board members
22 attending remotely.

23 MR. ROEHRICH: Thank you, Mr. Chairman.

24 The record will note that all the present members
25 said aye, and now we will go on to the online members.

1 Board member -- excuse me. Board Member Daniels.

2 MS. DANIELS: Aye.

3 MR. ROEHRICH: Board Member Meck.

4 MR. MECK: Aye.

5 MR. ROEHRICH: And Board Member Stratton.

6 MR. STRATTON: Aye.

7 MR. ROEHRICH: Chairman, the motion passes.

8 CHAIRMAN THOMPSON: Thank you very much, Floyd.

9 Your vote lets -- that motion carries.

10 We will now move on to the financial report, with
11 Kristine Ward. Item -- Agenda Item 4 for information and
12 discussion only.

13 Ms. Ward.

14 MS. WARD: Good morning, board members.

15 CHAIRMAN THOMPSON: Good morning.

16 MS. WARD: So we'll start out -- go ahead and
17 move to the first slide.

18 And I'll give you your Highway User Revenue Fund
19 update, how we're doing through the year. You can see we're
20 running a little below forecast, about 2.8 percent. We have got
21 strong growth in the gas tax. You can see moderate growth in
22 diesel tax, but our mystery for the month was VLT. It -- we had
23 a very unusual spike there. It gave economists something to
24 track down and analyze, and what --

25 Let me go on to the -- to the next slide, if you

1 would, Rhett.

2 And you'll see that vehicle license tax number
3 for -- we're covering the month of March. You'll see that it's
4 21.2 percent over last year, and what you're seeing is the --
5 kind of a culmination of what the economy has experienced in the
6 rental car surcharge facet. So within vehicle license tax,
7 there's a rental surcharge, revenues that come in, and that is a
8 surcharge on -- that each of us have when we go and rent a car.

9 Well, if you'll recall, the rental -- the car
10 rental industry took quite a hit with COVID, and then they came
11 out of that as the vaccinations and so forth came out, and
12 people started going out more. Suddenly there was a great
13 demand after many of the rental car companies had sold off a
14 tremendous amount of their vehicles. The result was that
15 increased demand with that limited supply left -- led to
16 skyrocketing prices, and therefore, that 5 percent charge, which
17 was based on those prices, went up significantly.

18 We saw an over doubling of our -- of rental
19 surcharge revenue come in this month. So we had a -- we had a
20 -- a fun little mystery on our hands. A roller coaster that I
21 am sure the rental car companies did not enjoy.

22 If we could go on to the next slide, and we'll
23 cover the Regional Area Road Fund.

24 As you can see, we are a little ahead of forecast
25 on that for the year. 3.7 percent ahead of last year. Year to

1 date, we've gotten about \$431 million in. About 20 percent over
2 last year, and about 3.7, as you can see, above our forecast.
3 We had strong growth in all of the large categories, those being
4 retail and restaurant and bar. Contracting has also been
5 strong.

6 Rhett, if can you go to the next page for me --
7 next slide. Excuse me.

8 You'll see the breakdown of the -- of the major
9 revenue categories here, and you can see restaurant and bar,
10 that growth over last year is tremendous at 28.7 percent over
11 last year. Retail sales, also over 18.3 percent over last year
12 when we're looking at February, for the month of February.

13 Moving on -- Rhett, let's go ahead, I -- and I'm
14 going to spend some time on the federal aid program and give you
15 an update on IIJA.

16 So it has been -- it has been an exciting month
17 since we last -- since I last reported to you. Myself and my
18 two compadres, Paul Patane and Greg Byres, we have been -- we
19 have -- we've been on the road, virtually, meeting with COGs and
20 MPOs and Rural Transportation Group, Kevin Adams' group, and
21 really discussing and rolling out the funding levels associated
22 with IIJA. This was one of the slides. This has been updated,
23 an updated version since the ones I've been showing you, as we
24 have gotten more clarity in the numbers, I've been updating the
25 information. And so -- and let me clarify. The people that do

1 the work, I owe them a great deal of thanks, the FMS staff, for
2 continually updating this information.

3 So what you see here is just an update of the
4 overall funding levels that we're getting through the
5 infrastructure bill, and one of things that -- the feedback --
6 one of the items we got feedback on that the COGs and the MPOs
7 are also experiencing is this perception that -- and kind of
8 adding some clarity and reality to this perception that the
9 State got 5 billion dollars of new money. And so I -- their
10 feedback was they're battling the same thing.

11 In reality, what we got just between -- is we're
12 going to get about -- over the life of IIJA, we'll get about
13 \$1.3 billion more over the five-year period. Between '21 and
14 '22, you can see that variation going from 801 to the
15 1 billion 25. So we're getting about 225 additional -- in
16 additional funding.

17 And I think a point of clarification that the
18 COGs and the MPOs were also trying to emphasize to their
19 stakeholders is that, you know, 120 million of that is
20 associated with continuation of FAST Act programs. That's --
21 that is a real increase on existing programs that we are -- we
22 are familiar with, and it -- with some expanded eligibilities.
23 But 105 of that 225 million is for new programs, and with those
24 new programs come new guidelines, new restrictions. In some
25 cases they are expanding in areas that we have not worked in

1 specifically before, and as you might expect, the electric
2 vehicles, the NEVI program, National Electric Vehicle
3 Infrastructure Program, also carbon reduction, the Protect
4 Program, these are -- these are programs that are new.

5 And Rhett, if you go on to the next slide for me.
6 Great. Thank you.

7 Oh, goodness. This didn't -- this didn't
8 transpose very well. I apologize. This doesn't look quite
9 right.

10 But the -- what this does is it provides a
11 comparison of the programs that were continued from the FAST
12 Act, as well as depicts the new programs that came along with
13 IIJA. And so we are indeed -- and quite thankful and happy
14 about it -- getting additional funds from IIJA, but it's not
15 quite what folks have -- some of the common parlance out there,
16 the discussion that's going on of an additional 5 billion, and
17 it also comes with new programs that have new restrictions.

18 So moving on to the next slide, if you would,
19 Rhett.

20 So I'm going to maintain the same cadence of kind
21 of telling you what we know, what we don't know and when we
22 think we'll know more information. So since the last I reported
23 to you, we learned a lot more. We're still learning, but we
24 learned a lot more since last month. FHWA provided us the
25 funding levels that -- that were established in the budget that

1 was signed by the President last month.

2 We got -- in terms of when you think of the
3 overall funding levels that I showed you on that first slide,
4 when the budget comes through, that's when they determine how
5 much of those limits, those upper funding limits that were shown
6 on that first slide, how much -- how many dollars are actually
7 going along with that.

8 So 91.3 percent is what we're getting of the
9 apportionments that I showed you on the previous page. So
10 that's -- that is -- that is the number that we have really --
11 one of the numbers we've really been waiting for. So we're
12 getting 91.3 percent of the funding that you -- we've been
13 discussing thus far. There's actual money behind those
14 apportionments.

15 Also, since last month, as I mentioned, we've had
16 a number of meetings with the COGs and the MPOs, walking them
17 through what we've learned, what we've learned about the
18 programs, what we've learned about the funding levels to those
19 programs. We also rolled out earlier this week their ledgers
20 that -- and those ledgers identify the known funding that's
21 being passed through to them. So it's been a -- it's actually
22 been a -- it's been a very exciting last month, and Greg and
23 Paul and I have been spending a lot of time together. No
24 comments by either one of them if they enjoyed that or not.

25 If we could move on to the next slide. Thanks,

1 Rhett.

2 So what we don't know. We still are awaiting
3 some guidance on some of these new programs. We've got to
4 remember that our federal partners are figuring some of this out
5 and scrambling as quickly as they possibly can to get us out
6 information, and I have to say it has been a pleasure working
7 with our FHWA division here in Arizona. They are an incredible
8 group to work with. It is -- it is truly a partnership, and
9 just -- it's gone very smoothly and I'm very appreciative.

10 A I said, we are -- we're all kind of in a kind
11 of a holding pattern sometimes, awaiting further guidance coming
12 down. So we need that additional federal guidance in order
13 to -- the next thing we need to take on is recasting the funding
14 levels for the tentative five-year program. We're getting
15 closer. We're much, much closer, but we need those -- that
16 additional guidance from -- on these remaining federal programs
17 because, you know, if something's getting passed through,
18 then -- to, say, the COGs or MPOs, then it doesn't roll into the
19 funding that goes to the tentative five-year program that rolls
20 through the RAC, which is the resource allocation of the 37
21 percent to MAG, the 50 percent to Greater Arizona, the 13
22 percent to PAG. So that's what we don't know at this time, and
23 we're still waiting for it, and we look forward to receiving
24 that so we can finalize and recast the tentative program.

25 You might recall from -- excuse me. You might

1 recall when I presented the tentative program, funding levels to
2 you back, I think, in the study session in January or early
3 February, I told you that I had added some dollars in, assumed
4 some funding levels in those numbers, and I had. I'd assumed
5 \$100 million each year. So I anticipate that once we finish
6 these sub-allocations and firm them up and, you know, we've
7 had -- gotten this additional guidance, I expect there to be
8 additional funds that will flow into the program.

9 So when will we know more? Notice all the
10 question marks. I don't know, and the FHWA division office
11 can't tell me either. So they have also been very -- you know,
12 we nudged -- we nudged the division office, and poor Anthony
13 then nudges the -- you know, the CFO's office and said, Hey --
14 you know, the FHWA's CFO, and we're just -- we're just not quite
15 certain yet of when we'll get those additional numbers.

16 So with that, that concludes my remarks. I think
17 you can go to the next slide. It should just be a questions
18 slide. Yeah. If anyone has any questions, I'd be happy to
19 answer them.

20 CHAIRMAN THOMPSON: Kristine, thank you very much
21 for that information. There is a lot of concern and questions
22 about, you know, how we move on from trying to identify ways --

23 MS. WARD: If we've got audio, I am not hearing
24 anything.

25 CHAIRMAN THOMPSON: Go ahead, Kristine.

1 MR. ROEHRICH: Kristine, can you hear?

2 MS. WARD: Yes, I can now.

3 UNIDENTIFIED SPEAKER: They have her muted.

4 CHAIRMAN THOMPSON: I'm okay from this end.

5 MR. ROEHRICH: Yeah. Yes, sir. You are,

6 Mr. Chair. Go ahead. You can make your comments now.

7 CHAIRMAN THOMPSON: Anyway, Kristine, we do thank
8 you for those information that -- a lot of concern in the
9 public. They're asking about the infrastructure funding that
10 are coming down, how we're going to move forward to get some
11 projects going. And then, again, (indiscernible) information
12 that we need to move forward to the public.

13 So with that comment, does any member have
14 questions for Kristine?

15 VICE CHAIR KNIGHT: Mr. Chair.

16 CHAIRMAN THOMPSON: Gary.

17 VICE CHAIR KNIGHT: Thank you.

18 Kristine, go back three or four slides to the
19 IJJA apportionment estimates.

20 MS. WARD: Uh-huh.

21 VICE CHAIR KNIGHT: At the bottom of that slide,
22 you've got a note that supplemental programs consist of bridge
23 program, 45 million in National Electric Vehicle infrastructure
24 of 11.3. That -- do we know if that 11.3 million for electrical
25 vehicle infrastructure, is that going to -- is that going to

1 require any state matching funds?

2 MS. WARD: Mr. Chairman, Mr. Knight, yeah, I
3 believe we've got a -- I believe we have a 20 percent match on
4 that.

5 VICE CHAIR KNIGHT: So that was (indiscernible).

6 MR. ROEHRICH: Yes. Yes. Yes.

7 UNIDENTIFIED SPEAKER: Yes. It's a yes.

8 MR. ROEHRICH: Mr. Chairman, Mr. Knight, it's a
9 20 percent match, meaning that we can -- on projects or on
10 expenditures, 80 percent can be the federal funds, and then 20
11 percent have to be state funds.

12 VICE CHAIR KNIGHT: Okay. Because I've got a
13 problem with us spending our road money on electric vehicle
14 infrastructure. In my mind, that should be a private sector.
15 We don't build gas stations, and I don't think we should be
16 building vehicle charging stations. I think the private sector,
17 which sells electricity, should be, and the -- of course, the
18 other -- we've got Circle Ks and all kinds of convenient stores
19 that sell gas that can have -- they can put in charging stations
20 and actually make revenue off of them, but for us to use the --
21 our money that we would normally use for roads to build charging
22 stations, I've got a real problem with that.

23 Thank you, Mr. Chair.

24 MS. WARD: So if I may --

25 CHAIRMAN THOMPSON: Kristine.

1 MS. WARD: -- Mr. Chairman, Mr. Knight, another
2 aspect, and I thank my phone-a-friend in Karla, reminding me
3 that, you know, that 20 percent match, it is a 20 percent match
4 requirement, but that can be met by private sector, if the
5 private sector comes in to participate. Just an additional
6 facet I thought that I should mention.

7 VICE CHAIR KNIGHT: Thank you, Kristine. As long
8 as it's private sector, then I have no problem with it. So that
9 would make it a P3.

10 MR. ROEHRICH: Well, Mr. Chairman,
11 Mr. Stratton --

12 MS. WARD: Yeah. It really remains to be seen.

13 MR. ROEHRICH: That's exactly right. You know,
14 the requirement of the law is that the state develop an
15 implementation plan, which is due August 1st, and we are just
16 starting the process. We're taking the guidance that has been
17 given to date. We're doing some research on what kind of
18 possibilities are out there. We are bringing a consultant
19 onboard. We will develop a draft implementation plan by
20 August 1st. That will at least identify a path forward as we
21 look to involve the NEVI electric vehicle -- National Electric
22 Vehicle Infrastructure Plan as far as how the state's strategy
23 is going to be.

24 Comments like yourself, comments we're going to
25 get from stakeholders and comments from the public, because

1 there will be a public involvement process, will all be analyzed
2 as we decide as a state how we are going to move that initiative
3 forward.

4 MR. SEARLE: Jesse.

5 MR. ROEHRICH: Mr. Chairman, you have another
6 comment.

7 CHAIRMAN THOMPSON: Richard.

8 MR. SEARLE: Gary, thank you for those comments.
9 I think they're spot on, and it sounds like -- the information
10 is good this morning. It sounds like we have a great grant
11 opportunity for the private sector on this. So with that, thank
12 you.

13 CHAIRMAN THOMPSON: Thank you, Richard.
14 Ted.

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

16 For follow-up probably, Floyd, to you, and then
17 I've got a couple for Kristine. And the follow-up question I've
18 got is that plan that's being developed by ADOT, who's the
19 approval authority for that plan? Is it the department or is it
20 the Board?

21 MR. ROEHRICH: Mr. Chairman, Mr. Maxwell, it's an
22 administrative point at this time, but as the Board advises the
23 director on, you know, transportation issues, as well as then
24 any implementation that would come through to the five-year
25 program, you would have direct relationship in that.

1 MR. MAXWELL: Okay.

2 MR. ROEHRICH: Your input will be through the
3 guidance that you give, the advice you give, and we do tend to
4 bring back to you the implementation plan when we have it
5 drafted prior to implementing it to, again, get further comments
6 from the Board, but it is an administrative function that the
7 director will submit.

8 MR. MAXWELL: Okay. Thank you for that
9 clarification. And for the record, I tend to agree with Member
10 Knight and Member Searle on it, that the final investment after
11 it's made is going to be in private sector hands, then it should
12 be the private sector funding that comes up, I think, and I
13 think you're not going to have a shortage of people looking to
14 get that kind of -- with a 20 percent match, getting 100 percent
15 built. So I'd strongly encourage the department to consider
16 that as they develop the plan. I know you will.

17 So I did have two follow-ups for Kristine. The
18 first one is on the bridge money. One of the questions I get --
19 I hear more than any from the municipalities in the region is
20 they've already identified the bridges they want to get done.
21 So is any of that fundamental -- or that supplemental funding
22 for the bridge programs going direct to the municipalities or is
23 it all going to be managed at the state level?

24 MS. WARD: Mr. Chairman, Mr. Maxwell, the
25 45 million breaks down into two components. The amount that is

1 for off-system bridge that would -- that would be the the local
2 side would -- is about 6.8 million, and I would defer some of
3 this, addressing of your question, to Greg if I'm off in any way
4 here, or Paul. I'm sorry. But I believe we got about
5 6.8 million of that -- of that 45 that is -- that is for off
6 system.

7 Now, how that gets programmed, I'm going to --
8 I'm going to defer to Paul or Greg, because it is slipping my
9 mind right this moment. The 38 million component will run down
10 and go through the normal RAC allocation and be programmed in
11 the 50, 37, 13 breakdown between, you know, Greater Arizona, MAG
12 and PAG.

13 I think that's a -- you know it's a really
14 important point that I've had to bring up with COGs and the MPOs
15 or I had brought up with COGs and the MPOs through our
16 discussions is if it's -- it's either -- if it's -- it's either
17 passed through to them or it goes -- it comes to them through
18 the Casa Grande accord and those allocations.

19 So I don't know if that helps you, sir. I -- did
20 that answer your question? And I phone -- I'll call a friend, a
21 virtual friend, in Paul and Greg if I've missed any part of
22 that. Does that help you, sir?

23 MR. MAXWELL: Kristine, I appreciate that answer.
24 It really does. That lets me know a little bit more about the
25 funding, when the municipalities are mentioning it also, working

1 within the COGs and the MPOs as well. And I know Greg, your
2 call-a-friend, is standing at the podium, so I'm sure he's going
3 to give us some more information. So thank you for that answer.

4 CHAIRMAN THOMPSON: Greg.

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

6 The off-system bridge portion that is going out
7 to basically the locals, there's a caveat that goes with that in
8 that the bridges that those dollars are used on has to take
9 those bridges from poor or fair condition to good. So that's
10 going to be the number one criteria that we have to go through.
11 So as either locals bring that to us through the COGs, through
12 the MPOs, then there's a consideration that will be made for
13 those -- for those dollars.

14 MR. MAXWELL: Outstanding. Thank you for that
15 answer, and Mr. Chair, just one more question for Kristine.

16 CHAIRMAN THOMPSON: Okay, Ted.

17 MR. MAXWELL: The follow-up is 91.3 of the funds,
18 in the formula funding had been apportioned, and I know that's a
19 good thing to know, because now we know the number now. My
20 question is what happens to that 8.7 percent remaining?

21 MS. WARD: Oh, okay. There -- Mr. Chairman,
22 Mr. Maxwell, so that is the -- what you're asking about is the
23 difference between apportionments and obligation authority. So
24 that's all lovely federal lingo.

25 So when they get apportionment, the -- those are

1 the numbers I've been reporting out to you. When you saw that
2 blue -- that chart with the blue bars that said 801 in FF --
3 801 million in FFY '21, and then in FFY '22, you saw the new
4 IIJA program numbers, and that was, like, 969. That 801 went to
5 969.

6 Those -- that whole chart represents and conveys
7 to you apportionments. I won't get into any more detail than
8 that on that, because there are some variations, but
9 apportionments are not actual funding. They're not actual
10 money. They are upper limits. It says you may spend -- think
11 of it -- think of apportionments a little bit like checks, and
12 think of yourself as having multiple checkbooks that -- and the
13 -- then you've got this cash, and that cash that we get to fund
14 those apportionments is only 91.3 percent. That's what the feds
15 told us. You -- of those apportionments, you only get 91.3
16 percent in actual cash.

17 Now, those apportionments go over multiple
18 categories, like those multiple different bank accounts. We
19 have -- think of it as a -- as a bank account for national --
20 our National Highway Program, NHPP. We have a bank account for
21 the safety program. HSIP, Highway Safety Improvement Program,
22 we have a bank account. So you're kind of -- hopefully you're
23 following -- you're kind of getting the -- that differentiation.

24 Then -- and you have checks associated with each
25 one of those programs, but much like, you know, the old joke of,

1 hey, I have checks, I can -- as long as I have checks, I can
2 still spend money, you need apportionments and you need the
3 cash, the fund -- that funding level, a/k/a the actual
4 obligation authority.

5 That money comes through the budget, and what
6 they -- what the feds have -- what Congress has said is of those
7 apportionments, you get 91.3 percent in actual funding, and the
8 max you can spend in any one of those categories, the banking --
9 bank account that was for safety or the bank account that was
10 for national highway -- the max you can spend is those -- is
11 topped off by those checks, the number of checks you had. So I
12 hope this is kind of coming across, because I can't really see
13 your facial expression to see how badly this is going. Is this
14 starting to (indiscernible) --

15 MR. MAXWELL: I guess my question is -- I guess
16 my question, if we spend 95 percent of what they've told us we
17 could spend, we're 3 percent short, what happens from what
18 they've already given us cash, or do we have to -- can we not
19 spend it until we go back and get their authority to obligate?

20 MS. WARD: Sir, we cannot over-expend, because we
21 only have 91.3 percent of the -- that -- those total
22 apportionments. You really -- you just -- you don't -- we do
23 not have -- that is not available to us. The actual
24 (indiscernible) --

25 MR. MAXWELL: (Indiscernible.) I understand.

1 Kristine, thank you. I understand that now, and I guess it's
2 important when we talk about the amount of money that they've
3 got, it's really only 91.3 that we've got. So despite what the
4 numbers in the books may be, we don't have all that money to
5 expend. We've got 91.3 percent of that money. So it's -- you
6 know, what's out in the public and what's being told what we can
7 actually do are two different things. I appreciate the
8 clarification, and I hope the rest of the Board's not looking at
9 me like you should already know that, but -- but as the new
10 person, I ask a lot of those questions. So thank you.

11 MS. WARD: Mr. Chair (indiscernible) thank you.
12 (Speaking simultaneously.)

13 CHAIRMAN THOMPSON: Anybody online wish to make a
14 comment?

15 MR. STRATTON: Mr. Chairman.

16 CHAIRMAN THOMPSON: If not, I'd just like to say
17 that there are certain bridges that were part of the state
18 highway system that they know that the state has no longer a
19 need for (indiscernible) take a different route. But the
20 public (indiscernible) responsibility of the state, even though
21 they kind of set it aside, because they got new road -- new
22 bridges. So that's the only comment I'm going to make, but
23 that's -- as we go along, they'll be, you know -- they'll be
24 presented to us.

25 With that, and I think a lot of the discussion we

1 have talked about the funding for electric vehicles. We talked
2 about that. I know (indiscernible). I know that the
3 administration is hearing us loudly, and we'll move forward with
4 those (indiscernible) recommendation. So with that, if there's
5 no other comments to be made, like to go on to --

6 MR. STRATTON: Mr. Chairman.

7 CHAIRMAN THOMPSON: Go ahead. Stratton?

8 MR. ROEHRICH: It's Mr. Stratton. Yes, sir.

9 CHAIRMAN THOMPSON: Proceed.

10 MR. STRATTON: Thank you, Mr. Chairman.

11 I would like to echo the comments of my fellow
12 board members about the charging stations. I feel like it's
13 almost a misuse of funds. We don't build gas stations to help
14 those producers. Why should we build electric charging stations
15 at our cost or even our 20 percent?

16 And then, Kristine, I'll ask you this. It -- I
17 believe our normal match on road projects is 5.7 percent to the
18 federal monies?

19 MS. WARD: Mr. Chairman, Mr. Stratton, you are --
20 that is very accurate. You are correct, sir.

21 MR. STRATTON: So the 2.2 million, which is 20
22 percent of the 11 million, approximately, we could fund about
23 \$39 million worth of road projects if we use that for the 5.7
24 percent; is that correct?

25 MS. WARD: Mr. Chairman, Mr. Stratton, I haven't

1 done the math in my head, but that sounds about right.

2 MR. STRATTON: Thank you.

3 So that's just a point I'd like to make to the
4 board members as these opportunities come up that that would be
5 another \$39 million worth of road projects we could utilize that
6 money for to match federal funds.

7 So thank you, Mr. Chairman.

8 CHAIRMAN THOMPSON: Anybody else on the line?

9 MS. DANIELS: Yes, Mr. Chairman. This is Jenn
10 Daniels.

11 CHAIRMAN THOMPSON: Ms. Daniels, proceed.

12 MS. DANIELS: Thank you.

13 I just wanted to state historically, actually, if
14 we go back quite a few years, before any of us were alive, there
15 was quite a bit infrastructure that the government supported in
16 order to make sure that we have the gas station network that we
17 have today. It definitely laid the groundwork for that, and so
18 I just want to make the comment that, yes, while this is new
19 technology, and on its face it appears as though we may be
20 investing in something that the private sector should be doing,
21 I think it's really important to note that we didn't get the gas
22 station network that we have today without government support
23 way back when, and the infrastructure that we need for electric
24 vehicles is definitely a component.

25 Now, do I believe that people should be paying

1 their fair share when they go to connect or use the actual
2 electricity just as someone would pay for their own gas? Yes.
3 Absolutely, but it does take a bit of sometimes investment and
4 intervention on behalf of -- for government on behalf of new
5 technologies in order to see those things become available and
6 prolific, and given the network that we have in the state of
7 Arizona and the opportunities that we have here, I actually
8 think it behooves us to support an electric vehicle network. I
9 think both in the short and long term it supports the state on a
10 variety of levels.

11 CHAIRMAN THOMPSON: Thank you for those comments,
12 Ms. Daniels.

13 Anybody else? Jackie?

14 If not, let's go move on to Agenda Item 5.

15 Paul. Thank you, Paul.

16 MR. PATANE: Good morning, Mr. Chair, board
17 members. I'm Paul Patane, the Multimodal Planning Division.
18 Today I'd like to give you an update on what's happening in the
19 Multimodal Planning Division.

20 The areas I'll cover, the tribal transportation
21 update, some planning updates and some studies we're working on,
22 along with an update and some of the comments received for the
23 2023 Tentative Five-Year Transportation Program.

24 So the first area, the tribal transportation
25 update, is with the Intertribal Council of Arizona. This is a

1 transportation working group with a focus of having state and
2 federal partners working with our tribal partners and going over
3 some of the transportation issues.

4 The last couple meetings -- the last meeting was
5 held on April 7th. The topics they covered were the Highway
6 Traffic Safety Improvement Program, the HSIP, along with federal
7 tribal transportation program. They also covered different
8 areas of the Bipartisan Infrastructure Law provisions. We had
9 nine representatives from six tribes, and the next meeting will
10 be held May 5th to cover the Long Range Transportation Plan,
11 along with the NEVA study, the National Electrical Vehicle
12 Deployment Plan.

13 Next slide, please.

14 So this is a new group that's starting up. It's
15 a multi-state agency tribal liaison group. It consists of
16 various areas, both private and non-government and governmental,
17 ADOT, Advisory Council on Indian Health Care, First Things
18 First, Health Care Containment System, Office of Tourism. And
19 their out- -- their focus of their outreach meetings is really
20 to help tribal liaison understand the roles and responsibilities
21 going over agency tribal consultation policies and discuss
22 recommendations for and improve outreach.

23 So some of the planning updates, some of the
24 studies we're working on. Just a quick update on these. The
25 first one is the Long Range Transportation Plan. This is a

1 requirement that's due. It must be completed every five years.
2 We've got two review proposals. We have two proposals that we
3 received, and we'll be making the -- hopefully the consultant
4 selection by the end of April with the notice to proceed into
5 May.

6 Floyd -- as Floyd mentioned earlier, the National
7 Electrical Vehicle Infrastructure Plan, the NEVA program, again,
8 our plan is due August 1st, and currently we received three
9 proposals that are currently under review. And both these
10 programs and plans do require tribal consultation and tribal
11 liaison involvement, a requirement.

12 So a little update on the discretionary grant
13 programs. So right now the ones that are out, the National
14 Infrastructure Project Assistance, that's the Mega program, and
15 ADOT is currently having a consultant on board. We're working
16 on that to apply for a project using the Mega grant. The
17 project there will be along the I-10 corridor.

18 Then the next grant would be the INFRA grant. We
19 are getting a consultant on board, and the project -- projects
20 we're reviewing for the INFRA grant are on US-93.

21 And the Road Surface Transportation Grant
22 Program, we're not submitting an application for that one as of
23 yet.

24 New ones that came out were the National Scenic
25 Byways Program and the RAISE grant, just closed yesterday for

1 grant applications.

2 So what the -- this is kind of the new -- just
3 wanted to put this on your radar. This is a new link that the
4 Department of Transportation is publishing now. Gives us a
5 heads up on the notice of -- Notice of Funding Opportunity
6 announcements, and so this way we have a heads up of potential
7 discretionary grant programs that are coming out (indiscernible)
8 may be eligible for.

9 So update on the five-year program. Floyd kind
10 of went over a lot of the things. The public comment period
11 ends June 2nd. We do have a meeting scheduled for May 20th at
12 the Salt River Pima Maricopa Community Center, and so we're
13 moving toward that.

14 So I just want to kind of give you a update on
15 some of the comments that we received to date. So we've
16 received over 120 comments, okay, so far, and -- both from using
17 the SurveyMonkey along with the email we received, and some of
18 the major things of the comments were the widening from I-10
19 from Phoenix to Casa Grande, along with improvements on I-17
20 from Anthem to Sunset Point, along with the need to repair along
21 State Route 88, Apache Trail.

22 So some of the things that we've gone
23 (indiscernible) to date to increase the public participation is
24 we've done news releases. We've done two government delivery
25 notices. We've done ADOT blog posts and -- ADOT blog posts

1 about the tentative program, used social media promotion on
2 Facebook -- on Facebook and Twitter. We have ADOT websites
3 update and media articles written from the ADOT news release.
4 So those -- we've done a pretty progressive, you know, campaign
5 of trying to get the word out we're soliciting comments on the
6 five-year program.

7 Next slide, please.

8 Any questions?

9 CHAIRMAN THOMPSON: Any questions from board
10 members?

11 MS. DANIELS: Chairman, this is Jenn Daniels
12 again.

13 CHAIRMAN THOMPSON: Ms. Daniels.

14 MS. DANIELS: Thank you.

15 It came up yesterday, it was brought up about the
16 State Route 88. Can you tell me where we are and if a portion
17 of that or some component of it is being included in the five-
18 year plan or is being moved into the five-year plan?

19 MR. PATANE: Mr. Byres will help us out there.

20 MR. BYRES: Mr. Chairman, Board Member Daniels,
21 right now where we're at is with the funding that we received
22 last year from the Legislature for a design concept report and
23 study, we are currently in that phase right now. We're just
24 getting that DCR going. We've done some preliminary work to get
25 that study up and going with the scoping that was necessary for

1 it. The consultant is -- I believe that consultant is on board.
2 If not, he will be within -- I was going to say within the month
3 so that we can get that going.

4 The deadline for that, we are trying to get the
5 study completed by the end of the year. So one of the big
6 things that we're concentrating on in that study is the
7 stabilization of the upslope above the roadway. Without us
8 being able to stabilize that slope above the road, any road
9 improvements are in danger of the same thing happening -- or
10 occurring again with the first big rain, so -- but that's the
11 status that we're at right now.

12 CHAIRMAN THOMPSON: Ms. Daniels, does that answer
13 your question?

14 MS. DANIELS: -- any portion included in the
15 five-year plan?

16 MR. BYRES: Board Member Daniels, Mr. Chair, at
17 this point in time, no, there are none. What we're looking for
18 at this point in time with the DCR is we have to have a scoped
19 project to be able to put something in the five-year program
20 with an associated cost, and we've got to make sure that we can
21 -- we know where it's going to go as far as timing goes. That
22 will all be determined with the DCR.

23 MS. DANIELS: So I know we've all gotten a lot of
24 emails about that particular project. So is it safe to say
25 that -- to the groups that are working on this that we ask them

1 to continue their efforts, but next year after the DCR is
2 complete, because there's not room for -- not necessarily room
3 for it, but because we're not ready to include it in the five-
4 year plan for this year.

5 MR. BYRES: Mr. Chairman, Board Member Daniels,
6 that is correct. As soon as we have a determined project that
7 we can put into the five-year program, provided that there's
8 funding available, we will most certainly be able to start
9 advancing those projects.

10 MS. DANIELS: Okay. So at that point it will be
11 more of a funding source conversation for next year rather than
12 trying to sort that out this year?

13 MR. BYRES: Mr. Chairman, board members, that's
14 correct.

15 MS. DANIELS: Thank you.

16 CHAIRMAN THOMPSON: Thank you, Ms. Daniels.
17 Paul, do you have any other information?

18 MR. PATANE: Not at this time, sir.

19 CHAIRMAN THOMPSON: Any questions from the board
20 members?

21 There being none, thank you very much for that
22 presentation.

23 Now we will move on to Item 6.

24 Again, Paul.

25 MR. PATANE: Thank you, Mr. Chair, board members.

1 At this time I'd like to make recommendations
2 from our Priority Planning Advisory Committee, PPAC, to the
3 Board to -- for their consideration on changes to the FY '22-26
4 Statewide Transportation Facilities Construction Program.

5 So at this time -- I had to break it into pieces.
6 I wanted to talk about -- you know, (indiscernible) a few
7 projects, so -- for -- the first action I'm requesting is
8 requesting approval of Item 6A through 6D, project
9 modifications.

10 MR. SEARLE: So moved.

11 CHAIRMAN THOMPSON: We need the motion to
12 approve, again, 6A through -- Paul?

13 MR. PATANE: 6D, sir.

14 CHAIRMAN THOMPSON: 6A through 6D. There's a
15 motion to approve it.

16 VICE CHAIR KNIGHT: Second (indiscernible).

17 CHAIRMAN THOMPSON: And there's a second by Gary.
18 Any discussion on that?

19 MR. ROEHRICH: Mr. Chairman, I'd like to make a
20 discussion. Paul, the agenda, the way it was print out --
21 printed shows project modifications from 6A to 6I. And I know
22 you said 6A to 6D, but I'd like to verify. Is it Item 6A
23 through 6I?

24 MR. PATANE: Yeah. I was -- Mr. Chair, board
25 members, going off my -- the -- some notes I got from staff,

1 and -- but no, I could -- I could do it either way, sir
2 (inaudible).

3 MR. ROEHRICH: So, Mr. Chairman, I would like to
4 amend the motion, if we could.

5 CHAIRMAN THOMPSON: Yes.

6 MR. ROEHRICH: That -- to approve contract -- or
7 excuse me -- project modifications 6A through 6I.

8 CHAIRMAN THOMPSON: Richard, you want to restate
9 your motion?

10 MR. SEARLE: That's -- my motion will remain,
11 yeah, as correct by Floyd.

12 CHAIRMAN THOMPSON: Gary?

13 VICE CHAIR KNIGHT: I'll second it, but I do have
14 a question on 6H.

15 CHAIRMAN THOMPSON: Why don't you do that? Okay.
16 There is a motion and second to approve Items 6A through 6I as
17 presented. Now we can go to discussion. Gary.

18 VICE CHAIR KNIGHT: Yes. My question is the
19 5 million increase on 6H, is that -- whose money is that? Is
20 that MAG money? State money? Where's that money coming from?
21 All it's got is an account number, and I...

22 MR. PATANE: Being this job is in Maricopa
23 County, I would make the assumption that it is coming from the
24 RARF, but I think --

25 UNIDENTIFIED SPEAKER: (Indiscernible.)

1 MR. PATANE: RARF funding. RARF funding, Mr. --
2 Board Member Knight.

3 VICE CHAIR KNIGHT: Okay. Thank you.

4 CHAIRMAN THOMPSON: Is there any further
5 discussion on that? There being none, all those in favor say
6 aye.

7 BOARD MEMBERS: Aye.

8 CHAIRMAN THOMPSON: Any opposed?

9 Floyd, conduct the roll call for board members
10 attending remotely.

11 MR. ROEHRICH: Yes, sir, Mr. Chairman. For the
12 record, all the present board members voted aye.

13 So I'll now go to Board Member Daniels.

14 MS. DANIELS: Aye.

15 MR. ROEHRICH: Board Member Meck.

16 MR. MECK: Aye.

17 MR. ROEHRICH: And Board Member Stratton.

18 Oh, Mr. Chairman, it looks like Board Member
19 Stratton did have to leave early. So he is gone. So no vote,
20 but we have -- motion passes with six ayes.

21 CHAIRMAN THOMPSON: Motion carries. Let's go on
22 to the next set of projects. Paul.

23 MR. PATANE: Okay. Chairman Thompson, Board
24 Members, requesting approval of new projects, Items 6I through
25 6N.

1 UNIDENTIFIED SPEAKER: Well, we already did I.

2 MR. ROEHRICH: So Mr. Chair --

3 (Speaking simultaneously.)

4 UNIDENTIFIED SPEAKER: 6J through 6N.

5 UNIDENTIFIED SPEAKER: Yeah.

6 MR. ROEHRICH: Yeah. 6J through 6N. Yes, sir.

7 Thank you.

8 MR. MAXWELL: So moved.

9 VICE CHAIR KNIGHT: Second.

10 CHAIRMAN THOMPSON: Motion and second to approve

11 Items 6J to 6N as presented. Is there any discussion?

12 There being none, all those in favorite say aye.

13 BOARD MEMBERS: Aye.

14 CHAIRMAN THOMPSON: Any opposed?

15 Floyd, conduct roll call vote for board members
16 attending remotely.

17 MR. ROEHRICH: Thank you, Mr. Chairman.

18 So we'll go to Board Member Daniels.

19 MS. DANIELS: Aye.

20 MR. ROEHRICH: Board Member Meck.

21 MR. MECK: Aye.

22 MR. ROEHRICH: Motion carries.

23 CHAIRMAN THOMPSON: Motion carries. With that,
24 move on to Item 7. State engineer's report with Greg Byres,
25 information and discussion only.

1 Greg.

2 MR. BYRES: Thank you, Mr. Chairman, board
3 members. Before I get into the slide that's -- we have up
4 there, I just wanted to go over a couple of things that you
5 are -- make sure that you're aware of that we're seeing across
6 the state.

7 One of the big things that we're seeing on
8 construction is we've seen a 20 percent increase in construction
9 costs since the beginning of the year. So it is substantial,
10 and we don't see it slowing down. So along with that cost that
11 we're seeing, we're also starting to see some shortages. The
12 state right now is experiencing shortages on Portland cement, as
13 well as some difficulties in trying to acquire different types
14 of steel. Specifically, Ductal (indiscernible).

15 So we're seeing this. It is having an effect on
16 cost. We also believe it is having an effect on the competition
17 that we're getting for projects. You'll see -- if you recall
18 last month when you approved projects, we had several projects
19 with only one bidder or two bidders. What you're going to see
20 today is pretty much that same thing. So that's becoming much
21 more of a trend that we're seeing than we've seen before.

22 So just trying to make you aware of what's going
23 on. We're keeping a very close eye on it. So we're trying to
24 be as strategic as we possibly can in putting projects out. No
25 matter what, we still have to get these projects out. We have

1 to spend dollars. We have to be able to stay fiscally
2 constrained with our program. So we're still putting these
3 projects out as quick as we can, but we are using some strategic
4 initiatives and trying to get those out. So I just wanted to
5 make that clear to the Board.

6 As far as the state engineer's report goes, we do
7 have 76 projects under construction, worth roughly \$1.9 billion.
8 We had six projects finalized in March, worth \$115 million.
9 Fiscal year to date, we've had 60 projects finalized.

10 And that's the state engineer's report.

11 CHAIRMAN THOMPSON: Greg, there's a lot of
12 projects that we've already approved. There's more coming up.
13 All these projects now that there's an increase in the
14 construction dollars (indiscernible) for these projects, it
15 appears to me that every project is going to be impacted.

16 MR. BYRES: So, Mr. Chairman, board members,
17 several of the projects that you just approved through PPAC --

18 CHAIRMAN THOMPSON: Uh-huh.

19 MR. BYRES: -- have an increased cost, and what
20 we're trying to do is making sure that when those projects go
21 out, they're -- we're putting together the best budgets possible
22 for those projects so that when they're going out, the
23 engineer's estimates are accurate to the date of expenditure,
24 and that's exactly what we're doing. We're making sure -- we're
25 trying to be as progressive as we possibly can with the

1 tentative five-year program. We have done just that. We've
2 gone through every single project that is in the five-year
3 program, adjusted those to the date of expenditure so that we're
4 trying to be as proactive as we can and realistic as we can with
5 the costs for construction. So we're not sitting on our laurels
6 not doing anything. We're -- we know this is happening. We're
7 having to adjust some of our contingencies to be able to make
8 sure that those projects are realistic in their costs.

9 CHAIRMAN THOMPSON: Thank you, Greg.

10 Any of the board members have questions for Greg?

11 MR. SEARLE: Just a quick comment.

12 CHAIRMAN THOMPSON: Richard.

13 MR. SEARLE: You know, going back to Kristine's
14 report, you know, we're all appreciative of the extra money
15 we're getting from the feds, but it also sounds like with the
16 increase in costs, it might just be a wash. So thank you.

17 CHAIRMAN THOMPSON: Anybody online?

18 MR. ROEHRICH: Mr. Chairman, Mr. Searle, I would
19 like to quick answer that. I think that's a very observant
20 point at this point in time, realizing that we've got a five-
21 year program. So as we evaluate what happens with industry over
22 the next few years, we may see some normalization of that. I
23 don't know that we'll continue to see costs climb. We don't
24 know, but that's why year to year we will have to balance each
25 budget to make it fiscally constrained.

1 So I agree, we're going to be challenged this
2 next year because of the way costs go, but over the five-year
3 life, it might normalize. I'm trying to put some hope into
4 this, because I don't want to sound like it's going to be all --
5 all this difficult and challenging.

6 MR. SEARLE: I appreciate your optimism, Floyd.

7 CHAIRMAN THOMPSON: Thank you (indiscernible).

8 UNIDENTIFIED SPEAKER: And to that point, Floyd,
9 I agree there's some normalization. The question is what's the
10 normal going to be? Is it going to be the new normal -- I don't
11 think --

12 UNIDENTIFIED SPEAKER: Exactly.

13 UNIDENTIFIED SPEAKER: -- as with all things, as
14 they prove that people are willing to pay more for something,
15 the chance of it going all the way back to where it was is
16 probably not likely.

17 So I appreciate the fact, Greg, and I was going
18 to ask about the five-year plan, but I'm glad to hear that
19 you're on top of trying adjust that as we go through this
20 process so that we're not overpromising and then
21 under-delivering when we find out that the costs just haven't
22 returned to where either they were or what's realistic. We also
23 don't know when the shortages are going to go away. So I
24 appreciate the work that you're doing to keep that five-year
25 plan as accurate as possible.

1 MR. BYRES: Thank you.

2 CHAIRMAN THOMPSON: I think we do all feel the
3 same way. Thank you for all the work that you're doing on that,
4 keeping up updated, (indiscernible) a couple things. Those
5 those were the concerns that we have.

6 So moving on to Agenda Item 8, construction
7 contracts for discussion and possible action.

8 Greg.

9 MR. BYRES: Thank you, Mr. Chairman, board
10 members.

11 With the projects that were approved under the
12 consent agenda, thank you very much. We do have four items that
13 we'll be bringing up to you, but I did want to kind of go
14 through and show you where we're at.

15 To date for the fiscal year, we're about 4.9
16 percent over what our projected costs were. So we're not too
17 far off. We're staying fairly accurate with our estimates or
18 the engineer's estimates for the projects overall. Some not so
19 much and some were under, but we're staying fairly close. Less
20 than 5 percent.

21 Next slide, please.

22 So the first project that I'm bringing up is
23 Item 8A. This is a pavement preservation project on US-89.
24 This runs south of Page to the Utah state line. We have three
25 bidders on this project. The low bid was \$3,624,256.

1 Engineer's estimate was \$3,140,531. The difference was
2 \$483,725, or 15.4 percent.

3 One of the biggest items that we had as far as
4 the differential goes on this was the cost of mobilization.
5 Just basically because of the remoteness of the project. Other
6 than that, it was -- we -- everything fell pretty much in line.
7 We do find the low bid as responsive and a responsible bid and
8 recommend award to Staker & Parsons Companies.

9 CHAIRMAN THOMPSON: Thank you, Greg.

10 Is there a motion to award Item 8A to Staker &
11 Parsons Companies as presented?

12 VICE CHAIR KNIGHT: So moved.

13 MR. SEARLE: Second.

14 CHAIRMAN THOMPSON: Motion by Gary and second by
15 Richard. Any discussion?

16 MR. SEARLE: Just a quick comment.

17 CHAIRMAN THOMPSON: Okay. Richard, go ahead.

18 MR. SEARLE: It's not serious, but I see we had a
19 bidder out of Utah on this one, and maybe they'd bid on that
20 I-11 project that we had to turn down last time.

21 CHAIRMAN THOMPSON: Any other discussion?

22 There being none --

23 VICE CHAIR KNIGHT: Mr. Chair, I'd just like to
24 comment that I was happy to see funding is 100 percent.

25 CHAIRMAN THOMPSON: Thank you, Gary.

1 All those in favor say aye.

2 BOARD MEMBERS: Aye.

3 CHAIRMAN THOMPSON: Any opposed?

4 Floyd, conduct roll call.

5 MR. ROEHRICH: Yes, Mr. Chairman.

6 For the record, all members present voted aye.

7 On the line, Member Daniels.

8 MS. DANIELS: Aye.

9 MR. ROEHRICH: Member Meck.

10 MR. MECK: Aye.

11 CHAIRMAN THOMPSON: And, Mr. Chairman, I did
12 receive a note from Board Member Stratton that at 8 -- excuse
13 me -- 10:40, he had to leave the meeting. So he'll no longer be
14 participating.

15 With that said, the motion passes.

16 CHAIRMAN THOMPSON: The motion carries. Going to
17 Item 8B.

18 Greg.

19 MR. BYRES: Thank you, Mr. Chairman. Item 8B,
20 this is another pavement preservation project. This is SR-89A.
21 Glassford Hill Road to Coyote Springs Road. On this particular
22 project, we had four bidders. The low bid was \$818,459. The
23 State estimate was \$1,030,022. The difference was \$211,563
24 under the engineer's estimate, or 20.5 percent under the
25 engineer's estimate.

1 The main difference on this was the milling of
2 the friction course was a little bit faster than what was
3 originally estimated, as well as the maintenance and protection
4 of traffic. They have less in what they were putting into it
5 than what we had projected. Mobilization was also less. The
6 contractor -- or the low builder on this particular case was
7 right there close to the project. Construction surveying/layout
8 is also a little bit lower.

9 After analyzing the bids, this is a responsive
10 and responsible bid, and we recommend award to Asphalt Paving
11 and Supply, Inc.

12 CHAIRMAN THOMPSON: Board members, is there a
13 motion to award Item 8B to Asphalt Paving and Supply?

14 VICE CHAIR KNIGHT: Mr. Chair, since this is in
15 my district, I would like to recommend approval and award to
16 Asphalt Paving and Supply, Inc.

17 MR. MAXWELL: Second.

18 CHAIRMAN THOMPSON: Motion by Gary and a second
19 by Ted. Any discussion?

20 All in favor say aye.

21 BOARD MEMBERS: Aye.

22 CHAIRMAN THOMPSON: Any opposed?

23 Floyd, conduct roll call.

24 MR. ROEHRICH: Thank you, Mr. Chairman.

25 All presented voted aye.

1 Online. Member Daniels.

2 MS. DANIELS: Aye.

3 MR. ROEHRICH: Mr. Meck.

4 MS. MECK: Aye.

5 MR. ROEHRICH: Motion passes.

6 CHAIRMAN THOMPSON: Motion passes.

7 Going on to Item 8C, Greg.

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

9 Item 8C is another pavement preservation project.

10 This is on SR-90. It goes from I-10 to Railroad Drive. We had
11 one bidder on this project. The low bid was \$5,426,215. The
12 State's estimate was \$4,089,276. It was \$1,336,939 over, or
13 32.7 percent.

14 The reason for the differential was the cost of
15 the milling of the existing friction course, the bonded wearing
16 course that was recommended in the specifications, the costs of
17 the asphaltic concrete, which at this point in time was going to
18 be hauled all the way from Phoenix to Benson due to the lack of
19 supply within the Tucson region, and mobilization.

20 With that, we have done some research and found
21 that at this point in time in the Tucson area, we do not --
22 there's so much work from the County and from the City, it would
23 be best to reconsolidate this and repackage this project and
24 rebid at a later date. So at this point in time, we recommend
25 rejection of all bids.

1 CHAIRMAN THOMPSON: Board members, is there a
2 motion to reject all bids?

3 MR. SEARLE: So moved.

4 VICE CHAIR KNIGHT: Second.

5 CHAIRMAN THOMPSON: Motion (indiscernible)
6 second. Motion by Richard and second by Gary. Any discussion
7 on it?

8 MR. SEARLE: Just a comment, Jesse, that --

9 CHAIRMAN THOMPSON: Okay, Richard.

10 MR. SEARLE: I appreciate that although this is
11 is in the work (indiscernible) work, it has plenty of time.
12 We've got time to wait on this one. It's not in that bad of
13 shape. So I think it's a wise move to postpone it until we can
14 bring the costs (indiscernible).

15 CHAIRMAN THOMPSON: Any other discussion?

16 MR. MAXWELL: Mr. Chair.

17 CHAIRMAN THOMPSON: Ted.

18 MR. MAXWELL: First, I appreciate Member Searle's
19 input to it, and obviously he's been out and taken a look or has
20 gotten good feedback on it not being in that bad of shape.

21 I appreciate that you've already looked into
22 what's going on in the region in Tucson, and there's no doubt if
23 you drive through Tucson right now, especially within the city
24 limits, there's projects going all the over the place. They're
25 also looking at an extension of their half cent sales tax to

1 continue even more road repair and maintenance, particularly in
2 the neighborhood.

3 So I -- there may be something we need to explore
4 a little bit more about options, because I'm not sure that
5 construction in the region is going to necessarily go down as we
6 approach the renewal of the RTA. In Pima County, there's going
7 to be a flurry to make sure we get those projects done, to
8 provide the voters the confidence that's going on, and there --
9 you're absolutely right. There is a lot of effort going on
10 there. So I think we need to a look at it, and I would say
11 defer on this one to the board member of that region and his
12 recommendations.

13 CHAIRMAN THOMPSON: Thank you for your reporting
14 on those. So there's a motion and a second to reject all bids
15 as presented. Anybody opposed?

16 MR. ROEHRICH: Mr. Chairman, you -- call for the
17 vote, please. You need to ask for the vote

18 UNIDENTIFIED SPEAKER: Well, he did.

19 MR. ROEHRICH: Did you all vote?

20 UNIDENTIFIED SPEAKER: (Indiscernible) any
21 opposed. Nobody opposed it.

22 MR. ROEHRICH: Okay. So --

23 UNIDENTIFIED SPEAKER: We need that. We need --

24 MR. ROEHRICH: -- (indiscernible) maybe call for
25 approval?

1 CHAIRMAN THOMPSON: Oh, so -- well, all those in
2 favor say aye.

3 BOARD MEMBERS: Aye.

4 CHAIRMAN THOMPSON: Floyd.

5 MR. ROEHRICH: Thank you, Mr. Chairman.

6 I'm not trying to be a stickler. I really wanted
7 to hear you all say aye. It makes me happy, because I know
8 projects that get out there.

9 UNIDENTIFIED SPEAKER: (Indiscernible.)

10 MR. ROEHRICH: Yeah. Yeah. We'll go online.
11 Board Member Daniels.

12 MS. DANIELS: Aye.

13 MR. ROEHRICH: Board Member Meck.

14 MR. MECK: Aye.

15 MR. ROEHRICH: Motion carries.

16 CHAIRMAN THOMPSON: Motion carries.

17 Thank you for your vote, and let's go to Item 8D.
18 Greg.

19 Thank you, Mr. -- thank you, Mr. Chairman.

20 Item 8D, this is another pavement preservation
21 project. This is on SR-264. It's running from Milepost 465 to
22 the New Mexico state line. With this we had two bidders. The
23 low bid was \$5,995,500. The State's estimate was \$5,044,546.
24 It's a difference of \$950,954, or 18.9 percent.

25 The big differences that we saw in this was the

1 cost of the friction course, maintenance and protection of the
2 traffic, in other words, the traffic control that was -- is
3 going to be necessary for the project itself, as well as
4 mobilization.

5 After taking and reviewing the low bid, we do
6 find it as being a responsive and a responsible bid and
7 recommend award to Sunland Asphalt and Construction, Inc. or --
8 excuse me -- Construction, LLC.

9 CHAIRMAN THOMPSON: Okay. Is there a motion to
10 approve the award as presented?

11 MR. SEARLE: So moved.

12 Richard.

13 MR. SEARLE: Yeah.

14 CHAIRMAN THOMPSON: Second?

15 VICE CHAIR KNIGHT: Second.

16 CHAIRMAN THOMPSON: Gary seconds it. Any
17 discussion?

18 VICE CHAIR KNIGHT: I think Ted -- I think Ted
19 said --

20 CHAIRMAN THOMPSON: Ted, did you second it?

21 VICE CHAIR KNIGHT: Oh, okay. (Indiscernible)
22 did. I thought he beat me.

23 CHAIRMAN THOMPSON: Okay.

24 MR. MAXWELL: You got me that time, Gary.

25 CHAIRMAN THOMPSON: We're restating it. So Board

1 Member Richard, motion, and second by Gary.

2 And discussion?

3 Let the board know that as I was traveling on
4 I-40, and then -- going this way, I'm taking 264, there's a
5 shout-out ADOT for all that have been down on that route from
6 Window Rock to Tubac. Remember that -- remember the day we met
7 down in Hopi land, in Tuba City. A lot of discussions that took
8 place. But that short -- that went right through the state
9 line. That was the only part that they mentioned they needed --
10 you know, they needed here, and we pay attention
11 (indiscernible). So thank you in their behalf, everyone.

12 So with that, is there any other discussion?

13 All in favor say aye.

14 BOARD MEMBERS: Aye.

15 CHAIRMAN THOMPSON: Any opposed?

16 Floyd, conduct roll call.

17 MR. ROEHRICH: For online, Board Member Daniels.

18 MS. DANIELS: Aye.

19 MR. ROEHRICH: Board Member Meck.

20 MR. MECK: Aye.

21 MR. ROEHRICH: Motion carries.

22 CHAIRMAN THOMPSON: The motion carries.

23 Moving on to Agenda Item 9. Suggestions. Board
24 members will have the opportunity to suggest items they would
25 like to have placed on future board meeting agenda.

1 MR. ROEHRICH: So, Mr. Chairman, if I could
2 interrupt real quick, you did comment once about Mr. Jarvis, who
3 was not able to -- or was not online at the time, call to the
4 audience.

5 CHAIRMAN THOMPSON: Right.

6 MR. ROEHRICH: Did you want to open call to the
7 audience to see, please?

8 CHAIRMAN THOMPSON: Please.

9 MR. ROEHRICH: Or do you just want to go on to
10 Item 9?

11 CHAIRMAN THOMPSON: Yes. Kind of move back and
12 (indiscernible).

13 MR. ROEHRICH: So, with that, with the Chairman
14 opening the call to the audience, I would ask if Mr. Joseph
15 Jarvis is online. Mr. Jarvis, if you are there, will you please
16 raise your hand?

17 Kristi, do you see any -- anything?

18 WEBEX HOST: No. We don't have any hand raised
19 at this time.

20 MR. ROEHRICH: Thank you.

21 With that, Mr. Chairman, I would say let's move
22 on to Item No. 9.

23 CHAIRMAN THOMPSON: Board members?

24 UNIDENTIFIED SPEAKER: No, sir.

25 CHAIRMAN THOMPSON: Anybody online?

1 MR. ROEHRICH: I don't see see anything,
2 Mr. Chairman. So you can adjourn and go home or...

3 CHAIRMAN THOMPSON: Okay.

4 MR. ROEHRICH: If you choose. I mean, it's your
5 choice.

6 CHAIRMAN THOMPSON: I think we'll take it, you
7 know, for a motion.

8 VICE CHAIR KNIGHT: Motion to adjourn.

9 MR. MAXWELL: Second.

10 UNIDENTIFIED SPEAKER: Second.

11 MR. ROEHRICH: The motion was made by Member
12 Knight. The second one was by Member Maxwell.

13 MR. MAXWELL: Ah, beat him to it.

14 CHAIRMAN THOMPSON: Okay.

15 (Indiscernible conversation.)

16 CHAIRMAN THOMPSON: All those in favor say aye.

17 BOARD MEMBERS: Aye.

18 MR. ROEHRICH: That's all you can need. You
19 can gavel. We're done. Thank you everyone. Travel safe.

20 (Meeting adjourned at 11:16 a.m.)

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1 STATE OF ARIZONA)
2 COUNTY OF MARICOPA } ss.

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BE IT KNOWN that the foregoing proceedings were reported by me, TERESA A. WATSON, Registered Merit Reporter, Certified Reporter, Certificate No. 50876, State of Arizona, from an electronic recording and were reduced to written form under my direction; that the foregoing 92 pages constitute a true and accurate transcript of said electronic recording, all done to the best of my skill and ability.

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

DATED at Phoenix, Arizona, this 11th day of May 2022.

 /s/ Teresa A. Watson

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

Adjournment

A motion to adjourn the April 15, 2022, State Transportation Board meeting was made by Vice Chairman Gary Knight and seconded by Board Member Ted Maxwell. In a voice vote, the motion carried.

Meeting adjourned at 11:16 a.m. PST.

Not Available for Signature_____

Jesse Thompson, Chairman
State Transportation Board

Not Available for Signature_____

John S. Halikowski, Director
Arizona Department of Transportation