

**STATE TRANSPORTATION BOARD MEETING
IN PERSON WITH OPTIONAL TELEPHONIC/WEBEX ATTENDANCE
9:00am, August 19, 2022
Gilbert Public Safety Training Facility (ATLAS Auditorium)
6860 South Power Road
Gilbert, Arizona 85297**

Call to Order

Vice Chairman Knight called the State Transportation Board Meeting to order at 9:04 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):** Vice Chairman Knight, Board Member Maxwell, Board Member Daniels. **In attendance (via WebEx):** Chairman Thompson, Board Member Searle, Board Member Meck. **Absent:** Board Member Stratton. There were approximately 67 members of the public in the audience on-line and approximately 25 members of the public in the audience in person.

Opening Remarks

Vice Chairman Knight 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

BOARD MEETING

VIA WEBEX AND IN PERSON AT:

TOWN OF GILBERT
Gilbert Public Safety Training Facility
ATLAS Auditorium
6860 South Power Road
Gilbert, Arizona 85297

August 19, 2022
9:04 a.m.

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

Perfecta Reporting
(602) 421-3602

PREPARED FOR:
ADOT - STATE TRANSPORTATION BOARD

(Certified Copy)

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

5

6 PARTICIPANTS:

7 Board Members:

8 Jesse Thompson, Chairman (via Webex)

 Gary Knight, Vice Chairman

9 Ted Maxwell, Board Member

 Jenn Daniels, Board Member

10 Richard Searle, Board Member (via Webex)

 Jackie Meck, Board Member (via Webex)

11 Steve Stratton, Board Member (Absent)

12

13

14

15

16

17

18

19

20

21

22

23

24

25

CALL TO THE AUDIENCE

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

SPEAKER:

PAGE:

In-Person Speakers

Alton Joe Shepherd, Board Supervisor, Apache County.....	6
Kee Allen Begay, Junior, Navajo Council Delegate, Many Farms Chapter.....	7

Virtual and Telephonic Speakers

Mark Woods, Citizen, Sierra Vista.....	9
Kristin Heim, HAWK Contracting, LLC.....	11
Edward Hampton, CEO, Circle Intermodal.....	XX
John Turner, Citizen.....	XX
Darryl Ahasteen, Commission President, Nahata Dziil Commission Governance.....	XX
Jennifer Thompson, Controller/Townsite Manager, Freeport-McMoRan Bagdad.....	13
Christie Black, Member, Chapter Coordinator, Mormon Women for Ethical Government (MWEG).....	15

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

AGENDA ITEMS

Item 1 - Director's Report/Legislative Update, John Halikowski, ADOT Director.....	18
Item 2 - District Engineer's Report.....	XX
Item 3 - Consent Agenda.....	20
Item 4 - Financial Report, Kristine Ward, Chief Financial Officer.....	21
Item 5 - Multimodal Planning Division Report, Paul Patane, Division Director, Multimodal Planning Division....	29
Item 6 - Priority Planning Advisory Committee (PPAC), Paul Patane, Division Director, Multimodal Planning Division	46
Item 7 - State Engineer's Report, Greg Byres, Deputy Director of Transportation/State Engineer.....	55
Item 8 - Construction Contracts, Greg Byres, Deputy Director of Transportation/State Engineer.....	60
Item 9 - Suggestions.....	70

1 (Beginning of excerpt.)

2 VICE CHAIR KNIGHT: We'll move on to call to the
3 audience. If you're here telephonically or by Webex, everyone
4 will be muted when they call in to the meeting.

5 When your name is called to provide further
6 comments, you will indicate your presence by virtually raising
7 your hand using your phone keypad or through the Webex
8 application. The Webex host will guide -- will guide you
9 through the unmuting and muting process following the
10 instructions -- follow the instructions included in the meeting
11 agenda.

12 In person, there is an opportunity for members of
13 the public to discuss items of interest with the Board. Please
14 fill out a Request for Public Input Form and give it to the
15 Board Secretary if you wish to address the Board. In the
16 interest of time, a three minute limit will be imposed.

17 I'd also like to comment to the board members
18 that the AG has made (inaudible) verification (inaudible) that
19 pertain specifically to call to the audience. Any legal
20 comments that we can make have to be made at the -- after the
21 last speaker, not after each individual speaker, but after the
22 last speaker. So keep that in mind, because we're the only ones
23 that are subject to the (inaudible).

24 With that, Floyd, would you please call the first
25 speaker?

1 MR. ROEHRICH: Yes, Mr. Vice Chair. I do want to
2 remind everybody that -- and I just turned on the microphones
3 for the speakers -- that the green light needs to be on. So you
4 do need to push to turn on the green light, and what we need to
5 do is to eliminate the feedback, make sure if you're not
6 speaking to turn your microphone off, but then turn it back on
7 when you speak, this way we'll be able to capture everybody's
8 comments.

9 We have two requests to speak in person and seven
10 requests to speak online. So we'll start with the in-person
11 requests, and our first speaker is Mr. Alton Joe Shepherd.
12 Mr. Shepherd.

13 MR. SHEPHERD: Thank you.

14 Good morning, Board Members. My name is Alton
15 Shepherd. I am the Apache County District Chief, board
16 supervisor for that area. I'm traveling down here (inaudible)
17 to advocate, but also bring to the attention the rural Arizona,
18 especially when it deals with the development of the SMART Fund.

19 As you know, a lot of federal funds are
20 (inaudible) available (inaudible) out there, especially the
21 (inaudible) especially (inaudible) federal government
22 (inaudible) also our county government (inaudible) as well, but
23 certainly, you know, we've had 191 south (inaudible) project,
24 191 going north (inaudible) project as, you know, we try to
25 extend all our broadband and some services out there, especially

1 to Sanders Unified School District, Ganado Unified School
2 District, Chinle Unified School District, and also the
3 (inaudible) schools that are located (inaudible) 191.

4 The other is the National Registry of the
5 Historic Places, 1931, the Pinto Bridge was developed, and right
6 now so I believe the inspection (inaudible) every two years the
7 bridge inspections happen. But hopefully we can continue to
8 work together and try to put some projects together (inaudible)
9 available funding (inaudible) bridge improvement (inaudible).

10 Again, we appreciate your time and your travel
11 here as well, so thank you.

12 VICE CHAIR KNIGHT: Thank you, Mr. Shepherd.
13 Thank you, Mr. Shepherd.

14 Floyd?

15 MR. ROEHRICH: Our next speaker is Mr. Kee Allen
16 Begay, Junior.

17 Mr. Begay.

18 MR. BEGAY: Good morning, Board Members. I know
19 Mr. Thompson (inaudible). My name's Kee Allen Begay, Junior,
20 representing the Navajo Nation council from the northeastern
21 part of the state of Arizona.

22 I've been coming to the Board regarding the --
23 requesting for the additional three mile 191 (inaudible)
24 construction that's happening right now between Chinle and Many
25 Farms, Arizona. So it starts right on the Chinle side, but

1 (inaudible) stops short about three miles out of town. And so
2 in order to complete (inaudible) about funding, and so I humbly
3 request that if (inaudible) is able to receive additional -- get
4 additional funding for the three miles up to the (inaudible)
5 junction.

6 (Inaudible) talking about the several (inaudible)
7 areas of intersection on 191 that needs streetlights, major
8 intersections. I believe there's about four or five of them and
9 identify -- give the information to the Board and administration
10 (inaudible) and provide an assessment of how we can improve
11 safety at these intersections, (inaudible) you've got 160 and
12 191 coming together, and there's one, two, three, four more
13 (inaudible) Chinle and all the way up to (inaudible) area.

14 The third one, broadband, smart highway, that's
15 one area that (inaudible) resolution (inaudible) and requesting
16 (inaudible) select 191 as a smart highway. The (inaudible)
17 certain amount of funding to contribute to (inaudible) project.
18 So it will be (inaudible) ADOT right of away, 191. So I think
19 that we continue to ask if we would be able to have a sit-down
20 with the ADOT Board to talk about the (inaudible) of this
21 project.

22 So with that, I appreciate the time. Thank you
23 very much. You all have a wonderful evening and a wonderful
24 weekend. Thank you.

25 VICE CHAIR KNIGHT: Thank you. Thank you,

1 Mr. Begay.

2 MR. ROEHRICH: Our next speaker is an online
3 speaker, Mr. Mark Woods.

4 Mr. Woods, please raise your hand online.

5 WEBEX HOST: Mr. Woods, you are now unmuted. You
6 can go ahead and speak.

7 MR. WOODS: Can you hear me?

8 MR. ROEHRICH: Yes, sir. We can. Please make
9 your comments.

10 MR. WOODS: Okay. Good morning, ADOT,
11 Chairperson and Board Members. This is one of my experiences
12 concerning an encounter with a semi truck on I-10 eastbound out
13 of Benson, Arizona, close to Mile Marker 311, starting the
14 ascent to Texas Canyon.

15 While I was trying to gain speed going up a steep
16 grade, a semi truck switched lanes to pass another semi truck.
17 When he or she did this, my speed was approximately 65 mile per
18 hour. I had to slam on my brakes to avoid running into the back
19 of the trailer. I hit the brake pedal so hard the brake wheel
20 cylinder had to be replaced on my vehicle. Obviously, this was
21 much better than being injured or killed.

22 Traveling this route for many years, I have
23 witnessed the results of many accidents on this treacherous
24 interstate between Benson and Willcox, some accidents of which I
25 know their family members.

1 This incidence also slowed the flow of traffic
2 down behind me until the trucker decided to move over. The bad
3 part of the incident is that the trucker was probably unaware of
4 what happened behind the trailer, because they can only see what
5 is behind their mirrors and not behind the trailer.

6 I am sure many have experienced the situation
7 where a semi truck, bus or RV has pulled out in front of their
8 vehicle to drag race another large vehicle going at slow speeds
9 up a steep grade. I do not have statistics relating to this
10 type of action by large vehicles, because it may not always
11 result in a collision causing damages to vehicles, injury or
12 death.

13 For common sense and the benefit of all, please
14 post signs in Arizona prohibiting semi trucks, buses and RVs
15 from going up steep grades in the passing lane. To start, will
16 you post signs on I-10 eastbound from Adams Peak Wash to the top
17 of Texas Canyon rest stop for a study? This is not a solution
18 for large vehicle threats to smaller vehicles or the restricted
19 flow of traffic. However, it would be a positive step in the
20 right direction.

21 Thank you for allowing the time to present my
22 concern.

23 MR. ROEHRICH: The next speaker is Mr. Anthony
24 Jaime.

25 Mr. Jaime, please raise your hand.

1 WEBEX HOST: Please unmute your line and then you
2 can speak.

3 MR. ROEHRICH: Mr. Jaime, are you -- are you
4 there?

5 WEBEX HOST: I see the hand raised and I have
6 sent the request to unmute, but so far it's not been unmuted.
7 There we go.

8 MS. HEIM: Good morning. Can you hear? Hello?

9 MR. ROEHRICH. Yes. Who's speaking?

10 MS. HEIM: Good morning this is Kristin Heim. I
11 am the managing member of HAWK Contracting, LLC. My apologies.
12 Anthony was not able to be with us today as he has a matter to
13 attend to, but thank you for this opportunity to speak today.

14 In today's market (inaudible) project (inaudible)
15 and materials of workers, I want to personally thank you for
16 pushing to complete projects and better our Arizona. HAWK
17 Contracting is a DBE-certified, self-reporting civil contracting
18 company who's applied for contractor prequalification through
19 ADOT contracting specs twice in the last year and continues to
20 be denied by the prequalification of the Board despite being
21 more than qualified based upon the rules for contractor
22 prequalification in the capacity that we have requested.

23 The department's refusal to prequalify small and
24 disadvantaged businesses is resulting in small ADOT projects
25 typically under 500,000, being bid with limited competition,

1 often resulting in either zero or only one bidder on these
2 projects. These projects are too small for the larger
3 businesses in the current market.

4 The lack of developing and allowing small and
5 disadvantaged contractors -- disadvantaged contractors to bid
6 the department's work as a prize in this size range is resulting
7 in rising costs, limited competition, and in many cases, the
8 inability for the department to get projects completed as
9 they're not receiving any bids.

10 These practices are also preventing the
11 continuing development of certified DBE businesses. Recently,
12 we requested to bid the following projects: Tract No. T027501C.
13 The department received no bids. Tract No. T026401T. The
14 department received no bids, and the prequalification process
15 resulted in no bidders being approved to bid this project.

16 Unless the department makes an effort to develop
17 small and disadvantaged -- disadvantaged businesses as prime
18 contractors and not just subcontractors, these small projects
19 are going to continue to be bid at excessive prices or receive
20 no bids at all.

21 I'd also like to propose an ADOT prime contractor
22 development program in addition to what -- to the current
23 business development program that can be administered by BECO,
24 and we would love to support the BECO office in championing this
25 work in any capacity that we possibly could.

1 I appreciate you for your time, and thank you.

2 MR. ROEHRICH: Ms. Heim, before you go, could you
3 please state your first name? I was not able to get your first
4 name.

5 MS. HEIM: Kristin Heim, K-r-i-s-t-i-n.

6 MR. ROEHRICH: Thank you, ma'am.

7 VICE CHAIR KNIGHT: Thank you. (Inaudible.)

8 MR. ROEHRICH: Our next speaker is Mr. Edward
9 Hampton. Mr. Hampton, please raise your hand.

10 WEBEX HOST: There are no hands raised currently.

11 MR. ROEHRICH: We'll come back and see if
12 Mr. Hampton is logged on.

13 Our next speaker would be Mr. John Turner.
14 Mr. Turner, please raise your hand.

15 Randy, I don't see a hand. Do you see a hand?

16 WEBEX HOST: I do not see a hand, no.

17 MR. ROEHRICH: Mr. Darryl Ahasteen.

18 Mr. Ahasteen, please raise your hand.

19 WEBEX HOST: I do not see a hand raised.

20 MR. ROEHRICH: Ms. Jennifer Thompson.

21 Ms. Thompson, please raise your hand.

22 WEBEX HOST: A request to unmute has been sent.
23 Go ahead and unmute.

24 MS. THOMPSON: Good morning, everybody. Can you
25 hear me?

1 MR. ROEHRICH: Ms. Thompson, we can barely hear
2 you. Is there a way to increase your volume?

3 MS. THOMPSON: Can you hear me better now?

4 MR. ROEHRICH: Yes, ma'am. You're very clear.
5 Please make your comments.

6 MS. THOMPSON: All right. Thank you.

7 All right. I'm Jennifer Thompson. I've
8 presented here several times before. I represent Freeport-
9 McMoRan in Bagdad. I'm the controller and the townsite
10 utilities manager for the town. Just for information, Bagdad's
11 a company-owned town with approximately 2,500 residents.

12 Freeport and our community would like to
13 recognize ADOT and the Board's continued commitment to the safe
14 movement of people and goods on their system and say thank you
15 so much for the improvements to US-93 included in your current
16 five-year plan.

17 I'd also like to give a quick update to you on
18 the progress of our State Route 97 reconstruction efforts with
19 ADOT since we last spoke. State Route 97 is the road that takes
20 off from the US-93, approximately 25 miles south of Wikieup,
21 that leads into Bagdad, a major corridor for us here. The
22 Legislature, recognizing the importance of improving this
23 corridor and adding to Freeport's offered 10 million towards the
24 effort, provided 10 million from the State General Fund to ADOT
25 for the purpose of securing necessary federal funds for this

1 project. This action by the State Legislature shows their
2 support for the partnership Freeport and ADOT have formed to
3 collaboratively develop improvements for State Route 97.

4 Also, our grant consultant, ADOT and Freeport
5 held a State Route 97 project kickoff meeting on August 2nd,
6 which was really productive and provides a path forward for the
7 grant submission for the State Route 97 improvements.

8 I'd like to thank Chairman Thompson, members of
9 the Board, Director Halikowski and his ADOT team for the
10 commitment to safe mobility and for your time this morning. I
11 hope you all have an excellent weekend. Thank you.

12 MR. ROEHRICH: Thank you.

13 Our next speaker is Ms. Christie Black.

14 Ms. Black, please raise your hand.

15 WEBEX HOST: The line has requested to unmute.
16 Go ahead and speak.

17 MS. BLACK: Thank you all for your time and
18 consideration today. As you said, my name is Christie Black,
19 and I'm a member of the Arizona chapter of Mormon Women For
20 Ethical Government. I'm here to give public comment in support
21 of ADOT pursuing federal investments as part of the National
22 Electric Vehicle Infrastructure Plan, which this Board will
23 provide critical feedback on.

24 We are at a critical juncture for taking action
25 and implementing policy to lower carbon emissions while

1 mitigating the effects of extreme weather events like the
2 devastating wildfires and extreme heat that many families and
3 businesses have experienced, which are occurring independently
4 of partisan interests or national boundaries. It is a concern
5 that must be tackled collaboratively by our state leaders.

6 In the U.S., transportation is the single
7 greatest source of greenhouse gas emissions, contributing 27
8 percent of the total share. Unlike combustion engines, electric
9 vehicles do not create tailpipe emissions. Even when the
10 electricity used to charge EVs comes from a variety of sources,
11 including coal or gas power plants, driving an EV has a smaller
12 carbon footprint than driving a gasoline vehicle. In addition,
13 the percentage of cleaner, renewable energy on the U.S.
14 electrical grid is steadily increasing, making electric vehicle
15 charging-related emissions decrease over time.

16 Arizona also has a unique status of quickly
17 becoming the leader in the electric vehicle industry. When EV
18 manufacturers such as Lucid and Nikola and battery technology
19 companies such as KORE Power, already expanding in our state,
20 invest in EV infrastructure can translate into investments in
21 Arizona families, businesses, employers and workers, as well as
22 cleaner air.

23 Range anxiety is one of the biggest barriers to
24 adoption, especially in rural Arizona cities and town.
25 Fortunately, electric vehicles currently have a wide range of

1 mileage capabilities and charging speeds. However, the current
2 EV charging infrastructure we have in this state is insufficient
3 to accommodate that kind of widespread adoption.

4 As this transportation board and ADOT detail and
5 adjust a final NEVI plan draft following federal approval and
6 feedback, we encourage ADOT to continue to spend time in rural
7 communities and those not well represented at this time -- at
8 this forum to ensure everyone has input, especially on the
9 Justice40 provisions that could have the most impact on
10 disadvantaged communities.

11 Thank you again for your time today and for your
12 leadership. We are excited to see investments in electric
13 vehicle infrastructure, which will help reduce air pollution
14 while mitigating extreme weather conditions and benefiting
15 Arizona's thriving clean energy economy.

16 MR. ROEHRICH: Mr. Vice Chair, I would like to go
17 back and see if any of the other three who requested to speak
18 have logged in, give them one more opportunity

19 VICE CHAIR KNIGHT: Very good.

20 MR. ROEHRICH: So I'd like to see if Mr. Edward
21 Hampton -- Mr. Hampton, are you online? If you are, please
22 raise your hand.

23 WEBEX HOST: I do not see any hands raised.

24 MR. ROEHRICH: Thank you, Randy.

25 Mr. John Turner. Mr. Turner, are you online? If

1 you are, please raise your hand.

2 WEBEX HOST: I do not see any hands raised.

3 MR. ROEHRICH: Thank you, Randy.

4 Mr. Darryl Ahasteen. Mr. Ahasteen, are you
5 online? Please raise your hand.

6 WEBEX HOST: I do not see any raised hands.

7 MR. ROEHRICH: Thank you.

8 Mr. Vice Chair, that's all the requests to speak.

9 VICE CHAIR KNIGHT: Very good, Floyd. We'll now
10 move on to Item 1, the director's report.

11 DIRECTOR HALIKOWSKI: Thank you, Mr. Chair, Board
12 Members, for being here today. So there really isn't a lot for
13 me to share with you today. We are still trying to just
14 continue work on both state and federal legislation. The
15 general effective date for state legislation is September 24th,
16 and right now most of our work flow is geared towards
17 implemented legislation from this session. Legislatively direct
18 projects that are funded will be discussed by ADOT staff later
19 in the meeting.

20 As far as the federal update, you know, we've
21 been working quite a bit on IIJA and (inaudible) Governor's task
22 force, which is comprised of a number of agencies that are
23 potentially recipients of IIJA grants. So focus this month has
24 shifted away from that over to the Inflation Reduction Act,
25 which was recently signed into law this week. So both the

1 chambers of Congress are now in recess until September, when
2 they will return to hopefully address the FY '23 project. So we
3 are looking into the Inflation Reduction Act to see where there
4 are connections with the department.

5 So that concludes my report, Mr. Chairman.

6 VICE CHAIR KNIGHT: Thank you, Mr. Director.

7 Anyone on the Board have a question for the
8 Director?

9 Very well. We will move on to Item 1A, the state
10 legislative report.

11 DIRECTOR HALIKOWSKI: Mr. Chairman, that was
12 pretty much the --

13 CHAIRMAN THOMPSON: (Inaudible.) You pretty much
14 took care. (Inaudible.)

15 DIRECTOR HALIKOWSKI: There's just not a lot of
16 new things to report.

17 VICE CHAIR KNIGHT: Okay. In that case, then
18 we'll move on to Item 2, which is the district engineer's
19 report, and from what I'm seeing here, there is no report for
20 this month.

21 MR. ROEHRICH: Yeah. Mr. Vice Chair, if you
22 remember, Randy Everett updated just a couple months ago when we
23 were -- we were here. So he has nothing more to report, so
24 we'll forego that this month.

25 VICE CHAIR KNIGHT: Very well.

1 We'll now move on to Item 3, the consent agenda.
2 Does any member have any item that they want move from the
3 consent agenda for discussion?

4 Hearing none, do I have a motion to approve the
5 consent agenda as presented?

6 MS. DANIELS: So --

7 CHAIRMAN THOMPSON: Vice Chairman, I'd like to
8 move for -- to approve the said item.

9 VICE CHAIR KNIGHT: So I have a motion from
10 Chairman Thompson to approve the motion of the consent agenda.
11 And a second from Board Member Daniels?

12 MS. DANIELS: Correct.

13 VICE CHAIR KNIGHT: So --

14 MR. MAXWELL: Mr. Chairman.

15 VICE CHAIR KNIGHT: Yes.

16 MR. MAXWELL: I have a correction, and as much as
17 I hate to acknowledge it, because there were so many inaudible
18 comments, on page 37 there's unidentified speaker amongst us
19 board members (inaudible). That would be me. So I don't know
20 if we need to make the change. With that change, I support the
21 consent agenda.

22 MS. DANIELS: That meeting there were
23 (inaudible).

24 VICE CHAIR KNIGHT: We will (inaudible).

25 Chairman Thompson, would you like to amend your motion to

1 approve the motioned consent agenda as amended?

2 CHAIRMAN THOMPSON: Yes. Vice Chairman, I would
3 like to move to reconsider motion that was made and to adopt the
4 agenda including the amendment.

5 VICE CHAIR KNIGHT: And I have a second from
6 Board Member Daniels. So if there's no other discussion, all
7 those in favor please signify by saying aye.

8 BOARD MEMBERS: Aye.

9 VICE CHAIR KNIGHT: And Floyd, would you poll the
10 virtual members?

11 MR. ROEHRICH: Yes, Mr. Vice Chair.
12 Member Searle.

13 MR. SEARLE: Aye.

14 MR. ROEHRICH: Mr. Meck.

15 MR. MECK: Aye.

16 MR. ROEHRICH: Member Thompson?

17 CHAIRMAN THOMPSON: Aye.

18 MR. ROEHRICH: And Mr. Stratton is not present.
19 So the motion carries.

20 VICE CHAIR KNIGHT: Thank you, Floyd.

21 We'll move on to Item No. 4, the financial
22 report, with Kristine Ward. This is for information and
23 discussion only.

24 MS. WARD: Good morning, Board Members. Well,
25 it's green. Maybe I will just get closer.

1 MR. ROEHRICH: (Inaudible.)

2 MS. WARD: (Inaudible.)

3 So nice to see people in person. All right,
4 Rhett. There we go. Thank you.

5 So we don't have a lot to report with only one
6 month of activity on HURF. So we are reporting out on July, and
7 we are a little behind forecast. Nothing significant, and it's
8 of no point of concern at this point. We had -- in 2021 we have
9 had some significant rates, and we were coming off of a higher
10 (inaudible) that we were just trying to -- trying to estimate
11 those declines was a little -- a little hairy (inaudible).

12 If you go to the next slide, Rhett.

13 You'll see the individual categories (inaudible).
14 You can see where we forecast the declines in gas tax. In 2022
15 we had 43.9 million. In '23, we only had 40.9 million. We had
16 forecast a decline, but as you can see, it wasn't -- it wasn't
17 spot on. Again, overall, we're only 2.6 -- 2.4 percent off.
18 Not a (inaudible.)

19 If we can go to the Regional Area Road Fund, and
20 if it's -- if it's of assistance, you know, those declines
21 (inaudible) why we're forecasting declines. Well, (inaudible)
22 newspaper (inaudible) fuel, gas (inaudible) you can -- we're
23 dealing with the Ukrainian situation as well as wildfires is also
24 (inaudible). (Inaudible) related to gas prices looking
25 (inaudible).

1 With regards to the Regional Area Road Fund,
2 well, we are closing -- this is the close of the year, and you
3 can see for FY '22, we ended the year with a 5.4 percent growth,
4 and we were over -- over forecast by 5.4 percent. For '22 over
5 '21, we were -- we experienced 19 percent growth in Regional
6 Area Road Fund revenues. We saw -- that represents, just for
7 some perspective, (inaudible).

8 We saw in restaurant and bar 31 percent over '21,
9 and in contrast, 23 percent over '21. And, of course, retail,
10 which is 50 percent of the revenue flowing into the Regional
11 Area Road Fund, we were almost 16 percent over '21. So just
12 some tremendous growth rates, and you can see the individual
13 categories.

14 Rhett, if you'll go to the next slide.

15 You can see those individual categories and look
16 right down at that third column over. Look at the double digit
17 (inaudible) just (inaudible) down (inaudible). This is for the
18 month -- month of June, so that (inaudible). So overall, for
19 the month of June, 12 percent over last year. We just ended the
20 year, RARF ended with tremendous growth.

21 If we could go to the next slide.

22 So I have a couple of things to report out to you
23 just with regards to what's being placed in (inaudible) last
24 month. On I think it was July 29th, we got the guidance for the
25 last IIJA program that we were (inaudible) the PROTECT program.

1 Now, the PROTECT program is focused on funding activities that
2 are primarily for the purpose of resiliency and reducing the
3 impacts of weather events and natural disasters. It -- the
4 funding really focuses on when projects are developed, there's
5 an incremental cost associated with making that project more
6 resilient. Examples of that would be increasing the elevation
7 of a bridge because of increased thoughts of flood impacts,
8 strengthening systems to remove rain water and then stabilizing
9 slide areas. These were -- these were examples that they had --
10 they provided, things that they (inaudible) incremental costs
11 that could be on added to projects (inaudible) supplies.

12 Next up, the other thing that has taken place
13 since I last reported to you is we started our revenue
14 forecasting process. Yes, you would be -- just voted on the '23
15 through '27 program, and we were promptly starting our work on
16 the 2028 program, and the first step of that, talked to you
17 about it before, is the revenue forecasting process. The RAP
18 panel was held on August 3rd. We've got input from 11 different
19 participants, economists, transportation experts on those
20 economic (inaudible) influence of the (inaudible) influence
21 (inaudible) HURF and RARF revenues, and so now we are taking
22 those (inaudible) inputs and we are running them through on the
23 contract (inaudible) with HDR.

24 And that concludes my presentation. I'd be happy
25 to take any questions.

1 VICE CHAIR KNIGHT: Yes. Board Member Daniels.

2 MS. DANIELS: Thank you very much. Thanks,
3 Kristine, (inaudible) PROTECT funds. It's really interesting,
4 especially given some of the substantial (inaudible) state and
5 (inaudible) in the Flagstaff area (inaudible). I know they are
6 seeking additional resources for some of the mitigation as it
7 relates to flash floods and fire (inaudible) Apache County and
8 others, and so is there -- is -- are these potential funding
9 sources to support those areas especially, given recent events?

10 MS. WARD: I think the -- I think an important
11 point that needs to be made in this is that those funds are
12 already built into the program that you approved. So you've
13 already -- you all went through the program for FY '23. Those
14 funds are already built in there. It's not new funding. It's
15 funding that you've already (inaudible).

16 So in that instance, just like any other project,
17 there -- you know, for the program, we have a change control
18 process (inaudible) fiscally constrained. If funds are added to
19 one project or a new project is initiated over (inaudible)
20 program, that just means you have to remove funding from another
21 area. (Inaudible.)

22 MS. DANIELS: Just to clarify (inaudible) but did
23 you (inaudible) I guess, line item funding or a group of funding
24 or to be (inaudible) contingency as part of the overall budget,
25 meaning is it a percentage of overall budget or is it kept

1 (inaudible)?

2 MS. WARD: It's -- so when -- I (inaudible), but
3 if the overall program, the finances of the overall program,
4 contingency is associated with that overall program. It's not
5 (inaudible). Now, speaking with individual projects, I would
6 (inaudible) as to how they estimate your process is completed
7 and how contingency is reflected there.

8 MS. DANIELS: I guess I -- and I'll give you the
9 train of thought of what happened here before I spoke was that
10 given some of the substantial events that have happened
11 throughout our state over the last year, I don't know if it's --
12 if the need for remediation funding is larger this year than it
13 has been in years past, and how would we handle an overage, if
14 you will? So (inaudible) let's just say \$5 million for flash
15 flood mitigation, but our costs this year are going to exceed
16 that dollar amount.

17 MS. WARD: Mr. Chairman, Ms. Daniels, so as I
18 kind of was mentioning with regards to the dollars have already
19 been incorporated into the program, so the program itself
20 (inaudible) increased costs (inaudible) costs in another area.
21 So as you -- as you (inaudible) additional costs, we might have
22 to reduce projected expenses (inaudible). That -- does that
23 answer your question?

24 MS. DANIELS: It does.

25 DIRECTOR HALIKOWSKI: Mr. Chairman, Board Member,

1 if I might also add to that, Kristine's talking about
2 (inaudible) department received. There's a mention in my
3 remarks (inaudible) IJJA task force, and so we're not the only
4 recipient of PROTECT funds, and when you look at flood control
5 mitigation, it's not necessarily the road infrastructure that's
6 the problem. It's the burn scar and the fact that that soil is
7 then baked literally. It's not absorbent. So that becomes, you
8 know, an area for other agencies to go back in and reseed and
9 replant.

10 In the meantime, when the recipients of all of
11 that material washing down in the culverts and drainage ditches
12 and (inaudible) the roadway. So in the task force we held this
13 week, Director Tenney of the Department of Forestry and Fire
14 Management had some (inaudible) available for these resiliency
15 projects, and he and I will be meeting to discuss not only what
16 he is thinking of doing with those funds, but whether or not
17 ADOT is eligible for a portion of those funds going to his
18 agency, for instance, to do some sort of culvert repairs or
19 (inaudible) in some of these areas. So I just want to say that
20 we are looking at this from an agency enterprise wide
21 perspective on how we partner with others to mitigate impacts to
22 the (inaudible) system.

23 MS. WARD: Mr. Chair, may I add something too
24 with my comments?

25 VICE CHAIR KNIGHT: Sure.

1 MS. WARD: One thing to consider, this -- the
2 guidance on this program just came out. It is a brand-new
3 program, and we are digging through, and it has complexities to
4 it, and one of the complexities to the program is that it is
5 not -- it's not the cheapest (inaudible). Unlike our general
6 match rate, which we're looking at a 94.3 (inaudible), this
7 is -- this is a very complex matching funding structure. It's
8 an (inaudible) set for every (inaudible) but, oh, wait, or if
9 you have a resiliency plan, oh, they'll give you another 7
10 percent, oh, but if you (inaudible) that resiliency plan,
11 (inaudible) you will get another 3 percent, but wait, you can
12 use (audio interruption).

13 MS. DANIELS: (Inaudible.)

14 MS. WARD: That's all.

15 VICE CHAIR KNIGHT: Does any other board member
16 have questions? Ted.

17 MR. MAXWELL: Mr. Chair, Kristine, so the
18 Director already talked about (inaudible) the fact that the
19 Inflation Reduction Act is going to (inaudible) possibly trying
20 to (inaudible) in the programs or through grants, and I know we
21 just got clarification on the final piece (inaudible)
22 infrastructure law. So have you had a chance to review that
23 act, and do you see (inaudible) money coming direct to ADOT and
24 the department, or is it going to be through grants (inaudible)
25 what you've seen, if you'd had a chance?

1 MS. WARD: Mr. Chair, Mr. Maxwell, I've not -- I
2 cannot comment on that as yet, but stay tuned. We'll get back
3 to you on (inaudible).

4 MR. MAXWELL: Thank you, Mr. Chair. Thank you,
5 Kristine.

6 VICE CHAIR KNIGHT: Thank you, Kristine.

7 Any other board member virtually have any
8 comments or questions for Kristine?

9 DIRECTOR HALIKOWSKI: Mr. Chair, I just did want
10 to let the Board know that we are experiencing -- I think Board
11 Member Daniels pointed out, you know, quite a bit of issues with
12 our (inaudible) up in Flagstaff because of (inaudible), and just
13 wanted to let the Board know that our team is working very
14 closely with the city, the county flood control folks to try and
15 figure out what we can do to mitigate this, you know, as we're
16 going through this monsoon cycle. So rest assured we're trying
17 to figure out (inaudible) folks up there.

18 VICE CHAIR KNIGHT: Thank you, Director.

19 MS. WARD: Thank you.

20 VICE CHAIR KNIGHT: Thank you, Kristine.

21 We'll move on to Agenda Item No. 5. Paul Patane,
22 for discussion and -- for discussion only.

23 MR. PATANE: Good morning, Mr. Chairman, Board
24 Members. Paul Patane with the Multimodal Planning Division.

25 Next slide, please.

1 Today I'll give you an update related to tribal
2 transportation (audible interruption).

3 MR. ROEHRICH: Sorry about that. (Inaudible.)
4 Just scream into that mic.

5 MR. PATANE: Okay. Thank you.

6 MR. ROEHRICH: Like Ozzy Osbourne. Give us
7 "Crazy Train."

8 MR. PATANE: So anyway, (inaudible) rest areas
9 and things.

10 Next slide, please.

11 We also just started our long range
12 transportation planning, and so with that plan, the
13 federal/state requires that we do consultation with all 22
14 tribes. So that's (inaudible) sent the letters out providing
15 the notification to all 22 tribes (inaudible) begin the
16 consultation process here over the next few months.

17 Next slide, please.

18 So an update on our Hopi transportation
19 partnership meeting (inaudible) meeting on July 21st, covering
20 issues related to highway operations, drainage. There's also
21 discussion related to future workshops that they would like us
22 to attend (inaudible), and some of these workshops, some of the
23 topics they have an interest in are the grant opportunities, the
24 crash data collection, road safety assessment and traffic
25 studies. So we look forward to those meetings in the future,

1 and (inaudible) consultation with the Hopi Tribe on the Electric
2 Vehicle Infrastructure Deployment Plan. They have an interest
3 in the strategy of locating the EV structure. They want
4 (inaudible) concerns where we would focus the -- mainly right
5 now on the alternative fuel corridors (inaudible) that's --
6 those are discussions that we'll have further.

7 Next slide, please.

8 So we had some additional outreach (inaudible)
9 the Shonto Community Governance, and we met with the
10 Northcentral District and the tribal community members. They
11 had concerns related to some new development happening along
12 US-160 and SR-98 area, a new hotel, land use and development
13 that's happening, along with an RV park. So they had concerns
14 as far as (inaudible) for this development again. They also
15 brought up concerns related to (inaudible) pavement condition
16 along SR-98.

17 Next slide, please.

18 So a little update on House Bill 2872 related to
19 the SMART fund. Again, this was recently established
20 legislation, and the purpose was to provide competitive grant
21 assistance to (inaudible) cities and towns and communities to
22 help them, you know, apply and go after federal discretionary
23 grants. Right now there's over 86 eligible applicants that are
24 eligible for these grants.

25 Next slide, please.

1 So these are three areas that the SMART Fund can
2 be eligible as far as your project for reimbursement of costs.
3 Again, this right here, reimbursement of costs. So we can
4 reimburse 50 percent of the costs associated with the grant
5 application. Then there's (inaudible) for a match for a federal
6 grant. But also, the fund is eligible for reimbursement of
7 design and other engineering services that's associated with
8 (inaudible) projects for a federal grant.

9 (Inaudible) based on the current statute, this is
10 how money -- there's 50 million in the program. This is how the
11 money will be divided up in each area. You know, 10 million for
12 counties with a population of 100,000 persons or more.
13 10 million for counties with a population of fewer than 10,000
14 persons. 10 million for municipalities with a population of
15 10,000 persons or more, and 10 million for municipalities with a
16 population of fewer than 10,000 persons, and 10 million will go
17 to ADOT. 1 percent may be used for administration of the fund.

18 So we're (inaudible), you know, for the Board,
19 these grants, these (inaudible) applications, grant applications
20 will require (inaudible) and Board approval. Okay? So we've
21 put together a little process flow chart where it shows where --
22 down at the bottom there where (inaudible) application board
23 (inaudible) they get recommendation feedback (inaudible)
24 projects, either, deny, approve, modify or award. These
25 requests (inaudible).

1 And so once we have the -- you know, the
2 guidelines and everything (inaudible) to the Board for your
3 review and approval (inaudible) required also a (inaudible)
4 Transportation Board policy once (inaudible) of this program.
5 So I just want to thank you. (Inaudible) potentially those
6 projects will be coming to the Board for (inaudible).

7 Next slide.

8 So real quick update (inaudible) an update on the
9 freight plan (inaudible) update during the October Board study
10 session related to the freight planning. It's very important
11 that you all have an understanding (inaudible).

12 So, you know, why -- next slide -- (inaudible)
13 it's a federal requirement (inaudible) transportation bill
14 (inaudible) the update the plan every four years, and so we're
15 (inaudible) this is our -- first plan was in 2017. So it's the
16 first revision to the -- to the freight plan. So (inaudible)
17 been through planning (inaudible) requirements (inaudible) of
18 impacts of the freight as out on the highway system.

19 Next slide, please.

20 So these are the National Freight Policy
21 Strategic Goals. They cover safety and infrastructure and
22 innovation.

23 Next slide, please.

24 So what (inaudible) requirements (inaudible)
25 requirements associated with the National Highway Freight

1 Program (inaudible). (Inaudible) consists of, as you can see,
2 over 300 members, both from the private and public sectors.
3 (Inaudible) policies, the strategies, and you (inaudible) the
4 freight (inaudible). At the end of the day, they make
5 recommendations (inaudible) the whole -- they comment on the
6 projects that we (inaudible) recommendations.

7 So some of the key -- next slide, please.

8 Some of the key elements of the freight plan
9 include the freight policies, strategies and the performance
10 measures. You know, how the plan addresses the national freight
11 program and policy goals, looks at what we call bottlenecks
12 (inaudible) as far as (inaudible) and there is a (inaudible)
13 also a freight investment plan, that would be (inaudible)
14 priority projects (inaudible).

15 So in the program is approximately \$125 million
16 that we have to dedicate to the freight plan. So we'll --
17 our -- when we come to the Board (inaudible) recommendation
18 (inaudible) 125 million (inaudible) five years.

19 Some (inaudible) projects include highway grade
20 separations, geometric improvements to ramps and interchanges,
21 you know, truck parking, climbing lanes (inaudible)
22 infrastructure improvements that will (inaudible).

23 Next slide, please.

24 And so truck parking (inaudible) committee
25 there's industry (inaudible) on the need for additional truck

1 parking, and so (inaudible) when we come forward with the
2 projects, we'll be deciding -- you'll be deciding what
3 percentage of the 125 million you would like to dedicate toward
4 truck parking.

5 So the next steps, so we're in the draft plan
6 stage, late August, early September. So we'll come to the
7 (inaudible) State Board (inaudible) targeting (inaudible) study
8 session where we can finalize the projects and get the plan
9 approved, then we can submit it to FHWA for approval.

10 So this (inaudible) is some of the information we
11 got from the recent update studies (inaudible) some of the
12 (inaudible) top ten commodities in 2010 (inaudible) on the right
13 there. You know, mixed commodities, motor vehicles, electrical
14 equipment, then by tons, by weight, gravel, sands (inaudible)
15 way there (inaudible) petroleum, grain and asphalt blocks, et
16 cetera.

17 Then the graph on the left shows percent of
18 truck, you know, 70 -- you know, the trucks haul 70 percent of
19 the tons by truck, then by rail. There's close to 30
20 (inaudible). Air is .1 percent.

21 Okay? Thank you.

22 So just a quick update on the -- yes.

23 MS. DANIELS: Sorry, Vice Chair. May I ask a
24 question?

25 VICE CHAIR KNIGHT: Yes.

1 MS. DANIELS: Thank you.

2 I know there's quite a bit of interest
3 regionally, particularly about the freight plan. The parking
4 conversation has come up quite a bit, so thank you for looking
5 into that and addressing it. As a means of short-term
6 solutions, have there been any short-term solutions explored by
7 ADOT as it relates to safe truck parking, particularly
8 overnight?

9 MR. PATANE: What we've tried to do, you know, is
10 we have our rest area projects (inaudible). The main scope of
11 the project is the, you know, upgrading the rest area facility,
12 but we're also looking at ways to expand parking in the rest
13 area. So I've been personally involved in my current position
14 (inaudible) expand the parking lot to accommodate (inaudible)
15 parking.

16 DIRECTOR HALIKOWSKI: Excuse me, Mr. Chairman.
17 To Board Member Daniels' point, (inaudible) have a couple rest
18 areas that aren't fully functioning but serve as truck parking
19 which --

20 MS. DANIELS: And I'll be more clear. I think I
21 meant specifically more in metropolitan areas rather than
22 (inaudible) more rural rest areas might be located. Are we
23 exploring any temporary solution recognizing that this funding
24 and the (inaudible) may take a bit more time?

25 MR. PATANE: (Inaudible.) I couldn't answer that

1 right now.

2 MS. DANIELS: (Inaudible) the question, so I
3 apologize, Paul.

4 MR. PATANE: No, that's okay. (Inaudible.)

5 MS. DANIELS: Okay. Fantastic. And I'm thinking
6 of a historical perspective since we're meeting in Gilbert here
7 where we have some needs by one of our school districts, both
8 for construction staging throughout the year, you know,
9 temporary bus parking, things like that, and I can't help but
10 think that the (inaudible) and excess land (inaudible) land just
11 not yet ready for development may be some temporary solutions
12 for a such sort of (inaudible) for the future. Oh (inaudible).

13 DIRECTOR HALIKOWSKI: Chairman, Board Member
14 Daniels, you've awoken the state engineer (inaudible).

15 MS. DANIELS: I don't think he sleeps, so try to
16 wake him up.

17 MR. PATANE: Mr. Chairman, Vice Chair, Board
18 Member Daniels, (inaudible) has just finished up their planning,
19 and so the good thing is now we can take and incorporate what
20 they have already put together into our freight plan
21 (inaudible). So that's going to be a big input as we go forward
22 (inaudible).

23 MS. DANIELS: Yeah, and I love the bigger picture
24 planning. I just know that the need is also immediate, so, you
25 know, and temporary solutions that won't be a permanent solution

1 (inaudible) time, but -- and I -- I'm a huge proponent of
2 planning and taking (inaudible) view, but I also know that that
3 doesn't (inaudible) immediately then I'd love for us to explore
4 something temporary. You know, Tucson has some challenges with
5 that as well, and I know we have substantial challenges for that
6 in the metro area, and they're not going go away as, you know,
7 we're getting more and more manufacturing to our state.

8 MR. BYRES: (Inaudible) as part of our plan
9 itself, but then it (inaudible) but we can start addressing
10 those as they come up so there's -- we have very limited amount
11 of area that we can work within (inaudible) state, but that is
12 (inaudible).

13 MS. DANIELS: Thank you.

14 MR. MAXWELL: Mr. Chair?

15 VICE CHAIR KNIGHT: Yes. (Inaudible.) Member
16 Maxwell.

17 MR. MAXWELL: Mr. Chairman, probably directed
18 towards you, (inaudible) bad question. So when we discuss the
19 state transportation plan and parking specifically, are we
20 limited to the rest areas, or we also have investments in the
21 municipalities (inaudible) I won't say the private sector,
22 because obviously that's (inaudible) additional (inaudible)
23 truck parking (inaudible), because the rest areas are limited
24 (inaudible) time and location may not be worth it in the end.
25 So when the freight study comes out, what are the limitations

1 from an ADOT perspective? I mean, we know MAG has a plan
2 (inaudible).

3 MR. BYRES: So, Mr. Chairman, Vice Chair, Board
4 Member Maxwell, the biggest constraint we have is where we can
5 spend our money. Again, it's federal dollars. So unless it's
6 within our existing right-of-way or if we can take and look at
7 the additional right-of-way, then that's something that we can
8 look at, and that is something that's being considered, but the
9 true constraint is where the funding can actually go, and it's
10 generally (inaudible).

11 DIRECTOR HALIKOWSKI: And, Mr. Chairman, let me
12 just say that, you know, ADOT's perspective, we're -- we're tied
13 at the hip with (inaudible) agency. We just can't take funding
14 and go buy a truck parking space somewhere. We (inaudible) and
15 especially the local communities, you know, because we're
16 (inaudible) want to be sure you're not in the path of future
17 development or that you're not impacting neighbors in some way.

18 So I think that funding, again, is a cooperative
19 effort, as is working with the regional planning agency to place
20 these facilities. It's not just simply laying down some asphalt
21 for a truck to park. I mean, you have to (inaudible) put
22 facilities in for the drivers. That's (inaudible) rest area in
23 an urban setting. So there's many considerations (inaudible).

24 MR. MAXWELL: Mr. Chair, I appreciate those
25 comments. I guess I'm (inaudible) thinking a little bit of the

1 side of is there any flexibility from public-private
2 partnerships to do some of these things. We've got -- we know
3 that there's a lot of facilities. The trucks have to pull over
4 to get rest, to wash, you know, facilities. Would we be better
5 off leveraging our limited dollars to try find where we can be
6 cooperative in that perspective? Obviously with the regional
7 (inaudible) as well as the planning organizations that
8 (inaudible) those funds, that they've come to expect (inaudible)
9 up in the air. It's the easiest (inaudible) to say about it
10 with so much of our regional funding (inaudible).

11 DIRECTOR HALIKOWSKI: Right. I don't agree, but
12 as the CFO pointed out, if you're going to invest in truck
13 parking facilities, we'll have to pull our ADOT state money away
14 from some other project also since, you know -- the other issue
15 is that when you look at a public-private partnership, for a
16 private entity to come in, it has to be (inaudible) somewhere.
17 And we are approached, you know, for many different public-
18 private partnership (inaudible) schemes. Truck parking hasn't
19 been one of them so far. It might be something we could explore
20 with the private sector, but again, not knowing whether or not
21 that would be attractive to the industry itself to pay for
22 parking (inaudible) in some way so that we can repay the public
23 (inaudible).

24 MR. MAXWELL: Mr. Chairman, director (inaudible).
25 I appreciate that. I think it's with the state of structure

1 financing in both our region, our state (inaudible) I think it's
2 important we do take an opportunity to try to explore
3 (inaudible). I fully agree with that. There's going to be
4 challenges, but I -- we could look -- we've had discussion on
5 this board about the EV charging station (inaudible) and is that
6 really a public investment and what's going to be a private
7 operation (inaudible) obviously there's benefit to both sides,
8 but I think we just need to continue to have that conversation.
9 I was just trying to get clarification on what is it that this
10 (inaudible) study will potentially (inaudible) now that we're
11 talking (inaudible) years now under (inaudible). So I just
12 appreciate the insight. Thank you.

13 DIRECTOR HALIKOWSKI: Yeah. And I just would
14 say, Mr. Chairman, that there are two things with the public-
15 private partnership, whether it's electric vehicle chargers or
16 anything else. The public -- or I'm sorry -- the private entity
17 is not (inaudible) there has to be (inaudible) to pick back
18 whatever funds the private entities contributed to the State.
19 There's (inaudible). So that's where it gets a little tricky
20 is, is how that revenue stream's going to exactly work, and as
21 we've seen with many of the toll projects, is the public
22 (inaudible) to keep using the facility willing to pay that fee.
23 So I think there's a lot of data that still needs to be
24 (inaudible).

25 MR. MAXWELL: Mr. Chairman, (inaudible) those

1 avenues of thought. I think we're going to need creativity
2 going forward unless we remodel the entire infrastructure
3 financial system right now. That's a whole another issue. So I
4 appreciate the (inaudible).

5 DIRECTOR HALIKOWSKI: Mr. Chairman, Mr. Maxwell,
6 I think the current system can work, but it's a matter of having
7 (inaudible).

8 MS. DANIELS: May I also (inaudible)?

9 VICE CHAIR KNIGHT: Yeah. Go ahead.

10 MS. DANIELS: (Inaudible) creativity and
11 political will and very possibly some laws need to be changed
12 within our state and (inaudible).

13 UNIDENTIFIED SPEAKER: (Inaudible.)

14 MR. ROEHRICH: Mr. Vice Chair, Mr. Searle is in
15 his -- looks likes he's trying to make a comment. Did you hear
16 that comment?

17 VICE CHAIR KNIGHT: I didn't. I didn't hear
18 anything. Go ahead, Board Member Searle, you're up.

19 MR. SEARLE: Yes. Can you hear me okay?

20 VICE CHAIR KNIGHT: Yes, we can. Yeah.

21 MR. SEARLE: I have a question for Paul on the
22 freight plan.

23 MR. PATANE: Yes.

24 MR. SEARLE: The discussion so far has been
25 pretty much on parking, but going back for our call to the

1 public, Mr. Woods' comments from (audio interruption), are there
2 going to be opportunities to looking at our passing lane studies
3 or updating our passing lane studies?

4 MR. PATANE: Yes. There will be opportunities to
5 look at -- at just truck parking, different types of roadway
6 infrastructure improvements, and so we'll bring a list of
7 projects to the Board for their consideration, and (inaudible)
8 included (inaudible) passing lanes, (inaudible) spot interchange
9 improvement projects. So there is a list of (inaudible)
10 different types of projects.

11 MR. SEARLE: So did I hear you say, yes, that
12 updating our passing lane studies is the possibility?

13 MR. PATANE: Yes, sir.

14 MR. SEARLE: All right. Very good. Thank you.

15 MR. PATANE: Thank you.

16 DIRECTOR HALIKOWSKI: Mr. Chairman, to that
17 point, (inaudible) wait for the freight plan to do a passing
18 lane study in that area or a traffic safety analysis. I mean,
19 we can do that, you know, any time (inaudible) then there might
20 be some change in the infrastructure brought to the Board. So
21 that's not dependent just on the freight study.

22 UNIDENTIFIED SPEAKER: Director (inaudible).

23 MR. SEARLE: The passing lane study, that -- that
24 lane that was identified this morning, it's been in the study,
25 but it is -- wasn't rated that high, but I think with the --

1 considering the amount of traffic that we're seeing now, it
2 might -- it might behoove us to update that study.

3 MR. PATANE: Mr. Chair, Board Member Searle,
4 that's what we're doing right now is updating (inaudible)
5 involved with reevaluating the projects that were (inaudible)
6 2017 (inaudible).

7 Any further questions? Board Member (inaudible).

8 CHAIRMAN THOMPSON: Vice Chairman. Vice Chairman
9 Knight.

10 MR. ROEHRICH: Mr. Chair, Chairman Thompson is
11 asking to talk.

12 VICE CHAIR KNIGHT: Oh, sorry. Go ahead.

13 MR. ROEHRICH: Mr. Chairman --

14 VICE CHAIR KNIGHT: Mr. Chairman, go ahead.

15 CHAIRMAN THOMPSON: Paul, I really do appreciate
16 your providing information to rural communities, including your
17 update on the Native American transportation. A couple of
18 things that I'd like to see is more information continue to be
19 pushed out to the communities (inaudible) information relating
20 to the smart highway as well the EV. I know we've done that.
21 Will continue do it. We need to do maybe -- continue that
22 effort.

23 One issue that was brought up in (inaudible)
24 meeting is that there's an issue with trying to do -- find the
25 personnel to help in drafting up applications for grants. So

1 maybe there's a way that we can provide some help to that. So
2 again, thank you. That's just a comment, Vice Chairman.

3 MR. ROEHRICH: Okay. Paul, I don't think he
4 asked for a response. He just -- the Chairman made his comment,
5 so I think you can move on.

6 MR. PATANE: Okay. Thank you.

7 Okay. Chairman Thompson, Mr. Vice Chair and
8 Board Members, I (inaudible) update on the I-10 at the Wild
9 Horse Pass corridor. Just today a draft environmental
10 assessment and the design concept report are out for public
11 review.

12 Next slide, please.

13 So if you recall, the project goes from the
14 202/303/87 along Interstate 10, to widen the interstate to --
15 from three general purpose lanes. It also reconstructs some
16 interchanges (inaudible) Riggs Road 387 and 347. There is a new
17 interchange at Seed Farm Road -- Seed Farm Road (inaudible),
18 some upgrades along various (inaudible) roads.

19 Next slide, please.

20 So I just wanted to make you aware today that
21 there are public hearings that are scheduled. There is four
22 public hearings scheduled September 7th at the Christian --
23 Valley Christian High School in Chandler, near Chandler, Loop
24 202 Interchange at I-10. September 13th at the Vista Casa
25 Grande High School in Casa Grande. The September 15th would be

1 at the Community District 4 Service Center, and on
2 September 20th, it will be a virtual public hearing.

3 Just a quick reminder of the (inaudible) P2P
4 planning workshop, the district workshop is scheduled. They do
5 start here in the next week or so, so I just wanted to put that
6 on your radar to see if you're able to attend. These -- all
7 these will be virtual. It's a good time to provide input into
8 the, you know, projects that can be future -- you know, could be
9 in the program in the future.

10 Any questions?

11 VICE CHAIR KNIGHT: Any further questions from
12 the Board?

13 MR. ROEHRICH: Mr. Vice Chair, I'm going to need
14 to ask for a 33-second recess, because Rhett needs to make an
15 adjustment to the laptop that's projecting it to the internet,
16 so...

17 VICE CHAIR KNIGHT: Okay.

18 MR. ROEHRICH: You need (inaudible) 15 seconds,
19 (inaudible) 33. (Inaudible.)

20 VICE CHAIR KNIGHT: Briefly, sir.

21 MS. DANIELS: Thank you, (inaudible).

22 (Short pause.)

23 VICE CHAIR KNIGHT: Okay. We're back in session.

24 (Inaudible) finish up with (inaudible), Mr. Patane.

25 (Inaudible.) So we are ready to move on to Item 6, the PPAC

1 items, and they are for discussion and possible action.

2 MR. PATANE: Thank you, Chairman Thompson,
3 Mr. Vice Chair Knight, Board Members. We've -- for your
4 consideration, changes to the FY '23-2027 Statewide
5 Transportation Facilities Construction Program, like to present
6 Items 6A for your review (inaudible) economic (inaudible)
7 projects.

8 MR. MAXWELL: I -- can you kind of explain to me
9 economic strength program, exactly what that's supposed to
10 (inaudible) to do?

11 MR. PATANE: Yeah. It would be -- the strength
12 program is a competitive grant designed to enhance the economic
13 strength (inaudible) of Arizona communities, and the Arizona
14 (inaudible) commerce is the one who's -- makes the
15 recommendations and approval. They (inaudible) the
16 Transportation Board to (inaudible).

17 DIRECTOR HALIKOWSKI: Mr. Chairman, in the HURF
18 distribution statute, there's a certain amount of money that
19 goes to the Economic Strength Fund, and it's administered by
20 (inaudible) projects.

21 VICE CHAIR KNIGHT: Thank you. Thank you for
22 your explanation, and that being said (inaudible).

23 UNIDENTIFIED SPEAKER: (Inaudible.)

24 VICE CHAIR KNIGHT: Thank you.

25 DIRECTOR HALIKOWSKI: It's a million dollars a

1 year. The CFO tells me it's not (inaudible).

2 UNIDENTIFIED SPEAKER: (Inaudible.)

3 DIRECTOR HALIKOWSKI: So it's not (inaudible).
4 Right.

5 VICE CHAIR KNIGHT: So is there a motion for the
6 Board to approve the Economic Strength Project, Item 6A, as
7 presented?

8 MR. MAXWELL: Mr. Chair, I move (inaudible)
9 forward with a question.

10 VICE CHAIR KNIGHT: Okay.

11 MS. DANIELS: Second.

12 VICE CHAIR KNIGHT: I have a motion from Board
13 Member Maxwell, a second from Board Member -- Board Member
14 Daniels, and so we'll move on to discussion.

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

16 Paul, really it's kind of now follow-up to the
17 Director's question (inaudible) there's a million dollars
18 (inaudible). Does that carry over from previous years?

19 UNIDENTIFIED SPEAKER: Yes.

20 MR. PATANE: Yes.

21 MR. MAXWELL: Okay. Thank you.

22 And then the other question I've got is it's --
23 there's a rating system, then there's (inaudible) applicants
24 (inaudible). Do all (inaudible) municipalities (inaudible)
25 debriefs on the rating and score of their program?

1 MR. PATANE: Yes, they do, sir.

2 MR. MAXWELL: Okay. Thank you.

3 Mr. Chair, that's all I have. Thank you.

4 VICE CHAIR KNIGHT: Okay. (Inaudible) that case,
5 (inaudible). I've got a motion and a second.

6 All those in favor signify by saying aye.

7 BOARD MEMBERS: Aye.

8 VICE CHAIR KNIGHT: And Floyd, would you poll the
9 virtual members?

10 MR. ROEHRICH: Board Member Searle.

11 MR. SEARLE: Aye.

12 MR. ROEHRICH: Board Mechanic Meck.

13 MR. MECK: Aye.

14 MR. ROEHRICH: And Chairman Thompson.

15 CHAIRMAN THOMPSON: Aye.

16 MR. ROEHRICH: The motion carries.

17 VICE CHAIR KNIGHT: Thank you.

18 So we'll move on to PPAC modification Items 6B
19 through 6J, and Amendment 6U as presented. Do I hear a motion
20 from the Board to approve those items?

21 MS. DANIELS: So moved.

22 MR. MAXWELL: Second.

23 VICE CHAIR KNIGHT: I have a motion from Board
24 Member Daniels, a second from Board Member Maxwell. All those
25 in -- is there any discussion (inaudible) of the board members?

1 All those in favor, please signify by saying aye.

2 BOARD MEMBERS: Aye.

3 CHAIRMAN THOMPSON: Floyd, would you please poll
4 the virtual members?

5 MR. ROEHRICH: Board Member Searle.

6 MR. SEARLE: Aye.

7 MR. ROEHRICH: Board Mechanic Meck.

8 MR. MECK: Aye.

9 MR. ROEHRICH: And Board Member Thompson.

10 CHAIRMAN THOMPSON: Aye.

11 MR. ROEHRICH: The motion carries.

12 VICE CHAIR KNIGHT: Thank you.

13 We'll move on to PPAC new projects, Items 6K
14 through 6S. (Inaudible) do I have a motion from Paul?

15 MR. PATANE: I could present those to you.

16 CHAIRMAN THOMPSON: Okay. Go ahead.

17 MR. PATANE: Chairman Thompson, Mr. Vice Chair
18 Knight, for your consideration, the changes to the FY 2023-2027
19 Statewide Transportation Facilities Construction Program. We'd
20 like to present Items 6K through 6S (inaudible) projects
21 (inaudible).

22 MR. MAXWELL: So moved.

23 MS. DANIELS: Second.

24 CHAIRMAN THOMPSON: I have a motion from --

25 DIRECTOR HALIKOWSKI: (Inaudible) interrupt you

1 on the motion, Mr. Chair, but I think it's 6T, Paul, not 6S.

2 MR. PATANE: (Inaudible.) 6S.

3 MR. ROEHRICH: Yes. Mr. Vice Chair, the
4 Director, there has been a slight modification. We're going to
5 present 6T separate because of the nature of it. So that will
6 be what Paul presents. Thank you. I'll stop listening to
7 (inaudible).

8 VICE CHAIR KNIGHT: Thank you.

9 I have a motion from Board Member Daniels and a
10 second from Board Member Maxwell. Did I get that right or
11 backwards? (Inaudible) motion. Board Member (inaudible). The
12 second from Board Member Daniels.

13 All those in favor signify by saying aye.

14 BOARD MEMBERS: Aye.

15 VICE CHAIR KNIGHT: And if you would poll our
16 virtual members, Floyd.

17 BOARD MEMBERS: Member Searle.

18 MR. SEARLE: Actually, I had a question about a
19 couple of these items. It's kind of hard to hear you guys. Are
20 we taking any questions on these items?

21 MR. ROEHRICH: Yes. Go ahead.

22 MR. SEARLE: I had a question on 6K. That's the
23 \$1 million for right-of-way support. What is the estimated time
24 of this project? I mean, are we looking at one year? Are we
25 looking at several years on this project?

1 MR. PATANE: You know, Chairman Thompson, Vice
2 Chair Knight, Board Member Searle, we are anticipating three to
3 four years to construct the project. What this item is, this
4 might be (inaudible) to have (inaudible) agreement with the
5 Colorado River Indian Community to help us acquire the necessary
6 rights to the tribal -- the tribal lands and the tribal
7 (inaudible) as part of the I-10 expansion project.

8 MR. SEARLE: Paul, so I heard you say this is a
9 four-year project?

10 MR. PATANE: Yes. We anticipate beginning
11 construction, within the 18 months to two years we can be three
12 to four years (inaudible) construction.

13 MR. SEARLE: All right. Thank you.

14 And on 6I, this is the assessments on
15 (inaudible). It looks (inaudible) three locations. What is it,
16 just out of curiosity, how long does -- what's the estimated
17 time to complete one assessment?

18 MR. PATANE: (Inaudible.) Item 6I?

19 MR. ROEHRICH: It's Item 6L. Item 6L. It's the
20 road safety assessment. Board Member Searle, is that what
21 you're asking about, the road safety assessment?

22 MR. SEARLE: That's correct. I was just -- out
23 of curiosity, how long -- what's the average time to complete
24 one assessment?

25 MR. BYRES: Mr. Chairman, Vice Chair and Board

1 Member Searle, right now we're -- our TSMO group is averaging
2 being able to get those RSAs done within probably about --
3 between three and six months. We're actually doing them much
4 faster than that in some cases. It depends on the complexity of
5 exactly what it is we're doing. If it is on an extended
6 corridor, it takes a little bit longer. If it is on the single
7 intersection, we can crank those out very quickly.

8 MR. SEARLE: Okay. Thank you for the -- thank
9 you for the answer. That's all my questions.

10 DIRECTOR HALIKOWSKI: Paul, can you speak more
11 into the microphone? I'm still getting texts saying people are
12 having difficulty hearing us.

13 MR. PATANE: Yes, (inaudible).

14 VICE CHAIR KNIGHT: Okay. I think we have a vote
15 from the in-present board members, and so, Floyd, if you will
16 continue the vote with our virtual members.

17 MR. ROEHRICH: Yes, Mr. Vice Chair.

18 Board Member Searle.

19 MR. SEARLE: Aye.

20 MR. ROEHRICH: Board Mechanic Meck.

21 MR. MECK: Aye.

22 MR. ROEHRICH: Chairman Thompson.

23 CHAIRMAN THOMPSON: Aye.

24 MR. ROEHRICH: Vice Chair, the motion carries.

25 VICE CHAIR KNIGHT: Thank you, Floyd.

1 We'll move on to PPAC, new project Item 6T for
2 discussion only. Go ahead, Paul.

3 MR. PATANE: So Chairman Thompson, Vice Chair
4 Knight, Board Members, thank you for (inaudible) the Arizona
5 legislative appropriations that we see, both federal/state
6 funding. What we have there is the list of projects that we
7 will be delivering as part of the -- as part of the program. We
8 will come to you individually with each of these projects, you
9 know, to establish (inaudible) project and (inaudible) get to
10 award the contract associated with (inaudible) projects.

11 VICE CHAIR KNIGHT: Thank you, Paul.

12 Is there any -- any board member have any further
13 questions for Paul?

14 MR. ROEHRICH: So, Mr. Vice Chair, Board Members,
15 I do want to quick elaborate on one thing. The reason why we're
16 only bringing these lists to you right now for information is
17 because we had been asked a lot about the different projects
18 either from Congress or from the State Legislature. We never
19 had a comprehensive list. So Paul's team in Planning put
20 together a comprehensive list.

21 So this is the list of all of the legislative
22 projects in one place, and you're going to see that there's some
23 very brief and general descriptions. So one of the issues why
24 we're not ready to have them actioned right now is Paul's team
25 really needs to do the work with our legislative team to further

1 define the scope, further define any intent by either Congress
2 or the Legislature on what they wanted and work with the locals,
3 because a lot of these projects are local projects they asked
4 the Legislature to fund with very limited description. We do
5 not know the extent of that. A lot of times the estimates were
6 provided by the locals, and we have never vetted them or had a
7 chance to look at them to ensure that it will deliver what
8 they're asking.

9 So it's just a chance (inaudible) folks due
10 diligence and get the exact information necessary, and that --
11 as we move those forward and we start delivering them, they will
12 be presented, as Paul said, for including in the program. So
13 that's why it's only for information at this time, but now
14 you've got a full list of one area where all the projects that
15 are legislatively earmarked or funded are listed.

16 VICE CHAIR KNIGHT: Thank you, Floyd, and I think
17 it's probably something we're going to have to get used to with
18 the -- with this earmark appropriation being used more and more
19 frequently by the Legislature.

20 Any other board member, any board members have
21 any questions for Floyd or Paul?

22 Very good. Thank you Paul.

23 MR. PATANE: Thank you.

24 CHAIRMAN THOMPSON: We'll move on to Item No. 7,
25 state engineer's report, for information and discussion with

1 Greg Byres.

2 MR. BYRES: Thank you, Mr. Vice Chair,
3 Mr. Chairman, Board Members. I didn't get a chance to get that
4 up, so I had a couple items I wanted to bring up (inaudible) on
5 the slides.

6 The first one is obviously we're going through a
7 fairly heavy monsoon season right now, and it is wreaking havoc
8 on some of our roadways. (Inaudible) very (inaudible). North
9 of Flagstaff, it's been getting very hard (inaudible) up in that
10 area. One of the big things that's happened up there is
11 there's -- we have one very deep culvert that goes under US-89,
12 and it has become -- it became clogged and backed up with the
13 first big rain that we had.

14 To the point of the -- the invert or the bottom
15 of that box culvert is roughly 20 feet below the roadway
16 surface. It completely filled up and backed up with all of the
17 debris and came down from that burn scar, and it's just
18 (inaudible) to try and get out there, and unfortunately, it has
19 rained almost every day since that has happened. And so,
20 consequently, it doesn't take much, the water overflows 89, goes
21 into our median, fills up the median and then jumps over on the
22 (inaudible). So we've been having a lot of issues with that.

23 We've also had some other issues on other
24 culverts where because of the burn scar that we have up there,
25 we now are getting massive amount of runoff that is coming

1 compared to what we had in the past, (inaudible) on the ground,
2 and consequently, it's overloading some of the capacity issues
3 that we have in some of the storm drain systems, that we have
4 never had until suddenly this is (inaudible), and so we're
5 processing (inaudible).

6 That's just two issues that we have up in
7 Flagstaff. We also have some others that are occurring across
8 the state. A lot of it is just because of very heavy rains, and
9 we designed our roadways for roughly a ten-year storm because of
10 economics, or else you're building structures that are so huge
11 and so expensive that you can't afford to build the road.

12 So, you know, once in a while we get storms
13 bigger than that (inaudible) cause some problems. So -- and
14 it's an ongoing issue. It happens every monsoon, but this
15 monsoon, it's been very rough because of some of the -- the
16 burns that we had (inaudible).

17 MS. DANIELS: Vice Chairman, may I make a
18 comment?

19 UNIDENTIFIED SPEAKER: Yes.

20 VICE CHAIR KNIGHT: Board Member Daniels, go
21 ahead.

22 MS. DANIELS: Appreciate it.

23 Thanks for highlighting that. The other one that
24 we really need to think about is what the (inaudible) water
25 quality (inaudible) comes down into our canal system, and cities

1 are spending a substantial amount of money on -- and some of our
2 infrastructure actually cannot -- power water treatment
3 facilities cannot treat the contaminants within the water.

4 To my knowledge, all of our cities have been
5 adapting to that, and we have the clean, fresh water to drink.
6 So there's no cause for alarm, but it is substantially expensive
7 and very difficult. So we have multiple reasons to ensure
8 that -- whatever we can do to keep our culverts and storm drains
9 clean and clear. There's downhill -- downhill reasons to do
10 that, and so I just wanted to highlight that as well. All that
11 might not be an ADOT-specific issue, but it becomes in the
12 broader infrastructure issue.

13 VICE CHAIR KNIGHT: Thank you, Board Member
14 Daniels.

15 MR. BYRES: To that extent, Board Member Daniels,
16 one thing I would like to bring forward is over the last couple
17 weeks, I've been visiting several of our maintenance units, and
18 these guys are working extremely hard to get out any (inaudible)
19 overtopping. We try to address that as quick as we can, and
20 these guys are working 24/7 in some cases to try and keep us
21 going. So it is being addressed immediately, as well as a long-
22 term solution. Up in Flagstaff we're working (inaudible) the
23 City of Flagstaff on (inaudible) increase some capacity.
24 (Inaudible) system. So it isn't just us. We're working
25 (inaudible) communities.

1 One of the other things I would like to bring up
2 is as part of IIJA, we have the RAISE grant. That's -- were
3 just announced in Tucson this past week. There's four
4 recipients of RAISE grants within the state of Arizona. ADOT
5 did not put in for a RAISE grant, but having that money come
6 into the State is huge, and we may be working on some of those
7 because a couple of those projects fall within ADOT (inaudible).
8 So it may get a -- it will more than likely have (inaudible)
9 project wise, but (inaudible) four RAISE grants (inaudible) in
10 the state of Arizona. (Inaudible.) So congratulations.
11 (Inaudible.)

12 VICE CHAIR KNIGHT: (Inaudible) grant as well
13 (inaudible).

14 MR. BYRES: So, Vice Chair, yes, on US-95, we got
15 a DOD grant, basically, and so we're pursuing the second stage
16 of it right now. Yes. We're pursuing that. So (inaudible).

17 So I'll go ahead and go on with the report. We
18 did have 100 projects under construction, worth a little over
19 \$2 billion. One project was finalized in the month of July,
20 which is very unusual. Normally we have much more than that,
21 but we're looking into why we only finalized one project
22 (inaudible).

23 The other thing that we have is for the fiscal
24 year to date, again, starting (inaudible) we only have one. So
25 with that, that concludes the engineer's report.

1 VICE CHAIR KNIGHT: Thank you, Greg.

2 Do any board members have any further questions
3 for Greg? Hearing none.

4 Thank you, Greg.

5 We will move on to Agenda Item No. 7, and Greg's
6 still on. These are for discussion and possible action.

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

8 And first off, I'd like to thank the Board for
9 approving the items on the consent agenda. One thing I would
10 like to mention about that is in reviewing those (inaudible)
11 five projects that were in the consent agenda, the low bids came
12 in under (inaudible), which was very good. One of the other big
13 things on that was we had a considerable amount of or more
14 competition for bids on several of those projects. So that's
15 great to see. Hopefully we'll keep that trend up.

16 So with that, if I can go on to Item 8A, if
17 we're -- if we're ready. Item 8A is (inaudible). This is from
18 Picacho to Pinal Airpark Road. With this project we had one
19 bid. This bid did come in considerably high. The low bid was
20 \$6,113,131. The State's estimate was \$3,636,042, a difference
21 of \$2,477,089, or 68.1 percent above the engineer's estimate.

22 With the -- with the announcements of the bids,
23 what we did find out is the bid costs were extremely high, and
24 what we saw as far as the -- pretty much all the way through the
25 bid items, there's, again, no competition on this. Only one

1 bidder, and due to this, what we are recommending is that a
2 rejection of all bids.

3 VICE CHAIR KNIGHT: Anybody have -- does any
4 board member have questions for Greg on this item?

5 UNIDENTIFIED SPEAKER: Mr. Chair, a motion.

6 MR. MAXWELL: Mr. Chair, I'll move at this time
7 with a motion and follow up.

8 MS. DANIELS: Second.

9 VICE CHAIR KNIGHT: I have a motion from Board
10 Member Maxwell, a second from Board Member Daniels and -- to
11 reject all bids, and you had questions?

12 MR. MAXWELL: Yes, sir. Thank you, Mr. Chair.

13 Greg, so we've obviously seen the (inaudible)
14 recently well only single bidders. I know we're (inaudible)
15 more bidders. On this project specifically, obviously I-10's
16 (inaudible) concern throughout the state, especially where the
17 business or leisure travel (inaudible) between Tucson and
18 Phoenix area. You said all the bids were really high. In the
19 past we've known that the cost of goods have been going up. Can
20 you describe a little bit more in detail on this one how high or
21 excessive you feel (inaudible)?

22 MR. BYRES: So, Mr. Chair, Vice Chair, Board
23 Member Maxwell, on this particular one, one of -- what we found
24 out in kind of digging into this is in the Tucson area,
25 there's -- there is a massive amount of work that is occurring

1 throughout the county and the city particularly, and so
2 consequently, there's -- because of that work flow, we're not
3 seeing a lot of competition on projects within the area.

4 Now, the good thing is within about the next
5 month, a lot of that projects -- a lot of those projects are
6 going to taper off, and so the workload will drop dramatically
7 in the Tucson area. So what we're looking at doing is
8 repackaging this, putting it back out on the street in
9 approximately a month or two months. We don't want to go any
10 further than that, but by that time, that workload will complete
11 out, and we should have considerable competition coming in for
12 this particular project.

13 MR. MAXWELL: Mr. Chair, Greg, thanks for that
14 answer. The City of Tucson has just recently also passed
15 (inaudible) the construction off the main routes and into
16 (inaudible) routes. There's still going to be a lot (inaudible)
17 pavement projects, particularly down in the -- in the county
18 region. So this is obviously a very important project to, I
19 think, folks from many different districts in the state, so
20 anything that we can do to encourage (inaudible) some more
21 bidders, because obviously more competition does bring a better
22 price. Appreciate the work you do.

23 VICE CHAIR KNIGHT: Any further questions from
24 the Board? I believe I have a motion and a second on the floor.

25 All those in favor signify by -- to reject all

1 bids. All those in favor (inaudible) please signify by saying
2 aye.

3 BOARD MEMBERS: Aye.

4 VICE CHAIR KNIGHT: Floyd.

5 MR. ROEHRICH: Board Member Searle.

6 MR. SEARLE: Aye.

7 MR. ROEHRICH: Board Mechanic Meck.

8 MR. MECK: Aye.

9 MR. ROEHRICH: Chairman Thompson.

10 CHAIRMAN THOMPSON: Aye.

11 MR. ROEHRICH: Vice Chair, the motion carries.

12 VICE CHAIR KNIGHT: Thank you.

13 MR. BYRES: Going on to Item 8B, this is on
14 US-60, El Camino Viejo to east of Milepost 217. For this
15 project we had three bidders. The low bid was \$3,994,994. The
16 State's estimate was \$4,979,728, a difference of \$984,734, or
17 19.8 percent below the engineer's estimate.

18 One of the big things that we found on this was
19 that the friction course reduction rates were much higher than
20 what was estimated. (Inaudible) this is due to a much shorter
21 haul of the material than we had projected. That went for both
22 the milling and for the friction course due to that short haul.
23 Analysis of the low bid, the bid appears to be responsive and a
24 responsible bid. We recommend award to Sunland Asphalt and
25 Construction, LLC.

1 VICE CHAIR KNIGHT: Thank you, Greg.

2 Does any board member have any questions for Greg
3 on this one? Hearing none, do I hear a motion to award Item 8B
4 to Sunland Asphalt and Construction?

5 MS. DANIELS: So moved.

6 MR. MAXWELL: Second.

7 CHAIRMAN THOMPSON: I have a motion by Board
8 Member Daniels and a second by (inaudible) Board Member --
9 second by Board Member Maxwell.

10 MR. MAXWELL: Maxwell.

11 VICE CHAIR KNIGHT: I thought I had heard a
12 virtual.

13 All those in favor signify by saying aye.

14 BOARD MEMBERS: Aye.

15 VICE CHAIR KNIGHT: And Floyd, if you will poll
16 our virtual members.

17 MR. ROEHRICH: Board Member Searle.

18 MR. SEARLE: Aye.

19 MR. ROEHRICH: Board Mechanic Meck.

20 MR. MECK: Aye.

21 MR. ROEHRICH: And Chairman Thompson.

22 CHAIRMAN THOMPSON: Aye.

23 MR. ROEHRICH: Vice Chair, the motion carries.

24 VICE CHAIR KNIGHT: Thank you.

25 Next item, Greg.

1 MR. BYRES: Next up we have is Item 8C. This is
2 on SR-95, state line to Riverside Drive. The low bid was
3 \$788,889. The State's estimate was \$579,682. The difference
4 was \$209,207, or 36.1 percent.

5 The biggest items that we had that were over the
6 engineer's estimate was the asphalt and friction course. Both
7 of these, the binder prices were -- particularly were higher
8 than what we were looking at, as well as an extended haul.
9 They're actually going to haul material out of Ehrenberg for
10 this particular project. But after analyzing the low bid, it
11 does appear to be responsive and a responsible bid, and we
12 recommend award to Fisher Sand and Gravel Company.

13 VICE CHAIR KNIGHT: Is there any more discussion?

14 Then I will entertain a motion to award Item 8C
15 to Fisher Sand and Gravel Company as presented.

16 MR. MAXWELL: So moved.

17 MS. DANIELS: Second.

18 VICE CHAIR KNIGHT: I have a motion from Board
19 Member Maxwell and a second from Board Member Daniels to award
20 Item 8C to Fisher Sand and Gravel Company as presented. All
21 those in favor signify by saying aye.

22 BOARD MEMBERS: Aye.

23 VICE CHAIR KNIGHT: Floyd, would you poll our
24 virtual members?

25 MR. ROEHRICH: Board Member Searle.

1 MR. SEARLE: Aye.

2 MR. ROEHRICH: Board Mechanic Meck.

3 MR. MECK: Aye.

4 MR. ROEHRICH: And Chairman Thompson.

5 CHAIRMAN THOMPSON: Aye.

6 MR. ROEHRICH: Vice Chair, the motion carries.

7 VICE CHAIR KNIGHT: Thank you. Go ahead, Greg.

8 MR. BYRES: Thank you.

9 This is Item 8D. This is another project on
10 US-95. This one from Milepost 67 to Milepost 80. It is a
11 pavement preservation project. We had four bidders on this
12 project. The low bid was \$3,384,434. The State's estimate was
13 \$4,018,268, a difference of \$633,834, or 15.8 percent below the
14 engineer's estimate.

15 On this particular one, one of the things that we
16 found out was the low bidder, the production of dry mineral
17 aggregate was much quicker than what we've seen in the past,
18 which is great, but the other thing that they have is this
19 particular contractor has an extensive amount of experience in
20 this particular kind of construction, which was a (inaudible)
21 pavement project. After analysis of the low bid, it appears
22 that the bid is a responsive and responsible bid, and we
23 recommend award to Cactus Transport, Inc.

24 VICE CHAIR KNIGHT: Any questions or discussion
25 from the Board?

1 In that case, I will entertain a motion to award
2 Item 8D to Cactus Transport, Inc.

3 MS. DANIELS: So moved.

4 MR. MAXWELL: Second.

5 VICE CHAIR KNIGHT: I have a motion from Board
6 Member Daniels, a second from Board Member Maxwell to award
7 Item 8D to Cactus Transport, Inc.

8 All those in favor signify by saying aye.

9 BOARD MEMBERS: Aye.

10 VICE CHAIR KNIGHT: Would you poll our virtual
11 members?

12 MR. ROEHRICH: Yes, sir.

13 Vice -- excuse me -- Board Member Searle.

14 MR. SEARLE: Aye.

15 MR. ROEHRICH: Board Member Meck.

16 MR. MECK: Aye.

17 MR. ROEHRICH: Chairman Thompson.

18 CHAIRMAN THOMPSON: Aye.

19 MR. ROEHRICH: Vice Chair, the motion carries.

20 VICE CHAIR KNIGHT: Thank you.

21 MR. BYRES: The next slide we have is Item 8E.

22 This is on US-191, from Table Top Road to Lower Eagle Creek
23 Road. It's a pavement preservation project. We have three
24 bidders on this project. The low bid was \$4,610,808. The
25 State's estimate was \$4,092,373, a difference of \$518,435, or

1 12.7 percent over the engineer's estimate.

2 On this particular project, what we did find out
3 was the cost for emulsified asphalt was much higher than what
4 was estimated. All haul route that was selected by the low
5 bidder on this particular project is also considerable. It's
6 100 miles round trip. So they're hauling material out of
7 Safford, but after analyzing the low bid, it does appear to be a
8 responsive and responsible bid, and we recommend award to Cactus
9 Transport, Inc.

10 VICE CHAIR KNIGHT: Thank you, Greg.

11 Do any board members have a question or
12 discussion on this item?

13 Hearing none, is there a motion to award Item 8E
14 to Cactus Transport, Inc. as presented?

15 MS. DANIELS: So moved.

16 MR. MAXWELL: Second.

17 VICE CHAIR KNIGHT: I have a motion from Board
18 Member Daniels, a second from Board Member Maxwell to award Item
19 8E to Cactus Transport, Inc.

20 All those in favor signify by saying aye.

21 BOARD MEMBERS: Aye.

22 VICE CHAIR KNIGHT: And Floyd, if you would poll
23 our virtual members.

24 MR. ROEHRICH: Yes, sir.

25 Board Member Searle.

1 MR. SEARLE: Aye.

2 MR. ROEHRICH: Board Mechanic Meck.

3 MR. MECK: Aye.

4 MR. ROEHRICH: And Chairman Thompson.

5 CHAIRMAN THOMPSON: Aye.

6 MR. ROEHRICH: Vice Chair, the motion carries.

7 VICE CHAIR KNIGHT: Thank you.

8 Go ahead, Greg.

9 MR. BYRES: The next item we have is Item 8F.

10 This is on SR-287, Hacienda to SR-87. This is for rumble strips
11 and right turn lanes. The low bid was \$726,538. The State's
12 estimate was \$596,601, a difference of \$129,938, or 21.8 percent
13 above the engineer's estimate.

14 On this particular project, what we found in
15 analyzing the low bid was the roadway excavation was higher than
16 what we had anticipated along the roadway, as well as the
17 construction surveying and traffic control for both. Much
18 higher (inaudible). After analyzing the low bid, it does appear
19 to be a responsive and responsible bid, and we recommend award
20 to Combs Construction Company, Inc.

21 VICE CHAIR KNIGHT: Thank you, Greg.

22 Any discussion or questions from the Board?

23 Hearing none, is there a motion to award Item 8F
24 to Combs Construction Company, Inc., as presented?

25 MR. MAXWELL: So moved.

1 MS. DANIELS: Second.

2 VICE CHAIR KNIGHT: Thank you.

3 I have a motion from Board Member Maxwell and a
4 second from Board Member Daniels to award Item 8F to Combs
5 Construction Company, Inc., as presented.

6 All those in favor signify by saying aye.

7 BOARD MEMBERS: Aye.

8 VICE CHAIR KNIGHT: And Floyd, if you will poll
9 our virtual members?

10 MR. ROEHRICH: Yes, sir.

11 Board Member Searle.

12 MR. SEARLE: Aye.

13 MR. ROEHRICH: Board Member Meck.

14 MR. MECK: Aye.

15 MR. ROEHRICH: And Chairman Thompson.

16 CHAIRMAN THOMPSON: Aye.

17 MR. ROEHRICH: Vice Chair, the motion carries.

18 VICE CHAIR KNIGHT: Thank you.

19 MR. BYRES: Thank you.

20 VICE CHAIR KNIGHT: Thank you, Greg.

21 We will move on to Agenda Item 9. Any
22 suggestions for future agenda items for the Board?

23 MR. ROEHRICH: Mr. Vice Chair, if I could just
24 quick remind everybody, the next meeting is September 16th in
25 the town of Maricopa. We are meeting at their city hall. And a

1 reminder, the couple days before that is the Rural Summit. So
2 if you are planning to attend and you've registered, please
3 submit any receipts prior to that to get you reimbursed for
4 that, and Sherry will be able to cover that. And then after the
5 Rural Summit, remember to bring any hotel receipts or anything
6 as part of your travel there for -- from the Board so we can go
7 ahead and cover that as well.

8 With that, sir, that's all that I have to
9 announce.

10 VICE CHAIR KNIGHT: Thank you, Floyd.

11 Hearing no other discussion from the Board and no
12 other suggestions from the Board, we have covered this month's
13 meeting and all the agenda items (inaudible), so I will
14 entertain a motion to adjourn.

15 MR. MAXWELL: So moved.

16 VICE CHAIR KNIGHT: I have a motion to adjourn.

17 MS. DANIELS: Second.

18 VICE CHAIR KNIGHT: I have a second.

19 All those in favor.

20 BOARD MEMBERS: Aye.

21 (Meeting adjourned at 11:04 a.m.)
22
23
24
25

Adjournment

A motion to adjourn the August 19, 2022, State Transportation Board meeting was made by Board Member Maxwell and seconded by Board Member Daniels. In a voice vote, the motion carried.

Meeting adjourned at 11:04 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