

**STATE TRANSPORTATION BOARD MEETING
IN PERSON WITH OPTIONAL TELEPHONIC/WEBEX ATTENDANCE
9:00am, June 16, 2023
Town of Florence
775 Main Street
Florence, Arizona 85132**

Call to Order

Chairman Gary Knight called the State Transportation Board Meeting to order at 9:01 a.m.

Pledge

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

Roll Call by Board Secretary, Sherry Garcia

A quorum of the State Transportation Board was present. **In attendance (in person):** Chairman Gary Knight, Vice Chairman Richard Searle, Board Member Ted Maxwell, Board Member Jesse Thompson, Board Member Jenny Howard, and Board Member Jackie Meck. Board Member Jenn Daniels participated virtually via WebEx. There were approximately 63 members of the public on-line and approximately 50 attendees in person.

Opening Remarks

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 Title VI of the Civil Rights Act of 1964, as amended. Floyd, also reminded individuals to fill out survey cards, with the 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

BOARD MEETING

REPORTER'S TRANSCRIPT OF PROCEEDINGS

BOARD MEETING

VIA WEBEX AND IN PERSON AT:

Town of Florence
775 Main Street
Florence, Arizona 85132

June 16, 2023
9:01 a.m.

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

PREPARED FOR:
ADOT - STATE TRANSPORTATION BOARD

(Certified Copy)

Perfecta Reporting
(602) 421-3602

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

6
7 PARTICIPANTS:

8 Board Members:

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

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CALL TO THE AUDIENCE

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Bo Mrakovcic, Resident, City of Maricopa.....	XX
Jeronimo Vasquez, Supervisor, District 2, Coconino County..	19

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1 (Beginning of excerpt.)

2 CHAIRMAN KNIGHT: We'll now move on to call to
3 the audience. I will remind that anyone calling in (inaudible)
4 minutes. Everyone will be muted when (inaudible) call in to the
5 meeting. When your name is called to provide your comments, you
6 will indicate your presence by virtually (inaudible) phone
7 keypad or through the WebEx application. The WebEx host will
8 guide you through the (inaudible) process following the
9 instructions included in the agenda.

10 In person, there's an opportunity for members of
11 the public to discuss items of interest with the Board. Please
12 fill out a Request for Public Input Form and give it to the
13 secretary if you wish to address the Board. In the interest of
14 time, there will be a three-minute limit imposed. Please keep
15 your remarks, both telephonically or in person, to three
16 minutes. Thank you.

17 Go ahead, Floyd. If you'll call the first
18 speaker.

19 MR. ROEHRICH: Yes, Mr. Chairman. A reminder.
20 We do have a number of in-person as well as some online. We
21 will do -- we will call up the in-person speakers first, and our
22 first speaker is Florence Mayor Tara Walter.

23 MAYOR WALTER: Good morning. How is everybody
24 today?

25 CHAIRMAN KNIGHT: Just fine.

1 MAYOR WALTER: My name is Mayor Tara Walter. I
2 wanted to take a moment to welcome you to Florence, Arizona, in
3 an official capacity. We appreciate the attendance last night
4 at the welcome reception. It was a great opportunity to be able
5 to meet and talk in an informal basis.

6 As you know, the town of Florence sits in between
7 Phoenix and Tucson. We are the original county seat, and we are
8 a rapidly growing community. There are many projects that are
9 coming before us over the years, and we look forward to the
10 opportunity to continue working with you.

11 CHAIRMAN KNIGHT: Thank you. Thank you for your
12 comments. Floyd?

13 MR. ROEHRICH: Our next speaker is Mr. Alton John
14 Shepherd.

15 MR. SHEPHERD: Good morning, Mr. Chairman, Vice
16 Chairman, Members of the Board. My name is Alton Joe Shepherd.
17 I am the Apache County District 2 Board of Supervisor up in
18 Apache County.

19 A couple things I wanted to bring to your
20 attention. One is just looking to -- again, the guidance of
21 ADOT and the staff there as well. A couple of years ago we were
22 able to acquire about \$1 million to resurface a school bus route
23 around Ganado School bus loop. Since then we've worked with the
24 project and the scope, the design and everything with the cost
25 of inflation, has risen up to \$2.1 million to complete. So

1 right now, our county's in a dilemma here to either scale back a
2 lot of the sidewalks and curbs that are on there and just focus
3 in on the surfacing, but however, I'm down here just to see what
4 we can do to see if we can acquire additional funds or matching
5 funds for that project.

6 The others, I want to commend all the staff for
7 providing and working with us on the SMART grant. Certainly it
8 is always good to have the partnership working forward, because
9 a lot of times in rural Arizona, we don't have the resources or
10 the funding to have a full-time grant writer to assist us. And
11 again, I'd just like to commend and ask for continued guidance
12 and technical support.

13 And the other is we got -- we understand that
14 ADOT will be doing a lot of pavement preservation and
15 resurfacing along I-40. I'm hoping that we would be able to
16 partner as well so that instead of just stockpiling some areas,
17 Apache County is going to be submitted for use of those millions
18 to be -- apply to county roads near the project area in -- near
19 Chambers. And so, simultaneously, instead of taking millions to
20 the stockpile, we're asking or hoping that we would be able to
21 collaborate so that maybe the trucks can lay down the asphalt in
22 a different place so that we can apply that as a county, just to
23 make things easier, instead of double hauling.

24 Lastly is just, again, for future references on
25 US Highway 191 south of Ganado, the shoulder widening is also

1 something I'm going to continue to advocate for. So (inaudible)
2 appreciate the time and the Board's and local officials hosting
3 this, and it's -- glad to be here too, as well.

4 So thank you, Mr. Chairman.

5 CHAIRMAN KNIGHT: (Inaudible.)

6 MR. ROEHRICH: Our next speaker is Mr. Matt
7 Rencher.

8 MR. RENCHER: Good morning, Mr. Chairman,
9 Mr. Vice Chair and members of the Board. Thank you for allowing
10 me the opportunity to address you. As stated, my name is Matt
11 Rencher, and I'm the Public Works Director and the City Engineer
12 for the City of Eloy. I wanted to take just a few minutes to
13 express our appreciation and gratitude on behalf of the City of
14 Eloy, for the funding that we were recently awarded from the
15 State General Fund for highway -- highway projects.

16 The City of Eloy was awarded \$5 million from the
17 State General Fund for the Sunland Gin Road, Interstate 10
18 overpass and road improvements between Interstate 10 and Arica
19 Road. This is a significant project in the City of Eloy that
20 addresses some of the concerns that are, by some reports, up to
21 15 years old.

22 The concerns have been especially relevant in the
23 last five years or so, particularly with the increase in housing
24 and development and the influx of new housing units in the
25 subdivisions to the west of Sunland Gin Road, as well as in

1 Arizona City in Pinal County.

2 As traffic levels have increased for the -- for
3 both South Sunland Gin and West Arica Road, the City of Eloy and
4 Pinal County have received numerous emails and telephone calls
5 from concerned area residences and -- residents and businesses
6 regarding the operation of the intersection with Arica Road and
7 Sunland Gin Road. These calls and emails have indicated that
8 high levels of traffic on Sunland Gin Road have created a
9 situation that makes it difficult for traffic coming out onto
10 Sunland Gin Road to get access to the Interstate 10. In some
11 reports, the in-peak travel times that -- the backup of one or
12 two miles causes delays of 15 or 20 minutes for traffic leaving
13 the subdivisions.

14 The additional funding that was awarded to the
15 City of Eloy will greatly help to mitigate these issues and
16 implement solutions to them and improve the facilities to
17 provide a higher level of service to all of our affected -- all
18 of our affected citizens by this particular interchange.

19 It shows that we take the concerns seriously, and
20 we have -- we have committed to make our roads and streets
21 better. We're grateful for the funding. We appreciate the
22 opportunity to move this project forward. We appreciate the
23 support.

24 I realize that you can't answer any comments or
25 ask any questions, but I'd be happy to provide my contact

1 information at the end of the meeting if you -- if I can be of
2 further assistance. Again, thank you very much. I appreciate
3 it.

4 CHAIRMAN KNIGHT: Thank you for your comments.

5 MR. ROEHRICH: The next speaker is Maricopa Mayor
6 Nancy Smith.

7 MAYOR SMITH: Good morning. Hope you all are
8 doing well. I'm so thankful to be able to come and speak with
9 you. I would like to address a couple things of appreciation.

10 First to Board Member Jenny Howard for coming out
11 to the city of Maricopa, taking a grand tour of Maricopa with us
12 and learning all of the transportation needs that we have as a
13 city, specifically State Route 347, but just to get a general
14 idea how things are moving out in the city of Maricopa.

15 I would also like to thank Jennifer Toth and the
16 staff that is in attendance behind me and those that aren't in
17 attendance that came out last night to the city of Maricopa to
18 share the results of the road safety assessment to our residents
19 in a town hall. It was fantastic. They did a great job,
20 provided a lot of great information, and although our residents
21 can be kind of feisty, they really appreciated the information,
22 and we challenged them to take that information back to their
23 homes, their family, their friends, their neighborhoods and
24 share the information that we learned and what road safety helps
25 are coming from ADOT and how we as individuals can help the road

1 safety on State Route 347 as well.

2 Today I want to draw your attention to something
3 that I'm really excited about, very proud about in regards to
4 funding that we have thus far on State Route 347. In 2021, our
5 first appropriation of approximately \$50 million for the Riggs
6 Road overpass, that was the legislative session that we got that
7 first bulk of money for that overpass. And then in '22 and
8 again this year, in '23, we received some inflationary dollars
9 for that overpass to make sure that we keep up with inflation.

10 And so as you probably are aware, the -- we often
11 are hearing from the federal government about clawbacks,
12 clawbacks of COVID money, and sometimes at the state level as
13 well. In this legislative session, we're talking a little bit
14 about clawbacks. So I have a major concern that we've worked
15 very hard.

16 If you look at the mayors that have worked as
17 hard as I think I'm working, we start with Mayor Anthony Smith.
18 Four years of being the mayor and coming to ADOT board member --
19 meetings. Ten years with Mayor Christian Price coming to board
20 members and working it hard. And I'm following in suit, and
21 we're working it hard, and we've worked hard over the last three
22 legislative sessions to get approximately a total of \$80 million
23 in funding for State Route 347, including \$18 million this year
24 for two intersection improvements, and we don't want to lose
25 that money to clawbacks.

1 So what I'd like to ask is that there be some
2 type of possibly two times a year update on how that money is
3 being spent, and if that money is being spent yet, and how the
4 status of those projects are working.

5 Thank you very much.

6 CHAIRMAN KNIGHT: Thank you for your comments.

7 MR. ROEHRICH: Our next speaker is Mr. Kevin
8 Biesty.

9 MR. BIESTY: Good morning, Chairman Knight,
10 Director Toth, members of the Board. For the record, my name is
11 Kevin Biesty, and I'm here on behalf of Freeport-McMoRan in
12 Bagdad, Arizona.

13 Bagdad's main mine product is copper, which as we
14 know, is a key component to the nation's energy transition plan
15 for net zero emissions by 2050. Many of the strategies
16 currently being deployed in this effort equate to a large need
17 for copper. For example, electric vehicles use up to four times
18 more copper than internal combustion engine vehicles.

19 Another key component is to have a modern, safe
20 and efficient transportation network capable of moving people
21 and goods necessary for a successful energy transition. That is
22 why we support the proposed improvements to SR-93 identified in
23 the tentative FY '24-'28 plan before you and applaud the
24 Department and this Board for their continued commitment to
25 modernization and safety improvements along this corridor, a

1 corridor that our team members and our product move along on a
2 daily basis.

3 The other corridor that is critical for the
4 movement of materials and the decarbonization effort is SR-97.
5 As you're aware, Freeport-McMoRan has been working with the
6 Northwest District on a project to improve SR-97 and enhance
7 safety, utilizing \$10 million made available by Freeport, and a
8 \$10 million General Fund appropriation from the Legislature,
9 which will be used towards a federal RAISE grant that Yavapai
10 County submitted earlier this year for the project.

11 As an update on this effort, I attended a meeting
12 with USDOT earlier this month and was told that they are
13 planning to announce these RAISE grant awards by the end of the
14 month. So we are anxiously awaiting this announcement, and
15 hopefully next month we can announce that it was successful.

16 In closing, we ought to publicly thank District
17 Administrator Brozich and his team for the efforts in this
18 endeavor, and also thank you, Mr. Chairman, members of the
19 Board, Director Toth and her dedicated team for the service to
20 the State. Thank you very much.

21 CHAIRMAN KNIGHT: Thank you. Thank you for your
22 comments.

23 MR. ROEHRICH: Our next speaker is Mr. Edigar
24 Kajirawa. And he's spoken before, and I butcher his name every
25 time, so I apologize, but he -- at least he knows who he is,

1 right?

2 MR. KAJIRAWA: Yes, sir.

3 Good morning, Chair and Vice Chair and fellow
4 Board Members. I think I have been following you around for a
5 couple of months now, and I appreciate the opportunity to be in
6 front of you once again. My name is Edigar Kajirawa, Assistant
7 City Manager with the City of Bullhead City.

8 I would just like to first of all take the
9 opportunity to thank all of you and the Department for all your
10 support and guidance. We've been able to get some projects
11 pushed through you and with your support. We have Highway 95
12 right now, with construction starting this summer, and then also
13 through the legislative process, we've been able to get funding
14 for the right turn lanes.

15 Today I stand before you to bring it to your
16 attention and also sort of request additional funding to support
17 our RAISE grant application for the Bullhead Parkway. This
18 application went to the Department of Transportation last year.
19 It wasn't awarded, but it was designated as a project of high
20 merit. During our debrief, they did identify that we did not
21 have enough state support from the technical aspect of it, and
22 we also lacked local collaboration.

23 So this year, we've taken a different path, and I
24 don't want to speak too much into it, but it does seem
25 optimistic. They're going to be announcing the winners later on

1 this month, on the 28th, but before you today is a request for
2 3 million to go towards the Bullhead Parkway, which is a 10.2
3 mile road. No streetlights, no median. I think about 20
4 percent of it has some shoulders. So we (inaudible) want to
5 (inaudible) that and make it a multimodal project and also
6 alleviate traffic off Highway 95 and also make it safe. So we
7 do believe this project is going to improve the local
8 transportation infrastructure, and we hope that if it -- once it
9 comes before you, you're able to approve it.

10 I stand for any questions.

11 CHAIRMAN KNIGHT: Thank you very much for your
12 comments.

13 MR. ROEHRICH: Our next speaker is Mr. Bill
14 Robertson.

15 MR. ROBERTSON: Thank you, Mr. Chairman, Vice
16 Chairman, Board, for the opportunity to address you this
17 morning, and thank you for all that you do.

18 As Mayor Smith referenced, we had a presentation
19 last night by ADOT representatives on the traffic safety
20 analysis of the 347. (Inaudible) one of the biggest things that
21 we learned is a project that's coming up rather quickly is the
22 Riggs Road overpass of State Road 347. It has been designated
23 one of the deadliest intersections in the state and has made
24 that top honors list.

25 Riggs Road overpass is fully funded, but we've

1 also learned that it will not be built out until 2025. That's a
2 bit disappointing, but we understand how the sausage is made and
3 the difficulties entertaining funding, and we'll (inaudible)
4 we'll take it in 2025. But the funding worries me a little bit
5 We've heard stories about funding timing out, if it's not used
6 appropriately in a period of time, that it could time out, or
7 even the Legislature could claw it back.

8 So I'd like to ask you to try to do your best to
9 secure that funding for us should it look like it's going to --
10 the timing is going to be extended or that difficulties in the
11 construction or the studies extend the time period where the
12 funding (inaudible).

13 We do believe that this single project, although
14 it's an intermediate project to the full expansion of 347 that's
15 in our history, that it needs to happen now, sooner than later.
16 The urgent -- there are some urgent intermediate projects that
17 are on the -- on the burner now with ADOT to happen on 347 while
18 we're late for funding sources for the complete expansion, and
19 we thank ADOT for elevating that on their priority list and
20 getting us a study. They did this study in record time. So
21 they know the urgency, and we want to make sure that you are
22 fully aware -- and I'm sure you are -- of the urgency of the
23 347. Maricopa is now the eighth fastest growing city in the
24 United States, with over 70,000 more homes to come in the next
25 decade, and we have reached capacity.

1 Thank you for all you do, and thank you for your
2 time.

3 CHAIRMAN KNIGHT: Thank you for your comments.

4 MR. ROEHRICH: Mr. Chairman, those are all the
5 requests to speak in person, so we'll move to the online
6 requests, and I already see that Ms. Briiana Valez has raised
7 her hand.

8 Bryce, would you please work with Ms. Valez to
9 unmute her so she can make her comments?

10 WEBEX HOST: Ms. Valez, I have requested to
11 unmute your line. You are now unmuted. You may speak.

12 MS. VALEZ: Thank you.

13 Good morning, Mr. Chairman and Vice Chairman and
14 members of the Board. My name is Briiana Valez, and I represent
15 the City of Phoenix Street Transportation Department, and I'm
16 here today for Agenda Item 8.

17 Our application for the AZ Smart grant was
18 originally supposed to be considered on the March 17th agenda,
19 but due to things beyond our control was not considered on that
20 day as planned. I'm here to let you know we are very excited
21 about this opportunity to secure additional funding for a very
22 important project, the Rio Reimagined Bicycle Pedestrian Bridge.
23 This project advances and expands the local and regional active
24 transportation network while also providing vital transportation
25 options to disadvantaged communities. This project also

1 supports and complements the City's Vision Zero Road Safety
2 Action Plan by offering a future parallel off-system option that
3 will reduce conflicts between vehicles and bicycles and
4 pedestrians.

5 With that, I want to say thank you for your time
6 and consideration and that I will be available during the agenda
7 item in case there are questions you may have. Thank you.

8 CHAIRMAN KNIGHT: (Inaudible.)

9 MR. ROEHRICH: Our next --

10 CHAIRMAN KNIGHT: Floyd, I'm not seeing any
11 closed captioning.

12 MR. ROEHRICH: Well, Bryce, are those captions
13 running, please? Can you check?

14 WEBEX HOST: Yes. I'll double-check on that.
15 Should be on. Let me see.

16 VICE CHAIRMAN SEARLE: You did have her name
17 (inaudible).

18 CHAIRMAN KNIGHT: Yeah. I had her name up there,
19 but okay.

20 MR. ROEHRICH: Mr. Chairman, does it -- can you
21 see it?

22 CHAIRMAN KNIGHT: All we saw was your name.
23 There we go. Now we can see it. Thank you.

24 UNIDENTIFIED SPEAKER: You won't be able to see
25 it when (inaudible) the presentations, the PowerPoints.

1 MR. ROEHRICH: Okay. So when the presentations
2 start, closed captioning will not be visible because you'll be
3 seeing the presentation.

4 CHAIRMAN KNIGHT: Thank you.

5 MR. ROEHRICH: Our next speaker is Mr. Bookman.

6 Mr. Mrakovcic -- man, I apologize for that.

7 Mr. Mrakovcic, if you're there, please raise your hand and we
8 will unmute you.

9 WEBEX HOST: As a reminder, please press star
10 three to raise your hand. Not seeing --

11 MR. ROEHRICH: Come back to -- yeah, I don't see
12 anything raised either. We'll come back to that.

13 Our next speaker will be Mr. Jeronimo Vasquez.
14 Mr. Vasquez, please raise your hand.

15 WEBEX HOST: I have requested to unmute your
16 line. Your line is now unmuted. You may speak.

17 MR. VASQUEZ: Mr. Chair and members of the State
18 Transportation Board, my name is Jeronimo Vasquez, and I serve
19 on the Coconino County Board of Supervisors, District Two, and
20 as vice chair of MetroPlan, the metropolitan planning
21 organization in the Greater Flagstaff region.

22 I am here to seek your approval of the \$600,000
23 AZ SMART Fund request for the I-40 design concept report update
24 in the Bellemont area. Coconino County seeks to reduce traffic
25 congestion and improve traffic flow at the existing I-40 and

1 Hughes Avenue traffic interchange, and on the I-40 Frontage Road
2 within the Bellemont area.

3 The current I-40 design concept report commends
4 shift -- recommends shifting the existing traffic interchange
5 800 feet to the east and constructing two roundabouts. One
6 roundabout for the off ramps and one roundabout for the
7 intersection with Shadow Mountain Road.

8 The County constructed the roundabout at the
9 proposed intersection with Shadow Mountain and attempted to
10 procure the land where the new traffic interchange and off ramps
11 were originally proposed to be located. Unfortunately, the
12 private property owners were unwilling to sell their land to the
13 County due to their own planned development.

14 The County now believes the recommendation to
15 shift the traffic interchange 800 feet to the east may no longer
16 be feasible due to the private development that has occurred
17 adjacent to where the recommended traffic interchange off ramps
18 would be located in the original design concept report.

19 Additionally, Coconino County is looking to
20 update the I-40 design concept report to be competitive in
21 applying for future federal funding. Specifically, a RAISE
22 grant to improve, realign or construct a new traffic interchange
23 in the Bellemont area, along with making frontage road
24 improvement.

25 The design concept report update will ensure

1 collaboration and agreement between ADOT and Coconino County
2 regarding improvements being proposed on the I-40 traffic
3 interchange and frontage roads and intersections that may affect
4 the state highway system.

5 The AZ SMART grant will help relieve the County
6 of funding, a \$600,000 study to update the design concept report
7 and allow the County to reinvest funds back into pavement
8 preservation or put towards a match for future RAISE grants.

9 The AZ SMART Fund is extremely important to help
10 alleviate the match burden on local agencies to access federal
11 grants. Our project also directly benefits the state by
12 creating a design for the problematic I-40 interchange at
13 Bellemont and seeks federal funds to correct the issues.

14 On behalf of Coconino County and MetroPlan, I
15 strongly support this SMART Fund request to update the design
16 concept report that has multiple benefits for communities that
17 use I-40 as a corridor to access recreational areas, economic
18 centers and Bellemont residents impacted by the overcongested
19 interchange and commercial truck traffic.

20 Thank you for your time and consideration. Thank
21 you.

22 CHAIRMAN KNIGHT: Thank you, Mr. Vasquez.

23 MR. ROEHRICH: Bryce, (inaudible) Board Member
24 Daniels (inaudible) participation group. Could you please move
25 her into the panelist group?

1 WEBEX HOST: Of course.

2 MR. ROEHRICH: And then I will check one more
3 time if Mr. Mrakovcic is here. Will you please raise your hand?

4 WEBEX HOST: I'm not seeing a hand raised at this
5 time.

6 Are you able to move Ms. Daniels into panelists?

7 WEBEX HOST: Yes. I'm (inaudible) right now.

8 MR. ROEHRICH: Okay. Mr. Chairman, that's all
9 the requests to speak that we have.

10 CHAIRMAN KNIGHT: Thank you.

11 We'll now move on to Item Number 1, the
12 director's report.

13 DIRECTOR TOTH: Sorry. I was watching the screen
14 and not paying attention.

15 Good morning, Chairman, members of the Board. I
16 too want to echo and thank the Mayor and the town of Florence
17 and the town council and the town staff for showing us such
18 great hospitality last night. We're very happy to be here in
19 Florence.

20 I want to start sharing a few quick updates with
21 everyone. First giving a shoutout to our ADOT teams for
22 recently earning some major awards. The ADOT Professional
23 Development Team in our Employee Business and Development Office
24 just won an international award for its Leading Others Program,
25 which is aimed at developing leadership skills among ADOT

1 managers and supervisors. The program and the team were
2 recognized by the Association for Talent Development at their
3 conference.

4 We also received word that our US-60 Pinto Creek
5 Bridge project was named the Western Regions Best Use of
6 Technology and Innovation, and a median project by the America's
7 Transportation Awards, which is an annual competition sponsored
8 by AASHTO.

9 In addition, our *Arizona Highways* magazine earned
10 17 awards for excellence at the International Regional Magazine
11 Association's annual awards competition, and four those awards
12 were first place gold honors. So a big congratulations to the
13 staff, and really appreciate their dedication to making this a
14 great state.

15 Next, I want to recognize everyone who took very
16 quick action to kick off a series of pavement repair projects,
17 including the State Transportation Board. We have 23 pavement
18 repair projects on the schedule right now. We've also developed
19 a website for the public that includes a schedule, as well as an
20 interactive map, of the initial round of the \$50 million in
21 improvements, along with information about additional future
22 repairs, and that website is www.azdot.gov/pavingrepairs. It's
23 a great site to share with your network and with other members
24 of the public who are interested in getting details about that
25 pavement preservation, which are scheduled throughout the

1 summer. A big thanks goes out to the ADOT teams who worked on
2 getting these initial projects underway very quickly and
3 efficiently.

4 Next, I want to highlight that the tentative
5 five-year transportation program you'll be considering for
6 approval later this morning received 1,089 comments in various
7 ways, online comments, e-mail, some phone calls, and also verbal
8 comments at the State Transportation Board meetings. That
9 feedback is very important, and our ADOT staff reviews, tracks
10 and manages every single one of those comments. Each comment
11 was acknowledged, and in many cases, an individualized response
12 was provided to the commenter. And I want to thank them for
13 guiding that -- our ADOT employees for guiding that entire
14 process and providing that customer service.

15 Lastly, now that we're on our way to wrapping up
16 the five-year program, our attention will be turning to the
17 state Long-Range Transportation Plan. You'll get an update on
18 that later in the agenda, but I did briefly want to touch on one
19 of the issues that you'll hear about, and that is the revenue
20 gap.

21 When we updated the 2040 plan, there was a
22 projected gap in funding, and now we're looking ahead to 2050.
23 That gap obviously has increased. In the 2040 Long-Range Plan,
24 the gap exceeded the available revenue by 135 percent. In the
25 2050 Long-Range Plan, that gap is exceeded by available revenues

1 by 180 percent. Construction costs and growth definitely play a
2 large part in that gap, but so does revenue and funding. If
3 revenue isn't addressed, ADOT's ability to maintain, modernize
4 and expand the system is greatly impacted.

5 Also, I want to note that ADOT infrastructure
6 must also meet FHWA performance criteria or run the risk of
7 losing funding. Our system must be maintained in a state of
8 good repair and meet the performance targets. No investment
9 choices would allow for even 50 percent of ADOT invest --
10 infrastructure to meet those performance targets, and that's a
11 serious problem for us.

12 I share all this to emphasize the future outlook,
13 which is not positive, but it is the reality that we face every
14 day. You'll hear more details from Paul when he shares the
15 recommended investment choice and the gap revenue analysis, and
16 I look forward to hearing your discussion.

17 Thank you for the time to update you, and I'll
18 turn it over to Anthony Casselman. He'll give our legislative
19 update.

20 MR. CASSELMAN: Good morning, Mr. Chairman, Board
21 Members. Again, I'll just introduce myself. This is only the
22 second board meeting I've been at. So Anthony Casselman. I'm
23 with the ADOT Government Relations Office.

24 Just a quick update for you on activities going
25 down at the Legislature. They reconvened this week for just a

1 couple of days, a couple of long days, to conduct business on a
2 few outstanding pieces of legislation. They elected to adjourn
3 until July 31st, so we won't see the end of session or the
4 adjourned sine die, as they like to call it, until at least
5 August.

6 A quick update on the Prop 400 extension. There
7 was a proposal that was passed through the Legislature this
8 week, Senate Bill 1246. The bill would have split the question,
9 allocating a portion of the half cent sales tax to freeways,
10 arterials and transit, and then a separate question to allocate
11 the remaining tax revenues to light rail. Because it's not
12 aligned with the Governor's proposal, it's expected that that
13 bill is going to be vetoed.

14 Just a quick item I wanted to touch base on. I
15 mentioned it just briefly in the last board meeting, but I
16 thought it'd be good to mention it just one more time. Through
17 Senate Bill 1735 -- this was a bill that was part of the
18 budget -- there were some changes made to the SMART Fund
19 enabling legislation, and I wanted to cover those this morning.

20 So these changes were made to clarify the
21 Legislature's intent when the language was first passed in 2022
22 regarding focus on rural communities across the state. The
23 changes in the bill would exclude municipalities that are
24 partially located in the urbanized area of Maricopa or Pima
25 County. So the difference here is that the original legislation

1 said that it was going to exclude municipalities that were
2 entirely located. Now they're adding that word that would
3 exclude municipalities and towns that are partially located in
4 an urbanized area.

5 So I just want to go over again what's the
6 practical impact of this. The practical impact is that there
7 are a large portion of municipalities in Maricopa and Pima
8 counties that will no longer be eligible for the SMART Fund. It
9 is important to note, and I want to make this distinction very
10 clear to the Board this morning, that this change is not
11 effective yet. This change will not go into effect until 90
12 days after the Legislature adjourns sine die, which at this time
13 is unknown. So I just want to make that statement that that
14 change is not effective yet, but probably looking towards the
15 end of the year, it will become effective.

16 That's my update. With that I'm happy to answer
17 any questions.

18 CHAIRMAN KNIGHT: Did you want to talk about the
19 12 and a half million?

20 MR. CASSELMAN: Oh, yes.

21 Mr. Chairman, I know there were some questions
22 about the \$12 and a half million deposit and how it gets
23 distributed. I did want to make a clarifying point about that
24 as well. It's not explicit in the appropriation language, but
25 you do have to refer back to, again, the enabling legislation

1 for the SMART Fund, which allocates -- or which outlines how
2 that money is supposed to be allocated. So it's 20 percent to
3 each category. That's how you get to that two and a half
4 million per each category.

5 CHAIRMAN KNIGHT: (Inaudible.) Does the 12 and a
6 half million (inaudible) into effect (inaudible) sine die or
7 does it go in effect July 1st?

8 MR. CASSELMAN: Mr. Chairman, great question.
9 That will go into effect on July 1st.

10 CHAIRMAN KNIGHT: Thank you.

11 Any other questions? Yes. Member Maxwell.

12 MR. MAXWELL: So thank you for that update. I've
13 got a question on -- specific to the changes they made in
14 SB1735. I know on some of the other changes to some of the fund
15 programs that they put out there, they made it retroactive to
16 the original date of the legislative action in earlier years.
17 So I understand that it will not be officially in place until 90
18 days from the -- from sine die, but my question is, is there a
19 statement in here that makes it retroactive to that earlier
20 date?

21 MR. CASSELMAN: Mr. Chairman, Board Member
22 Maxwell, again, another great question. And no, there is no
23 statement in the bill of that nature.

24 MR. MAXWELL: Okay. Thank you.

25 CHAIRMAN KNIGHT: (Inaudible.)

1 MR. CASSELMAN: Thank you.

2 MR. MAXWELL: Gary, I did have one question to
3 follow up with the Director.

4 CHAIRMAN KNIGHT: Go ahead, Ted.

5 MR. MAXWELL: Director, thank you for the update
6 and the gloom and doom outlook. We -- that's -- you've heard me
7 say lots of times at some point we've got to have a
8 consideration of modernizing our infrastructure funding sources.
9 What is it in -- you mentioned a couple of things that are
10 impacting. Obviously, we know cost, inflation, that that all is
11 going to impact it. Are there any specifics on the current
12 funding sources that you see trending both in the downward
13 direction or that are also part of the problem of why the
14 farther we go out, we have the larger shortfalls?

15 DIRECTOR TOTH: Well, as our CFO, Kristine Ward,
16 has presented, there's a great graph that shows the degradation
17 of the gas tax of the HURF revenues coming in, in that we have
18 not had a raise in that since 1991, and so because of inflation,
19 obviously, the -- it keeps going and dwindling, whereas our VLT
20 is increasing because there is that inflationary built in on the
21 cost of the vehicles. So I would say that's probably the
22 largest aspect of the degeneration in the HURF funding or the
23 degradation of that over the years.

24 MR. MAXWELL: Okay. Thank you, Mr. Chair, and
25 thank you, Director.

1 CHAIRMAN KNIGHT: Any other questions from the
2 Board? (Inaudible) last minute items to report?

3 DIRECTOR TOTH: No, Mr. Chairman. Thank you.

4 CHAIRMAN KNIGHT: Thank you.

5 We'll now move on to Item Number 2, the district
6 report. This is for information and discussion only, and Doug,
7 I'll turn the floor over to you.

8 MR. MOSEKE: There you go.

9 Good morning, Mr. Chair and members of the Board.
10 My name is Doug Moseke. I'm Assistant District Engineer for the
11 Southcentral District, and I appreciate the opportunity to
12 provide a brief update on the construction projects that are
13 ongoing and upcoming in the Southcentral District.

14 To begin with, we have our I-10 widening project
15 that's from Ina Road to Ruthrauff. This is on the north end of
16 the city of Tucson. Excuse me. This is on the north end of the
17 city of Tucson, south end of Marana, and the contractor is
18 Granite Construction. The contract amount's \$171 million.
19 It's -- was awarded via low bid. The project started in
20 February of 2023, and we expect the completion in late 2025.
21 This will widen I-10 to four lanes in each direction, and it
22 will result in four lanes from downtown Tucson all the way up to
23 Ina Road. There'll be nine bridges reconstructed. We'll also
24 flip the Sunset TI and, as part of a joint effort with Pima
25 County, will connect Sunset Road to River Road over the Union

1 Pacific Railroad.

2 The second project is on State Route 77, from
3 I-10 to Calle Concordia. This is awarded to Granite
4 Construction. Contract amount was \$34.4 million, low bid on the
5 project, that started in February of 2021, and we expect it to
6 finish late summer, early fall of 2023. This was primarily a
7 pavement rehabilitation project and safety improvements where we
8 provided new curb and gutter and sidewalk from River to Magee,
9 street lighting up to -- up to Ina. And then we worked with the
10 RTA to add a northbound to a left turn onto Magee from State
11 Route 77.

12 The third project, which is just around the
13 corner here, State Route 79, crossing of the Gila River Bridge.
14 The contractor on this was FNF Construction. It was a
15 \$22.2 million project delivered as a construction manager at
16 risk. This started in January in 2022, and was substantially
17 complete just last month. This was a bridge replacement with
18 accelerated bridge design. We actually ended up building the
19 bridge off on either side of the existing bridge, demoed the
20 existing bridge, and then slid the two pieces of the bridge
21 together. So it was sliding about five football fields over two
22 different weekends. We did -- on the -- on the photo to the
23 right, you can kind of see the two sections of the bridge in
24 their final position, and what we did to complete the project
25 was a closure pour, and that's -- we're going to work with the

1 contractor to do a little bit of grinding. It's a -- it's a
2 nice ride, but it's a -- it's a little rough, so we're going to
3 work with them to see if we can kind of smooth it out a little
4 bit.

5 The next project I wanted to discuss is State
6 Route 387, from I-10 to State Route 87. This is a pavement
7 preservation project that was awarded to Nesbitt Contract (sic)
8 in the amount of \$5 million. Was also a low bid. They are
9 intending to start this project late summer, early fall of this
10 year and completed in the spring of 2024. This is going to mill
11 and replace the existing pavement, do some chipseal, some
12 shoulder buildup and a little bit of erosion work.

13 Then we'll move on to I-10, from Picacho to Pinal
14 Airpark. This is another pavement preservation project that was
15 awarded to Sunland Asphalt, with a contract amount of
16 \$4.6 million awarded via low bid. This will be starting this
17 fall, and we're hoping to wrap it up this winter.

18 And then just advertised this week is the State
19 Route 287 and Christiansen left turn lane and State Route 87 at
20 Kenworthy, westbound right turn lane. So this is on the street
21 right now. We have a programmed amount of just under
22 1.3 million. It'll be low bid. Once it's -- once it's awarded,
23 we'll start this winter and look to wrap it up by summer of
24 2024. And like I said, that will construct a left turn lane at
25 Christiansen and a right turn lane at Kenworthy.

1 Also coming soon will be a roundabout project or
2 dual roundabout project at State Route 287 and State Route 79B.
3 This is a project that we've been working with a strong
4 partnership with the Town of Florence and the Maricopa
5 Association of Governments, and we are looking to get this
6 advertised this summer. We're targeting July. We've programmed
7 amount of \$8.9 million. It will be delivered via low bid.
8 We'll -- we will look to start it fall this year and complete it
9 in the summer of 2024. We'll construct two roundabouts, add
10 some lighting, some drainage and sidewalk improvements.

11 The final project that I wanted to mention today
12 is State Route 87 and Skousen Road traffic signal. We're
13 anticipating to advertise this project in the fall of 2023. We
14 have \$2.5 million programmed for construction. Delivery method
15 will be low bid, and we anticipate the start date to be winter
16 of 2023, with the expected completion near the winter of 2024.
17 There's a long lead item with the traffic signal poles. And
18 this will end up constructing traffic signal and turn lanes at
19 the intersection of Skousen and SR-87.

20 And with that, thank you for the opportunity to
21 present an update to you. I'd be happy to answer any questions

22 CHAIRMAN KNIGHT: (Inaudible) questions for Doug?
23 I guess you're (inaudible). Great presentation. Thank you.

24 MR. MOSEKE: Thank you.

25 CHAIRMAN KNIGHT: We'll now move on to Item

1 Number 3, the consent agenda. Does any member want an item
2 removed from the consent agenda for separate consideration?

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

5 MS. HOWARD: So moved.

6 VICE CHAIRMAN SEARLE: Second.

7 CHAIRMAN KNIGHT: I have a motion from Member
8 Howard and second from Member Searle to approve the consent
9 agenda as presented.

10 All those in favor signify by saying aye.

11 BOARD MEMBERS: Aye.

12 CHAIRMAN KNIGHT: Opposed? The motion carries.

13 MS. DANIELS: I vote aye as well.

14 MR. ROEHRICH: Mr. Chairman. Mr. Chairman, yes,
15 I would like to get Ms. Daniels (inaudible) since she is
16 virtually.

17 CHAIRMAN KNIGHT: Oh, okay. I'm sorry. I didn't
18 realize she (inaudible) now I see her name up on the screen. Go
19 ahead.

20 MR. ROEHRICH: So Ms. Daniels, (inaudible).

21 MS. DANIELS: Aye. Thanks.

22 CHAIRMAN KNIGHT: Thank you. (Inaudible.)

23 All right. We'll move on then to Agenda Item
24 Number 4. This is for information and discussion only with
25 Kristine Ward. It's the financial report.

1 (Pause in recorded audio.)

2 MS. DANIELS: We don't have sound online. I'm
3 not sure if the microphone...

4 If the Chair -- I could hear the Chairman
5 speaking, but I am unable to hear Kristine. Is anybody else
6 having that same challenge?

7 WEBEX HOST: We are unable to hear online. We
8 can hear the board members.

9 MS. DANIELS: I haven't heard the board members,
10 though, since we lost sound, Bryce.

11 WEBEX HOST: Oh, okay. Yes.

12 MR. ROEHRICH: This is Floyd. (Inaudible.)

13 WEBEX HOST: Floyd, we can hear you.

14 MR. ROEHRICH: (inaudible) Daniels, so she might
15 be having some audio issues.

16 MS. DANIELS: I can hear Floyd as well. I just
17 was unable to hear Kristine speaking.

18 MR. ROEHRICH: Okay. So Kristine, do it again.
19 Get much closer to the microphone. Sounds like it's not picking
20 up your audio from the microphone. So if you could get close to
21 a microphone, please.

22 MS. WARD: All right. Let's try this again.

23 Can you hear me, Ms. Daniels?

24 MS. DANIELS: Yes. Now we can hear you. Bryce
25 was unable to hear you as well, so there must have been an

1 issue. Thank you.

2 MS. WARD: Okay. I'm very sorry. It's one of
3 the few times in life that someone has that -- has suggested
4 that I'm -- that I'm quiet.

5 All right. So going to the individual detail of
6 Highway User Revenue Fund, we only have one little anomaly going
7 on there with regards to use fuel, and it looks like we had a
8 larger than anticipated refund there, so... But again,
9 nothing -- when it comes to Highway User Revenue Fund, we are
10 right on forecast and quite happy about that.

11 Moving on to the Regional Area Road Fund. Again,
12 same circumstance. We are right within forecast. And let me
13 turn some pages here. Excuse me. It was about \$720 million
14 collected year to date. So we don't anticipate any issues
15 there. We are 1 percent -- 1 percent above forecast. In the
16 individual categories, nothing of significance to report there
17 either.

18 And with regards to the federal aid program and
19 the balance of the programs, no further -- no further reports.
20 I'd be happy to take any questions.

21 CHAIRMAN KNIGHT: Does any board member have
22 questions for Kristine?

23 MS. HOWARD: I do.

24 CHAIRMAN KNIGHT: Jenny.

25 MS. HOWARD: Kristine, several meetings ago, you

1 brought to the Board a balance discussion between the feds and
2 the state. How is that progressing, and do you have an update?

3 Mr. Knight, Ms. Howard, you have great questions,
4 starting with yesterday at the orientation. Yes. I actually
5 was talking to our federal highway partners just before this to
6 try and get an update to see what they had, and apparently we
7 are still awaiting information from the FHWA mothership. So,
8 you know, we don't have any updates, and we have been -- the
9 last update that I received was that -- excuse me -- was that we
10 would be hearing something before the August redistribution
11 request that we typically will see in the next month or so.

12 That's a great question. We are looking -- it's
13 not exciting to others, but we are waiting with bated breath for
14 this outcome. Thank you.

15 CHAIRMAN KNIGHT: (Inaudible) I didn't
16 (inaudible) from the Legislature (inaudible) surplus for this
17 coming (inaudible) and it looks like (inaudible) surplus. Is
18 that -- is there any truth to that?

19 MS. WARD: Mr. Knight, I regretfully cannot
20 answer that question. In a previous life I could have, but I
21 have not -- I haven't looked at the General Fund in a while, so
22 I apologize. I can't answer that, sir, but I'd be happy to get
23 that information for you.

24 CHAIRMAN KNIGHT: Okay. (Inaudible) kind of
25 anticipating that (inaudible) and I'm hoping that doesn't go

1 away. But anyway, I'm kind of keeping (inaudible) myself.

2 MS. WARD: I'd be happy to check into it and
3 provide the information back to you.

4 CHAIRMAN KNIGHT: Thank you, Kristine.

5 Any other questions from the Board?

6 MS. WARD: Thank you.

7 CHAIRMAN KNIGHT: (Inaudible.) Thank you.

8 Moving on to Agenda Item Number 5. This is
9 (inaudible) Paul Patane, for discussion and possible action.

10 MR. PATANE: There we are.

11 Thank you, Chairman Knight, Board Members,
12 (inaudible) consideration request for the final approval of the
13 FY 2024-2028 Five-Year Transportation Facilities Construction
14 Program. (Inaudible.) Excuse me.

15 So today I'll discuss a little bit of background
16 information that will show the final five-year highway delivery
17 program, the final MAG program, the final PAG program, along
18 with the final airport program and next steps moving forward.

19 So some of the key milestones in the process. We
20 started (inaudible) in February with Board's approval of the
21 tentative (inaudible) the public comment period. And then we
22 had (inaudible) public hearing, followed by the Board study
23 session June 1st. (Inaudible) effective (inaudible) July 1st,
24 (inaudible). (Inaudible) fiscally constrained.

25 Just a recap of the funding (inaudible) five-year

1 tentative program. (Inaudible) programs.

2 So here we show (inaudible) expansion (inaudible)
3 preservation. (Inaudible.) As you can see, (inaudible). In
4 addition, the decision was made to increase the size of the HSIP
5 program for 40 million annually to 62.7 (inaudible).

6 So now I'll show -- go through the (inaudible)
7 program.

8 This slide shows a breakout the funding going to
9 (inaudible) by year. This includes all the funding (inaudible)
10 highway section (inaudible), the HSIP system bridge and the
11 Transportation Alternative Program. As you can see (inaudible)
12 portion is in the preservation category, and the black line that
13 is shown is the target for the preservation, annual amount.

14 This here is turning to this -- the ADOT system.
15 The same categories as presented. With the monetization
16 category, we do (inaudible) bulk of that system is dedicated to
17 preservation.

18 CHAIRMAN KNIGHT: Paul, can I -- can I stop you
19 right there? I didn't -- this slide and this one, the black
20 line which indicates the minimum for pavement presentation,
21 that -- it seems like that line should not really be flat due to
22 inflation and costs increasing for pavement preservation, that
23 it also should rise somewhat each of the successive years.

24 MR. PATANE: That's a good comment, but -- for
25 illustration purposes, but we kept the target at 320 million,

1 but we realize that through (inaudible) was much greater than
2 that amount as far as the target, and the -- as we move forward
3 with the updated Long-Range Plan that we'll be presenting later
4 today, the target's not shown, but I'm making the assumption
5 that both the new (inaudible) target will rise.

6 CHAIRMAN KNIGHT: Thank you.

7 MR. MAXWELL: Mr. Chair.

8 CHAIRMAN KNIGHT: Yes, Ted.

9 MR. MAXWELL: Since you opened it up for
10 questions, there's a couple that I know you're going to go into
11 more detail, but because it's a specific funding question, the
12 percentages, you talked about the increase in modernization and
13 the more money funds put in the HSIP, but isn't that change over
14 the course also impacted pretty significantly, because you have
15 to assume that there will be no more regional funds? So in
16 other words, 400 will stop in '25. Pima RTA stops contributing
17 money to expansion. And I'm talking on the expansion side,
18 which makes it -- and that stops in '26. Obviously, if those
19 two pass, those -- will those percentages not change fairly
20 significantly?

21 MR. PATANE: I don't (inaudible) phone a friend.

22 MR. ROEHRICH: Mr. Chairman, Mr. Maxwell, yes.
23 One of the slides, there's only of Greater Arizona.

24 MR. MAXWELL: Okay.

25 MR. ROEHRICH: So that's only looking outside of

1 those two, two counties. But if you remember one of the slides
2 that Kristine has shown in the past when she talked about the
3 projection of revenues over the next five years, we have that
4 big cliff dropoff in 2026 when the half cent sales tax ends, and
5 that does go into only the regional appropriation of funds. So
6 you'll see the program shrink, but it will only shrink in those
7 regions, not the rest of the state.

8 MR. MAXWELL: I understand. The slide I was
9 specifically referencing is the one that says -- includes
10 Maricopa and Pima, but it's -- it was more of a question to try
11 to raise the point that, yes, there's a shift in how the
12 percentages look compared to five-year plans previously, but
13 that is in part because we are now getting to the point where if
14 these regional funding sources go away, we get to the point with
15 our funding that we can really only support maintenance and some
16 modernization going forward. We will lose the opportunity to do
17 any expansion statewide if we -- I won't say lose. We always
18 seem to come up with some money, but it will be significantly
19 impacted, the opportunity to do expansion statewide in the
20 future.

21 MR. ROEHRICH: Mr. Chairman, Mr. Maxwell, you're
22 exactly right. It is going to really cause us to relook at how
23 we balance those funds and how we program the projects, because,
24 you know, like, the Regional Area Road Fund, that contributes
25 over 400 -- almost \$500 million a year. That will stop.

1 MR. MAXWELL: Agreed. Thank you very much.
2 Thank you, Mr. Chair.

3 CHAIRMAN KNIGHT: Questions for Paul?
4 Thank you, Floyd.

5 CHAIRMAN KNIGHT: Okay. Paul, continue.

6 MR. PATANE: Thank you.

7 So moving down to the local competitive program.
8 As you can see, (inaudible) over (inaudible) years on the local
9 (inaudible) off system bridge. We also have the state parks
10 roads as well. Is typically (inaudible) HSIP, typically it's
11 almost two-thirds of that goes to the local agencies, because
12 that is a statewide competitive program.

13 So for Greater Arizona, the distribution is --
14 for the (inaudible) 66 percent toward preservation, with 20
15 percent toward modernization and 14 percent for expansion.

16 So let's go (inaudible) some of the expansion
17 projects that are currently in the program. As you can see,
18 this I-10 (inaudible) from (inaudible) to 387 is still the
19 (inaudible), and so this project (inaudible) traffic
20 interchanges, reconstruction of some existing interchanges,
21 (inaudible) great crossroad improvements.

22 Upon completion of the project, this is a typical
23 section from the Loop 202 (inaudible) three general purpose
24 lanes plus an HOV lane, and from Riggs Road south to 387, we'll
25 add (inaudible) to just the three general purpose lanes.

1 Some expansion for the FY '24 (inaudible) West
2 Kingman TI, (inaudible) Cane Springs (inaudible) 93. There's
3 right-of-way acquisition (inaudible) segment of 260. There's
4 the I-17 35.8 million (inaudible) Cordes Junction. We have
5 20 million dedicated for the -- for the I-10 expansion project.
6 (Inaudible) for the Cochise Railroad overpass on US-191.

7 MR. ROEHRICH: Paul.

8 MR. PATANE: Yeah.

9 MR. ROEHRICH: Excuse me, Paul. I want to quick
10 interrupt. I keep getting a bunch of notices from online folks
11 that say the volume is good, but (inaudible) some -- the audio
12 coming through is muffled, like either, you know, we're not
13 speaking clearly (inaudible) to adjust that audio. Is there a
14 way to make it clearer? So -- because I (inaudible) little
15 pounding and feedback. Maybe our settings are a little muted,
16 but I'm getting a lot of online notices that it's hard to hear
17 or make out the speakers.

18 UNIDENTIFIED SPEAKER: Part of it --

19 MR. ROEHRICH: What I'm hearing is the speaker
20 here, but also, up at the board, they're saying anybody speaking
21 seems to be somewhat muffled. So I think the volume is good,
22 but I -- somehow we're -- we might not be getting a clear -- a
23 clear audio. Anyway... So speak clearly, please. Use the
24 microphone, and we'll do the best we can, and I apologize for
25 those people online. We'll try to monitor here as best we can.

1 Thank you.

2 MR. PATANE: Thank you. I'm sorry for that.

3 Moving on to FY '25. And so we have expansion
4 for FY '25, a total of 168 million being proposed. The first
5 project is on US-93, Vista Royale and Big Jim Wash. There's
6 \$20 million dedicated for design work. (Inaudible) for the
7 segment of I-10 from Riggs Road to 387. And also dedicated 25
8 million (inaudible) 347 Riggs Road overpass.

9 MR. ROEHRICH: Okay. I just got an update. If
10 we have a lot of microphones open, that does affect the way the
11 audio comes through the system. So if you're not speaking,
12 please turn off your microphone, but when you do speak,
13 obviously please turn it back on so we can capture it, but we
14 can help the audio clarity if we mute our microphones unless
15 speaking. But please use them when you do speak so we can
16 capture your comments. Thank you.

17 MR. PATANE: For FY '26, we have expansion
18 projects that total of 97.5 million. We have 54.5 million
19 dedicated to SR-260, Lion Springs, and we have 33 million
20 dedicated to US-93, the Vista Royale.

21 FY '27 expansion, you have 124.5 million.
22 There's 54.5 million dedicated for the Lion Springs segment, and
23 we also have 70 million dedicated for the Big Jim Wash segment
24 and US-93.

25 And currently, there's no expansion in the

1 program for FY 2028.

2 So moving to the Maricopa County segment, the MAG
3 freeway system. Currently, I'd like to note that MAG staff has
4 asked us to show the presentation here. As you can see, the
5 development programmed out to FY 2024 and '25, there's a lot of
6 uncertainty (inaudible) Proposition 400, so they only programmed
7 that for these two years. The projects consist of -- the
8 project (inaudible) consist of upgrading traffic interchanges,
9 expansion projects, along with (inaudible) change (inaudible)
10 German Road with Interstate 10.

11 For the -- for the PAG program, we have projects
12 on the I-10, Country Club Road and Kino Parkway TI. That
13 project has been combined for fiscal years FY '24 through '26 at
14 a total of 202.3 million. We have the I-19 Irvington TI at
15 84 million for FY '24. Then we have widening on I-10 from
16 Valencia Road -- excuse me -- widening of I-19 from Valencia
17 Road to I-10 at 79 million for FY '25 and '26.

18 So next we have the Airport Capital Improvement
19 Program, and so on the cover here is the airport of the year,
20 and this year the airport of the year was for Colorado City's
21 airport.

22 So the program for fiscal year '24, the Airport
23 Capital Improvement Plan includes some (inaudible)
24 federal/state/local program at \$8 million, and the state/local
25 program in \$17 million. Then we have our Airport Pavement APMS

1 program at \$5.2 million. We have the Grand Canyon National
2 Airport at 2.3 million, and ADOT airport development groups at
3 1.15 million, for a total of 33.655 million for this year's
4 Capital Improvement Program.

5 So there was some changes needed after the study
6 session. Just wanted to bring you the update on those changes.
7 Restored (inaudible) projects, the Yuma -- or the port of entry
8 projects for the Page, San Simon, Sanders and Yuma ports of
9 entry. And the US-180 corridor improvements were for FY '24 and
10 2025/26. We added a -- additional funding for the project
11 assessment for 250,000 for the US-191 and I-10 interchange, and
12 there were some other just narrative-type improvements,
13 corrections to project names and other editorial items that we
14 needed to do on the program.

15 As far as the -- adding to some of the comments
16 made earlier regarding the public involvement, they've used a
17 variety of resources to get the word out. News releases, social
18 media posts, Facebook, Twitter and Nextdoor, the ADOT website,
19 along with media articles written from ADOT. So we had received
20 over 1,089 comments, and 995 of those comments were online, 75
21 emailed, then 15 comments presented at the public hearing. As
22 mentioned earlier, all those have received responses or will be
23 receiving responses.

24 So the comments made were -- by mode, the state
25 highways, we had about -- a little close to 989 that we had;

1 rail/transit, 36 comments; then airports, we had, 6. Major
2 themes included: SR-260 pavement condition, I-10 as far as the
3 Jackrabbit Road interchange, widening along 347 in Maricopa, the
4 I-10 Pima County-Benson congestion/access. Then pavement
5 conditions for I-17 and I-40, and along with the widening of the
6 I-10 from the 202 to 387, Phoenix to Casa Grande segment.

7 And so just in response to some of the comments
8 like the State Route 260, you know, there's some projects that
9 got put in the program. The Lion Springs section, which was
10 already in the program. The Overgaard to Campland, the pavement
11 life extension. Then the Knottingham Lane to Milepost 347 that
12 was added to the program, along with -- as far as the
13 interchange at Jackrabbit Road and I-10, there is -- in FY '24,
14 there was a State Legislature appropriated amount of \$5 million
15 to design the traffic interchange. Then some of the items for
16 the widen/improve safety on 347. There's dollars programmed for
17 preservation, and the widening design is in the current program
18 for '23, and also the Riggs Road overpasses in the current
19 program for FY '23 and FY '25 for construction.

20 So regarding some of the pavement conditions
21 along I-17, these are some of the upcoming spot repair locations
22 that are shown. The I-10 Phoenix to Casa Grande widening. The
23 Gila and the Gila River Bridge replacement is in the current
24 program. The Riggs Road to SR-347 is programmed for right-of-way
25 in '24. And there was a State legislative appropriation for

1 89 million for FY '24.

2 Then some of the complaints we got on the
3 pavement conditions for I-40. These are some of the upcoming
4 projects in the area that will help alleviate some of the poor
5 pavement condition that we have. They vary from major rehab to
6 spot mill and fill locations throughout the 85 (sic) corridor.

7 So the next steps moving forward, we're here
8 today to request approval of the 2024 -- '24-'28 five-year
9 program. Then the fiscal year starts July 1st, 2023. So
10 that -- we're here today to request action from the Board for
11 consideration.

12 CHAIRMAN KNIGHT: Does any member have a question
13 for Paul? Jesse.

14 MR. THOMPSON: Paul, there's a concern apparently
15 that was addressed by the Hopi Nation regarding the route on
16 264, and they did not say anything on the comments part of this.
17 So I'd like to get back with you on that as to the specific
18 location they're talking about. They've reviewed the five-year
19 plan, and they said they had maybe comment on this particular
20 route on a certain location, but I will get back with you on
21 that.

22 MR. PATANE: Yes, Board Member Thompson. Thank
23 you.

24 MR. THOMPSON: Any other questions? Yes, Jenny.

25 MS. HOWARD: Paul, thank you so much, and thank

1 staff for their hard work again.

2 I do -- I do have one comment with regards to the
3 320 million for preservation and how that percentage is
4 decreasing compared to last year. I'm a proponent of
5 maintenance of infrastructure, and I'm hoping that at some point
6 could you present us some speculation on if we continue this
7 same trek alongside the status of our highways -- you know,
8 there were graphs you presented several months ago that showed
9 the decline in the condition of our roads. Could you pair those
10 two together and put together a synopsis over a number of years
11 on the impact?

12 MR. PATANE: Yes, we can. We have that
13 information that we could present at the next board meeting.

14 MS. HOWARD: Okay. Thank you.

15 CHAIRMAN KNIGHT: Any other questions for Paul?

16 In that case, is there a motion to approve the FY
17 2024- 28 Five-Year Transportation Facilities Construction
18 Program as presented?

19 MR. MAXWELL: So moved.

20 MR. MECK: Second.

21 CHAIRMAN KNIGHT: I have a motion from Member
22 Maxwell and a second from Member Meck to approve the five-year
23 construction program as presented.

24 All those in favor signify by saying aye.

25 BOARD MEMBERS: Aye.

1 CHAIRMAN KNIGHT. Opposed? Motion carries.

2 Thank you, Paul.

3 MR. ROEHRICH: Mr. Chairman, if I could, I would
4 like to acknowledge Ms. Daniels' vote.

5 CHAIRMAN KNIGHT: I'm sorry. Could we have our
6 vote from our virtual member?

7 MS. DANIELS: Aye. Thank you.

8 CHAIRMAN KNIGHT: Sorry, Jenn.

9 MS. DANIELS: No worries.

10 CHAIRMAN KNIGHT: Okay. We'll move on to Agenda
11 Item Number 6, and this will be the Multimodal Division report
12 for information and discussion only, and it's also with Paul
13 Patane.

14 UNIDENTIFIED SPEAKER: All right. There you go.

15 MR. PATANE: Thank you, Chairman Knight, Board
16 Members.

17 So today, the current planning activities, we'll
18 provide updates on the tribal transportation update, then also
19 the 2050 Long-Range Transportation Plan update.

20 And just so that you know, Chairman Knight and
21 Board Members, I'll be (inaudible) Jason James to give you a
22 break on -- so he can provide the update on the 2050 Long-Range
23 Transportation Plan.

24 So as far as -- on the tribal transportation
25 update, some of the statewide activities that we're currently

1 working on is we're working with our MVD Records Management
2 section on outreach to the tribal law enforcement agencies,
3 because, you know, having the crash data is still one of the
4 main concerns and priorities to get more -- better data on the
5 crashes, and so that way those crashes can be taken into account
6 when we look at evaluating the projects from a safety
7 standpoint. And so it's important that we work with our tribal
8 partners to ensure that we're getting the (inaudible) that we
9 need on the -- on the reports.

10 So they've had a couple of meetings, and we're
11 looking to continue this collaboration over the next few months
12 to improve the current situation.

13 Next, on our (inaudible) activities per the
14 request of the Navajo DOT, and we graciously accepted as to kind
15 of reconvene after five years of not meeting the kind of Navajo
16 DOT partnership meetings with ADOT, and so that meeting was
17 actually held yesterday. And so I've heard good things about
18 it, but we plan to just enhance that partnership and to meet
19 quarterly moving forward to address any items such as ADOT
20 project updates, (inaudible) news and any update to -- on any
21 operational matters.

22 Next (inaudible) to address the ongoing flooding
23 issues that have displaced family and economic -- and impact to
24 local access roads in the community of Birdsprings, the flood
25 risk issues related to recent bridge dam and levee breach

1 incidents. And so we're working with the Corps of Engineers on
2 coming up with a solution or come up -- to identify solutions
3 and taking care of the issues. So they had -- a preparation
4 meeting was held on June 8th to identify the stakeholders and
5 develop agenda for future meetings.

6 So some of the activities in the southern region.
7 We've met recently with the -- with the Colorado River Indian
8 Community segment related to traffic incident management. As
9 you know, when those incidents along I-10 that require
10 (inaudible) to keep traffic moving through the region, and so
11 there's some concerns on ways to improve that traffic flow and
12 operations to ensure there's minimal impact to some of the local
13 roads along the Colorado River community areas.

14 Any questions on the tribal updates?

15 CHAIRMAN KNIGHT: Any member have a question for
16 Paul? Yes, Jesse.

17 MR. THOMPSON: Paul, regarding the Birdspring
18 flooding, I would like to see a little bit more information as
19 to who have been -- to participate of that, because somehow,
20 sometimes back, we've had to deal with that issue around
21 (inaudible) Arizona. Oh, so, you know, that issue, I know, has
22 been coming up for the last several years. And I know that
23 there was a plan by the (inaudible) administration that comes
24 in. So there has been plans that were in development stage with
25 the Army Corps of Engineers. So I'd like to get more

1 information on that. Not right now, but maybe at a later
2 period. So thank you very much.

3 MR. PATANE: Yes, Board Member Thompson. We'll
4 follow up on that.

5 CHAIRMAN KNIGHT: Any other questions? And this
6 was for information and discussion only, so we will move on now
7 to Item Number 7, the PPAC items.

8 MR. ROEHRICH: Mr. Chairman. We've still got an
9 update now from the Long-Range Plan. There's still a second
10 presentation on Item 6.

11 CHAIRMAN KNIGHT: Sorry.

12 MR. ROEHRICH: So if we could load -- if we could
13 load the next presentation, please.

14 UNIDENTIFIED SPEAKER: (Inaudible) real quick.

15 CHAIRMAN KNIGHT: Flipped the page too quick.

16 MR. PATANE: Chairman Knight, Board Members, at
17 this time, I'd like to introduce Jason James. He's with a
18 Multimodal Planning staff. He's the project manager for the
19 Long-Range Plan, and I just want to commend Jason on his
20 efforts. Leading the Long-Range Plan effort is no easy task,
21 and he's been doing a great job. So he'll be presenting Item 7D
22 today. Thank you.

23 MR. JAMES: Excellent. Thank you, Paul. Really
24 appreciate that. And good morning, Mr. Chair, members of the
25 Board and everyone in attendance here today, in person and on

1 virtually. My name is, again, Jason James. I'll be introducing
2 the update on the Long-Range Transportation Plan and
3 specifically talking about the results of our gap analysis and
4 our department recommended investment choice.

5 Okay. There it is. Okay.

6 So the purpose of my presentation for you today
7 is to review the data and performance metrics for developing our
8 investment choices based on what you just saw with our final
9 program for fiscal year '24-'25 construction program, and also
10 to get the input from you as far as the development of our final
11 recommended investment choice.

12 So for building up to that recommended investment
13 choice, we'll just go through just a quick review of the public
14 survey input and meetings, the needs and revenue, kind of again
15 to build the story as far as where we're going with our
16 recommended investment choice. Then we'll go through our gap
17 analysis, alternative investment choices, the effects on our
18 pavement of bridge conditions as far as our investment choices,
19 then finally to the recommended investment choice.

20 So before we get going into that, want to start
21 back, basically what we -- what we decided on, what was decided
22 on by the State Transportation Board back in 2018, and this is
23 the 2040 Long-Range Transportation Plan recommended investment
24 choice. And at that time, the recommendation was that 78
25 percent of the -- of the allocations of Greater Arizona go to

1 preservation of the system, and that the remaining 22 percent go
2 to modernization. The decision was made at that time to not put
3 any allocations into expansion projects into Greater Arizona,
4 with the exception of using up to 5 percent of the funding for
5 seed money, and that seed money was, like, for any federal grant
6 awards, a third party making a funding contribution or a public-
7 private partnership is arranged.

8 So a quick review of our public survey input and
9 meetings. So with our public survey, we did conduct that from
10 October to January, just to seek the public's input on
11 transportation goals and funding priorities. We received
12 approximately 8,000 responses from a cross-section of Arizonans.
13 This is the most responses we've ever received for a public
14 survey in the time that we've been doing the Long-Range
15 Transportation Plan update. So it was a huge success. We're
16 definitely going to try to get -- try to go for even more than
17 that in the -- in the next update, but it was definitely,
18 definitely a good response from the public.

19 In addition to the public survey, we also had a
20 series of public meetings in March, again, to update the public
21 and seek feedback on our vision, goals, needs, revenue and
22 budget forecast. So we had public meetings in Tucson,
23 Flagstaff, Phoenix. We also had a statewide virtual meeting and
24 also a telephone town hall.

25 As a result of this, 300 -- actually, 400 -- you

1 know, we went through 400 comments, actually -- correction to
2 that slide there -- that were collected. We did respond to the
3 comments that requested response and acknowledged that and put
4 that all in a matrix form and got that all summarized. So
5 again, big thank you to our ADOT communications folks and our
6 public involvement folks with WSP for taking care of that.

7 All right. So the next -- this next slide here
8 is the results of our survey, and it really tells -- it really
9 tells the story as far as the priorities from the public. So
10 looking on at all respondents, this includes all respondents in
11 the Maricopa region, in Pima County. The number one priority
12 was preservation, maintenance of the system, followed by
13 expansion of -- and then third was modernization.

14 Now, we took all the respondents' responses that
15 we received in Maricopa County in Pima County out, and you know,
16 as you can see, with the transportation spending not in Maricopa
17 County and Pima County, the priorities were virtually the same,
18 with preservation and maintenance first, expansion second and
19 modernization third. Again, this is something we didn't see in
20 the last update, so it really tells a consistent story statewide
21 on priorities of the public.

22 So next thing I want to mention -- talk about is
23 needs and revenue. So with the needs, we looked at three
24 categories when we were breaking down the needs of the system.
25 The first one was our ADOT infrastructure. That's, you know,

1 composed of all interstate, state highway, US route facilities.
2 The roadways themselves and associated infrastructure within the
3 roadway right-of-way. So that's going to be pavement
4 (inaudible). Also, our mobility needs, safety needs, freight
5 needs, port of entries, rest areas, truck parking, and also the
6 Grand Canyon Airport, because that's the only airport owned and
7 operated by ADOT.

8 The next one we looked at was our stewardship
9 needs, and those are funding programs that are administered by
10 ADOT, but where ADOT either cannot or choose not to apply to
11 funding to transportation facilities operated and maintained by
12 ADOT. Our real transit funding programs is a great example of
13 that. For the city of Phoenix and city of Tucson, we just act
14 as a pass-through for the transit funds. However, for the 5310
15 programs, our disabled, elderly, you know, transit programs, and
16 also for 5311, our rural transit programs in our smaller
17 metropolitan areas or tribal communities and rural communities,
18 we have more stewardship over those programs. So those are --
19 that's just an example there of our stewardship.

20 And then finally our complementary transportation
21 systems. Those are systems that ADOT does not own, operate or
22 maintain any of the facilities. So that's our local roads and
23 railroads.

24 All right. So as a -- an -- oh, man, that did
25 not come through, but it's okay. I can supply you with the

1 percentages if you need it. For some reason they did not come
2 through, but the most important thing is the future needs of
3 bullet points on that side of the screen.

4 So looking at our needs from '26 to 2050, just
5 for infrastructure needs, it amounted to about \$174 billion of
6 need. For our stewardship, \$57 billion. And, of course, with
7 complementary transportation systems, we did not include that
8 in -- for our state highway system needs. So that's a total of
9 \$231 billion of needs identified, again, from that 2026 to 2050
10 window.

11 All right. So now we'll go on to the -- hitting
12 the revenue side of it, now that we've identified the needs. So
13 when we were looking at the funding sources, we looked at four
14 funding sources. We looked at the HURF, Highway User Revenue
15 Fund, and that's our biggest revenue fund there. And again, all
16 of you already know that, the gas, diesel taxes, registration
17 fees are built into that.

18 We also looked at the Regional Area Road Fund,
19 RARF, the half sales tax on business activities in Maricopa
20 County. And then we also looked at our federal aid highway
21 system program. That is the federal -- the formally funded
22 allocations we receive from the feds for our transportation
23 needs that we -- you know, that we receive from them.

24 And then finally, the new programs out of the
25 IIJA, the Infrastructure Investment and JOBS Act and Bipartisan

1 Infrastructure Act. Those are programs such as the electrical
2 vehicle funding that we received, carbon program, carbon
3 reduction program. So the new programs and new funding, that's
4 what makes up the IIJA.

5 One thing I want to say on this slide is one
6 thing we did not include was the appropriations that we've
7 received federally and as statewide, and even though they've
8 been tremendous in helping us meet some of our needs and -- in,
9 you know -- in helping us with a lot of our projects, it's not a
10 dedicated source of funding. I mean, we could -- we could -- we
11 could get a lot of money here in the next few years and dry up
12 in 2027. So we don't know. So it's very unpredictable. Hence,
13 why we didn't include that as one of the funding sources when we
14 were doing a revenue analysis.

15 So the other thing we had to consider too as we
16 did our revenue analysis was the rising Construction Cost Index
17 of projects. Back in the last adoption of the -- of the Long-
18 Range Transportation Plan in 2018, you can see that the
19 Construction Cost Index was about 1.05. It has more than
20 doubled since that time frame, and it's continuing -- according
21 to our financial analysis, it's continuing to rise. It is not a
22 situation where it's going to dip back down. It is -- it is
23 rising and going up. So we had to consider that as we were
24 building up our revenue analysis, that construction costs are
25 just skyrocketing, for lack of a better term.

1 So when we built our forecast for revenue
2 analysis, we had to provide a level of flexibility, you know
3 looking at not just a base forecast, but, you know, the low,
4 the, you know, worst case scenario, and then the high. So with
5 our base forecast, we are assuming that -- you know, funding of
6 a HURF gas tax stays at current levels, and that's pretty
7 consistent throughout all our forecasts. Also with the base
8 forecast, we're assuming that extension of the RARF tax
9 beyond -- you know, beyond 2025, 2026 in Maricopa County, and
10 that also that current federal funding levels with IIJA stay
11 consistent.

12 For the more optimistic side, the high side, the
13 only difference is that, you know, looking at \$200 million
14 increase per IIJA federal funding with the new package past
15 2027, and then, of course, the low, and this is actually to -- a
16 reference to what you said earlier, Board Member Maxwell, below
17 is basically the RARF expires in 2026. So we -- again, if we
18 had to -- we had to take all those things into account.

19 For the sake of our recommended investment choice
20 that we're going to be building towards, we went with our base
21 forecast per directive from our finance department.

22 So going with that, with our revenue, going for a
23 base forecast extended is about \$73.3 billion in revenue, again,
24 from the 2026 to 2050 window. On the high side, 87.5 billion,
25 and if -- again, if RARF does not get extended, 48.8 billion

1 over 20 -- 25 years. So a significant decrease if that happens.
2 But again, like I said before, for the sake of what we're doing
3 before our recommend investment choice, we're going with our
4 base forecast extended.

5 So, you know, putting that all together, so we
6 had \$231 billion of need versus a revenue of \$73.3 billion,
7 again, for '26 to 2050. So the funding gap just based on the
8 base forecast is \$157.7 billion in meeting our needs, both for
9 infrastructure and for our stewardship.

10 So how that translates from a year-by-year is
11 that if we're just looking at -- strictly looking at
12 infrastructure -- not even going to look at stewardship -- just
13 looking strictly at infrastructure, we are about \$6 billion in
14 the hole every single year for the next 25 years. If we're
15 looking just at pavement, pavement needs, we're about \$2 billion
16 in the hole from '26 to 2050. So that's the reality of where we
17 sit with our revenue analysis.

18 So for building our recommended investment
19 choice, we had to take out the revenue that was already
20 allocated. So we have federal specific projects for safety, for
21 highway safety improvement, a program for congestion mitigation,
22 air quality in the -- in the MAG region, Sun Corridor in the
23 Nogales region, in Yuma. So we took all those revenue that was
24 already kind of allocated to specific programs, specific
25 activities. What we're left with was a revenue flexibility of

1 32.4 billion. I'm going to come back to this number at the end
2 when we go to our recommended investment choice, because that's
3 what that number is going to be based on.

4 All right. Now going to our gap
5 analysis/alternative investment choices. So we're starting to
6 look at our alternative investment choices. We first started
7 with what -- a slide you already saw earlier today, the fiscal
8 year '24 to '28 final program for Greater Arizona. So again,
9 the breakdown was 66 percent going to preservation, 20 to
10 modernization and 40 percent going to expansion. So this is
11 what we use as one of our alternative investment choices, and we
12 kind of worked out from there, as you're going to see here in
13 the next slide.

14 So for alternative investment choices, we looked
15 at first kind of the final program investment choice. Assumes
16 14 percent in expansion, 20 percent in modernization going
17 forward the next 25 years. Then we looked at, okay, let's break
18 it down even further, look at alternative investment choice of
19 11 percent, and that's 11 percent going to expansion of projects
20 in Greater Arizona. That's assuming, again, 14 percent of
21 expansion, 20 percent of modernization in Greater Arizona up to
22 2030, and then beyond -- from 2031 to 2050, decreasing it down
23 to 10 percent in expansion and 14 percent in modernization, and
24 then similar approach when we looked at the 7 percent. Again,
25 you know, taking those final program investment choice numbers

1 up to 2030 and then decreasing it down to 5 percent funding in
2 expansion projects and 14 percent of modernization from 2031 to
3 2050. So that's -- those are the alternative investment choices
4 that we're going to be looking at.

5 So what that breaks down to, like, per year is
6 what you see on the screen here. So for a final investment
7 choice, it would be about 800 to a million per year, with
8 189 million going to expansion, 260 going to modernization.
9 That 4 percent you see across the board here. That is the life
10 cycle extension program, and, you know, we're recommending
11 putting 50 million per year in that. And what that program
12 is -- I'm going to give huge credit to our state engineer, Greg
13 Byres, and our Pavement Technical Group. That's one of the
14 innovative -- innovative practices that we've done to keep
15 fair -- get fair condition pavements into good condition, and
16 just to -- just to lessen the amount of pavement condition that
17 we get in poor condition, is one of those things that we kind of
18 were forced to do, just because we just don't have enough
19 revenue to rehab all poor condition roadways. So it's like,
20 okay, well, how can we keep our fair or good condition in fair
21 or good so it never gets to -- gets to -- gets to poor, and that
22 was one of the programs that came out of that. So that would be
23 part of the preservation.

24 So, again, you see kind of the breakdowns per
25 year depending on the percentage that goes to expansion projects

1 in Greater Arizona. So -- and again, this right here breaks
2 down the percentage of need that's going to be met per each
3 alternative investment choice, and we also included zero percent
4 expansion. If we just want zero percent expansion in Greater
5 Arizona, if this is what we're going to, this is the needs we're
6 going to meet, and this really goes to what Executive Director
7 Toth said earlier, as far as no matter what scenario we go with,
8 we're not going to meet even 50 percent of our pavement needs.
9 So that's just the reality. So these are -- these are the
10 investment choices we have to consider, we had to consider as we
11 were moving for our recommended investment choice.

12 All right. So now that you've seen the
13 alternative investment choice, now we look at what are the
14 condition impacts on our pavement and bridge, you know, from
15 these choices.

16 So right off the bat, start off with the
17 pictures. These are poor condition roadways and, you know, I
18 hate to say this, but it's the truth. Drive about 50-60 miles
19 in any direction on our state highway system and you will run
20 into this. It's a fight that we're fighting, but it's -- like I
21 said, because of the lack of revenues, it's really difficult to
22 keep up, but we do our best. So just some condition examples
23 there.

24 So what are -- what are the impacts on that from
25 the -- from the numbers perspective? So what you're looking at

1 here on the screen here, the existing is what you're looking at
2 now as far as our pavement and bridge conditions, and then the
3 baseline going to our 7 percent, 11 percent, 14 percent, funding
4 for expansion, that is over the next 25 years. That's '26 to
5 like -- '26 to 2050.

6 So as you can see, you know, if we'd go zero
7 percent in expansion projects, our pavements are going to be
8 about 20 -- you know, 20 percent of our pavements are going to
9 be poor. If we go with the final program of 14 percent in
10 expansion, it will be just above 26 percent. So that's kind of
11 what you're looking at there.

12 You don't see too much of a change, by the way,
13 in our bridges, because our bridges, for the most part, are
14 relatively good, good shape compared -- especially compared to
15 other states on the western side. So that's why you see a lower
16 percentage for bridges, because our bridges are relatively young
17 compared to other states.

18 All right. Next one is our good condition
19 roadways, and yes, they are out there. So this shows some
20 examples right there of good condition roadways. Won't delve
21 too much into that.

22 So with our good condition roadways, again, you
23 see the existing for 2026 numbers right now. We have about -- a
24 little above 30 percent of our payments in good condition and
25 just above 60 percent of our bridges in good condition. So with

1 our -- going to our baseline to our final, you see the changes
2 in good condition pavements go for about 28 percent, if we go
3 zero percent expansion, to down to about just about 21 percent,
4 if we go with 14 percent expansion. So that's kind of the
5 difference there. Like I said, with bridges that stay
6 relatively constant about 30 -- about 38 percent, you know, 37
7 percent, around there for good condition bridges.

8 And then finally ending on fair condition
9 pavements, and a lot of fair condition pavements are pavements
10 that are not -- you know, they haven't gotten to the point of
11 having, like, two-foot potholes quite yet, but you know just a
12 good winter or two, it's done, you know, so those are our fair
13 condition. Used a lot of crack seal on it. You know it's
14 holding up but, you know, a few more years and it's going to be
15 poor.

16 So -- and the reason why we want to end on this
17 one for our condition impacts, we -- typically, you would go
18 good, fair, poor. Notice we went good, poor, fair. The reason
19 why we wanted to end on the fair condition impacts is because
20 based on the revenue projection that we have for the next 25
21 years, based on our models for our pavement deterioration, this
22 what you see here -- and assuming the investment of \$50 million
23 for our life extension program that I talked about earlier --
24 this is the best case scenario. Basically, keeping our
25 pavements at literally -- fair condition pavements at about 50

1 percent, that that is the best case that we have right now. So
2 that's why I wanted to end on this slide for the fair condition
3 impacts.

4 Again, our bridges stay relatively consistent,
5 but again, our pavements stay -- because this 50 percent,
6 assuming that, you know, again that we continue to be innovative
7 with maintaining our state highway system the best way we can.

8 All right. So now that all builds to the
9 recommended investment choice. So as a result of everything you
10 just saw, our department recommended investment choice is the 7
11 percent expansion, 78 percent preservation and 15 percent
12 modernization. With those numbers, the '25 billion over 25
13 years, the 5 billion for modernization, and 2.2 billion for
14 expansion, that equals out to that 42.4 billion, as I mentioned
15 earlier in our recommended investment choice -- flexible choice
16 budget.

17 Again, you see what it needs. Again, it doesn't
18 matter what scenario we go to. We're just not going to meet all
19 our needs. We just have to do the best we can.

20 And a few -- a few points on this recommended
21 investment choice. Number one, we recognize that there are gaps
22 in our expansion needs in Greater Arizona, as -- especially in
23 our critical corridors. We just felt as a department that not
24 having anything for expansion is just -- again, it's not going
25 to be good for the economic competitiveness of the state. So

1 that was one thing.

2 The second point I want to make on this is that
3 with these percentages, this really falls in line with not just
4 what we've been hearing from this State Transportation Board for
5 a while as far as the importance of expansion projects, but also
6 listening to the public. As you remember earlier -- from
7 earlier slides, the public did note, you know, that expansion
8 was their second priority, you know, behind preservation.

9 And then the third point on this, too, is that
10 with 7 percent expansion, we still put a huge priority on
11 preservation, which we know is going to be number one. As a
12 matter of fact, that 78 percent matches what we recommended back
13 in 2018. The only change we made is that we decreased
14 modernization a little bit and then added some expansion.
15 That's really the only difference. So preservation is still at
16 the forefront as far as department priorities, but again, we
17 just couldn't ignore expansion needs that we've seen throughout
18 the years.

19 So I'm going to pause right there. I know I've
20 been doing a lot of talking. So any comments? Questions?
21 Input?

22 CHAIRMAN KNIGHT: Any questions from the Board?

23 MR. MAXWELL: Chair.

24 CHAIRMAN KNIGHT: I think he kind of filled in
25 the blanks for your question. He did a great job.

1 MR. JAMES: Thank you.

2 CHAIRMAN KNIGHT: Yes. Ted, go ahead.

3 MR. MAXWELL: Thank you. Mr. Chair. I was
4 hoping, you know, somebody else would have them, but you knew I
5 would have some.

6 A couple comments. I appreciate that you
7 recognize that for expansion, you've been hearing it from the
8 Board, but the thing I think sometimes we lose. There are --
9 Pima County, we have the struggle. There's segments of Pima
10 County that wanted, you know, no more growth, but the fact of
11 the matter is this state is still growing at 1 percent. For the
12 last ten years, we've had a one 1 -- over 1 percent increase
13 every year except the COVID year, with a high of almost 2
14 percent. And if you just look at the numbers, that means we've
15 got about 100,000 new residents, roughly, in this state every
16 year. So expansion, whether people like it or not, is probably
17 going to be a driver in the future for our quality of life,
18 period.

19 But a couple questions I had for you. And by the
20 way, Jason, it was a great synopsis. I really appreciated how
21 you presented it and a good breakdown. Not sure if that's the
22 alternative choice that I'd make yet, but we'll talk about that
23 in a second.

24 For the roadways, obviously ADOT's -- we've got
25 our federal highway system, we've got our national highway

1 systems, we've got our non-national highway system roads. Is
2 that -- were those numbers and assessments for all of the
3 roadways? Because as in Greg's slides where he breaks down each
4 one of those different types of roads, they're significantly
5 different, especially when you get down to the non-national
6 highways and other roads that ADOT's responsible for. So what
7 road -- roadways were included in those numbers?

8 MR. JAMES: Absolutely. Great question. All of
9 them were. Everything that -- in the state highway system,
10 everything you just named, yes, was included, so...

11 MR. MAXWELL: And then the other question I've
12 got, because as I understood it, at the point of where you did
13 not include -- and correct me if I'm wrong before I ask the
14 follow-on -- you did not include any regional funds for
15 expansion or for -- into the system for your forecast in the out
16 years, based on the fact that we don't have a 400, we don't have
17 a -- or did you include the two current RTAs in that?

18 MR. JAMES: I did include two RTAs. Yes.

19 MR. MAXWELL: And then I won't ask my follow-up.
20 Thank you.

21 MR. JAMES: No problem. Thank you.

22 Any other additional --

23 CHAIRMAN KNIGHT: Jesse. Jesse. I think you had
24 a question?

25 MR. JAMES: Oh, yes, sir.

1 MR. THOMPSON: I'd really don't want (inaudible)
2 what I'm going to say, because I think you are blessed in many
3 ways. If there's additional money, state moneys, that will go
4 to (inaudible) projects, I feel good about it for you,
5 everybody. (Inaudible) our Legislature of how they can help
6 increase the (inaudible) to do more projects. Right now it
7 seems like they are now turning (inaudible) certain projects
8 (inaudible). I just want to bring that up, and I do (inaudible)
9 on the presentation that was made. Jason, yesterday you were
10 out there and you (inaudible) concerns out in Navajo land. So
11 that good -- that is really good reaching out to those rural
12 (inaudible) communities. Again, thank you very much.

13 MR. JAMES: No, I appreciate that comment. Thank
14 you.

15 CHAIRMAN KNIGHT: Member Searle.

16 VICE CHAIRMAN SEARLE: I'll ask Jason a little
17 input. As we look at this plan for the next 20 years or
18 whatever it is, one of the issues we're constantly dealing with
19 is lack of funding, and that's how you basically started this
20 whole conversation, is the gap and how do you fill it. And I
21 think -- I think we need to really recognize what the
22 legislator -- Legislature has done this year. When we look at
23 the funding that they have done for the expansion projects that
24 we've got going on for the next couple of years.

25 Two years ago, we had no expansion projects. The

1 funding just wasn't there. And if I was looking at this, and I
2 understand the recommendation for alternative, it's -- you're
3 trying to be balanced, but I think if we're trying to give a
4 message, for what we need in Greater Arizona, I have a tendency
5 to go with the zero percent expansion. Put our money to
6 preservation, some to modernization, and put the onus of the
7 expansion on to the Legislature where it -- because they can
8 deal with that on an annual basis as things are needed as we
9 grow.

10 But that would be my input. I'm looking on this.
11 The preservation, when we look at the status of our highways,
12 it's a tough job in the -- I'll acknowledge it, and I think I
13 would -- I would -- I would recommend that we concentrate on
14 preservation. (Inaudible.)

15 CHAIRMAN KNIGHT: Thank you.

16 MR. JAMES: Thank you.

17 CHAIRMAN KNIGHT: Any other questions?

18 Does our virtual member have any questions on
19 this item?

20 MR. ROEHRICH: Mr. Chairman, unfortunately
21 Ms. Daniels had another conflict, and she did have to leave the
22 meeting. So she has expressed her regrets, but she has had to
23 depart the meeting.

24 CHAIRMAN KNIGHT: Okay. Thank you.

25 Yes, Member Howard.

1 MS. HOWARD: I tend to agree with Board Member
2 Searle, and I tend to agree with the 7 percent alternative
3 investment. I think that we do need to have some in preparation
4 for expansion, but again, this is a plan, and it's a long-term
5 plan, and we don't know what the future holds five years and
6 beyond, but we need to have a plan to get there. And so I think
7 that the 7 percent leaves room for pushing the needs that we
8 have on to our Legislature. I am saddened at the fact that
9 these numbers as far as meeting such a low percentage of need,
10 but again, it is a plan, and I'm really hoping that as we move
11 forward, we can improve those numbers along the way.

12 And again, I thank you for your time and
13 diligence in this to ADOT staff. It's a huge undertaking. And
14 the fact that we provide comments back to the public 100
15 percent, collaboration is the number one tool here, and so many
16 constituents and residents complain that the states and federal
17 government don't communicate with them, and I'm just glad to see
18 that we continue to provide that communication and proof of that
19 communication back to them during all of these processes. So
20 thank you.

21 MR. JAMES: Thank you. Appreciate that.

22 CHAIRMAN KNIGHT: And this just goes to -- your
23 presentation is great, and it just goes to reinforce the need
24 for a dedicated revenue source that will -- that can be added to
25 what we currently call HURF.

1 I've said before, I'll say it again, the
2 Legislature needs to make the hard decision and figure out where
3 that money's coming from, because the State has been blessed.
4 We have recovered quite well from COVID, at least Maricopa
5 County has, and the rest of the state is following, but there's
6 two critical items that are part of that recovery. One is
7 water, and two is our transportation infrastructure on the
8 ground. Without either one of those, without one or the other
9 or without both of them, our progress, our economic progress
10 will stop. It just won't happen. Industries won't -- companies
11 won't move here if they don't have good roads to get to and
12 from -- their employees to and from their jobs. We just won't
13 be considered for some of the incoming, new innovations and
14 manufacturers have already -- have already come here, and we
15 won't continue to get more of them if we don't keep our
16 infrastructure up.

17 So the Legislature, it's really -- it's their
18 job, but I've asked Kristine for some -- for some fun -- for
19 some funding information and revenue source. And I'm working on
20 a plan -- and I have a couple of legislators that were --
21 legislators that are willing to listen, because they really need
22 to come up with an additional dedicated revenue source, because
23 we can't -- we just can't continue like this for the next 10, 20
24 years.

25 And I agree, the 7 percent choice is by far the

1 best of what you've shown us, but the best scenario is for them
2 to give us more money to do what needs to be done to keep the
3 state competitive with everybody else, with the other states
4 that we're -- right now we're ahead of, but we're not going to
5 stay ahead of if we don't have the transportation infrastructure
6 on the ground, and that's just the way it is. So they need to
7 step up and do their job.

8 Any other comments? Ted.

9 MR. MAXWELL: Mr. Chair, thank you. I actually
10 think this is a great conversation coming from the Board, and I
11 think you can see a lot of the board members' dedication to the
12 importance of infrastructure as the backbone of both our
13 economy, but also our quality of life. And so these are not
14 easy discussions.

15 I'd like the idea of sending a message, but it
16 also troubles me. I think the last two years we've been blessed
17 with budget surplus, and that's predominantly where the -- would
18 I -- we can calm earmarks -- that's a bad word -- but where the
19 assigned projects have come from the Legislature, and they've
20 really done great things for rural Arizona particularly.

21 If either the Maricopa or the Pima regional
22 funding does not get reauthorized eventually, it impacts the
23 entire state, because now you're going to have a Legislature
24 that's going to take any funds, assuming there's budget
25 surpluses in the future, and they're going to use that on the

1 projects where their voters are, which predominantly is going to
2 reside in Maricopa, when you look at the issue of the
3 Legislature as a whole.

4 And I fully agree with Chairman Knight on this,
5 that we do need the Legislature to lead, and that doesn't just
6 mean give us more money. That means have the discussion, open
7 the discussion of how we can change our current funding source.
8 Because it doesn't -- everybody hears you say that and they
9 think you're talking increasing taxes. That's not the case.
10 There are a lot of models out there that do not change the tax
11 basis at all in the state but do collect more money from those
12 who use the roads for their benefit. And so it's not an easy
13 solution.

14 I tend to lean towards the 7 percent, because I
15 think we have to include some expansion in the future plan, for
16 the planning purposes, kind of like Board Member Howard alluded
17 to. It's just a plan. We obviously -- I assume we address this
18 every five years. So --

19 MR. JAMES: Correct.

20 MR. MAXWELL: -- most of us will get another shot
21 at making these percentages again, but not everyone, and I
22 really do appreciate the word. And I really appreciate the
23 comments from the other board members today.

24 CHAIRMAN KNIGHT: Yes, Jackie.

25 MR. MECK: Thank you, Mr. Chairman.

1 I know you probably have taken this into
2 consideration, but just out of curiosity, does these numbers
3 take into effect inflation, interest rates, population growth
4 and also electric cars?

5 MR. JAMES: And it takes -- it does take in
6 effect, like, population growth. As far as the electric cars,
7 what we did with that was we looked at the allocations we
8 received for electric cars, from the -- from the -- from the --
9 from the IIJA, and we put that to '26 numbers and expanded that
10 out. So that's how we included EV on that, because we really
11 didn't have a defined, I guess, picture on, like, you know, what
12 are going to be the 20 year needs for EV. So that's kind of how
13 we included that there, which just take the -- you know, take
14 the numbers that we've already had and project it out.

15 MR. MECK: Well, I commend you on this kind of
16 report. I mean, that you're going out 50 to 60 years, but
17 obviously we have to do that, but the preservation,
18 modernization when you came back with these numbers and that's
19 what the public asked for, that's commendable, and I thank you
20 for that.

21 MR. JAMES: Thank you, sir. Appreciate that.

22 MR. MECK: Thank you, Mr. Chairman.

23 CHAIRMAN KNIGHT: Any other comments from the
24 Board?

25 MR. JAMES: And also, Mr. Chair, I just have one

1 more slide too, so...

2 CHAIRMAN KNIGHT: Okay.

3 MR. JAMES: Yeah. It won't be as action-packed
4 as this one. I promise. So -- but I appreciate the comments.
5 Thank you very, very much.

6 And then the final one is just the -- just the
7 schedule. Just -- so we are -- we're going to be wrapping up
8 the gap analysis by the end of this year. Also, we're doing
9 resilience analysis. So we're getting that wrapped up too. And
10 that will be inclusive in the draft Long-Range Transportation
11 Plan, which is going to be released next month. And before we
12 release it to public comment, we will make sure that each of you
13 get a copy of that prior to us releasing it to the 45-day public
14 comment period.

15 We also are going to have one more public
16 meeting, statewide virtual, towards the end of July, early
17 August, just to update the public on our gap analysis,
18 resiliency analysis and draft Long-Range Transportation Plan.

19 We are tentatively scheduled to have our final
20 Long-Range Transportation Plan completed in September for a
21 30-day comment period, and looking for State Transportation
22 Board adoption in October. So that's kind of where we're --
23 where we're heading to with our pending deliverables.

24 And with that, that concludes my update.

25 CHAIRMAN KNIGHT: Yes, Ted.

1 MR. MAXWELL: Yeah. So I saw that -- the flow
2 plan, but at what point does this body or do we weigh in on what
3 our recommendation is regarding the funding sort -- the
4 percentages versus the recommended alternative?

5 MR. JAMES: I believe that's going to be in --
6 and, you know, if I -- Floyd, you can correct me if I'm wrong --
7 I believe that's going to be towards the final Long-Range
8 Transportation Plan, a period will be about around September,
9 so...

10 MR. MAXWELL: Okay. Thank you.

11 MR. JAMES: But again, correct me if I'm wrong,
12 Floyd or Greg.

13 MR. ROEHRICH: (Inaudible.) This is a planning
14 activity.

15 MR. JAMES: Yeah.

16 MR. ROEHRICH: Where's your boss at, man?

17 MR. BYRES: So, Mr. Chairman, Board Member
18 Maxwell, what we'll probably be doing is bringing it -- this up
19 each month all the way through to October, that way if there's
20 any other comments that -- during the comment period that come
21 through, we can keep you abreast of what we're hearing, and then
22 also bring this forward so that there's an open discussion as we
23 approach to the adoption in October.

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

25 Any other comments from the Board? I guess not.

1 MR. JAMES: Awesome. Thank you very much.
2 Appreciate it.

3 CHAIRMAN KNIGHT: Thank you for a very
4 comprehensive report.

5 MR. JAMES: Thank you.

6 CHAIRMAN KNIGHT: Now we'll move on to Agenda
7 Item 7, the PPAC.

8 (Pause in recorded audio.)

9 MR. PATANE: -- so for your consideration,
10 changes to the FY 2023-2027 Statewide Transportation Facilities
11 Construction Program, new projects Items 7G through 7Q?

12 CHAIRMAN KNIGHT: Does any board member have a
13 question or comment on any of the items from 7J to 7Q?

14 VICE CHAIRMAN SEARLE: No questions. So I'll
15 make a motion to approve.

16 MR. THOMPSON: Second.

17 CHAIRMAN KNIGHT: I have a motion from Member
18 Searle and a second from Member Thompson to approve new
19 projects, Item 7J through 7- --

20 VICE CHAIRMAN SEARLE: Q.

21 CHAIRMAN KNIGHT: -- Q.

22 All those in favor signify by saying aye.

23 BOARD MEMBERS: Aye.

24 CHAIRMAN KNIGHT: Any opposed? Motion carries.

25 MR. PATANE: So next we have new projects for the

1 Airport Capital Improvement Program. Chairman Knight, Board
2 Members, for your consideration, changes to the FY 2023-2027
3 Airport Capital Improvement Program new projects, Items 7R
4 through -- 7R and 7S.

5 CHAIRMAN KNIGHT: Any board member have any
6 questions on 7R and S? Then I will entertain a motion to
7 approve the Airport Development Programs Items 7R through 7S.

8 MS. HOWARD: So moved.

9 MR. MAXWELL: Second.

10 CHAIRMAN KNIGHT: I have a motion from Member
11 Howard and a second from Member Maxwell to approve as presented.

12 All those in favor signify by saying aye.

13 BOARD MEMBERS: Aye.

14 CHAIRMAN KNIGHT: Any opposed? Motion carries.

15 MR. PATANE: Thank you.

16 CHAIRMAN KNIGHT: Thank you, Paul.

17 Well, now we'll move on to Item 8. This is the
18 SMART Fund.

19 (Pause in recorded audio.)

20 (Break taken.)

21 CHAIRMAN KNIGHT: I call the meeting back to
22 order. Go ahead, Paul. We're on Item 8.

23 MR. PATANE: Thank you, Chairman, Board Members.

24 Today I'll be presenting the State Match
25 Advantage for Rural Transportation, the Arizona SMART Fund

1 Program. So today we have five applications on the agenda.

2 CHAIRMAN KNIGHT: And I would like to let the
3 Board know that Paul's going to present all five of them, and
4 then we'll do it one at a time. So if you can hold your
5 questions until after his presentation of the five applicants.
6 Thank you.

7 MR. PATANE: So just to recap on the eligibility
8 uses. The uses include, of the AZ SMART Fund, grant
9 reimbursement of grant development and submission costs, match
10 on a federal grant and reimbursement of design and other
11 engineering services. Currently, all cities and towns and
12 counties are eligible except for those listed on the slide here.

13 (Pause in recorded audio.)

14 MR. PATANE: Next we have is the City of Gilbert,
15 which applied for the 2023 RAISE grant for the design of the
16 Veterans Memorial bikeway ped bridge. The work includes design
17 of the bike ped bridge over the Union Pacific Railroad in
18 downtown Gilbert. The project will eliminate the mobility
19 barrier, reduce illegal track crossings, improve safety for
20 pedestrians. The request is for match in the amount of
21 \$375,000.

22 Next we have the -- is the Bullhead City, which
23 they applied for the 2023 RAISE Grant for the Bullhead Parkway
24 multimodal improvement projects. On the project, the work
25 includes some roadway resurfacing, new medians, bus stops, bike

1 and ped paths and upgraded traffic signal systems. The project
2 will improve safety, reduce congestion, improve efficiency
3 throughout the city. Applicant is contributing 7.6 million.
4 The request is for \$3 million for match.

5 The final application is from Coconino County.
6 This is for 600,000 for design and other engineering services,
7 and the request is to update the I-40 design concept report for
8 the Bellemont area. The project will identify current options
9 to improve, realign and construct a traffic interchange and
10 frontage road improvements, and the request is for ADOT to
11 administer this project.

12 So here's a recap of the -- of the five
13 applications that were submitted, including -- they were
14 included in the Board packet. We have highlighted in yellow the
15 two -- the two preference criteria identified in the statute
16 that the Board may utilize at its discretion. And so we have
17 the match is part of the criteria, along with the project
18 partners.

19 All five applications are currently eligible and
20 have received the required COG, NPO approval and were approved
21 by the PPAC to be considered by the Board.

22 The total request today is approximately 7.595
23 million, which 6.775 million is for match and 820,000 request is
24 for design and other engineering services.

25 So this is a recap of -- on the -- the funds to

1 date. As you can see, today they have earned almost \$181,000 in
2 interest. This does not reflect, you know, the recent
3 legislative appropriation of 2.5 million, which will be included
4 after July 1, and so the available awards, the balance to date
5 is what's in yellow for each of the categories, because four of
6 the applications today were for municipalities greater than
7 10,000. And then one from Coconino County was for counties
8 greater than 100,000.

9 Are there any questions on what was presented so
10 far?

11 CHAIRMAN KNIGHT: Board members have any
12 questions so far? Go ahead, Mr. Searle.

13 VICE CHAIRMAN SEARLE: Could we go back to that
14 previous slide?

15 So what I'm hearing you say, Paul, is that the
16 request from Gilbert, Sierra Vista, Bullhead City and Phoenix
17 all fall under that municipalities 10,000 or greater, and we
18 have 3,496,000 available to award?

19 MR. PATANE: Yes, Board Member Searle.

20 VICE CHAIRMAN SEARLE: And then -- so then
21 Coconino County also -- so we don't have enough money to
22 allocate the four of them then; is that correct?

23 MR. PATANE: That is correct, sir.

24 VICE CHAIRMAN SEARLE: Okay. Just want to make
25 sure we're all on the same page.

1 CHAIRMAN KNIGHT: At this point, just to make
2 things maybe a little quicker, I would accept a motion to award
3 the AZ SMART funds to Coconino County. It's the only pot that
4 can handle their request, and their request is only 639,000.

5 VICE CHAIRMAN SEARLE: I'll second that. You
6 made the motion.

7 CHAIRMAN KNIGHT: Okay.

8 MR. MAXWELL: Mr. Chair, could I ask for
9 clarification on the motion?

10 CHAIRMAN KNIGHT: Pardon?

11 MR. MAXWELL: Can I ask for clarification on the
12 motion? Are we going to go back and talk about the other four?
13 So for simplicity --

14 CHAIRMAN KNIGHT: Yeah, for simplicity, if we --
15 if we do the easy one first, then we can tackle the four hard
16 ones.

17 MR. MAXWELL: Thank you, sir.

18 CHAIRMAN KNIGHT: So I made a motion, seconded by
19 Member Searle to award the SMART funds requested by Coconino
20 County.

21 All those -- all those -- is there any -- yes.

22 MR. THOMPSON: I got something to say. Thank you
23 to yourself, Chairman, and to the Vice for agreeing to go along
24 with the proposal. Earlier during the comment period, there was
25 a gentleman that came on and already discussed the issue with

1 us. So therefore, not discuss it, but rather presents to us his
2 concern about this one here. And I've been meeting with some of
3 the supervisors as well as the MetroPlan that was mentioned
4 (inaudible). So again, thank you very much. That is definitely
5 in need of. Thank you very much.

6 CHAIRMAN KNIGHT: Well, if Mr. Searle hadn't made
7 my comment a motion, I would have left it for you, because --
8 but anyway, it is what it is.

9 All those -- all those in favor signify by saying
10 aye.

11 BOARD MEMBERS: Aye.

12 CHAIRMAN KNIGHT: Any opposed? Motion carried.

13 So now we'll move to the four that have applied
14 for money that's not all there. Would the Board -- anybody on
15 the Board like to start the discussion?

16 Go ahead, Ted.

17 MR. MAXWELL: If you're looking for somebody to
18 start the discussion, I'll fill that role.

19 Yeah. Mr. Chair, there's two things that worry
20 me about this category. This is the category that was -- we
21 heard about earlier in the legislative update, both as my
22 understanding, the changes to whose eligible will occur 90 days
23 after sine die. The Legislature was pretty clear across the
24 board that they believed in those changes. That's why I asked
25 the question about if it had been retroactive. Matter of fact,

1 the Senate vote was 25 to 5, the House vote was 46 to 13,
2 recommending those changes, and my understanding was that the
3 Governor's office also supported those changes as this was
4 targeted towards the rural transportation.

5 I do think these two cities that are outside
6 of -- Pima and Maricopa -- on these valid applications. So at
7 some point I'd be willing to move those forward, but that's -- I
8 think we've got to at least consider the -- what the intent of
9 the Legislature is in this case and the Governor's office as
10 well. But at a minimum, we know we can't award all these, and
11 obviously, one of the requests is for 3- -- I believe it was
12 3.4 million. So that's going to be a challenge as well.

13 VICE CHAIRMAN SEARLE: So clarification, Ted,
14 you're saying that we move ahead with Bullhead City and Sierra
15 Vista?

16 MR. MAXWELL: I would be willing to make that
17 motion.

18 VICE CHAIRMAN SEARLE: And if just additional --
19 we've got 3.4 in there right now, but with the additional
20 funding after July 1st, another 2.5, it takes up to 5.9. So
21 even if we didn't -- on these other ones, we could revisit this
22 in July when there's additional funding. Okay.

23 CHAIRMAN KNIGHT: There's only -- I'd like to
24 make one comment. There's only one drawback -- there's only one
25 obstacle. The RAISE grant that they've all applied for, that --

1 the decision on that comes out the 28th of this month, which
2 means that after July, they'll know they -- whether or not they
3 got it, if they didn't get it. However, I guess my question
4 would be they can still apply for -- even if they didn't -- if
5 they didn't get it, and once the 2.5 million, after July 1st,
6 becomes available, then they could apply -- reapply for a RAISE
7 grant and reapply for SMART funds that would be available at
8 that time; is that correct?

9 MR. PATANE: Chairman, Board Members, they're
10 eligible up until the execution of the grant agreement. Once
11 the grant agreement execs -- is executed, they're no longer
12 eligible and...

13 CHAIRMAN KNIGHT: Okay. So what you're telling
14 me then is June 28th is not a hard deadline. It's just when
15 they receive yes or no, and if we (inaudible) they could still
16 get the SMART funds, because the RAISE grant wouldn't have been
17 executed? Is that what you're saying?

18 MR. PATANE: Correct.

19 MR. ROEHRICH: So -- well, hold on.

20 Mr. Chairman --

21 CHAIRMAN KNIGHT: What's the execution date?
22 Does anybody know?

23 MR. ROEHRICH: Well, it will be after -- once
24 they get the grant, then they will execute the grant agreement,
25 that will come after the fact.

1 But I think, unless I'm misunderstanding this,
2 the cities have already submitted their application, meaning
3 they've already identified all the funding sources. They're
4 asking for reimbursement or assistance in financial match from
5 the SMART Fund, but that shouldn't hinge on where the
6 application is, because the application's already been submitted
7 with all the financials developed.

8 So whether you action it now or after they get
9 the notification of award, they can always come back and ask for
10 that reimbursement as well, because we're reimbursing what's
11 already been put in their financial plan. So it should not
12 impact them getting the grant through the process. That's how I
13 understand it; is that correct?

14 MR. PATANE: Yeah, go ahead.

15 MS. DANKA: Mr. Chairman, Members, for the
16 record, my name is Lisa Danka, and I am the manager of the AZ
17 SMART grant program.

18 The determination on when a federal grant
19 agreement is executed depends on the project and its readiness.
20 The determination on whether they can apply for an AZ SMART
21 grant is based on whether or not that federal grant agreement
22 has been executed. Once that's executed, they would not be
23 eligible for the AZ SMART program from the perspective of match.

24 MR. MAXWELL: Mr. Chair.

25 CHAIRMAN KNIGHT: Go ahead, Ted.

1 MR. MAXWELL: Can we confirm? I believe we heard
2 this at the meeting in Winslow. If we award some of this to the
3 ones who are applying in 2023, so they won't know until
4 June 28th, if they do not get the RAISE grant, then those funds
5 return into the SMART fund portfolio and can be reissued to
6 others?

7 MR. PATANE: That is correct, Board Member
8 Maxwell.

9 MR. MAXWELL: Thank you.

10 CHAIRMAN KNIGHT: So did you make your
11 recommendation in the form of a motion on Bullhead City and
12 Sierra Vista?

13 MR. MAXWELL: For the purpose of discussion, I
14 will absolutely move that we approve the Bullhead --

15 MR. ROEHRICH: Mr. Chairman, just -- you want to
16 try to keep these all separated, because they have the potential
17 to have different impacts. Will you please -- I would recommend
18 that you take each application individually. So if you would
19 like to move those two forward, let's do Bullhead first, then
20 Sierra Vista, but let's do them individually so they're not tied
21 together in case something happens to one over the other. Then
22 the motion gets impacted.

23 MR. MAXWELL: Floyd, greatly appreciate your
24 input. So therefore, I will move that we award the Sierra Vista
25 AZ SMART Fund first.

1 VICE CHAIRMAN SEARLE: I will second that.

2 CHAIRMAN KNIGHT: Well, I have a motion from
3 Member Maxwell and a second from Member Searle to award AZ SMART
4 fund to --

5 MR. MAXWELL: Sierra.

6 CHAIRMAN KNIGHT: -- Sierra Vista. Any further
7 discussion?

8 All those in favor signify by saying aye.

9 BOARD MEMBERS: Aye.

10 CHAIRMAN KNIGHT: Okay. That takes care of
11 Sierra Vista, and what -- all I'm working on is what the balance
12 is going to be, but if you want to move on to -- Gilbert's only
13 asking for 375,000.

14 Mr. Chair, at this time I'll move that we award
15 Bullhead City's, because I think that the Gilbert one's back in
16 (inaudible) --

17 CHAIRMAN KNIGHT: Three -- I was trying to see
18 what was left. They're going to -- it's going to be slightly
19 less than 3 million, but they're going to get almost 3 million.
20 349, 349, 6, 780...

21 UNIDENTIFIED SPEAKER: There's no longer three
22 left right now.

23 CHAIRMAN KNIGHT: Right now, if we -- according
24 to my calculations, if we awarded Gilbert the 375,000 --
25 although they've got zero contributing -- my recommendation

1 would be to award Bullhead City the 3 million. There's only
2 100,000 -- a little less than 100,000 --

3 MR. ROEHRICH: So Mr. Chairman.

4 CHAIRMAN KNIGHT: -- would put -- it would put --

5 MR. ROEHRICH: So Mr. Chairman, Board Member
6 Maxwell already made a motion to award Bullhead City. Did you
7 want to ask for a second, or did you want to go back and
8 deliberate on that motion?

9 CHAIRMAN KNIGHT: Okay. I do have a motion. You
10 did make a motion for Bullhead City. Okay. I've got a motion
11 to award Bullhead City and a second from?

12 VICE CHAIRMAN SEARLE: I'll second.

13 CHAIRMAN KNIGHT: I've got a second from Member
14 Searle.

15 MR. ROEHRICH: Yes, sir. Now, please do your
16 deliberation if you want to look at what funding is available.

17 CHAIRMAN KNIGHT: Okay. So somebody can do the
18 math out there and see what's left for the last applicant. It's
19 going to be -- but anyway, I have a -- I have a motion and a
20 second.

21 All those in favor signify by saying aye.

22 BOARD MEMBERS: Aye.

23 CHAIRMAN KNIGHT: Any opposed?

24 Okay. We've awarded the SMART Funds to Bullhead
25 City.

1 MR. ROEHRICH: Mr. Chairman, before we move on --

2 CHAIRMAN KNIGHT: The balance of --

3 MR. ROEHRICH: That's what I want to double-
4 check. They're working the balance right now. What we may have
5 is if you award more money than what is in there, we may have to
6 put a cap on it. So let's quick -- let's let them do the math.
7 So if they approved Bullhead City, how much was the left after
8 approving Sierra Vista?

9 UNIDENTIFIED SPEAKER: Thank you.

10 (Inaudible conversation.)

11 MR. PATANE: It should be -- with the balance
12 will be approximately \$277,000.

13 CHAIRMAN KNIGHT: That's what I thought. That's
14 what I thought.

15 So do I have a motion to award the balance in the
16 municipal pot 10 -- 10K plus to -- of AZ SMART Funds to the City
17 of Gilbert?

18 UNIDENTIFIED SPEAKER: For purposes of
19 discussion --

20 MR. MECK: I'll make the motion.

21 CHAIRMAN KNIGHT: I have a motion from have
22 Member Meck.

23 VICE CHAIRMAN SEARLE: (Inaudible) decision. I'll
24 second it, but I think --

25 CHAIRMAN KNIGHT: Okay.

1 VICE CHAIRMAN SEARLE: -- I think there is some
2 discussion on this topic.

3 CHAIRMAN KNIGHT: Okay. And a second from Member
4 Searle. And the floor is yours, Mr. Searle.

5 VICE CHAIRMAN SEARLE: The question is, and then
6 Ted brought it up earlier, is the intent of the Legislature is
7 do these -- does Gilbert comply with the intent of the
8 legislation for the SMART Funds? And I think that's something
9 that I think as a board, we should discuss.

10 CHAIRMAN KNIGHT: Well, it's my understanding
11 that staff has determined that they do before they bring them to
12 us; is that correct?

13 MR. PATANE: Correct. They -- currently, Gilbert
14 does qualify for the AZ SMART.

15 CHAIRMAN KNIGHT: Okay. Does that --

16 VICE CHAIRMAN SEARLE: They comply -- will they
17 comply on July 2nd?

18 MR. ROEHRICH: So, Mr. Chairman, Mr. Searle, when
19 the new law takes effect, which will be 90 days after sine die,
20 which we don't know yet, because they've extended their session
21 to -- at least to July 31st, when that law takes effect, they
22 will not be eligible, but that date is not known at this point.

23 VICE CHAIRMAN SEARLE: Fair enough.

24 MR. PATANE: So 90 days could be November, at the
25 earliest? Whenever --

1 VICE CHAIRMAN SEARLE: Yeah. It could be some --

2 CHAIRMAN KNIGHT: As I understand it.

3 VICE CHAIRMAN SEARLE: Then with the additional
4 2.5 that we will have in this bucket, come July 2nd,
5 theoretically, we could give them the entire amount that they're
6 requesting in July.

7 CHAIRMAN KNIGHT: That's -- I can't answer that
8 question, because I'm -- I haven't read the legislation.

9 MR. ROEHRICH: Mr. Chairman, Mr. Searle, on
10 July 1st, when the additional two and a half million dollars is
11 put into each of these individual buckets, that will create a
12 new balance, and then that money will be available. For
13 distribution at that time. But until July 1st, all we have is
14 these balances that are -- that Paul presented today.

15 CHAIRMAN KNIGHT: And at this time we cannot
16 encumber those funds; is that correct?

17 MR. ROEHRICH: That's almost a legal question for
18 Michelle, but I will tell you administratively that has been the
19 actions we've taken, to not encumber those future funds until
20 they become available. That is correct.

21 MR. MAXWELL: Mr. Chair.

22 CHAIRMAN KNIGHT: Ted.

23 MR. MAXWELL: -- get any clarification on the
24 Phoenix number for their project? Because I thought that was
25 higher than the numbers we're talking right now, but if I could

1 get that clarification, it would help this discussion.

2 MR. PATANE: The request from the City of Phoenix
3 was 3.4 million for MAG.

4 MR. MAXWELL: So I guess that's an additional
5 concern on top of whether the -- one, I am concerned about going
6 against the will of the Legislature and the Governor at this
7 point, and I'm going to assume that there's -- and that's -- I
8 know assumptions are bad. You never make an assumption, but --
9 but I know from the votes of the Legislature it was definitely
10 their intent, and the Governor signed the bill into law. So I'm
11 going to make the leap that she was supportive of the concept in
12 general.

13 That's one concern, but another concern with the
14 Phoenix rate -- the proposal was that's \$3.4 million. That ask
15 is more than we will have for the entire next fiscal year to
16 award to the cities above 10,000, and that includes the rural
17 cities, and this -- you know, not from a rural area, but it's
18 very clear that SMART, the last two words in it is rural
19 transportation. So I take that -- I do take that somewhat
20 seriously.

21 To your point, I would not be opposed to issuing
22 what we have remaining in this fund to Gilbert. It doesn't get
23 them their entire slot. And do we have the option -- I guess
24 clarification, Paul. Do we have the option of awarding less
25 than the amount requested? I know we did that with Flag

1 earlier, so I'm going to assume that that's still an option.

2 And to your point, Mr. Chair, you said they right
3 now -- it looks like there's no city money in this, and this
4 would really require them to put some skin in the game as well.

5 And those are just my thoughts in one long
6 stream.

7 CHAIRMAN KNIGHT: Okay. So --

8 MR. ROEHRICH: So Mr. Chairman and Mr. Maxwell,
9 the way my understanding is, the motion that was made to award
10 the funds to Gilbert were to fund up to a balance that -- left
11 in the account, whatever it is. So the motion was not to give
12 them their full amount. It was to give them -- the balance left
13 would be \$277,008.19. So that would tap out that account.
14 That's how I understood the motion verbiage, unless you want to
15 either modify the motion or present a new motion.

16 CHAIRMAN KNIGHT: Well, so should the motion be
17 to just award the balance in that particular --

18 MR. ROEHRICH: That's what the motion said. What
19 I heard Mr. Searle say when he said it was to -- or I'm sorry.
20 Mayor Meck had given the motion -- was to award the balance that
21 was in the account to Gilbert. So that's the motion I believe
22 was made.

23 CHAIRMAN KNIGHT: I think the -- yeah. The
24 motion was to award the balance, whatever that --

25 MR. ROEHRICH: Whatever was left in that account,

1 and it's the \$277,019 --

2 CHAIRMAN KNIGHT: And then that pot will be --

3 MR. ROEHRICH: It'll be zero balance out. There
4 will be no funds left.

5 CHAIRMAN KNIGHT: It will be zeroed out until
6 July 1st.

7 MR. ROEHRICH: July 1st.

8 CHAIRMAN KNIGHT: Okay.

9 Mr. Chair, one more.

10 CHAIRMAN KNIGHT: Yes, please. Ted.

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

12 Director, I guess I'd turn to you as the director
13 on the Governor's staff, and I know I've said I'm going to make
14 this assumption or to make the leap. Do you know what the
15 Governor's thoughts on the change in the pending legislation --
16 or the -- it's not pending legislation -- the legislation that's
17 been signed into law, what -- do you know her thoughts and
18 opinions on that?

19 DIRECTOR TOTH: Mr. Chairman, Member Maxwell, I
20 think you hit it right on the head when you said rural is in the
21 name of the SMART grant.

22 CHAIRMAN KNIGHT: Any further discussion?

23 I have a motion and a second. All those in favor
24 signify by saying aye.

25 BOARD MEMBERS: Aye.

1 CHAIRMAN KNIGHT: Okay. And just to be clear,
2 the motion was to award the balance of the SMART funds in the
3 (inaudible) 10k plus to City of Gilbert?

4 MR. ROEHRICH: Yes, sir. You called for the aye.
5 Are there any nays? I didn't hear if you asked for any nays.

6 CHAIRMAN KNIGHT: Any opposed? Motion carries.

7 MR. ROEHRICH: Thank you.

8 MR. MAXWELL: Mr. Chair, can I make one final
9 comment?

10 CHAIRMAN KNIGHT: Yeah. Go ahead, Ted.

11 MR. MAXWELL: I do appreciate the Town of Gilbert
12 having a Veterans Memorial Bicycle pedestrian bridge. I think
13 it's a -- it's always proper to honor those who have served,
14 especially those who have given in communities, and there's a
15 lot of different forms of service, but I think that one played
16 into my decision to continue to support that, despite some of my
17 other concerns.

18 CHAIRMAN KNIGHT: Well, I think the fact that it
19 kind of needs there -- needs to be there because of the railroad
20 tracks. They are currently having to cross the railroad tracks
21 without -- it looks like without a crossing of any kind. So it
22 looks like it's much needed. So anyway...

23 MR. ROEHRICH: So Mr. Chairman and Board Members,
24 before we move on, I do want to make sure we get this on the
25 record.

1 Having approved the other four applications that
2 have been presented, and now that the category is zero balance,
3 the City of Phoenix application, it really is not able to be
4 actioned at this time. So by default, that application, I
5 guess, will no longer be presented to the Board.

6 MR. MAXWELL: Floyd, do you need an action? I
7 mean, do we need to vote on the City of Phoenix?

8 MR. ROEHRICH: Unless you're going to vote zero.
9 I don't know what else you would vote.

10 MR. MAXWELL: Mr. Chair, can we vote to move that
11 conversation into July? I mean, that will -- we'll probably
12 have much longer discussion on the legislative and --

13 CHAIRMAN KNIGHT: You want to defer it?

14 MR. MAXWELL: We would defer that until we
15 have -- we don't have the funds right now.

16 CHAIRMAN KNIGHT: I have a motion to defer it to
17 the next board meeting. Do I have a second?

18 VICE CHAIRMAN SEARLE: I'll second that.

19 CHAIRMAN KNIGHT: I have a motion from Member
20 Maxwell and a second from Member Searle to move the application
21 from the City of Phoenix, to defer that and move it to our next
22 meeting, which will be in July.

23 MR. MAXWELL: And just for clarification on top
24 of that, there's still not going to be enough funds to meet the
25 Phoenix request in July.

1 CHAIRMAN KNIGHT: True.

2 MR. ROEHRICH: So I'd asked not to deliberate on
3 that beyond the deferral at this point.

4 CHAIRMAN KNIGHT: Yeah. Right now we're just
5 kicking the can down the road. Yes. And so it doesn't really
6 change the situation, and maybe -- okay. Any further
7 discussion?

8 All those in favor signify by saying aye.

9 BOARD MEMBERS: Aye.

10 CHAIRMAN KNIGHT: Any opposed?

11 UNIDENTIFIED SPEAKER: I'll oppose that.

12 CHAIRMAN KNIGHT: One opposed. Motion carries.

13 MR. PATANE: Thank you.

14 MR. BYRES: We'll move on to Agenda Item
15 Number 9, the state engineer's report, with Greg Byers.

16 UNIDENTIFIED SPEAKER: All right. There you go.

17 MR. BYRES: Thank you, Mr. Chairman, Board
18 Members. We have -- I'll kind of go through the summary of
19 active and finalized projects. We have 104 projects under
20 construction, or 2.2 billion. Eight projects have been
21 finalized in May. We're at 12.5 million. Fiscal year to date,
22 we have 66 projects that have been finalized.

23 That is the state engineer's report on
24 construction projects.

25 CHAIRMAN KNIGHT: Thank you, Greg.

1 Do any board members have any questions for Greg?
2 Then we'll move on finally to Item Number 10, new
3 construction contracts.

4 MR. BYRES: Thank you very much, Mr. Chairman.

5 What you see in front of you is a -- basically a
6 summary of the projects that we had this past month. We had a
7 total of seven projects. Right now we are carrying a difference
8 of \$11,877,405.08, or 1.7 percent over what we were projecting
9 for construction.

10 So as you look at the totals for the entire year,
11 you can see where we're at. We actually did pretty good this
12 month. We were under, which dropped us down to that 1.7
13 percent. So we're traveling actually in a very good position at
14 this point in time, especially getting towards the end of the
15 year.

16 So we can go on to Item 10A. 10A, now I've got
17 to get to my notes. 10A is a project that was postponed last
18 month. This was a -- we had an apparent lower that was KEZ
19 Construction, Inc. They did not have a timely submittal of
20 their BECO documentation, and it was determined that they were
21 ineligible for award. So with that, we went to the second
22 bidder, and with the second bidder, the lower -- the second
23 bidder's bid was \$896,887.00. The State's estimate was
24 \$625,325. The difference was \$271,562, or 43.4 percent over the
25 State's estimate.

1 The construction costs were higher than estimated
2 due to the remote location of the site. Construction is also
3 going to progress slower than estimated due to the slope of some
4 of the surfaces that we have within the scour protection. After
5 we analyzed the current bid, it appears to be responsive and
6 responsible, and we recommend award to Whelcon Contractors, LLC.

7 CHAIRMAN KNIGHT: Is there a motion to award
8 Item 10A to Whelcon Contractors, LLC, as presented?

9 MS. HOWARD: So moved.

10 VICE CHAIRMAN SEARLE: Second.

11 CHAIRMAN KNIGHT: I have a motion from Member
12 Howard and a second from Member Searle to award Item 10A to
13 Whelcon Contractors, LLC.

14 All those in favor signify by saying aye.

15 BOARD MEMBERS: Aye.

16 CHAIRMAN KNIGHT: Any proposed? I'm waiting,
17 Richard. Motion carries, unanimous.

18 MR. BYRES: The next item we have is Item 10B.
19 This is a pedestrian facilities improvement project. This is
20 actually the second time this project has bid. The first time
21 there were no bidders. This is a city project. This time
22 around, as it bid, we only had one bidder. The one bid received
23 was substantially higher than the State's estimate. The City of
24 Apache Junction is not willing to accept the higher cost for the
25 project, and it is recommended that we reject all bids.

1 CHAIRMAN KNIGHT: Do I have a motion from the
2 Board to --

3 VICE CHAIRMAN SEARLE: This sounds like right up
4 my alley. Yeah, I'll make the motion.

5 CHAIRMAN KNIGHT: To reject all bids?

6 MS. HOWARD: I'll second.

7 CHAIRMAN KNIGHT: Do I have a second?

8 MS. HOWARD: I'll second.

9 CHAIRMAN KNIGHT: I have a motion from Member
10 Searle and a second from Member Howard.

11 MR. MAXWELL: Mr. Chair, I have a question, just
12 for discussion purposes.

13 CHAIRMAN KNIGHT: Ted.

14 MR. MAXWELL: So this is the second time we've
15 gone out on bid on this one, and we got zero bids, and we got a
16 single bid. What do you believe the issue is?

17 MR. BYRES: In this particular case, this is a --
18 it's a pedestrian facilities improvement. It's a fairly -- one,
19 it's a very difficult project to do. The bids that you've
20 seen -- or the one bid that we did receive as -- was
21 substantially higher than the engineer's estimate. There just
22 isn't a lot of interest in this particular project at this point
23 in time. It may be something that we will go back to the city
24 and look at rescoping the project to make it a little bit more
25 palatable for contractors, and hopefully we can entice more

1 interest in the project.

2 MR. MAXWELL: Thank you.

3 MR. BYRES: Thanks.

4 CHAIRMAN KNIGHT: Okay. I have a motion and a
5 second. All those in favor signify by saying aye.

6 BOARD MEMBERS: Aye.

7 CHAIRMAN KNIGHT: Any opposed?

8 MR. BYRES: Thank you.

9 CHAIRMAN KNIGHT: Unanimous. We're -- that one
10 passes as well.

11 That's all I've got for you, right?

12 MR. BYRES: Yep. That's it.

13 CHAIRMAN KNIGHT: Thank you.

14 MS. HOWARD: Greg, I have a quick question.

15 MR. BYRES: Yes.

16 MS. HOWARD: Waterfall Bridge and Queen Creek
17 Bridge, they were slated to bid this spring. Do you have a
18 schedule for those?

19 MR. BYRES: So Queen Creek Bridge is --
20 they're -- if they're not bidding this week, I think they bid
21 here coming up in the next -- in the next week.

22 MS. HOWARD: Okay.

23 MR. BYRES: So it's on the schedule.

24 MS. HOWARD: Thank you.

25 CHAIRMAN KNIGHT: Okay. We'll move on to Item

1 Number 11. Does the Board have any suggestions for future
2 agenda items? Ted.

3 MR. MAXWELL: Mr. Chair, I do have one suggestion
4 based on that -- the first time I saw documentation, one of our
5 things from the Aeronautic Division. At some point I'd like
6 ADOT to set up to have the Aeronautic Division come in and kind
7 of give us a briefing of what they do and the differences. You
8 know, I've had a lot of questions on, you know, the Grand Canyon
9 is treated differently and how those things work. And it could
10 be a study session or a board meeting in the future, depending
11 how busy the board meeting schedule is, but I'd appreciate to
12 learn more about that division.

13 CHAIRMAN KNIGHT: Okay. Any other comments?
14 Yes, Jesse.

15 MR. THOMPSON: Chairman, members of the Board,
16 staff and audience, I was thinking that there's some discussion
17 that took place earlier regarding increasing the HURF moneys.
18 In the past years, maybe a couple of years back, we sent a
19 message to the Governor about the status of the -- her money and
20 our concern. Could we be able to do that again, get that
21 message to the Governor?

22 MR. ROEHRICH: So Mr. Chairman, Mr. Thompson,
23 what you're referring to is when you adopted the five-year
24 program previously. In the letter of transmittal that comes by
25 the director on behalf of the Board and submits it, there were

1 statements in there regarding the impacts that our funding
2 situation has been. That is a question that I'm afraid I'm
3 going to have to defer to the -- to the director on. If you're
4 asking that of her to take that message forward, that then
5 becomes an issue that she's going to have to agree to.

6 DIRECTOR TOTH: Mr. Chairman, Member Thompson,
7 I think you might be referring to the last Long-Range
8 Transportation Plan. When the plan was adopted, the Board
9 actually adopted a letter and signed off on it in regard to
10 trying to make a statement that the revenue and the funding
11 gap needed to be addressed.

12 MR. THOMPSON: Yes.

13 DIRECTOR TOTH: We'd be happy to have that
14 conversation with the Board again.

15 MR. THOMPSON: Chairman, there's only
16 recommendation, if that's where the Board wants to go.

17 CHAIRMAN KNIGHT: Thank you, Jesse.

18 I want one announcement. If the board members
19 would all remain, they would -- the City of Florence would like
20 a picture of all of us in front of that background over there.
21 So if you -- don't run off.

22 And I think Floyd might have a comment or two
23 about the next meeting.

24 MR. ROEHRICH: Just a reminder, the next meeting
25 is in the town of Show Low. It's Friday, July 21st, and we

1 already started coordinating with the town on a number of
2 issues. As we gather information, we'll make sure to send it
3 out to all the board members and staff.

4 CHAIRMAN KNIGHT: Great, thank you, Floyd.

5 Having covered all the items on today's agenda,
6 this meeting is adjourned.

7 (Meeting adjourned at 12:21 p.m.)

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

3
4 BE IT KNOWN that the foregoing proceedings were reported
5 by me, TERESA A. WATSON, Registered Merit Reporter, Certified
6 Reporter, Certificate No. 50876, State of Arizona, from an
7 electronic recording and were reduced to written form under my
8 direction; that the foregoing 108 pages constitute a true and
9 accurate transcript of said electronic recording, all done to
10 the best of my skill and ability.

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

14 DATED at Phoenix, Arizona, this 2nd day of October 2023.

15
16
17 /s/ Teresa A. Watson

18 TERESA A. WATSON, RMR
19 Certified Reporter
20 Certificate No. 50876
21
22
23
24
25

Adjournment

Chairman Gary Knight adjourned the State Transportation Board Meeting on June 16, 2023.

Meeting adjourned at 12:21p.m. PST.

Not Available for Signature

Gary Knight, Chairman
State Transportation Board

Not Available for Signature

Jennifer Toth, Director
Arizona Department of Transportation