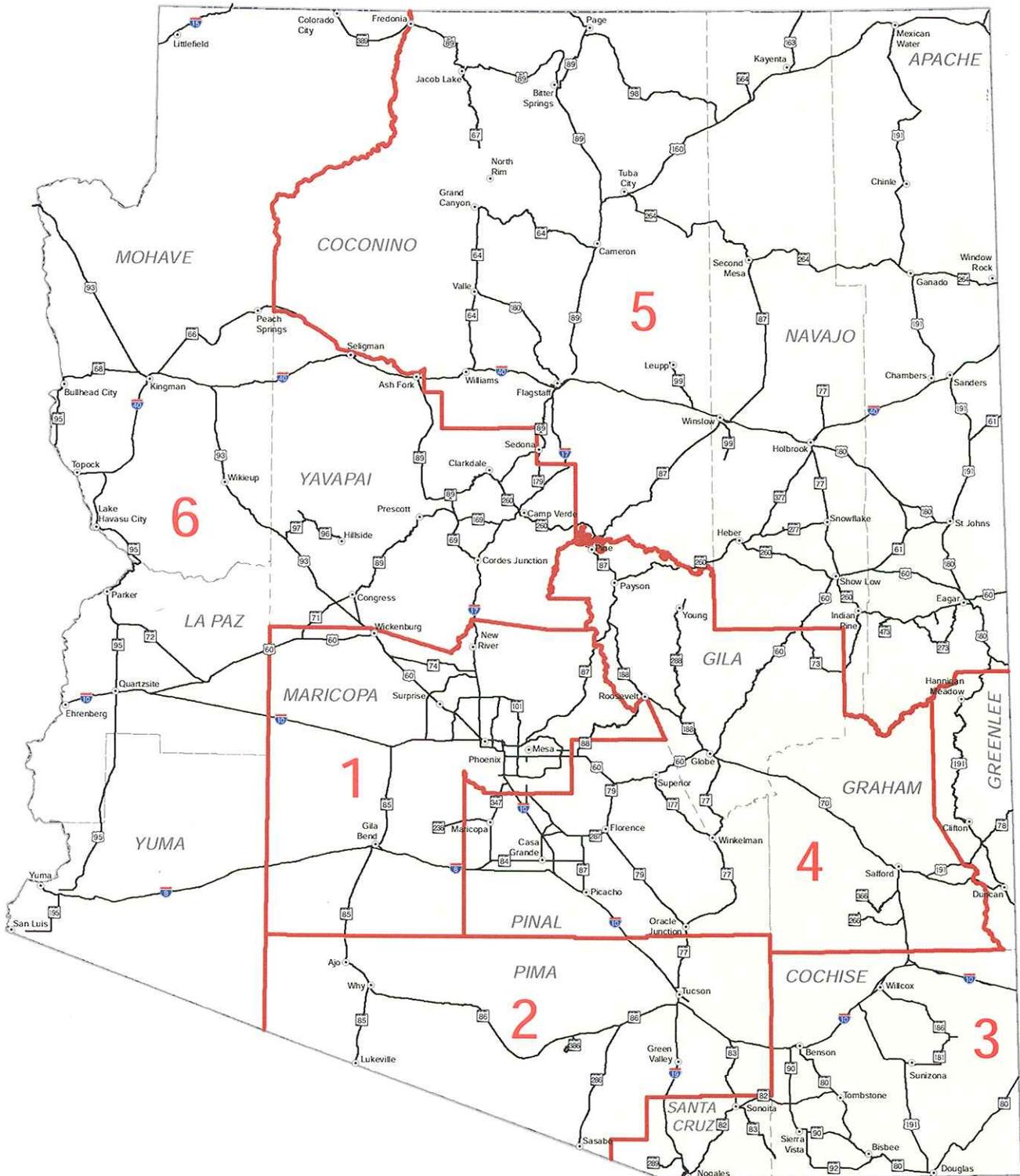


# Arizona State Transportation Board Policies



November 15, 2019

## Policy Updates

**August 15, 2003** the State Transportation Board approved the extensive revision of Policy 17. Turn back of State Routes on page 14 that included a policy title change to “Transfer of State Routes Policy.”

**January 17, 2003** the State Transportation Board approved **two** changes to the Board Policies.

1. Page 9, Policy 9. Rail Right of Way Preservation, the word “support” was changed to “advocate.”
2. Page 17, Policy 21. Program Development, paragraph 3, the words “or a similar process, to maintain the intent of the guiding principles” were inserted into the last sentence. The word “until” was replaced with “after” in the same sentence.

**November 19, 2010** the State Transportation Board approved **one** update to the Board Policies.

1. Page 19, Policy 21. Program Development. Added number 4 verbiage to the existing policy.

**November 8, 2013** the State Transportation Board adopted their State Transportation Board Policies for 2013 incorporating the following changes.

1. **Background.** The Board added a seventh bullet item “Prohibiting bid rigging” to match the statutory language. A paragraph was added which notes that the previously standalone Board Aviation Policies were incorporated into the State Transportation Board Policies resulting in one comprehensive policy document.
2. **Commitments.** Paragraph 5 was modified to remove the words “Real and meaningful” from the start of the statement. Paragraph 11 was modified from “that will explicitly consider” to “that will consider.”
3. **Table of Contents.** The Table of Contents was modified to reflect the removal of previous policies numbered 19, 26, and 35. New policy number 36, “Lease of Areas Below and Above Public Highways” was added and the previously approved Aviation Policies were incorporated as policy statements 37 through 43.
4. Policy 1. In the first sentence the words ‘construct and operate’ were replaced with ‘and fund.’
5. Policy 2. In the first sentence the word “direct” was removed and “work with” was inserted. In subparagraph b) the word ‘goods’ was replaced with ‘freight transportation.’
6. Policy 3. Paragraph 2 was modified to remove the words ‘five states’ before the word ‘CANAMEX’ and the words ‘other stakeholder groups’ were added.
7. Policy 4. The first sentence of paragraph 1 was modified to add “within the Board’s statutory funding limits.” Paragraph 2, subparagraph c) was modified to remove the word ‘Directing’ and replace with ‘Encouraging.’

8. Policy 5. Paragraph 1, subparagraph b) was modified to remove the words ‘of the United States’ after the word ‘states.’ Paragraph 1, subparagraph c) was modified to remove the words ‘high volume routes’ and replace with ‘key trade and commerce corridors’ and in the same subparagraph the word ‘goods’ was replaced with ‘freight.’ Paragraph 2, subparagraph b) was modified to remove the words ‘other arterial’ with ‘National Highway System and.’
9. Policy 6. The first sentence of paragraph 1 was modified to add the words ‘within consideration of its statutory funding constraints’ after the word ‘Board.’ In paragraph 2, subparagraph a) the second sentence was modified to replace the word ‘Directing’ with “Encouraging.” Paragraph 2, subparagraph c) the word ‘Directing’ was replaced with ‘Encouraging.’
10. Policy 7. The first sentence of paragraph 1 was modified to add ‘within its statutory authority.’ Previous subparagraphs a) through d) were removed and replaced with a new subparagraph a).
11. Policy 8. The policy statement was renamed from “Movement of Goods” to ‘Development of a State Freight Plan.’ Paragraph 1 was modified to replace the word ‘goods’ with ‘freight.’ Paragraph 2 was modified to replace the word ‘direct’ with ‘encourage.’
12. Policy 9. Paragraph 1 was modified to replace the word ‘advocate’ with ‘support.’
13. Policy 10. Paragraph 1 was modified to replace the word ‘integration’ with ‘consideration.’
14. Policy 11. Paragraph 1 second sentence the word ‘direct’ was replaced with ‘encourage’ and the words ‘for each highway level of development’ were removed. In subparagraph a) the words ‘Level of service’ were replaced with ‘Performance management.’ Subparagraph e) was modified to remove the words ‘will approve each level of development plan’ and replaced with ‘Department will consult the Board for consideration of any comments and questions.’
15. Policy 12. In subparagraph a) the word ‘Directing’ was replaced with ‘Encouraging.’ In subparagraph b) the word ‘Directing’ was replaced with ‘Encouraging’ and after the word ‘manual’ was replaced with ‘guidelines within ADOT’s Roadway Design Guidelines.’ Subparagraph d) was re-written. Subparagraph f) was removed.
16. Policy 13. In paragraph 1 the second sentence was removed and the following added ‘The Board has the following goals:’
17. Policy 14. Paragraph 1 was re-written. Paragraph 3 was modified to remove the words ‘the following’ and replaced with ‘appropriate’ and subparagraphs a) and b) were removed. Paragraph 4 was re-written.
18. Policy 16. Paragraph 1 was modified. Paragraph 2 and 3 were re-written. Former paragraphs 3, 4 and 5 were removed.
19. Policy 18. The policy title was modified to remove the word ‘Adequate.’ Modifications were made to each subparagraph and original subparagraphs c) and g) were removed.
20. Policy 19. In paragraph 5 the statute was corrected from ‘28-6307’ to ‘28-6304.’ Paragraph 7 was modified to add ‘on the Consent Agenda.’
21. Policy 20. Paragraph 3 was modified to add ‘50% State, 37% MAG, and 13% PAG.’ The last paragraph had minor edits.

22. Policy 21. Existing subparagraph a) was removed. New subparagraph a) was modified to change the word ‘develop’ to ‘provide’ and at the end of the sentence to add the following ‘in accordance with A.R.S. §28-504(B) and §28-505.’
23. Policy 22. The policy title was modified to remove the words ‘Surface Transportation Program (STP) Funds for Public &.’ Paragraph 1 was modified.
24. Policy 23. Paragraph 1, subparagraph e) was removed.
25. Policy 24. The policy title was modified from “Congestion Mitigation and Air Quality Improvement (CMAQ) Program Policy” to ‘Air Quality Policy.’
26. Policy 25. Paragraph 2 was removed and the others renumbered.
27. Policy 27. Paragraph 1 was modified to add ‘encourage ADOT to.’
28. Policy 28. Paragraph 1 was modified to add ‘to work with ADOT to.’
29. Policy 30. Paragraph 4 was removed.
30. Policy 31. Subparagraph a) was modified to add the word ‘generally.’
31. Policy 32. Paragraph 1 was modified to remove the words ‘and that the department comply with 49 CFR Part 26.’
32. Policy 33. Paragraph 3 was modified to remove the words ‘Several public hearings’ and replace with the words ‘A minimum of one public hearing.’

**December 18, 2015** The Arizona State Transportation Board approved their policies with no changes from the previous approved policies dated November 8, 2013.

**November 17, 2017** The Arizona State Transportation Board approved their policies with no changes from the previous approved policies dated December 18, 2015.

**November 15, 2019** The Arizona State Transportation Board approved their policies with two changes from their previously approved policies dated November 17, 2017.

2. Policy No. 39 was edited for clarification.
3. Policy No. 44, Transportation Board Member Per Diem Compensation and Expense Reimbursement Policy was added as a new policy.

## BACKGROUND

Arizona State law (A.R.S. §28-304/305) outlines the responsibility of the State Transportation Board and identifies requirements for the effective administration of Board powers, duties and responsibilities. The Board has broad authority to plan and develop Arizona's highways, airports, and other state transportation facilities. In addition to these general policy responsibilities the Board is responsible for development and oversight of the State's Five-Year Transportation Facilities Construction Program and for policy and rulemaking in the following areas:

- Priority Programs
- Establishing, altering or vacating highways
- Construction contracts
- Accelerated funding mechanisms, i.e. Revenue Bonds, HELP Loans, Board Obligation
- Fund and GANS.
- Local government airport grants
- Designating or establishing scenic or historic highways
- Prohibiting bid rigging

With respect to Aeronautics, the Board's duties are further outlined in A.R.S. Title §28, Chapter 25-Aviation. This statute requires the development of Board policies establishing priority programs for airport development (A.R.S. §28-305(1)) and issuing of airport grants (A.R.S. §28-305(5)).

## VISION

The Arizona State Transportation Board envisions a multimodal state transportation system that is safe, efficient, and dependable. Each mode performing its appropriate role and all modes working together to provide the maximum mobility and connectivity for people, services, and goods with a high priority for the pursuit of advanced technology. Improvements to the mobility of passengers and goods will incorporate concerns for the environment and will be accomplished through coordination with government entities, consultation with stakeholders and the general public as well as consideration of community values.

## COMMITMENTS

The Transportation Board is committed to:

1. An integrated, balanced, safe, efficient, multimodal statewide transportation system that will serve the mobility needs of people, services, and goods in Arizona.
2. A transportation system that promotes Arizona's tourism and economic well-being, and serves the needs of its population and visitors.
3. Seamless inter-modal access to all components of the transportation system.
4. The physical and operational preservation of the State Highway System.
5. Cooperation in planning and programming efforts with Transportation Management Areas (TMAs), Metropolitan Planning Organizations (MPOs), Councils of Government (COGs), tribal and local governments.
6. Early and continuous involvement of government entities, stakeholders and the general public in transportation decision-making through a public participation process.
7. Use of sound and cost-effective strategies that employ the latest technologies in planning, construction, and financing.
8. A transportation system that is designed and constructed with concern for impacts on the environment.
9. Ensuring that the transportation system serves all areas of the state and all segments of the population.
10. Based on cooperatively developed indicators for each transportation mode, employ performance-based standards to monitor, plan and select projects to improve the transportation system performance and integrate a broader range of objectives such as environmental concerns, quality of life issues and economic competitiveness.
11. Planning, programming, design, and construction of multimodal transportation facilities that will consider the interrelationship of land use and transportation facilities.
12. Innovation and use of advanced technology in system management, design and construction to improve the effectiveness and efficiency of the transportation system.
13. Advocating legislation that would help ADOT and the Board achieve the best transportation system for the citizens of the state.

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# Multimodal System Planning and Development

## *1. Inter-modal Policy*

1. It is the policy of the Board to plan and fund, a transportation system in which all of the modes interconnect and provide seamless travel throughout the state. Modal connectivity will be a criterion for project planning and programming.

## *2. Long Range Transportation Planning Policy*

1. The Board will work with ADOT to develop a 20-year long-range transportation plan in active cooperation with government entities, stakeholders and the general public. The plan will:
  - a) Include extensive public involvement in its development;
  - b) Include all modes of passenger and freight transportation;
  - c) Insure the interconnection of components into a seamless network;
  - d) Serve as the basis for the Five-Year Transportation Facilities Construction Program that guides project selection; and
  - e) Include performance indicators to guide implementation and evaluate results.

## *3. National and International Cooperative Planning Policy*

1. It is the policy of the Board to support and work with tribal agencies, adjoining state, federal and international agencies on multi-jurisdictional projects that cross state, federal and international boundaries when they enhance Arizona's transportation system by improving its safety, efficiency and effectiveness.
2. The Board will cooperate with the CANAMEX coalition, other stateholder groups, together with Mexico and Canada in strengthening the North/South CANAMEX corridor through Arizona.

#### ***4. Multimodal Facilities Policy***

1. The Board will consider opportunities for inclusion of multi-modal facilities within or proximate to state highway facilities or within other appropriate corridors, within the Board's statutory funding limits. Multi-modal facilities may include exclusive or prioritized bus, vanpool and other high-occupancy-vehicle lanes, ramps and other access-ways, related signalization, stops, storage facilities, park & ride facilities, pedestrian/bicycle facilities, air facilities, rail facilities, other high capacity transit facilities and Intelligent Transportation Systems (ITS).
2. It is the policy of the Board to facilitate and encourage the development and use of alternate transportation modes by:
  - a) Reflecting the integration of all modes of transportation (e.g. motor vehicles, rail, air, bicycle, pedestrian, and other modes) in all phases of project planning and development.
  - b) Coordinating with local, regional and tribal land use planning and including consideration of completed and ongoing state, regional, local, and tribal planning studies dealing with transportation and land use.
  - c) Encouraging ADOT to accommodate other modes where possible whenever constructing, revising, and/or improving a highway by evaluating how pedestrian, bicycle, transit improvements and inter-modal transfer facilities can be incorporated in the design.
  - d) Incorporate and accommodate multi-modal features in or proximate to state surface transportation facilities when deliberating on matters of the funding, planning, design *and* use of these and other facilities of mutual state and local interest.
  - e) Considering resource sharing and other partnering opportunities to incorporate multimodal features in state highway facilities or in local multi-modal facilities that are proximate to and impacting state facilities.
  - f) Investigating opportunities for, and promoting the establishment of, dedicated, on-going state funding sources in order to allow state, local and regional entities, and Tribal governments too adequately and consistently plan, finance and operate public transportation and other multi-modal facilities and systems.
  - g) Minimizing conflicts between the modes.

### ***5. State Highway System Priorities Policy***

1. It is the policy of the Board to implement Arizona's vision for an integrated statewide transportation system by placing priority on state highways that:
  - a) Connect Arizona's regions and population centers by an efficient network of highways to carry travelers and commerce throughout the state;
  - b) Connect Arizona, its regions and population centers with other states and Mexico; and
  - c) Connect major population centers and through routes within urban areas with key trade and commerce corridors that increase mobility of people and freight.
  
2. Consistent with these priorities, the State Highway System should include routes primarily designed to carry through traffic, including:
  - a) Interstate Highways;
  - b) National Highway System and routes connecting Arizona's population centers and interconnecting with those of other states; and
  - c) High capacity connecting routes needed to form an efficient network.

## ***6. Public Transportation Policy***

1. It is the policy of the Board, within consideration of its statutory funding constraints, to support, encourage and proactively promote the planning, design, construction and use of public transportation, including special needs transportation, local, regional, tribal, and statewide transit systems, and related transportation linkages and alternative mode facilities, where it is determined such facilities or systems would significantly contribute to a balanced, flexible, safe and efficient statewide, regional, interregional, local, or tribal transportation system.
2. It is the policy of the Board to support and promote public transportation by:
  - a) Functioning as a facilitator of public dialogue on statewide and regional issues regarding potential public transportation systems, facilities and their suggested use. Encouraging ADOT to engage in cooperative planning with local, regional, tribal, other state government and private partners to plan, construct and promote the use of public transportation systems statewide which contribute to a balanced, flexible, safe and efficient transportation system.
  - b) Encouraging ADOT to review all state transportation projects to determine what public transportation benefit can be derived from existing, revised or planned transportation improvements, including remnant right-of-way parcels with potential for park-and-ride lots, access-ways to transit related facilities, transit friendly designs, etc., supporting funding at all appropriate public and private levels for public transportation systems throughout the state.
  - c) Supporting Transportation Demand Management programs which goals are to retain existing roadway capacity, decrease pollution, or provide alternatives to single occupant commuting.
  - d) Accommodating, wherever possible, the needs of public transportation in the planning, design and construction of new and improved transportation facilities.
3. It is the policy of the Board to encourage and consider requests by local jurisdictions for utilization of ADOT rights-of-way for bus pullouts and other public transit services.

### ***7. Bicycle and Pedestrian Facilities Policy***

1. It is the policy of the Board, within its statutory authority, to encourage bicycling and walking as viable transportation modes, and actively work toward improving the transportation network so that these modes are accommodated, by:
  - a) Promoting increased use of bicycling and walking, and accommodating bicycle and pedestrian needs in the planning, of transportation facilities

### ***8. Development of a State Freight Plan Policy***

1. It is the policy of the Board to facilitate the movement of freight throughout and across the state to improve the quality of life of its citizens and to support a strong state and national economy.
2. The Board will encourage ADOT to work with rail, air, truck and shipping industries, in cooperation with metropolitan planning organizations in the urban areas, to identify needs and opportunities to meet those needs through improved transportation efficiency, capacity and connectivity.

### ***9. Rail Right of Way Preservation Policy***

1. It is the policy of the Board to support preserving rail corridor property as an important resource for future transportation purposes.

### ***10. Integration of Air Quality Policy***

1. It is the policy of the Board to support the consideration of air quality concerns in the development and implementation of all processes, plans, programs, priorities, and projects as solutions are evaluated to meet transportation needs.

## System Management

### *11. Highway Development Policy*

1. It is the policy of the Board to establish minimum acceptable standards and consider investments on state highways based on the classification of highways by purpose and importance to the state transportation system. The Board will encourage ADOT to develop and implement a plan to address:
  - a) Performance management standards;
  - b) Highway geometric standards;
  - c) Highway maintenance standards; and
  - d) Eligibility for funding for new construction, reconstruction, and/or spot capacity improvements (e.g., intersection improvements, passing lanes).
  - e) Upon development and before implementation, the Department will consult with the Board for consideration of any comments and questions.

### *12. Access Management Policy*

1. It is the policy of the Board to preserve the functional integrity of the State Highway System through the development and implementation of a comprehensive access management program by:
  - a) Encouraging ADOT to develop an access management classification system for the State Highways with appropriate access management standards for each access management classification.
  - b) Encouraging ADOT to develop comprehensive access management guidelines within ADOT's Roadway Design Guidelines to guide the uniform application of access management throughout the state.
  - c) The Board and ADOT shall work closely with regional planning agencies and local governments to encourage early notification to ADOT of zoning and other land use decisions such as large developments and major traffic generators that will impact the State Highway System in order to coordinate system planning.
  - d) Compensating property owners where appropriate under State law.
  - e) Maintaining that the approximate minimum spacing between local cross road interchanges on the limited access State and Interstate Highway Systems be three (3) miles in rural areas, two (2) miles in suburban or transitional areas, and one (1) mile in urban areas.
  - f) Reassessing road segments as demand changes over time.

### ***13. Rest Areas Policy***

1. Rest areas are integral to Arizona highway systems providing for safety, service and facilities to the traveling public. The Board has the following goals:
  - a) Spacing is based on approximately one hour driving time between rest areas and communities with services available twenty-four hours seven days per week.
  - b) Rest area size, parking and number of facilities are based on traffic volumes.
  - c) Prioritize projects based on motorist safety improvement, average daily traffic, spacing to alternative facilities, economic development, over all service to the motoring public and the ability to operate the rest area in a safe and satisfactory condition for the public with the features as designed and constructed.
  - d) Rest area development, rehabilitation and system preservation projects are subject to the same levels of highway planning, environmental documentation, and public involvement required for all other highway construction projects.
  - e) New and rehabilitated rest areas are evaluated every 5 to 7 years with system preservation projects scoped for funding.
  - f) Funding is allocated for prioritized rest areas and system preservation projects for asset protection and improvement of service to the public.

***14. High Occupancy Vehicle (HOV) and  
High Occupancy Toll (HOT) Lane Policy***

1. The Board encourages the planning, design, construction, operation, and marketing of HOV lanes and related facilities to enhance their use.
2. The goal is to increase HOV ridership so that, during peak periods, HOV lanes will move more people per lane than adjacent general-purpose lanes.
3. HOV lanes will be considered when current traffic congestion conditions and/or forecasted traffic congestion (within an appropriate time frame) meet the appropriate criteria.
4. It is the policy of the Board that HOV lanes should be reserved for vehicles meeting minimum occupancy requirements per vehicle, and for buses, motorcycles and other statutorily allowed vehicles.
5. Operating hours for HOV lanes will be established by ADOT to serve peak periods. Single occupant vehicles will continue to be allowed to use existing HOV lanes during off peak hours.
6. It is the policy of the Board to consider congestion pricing or HOT lanes on future HOV lanes.

### ***15. Ports of Entry Policy***

1. It is the policy of the Board to support the effective and efficient operation at the Ports of Entry to Arizona to insure enforcement of federal and state laws. The Board supports:
  - a) The introduction and integration of new technology.
  - b) The continued cooperation between ADOT and the various federal and state inspection agencies and, as appropriate, the development of joint use facilities and integrated procedures at International Ports of Entry.
  - c) Cross-training between ADOT and Agricultural agencies and adequate staffing at Ports of Entry.
  - d) Cooperative bi-national planning and port development at the international ports to enhance the goals of the CANAMEX corridor.

### ***16. Transfer of State Routes Policy***

1. It is the policy of Board that the State Highway System consist primarily of routes necessary to provide a statewide network to serve the ever-changing environment with regard to the interstate, statewide and regional movement of people and freight.
2. In recognition that population and employment growth in Arizona and adjacent states will, over time, create demands for new transportation facilities and later the function of some existing transportation facilities, ADOT will develop and maintain a process for transferring certain state highways to local and tribal jurisdictions and conversely, transferring certain non-state highways to the State Highway System. Routes primarily providing land access and local movement of people and goods should be the responsibility of local governments.
3. The transfer of state highways will be carried out in accordance with the applicable transfer statutes A.R.S. §28-7046 and §28-7209.

### ***17. Naming State Highways, Features, and Rest Areas Policy***

1. The Board will consider requests to name or remove the name of a state highway, highway feature, or rest area once the name has been considered appropriate by the Arizona State Board on Geographic and Historic Names and by Roadside Development. Parkway, historic and scenic road names must also meet the criteria of the Parkways, Historic and Scenic Roads Advisory Committee prior to its recommendation to the State Transportation Board for adoption.

## Programming and Funding

### *18. Funding Policy*

1. It is the policy of the Board to:
  - a) Actively pursue adequate funding for Arizona's transportation needs through the development of both new and existing funding sources;
  - b) Take full advantage of federal funding opportunities;
  - c) Encourage the use of alternative financial strategies such as privatization, private and local financial participation;
  - d) Encourage the Department to coordinate resources with other agencies and levels of government.
  - e) Seek cost sharing opportunities with other agencies, levels of government and private sector.
  - f) Optimize the use of available funding by encouraging ADOT to use innovative financing tools.

## 19. Programming Policy

1. The Board will meet the transportation needs of the state through development of a Five-Year Transportation Facilities Construction Program that addresses policy objectives in a prioritized fashion based on the statewide long-range plan that incorporates performance based planning and programming.
2. Projects that are placed within the Five-Year Transportation Facilities Construction Program must be scoped prior to going into the program. Lump sum programs can be entered as a line item for future years, however, once the projects within the lump sum have been scoped, these projects will enter into the program.
3. Of the funds provided through A.R.S. §28-6538 (12.6%) to the State Highway Fund:
  - a) Seventy-five percent shall be spent in MAG for the design, right-of-way purchase or construction of controlled access highways that are included in the regional transportation plan and are accepted into the State Highway System, or for the repayment of bonds borrowed for these same purposes.
  - b) Twenty-five percent shall be spent in the PAG region for the design, right-of-way purchase or construction of controlled access highways, related grade separations of controlled access highways, extension and widening of arterial streets and highways that are included in the regional transportation plan, or for the repayment of bonds borrowed for these same purposes.
  - c) The Board will adopt the 12.6% projects in the PAG region that are included in the State highway system.
4. It is the policy of the Board to make available an additional 2.6% of the highway fund for use in cooperation with MAG and PAG on state routes and highways that are in their region.
5. In compliance with A.R.S. §28-6304, the Board will approve Regional Area Road Funds (RARF) for:
  - a) Design, right-of-way purchase or construction of controlled access highways that are included in the regional transportation plan of the county and that are accepted into the state highway system either as a state route or as a state highway or related grade separations of controlled access highways that are included in the regional transportation plan of the county.
  - b) Design and construction of interim roadways within the adopted corridors of the regional transportation plan of the county.
  - c) Right-of-way costs associated with the construction of interim roadways.
  - d) The Life Cycle Program in accordance with the selection criteria and corridor priorities established by the MAG Regional Council.
6. RARF funded Urban Controlled Access facilities, upon completion, become part of the State Highway System and therefore remain the maintenance responsibility of the State.

7. Board approval will be required for material cost changes deriving from quantity or unit price changes for items that are a part of the approved scope of the project if they exceed 15% or \$200,000, whichever is lesser. All projects with such material change in scope and/or fiscal year scheduling will be presented to the Board on the Consent Agenda for approval.

## *20. Program Development Policy*

1. Prior to developing a draft tentative Five-Year Transportation Facilities Construction Program, the Board will notify the Transportation Management Areas (TMA) of the estimated amount of funding allocated to those areas for use in developing their Transportation Improvement Plan (TIP). The Board will direct ADOT to work with the TMAs to cooperatively develop a joint listing of the projects proposed for the draft tentative Program within the TMA area. The projects shall be prioritized in accordance with criteria cooperatively developed by ADOT and the TMAs to support the Board's overall policy objectives.
2. The Board will direct ADOT to cooperate with Metropolitan Planning Organizations (MPOs), and consult with Council of Governments (COGs), Tribal governments and Transit Operators in development of the draft tentative Program and on proposed projects in their respective areas.
3. It is the policy of the Board to endorse the Casa Grande Resolves, which identified the distribution of discretionary funding as follows; 50% State, 37% MAG, and 13% PAG, and seven guiding principles for planning and established the Resource Allocation Advisory Committee (RAAC) to provide advice to the Director of ADOT on the Five Year Construction Program. Furthermore, the Board reiterates the intent of the Resolves to have the long range plan serve as the basis for the five Year Program and to employ the RAAC, or a similar process, to maintain the intent of the guiding principles after the completion of the long range plan.

The seven guiding principles are:

- a) There will be one multi-modal transportation planning process.
  - b) It will be a process that encourages early and frequent public participation and stakeholder involvement.
  - c) The policy and transportation objectives of the state, regional and local plans will form the foundation for the statewide Long-Range Transportation Plan (20 years).
  - d) The statewide Five-Year Transportation Plan and Programs will be based on clearly defined and agreed to information and assumptions.
  - e) Each project programmed (within the Five-Year Plan) shall be linked to the statewide Long-Range Transportation Plan with each project selected to achieve one or more of the Plan objectives.
  - f) Implementation of the Plan and Program shall be monitored using a common database.
  - g) There will be a shared responsibility by state, local and tribal governments and regional organizations to ensure that Plan and Program implementation meets the transportation needs of the people of Arizona.
4. While the Board endorses the Casa Grande Resolves, and the recommendations of the RAAC providing advice to the Director of ADOT and the Board, the Board also recognizes the need to have a policy to address emergency funding for projects in the event of a major emergency or catastrophic

event. In such case, it will be the policy of the Board to fund such projects, to the extent such funding is available, from the following sources in the following order;

- a) From any subprogram funds specifically designated by the Board for Emergency Projects Contingencies.
- b) From General Program Cost Adjustment Contingency funds.
- c) From other discretionary project funds or sub-program funds that may be available within the region Maricopa, Pima or Greater Arizona) in which the emergency project(s) exist.
- d) From discretionary projects funds or sub-program funds from regions external to the region in which the emergency project(s) exists, in accordance with all applicable laws including the provisions of A.R.S. §28-304{C}(1).

The Board also encourages the Department, in such emergencies, pursue all opportunities for reimbursement of such emergency expenditures through Federal Aid Emergency funds and that such Federal Aid Emergency funds, if and when received, be used to reimburse those project or sub-program funds within the region from which the funding came.

## ***21. Project Selection Criteria, Performance Programming And Resource Allocation Policy***

1. It is the policy of the Board to:
  - a) Annually review the condition and performance of the transportation system and provide guidance to ADOT in the preparation of the draft tentative Five-Year Transportation Facilities Construction Program in accordance with A.R.S. §28-504(B) and §28-505.
  - b) Encourage public participation by allowing time during the process to hold public hearings on the tentative Program. The public participation process will meet the state and federal planning requirements.
  - c) Approve projects and allocate resources for programs that address the established goals and objectives that are identified in the Long-Range Plan.

## ***22. Special Transportation Needs Policy***

1. It is the policy of the Board to support and augment existing and new public transportation programs in Arizona by allocating funding to USDOT/Federal Transit Administration (FTA) grant programs, specifically, the following programs:
  - a) Section 5307 (Urban Area Formula) Program
  - b) Section 5310 (Elderly & Persons with Disabilities) Program
  - c) Section 5311 (Rural Public Transportation Formula) Program
2. Establish and maintain guidelines, cooperatively, for distribution of these funds, and oversee eligibility criteria for and general administration of the specific sub-distributions.
3. Insure that any portion of these funds initially allocated to individual grant categories, e.g., Sections 5307, 5310, and 5311, which cannot be programmed for use for a particular category(s) or specific recipient(s) is to be re-allocated by ADOT among the above three programs.

### ***23. Regional Transit Funding and Transit Improvement Districts Policy***

1. It is the policy of the Board to support:
  - a) Regional and inter-regional public and special needs transportation planning and implementation;
  - b) Cooperative planning and funding agreements;
  - c) Regional council of government (COG), metropolitan planning organization (MPO) and regional public transportation authority (RPTA) initiatives and enabling legislation to promote public transportation projects within and between their regions;
  - d) Alternative funding mechanisms which would lend further support to regional transit efforts;
2. It is the policy of the Board to support the creation of Local and Regional Transit Improvement Districts when it is determined that such mechanisms increase public transportation within and/or between the region(s).

### ***24. Air Quality Policy***

1. It is the policy of the Board to fund, with CMAQ funds, transportation projects and programs in non-attainment, maintenance, and other eligible statewide areas that reduce transportation related emissions and congestion.

### ***25. Highway Expansion and Extension Loan Program (HELP) Policy***

1. It is the policy of the Board to accelerate projects through a fiscally sound Highway Expansion and Extension Loan Program (HELP). The Board's Program will be;
  - a) Developed on a cash flow basis, ensuring reasonable cash balances.
  - b) Based on conservative estimates of reasonably expected revenues.
2. After December 31, 2004, the Board will issue guidelines for the allocation of HELP loan capacity between and among the various regions and programs of the state.
3. It is the policy of the Board to encourage all eligible applicants to utilize the benefits of the HELP Program.

### ***26. Local Government and Developer Participation Policy***

1. The Board supports local government and developer participation in the funding of transportation improvement projects.
2. The Board will consider the priority of all projects prior to participating in the joint funding of projects with local governments and/or developers. Higher funding participation by local governments and/or developers will generally improve the possibility of adding projects to the Five-Year Transportation Facilities Construction Program.
3. If a developer or local government seeks new or improved access to a State Highway that will have a significant traffic impact on a State Highway, the developer or local government will be expected to pay the full cost of the new or improved access and the full cost of mitigating the traffic impact on the State Highway.

## **Fiscal and Administrative Accountability**

### ***27. Cost Effectiveness***

1. The Board will encourage ADOT to implement the most effective and efficient planning/construction processes including value engineering, design build, and other mechanisms.

### ***28. Transportation Asset Management Policy***

1. It is the policy of the Board to work with ADOT to implement the best available asset management systems and methods.

### ***29. Financial Policy***

1. It is the policy of the Board to maintain a fiscally conservative financial policy with respect to the planning and execution of the Board's Five-Year Transportation Facilities Construction Program. The Board's Program will be:
  - a) Developed on a cash flow basis, ensuring reasonable cash balances.
  - b) Based on conservative estimates of reasonably expected revenues.
  - c) Inflation adjusted.
  - d) Judicious in its use of bonding authority to accelerate critically needed projects.
  - e) Fiscally constrained at all times.

### ***30. Debt Policy***

1. It is the policy of the Board to judiciously utilize its authority to issue debt to accelerate the construction of critically needed projects on the state transportation system. Specifically, the Board will;
  - a) Follow statutory requirements placed on uses and issuance of debt.
  - b) Measure the affordability of the debt against the fiscal capacity of the Department.
  - c) Evaluate the benefits of accelerated construction versus “pay as you go” funding.
  - d) Time and structure all debt issuances to maximize the efficiency of borrowing to the greatest extent possible.
  - e) Maintain flexibility through the use of both long and short-term instruments.
2. It will be the policy of the Board to maintain debt service coverage levels that will ensure the fiscal integrity of the Board’s financing programs. Therefore, the Board may establish guidelines for coverage levels greater than those required by statute or bond resolution.
3. It will be the policy of the Board to maintain the highest bond ratings possible consistent with paragraph 2.

### ***31. Award of Contracts for Construction Policy***

1. It is the Board's policy to ensure nondiscrimination in the award of contracts and to consider the relationship between the apparent low bid and the State Estimate in its award of contracts for the construction of transportation facilities. The Board will consider construction contracts brought before it in accordance with the following criteria:
  - a) Contracts for which the apparent low bid is no more than 10 percent above or 15 percent below the State Estimate will generally be placed on the Board’s consent agenda.
  - b) Contracts for which the apparent low bid is greater than 10 percent above or 15 percent below the State Estimate will be a regular agenda item for discussion and disposition by a vote of the Board.
  - c) Regardless of the relationship between the apparent low bid and the State Estimate, any Board Member, the Director, or Staff may recommend that a contract be brought forward from the Board’s consent agenda for discussion and disposition by a vote of the Board.

***32. Disadvantaged Business Enterprises (DBE)  
Participation Policy***

1. It is the policy of the Board to ensure that Disadvantaged Business Enterprises (DBE), as defined in Title 49 of the Code of Federal Regulations, Part 26, have an equal opportunity to receive and participate in federally-funded contracts.

## External Relations

### *33. Public Involvement Policy*

1. The Board encourages public participation in transportation decisions. Regular meetings will be held at various locations throughout the state on a rotational basis. Time will be reserved by the Board at each meeting for public comment, and all comments will be reviewed and, when appropriate, receive a response in a timely manner.
2. It is the policy of the Board to be proactive, and to have early and continuous stakeholder and general public involvement in planning, design and implementation of transportation facilities and services.
3. A minimum of one public hearing will be held by the Board in various locations around the state to receive input on the draft tentative Five-Year Transportation Facilities Construction Program. The Board will direct ADOT to conduct a public outreach program as part of the draft tentative Program development process.
4. The public involvement process is intended to communicate with and obtain input from all stakeholders, including but not limited to:
  - a) Elected officials and staff from Cities, Towns, and Counties
  - b) Metropolitan Planning Organizations
  - c) Councils of Government
  - d) Tribal Governments
  - e) Federal and state agencies
  - f) Public transit agencies and transit operators
  - g) Other private and public transportation providers
  - h) Construction industry, technical firms, and research centers
  - i) Freight Carriers
  - j) General Public
  - k) Other interested parties

### ***34. Working Relationships with Government Agencies, other Government Entities and Planning Agencies Policy***

1. It is the policy of the Board to support cooperative working relationships with adjoining states, tribal governments, other governments, other government agencies, and planning organizations in the development and implementation of transportation improvement efforts, regulations, policies, programs, or matters that significantly or uniquely affect their citizens and land that impact Arizona.

### ***35. Working with Resource Agencies Policy***

1. It is the policy of the Board to support early partnering with resource agencies in long range and corridor planning, project planning, design, and construction of transportation facilities and services.

### ***36. Lease of Areas Below or Above Public Highways***

1. The Director has the authority to lease areas above and below highways in accordance with A.R.S. §28-7048.
2. In reviewing and considering these leases, the Director shall:
  - a) Determine that the proposed use by a lessee is not in conflict with the zoning regulations of the local government concerned.
  - b) Make a lease with a private person or entity only after competitive bidding.
3. The Transportation Board may reject any or all competitive bids or call for additional bids if in the opinion of the Board the bids submitted are not in the best interest of this state.
4. The Board shall not accept a bid that does not yield at least a fair rental value for the property to the state highway fund.
5. Board approval is required for leases with private persons and private entities for areas below or above public highways.

## Aviation

### *37. State Airport System Policy*

1. It is the policy of the Board to provide a safe and secure airport system that accommodates demand, supports economic and transportation needs, and maximizes funding resources. The goals of this Policy are to:
  - a) Provide for a safe airport system, as measured by compliance with applicable safety standards, which supports health, welfare, and safety related services and activities.
  - b) Provide an airport system that is adequately maintained to meet current and projected demand and is easily accessible from both the ground and the air.
  - c) Advance a system of airports that is supportive of Arizona's economy, ensuring that the airport system is matched to Arizona's socioeconomic and demographic characteristics.
  - d) Promote a system of airports that is sensitive to and considerate of the environment. The system should support aviation outreach opportunities.

### *38. State Airports System Plan (SASP) Policy*

1. It is the policy of the Board to develop, adopt, and periodically update a long-range statewide aviation plan in the form of a State Airports System Plan (SASP). The SASP shall include extensive public involvement in its development, including coordination with airports, the Federal Aviation Administration (FAA), regional associations of governments, League of Cities and Towns, aviation related businesses, aviation related associations, and the general public. Among other things, the SASP shall:
  - a) Establish and define airport roles to be used in the allocation of state aviation funds; these roles will be:
    - Commercial Aviation Airport
    - Reliever Airport
    - General Aviation-Community Airport
    - General Aviation-Rural Airport
    - General Aviation-Basic Airport;
  - b) Ensure Arizona's airport system continues to effectively connect, move and support the state's transportation needs for years to come;
  - c) Provide a framework for the integrated planning, operation and development of Arizona's aviation assets; and
  - d) Include performance measures to assess the total system's performance, guide implementation and evaluate results

### ***39. Airport Development Program Policy***

1. A.R.S. §28-8202 directs the State Transportation Board to distribute state aviation funds to airport facilities for planning, design, development, acquisition of interest in land, construction, and improvement of publicly owned and operated airport facilities according to the needs of those facilities, as determined by the Board. To meet the aviation needs of the State and establish a consistent, fair, and transparent system through which funds will be distributed, the Board hereby establishes the following programs in order of their respective priorities:
  - a) Federal/State Matching (FSL) Airport Development Grants Program: To maximize and leverage the use of federal grant funds, the Board may fund one-half of a sponsor's local shares of a federal grant.
  - b) State and Local (SL) Airport Development Grants Program: To achieve State system goals and provide funding for projects of local, regional, or State significance, including projects that may not otherwise be funded or eligible by the FAA. The Board may fund an eligible project's costs up to a maximum of 90% of eligible costs at Commercial Service, Reliever, General Aviation (GA) -Community and GA - Rural airports and 95% at GA - Basic airports.
  - c) Airport Pavement Management System (APMS) Program: To assist airports in meeting federal obligations related to airfield pavement maintenance as well as to preserve past investments in airfield pavements, the Board may provide pavement maintenance services or funding for a portion of eligible airport's airfield pavement maintenance needs.
  - d) State System Planning and Services Program: To inventory, monitor, and assess the State's aviation system as well as establish system goals and priorities, State aviation funds may be used to conduct statewide aviation planning, research studies or aviation support services.
  - e) Airport Loan Program: To maximize the use and efficiency of the State Aviation Fund as well as assist airports in becoming more financially self-sufficient, the Board may utilize appropriated funds or cash balances in the fund to provide low-interest or forgivable loans for projects that are not eligible or otherwise funded through a grant program.
2. ADOT shall administer these five grant and loan programs. Each year ADOT will prepare funding level recommendations based on annual appropriations from the legislature, aviation fund balance, and current grant obligations. These initial funding levels should maximize funding for all five grant and loan programs, with the distribution of funds being distributed to the greatest number of eligible airports while maintaining distribution amounts within statutory levels. Whenever possible, the development of airport facilities should parallel industry standards published in the FAA's design and planning criteria.

### ***40. Resource Allocation Policy***

1. In order to allocate the State Aviation Fund dollars in an equitable, efficient and effective manner, it is the policy of the Board to provide the largest amount of Airport Development Program grant dollars to those airport roles with the largest amount of aviation activity (passenger enplanements, aircraft operations, and registered based aircraft), while also ensuring that eligible airports in all roles

have an opportunity to be included in the annual allocation of State Aviation Funds. The allocation percentages are presented in ADOT's Airport Development Guidelines, Chapter Two, State Aviation.

#### ***41. Project Selection and Prioritization Criteria Policy***

1. In the development of ADOT's overall Five-Year Transportation Facilities Construction Program, it is the policy of the Board to include airport grant projects and require the use of established, published, and consistently applied project eligibility criteria and priority rating systems contained in ADOT's Airport Development Guidelines. Changes to the eligibility criteria and priority rating systems shall include consultation with industry stakeholders.

#### ***42. Adequate Funding Policy***

1. It is the policy of the Board to ensure adequate aviation funding by:
  - a) Taking full advantage of federal funding by ensuring the availability of sufficient state matching funds;
  - b) Pursuing new and existing funding sources;
  - c) Working with the Arizona congressional delegation to increase the funding for Arizona in the federal aviation programs.
  - d) Advocating federal and state legislation for aviation funding for the State.

#### ***43. Regional and National Cooperative Planning and Best Practices Policy***

1. It is the policy of the Board to support and work collaboratively with state and federal agencies to ensure the aviation system meets standards and future demand levels. The Board also recognizes the importance of developing and using best practices with industry in order to enhance Arizona's aviation transportation system by improving its safety, efficiency and effectiveness.

## Per Diem Compensation and Expense Reimbursement

### *44. Transportation Board Member Per Diem Compensation and Expense Reimbursement Policy*

#### 1. Per Diem Compensation

It is the policy of the State Transportation Board that members are eligible for compensation pursuant to A.R.S. 38-611 in the performance of official duties relating to the Board, including any of the following:

- a) Attending Board meetings;
- b) Preparing for Board meetings;
- c) Communicating with constituents; or
- d) Attending or participating in any function either on behalf of the Board or in the member's official capacity.

To be eligible for compensation, the Board member must submit documentation outlining the eligible activity to the Director's Office. The Director's Office will review and process the request. These records shall be maintained in accordance with the agency's retention schedule.

#### 2. Reimbursement for Eligible Expenses

- a) Board members may be reimbursed for eligible expenses pursuant to state law and policy. Per ADOT Policy FIN-6.02, travel is only permitted when it is in the best interest of the state and necessary to conduct state business.
- b) Expense reimbursement claims will be processed and paid in accordance with State of Arizona Accounting Manual (SAAM) Policy 5565 and ADOT Policy FIN-6.02.