

STATE OF ARIZONA

## Joint Committee on Capital Review

STATE  
SENATE

ROBERT L. BURNS  
CHAIRMAN 2007  
PAULA ABOUD  
AMANDA AGUIRRE  
MARSHA ARZBERGER  
KAREN S. JOHNSON  
THAYER VERSCHOOR  
JIM WARING

1716 WEST ADAMS  
PHOENIX, ARIZONA 85007

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<http://www.azleg.gov/jlbc.htm>

HOUSE OF  
REPRESENTATIVES

RUSSELL K. PEARCE  
CHAIRMAN 2008  
TOM BOONE  
TRISH L. GROE  
JOHN KAVANAGH  
PHIL LOPES  
DAVID LUJAN  
DAVID SCHAPIRA

**\* \* CANCELLED \* \***

### JOINT COMMITTEE ON CAPITAL REVIEW

Thursday, September 20, 2007

1:30 p.m.

Senate Appropriations Room 109

### MEETING NOTICE

- Call to Order
- Approval of Minutes of August 16, 2007.
- DIRECTOR'S REPORT (if necessary).
- 1. ARIZONA DEPARTMENT OF ADMINISTRATION - Review of the Arizona Department of Corrections Door and Lock Replacement Plan.
- 2. ARIZONA DEPARTMENT OF TRANSPORTATION
  - A. Review of FY 2008 Building Renewal Allocation Plan.
  - B. Report on 5-Year Transportation Program.

The Chairman reserves the right to set the order of the agenda.  
9/19/07

People with disabilities may request accommodations such as interpreters, alternative formats, or assistance with physical accessibility. Requests for accommodations must be made with 72 hours prior notice. If you require accommodations, please contact the JLBC Office at (602) 926-5491.

STATE OF ARIZONA

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**MINUTES OF THE MEETING  
JOINT COMMITTEE ON CAPITAL REVIEW**

Thursday, August 16, 2007

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The Chairman called the meeting to order at 1:40 p.m., Thursday, August 16, 2007 in Senate Appropriations Room 109. The following were present:

Members:	Senator Burns, Chairman	Representative Pearce, Vice-Chairman
	Senator Aboud	Representative Boone
	Senator Johnson	Representative Groe
	Senator Verschoor	Representative Kavanagh
		Representative Lujan
		Representative Schapira
Absent:	Senator Aguirre	Representative Lopes
	Senator Arzberger	
	Senator Waring	

**APPROVAL OF MINUTES**

Hearing no objections from the members of the Committee, Chairman Robert Burns stated the minutes of June 19, 2007 would stand approved.

**ARIZONA STATE PARKS BOARD – Review of State Lake Improvement Fund Projects.**

Mr. Matt Busby, JLBC Staff, issued a handout (*Attachment A*) outlining the presentation for the review of State Lake Improvement Fund (SLIF) projects. JLBC Staff recommends a favorable review to the improvements in existing facilities at Lake Havasu Park. For the Contact Point project, the Committee could provide a favorable review given that there are available SLIF monies and this project is an allowable use in statute, or the Committee could provide an unfavorable review due to insufficient information regarding the need, the affect on boat densities, and the financial impact of the project. As an alternative, the Parks Board could return to the Committee after conducting a small-scale study to assess the need for the project included how the project could affect the boat densities on the lake, revenue, and long-term financing plans. The Committee may be in a better position to assess the merits of designating \$1.5 million for the planning and design once it receives the information from the study.

Discussion ensued on the Contact Point project.

Mr. Jay Ziemann, Assistant Director, Arizona State Parks, responded to member questions. Mr. Bill Mulcahy, Director, Lake Havasu City Parks and Recreation Department and Mr. Brian Tassinari, Williams and Associates, spoke in support of the Contact Point project.

During discussion on the Contact Point project, the Committee requested information on the following:

- How much tax revenue is generated into the State Lake Improvement Fund by the boating at Lake Havasu State Park?
- How much additional revenue would be generated by developing the site?
- Does the board have a list of other projects in the state that could receive funding if the Contact Point project did not get the \$1.5 million?
- What is the status of the Town of Buckeye Recreational Lake and Bullhead City Non-Motorized Boat Launch Ramp projects that were unfavorably reviewed by the Committee at its November 15, 2006 meeting?

The Committee was interested in having the study address the effect on boat densities on the lake, long-term financing plans, and consideration of any private interest in the construction and operation of the project. The Committee was also interested in the study including a review of the option to allow a private sector firm to construct and operate a marina on a long term basis. The Parks Board had discussed contracting out only the operation of a state-constructed marina.

*Representative Pearce moved that the Committee give a favorable review to the use of \$952,100 from the State Lake Improvement Fund (SLIF) for improvements to existing facilities at Lake Havasu State Park and \$1,500,000 from SLIF for planning activities related to the Contact Point recreation area, including the following provisions:*

- *The Parks Board submit to the Committee the Request for Proposals (RFP) on the study for development of the Contact Point recreation area prior to its release.*
- *The favorable review does not constitute an endorsement of General Fund support of the project in the future.*

The motion carried.

#### **SCHOOL FACILITIES BOARD – Review of FY 2008 New School Construction Report.**

Ms. Leatta McLaughlin, JLBC Staff, issued a handout (*Attachment B*) and presented the School Facilities Board (SFB) FY 2008 New Construction Report. SFB is annually required by statute to submit to the Committee its demographic assumptions, proposed construction schedule, and cost estimates. This item was originally presented at the November 2006 meeting, however, action was deferred until SFB completed its construction approval cycle for FY 2007 which was completed in June. Each year SFB analyzes district-submitted capital plans. The districts that submit their capital plan are usually the fast-growing districts asking for new schools. After SFB analyzed the capital plans, they found that actual student growth in the high-growing districts was 7.6% in FY 2006. SFB expects growth to be 6.3% in FY 2007 and 7% in FY 2008.

Discussion ensued on this item.

Mr. John Arnold, Executive Director, School Facilities Board, responded to member questions.

*Representative Pearce moved that the Committee give a favorable review to the School Facilities Board FY 2008 new school construction report.* The motion carried.

#### **ARIZONA STATE UNIVERSITY – Review of Revised Scope of Academic Renovations and Deferred Maintenance Phase IIB Bond Project.**

Ms. Leah Ruggieri, JLBC Staff, presented the Arizona State University (ASU) request for a review of the scope and cost revision for a project included in the Academic Renovations and Deferred Maintenance Phase IIB Bond project that was originally favorably reviewed by the Committee in January 2007. The favorable review included a provision that ASU submit for review any significant scope and cost increases for any of the projects. The bond project that has changed is the Nursing Backfill Renovation project. The project was originally estimated to cost \$5 million and would accommodate the Office of Sustainability Initiatives and the Global Institute of Sustainability programs. The project cost has now increased to \$8 million to expand usable

space for those programs and make additional upgrades to the workspace in order to create a more collaborative work environment. The overall cost increase would not affect the bond issuance total of \$10 million because the original bond allocation had \$3 million in unallocated monies. JLBC Staff recommends a favorable review of the ASU request with the standard university financing provisions.

Discussion ensued on this item.

Mr. Scott Cole, Executive Vice President, Arizona State University, responded to member questions.

*Representative Pearce moved the JLBC Staff recommendation that the Committee give a favorable review to the scope revision for the Nursing Backfill Renovation project within the Academic Renovation and Deferred Maintenance Phase IIB with the following standard university financing provisions:*

- *ASU shall report to the Committee before expenditure of any allocations that exceed the greater of \$500,000 or 10% of the reported contingency amount total for add alternates that do not expand the scope of the project.*
- *ASU shall submit for Committee review any allocations that exceed the greater of \$500,000 or 10% of the reported contingency amount total for add alternates that expand the scope of the project. In case of an emergency, ASU may immediately report on the scope and estimated cost of the emergency rather than submit the item for review. The JLBC Staff will inform the university if they do not agree with the change of scope as an emergency.*
- *A favorable review by the Committee does not constitute endorsement of General Fund appropriations to offset any auxiliary revenues that may be required for debt service, or any operations and maintenance costs when the project is complete. Auxiliary funds derive from substantially self-supporting university activities, including student housing.*
- *ASU shall not use bonding to finance any repairs whose typical life span is less than the bond repayment period. Such repairs include, but are not limited to new flooring and painting. The exceptions to this stipulation are circumstances where such repairs are required to complete a major renovation.*
- *ASU shall submit to the Committee an expenditure plan for the \$280,000 unallocated to specific projects in Academic Renovations and Deferred Maintenance Phase IIB.*

The motion carried.

#### **ARIZONA DEPARTMENT OF ADMINISTRATION – Review of FY 2008 Building Renewal Allocation Plan.**

Mr. Lorenzo Martinez, JLBC Staff, presented the review of the Arizona Department of Administration (ADOA) FY 2008 Building Renewal Allocation Plan. ADOA was appropriated \$7.2 million from the Capital Outlay Stabilization Fund for building renewal which funds 26% of the building renewal formula. ADOA is allocating \$6.1 million to 25 projects and \$1.1 million for emergency and contingency projects. JLBC Staff recommends a favorable review of the plan with provisions outlined in the recommendation memo.

Discussion ensued on this item.

Ms. Lynne Smith, Assistant Director, General Services Division, ADOA and Mr. Bruce Meyers, ADOA, responded to member questions.



*Representative Pearce moved the JLBC Staff recommendation that the Committee give a favorable review to the FY 2008 Building Renewal Allocation Plan with the following provisions:*

- *ADOA allocate contingency monies or reallocate funding from other projects to address health and safety issues in the restroom facilities at the 1616 West Adams building. ADOA and the Arizona State Land Department are requested to report jointly by September 14, 2007 on the scope, estimated cost, and funding plan for the project.*
- *JLBC Staff, the staff of the Governor's Office of Strategic Planning and Budgeting, and ADOA jointly submit a plan for the ADOA Managed Buildings Condition Assessment project.*
- *ADOA submit for Committee review any reallocation above \$100,000 between the individual projects.*
- *ADOA submit for Committee review any new non-emergency projects above \$25,000 that are funded from the \$1.1 million allocated for emergency projects and contingencies.*
- *ADOA report to JLBC Staff within 3 days, any expenditures for emergency projects above \$25,000 that are funded from the \$1.1 million allocated for emergency projects and contingencies. The report would include the scope, estimated cost, nature of emergency and reason why project could not await Committee review.*

The motion carried.

The Committee also requested information on the following items:

1. Information on the age and warranties of the roof and chiller system of the Supreme Court building and whether the manufacturer has been pursued for repair costs given the system has never performed to specifications.
2. What type of building assessment activities does ADOA do now?
3. Does ADOA have a process for identifying and addressing problems such as the Land Department building restroom problems?

Without objection, the meeting adjourned at 4:10 p.m.

Respectfully submitted:

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Yvette Medina, Secretary

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Lorenzo Martinez, Assistant Director

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Senator Robert Burns, Chairman

NOTE: A full audio recording of this meeting is available at the JLBC Staff Office, 1716 W. Adams. A full video recording of this meeting is available at <http://www.azleg.gov/jlbc/meeting.htm>.

**Arizona State Parks Board –  
Review of State Lake Improvement  
Fund Projects**

**JCCR Meeting**

**August 16, 2007**

**JLBC**

# State Lake Improvement Fund

- Provides funding to state agencies, counties, and local governments for capital and land acquisition projects on waters where gasoline-powered boats are permitted.
- 2 main sources of revenue:
  - Percentage of gasoline tax
  - Percentage of watercraft license fees
- Parks Board plans to use \$2.4 million in FY 08 for 2 projects at Lake Havasu.
- \$4 million of SLIF grants were already awarded last November.

# Lake Havasu State Park

- Replacement of water mains.
- Provide electricity and potable water to campsites.
- Total SLIF funds to be used - \$952,100
  - \$500,000 is a new request of SLIF monies.
  - JCCR reviewed \$250,000 in 2006.
  - \$202,100 is reallocated from unused 2001 Lake Havasu Projects.

## Contact Point Recreation Area

- 4 miles south of Lake Havasu State Park.
- Proposal includes a new marina and fueling station, day use area, and boat launches.
- A new park may relieve congestion at current park, but would also increase the number of boaters on the lake.
- As many as 300 boats have been turned away on holiday weekends when parking reached capacity.

## Lake Havasu – Boat Area





# Lake Havasu – Boat Area



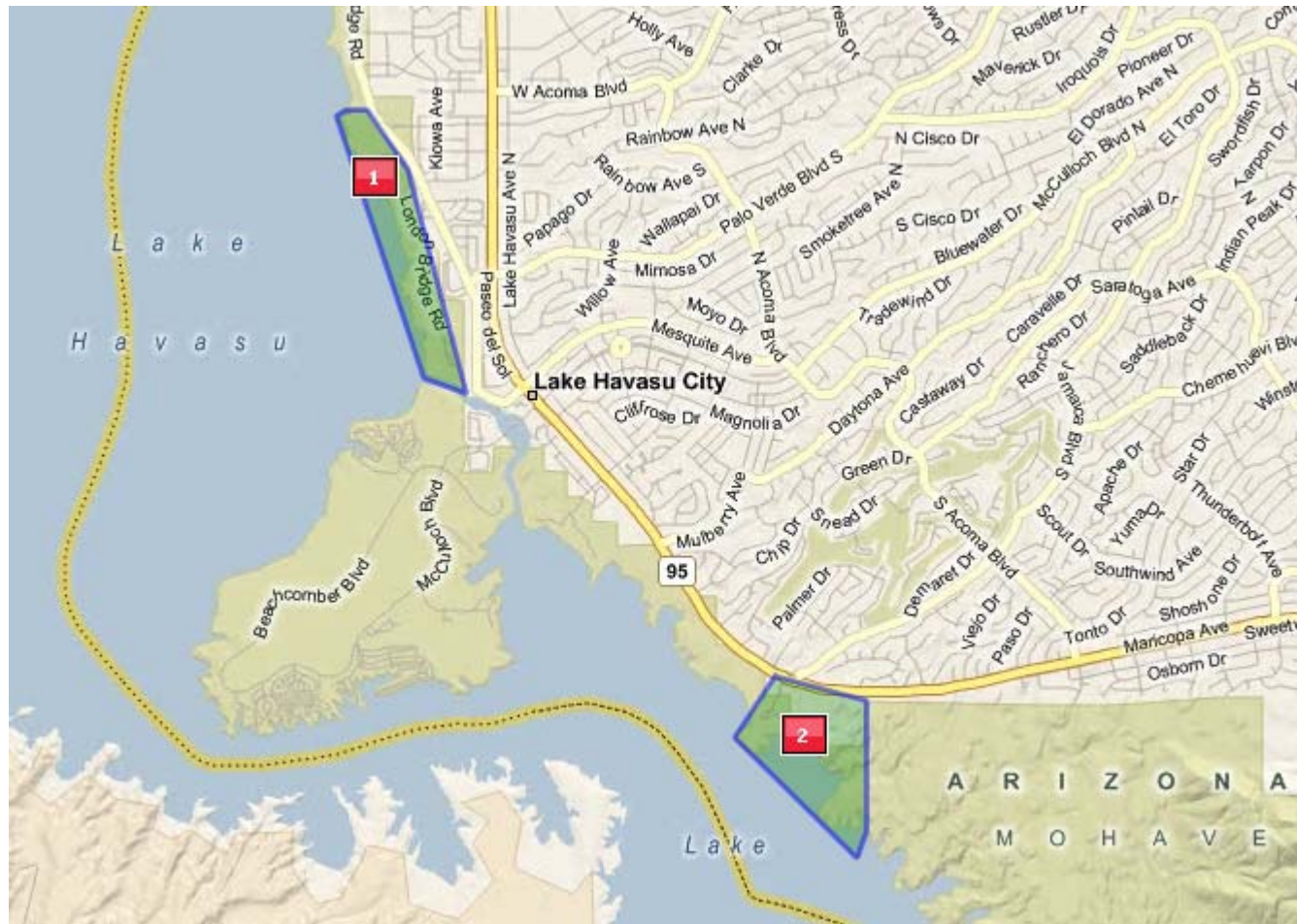


# Lake Havasu – Parking Area





# Locations of State Parks at Lake Havasu



- 1** Current State Park
- 2** Proposed New Park

## Contact Point Recreation Area

- Estimated cost of planning and design - \$1.5 million
  - Parks estimates the total cost of construction could be \$19 million.
  - Given the current funding structure of SLIF, the project would take several years to complete.
  - Possibility of local stakeholders contributing to development costs.
  - Little information is available about the financial impact of a new park or the effect on the boat densities on the lake.

# **FY 2008 New Construction Report**

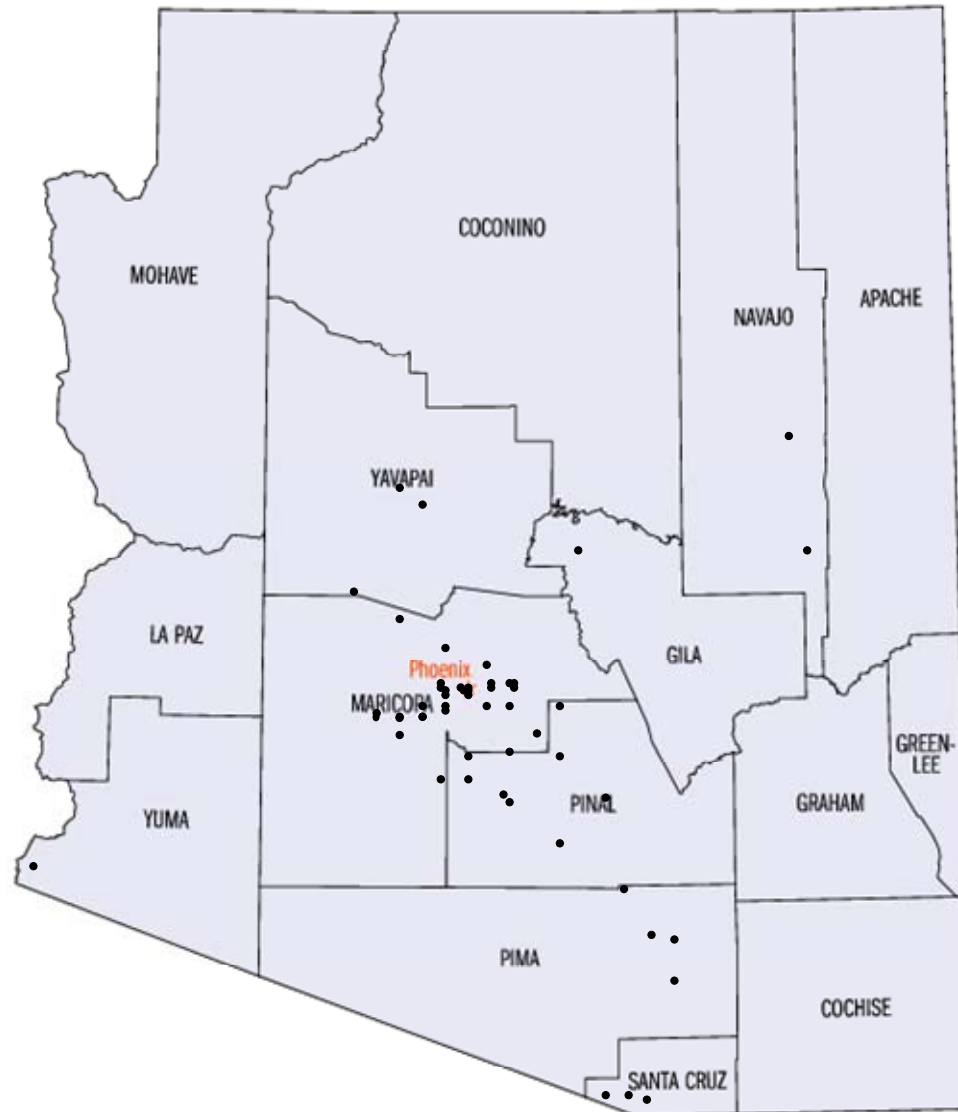
School Facilities Board

August 16, 2007

**JLBC**

# FY 2008 New Construction Projects

85 projects at  
47 school districts



# **The Projected FY 2008 Cash Shortfall is \$(73.0) M**

(\$ in Million)

	<u>FY 2007</u>	<u>FY 2008</u>
<b>Total Revenue</b>	<b>\$332.8</b>	<b>\$375.7</b>
Expenditures	\$370.1	\$410.7
FY07 Deferred to FY08	<u>(38.0)</u>	<u>38.0</u>
<b>Total Expenditures</b>	<b>\$332.1</b>	<b>\$448.7</b>
Cash Balance	<b>\$ 0.7</b>	<b>\$(73.0)</b>

**FY 2007 SFB Approved Funding per  
Square Foot Exceeded Statutory Formula--  
Statute Allows SFB to Exceed Formula**

	<u>Statutory Cost/Sq. Ft.</u>	<u>Avg. Cost Above Formula/Sq. Ft.</u>
Elementary	\$131.13	\$ 31.54
High School	\$160.26	\$ 6.02

# New Construction Cost Pressures

## 1. Caseload Increases

- 85 projects in FY 2008 vs. 75 in FY 2007 and 77 in FY 2006

## 2. Construction Inflation

- 12.2% adopted at the October JLBC meeting
- In FY 2007, SFB funded 86% of their projects over the statutory funding amount, for total additional funding of \$33.4 M

## 3. Minimum adequacy guidelines expanded

- Now includes funding for 7 areas: indoor flooring, gym flooring, millwork, exterior lighting, canopies, playground structures and canopies, and landscaping

# **SFB Adopted Several New Safety Standards --Plan to Seek Additional Legislative Funding for Items 7-10**

1. Exterior Security Lighting
2. Administrative Office Locations
3. Classroom Door Locks
4. Student Interior Restroom Configuration
5. Vestibule Entry
6. Windows Next to Doors
7. Perimeter Fencing
8. Security Alarms
9. Security Cameras
10. In-Classroom Telephones



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DATE: September 13, 2007

TO: Senator Bob Burns, Chairman  
Members, Joint Committee on Capital Review

THRU: Richard Stavneak, Director

FROM: Martin Lorenzo, Fiscal Analyst

SUBJECT: Arizona Department of Administration – Review of the Arizona Department of Corrections Door and Lock Replacement Plan

**Request**

Laws 2006, Chapter 345 (the FY 2007 Capital Outlay Bill) appropriated \$5.2 million from the General Fund to the Arizona Department of Administration (ADOA) for the replacement of cell doors and locks throughout the Arizona state prison system. As a result, the ADOA, pursuant to A.R.S. § 41-1252, requests Committee review of the scope, purpose and cost of the \$5.2 million project to replace doors and locks at the Arizona State Prison Complex (ASPC) Tucson, Rincon Unit.

**Recommendation**

The JLBC Staff recommends that the Committee give a favorable review of the department's request. Based on the scope of the project, as outlined in the solicitation, ADOA has selected the lowest bidder to complete the project. While ADOA selected the lowest bidder, we were unable to independently verify the reasonableness of the cost estimate.

**Analysis**

Background

Laws 2001, Chapter 3 (FY 2002 Capital Outlay Bill) appropriated \$1.0 million from the General Fund to ADOA to fund an assessment of the Arizona Department of Corrections door and lock replacement needs throughout the Arizona state prison system. Through services provided by a private vendor, a complete assessment was completed in FY 2002. At that time, the assessment estimated a range of costs totaling between \$32 million and \$38.5 million to replace doors, locks, and monitoring panels that exceeded their useful life expectancy or posed security risks. Based

(Continued)

on a re-assessment and competitive bid completed on a single project (Rincon Unit) in FY 2007, ADOA estimates the total cost of the project may now exceed \$60 million. At this time, it is unclear if extrapolating the costs increases realized in the Rincon Unit is an accurate representation of the cost of the entire project.

#### Proposed Plan

Laws 2006, Chapter 345 (the FY 2007 Capital Outlay Bill) appropriated \$5.2 million from the General Fund to ADOA for the replacement of cell doors and locks throughout the state prison system. ADOA identified the highest priority project to be the ASPC Tucson, Rincon Unit. As a result, a re-assessment of the Rincon Unit was completed, yielding recommendations that included the replacement of a control room panel and 408 doors located in the unit. The doors to be replaced are approximately 20 years old and are primarily manually locked swing type doors. These doors are reaching the end of their lifespan and deemed not appropriate for the security classification of the inmates housed at the facility. The facility primarily houses close custody inmates which represents a security classification between medium and maximum security. The recommended replacement doors are to be remote-locking, sliding doors which would provide improved security and safety.

As a result of the competitive bid process (5 bids received) and the selection of the lowest bidder, ADOA estimates the total cost to implement the recommendations at the Rincon Unit to be \$5.2 million and take approximately 14 months to complete. The high bid was approximately \$400,000 higher than the low bid. A breakdown of these costs is identified in *Table 1*.

<b>Table 1</b>	
<b>ASPC Tucson, Rincon Unit</b>	
<b>Door and Lock Replacement Project</b>	
	<b><u>Cost</u></b>
Construction/Contract Services	\$4,484,000 <sup>1/</sup>
Architectural & Engineering Fees	354,700
Project Support	221,300
Contingency	<u>140,000</u>
<b>Total</b>	<b>\$5,200,000</b>
<sup>1/</sup> Low bid.	

#### Future Projects

In addition to any monies remaining from the Rincon Unit project, Laws 2007, Chapter 257 (FY 2008 Capital Outlay Bill) appropriated another \$5.2 million in FY 2008 for the continued replacement of cell doors and locks throughout the state prison system. The Arizona Department of Corrections has identified an additional 6 projects at 5 complexes where the security control systems, doors and locks are in the most need of replacement. Costs associated with the projects were not provided, however, the projects identified are anticipated to address the most critical problems, in high-custody level locations, with minimal disruption to operations. These projects would be reviewed by the Committee at a later date.

RS/ML:ym

Janet Napolitano  
Governor



William Bell  
Director

ARIZONA DEPARTMENT OF ADMINISTRATION

100 North 15<sup>th</sup> Avenue  
PHOENIX, ARIZONA 85007  
(602) 542-1776

August 31, 2007



The Honorable Robert Burns, Chairman  
Joint Committee on Capital Review  
Arizona House of Representatives  
1700 West Washington  
Phoenix, Arizona 85007

Re: Request for placement on the Joint Committee on Capital Review agenda

Dear Senator Burns:

The Arizona Department of Administration (ADOA) requests to be placed on the agenda for the next Joint Committee on Capital Review (JCCR). ADOA is requesting review of the \$5,200,000 project to replace doors and locks for the Arizona Department of Corrections, ASPC Tucson, at the Rincon unit.

Additional information on the proposed project is attached. If you have any questions or would like further information, please contact Lynne Smith, Assistant Director, ADOA General Services Division, at (602) 542-1427.

Sincerely,

A handwritten signature in black ink, appearing to read "William Bell".

William Bell, Director  
Arizona Department of Administration

Attachment

cc: The Honorable Russell Pearce, Vice-Chairman, Joint Committee on Capital Review  
Richard Stavneak, Director, Joint Legislative Budget Committee Staff  
Lorenzo Martinez, Assistant Director, Joint Legislative Budget Committee Staff  
James Apperson, Director, Office of Strategic Planning and Budgeting  
Marcel Benberou, Assistant Director, Governor's Office of Strategic Planning and Budgeting  
Matt Gottheiner, Senior Budget Analyst, Governor's Office of Strategic Planning and Budgeting  
Dora Schriro, Director, ADC  
Scott Smith, Deputy Director, ADOA  
Paul Shannon, Budget Manager, ADOA  
Lynne Smith, Assistant Director, ADOA



## **Arizona Department of Corrections Door and Lock Replacement Project**

### Historical Background

Laws 2001, First Regular Session, Chapter 237 (HB 2632) appropriated \$18,538,600 in FY 2002 and \$1,848,600 in FY 2003 to conduct an assessment and survey of all detention locking systems at Arizona prison complexes statewide and then to design and administer the construction of any observed deficiencies as part of a two-phase professional services contract.

An RFP was issued for competitive sealed proposals for architectural/engineering service. A five-member selection committee reviewed the three proposals received and recommended the firm of Arrington-Watkins Architects, who was then awarded a contract for these services on August 7, 2001.

The facilities assessment and expenditure plan was completed and submitted to JLBC Staff on April 15, 2002. JCCR deferred hearing this request due to the then ongoing State budget deficit.

Laws 2001, Second Special Session, Chapter 3 (HB 2015) reduced all funding to \$1,000,000 but did not eliminate the requirement to complete the assessment and expenditure plan. From this abbreviated appropriation, Arrington-Watkins Architects completed the phase-one facilities assessment. The legislative authorization to proceed with phase two was put on hold with the remaining monies reverted to the General Fund to supplement the budget shortfall.

In 2002, the total estimated costs for door and lock replacement statewide was in excess of \$38,000,000, a number which has increased due to escalation in material and labor costs as well as the consolidation of major detention equipment manufacturers by mergers and acquisitions, creating a less competitive supplier market. In today's dollars, work identified in the 2002 assessment, as well as replacement of additional deteriorated locks, could easily exceed \$60,000,000.

This extremely rough estimate of at least \$60,000,000 in statewide costs is based upon the cost increase (52%) experienced in the recently bid Rincon project. The original Rincon Unit estimate of \$2,926,000 called for the complete replacement of all 408 detention doors and locks in the nine housing buildings contained within the secure perimeter of the Unit. In contrast, some other projects from the 2002 report originally called for only a partial replacement of the existing equipment. The scope of these other projects may need to increase as a result of normal wear and tear that has occurred since the 2002 assessment was completed. The replacement of these additional deteriorated doors and locks could escalate the total statewide costs well above the \$60,000,000 rough estimate.

### Current Status

At present, ADOA is requesting review of the door and lock replacement project for the Rincon Unit. Laws 2006, Second Regular Session, Chapter 345 (HB 2865) appropriated \$5,200,000 in FY 2006-2007 for the first part of a phased implementation of the construction of the identified

improvements. This required reactivating the design contract and updating the Arrington-Watkins assessment report. The reactivation of the designer's contract and the reevaluation of the Rincon Unit, which ADC has identified as the highest priority project, have been accomplished.

The Rincon project has been bid and the successful bidder is Lang Wyatt Construction of Tucson in the amount of \$4,439,000. Construction duration is estimated to be fourteen months from the contract award date. Professional service fees to date are \$354,655 for a total current project commitment of \$4,793,655.

Laws 2007, First Regular Session, Chapter 257 (2783) appropriated an additional \$5,200,000 for FY 2007-2008. These funds, along with remaining FY 2006-2007 funds, will be dedicated to the next priorities requested by ADC and as identified in the 2002 report.

ADC has prioritized and identified the next six of the most critical housing units in their system that meet the deficiency criteria identified in the assessment report. Because of the critical nature and deteriorating condition of these locking systems, further delay increases the chance of a serious safety breach for both staff and the public; therefore, ADC has recommended the following projects in descending order:

- ASPC Eyman SMU II – Replace Security Control System Software (Level 5)
- ASPC Tucson – Cimarron Unit - Inmate Housing Unit Doors/Locks (Level 4)
- ASPC Safford/Ft. Grant – CDU Doors/Locks (Level 4/5)
- ASPC Douglas CDU – Inmate Housing Unit Doors/Locks (Level 4/5)
- ASPC Florence Central Unit – CB-2 Doors/Locks (Level 4/5)
- ASPC Florence Central Unit – CB-1 Doors/Locks (Level 4/5)

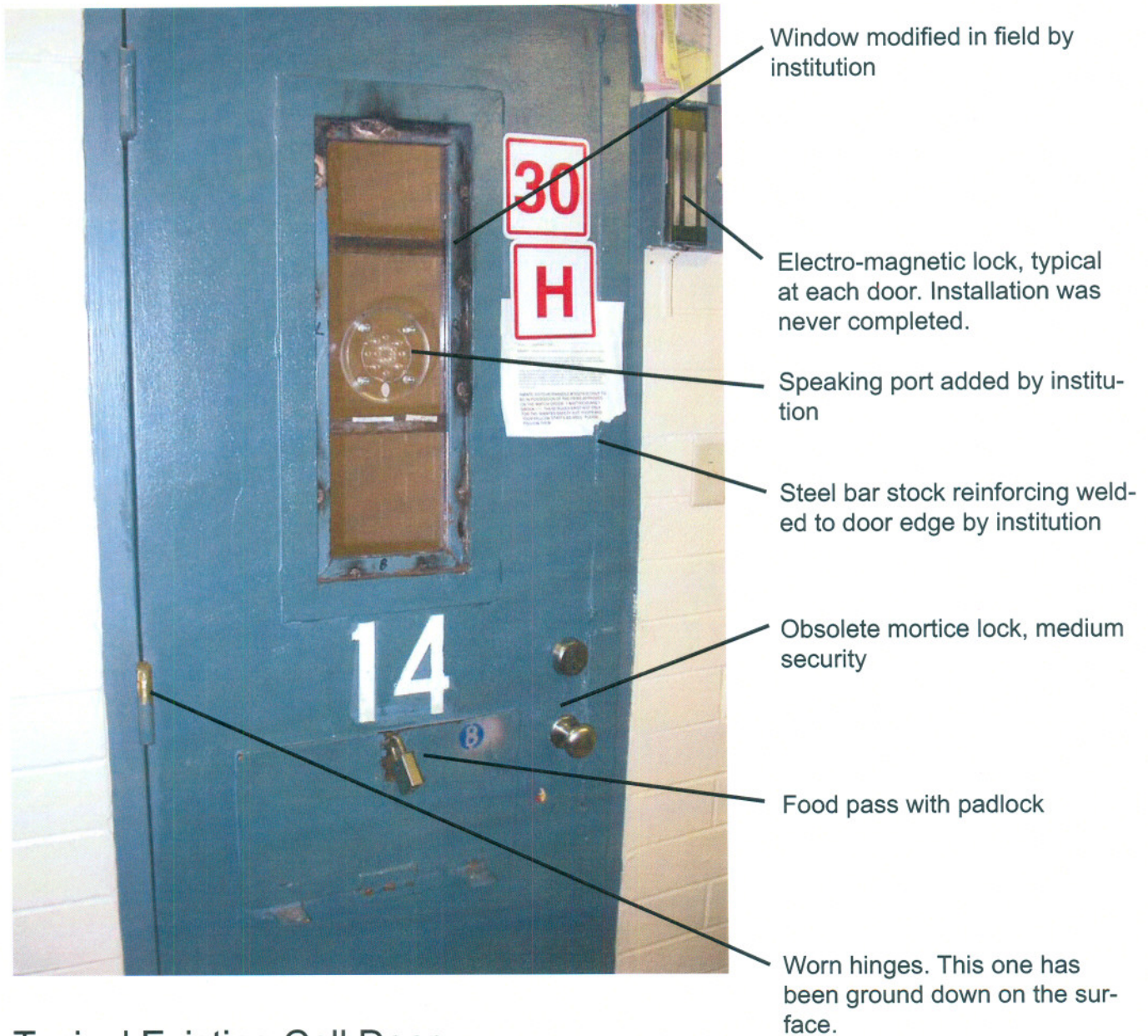
These identified institutions do not require that existing beds be totally vacated. Inmates will be moved within the institution in order to complete the construction in these units, eliminating costly inmate relocations or bed rentals. This plan will address some of the most critical problems, in high-custody level institutions, with minimal disruption to operations.

### Request

ADOA requests favorable review by the JCCR of the scope, purpose and cost of the first construction phase of the Lock Replacement project in order to proceed with construction as required under A. R. S. § 41-1252.

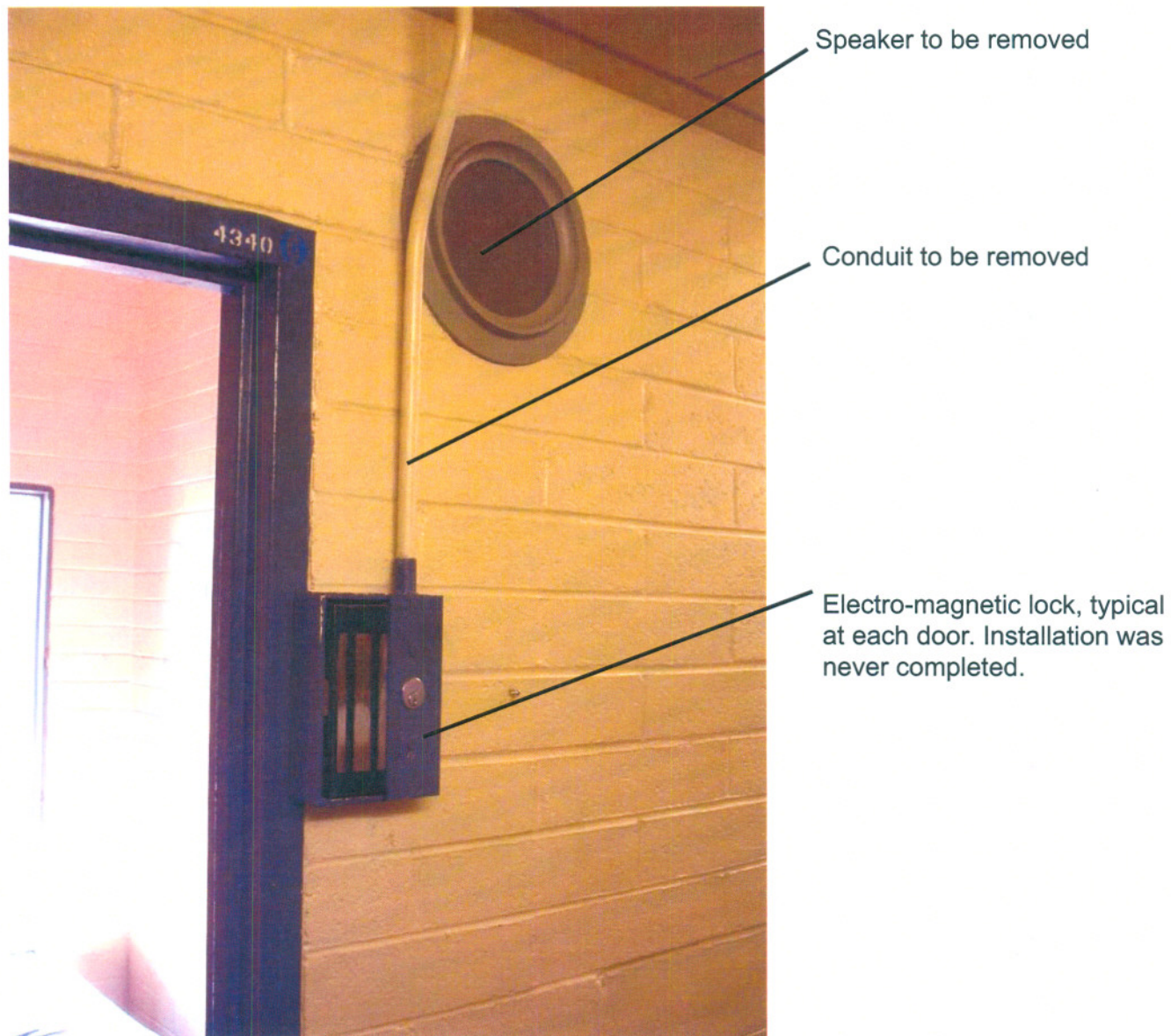


## RINCON - Inmate Housing Buildings 1 through 8



Typical Existing Cell Door

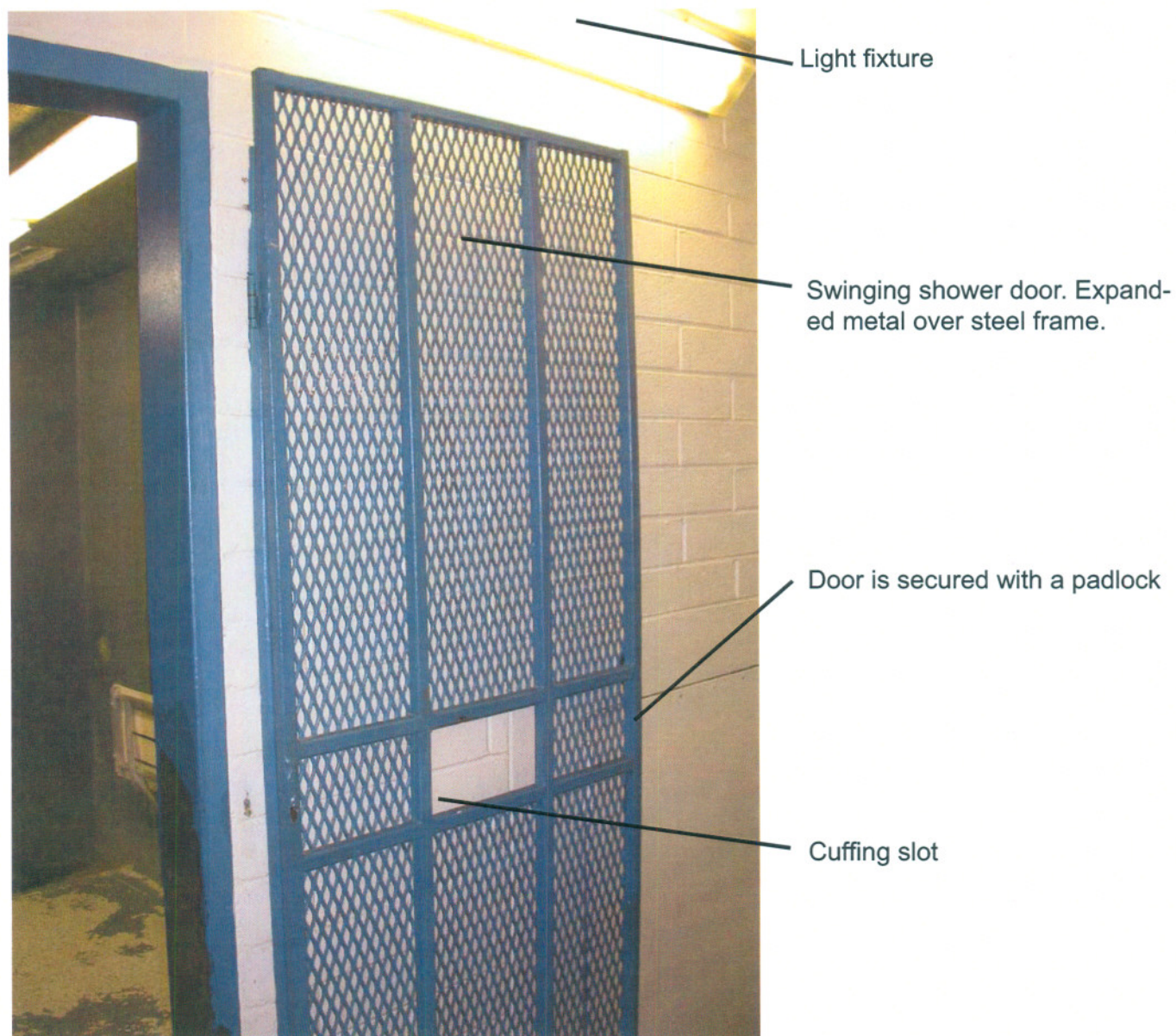
## RINCON - Inmate Housing Buildings 1 through 8



Typical Existing Cell Door



## RINCON - Inmate Housing Buildings 1 through 8



Typical Existing Shower Door



## RINCON - Inmate Housing Buildings 1 through 8



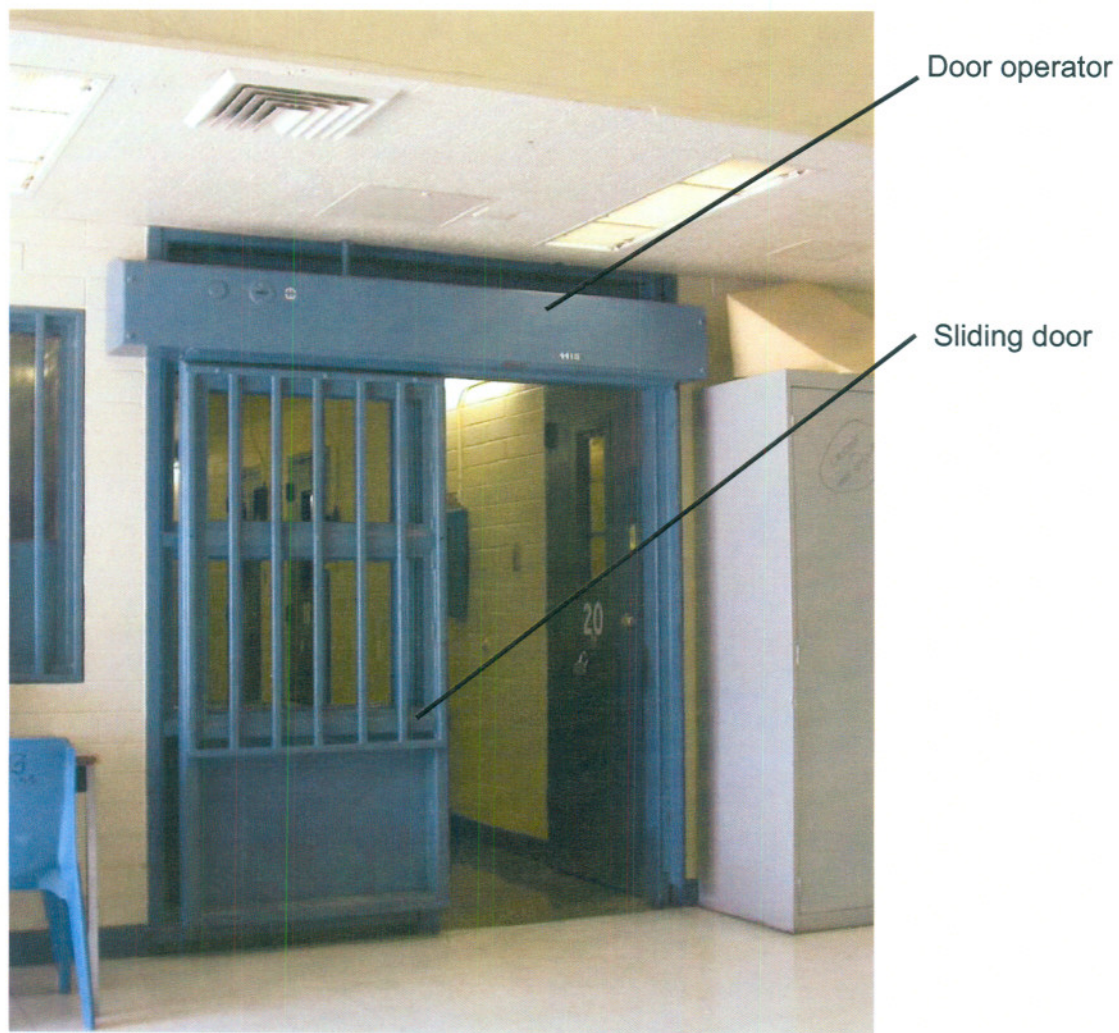
Light fixtures will need to be removed to provide space for door operator cover

Cell door

Typical Wing Corridor

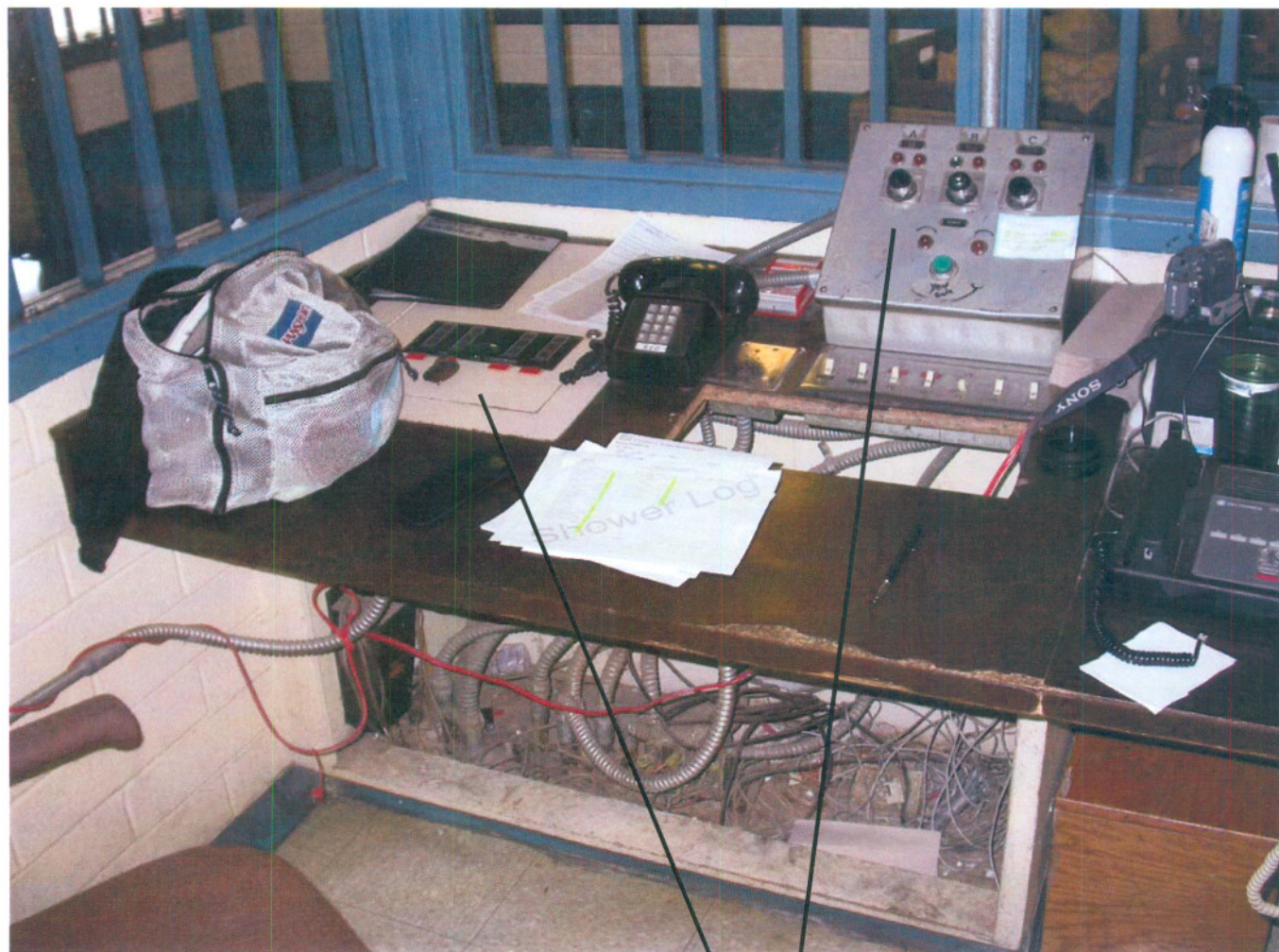


## RINCON - Inmate Housing Buildings 1 through 8



Typical Existing Door to Wing

## RINCON - Inmate Housing Buildings 1 through 8



Wing door and yard gate control panel

Fire alarm panel

Typical Control Room



## RINCON - Inmate Housing Buildings 1 through 8



CCTV - only occurs in buildings  
with exterior gate control

Millwork countertop

Typical Control Room

STATE OF ARIZONA

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DATE: September 13, 2007

TO: Senator Bob Burns, Chairman  
Members, Joint Committee on Capital Review

THRU: Richard Stavneak, Director

FROM: Bob Hull, Principal Research/Fiscal Analyst

SUBJECT: Arizona Department of Transportation – Review of FY 2008 Building Renewal Allocation Plan

### Request

Laws 1986, Chapter 85 established the Joint Committee on Capital Review and charged it with developing a Building Renewal Formula to guide the Legislature in appropriating monies for the maintenance and repair of state buildings. A.R.S. § 41-1252 requires JCCR review of the expenditure plan for Building Renewal monies. The Arizona Department of Transportation (ADOT) requests that the Committee review its \$3,918,200 FY 2008 Building Renewal allocation plan, including \$3,777,100 from the State Highway Fund and \$141,100 from the State Aviation Fund.

### Recommendation

The JLBC Staff recommends that the Committee give a favorable review of the plan with the following provisions:

- ADOT report to JLBC Staff any allocations for FY 2008 projects from the \$141,100 contingency amount. JLBC Staff will report to the Committee on significant allocations, typically those above \$50,000.
- ADOT submit any new projects for Committee review prior to implementing.
- ADOT submit any project reallocations above \$100,000 for Committee review.

ADOT has allocated \$3,636,000 from the State Highway Fund among 215 projects leaving a contingency amount of \$141,100. ADOT has allocated \$141,100 from the State Aviation Fund for 6 projects. All of the projects fit within the guidelines for building renewal projects.

### Analysis

The Capital Outlay Bill (Laws 2007, Chapter 257) appropriated a total of \$3, 918,200 to ADOT for building renewal in FY 2008, including \$3,777,100 from the State Highway Fund and \$141,100 from the

(Continued)

State Aviation Fund. The FY 2008 Building Renewal appropriations represent 50% of the amount generated by the revised Building Renewal Formula for the ADOT Building System and 100% for the Grand Canyon Airport for FY 2008. The formula is based on the square footage and replacement cost of existing buildings.

ADOT expects to allocate the Building Renewal monies from the State Highway Fund in the following categories for 215 projects:

<b><u>Category</u></b>	<b><u>Projects</u></b>	<b><u>State Highway Fund</u></b>	<b><u>% of Total</u></b>
Fire/Life/Safety	20	\$ 384,500	10.2%
Roofs Repair/Replacement	83	959,700	25.4
Exterior Preservation (Doors, Windows, Siding)	14	311,700	8.2
Building Systems (HVAC, Electrical, Plumbing)	68	1,214,600	32.2
Interior Finishes (Paint, Carpet, Tile)	14	153,700	4.1
Remodel	4	172,800	4.6
Americans with Disabilities Act	9	187,000	4.9
Infrastructure (Sewers, Parking)	3	252,000	6.7
Contingencies		141,100	3.7
<b>Total</b>	<b>215</b>	<b>\$3,777,100</b>	<b>100.0%</b>

For the Committee's information, the following 13 State Highway Fund projects require \$50,000 or more:

<b><u>Project</u></b>	<b><u>Allocation</u></b>
Relocate & add catwalk - Wash rack, Williams Maintenance Yard	\$ 50,000
Install catwalks for heat pumps - Training building, 1130 N. 22 <sup>nd</sup> Ave Phoenix	80,000
Replace roof - Truck barn, St. David Maintenance Yard	80,000
Replace roof - Yuma MVD Office	60,000
Consultant project managers - Central Region Projects <sup>1/</sup>	50,000
Repair structural frame - Traffic Signal Warehouse, 2104 S. 22 <sup>nd</sup> Ave Phoenix	95,000
Install "Energy Star" windows - Training building, 1130 N. 22 <sup>nd</sup> Ave Phoenix	60,000
Install new chiller and surge tank - Traffic Operations Center, 2302 W. Durango, Phoenix	240,000
Repair emergency backup generator - Williams Maintenance Yard	60,000
Upgrade air conditioning - SE Mesa MVD Office, 1840 S. Mesa Drive	85,300
Install enclosure panels - Wash rack facility, Wickenburg Maintenance Yard	97,800
ADA improvements - Tuba City MVD	50,000
Replace water line - Needle Mountain Maintenance Yard	220,000
<b>Subtotal</b>	<b>\$1,228,100</b>

<sup>1/</sup> ADOT uses project management consultants in the Metro Phoenix region, and their own project management staff for the northern and southern regions. Project managers coordinate project work and requirements including design, procurement, asbestos regulations, safety codes, inspection, bill payment, and documentation.

ADOT expects to allocate the \$141,100 of Building Renewal monies from the State Aviation Fund for 6 projects at the Grand Canyon Airport, including replacing or repairing doors, heating, lighting, plumbing and flooring in Grand Canyon Airport buildings. The \$141,100 includes 1 project costing \$50,000 to upgrade lighting at the Grand Canyon Airport terminal.

The JLBC Staff recommends a favorable review of the FY 2008 expenditure plan. The attached material submitted by ADOT lists each project and its estimated cost. The projects are consistent with Building Renewal guidelines and appropriations.

RS/BH:ym





# Arizona Department of Transportation

## Office of the Director

206 South Seventeenth Avenue Phoenix, Arizona 85007-3213

Janet Napolitano  
Governor

Victor M. Mendez  
Director

August 15, 2007

Richard Travis  
Deputy Director



The Honorable Robert Burns, Chairman  
Joint Committee on Capital Review  
1716 West Adams  
Phoenix, Arizona 85007

Dear Senator Burns:

We respectfully request that ADOT's planned FY2008 Building Renewal projects be placed on the September JCCR meeting agenda for review and approval.

The following summary outlines the scope of work:

### State Highways Fund Building Renewal Projects

Category 1 – Fire/Life/Safety	\$ 384,500
Category 2 – Roof Repairs/Replacement	959,737
Category 3 – Preservation of Asset	311,700
Category 4 – Major Building Systems	1,214,562
Category 5 – Interior Building Finishes	153,730
Category 6 – Major Renovation	172,819
Category 7 – ADA Compliance	187,000
Category 8 – Infrastructure	252,000
Contingency	141,052

Sub total \$3,777,100

### Aviation Fund Building Renewal Projects

Category 3 – Preservation of Asset	\$ 10,700
Category 4-Major Building Systems	90,400
Category 5- Interior Building Finishes	40,000

Sub total \$141,100

Total \$3,918,200.

Your favorable review and approval of this request is appreciated.

Sincerely,

Victor M. Mendez

cc: Representative Russell Pearce, Vice-Chairman  
Richard Stavneak, JLBC  
Bob Hull, JLBC  
James Apperson, OSPB  
Marcel Benberou, OSPB



**STATE OF ARIZONA**  
**FY 2008 CAPITAL IMPROVEMENT PLAN**  
**DEPARTMENT OF TRANSPORTATION FY 2008 FINAL BUILDING RENEWAL PROJECT LIST - BY CATEGORY**

Project Description	Estimated Cost
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**STATE HIGHWAY FUND**

**CATEGORY 1 - FIRE/LIFE SAFETY**

Little Antelope Wash Rack - Reinstall catwalk	\$ 35,000
Williams Maint Yard Wash Rack - Relocate catwalk & add catwalk at end to eliminate head bump hazard	\$ 50,000
Show Low Maintenance Yard - Design and install fire code compliant hookup for a vaulted fire hydrant	\$ 40,000
St. Johns Maintenance Yard #3314 - Replace unsafe access stairs to upper offices and storage	\$ 20,000
Show Low Training Trailer - Replace steps	\$ 3,500
Kayenta Maintenance Office - Install eyewash/shower and all related plumbing	\$ 10,000
Seligman Spreader Rack - Repair structural deficiencies	\$ 13,000
Kingman Spreader Rack - Repair structural deficiencies	\$ 18,000
Recker Road Storage Bldg - Determine mezzanine load limit	\$ 5,000
Prescott Valley Maintenance Yard - Replace fence w/ gate for FD access; relocate water tee for fire code	\$ 10,000
Payson Equipment Services Shop - Design correction to fire wall deficiency & access to roof equipment	\$ 15,000
Holbrook Equipment Services Shop - Replace and upgrade current HVAC system to address vent problems	\$ 45,000
Tucson Equipment Services Shop - Install bird control in truck & car wash area	\$ 28,000
HRDC - Install catwalks for suspended AHUs above classrooms	\$ 80,000
Casa Grande MVD - Connect fire sprinkler system into fire alarm system	\$ 2,000
Douglas MVD - Connect fire sprinkler system into fire alarm system	\$ 2,000
Safford MVD - Connect fire sprinkler system into fire alarm system	\$ 2,000
Tucson East MVD - Connect fire sprinkler system into fire alarm system	\$ 2,000
Tucson North MVD - Connect fire sprinkler system into fire alarm system	\$ 2,000
Yuma MVD - Connect fire sprinkler system into fire alarm system	\$ 2,000
<b>TOTAL</b>	<b>\$ 384,500</b>

**CATEGORY 2 - ROOFS**

Materials Group Tucson Regional Lab (2183) - Replace/recoat roof sections, abate asbestos	\$ 20,000
Young Maintenance Office (2093) - Replace roof	\$ 5,000
Young Maintenance Truck Barn (2094) - Replace roof	\$ 3,500
Young Maintenance Pumphouse (2213) - Replace roof	\$ 3,000
Tonto Basin Wellhouse (2425) - Replace roof	\$ 1,500
Superior Maintenance Sign Shed (2391) - Replace roof, abate asbestos as needed	\$ 12,000
Superior Maintenance Tool/Storage Shed (2392) - Replace roof	\$ 14,000
Superior Maintenance Ramada (2396) - Replace roof	\$ 5,000
Globe District Office (2077) - Replace roof section, abate asbestos as needed	\$ 10,000
El Capitan Rest Area Ramada (2410) - Replace roof	\$ 3,000
Fish Creek Maintenance Truck Barn (2090) - Replace roof	\$ 40,000
Fish Creek Maintenance Pumphouse (2215) - Replace roof	\$ 3,000
Parker Creek Maintenance Fuel Island (2423) - Replace roof	\$ 6,000
Parker Creek Maintenance Pumphouse (2214) - Replace roof	\$ 2,000
Globe Maintenance Storage/Truck Barn - Install foam roof	\$ 25,000
Holbrook Signing & Striping Storage - Design for roof support system replacement	\$ 15,000
Mesa Salt River Complex Storage Bldg 1345 - Reroof with single ply roof system	\$ 4,837
Wickenburg Tire Storage Bldg (1649) - Replace roof	\$ 8,000
St. David Maintenance Pumphouse (2209) - Replace roof	\$ 3,000
St. David Maintenance Truck Barn (2115) - Replace roof	\$ 80,000
Safford Maintenance Public Rest Room (2208) - Replace roof	\$ 2,000
Safford Maintenance Fuel Island (2482) - Replace roof	\$ 5,200
Three Way Maintenance Pumphouse (2206) - Replace roof	\$ 2,000
San Simon Rest Area Residence (2111) - Replace roof section	\$ 4,000



**STATE OF ARIZONA**  
**FY 2008 CAPITAL IMPROVEMENT PLAN**  
**DEPARTMENT OF TRANSPORTATION FY 2008 FINAL BUILDING RENEWAL PROJECT LIST - BY CATEGORY**

Project Description	Estimated Cost
Willcox Maintenance Fuel Island (2442) - Replace roof	\$ 4,000
Safford Construction Storage/Canopy (2492) - Replace roof	\$ 45,000
Ajo Maintenance Sign Shed (2366) - Replace roof	\$ 12,000
Coolidge Maintenance Sign Shed (2386) - Replace roof	\$ 4,500
Sacaton Residence EB (2048) - Replace roof	\$ 12,000
Casa Grande Construction Modular Office (2066) - Replace roof section	\$ 6,000
Casa Grande Construction Storage Ramada (2370) - Replace roof	\$ 10,000
Casa Grande Maintenance Storage/Rest Room (2068) - Replace roof, abate asbestos	\$ 12,500
Casa Grande Maintenance Wash Rack Shed (2373) - Replace roof	\$ 2,000
Casa Grande Maintenance Fuel Island (2374) - Replace roof	\$ 3,200
Casa Grande Maintenance Storage (2378) - Replace roof	\$ 2,500
Casa Grande Maintenance Canopy (2380) - Replace roof	\$ 3,200
Oracle Maintenance Storage (2603) - Replace roof	\$ 4,000
Oracle Maintenance Storage (2604) - Replace roof	\$ 2,500
Tucson Traffic Operations (2187) - Replace roof section, abate asbestos	\$ 17,000
Tucson Landscaping Storage (2555) - Replace roof	\$ 2,500
Tucson Maintenance Storage (2557) - Replace roof, abate asbestos	\$ 9,000
Tucson Maintenance Ice House/Vending (2558) - Replace roof	\$ 3,000
Tucson District Parking Canopy (2609) - Replace roof	\$ 6,000
Tucson Maintenance Guardshack (2195) - Replace roof	\$ 2,000
Tucson Construction Survey Storage (2527) - Replace roof	\$ 6,000
Tucson ITG Office (2177) - Replace roof, abate asbestos	\$ 27,000
Oracle Maintenance Office - Remove failing ridge vents and seal roof	\$ 18,900
Sentinel Rest Area Pumphouse (2219) - Replace roof, abate asbestos	\$ 17,000
Dateland Well Canopy (2307) - Replace roof	\$ 4,000
Parker Maintenance Rest Room (2564) - Replace roof, abate asbestos	\$ 7,000
Bouse Wash Rest Area Pumphouse (2223) - Replace roof	\$ 6,000
Quartzsite Maintenance Pump Shed (2250) - Replace roof	\$ 2,000
Quartzsite Maintenance Fuel Island (2253) - Replace roof	\$ 3,200
Bouse Wash Rest Area Residence (2013) - Replace roof	\$ 17,000
Bouse Storage Yard Shed (2228) - Replace roof	\$ 2,000
Tonopah Maintenance Storage Shed (2316) - Replace roof	\$ 2,000
Tonopah Maintenance Storage Shed (2317) - Replace roof	\$ 6,000
Gila Bend Maintenance Office (2055) - Replace roof section	\$ 4,000
Gila Bend Paint Dock (2355) - Replace roof	\$ 2,000
Gila Bend Maintenance Storage (2360) - Replace roof	\$ 4,000
Sentinel Rest Area EB Rest Rooms (2053) - Replace roof	\$ 3,000
Sentinel Rest Area WB Rest Rooms (2054) - Replace roof	\$ 3,000
Gila Bend Maintenance Quonset Storage (2359) - Replace roof	\$ 20,000
Douglas Equipment Services Shop - Install foam roof to seal building for leaks	\$ 6,000
Globe Equipment Services Shop - Recoat foam roof	\$ 15,000
Holbrook Equipment Services Shop - Correct storage area canopy structural deficiencies	\$ 20,000
Sierra Vista MVD (2114) - Roof repairs, abate asbestos	\$ 45,000
Nogales POE Scalehouse (2169) - Replace roof	\$ 20,000
Ehrenberg POE EB Office (2000) - Replace roof	\$ 5,000
Yuma MVD Inspection Canopy (2279) - Replace roof	\$ 24,000
Yuma MVD Level II Inspection (2222) - Replace roof	\$ 5,000
Yuma MVD Storage Shed (2280) - Replace roof	\$ 4,000
Yuma I-8 POE WB Office/Weigh Station (2017/2273) - Replace roof, abate asbestos	\$ 10,000
Yuma MVD Office (2026) - Replace roof	\$ 60,000
Ehrenberg POE Inspection Booth (2231) - Replace roof	\$ 3,000
Ehrenberg POE Inspection Booth (2232) - Replace roof	\$ 3,000



**STATE OF ARIZONA**  
**FY 2008 CAPITAL IMPROVEMENT PLAN**  
**DEPARTMENT OF TRANSPORTATION FY 2008 FINAL BUILDING RENEWAL PROJECT LIST - BY CATEGORY**

Project Description	Estimated Cost
Claypool MVD (2076) - Replace roof	\$ 20,000
Tucson North MVD (2185) - Repair/Replace roof	\$ 5,000
Yuma I-8 POE EB Office/Weigh Station (2016/2272) - Replace roof	\$ 24,200
San Simon POE WB Logging Station (2447) - Replace roof	\$ 3,000
Nogales MVD roof beams and fascia - Repair/replace deteriorating wood	\$ 18,500
Surprise MVD - Repair roof	\$ 25,000
Consultant Project Managers	\$ 50,000
<b>TOTAL</b>	<b>\$ 959,737</b>

<b>CATEGORY 3 - PRESERVATION OF ASSET</b>	
Traffic Signal Warehouse - Repair structural frame	\$ 95,000
Little Antelope Fuel Island - Repaint fuel island	\$ 2,200
Springerville Maint Crew Ready Room - Install rain gutters	\$ 3,000
Ganado Resident Housing - Install insulated doors and dual pane low e windows	\$ 8,500
Holbrook District Office - Replace 18 single pane windows with energy efficient double pane windows	\$ 48,500
48th St Construction Office Modular - Replace missing west side skirting by cleanout and electrical panel	\$ 3,500
Peerless Bldg - Install "Energy Star" windows	\$ 40,000
HRDC Bldg - Install "Energy Star" windows	\$ 60,000
Administration Bldg - Correct exiting deficiencies on exterior doors	\$ 20,000
Surprise MVD - Paint exterior roof trim	\$ 4,000
Chandler MVD - Repaint exterior stucco walls	\$ 12,000
Yuma B-8 POE - Repaint exterior	\$ 4,000
Casa Grande MVD - Replace rain gutters	\$ 3,000
San Simon POE - Paint all building exteriors	\$ 8,000
<b>TOTAL</b>	<b>\$ 311,700</b>

<b>CATEGORY 4 - MAJOR BUILDING SYSTEMS</b>	
Materials Group Tucson Regional Lab Bldg - Upgrade electrical service	\$ 40,000
Engineering Bldg - Repair HVAC system	\$ 40,000
Central Materials Lab Bldg - Repair HVAC system	\$ 25,000
Traffic Operations Center - Install new chiller and surge tank	\$ 240,000
Central Materials Lab Bldg - Convert T12 light fixtures to T8	\$ 6,000
Little Antelope Truck Barn - Replace two unserviceable heaters	\$ 4,300
Little Antelope Residence and Mobile Office - Replace three unserviceable furnaces	\$ 9,900
Flagstaff District-wide - Reconfigure plumbing on all deicing tanks	\$ 40,000
Williams Maintenance Yard - Repair emergency backup generator	\$ 60,000
Globe Maintenance Office and Truck Barn - Upgrade electrical service	\$ 35,000
Roosevelt Maintenance Yard Washrack - Provide utilities for consent ordered wash equip	\$ 25,000
Young Maintenance Yard - Provide utilities for consent ordered wash equipment	\$ 25,000
Holbrook District Offices - Convert T12 light fixtures to T8 fixtures	\$ 10,000
Chambers Equipment Storage Bldg #3331 - Replace unit heaters	\$ 5,000
Winslow Equipment Storage - Upgrade HVAC system current system is ineffective and outdated	\$ 15,000
Wikieup Maintenance Yard Fuel Island - Upgrade electrical on fuel island (replace screw in type fuse box)	\$ 6,000
Wikieup Roadway Maint Office Bldg #3040 - Replace aged HVAC system with new energy efficient unit	\$ 11,500
Avondale Construction - Convert T12 light fixtures to T8	\$ 1,500
Phoenix Construction Survey Office - Convert T12 light fixtures to T8	\$ 1,000
Durango Roadway Maintenance Yard - Convert T12 light fixtures to T8	\$ 1,500
Aqua Fria Roadway Maintenance Yard - Convert T12 light fixtures to T8	\$ 1,500
Wickenburg Roadway Maint Yard - Convert T12 light fixtures to T8	\$ 1,500
Three Way Maint Yard Washrack - Provide utilities for consent ordered wash equipment	\$ 25,000



**STATE OF ARIZONA**  
**FY 2008 CAPITAL IMPROVEMENT PLAN**  
**DEPARTMENT OF TRANSPORTATION FY 2008 FINAL BUILDING RENEWAL PROJECT LIST - BY CATEGORY**

Project Description	Estimated Cost
Tucson District Conference Room - Replace aging HVAC unit	\$ 10,000
Tucson Grant Rd. Maintenance Office - Replace failing, inefficient HVACs (4 on west side)	\$ 40,000
Tucson District Offices - Convert inefficient T12 light fixtures to T8 type	\$ 2,000
Tucson Grant Rd Maintenance Office - Convert inefficient T12 light fixtures to T8 type	\$ 2,000
Casa Grande Maint Truck Barn & Yard - Assess and design upgrade for electrical service	\$ 15,000
Tonopah Maint Yard Washrack - Provide utilities for consent ordered wash equipment	\$ 25,000
Yuma Construction Lab - Replace unserviceable HVAC units	\$ 46,000
Yuma Equipment Storage Building - Install two evaporative coolers	\$ 15,000
Quartzsite Roadway Maintenance Office - Replace aging HVAC unit	\$ 25,000
Yuma Traffic Operations - Replace unserviceable evap coolers	\$ 14,000
Ehrenberg Rest Area Residence #1 - Replace HVAC	\$ 8,500
Burnt Well Rest Area EB Residence - Replace HVAC	\$ 7,500
Bouse Wash Rest Area Residence - Replace HVAC	\$ 7,500
Yuma District Yard Offices - Convert inefficient T12 light fixtures to T8 type	\$ 15,700
Buckeye Construction Office - Convert T12 light fixtures to T8	\$ 1,000
Flagstaff Equipment Services Shop - Replace 19 aging standing pilot natural gas unit heaters	\$ 31,000
Payson Equipment Services Shop - Design access to inaccessible unit heaters and AHU	\$ 7,500
Payson Equipment Services Shop - Design correction to heat from existing radiant floor heating system	\$ 10,000
Yuma Equipment Services Shop - Replace unserv skylight & install efficient light fixtures	\$ 35,000
Casa Grande Equipment Services Shop - Upgrade plumbing (lavatory drain to sewer)	\$ 10,000
Douglas Equipment Shop - Assess unserviceable hydraulic hoist for contamination & remove	\$ 30,000
AZ Highways Magazine Bldg - Convert T12 light fixtures to T8	\$ 2,000
ADOT Statewide - Install emergency exit signs and lights	\$ 5,000
ADOT Statewide - Repair HVAC systems	\$ 5,000
ADOT Statewide - Repair electrical systems	\$ 2,500
ADOT Statewide - Convert T12 light fixtures to T8 and other lamping conversions	\$ 2,000
ADOT Statewide - Install "Energy Star" thermostats	\$ 2,000
Administration Bldg - Convert T12 light fixtures to T8	\$ 10,000
Old MVD Office Modulares - Convert T12 light fixtures to T8	\$ 2,000
Yuma I-8 POE - Design waste water drainage for fruit inspection tables	\$ 10,000
San Simon POE - Design waste water drainage for fruit inspection tables	\$ 10,000
Yuma I-8 POE - Install restroom HVAC	\$ 6,000
Ajo MVD Office - Design for upgrade of electrical service	\$ 12,000
East Tucson MVD - Perform electrical repairs	\$ 7,242
Tucson Regional MVD - Perform electrical repairs	\$ 16,655
Tucson CDL/Construction - Design to upgrade electrical service	\$ 7,500
Central Forms Warehouse - Repair evap cooler system	\$ 5,000
MVD Customer Service Centers Statewide - Perform HVAC and chiller repairs	\$ 20,000
West Phoenix MVD - Energy efficiency review	\$ 6,000
South Mountain MVD - Energy efficiency review	\$ 4,000
Avondale MVD - Energy efficiency review	\$ 4,000
Surprise MVD - Convert T12 light fixtures to T8	\$ 1,000
Sun City MVD - Convert T12 light fixtures to T8	\$ 1,000
Phoenix Motorcycle Testing MVD - Convert T12 light fixtures to T8	\$ 1,000
SE Mesa MVD South Offices - Perform HVAC upgrade	\$ 85,265
<b>TOTAL</b>	<b>\$ 1,214,562</b>

**CATEGORY 5 - INTERIOR BUILDING FINISHES**

St. Johns Maintenance Yard Storage Shed #3398 - Replace flooring	\$ 2,500
St. Johns Maintenance Yard #3314 - Remove/replace flooring in upstairs and downstairs offices	\$ 12,500
Winslow Equipment Storage - Replace VCT flooring throughout building to eliminate tripping hazards	\$ 12,000



**STATE OF ARIZONA**  
**FY 2008 CAPITAL IMPROVEMENT PLAN**  
**DEPARTMENT OF TRANSPORTATION FY 2008 FINAL BUILDING RENEWAL PROJECT LIST - BY CATEGORY**

Project Description	Estimated Cost
Equipment Services Phoenix Annex - Repaint interior and replace blinds	\$ 4,000
Equipment Services Phoenix Gatehouse - Repaint interior and replace blinds	\$ 1,500
Equipment Services Phoenix Towers Bldg - Remove carpet and replace with VCT	\$ 6,000
Kingman MVD - Replace unserviceable carpet	\$ 18,000
Sanders Port of Entry Offices & Lobby - Replace flooring, including asbestos abatement	\$ 25,000
Claypool MVD - Replace aging floor covering	\$ 29,180
Nogales POE NAFTA modular office - replace floor tile	\$ 7,000
Claypool MVD - Repaint interior	\$ 15,050
Kearny MVD - Repaint interior	\$ 9,000
Three Way MVD - Repaint interior	\$ 9,000
Tucson Regional MVD - Replace carpet in limited locations	\$ 3,000
<b>TOTAL</b>	<b>\$ 153,730</b>

<b>CATEGORY 6 - RECONFIGURE OR REMODEL</b>	
Marble Canyon Visitor Ctr - Paint bldg int & ext, replace w/water pumps, upgrade controls & latrine water sys	\$ 25,000
Gray Mountain Deicer Storage Building - Reconfigure interior wall for improved operations	\$ 25,000
Seligman Wash Rack - Add a crossover catwalk at the end of the wash bay	\$ 25,000
Wickenburg Maintenance Washrack Facility - Install missing enclosure panels on gantries	\$ 97,819
<b>TOTAL</b>	<b>\$ 172,819</b>

<b>CATEGORY 7 - ADA</b>	
Phoenix Landscape Maintenance Office 1600 NW Grand Ave - Install ADA parking space	\$ 3,000
Safford District Office - Install ADA parking per ADOT Bldg Inspector	\$ 1,000
Safford Construction Yard - Install ADA parking per ADOT Bldg Inspector	\$ 1,000
Tuba City MVD - Reconfigure counters to add ADA compliant customer counters	\$ 25,000
Tuba City MVD - Replace ADA ramp, sidewalk, install door operators/actuators, and ADA parking for two	\$ 50,000
Bullhead City MVD - install ramp, door operators/actuators, and new sidewalk to north of building	\$ 45,000
Lake Havasu City MVD - Install ADA compliant door operators/actuators	\$ 12,000
Window Rock MVD - Replace old worn out counters and install ADA compliant counters	\$ 25,000
Flagstaff MVD - Install ADA door operators, intercom systems, handicapped parking area	\$ 25,000
<b>TOTAL</b>	<b>\$ 187,000</b>

<b>CATEGORY 8 - INFRASTRUCTURE</b>	
Page Maintenance Yard - Replace pumps, all seals, and rods for septic lift station	\$ 15,000
Needle Mountain Maintenance Yard - Replace failing water line	\$ 220,000
Equipment Services Fleet Management Yard Phoenix - Rewire yard security lights	\$ 17,000
<b>TOTAL</b>	<b>\$ 252,000</b>

<b>TOTAL OF ALL PROJECTS REQUESTED</b>	<b>\$ 3,636,048</b>
<b>CONTINGENCY</b>	<b>\$ 141,052</b>
<b>TOTAL AUTHORIZED FUNDS</b>	<b>\$ 3,777,100</b>

<b>RECAP</b>	
<b>CATEGORY 1 - FIRE/LIFE/SAFETY</b>	<b>\$ 384,500</b>
<b>CATEGORY 2 - ROOFS</b>	<b>\$ 959,737</b>
<b>CATEGORY 3 - PRESERVATION OF ASSET</b>	<b>\$ 311,700</b>
<b>CATEGORY 4 - MAJOR BUILDING SYSTEMS</b>	<b>\$ 1,214,562</b>

STATE OF ARIZONA  
 FY 2008 CAPITAL IMPROVEMENT PLAN  
 DEPARTMENT OF TRANSPORTATION FY 2008 FINAL BUILDING RENEWAL PROJECT LIST - BY CATEGORY

Project Description	Estimated Cost
CATEGORY 5 - INTERIOR BUILDING FINISHES	\$ 153,730
CATEGORY 6 - RECONFIGURE OR REMODEL	\$ 172,819
CATEGORY 7 - ADA COMPLIANCE	\$ 187,000
CATEGORY 8 - INFRASTRUCTURE	\$ 252,000
CONTINGENCY	\$ 141,052
TOTAL	\$ 3,777,100



<p align="center">STATE OF ARIZONA  FY 2008 CAPITAL IMPROVEMENT PLAN  DEPARTMENT OF TRANSPORTATION FY 2008 FINAL BUILDING RENEWAL PROJECT LIST - BY CATEGORY</p>
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Project Description	Estimated Cost
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<b>STATE AVIATION FUND</b>
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<b>CATEGORY 3 - PRESERVATION OF ASSET</b>	
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Grand Canyon Airport Bldg #3577 - Replace worn roll-up door w/insulated doors, lights & auto opener	\$ 10,700
<b>TOTAL</b>	<b>10,700</b>

<b>CATEGORY 4 - MAJOR BUILDING SYSTEMS</b>	
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Grand Canyon Airport Terminal - Replace unsafe terminal fire place	\$ 15,000
Grand Canyon Airport Terminal - Upgrade unserviceable lighting	\$ 50,000
Grand Canyon Airport Admin Office - Convert T12 light fixtures to T8	\$ 3,000
Grand Canyon Airport Terminal - Repair water treatment plant equipment	\$ 22,400
<b>TOTAL</b>	<b>\$ 90,400</b>

<b>CATEGORY 5 - INTERIOR BUILDING FINISHES</b>	
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Grand Canyon Airport Terminal - Replace worn out flooring	\$ 40,000
<b>TOTAL</b>	<b>\$ 40,000</b>

<b>TOTAL OF ALL PROJECTS REQUESTED</b>	
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<b>CONTINGENCY</b>	\$ -
<b>TOTAL AUTHORIZED FUNDS</b>	\$ 141,100

<b>RECAP</b>
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<b>CATEGORY 3 - PRESERVATION OF ASSET</b>	\$ 10,700
<b>CATEGORY 4 - MAJOR BUILDING SYSTEMS</b>	\$ 90,400
<b>CATEGORY 5 - INTERIOR BUILDING FINISHES</b>	\$ 40,000
<b>TOTAL</b>	<b>\$ 141,100</b>

STATE OF ARIZONA

**Joint Committee on Capital Review**

STATE  
SENATE

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DATE: September 13, 2007

TO: Senator Bob Burns, Chairman  
Members, Joint Committee on Capital Review

THRU: Richard Stavneak, Director

FROM: Bob Hull, Principal Research/Fiscal Analyst

SUBJECT: Arizona Department of Transportation – Report on 5-Year Transportation Program

**Request**

In compliance with a Committee request, the Arizona Department of Transportation (ADOT) has submitted an Executive Summary of their 5-Year Transportation Facilities Construction Program for FY 2008-FY 2012.

**Summary**

The entire 5-Year Program costs \$6.6 billion. Of this amount, \$3.4 billion will be spent on 39 major projects above \$25 million (see *Table 8*). During the 5 years, the annual spending level ranges between \$1.2 billion and \$1.6 billion. During the 5 years, the amount of outstanding Highway User Revenue Fund (HURF) bonds ranges between \$1.7 billion and \$1.9 billion.

Laws 2007, Chapter 267, extended the allowable repayment period for highway bonds from 20 years to 30 years. This is estimated to provide ADOT with an additional \$500 million in bonding capacity. The FY 2008-FY 2012 highway program does not include the use of any of the \$500 million of additional bonding capacity. In addition, the 5-year highway program does not include the \$62 million for the Statewide Transportation Acceleration Needs (STAN) Account from the FY 2008 budget to accelerate certain highway projects. The \$62 million includes \$10 million for the Transportation Acceleration Interest Reimbursement Account in FY 2008 for approved interest costs and \$10 million for the Roads of Regional Significance Congestion Mitigation Account in FY 2008 for transportation projects of high growth jurisdictions. The Maricopa Association of Governments (MAG) has allocated the \$10 million of the Transportation Acceleration Interest Reimbursement Account to the I-10 widening project in the Southwest Valley. Three Southwest Valley cities would receive \$7 million to reimburse their share of the interest and the remaining \$3 million would be used to offset the Regional Transportation Plan's share of the interest for this project.

(Continued)



A portion of the extra \$500 million bonding and the new \$62 million STAN funding is expected to be allocated as part of next year's FY 2009-FY 2013 5-Year Program. During the next year, however, ADOT could accelerate some of this funding into FY 2008.

ADOT has reported that the program addresses all of the 20 "over capacity" highway segments.

### **Recommendation**

This item is for information only and no Committee action is required.

Since the full Legislature neither appropriates the entire funding of the 5-year program nor approves the individual projects, the Committee has traditionally requested information on the program to ensure some legislative oversight. Over the years, the Committee has requested that ADOT include an Executive Summary of the program and a progress report on congestion performance measures. To further legislative oversight, the JLBC Staff recommends that:

1. ADOT provide an Executive Summary of its 5-Year Transportation Facilities Construction Program for FY 2009-FY 2013, due by July 31, 2008. The Executive Summary should include all the information and tables submitted this year, plus a narrative description of how much of the estimated \$500 million of additional bonding capacity from 30 year highway bonds is included in the FY 2009-FY 2013 highway program.
2. The Committee adopt the highway congestion performance measures, shown in *Tables 5, 6, and 7*.
3. ADOT report to the Committee on spending plans for the \$62 million appropriated to the Statewide Transportation Acceleration Needs (STAN) Account of the State Highway Fund in FY 2008 by December 15, 2007.

### **Analysis**

#### **Expenditures**

The 5-Year Transportation Facilities Construction Program for FY 2008-FY 2012 includes a 5-year total of \$6.6 billion for the highway program and \$0.7 billion for the aviation program. The 5-year program shows estimated expenditures on an obligation basis in the fiscal year that the project begins. Expenditures do not represent cash flow, since projects typically take multiple years to complete. Once a project begins, it no longer appears in future 5-Year plans. Expenditures exclude debt service, which is netted out of revenue.

*Table 1* compares the estimated expenditures for this year's 5-year highway program to last year's program. The overall 5-year highway program increases from \$5.84 billion to \$6.57 billion, \$732 million, or 12.5%, which is mainly due to a large increase in Maricopa Regional Area Road Fund (MRARF) bond proceeds, as shown in *Table 4*. This includes the following increases:

- The statewide highway program grows from \$2.6 billion to \$2.72 billion, an increase of \$123 million, or 4.7%.
- The Maricopa Association of Governments (MAG) freeway system increases from \$3.24 billion to \$3.85 billion, \$609 million, or 18.8%.

(Continued)

<b>Table 1</b>		
<b>ADOT's 5-Year Highway Program Estimated Expenditures</b>		
	<b><u>FY's 2007 - 2011</u></b>	<b><u>FY's 2008 - 2012</u></b>
<b><u>Statewide Program</u></b>		
Preservation	\$ 892,000,000	\$ 1,022,141,000
Improvements	1,325,000,000	1,316,290,000
Management	379,000,000	380,581,000
Total Statewide Program	\$2,596,000,000	\$2,719,012,000
<b><u>MAG Freeway System</u></b>	<b><u>\$3,243,000,000</u></b>	<b><u>\$3,851,668,000</u></b>
<b>Total</b>	<b><u>\$5,839,000,000</u></b>	<b><u>\$6,570,680,000</u></b>

Table 8 lists the estimated expenditures by fiscal year for 39 major highway projects (those over \$25 million), which total \$3.4 billion of estimated expenditures in this year's 5-year highway program. Table 9 compares the 39 major highway projects costing \$3.4 billion in this year's 5-year highway program to the 33 major highway projects costing \$3.1 billion in last year's program. Eleven projects are listed as major highway projects in last year's program but not in this year's program, as shown in Table 2. These projects may not yet be completed, since projects typically take multiple years to complete. Also, some of last year's major projects may still be in this year's 5-year program, either as redefined projects or with expenditures below the \$25 million major project level.

<b>Table 2</b>	
<b>Major Highway Projects (Over \$25,000,000) Removed This Year</b>	
	<b><u>Status</u></b>
<b><u>North Valley</u></b>	
I-17 – L101 to Carefree Highway, widen & HOV	Redefined as 2 projects
I-17 – Jomax/Dixileta Interchanges	Advertised 12/06
L303 (Estrella) – Happy Valley Rd to I-17, interim roadway	Redefined as 2 projects
<b><u>East Valley</u></b>	
SR 51 – Shea Blvd to L101, HOV	Advertised 4/07
L101 (Pima) – Princess Dr to L202, HOV	Advertised 5/07
L202 (Red Mountain) – I-10/SR 51 Interchange to L101 eastbound, widen	To be reprogrammed into a larger project
<b><u>South Valley</u></b>	
L202 – South Mountain Freeway	Redefined as 2 projects
<b><u>Balance of State</u></b>	
Safford US 191 – MP 151 to Threeway, widen	Advertised 4/07
Globe US 60 – Florence Junction to Queen Creek, widen	Advertised 6/07
SR 93 – Wickenburg By-Pass	Advertised 6/07
Flagstaff SR 179 – N Forest Boundary to Sedona, roundabouts & straighten	Advertised 6/07
ROW – Right of Way    SR – State Route    HOV – High Occupancy Vehicle Lane    MP – Mile Post	

There are 17 new major projects totaling \$1.83 billion in this year's 5-year program, as shown in Table 3. The 17 new major projects include 6 new major projects in the North Valley (\$641.5 million), 3 each in the East Valley (\$159.8 million) and West Valley (\$207.8 million), 2 each in the Southwest Valley (\$650 million) and Tucson (\$151 million), and 1 in the balance of the state (\$25 million).

(Continued)

<b>Table 3</b>	
<b>New Major Highway Projects (Over \$25,000,000)</b>	
	<b><u>FY's 2008 - 2012</u></b>
<b><u>North Valley</u></b>	
I-17 – L101 to Jomax Rd, widen	\$ 95,000,000
I-17 – Jomax Rd to Carefree Hwy, widen	95,000,000
I-17 – Carefree Hwy to Anthem Way, widen (STAN advanced)	30,500,000
L303 (Estrella) – Happy Valley Rd to Lake Pleasant Rd, interim roadway	177,000,000
L303 (Estrella) – Lake Pleasant Rd to I-17, ROW & interim roadway	174,000,000
L303 (Estrella) – US 60 (Grand Ave) to I-17, ROW	70,000,000
<b><u>East Valley</u></b>	
L202 (Red Mountain) – 48 <sup>th</sup> St to Rural Rd, widen	46,300,000
L202 (Red Mountain) – Rural Rd to L101, widen	61,600,000
L202 (Red Mountain) – SR 51 to 48 <sup>th</sup> St, widen	51,900,000
<b><u>Southwest Valley</u></b>	
L202 (South Mountain) – 51 <sup>st</sup> Ave to I-10, new freeway	450,000,000
L202 (South Mountain) – I-10 to 51 <sup>st</sup> Ave, ROW	200,000,000
<b><u>West Valley</u></b>	
I-10 – Verrado Way to Sarival Rd, widen (STAN advanced)	43,200,000
L303 (Estrella) – I-10/L303, interchange	135,000,000
SR 85 – Southern Ave to I-10, widen	29,600,000
<b><u>Tucson</u></b>	
Tucson I-10 – I-8 to Picacho Peak, widen	126,000,000
Tucson I-10 – Valencia Rd, interchange	25,000,000
<b><u>Balance of State</u></b>	
Cottonwood SR 260 – Western Dr to Thousand Trails, widen	25,000,000
ROW – Right of Way    SR – State Route	

Of the 39 major projects in this year's 5-year highway program, 4 major projects were advanced using the \$307 million appropriated to the STAN Account of the State Highway Fund in FY 2007, as shown in *Tables 8 and 9*. Two of the 4 major projects advanced using STAN monies are new to this year's 5-year highway program, as shown in *Table 3*. In addition, 2 other major projects were begun in FY 2007 using the \$307 million appropriated to STAN in FY 2007.

### **Revenues**

*Table 4* compares ADOT's estimated revenues on an obligation basis in order to match the obligation basis expenditures for this year's and last year's 5-year highway programs. ADOT shows the 5-year highway program revenues in current fiscal year dollars, and therefore does not show the actual funds collected over that time period. In addition, debt service payments are deducted from revenue and are not displayed as expenditures.

For these reasons, the 5-year highway program revenues do not match ADOT's estimated cash flow revenue tables (*see green Attachment A*), which are in current fiscal year dollars but are not net of debt service. This disconnect causes confusion when trying to compare ADOT's 5-year program obligation basis revenue to their cash flow revenue tables.

The main reasons for changes in revenues between the FY 2007-2011 and FY 2008-2012 programs are as follows:

(Continued)

- State Highway Fund decreases from \$769 million to \$591 million. ADOT reports that the \$(178) million decrease, or (23)%, is due to several variables. The \$591 million is the revenues needed to match the total program, which is shown on an obligation basis. ADOT assumes that all bonds, Federal Funds and MRARF funds will be spent prior to State Highway Fund monies. Therefore, the State Highway Fund number of \$591 million becomes the “balance” needed to match the total program amount.

On a cash flow basis, HURF revenues increase from \$7,601 million to \$8,061 million, an increase of \$460 million or 6%, and appropriated debt service for HURF bonds decreases from \$590 million to \$529 million, a decrease of \$(61) million or (10)%. Both of these factors increase the monies available to fund highway construction on a cash flow basis. On the other hand, ADOT’s operating budget increases from \$2.1 billion to \$2.2 billion, an increase of \$103 million or 5%, and their capital outlay budget increases from \$70 million to \$84 million, an increase of \$14 million or 20%. These spending increases partially offset the 2 positives above and decrease the monies remaining to fund highway construction by a like amount.

- MRARF decreases from \$460 million to \$329 million. ADOT reports that the \$(131) million decrease, or (28)%, is due to debt service increases for higher levels of MRARF bonding in order to maximize funding from the Maricopa ½ cent sales tax. The increase in debt service on MRARF bonds is partially offset by higher MRARF revenue.
- Federal Funds increases from \$2.16 billion to \$2.37 billion. ADOT reports that the \$202 million increase, or 9.4%, is based on updated estimates. The Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU), the federal transportation program, is authorized through FY 2009. ADOT estimates that Federal Funds would continue in FY 2010 at the FY 2009 level, and increase by 3.9% in each of FY 2011 and FY 2012, based on past experience with federal continuing resolutions and program reauthorization levels. ADOT estimates total Federal Fund revenues of \$2.5 billion, including \$345 million of debt service, on a cash flow basis for the 5 years FY 2008-FY 2012.
- Proceeds from bonds, notes, and Highway Expansion and Extension Loan Program (HELP) loans increase from \$2.45 billion to \$3.29 billion. ADOT reports that the \$838 million increase, or 34%, is due to increased MRARF bonding. ADOT estimates total MRARF bond proceeds on a cash flow basis increasing from \$1.47 billion in last year’s program to \$2.31 billion in the current program, an increase of \$835 million.

**Table 4**

**ADOT's 5-Year Highway Program Estimated Revenues <sup>1/</sup>**

	<b><u>FY's 2007 - 2011</u></b>	<b><u>FY's 2008 - 2012</u></b>
State Highway Fund <sup>2/</sup>	\$ 769,000,000	\$ 591,361,000
Maricopa Regional Area Road Fund <sup>3/</sup>	460,000,000	328,534,000
Federal Funds <sup>4/</sup>	2,163,000,000	2,365,445,000
Bonds, Notes, & HELP Loans <sup>5/</sup>	<u>2,447,000,000</u>	<u>3,285,340,000</u>
<b>Total</b>	<b><u>\$5,839,000,000</u></b>	<b><u>\$6,570,680,000</u></b>

<sup>1/</sup> Estimated revenues are in current fiscal year dollars and net of debt service.

<sup>2/</sup> Net of HURF bonds debt service.

<sup>3/</sup> Net of MRARF bonds debt service.

<sup>4/</sup> Net of Grant Anticipation Notes debt service.

<sup>5/</sup> Proceeds from bonds, Grant Anticipation Notes, and Highway Expansion and Extension Loan Program Loans.

(Continued)

## **Statewide Transportation Acceleration Needs (STAN) Account**

In addition to the \$6.6 billion 5-year highway program, the General Appropriation Act includes \$62 million for the STAN Account of the State Highway Fund from the State Highway Fund. This amount is not reflected in the above estimates. ADOT cannot estimate the impact of the \$62 million on the department's highway construction program until they determine which projects will be accelerated and when.

## **Bonding**

Highlights of ADOT's bonding plans include the following.

- 1) HURF bonds outstanding begin at \$1.74 billion in FY 2008 and increase to approximately \$1.91 billion in FY 2012. Laws 2007, Chapter 267, extended the allowable repayment period for highway bonds from 20 years to 30 years. This is estimated to provide ADOT with an additional \$500 million in bonding capacity. The FY 2008-FY 2012 highway program does not include the use of any of the \$500 million of additional bonding capacity. By statute, ADOT's annual revenue which is available to pay debt service on HURF bonds must be more than 3 times the HURF bonds' annual debt service over the life of the bonds. ADOT estimates a coverage level ranging from a low of 4.67 in FY 2008 to a high of 5.07 in FY 2011. ADOT's HURF bonds are rated high quality by Moody's and highest quality by Standard & Poor's. Senior and subordinate HURF bonds are rated Aa1 and Aa2 respectively by Moody's and AAA for each by Standard & Poor's.
- 2) Maricopa Regional Area Road Fund (MRARF) Bonds outstanding increase from \$357 million in FY 2008 to \$2.04 billion in FY 2012, due to large MRARF bond issues and small repayments in the early years of the second 20-year Maricopa freeway program. MRARF bonds are limited by the revenue generated by the ½ cent sales tax. ADOT does not have a current rating for MRARF bonds, since they have not yet issued any MRARF bonds under the ½ cent sales tax extension. ADOT plans to issue MRARF bonds in FY 2008. Previously, MRARF bonds were rated high quality by Moody's and upper medium to high quality by Standard & Poor's. Senior and subordinate MRARF bonds were rated Aa2 and Aa3 respectively by Moody's and AA and A respectively by Standard & Poor's.
- 3) Grant Anticipation Notes (GANS) outstanding begin at \$313 million in FY 2008 and increase to \$416 million in FY 2010 before decreasing to \$255 million in FY 2012. GANS are monies borrowed by ADOT, which are repaid from future Federal Funds. GANS are limited by future Federal Funds. ADOT has issued senior GANS, which are rated high quality by both Moody's Standard & Poor's. GANS are rated Aa3 by Moody's and AA- by Standard & Poor's.
- 4) State Transportation Board Funding Obligations (BFO's) outstanding remain constant at \$200 million from FY 2008 through FY 2012. BFO's are loans totaling \$200 million from the General Fund operating balance to the department, as authorized by statute. BFO's are statutorily capped at \$200 million. The \$200 million includes \$60 million to the State Highway Fund and \$140 million to the HELP Fund.
- 5) HELP Fund loans outstanding decrease from \$41 million in FY 2008 to \$0 in FY 2012, since ADOT does not try to project which future projects might be accelerated through the use of HELP loans. The HELP Fund is a state infrastructure bank which was capitalized with Federal Funds, State Highway Fund monies, and \$140 million of BFO's. The HELP Fund provides loans to political subdivisions, Indian tribes, and state agencies for eligible transportation projects. HELP Fund loans are repaid from future programmed funds for those projects.

(Continued)

## Congestion Performance Measures

ADOT lists 20 “over capacity” highway segments, including 13 in the Phoenix area, 4 in the Tucson area, and 3 in the balance of the state. *(After the green pages, see Attachments B, C and D for maps of the Phoenix area, Tucson area, and balance of the state showing highway segments listed in the congestion performance measures.)* All of the 20 “over capacity” highway segments have some action in the 5-Year Program, which was approved by the State Transportation Board on June 15, 2007. ADOT’s definition of “over capacity” highway segments includes those segments that are “over capacity” for 3 hours during either the morning or afternoon commute for the Phoenix and Tucson areas. The Phoenix area maps in *Attachment B* show the duration of congestion for the morning or afternoon commute in 1-hour intervals for various highway segments. The maps show varying lengths of congested highway segments on most Phoenix area freeways, with heavier congestion during the afternoon commute than the morning. ADOT reports that more detailed “over capacity” information is not available for the Tucson area.

Table 5

				FY 2005 Actual	FY 2006 Actual	FY 2008 Estimate
<b>PHOENIX AREA</b>						
<ul style="list-style-type: none"> <li>Percent of state highway system with traffic volume over 100% of capacity during 3 hours of the morning or afternoon commute in Phoenix Metro area</li> </ul>				14	14	8
<b>Phoenix Metro Area Highway Segments Over 100% of Capacity During Peak Driving Periods</b>						
<b>Action in 5-Yr Program</b>	<b>Route</b>	<b>Segment</b>	<b>ADOT Action</b>			
Yes	I-10	Agua Fria (L101) - I-17	General purpose lanes; completion FY 12			
Yes	I-10	Baseline Rd - 40 <sup>th</sup> St	Collector distributor roads; completion FY 16			
Yes	I-10	Sarival Rd - Agua Fria (L101)	HOV/general purpose lanes; completion FY 10			
Yes	Loop 101	Red Mtn (L202) - Baseline	HOV lanes; completion FY 09			
Yes	Loop 101	Baseline - Santan (L202)	HOV lanes; completion FY 09 (STAN advanced)			
Yes	I-17	Carefree Hwy - Loop 101	HOV/general purpose lanes; completion FY 10			
Yes	US 60 (Grand Ave)	I-10 - Agua Fria (L101)	General purpose lanes; completion FY 12			
Yes	US 60 (Superstition)	I-10 - Price (L101)	General purpose lanes; completion FY 10			
Yes	US 60 (Superstition)	Ellsworth Rd - Meridian Rd	HOV/general purpose lanes; completion FY 19			
Yes	SR 51	Loop 101 - Shea Blvd	HOV/ramp; completion FY 09			
Yes	Loop 101	Princess Dr - Red Mtn (L202)	HOV lanes; completion FY 09			
Yes	Loop 202	Rural Rd - Pima (L101)	General purpose lanes; completion FY 11			
Yes	Loop 202	Pima (L101) - Gilbert Rd	HOV lanes; completion FY 11			
<b>Completed Projects</b>						
	US 60 (Superstition)	Val Vista Dr - Ellsworth Rd	HOV/general purpose lanes; opened June 07			

(Continued)

Table 6					
TUCSON AREA			FY 2005	FY 2006	FY 2008
			Actual	Actual	Estimate
• Percent of state highway system with traffic volume over 100% of capacity during 3 hours of the morning or afternoon commute in Tucson Metro area			10	10	10
Tucson Metro Area Highway Segments Over 100% of Capacity During Peak Driving Periods					
Action in					
<u>5-Yr Program</u>	<u>Route</u>	<u>Segment</u>	<u>ADOT Action</u>		
Yes	I-10	Prince Rd - 29 <sup>th</sup> Ave	Widening project; completion FY 09		
Yes	I-10	Ruthruaff Rd - Prince Rd	Widening from 6 to 8 lanes; completion FY 11		
Yes	I-10	Cortaro, interchange	Reconstruct interchange; design FY 08; completion FY 13		
Yes	Oracle Rd	Calle Concordia - Tangerine Rd	Widening from 4 to 6 lanes; completion FY 08		

Table 7					
BALANCE OF STATE			FY 2005 Actual	FY 2006 Actual	FY 2008 Estimate
• Percent of state highway system with traffic volume over 100% of capacity in balance of state			1	1	1
State Highway Segments Over 100% of Capacity in Balance of State					
Action in 5-Yr Program	Route	Segment	ADOT Action		
Yes	SR 195	Yuma Area Service Highway (MP 0 - 26)	Design area service highway; completion FY 10		
Yes	US 93	Hoover Dam Bypass (MP 1.7 - 16.1)	Widen bridge approach from 2 to 4 lanes; completion FY 08		
Yes	SR 179	I-17 - Sedona (MP 304.5 - 313.4)	Needs study; completion FY 09		
	MP - Mile post		SR - State route		

## Aviation

ADOT's Executive Summary also includes their 5-Year Aviation Program for FY 2008-FY 2012 which totals \$760.7 million, including revenues of \$601 million from federal grants, \$117.3 million from the state, and \$42.4 million from local governments. Last year's 5-Year Aviation Program totaled \$716.9 million, including revenues of \$589 million from federal grants, \$96.1 million from the state, and \$31.8 million from local governments. The aviation program provides for planning, construction, development, and improvement of state, county, city, and town airports.

RS/BH:ym  
Attachments



# MAJOR PROJECTS (Over \$25,000,000)

**Table 9**

**Projects**

**FY's 2007 - 2011**

**FY's 2008 - 2012**

I-17 – L101 to Carefree Highway, widen & HOV	\$ 194,400,000	
I-17 – L101 to Jomax Rd, widen		\$ 95,000,000
I-17 – Jomax Rd to Carefree Hwy, widen		95,000,000
I-17 – Carefree Hwy to Anthem Way, widen (STAN advanced)		30,500,000
I-17 – Jomax/Dixileta Interchanges	40,000,000	
SR 51 – Shea Blvd to L101, HOV	61,400,000	
US 60 – L303 (Estrella) to 99th Ave, widen	25,900,000	34,300,000
US 60 – L101 (Agua Fria) to McDowell Rd, widen	29,865,000	27,165,000
I-10 – L101 (Agua Fria) to I-17, widen	71,740,000	68,000,000
I-10 – 40 <sup>th</sup> St to Baseline, widen collector distributor road	394,250,000	323,700,000
I-10 – SR 51 to 40 <sup>th</sup> St, widen collector distributor road	140,000,000	120,000,000
I-10 – L202 (Santan) to Riggs Rd, widen & HOV	44,310,000	65,000,000
I-10 – Verrado Way to Sarival Rd, widen (STAN advanced)		43,200,000
I-10 – Sarival Rd to Dysart Rd, widen & HOV (city advanced)	90,020,000	79,000,000
I-10 – Dysart Rd to L101 (Agua Fria), widen & HOV (city advanced)	53,805,000	51,000,000
L101 (Pima) – Princess Dr to L202, HOV	65,000,000	
L101 (Pima) – Tatum Blvd to Princess Dr, HOV (STAN advanced)	28,000,000	30,000,000
L101 (Price) – Baseline to L202, HOV (STAN advanced)	32,500,000	35,500,000
L202 (Red Mountain) – I-10/SR 51 Interchange to L101 eastbound, widen	64,800,000	
L202 (Red Mountain) – L101 to Gilbert Rd, HOV	31,500,000	29,000,000
L202 – South Mountain Freeway	639,300,000	
L202 (South Mountain) – 51 <sup>st</sup> Ave to I-10, new freeway		450,000,000
L202 (South Mountain) – I-10 to 51 <sup>st</sup> Ave, ROW		200,000,000
L202 (Red Mountain) – 48 <sup>th</sup> St to Rural Rd, widen		46,300,000
L202 (Red Mountain) – Rural Rd to L101, widen		61,600,000
L202 (Red Mountain) – SR 51 to 48 <sup>th</sup> St, widen		51,900,000
L303 (Estrella) – Happy Valley Rd to I-17, interim roadway	210,000,000	
L303 (Estrella) – Happy Valley Rd to Lake Pleasant Rd, interim roadway		177,000,000
L303 (Estrella) – Lake Pleasant Rd to I-17, ROW & interim roadway		174,000,000
L303 (Estrella) – I-10 to US 60 (Grand Ave), new freeway	195,000,000	319,800,000
L303 (Estrella) – Happy Valley Rd/I-17, interchange	30,000,000	34,000,000
L303 (Estrella) – I-10/L303, interchange		135,000,000
L303 (Estrella) – US 60 (Grand Ave) to I-17, ROW		70,000,000
Safford US 191 – MP 151 to Threeway, widen	33,146,000	
Tucson I-10 – I-8 to Picacho Peak, widen		126,000,000
Tucson I-10 – Twin Peaks, interchange	28,000,000	28,000,000
Tucson I-10 – Ruthrauff Rd to Prince Rd, widen	53,000,000	53,000,000
Tucson I-10 – Ina Rd, interchange	38,164,000	38,164,000
Tucson I-10 – Valencia Rd, interchange		25,000,000
Tucson I-19 – Valencia Rd to Ajo Way, widen	38,000,000	38,000,000
Globe US 60 – Florence Junction to Queen Creek, widen	60,000,000	
Kingman US 93 – Hoover Dam to MP 17, widen	80,000,000	80,000,000
SR 85 – Gila Bend, widen	160,747,000	40,000,000
SR 85 – Southern Ave to I-10, widen		29,600,000
SR 93 – Wickenburg By-Pass	29,000,000	
Flagstaff SR 179 – N Forest Boundary to Sedona, roundabouts & straighten	30,200,000	
Yuma SR 195 – Yuma Area Service Highway, new roadway	77,911,000	25,000,000
Prescott SR 260 – Doubtful Canyon Section, widen	42,155,000	40,000,000
Prescott SR 260 – Little Green Valley, widen	27,125,000	27,125,000
Cottonwood SR 260 – Western Dr to Thousand Trails, widen		25,000,000

ROW – Right of Way    SR – State Route    HOV – High Occupancy Vehicle Lane    MP – Mile Post

# MAJOR PROJECTS (Over \$25,000,000)

Table 8

<u>Projects</u>	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>Total</u>
I-17 – L101 to Jomax Rd, widen	\$95,000,000					\$ 95,000,000
I-17 – Jomax Rd to Carefree Hwy, widen	95,000,000					95,000,000
I-17 – Carefree Hwy to Anthem Way, widen (STAN advanced)		\$30,500,000				30,500,000
US 60 – L303 (Estrella) to 99th Ave, widen		34,300,000				34,300,000
US 60 – L101 (Agua Fria) to McDowell Rd, widen			\$27,165,000			27,165,000
I-10 – L101 (Agua Fria) to I-17, widen			68,000,000			68,000,000
I-10 – 40 <sup>th</sup> St to Baseline, widen collector distributor road			121,135,000	\$117,565,000	\$85,000,000	323,700,000
I-10 – SR 51 to 40 <sup>th</sup> St, widen collector distributor road					120,000,000	120,000,000
I-10 – L202 (Santan) to Riggs Rd, widen & HOV			65,000,000			65,000,000
I-10 – Verrado Way to Sarival Rd, widen (STAN advanced)		43,200,000				43,200,000
I-10 – Sarival Rd to Dysart Rd, widen & HOV (city advanced)	44,000,000	35,000,000				79,000,000
I-10 – Dysart Rd to L101 (Agua Fria), widen & HOV (city advanced)	51,000,000					51,000,000
L101 (Pima) – Tatum Blvd to Princess Dr, HOV (STAN advanced)	30,000,000					30,000,000
L101 (Price) – Baseline to L202, HOV (STAN advanced)	35,500,000					35,500,000
L202 (Red Mountain) – L101 to Gilbert Rd, HOV		29,000,000				29,000,000
L202 (South Mountain) – 51 <sup>st</sup> Ave to I-10, new freeway	30,000,000		230,000,000	190,000,000		450,000,000
L202 (South Mountain) – I-10 to 51 <sup>st</sup> Ave, ROW			40,000,000	80,000,000	80,000,000	200,000,000
L202 (Red Mountain) – 48 <sup>th</sup> St to Rural Rd, widen			46,300,000			46,300,000
L202 (Red Mountain) – Rural Rd to L101, widen		61,600,000				61,600,000
L202 (Red Mountain) – SR 51 to 48 <sup>th</sup> St, widen			51,900,000			51,900,000
L303 (Estrella) – Happy Valley Rd to Lake Pleasant Rd, interim roadway	177,000,000					177,000,000
L303 (Estrella) – Lake Pleasant Rd to I-17, ROW & interim roadway	40,000,000	134,000,000				174,000,000
L303 (Estrella) – I-10 to US 60 (Grand Ave), new freeway				129,800,000	190,000,000	319,800,000
L303 (Estrella) – Happy Valley Rd/I-17, interchange	34,000,000					34,000,000
L303 (Estrella) – I-10/L303, interchange				135,000,000		135,000,000
L303 (Estrella) – US 60 (Grand Ave) to I-17, ROW					70,000,000	70,000,000
Tucson I-10 – I-8 to Picacho Peak, widen			126,000,000			126,000,000
Tucson I-10 – Twin Peaks, interchange	28,000,000					28,000,000
Tucson I-10 – Ruthrauff Rd to Prince Rd, widen		21,000,000	14,000,000	18,000,000		53,000,000
Tucson I-10 – Ina Rd, interchange	3,000,000		17,764,000	17,400,000		38,164,000
Tucson I-10 – Valencia Rd, interchange					25,000,000	25,000,000
Tucson I-19 – Valencia Rd to Ajo Way, widen		9,000,000		29,000,000		38,000,000
Kingman US 93 – Hoover Dam to MP 17, widen	40,000,000	40,000,000				80,000,000
SR 85 – Gila Bend, widen			40,000,000			40,000,000
SR 85 – Southern Ave to I-10, widen		29,600,000				29,600,000
Yuma SR 195 – Yuma Area Service Highway, new roadway	25,000,000					25,000,000
Prescott SR 260 – Doubtful Canyon Section, widen		40,000,000				40,000,000
Prescott SR 260 – Little Green Valley, widen	27,125,000					27,125,000
Cottonwood SR 260 – Western Dr to Thousand Trails, widen	25,000,000					25,000,000

ROW – Right of Way    SR – State Route    HOV – High Occupancy Vehicle Lane    MP – Mile Post

		Table 1					
ADOT's Projected Revenue Sources for FY 2008-2012 (\$ in Million)							
	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012		
HURF	\$ 1,458.1	\$ 1,533.2	\$ 1,608.7	\$ 1,687.5	\$ 1,773.9	(1)	
Maricopa 1/2 cent sales tax (MRARF)	235.3	249.9	266.2	284.0	303.1	(2)	
Federal Funds	473.0	491.0	491.0	510.0	530.0	(3)	
HURF Bond Proceeds	305.0	125.0	60.0	15.0	250.0		
RARF Bond Proceeds	370.0	560.0	220.0	555.0	600.0		
Grant Anticipation Loan Proceeds (GANS)	68.0	22.0	152.0	0.0	0.0		
Highway Expansion and Extension Loan Program (HELP)	2.5	0.9	0.0	0.0	0.0		
STANI Funds	195.8	123.7	0.0	0.0	0.0		
Other Income	98.5	50.3	52.3	34.7	35.0	(4)	
(1) Represents estimated total HURF, including City, County and DPS shares							
(2) Represents estimate of ADOT's share of Maricopa County Regional Area Road Funds							
(3) Represents estimate of ADOT's share of Federal Highway Funds, excluding "pass-through" funds for repayment of certain GANS							
(4) Includes Interest Income, MVD Fees, Local/Private Contributions, Miscellaneous and Other Income							

		Table 2							
ADOT's Budgeting Assumptions for FY 2008-2012 (\$ in Million)									
	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012				
ADOT's Operating Budget - SHF	\$ 406.8	\$ 423.1	\$ 440.0	\$ 457.6	\$ 475.9	(1)			
ADOT's Capital Outlay & Building Renewal - SHF	24.1	15.0	15.0	15.0	15.0				
DPS Transfer from HURF	10.0	10.0	10.0	10.0	10.0				
DPS Transfer from State Highway Fund	10.0	10.0	10.0	10.0	10.0				
Vehicle License Tax Transfer to General Fund	0.0	0.0	0.0	0.0	0.0				
Appropriated Debt Service - SHF Statewide Bonds	90.2	96.7	99.9	101.0	141.0				
Debt Service - HURF MAG/PAG Controlled Access Bonds	61.2	61.2	61.7	61.2	33.7				
Debt Service - MRARF Bonds	29.0	78.3	97.8	149.5	208.2				
Debt Service - GANS	51.6	44.7	53.5	90.8	104.6				
Debt Service - HELP Loans	66.2	38.8	3.0	0.0	0.0				
Debt Service - Board Funding Obligations (BFO's)	66.2	0.0	0.0	0.0	72.0	(2)			
(1) Includes SHF funded project costs previously charged to Capital Budget									
(2) Does not include BFO payments payable from HELP fund of approx. \$156 million in FY 2008									



	Table 3				
ADOT's Bonding Plans for FY 2008-FY 2012 (\$ in Million)					
	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
HURF Bonds Outstanding - Beginning of FY	\$ 1,491	\$ 1,735	\$ 1,796	\$ 1,788	\$ 1,731
HURF Bonds Issued	\$ 305	\$ 125	\$ 60	\$ 15	\$ 250
HURF Bonds Repaid	\$ 61	\$ 64	\$ 68	\$ 72	\$ 75
HURF Bonds Outstanding - End of FY	\$ 1,735	\$ 1,796	\$ 1,788	\$ 1,731	\$ 1,906
MRARF Bonds Outstanding - Beginning of FY	\$ -	\$ 357	\$ 883	\$ 1,058	\$ 1,541
MRARF Bonds Issued	\$ 370	\$ 560	\$ 220	\$ 555	\$ 600
MRARF Bonds Repaid	\$ 13	\$ 34	\$ 45	\$ 72	\$ 104
MRARF Bonds Outstanding - End of FY	\$ 357	\$ 883	\$ 1,058	\$ 1,541	\$ 2,037
GANS Outstanding - Beginning of FY	\$ 282	\$ 313	\$ 305	\$ 416	\$ 344
GANS Issued	\$ 68	\$ 22	\$ 152	\$ -	\$ -
GANS Repaid	\$ 37	\$ 30	\$ 41	\$ 72	\$ 89
GANS Outstanding - End of FY	\$ 313	\$ 305	\$ 416	\$ 344	\$ 255
HELP Loans Outstanding - Beginning of FY	\$ 104	\$ 41	\$ 3	\$ -	\$ -
HELP Loans Issued	\$ 3	\$ 1	\$ -	\$ -	\$ -
HELP Loans Repaid	\$ 66	\$ 39	\$ 3	\$ -	\$ -
HELP Loans Outstanding - End of FY	\$ 41	\$ 3	\$ -	\$ -	\$ -
BFO's Outstanding - Beginning of FY	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200
BFO's Loans Issued	\$ 200	\$ -	\$ -	\$ -	\$ 200
BFO's Loans Repaid	\$ 200	\$ -	\$ -	\$ -	\$ 200
BFO's Loans Outstanding - End of FY	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200

		Table 4							
ADOT's 5-Year Plan and Estimated Debt Service Payments (\$ in Million)							(1)		
		FY 2008	FY 2009	FY 2010	FY 2011	FY 2012			
Construction		\$ 376	\$ 220	\$ 305	\$ 189	\$ 226			
Pavement Preservation Maintenance		\$ 131	\$ 127	\$ 127	\$ 132	\$ 137			
Other		\$ 182	\$ 136	\$ 141	\$ 140	\$ 150			
Maricopa Area Life Cycle Program		\$ 9	\$ -	\$ -	\$ -	\$ -			
Maricopa Transportation Program - Phase I		\$ 894	\$ 705	\$ 791	\$ 792	\$ 661			
Debt Service		\$ 298	\$ 281	\$ 313	\$ 403	\$ 560			
Total		\$ 1,891	\$ 1,469	\$ 1,677	\$ 1,656	\$ 1,734			
(1) Reflects final program adopted by Transportation Board									

		Table 5					
ADOT's Estimated Debt/Revenue Ratio (\$ in Million)							
	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012		
Outstanding Debt - Fiscal Year End							
HURF	\$ 1,735	\$ 1,796	\$ 1,788	\$ 1,731	\$ 1,906		
RARF	\$ 357	\$ 883	\$ 1,058	\$ 1,541	\$ 2,037		
GANS	\$ 313	\$ 305	\$ 416	\$ 344	\$ 255		
BFO's	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200		
Total	\$ 2,605	\$ 3,184	\$ 3,462	\$ 3,816	\$ 4,398		
Revenues:							
HURF	\$ 708	\$ 748	\$ 784	\$ 822	\$ 863	(1)	
RARF	\$ 235	\$ 250	\$ 266	\$ 284	\$ 303		
Federal	\$ 628	\$ 652	\$ 652	\$ 677	\$ 704	(2)	
Total	\$ 1,571	\$ 1,650	\$ 1,702	\$ 1,783	\$ 1,870		
Debt / Revenue Ratio	1.7	1.9	2.0	2.1	2.4		
(1) Represents estimated ADOT share of HURF Funds							
(2) Represents total estimated Federal Funds flowing to ADOT and available for Debt Service Coverage							



	Table 6					
Changes in Revenues and Expenditures Between FY 2007 - 2011 and FY 2008 - 2012 (\$ in Million)						
	FY	FY	Gross	Plus	Minus	Net
	2007 - 11	2008 - 12	Difference	FY 2007	FY 2012	Difference
<b>Revenues</b>						
HURF	\$ 7,600.8	\$ 8,061.4	\$ 460.6	\$ 1,398.8	\$ 1,773.9	\$ 85.5
Maricopa 1/2 cent sales tax (MRARF)	\$ 1,164.3	\$ 1,338.5	\$ 174.2	\$ 205.4	\$ 303.1	\$ 76.5
Federal Funds	\$ 2,418.0	\$ 2,495.0	\$ 77.0	\$ 453.0	\$ 530.0	\$ -
HURF Bond Proceeds	\$ 855.0	\$ 755.0	\$ (100.0)	\$ 313.0	\$ 250.0	\$ (37.0)
RARF Bond Proceeds	\$ 1,470.0	\$ 2,305.0	\$ 835.0	\$ 400.0	\$ 600.0	\$ 635.0
Grant Anticipation Loan Proceeds (GANS)	\$ 122.0	\$ 242.0	\$ 120.0	\$ -	\$ -	\$ 120.0
Highway Expansion and Extension Loan Program (HELP)	\$ 27.4	\$ 3.4	\$ (24.0)	\$ 21.0	\$ -	\$ (3.0)
STANI Funds	\$ -	\$ 319.5	\$ 319.5	\$ -	\$ -	\$ 319.5
Other Income	\$ 207.8	\$ 270.8	\$ 63.0	\$ 51.5	\$ 35.0	\$ 79.5
<b>Expenditures</b>						
ADOT's Operating Budget - SHF	\$ 2,099.6	\$ 2,203.4	\$ 103.8	\$ 391.8	\$ 475.9	\$ 19.7
ADOT's Capital Outlay & Building Renewal - SHF	\$ 70.2	\$ 84.1	\$ 13.9	\$ 10.2	\$ 15.0	\$ 9.1
DPS Transfer from HURF	\$ 50.0	\$ 50.0	\$ -	\$ 10.0	\$ 10.0	\$ -
DPS Transfer from State Highway Fund	\$ 50.0	\$ 50.0	\$ -	\$ 10.0	\$ 10.0	\$ -
Vehicle License Tax Transfer to General Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Appropriated Debt Service - SHF Statewide Bonds	\$ 590.0	\$ 528.8	\$ (61.2)	\$ 88.0	\$ 141.0	\$ (114.2)
Debt Service - HURF MAG/PAG Controlled Access Bonds	\$ 303.8	\$ 279.0	\$ (24.8)	\$ 56.9	\$ 33.7	\$ (1.6)
Debt Service - MRARF Bonds	\$ 332.5	\$ 562.8	\$ 230.3	\$ 31.8	\$ 208.2	\$ 53.9
Debt Service - GANS	\$ 280.9	\$ 345.2	\$ 64.3	\$ 64.4	\$ 104.6	\$ 24.1
Debt Service - HELP Loans	\$ 162.8	\$ 108.0	\$ (54.8)	\$ 35.8	\$ -	\$ (19.0)
Board Funding Obligations	\$ 66.3	\$ 138.2	\$ 71.9	\$ -	\$ 72.0	\$ (0.1)





		Table 7				
Bonds, Notes, HELP Loans and Revenues and Debt Service (\$ in Million)						
Bonds, Notes and HELP Loans	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	
HURF Bonds	\$ 305.0	\$ 125.0	\$ 60.0	\$ 15.0	\$ 250.0	
RARF Bonds	\$ 370.0	\$ 560.0	\$ 220.0	\$ 555.0	\$ 600.0	
GAN Notes	\$ 68.0	\$ 22.0	\$ 152.0	\$ -	\$ -	
Sub-Total	\$ 743.0	\$ 707.0	\$ 432.0	\$ 570.0	\$ 850.0	
HELP Loans	\$ 2.5	\$ 0.9	\$ -	\$ -	\$ -	
Total	\$ 745.5	\$ 707.9	\$ 432.0	\$ 570.0	\$ 850.0	
Revenues and Debt Service Payments:						
State Highway Funds	\$ 707.6	\$ 747.6	\$ 784.0	\$ 822.0	\$ 863.5	
State Highway Fund Debt Service	\$ 151.4	\$ 157.9	\$ 161.6	\$ 162.2	\$ 174.7	
Regional Area Road Funds	\$ 235.3	\$ 249.9	\$ 266.2	\$ 284.0	\$ 303.1	
Regional Area Road Fund Debt Service	\$ 29.0	\$ 78.3	\$ 97.8	\$ 149.5	\$ 208.2	
Federal Funds	\$ 473.0	\$ 491.0	\$ 491.0	\$ 510.0	\$ 530.0	
GAN Debt Service	\$ 51.6	\$ 44.7	\$ 53.5	\$ 90.8	\$ 104.6	

	<b>Table 8</b>					
<b>Obligation Basis to Cash Basis "Crosswalk" (\$ in Million)</b>						
	<b>FY 2008</b>	<b>FY 2009</b>	<b>FY 2010</b>	<b>FY 2011</b>	<b>FY 2012</b>	<b>Total</b>
<b>Highway Program:</b>						
<b>Obligation Basis</b>						
Estimated Net Revenues Available for Construction	\$ 1,592.9	\$ 1,188.6	\$ 1,362.9	\$ 1,252.0	\$ 1,174.3	\$ 6,570.7
Programmed Obligations	\$ 1,592.9	\$ 1,188.6	\$ 1,362.9	\$ 1,252.0	\$ 1,174.3	\$ 6,570.7
Difference	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Highway Program:</b>						
<b>Cash Basis</b>						
Estimated Net Revenues Available for Construction	\$ 1,715.4	\$ 1,519.3	\$ 1,196.0	\$ 1,236.3	\$ 1,465.9	\$ 7,132.9
Estimated Program Expenditures	\$ 2,001.3	\$ 1,571.4	\$ 1,150.5	\$ 1,282.1	\$ 1,278.7	\$ 7,284.0
Difference	\$ (285.9)	\$ (52.1)	\$ 45.5	\$ (45.8)	\$ 187.2	\$ (151.1)

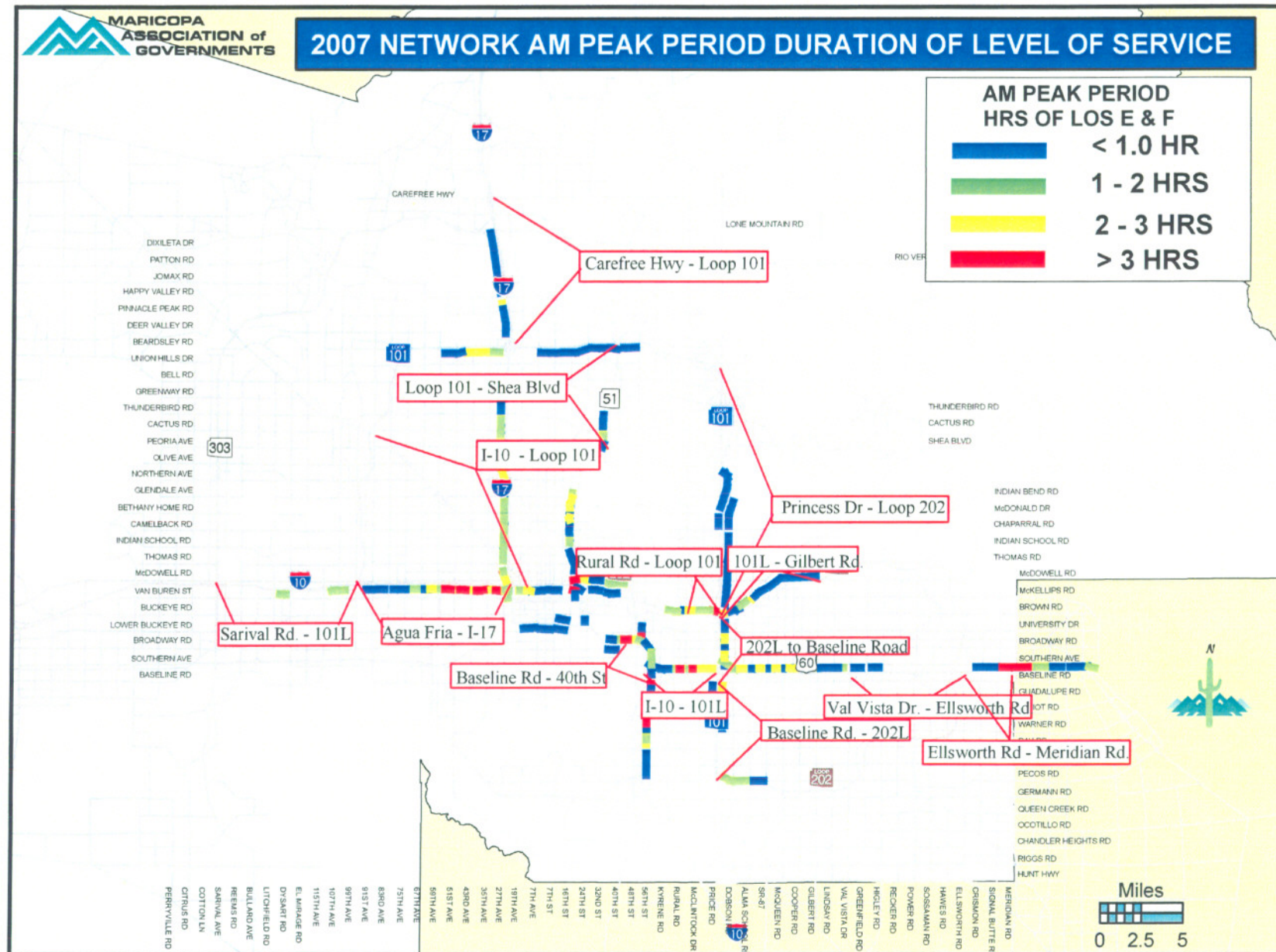


	Table 8				
Obligation Basis to Cash Basis "Crosswalk" (\$ in Million)					
	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Statewide Program:					
Obligation Basis					
Estimated Net Revenues Available for Construction	\$ 570.0	\$ 570.0	\$ 632.0	\$ 472.0	\$ 688.0
Programmed Obligations	\$ 690.0	\$ 484.0	\$ 572.0	\$ 460.0	\$ 513.0
Difference	\$ (120.0)	\$ 86.0	\$ 60.0	\$ 12.0	\$ 175.0
Statewide Program:					
Cash Basis					
Estimated Net Revenues Available for Construction	\$ 570.0	\$ 570.0	\$ 632.0	\$ 472.0	\$ 688.0
Estimated Program Expenditures	\$ 721.0	\$ 575.0	\$ 540.0	\$ 530.0	\$ 506.0
Difference	\$ (151.0)	\$ (5.0)	\$ 92.0	\$ (58.0)	\$ 182.0
Maricopa County (MAG) Program:					
Obligation Basis					
Estimated Net Revenues Available for Construction	\$ 1,145.4	\$ 949.3	\$ 564.0	\$ 764.3	\$ 777.9
Programmed Obligations	\$ 902.9	\$ 704.6	\$ 790.9	\$ 792.0	\$ 661.3
Difference	\$ 242.5	\$ 244.7	\$ (226.9)	\$ (27.7)	\$ 116.6
Maricopa County (MAG) Program:					
Cash Basis					
Estimated Net Revenues Available for Construction	\$ 1,145.4	\$ 949.3	\$ 564.0	\$ 764.3	\$ 777.9
Estimated Program Expenditures	\$ 1,281.3	\$ 996.4	\$ 610.5	\$ 752.1	\$ 772.7
Difference	\$ (135.9)	\$ (47.1)	\$ (46.5)	\$ 12.2	\$ 5.2



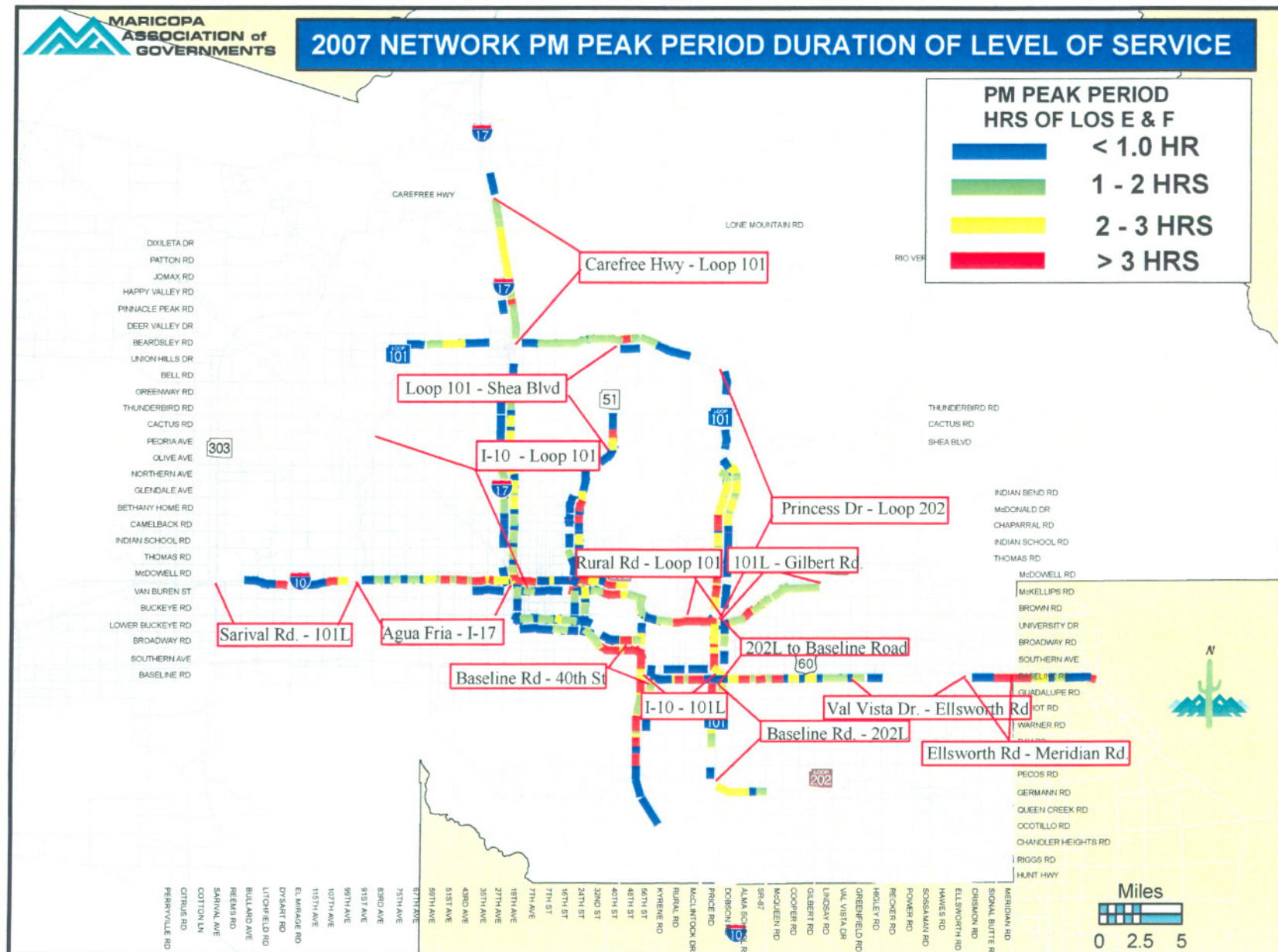
	Table 9				
Comparison of HURF Bonding Level to Statutory and Rating Agency Requirements					
	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Estimated State Highway Funds	\$ 707.6	\$ 747.6	\$ 784.0	\$ 822.0	\$ 863.5
Estimated State Highway Fund Debt Service	\$ 151.4	\$ 157.9	\$ 161.6	\$ 162.2	\$ 174.7
Estimated Coverage Level	4.67	4.73	4.85	5.07	4.94
Statutory Level	3.00	3.00	3.00	3.00	3.00
Rating Agency Senior Coverage Level Requirement	5.00	5.00	5.00	5.00	5.00
Rating Agency Subordinated Coverage Level Requirement	4.00	4.00	4.00	4.00	4.00
Note: Estimated State Highway Fund Debt Service does not include anticipated debt service on future debt that will be Programmed to take advantage of new capacity created by lengthening bond term from 20 to 30 years.					

# 2007 NETWORK AM PEAK PERIOD DURATION OF LEVEL OF SERVICE

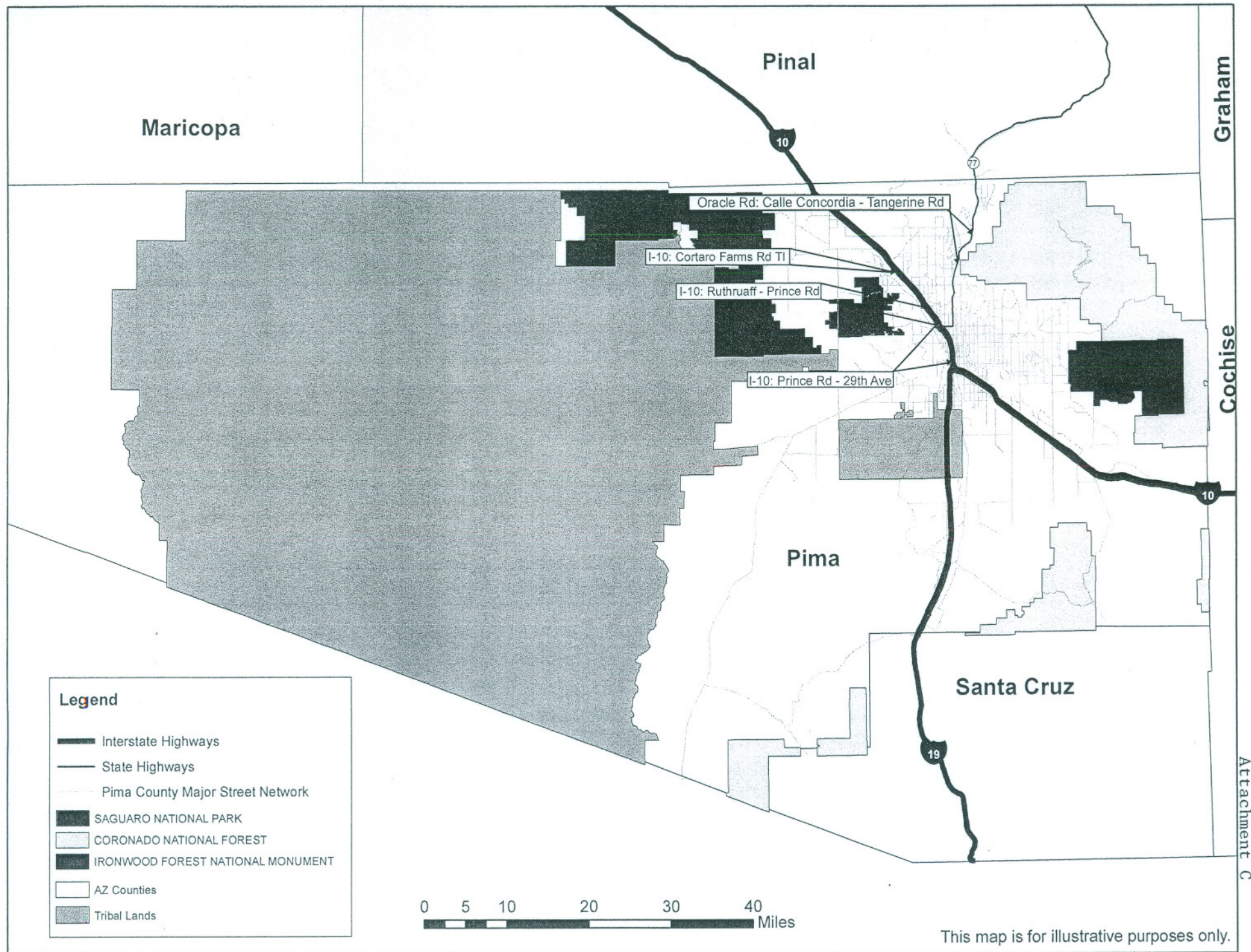




# 2007 NETWORK PM PEAK PERIOD DURATION OF LEVEL OF SERVICE

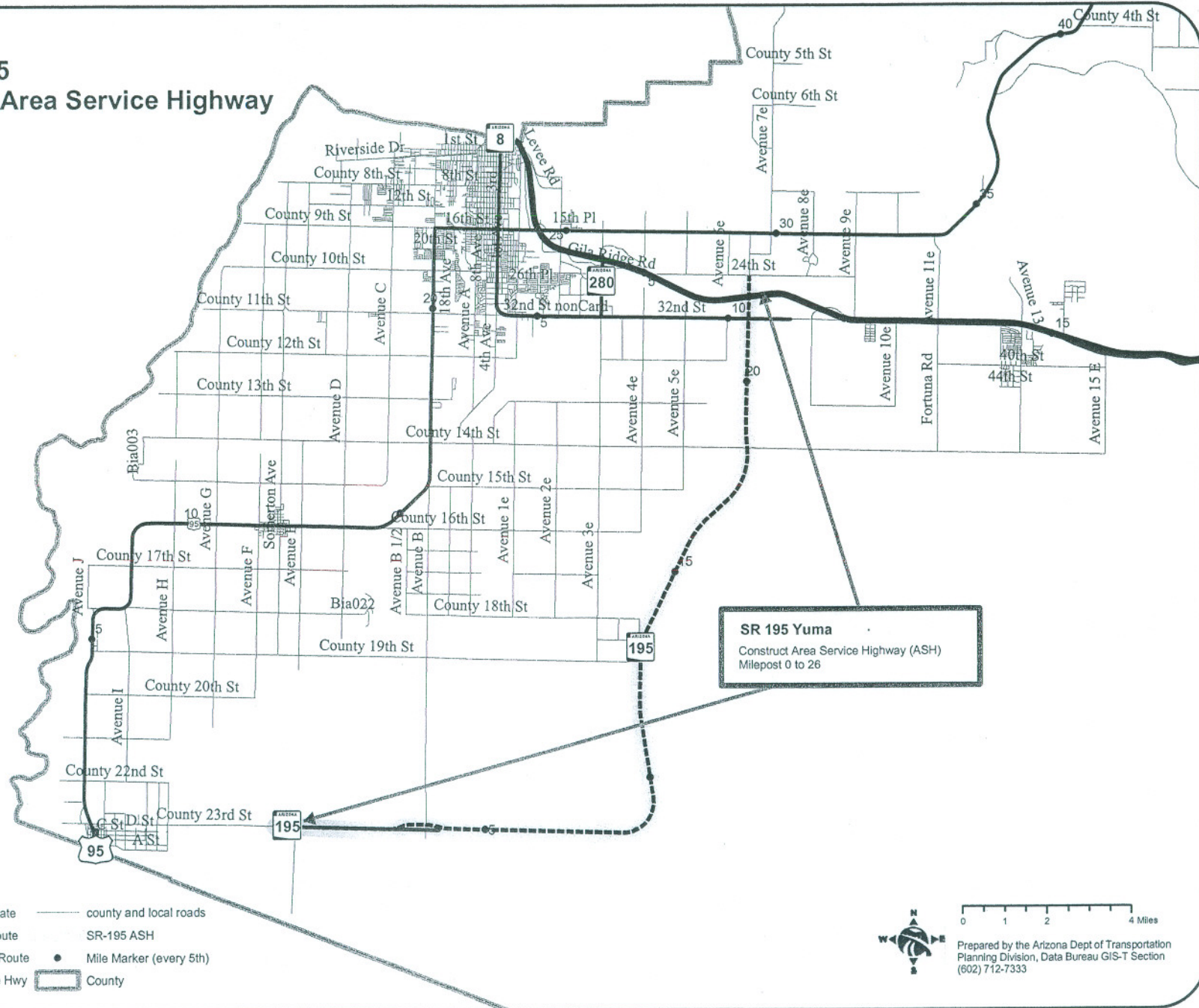








# SR-195 Yuma Area Service Highway











# US-93

**US 93**  
Hoover Dam to MP 17  
Construct roadway widening

**MOHAVE**

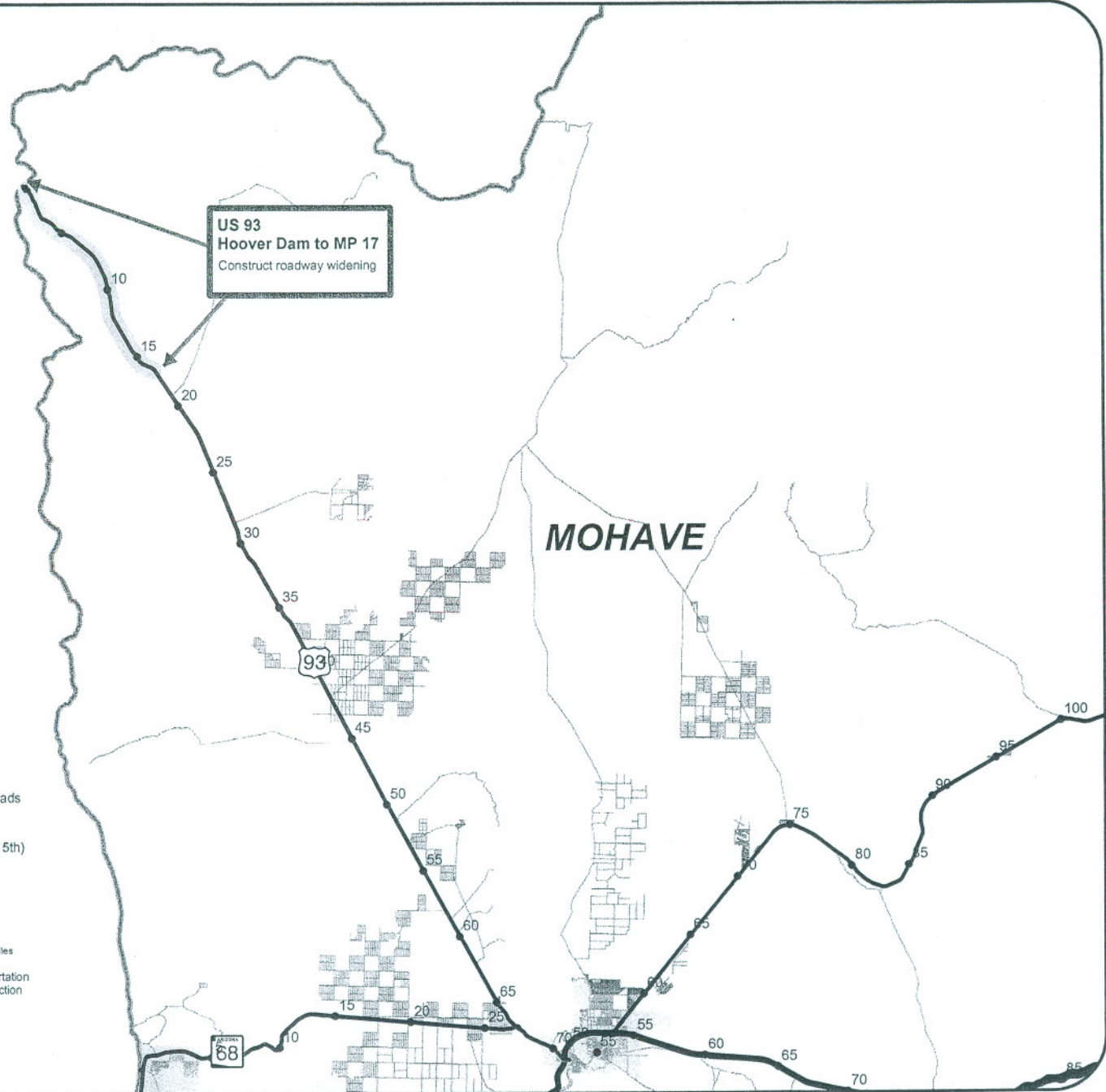
## Legend

-  Interstate
-  US Route
-  State Route
-  Future Hwy
-  county and local roads
-  US-93
-  Mile Marker (every 5th)
-  County



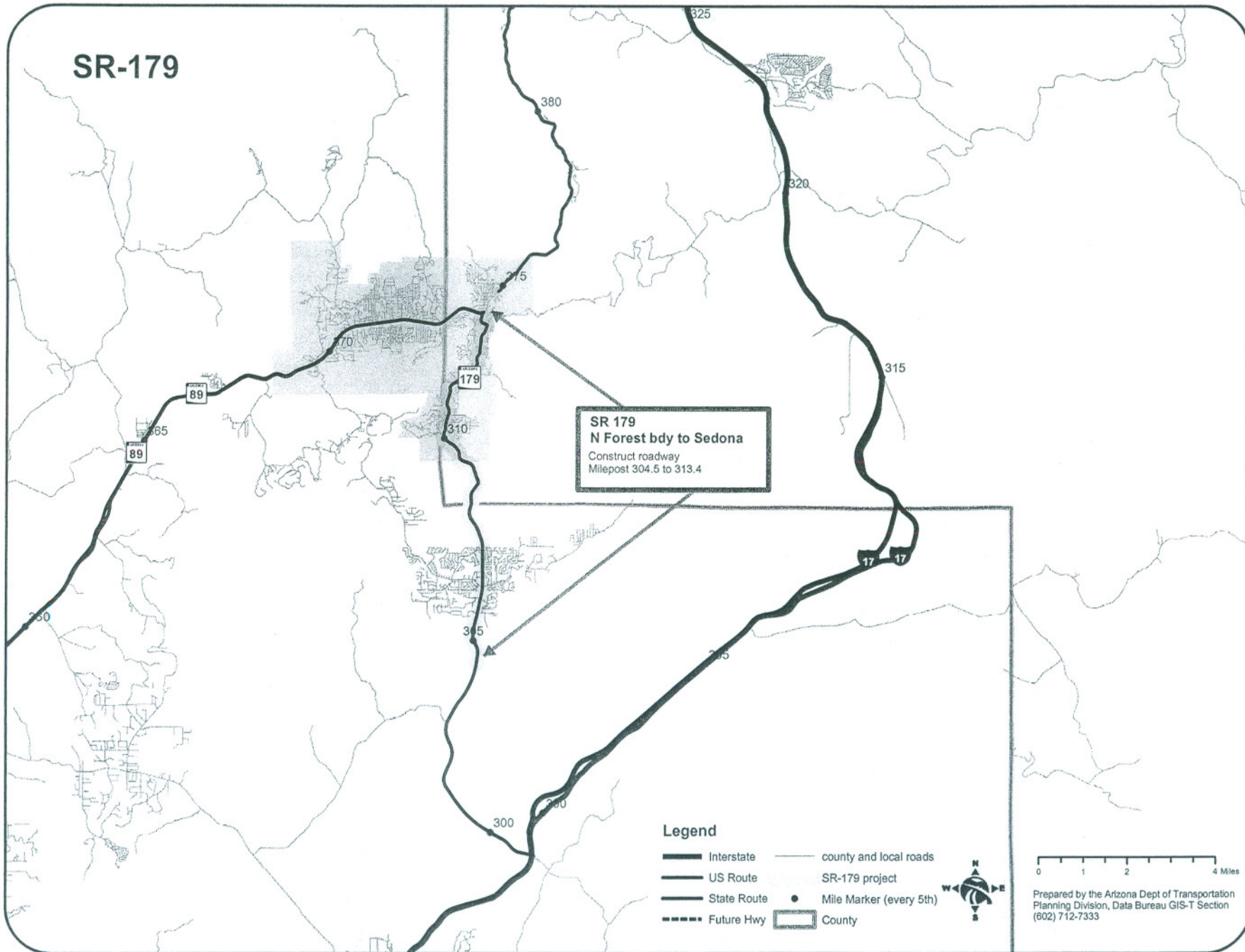
0 3 6 9 12 Miles

Prepared by the Arizona Dept of Transportation  
Planning Division, Data Bureau GIS-T Section  
(602) 712-7333





# SR-179





Janet Napolitano  
Governor

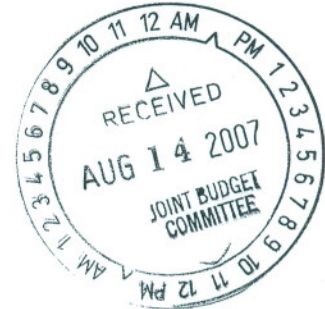
Victor M. Mendez  
Director

## Arizona Department of Transportation Transportation Services Group

206 South Seventeenth Avenue Phoenix, Arizona 85007-3213

August 10, 2007

John A. Bogert  
Chief of Staff



Richard Stavneak  
Director  
Joint Legislative Budget Committee  
1716 W. Adams  
Phoenix, AZ 85007

Dear Mr. Stavneak:

The attached material responds to an action item that was approved by the Joint Committee on Capital Review at its September 21, 2006 meeting.

The Committee instructed ADOT to provide an Executive Summary of its 5-Year Transportation Facilities Construction Program for FY 2008 - 2012 by July 31, 2007 along the information included in Tables 1-9. In addition, the Committee asked for information relative to the funding of the Program.

All requested material is provided today with the exception of Table 5 (Phoenix Metro Area Highway Segments Over 100% During Peak Driving Periods). The information for this table is provided by MAG. Because of staffing issues, MAG has indicated that it will be another 2-3 weeks before they will be able to issue their report. We felt it best not to delay the delivery of our response any further and will forward an updated table once we have received the most current information.

If you have questions, please feel free to contact me at 712-8981.

Sincerely,

Melissa Wynn  
Manager, Strategic Planning & Budgeting

cc: Senator Bob Burns, Chairman  
Representative Russell Pearce, Vice-Chair  
Bob Hull, JLBC  
James Apperson, OSPB  
Marcel Benberou, OSPB



2001 Award Recipient

# **Arizona Department of Transportation**

## **Five-Year Transportation Facilities Construction Program FY 2008-2012**

### **Executive Summary**

**Prepared by:  
Arizona Department of Transportation**



## **Introduction**

The statutory authority for the Arizona Department of Transportation (ADOT) is found in Title 28 of the Arizona Revised Statutes. ADOT has exclusive control and jurisdiction over all state owned transportation systems including state highways, routes, and airports.

## **Construction Program**

One of ADOT's statutory responsibilities is the development of a Five-Year Transportation Facilities Construction Program, a public document that provides the location, description of work, and expected costs of transportation construction projects under the state's purview.

Approval authority for the Five-Year Facilities Construction Program is vested in the Arizona State Transportation Board, a seven-member statutory entity whose members are appointed by the Governor, subject to Senate confirmation for a six-year term. Each member represents one of six districts in the state, with one at-large member. The Transportation Board establishes the policies and the relative weights given to criteria to guide the development, or modification of the Five-Year Transportation Facilities Construction Program, awards all construction contracts for transportation facilities, and monitors the status of these projects.

In developing the Five-Year Program, the Priority Planning Advisory Committee (PPAC), a statutory committee appointed by the ADOT Director, recommends transportation facilities construction projects and annually prepares and updates a long-range statewide transportation facilities construction program with which the Five-Year Program is aligned. The PPAC also recommends changes to the Five-Year Construction Program for the Board's consideration.

## **Development of the Construction Program**

In order for a project to be included in the Five-Year Transportation Facilities Construction Program, it first must be selected for scoping. Requests for scoping are generally initiated from the Department district engineers, but may come from other sources (e.g., political subdivisions). Scoping involves identifying transportation issues, concerns, and possible solutions. The assessment also provides estimated costs for construction and design, right-of-way needs, and environmental requirements.

A Technical Advisory Committee (TAC) is selected to review programming and scoping requests. Regional meetings are held throughout the state to gather input from ADOT district engineers, Councils of Governments (COGs), Metropolitan Planning Organizations (MPOs), and concerned citizens.

### **Program Modifications**

The program is continuously reviewed. Several committees review any requests involving changes to budget, schedule, and scope. The Project Review Board (PRB) reviews all requests for project modifications. The Deputy State Engineer for Development chairs the PRB.

### **Financial Resources**

The cornerstone of highway financing in Arizona is the Highway User Revenue Fund (HURF). The State of Arizona taxes motor fuels and collects a variety of fees and charges relating to the registration of motor vehicles. These revenues are deposited in the HURF. A portion of the HURF is then distributed to cities, towns, counties, and the Department of Public Safety. The remainder is deposited in the State Highway Fund.

The Maricopa County Regional Transportation Plan is funded by three sources: the Maricopa County transportation excise tax, state highway funds that are dedicated to Maricopa County, and federal funds. On November 2, 2004, voters in Maricopa County approved Proposition 400 which extended the transportation excise tax (also known as the "half-cent sales tax"), for an additional twenty years to 2026. Per ARS 42-610E, 56.2 percent of all sales tax collections is distributed to freeways and state highways; 10.5 percent is distributed to arterial street improvements; and 33.3 percent is distributed to the public transportation fund.

ADOT also receives funds from the Federal Highway Trust Fund under the Transportation Equity Act for the 21<sup>st</sup> Century (TEA-21) to develop and maintain federal-aid eligible highways on the state highway system.

All of these funding sources are further leveraged by the issuance of revenue bonds. Bonding has enabled ADOT to accelerate certain construction projects.

### **Plan Adoption**

In accordance with A.R.S. 28-6953, the State Transportation Board adopted the FY 2008-2012 Five-Year Transportation Facilities Construction Program on June 15, 2007.



Highway Program  
FY 2008-2012  
(In millions of dollars)

System Preservation	\$ 1,022
System Improvements	\$ 1,316
<u>System Management</u>	<u>\$ 381</u>
Total Statewide Program	<u>\$ 2,719</u>

<u>MAG</u>	
Proposition 200 (1985)	\$ 9
Proposition 400 (2004)	\$ 3,576
System wide	<u>\$ 267</u>
Total MAG Area Life Cycle	<u>\$ 3,852</u>
Total Highway Program	<u>\$ 6,571</u>

The following table reflects the sources of funds (estimated), in constant dollars:

State Highway Funds <sup>1/</sup>	\$ 591
Regional Area Road Fund <sup>1/</sup>	\$ 329
Federal Funds <sup>1/</sup>	\$ 2,366
Proceeds from Bonds and Notes	<u>\$ 3,285</u>
Total Proceeds	<u>\$ 6,571</u>

<sup>1/</sup> Net of Debt Service Repayments

### **Summary of Major Projects**

The following table includes a summary of select major projects over \$25 million:



**Select Major Projects Over \$25 Million**  
Dollars in Thousands (\$000)

Route	Location	Type Of Work	Cost
10	40TH ST - BASELINE RD	Construct CD Roads	\$323,700
10	JCT I 8 TO PICACHO PEAK TI	Widen roadway	\$126,000
10	SR 51 TO 40TH ST	Construct CD Road	\$120,000
10	SARIVAL RD TO DYSART RD	Construct HOV/GPL (City Advancement)	\$79,000
10	SR 101L (AGUA FRIA) TO I-17	Construct general purpose lanes	\$68,000
10	SR 202L (SANTAN) TO RIGGS RD	Construct HOV and general purpose lane	\$65,000
10	RUTHRAUFF RD - PRINCE RD	Construct mainline widening to 8 lanes	\$53,000
10	DYSART RD TO 101L (AGUA FRIA)	Construct HOV/GPL (City Advancement)	\$51,000
17	JOMAX ROAD TO CAREFREE HIGHWAY (SR 74)	Widen roadway	\$95,000
17	SR 101L TO JOMAX ROAD	Widen roadway	\$95,000
17	SR 74 TO ANTHEM WAY	Construct GPL (STAN Advancement)	\$30,500
19	VALENCIA RD TO AJO WAY (JCT SR 86)	Widen Roadway	\$38,000
85	SR 85 IMPROVEMENTS	Construction	\$40,000
93	HOOVER DAM TO MP 17	Construct roadway widening	\$80,000
195	YUMA AREA SERVICE HWY	Construct New Roadway	\$25,000
260	DOUBTFUL CANYON SECTION	Reconstruct Roadway	\$40,000
260	WESTERN DRIVE TO THOUSAND TRAILS	Construct new 2 lane west bound roadway	\$25,000
202L	51ST AVE TO I-10 WEST	Construct roadway	\$450,000
202L	I-10 EAST/SANTAN TI TO 51ST AVE	R/W acquisition	\$200,000
202L	RURAL RD TO SR 101L, EB & WB	Construct GPL	\$61,600
202L	SR 51 TO 48TH STREET, EB	Widen roadway	\$51,900
303L	I-10 TO US 60 (GRAND AVE)	Construct roadway	\$319,800
303L	HAPPY VALLEY RD TO LAKE PLEASANT RD	Construct interim roadway	\$177,000
303L	LAKE PLEASANT RD TO I-17	R/W acquisition & Construct roadway	\$174,000
303L	I-10/303L TI, PHASE I (I-10 REALIGNMENT)	Construct TI	\$135,000
303L	US 60 (GRAND AVE) TO I-17	R/W acquisition	\$70,000

The following major projects (over \$25 million) were removed from the FY 2008-2012 Five-Year Plan:

- I-17 - Jomax/Dixileta Traffic Interchange: advertised December 2006; estimated completion is August 2008.
- SR51 - Shea Blvd to SR 101L HOV: advertised April 2007; estimated completion is July 2008.
- US 60 - Florence Jct to Queen Creek Widening: advertised June 2007; estimated completion is June 2009.
- SR 93 - Wickenburg By-Pass Construction: advertised June 2007; estimated completion is December 2009.
- SR 179 - N Forest Boundary to Sedona Roundabouts: advertised June 2007; estimated completion is June 2009.
- SR 191 - Milepost 151 to Threeway Widening: advertised April 2007; estimated completion is August 2008.
- Loop 101 - Princess Drive to Loop 202 HOV: advertised May 2007; estimated completion is December 2008.
- Loop 202 - I-10/SR51 Interchange to Loop 101 Eastbound Widening: currently being reprogrammed as a Design-Build project.

A breakdown of the proposed expenditures by county is summarized on the last two pages of this document (Attachment A).

### **Aviation**

The State Transportation Board is also responsible for approval of the Five-Year Aviation Program. For the period 2008-2012, the Five-Year Aviation Program totals \$760.7 million. Of this amount, \$601 million comes from federal grant sources, \$117.3 million from the State of Arizona and \$42.4 million from local governments. The primary source of the federal funds is taxes on airline tickets and is distributed by the Federal Aviation Administration. State monies are primarily derived from the flight property tax, aircraft in-lieu taxes, and taxes on aviation fuel.

### **Summary**

The Five-Year Construction process is a continual process. As the new Five-Year program is adopted, the process for the next five-year program has already begun. The effort to improve the programming process continues each year. Increasing technology has enabled the Department to upgrade models to better forecast risk and uncertainties that could impact revenues or construction related costs. Finally, every effort is made to include public involvement in the programming process.