

January 30, 2024

Richard Stavneak, Director
Joint Legislative Budget Committee
1716 West Adams St
Phoenix, AZ 85007

Sarah Brown, Director
Office of Strategic Planning and Budgeting
1700 West Washington St., Suite 600
Phoenix, Arizona 85007

Subject: Highway Construction Capital Projects & Expenditures

Dear Director Stavneak and Director Brown:

Laws 2023 Chapter 135 (SB 1722) Section 3 (B) requires ADOT to report within thirty days after the last day of each calendar quarter, the department shall report to the joint legislative budget committee staff the projected cost and status of the projects for the appropriations made in subsection A of this section. The report shall include any impacts to the projects due to the increase in the cost of concrete.

ADOT's September 2023 Performance Audit and Sunset Review recommends that ADOT expand its reporting of Legislative appropriated projects to include all appropriated projects.

Concrete prices have remained steady in the first and second quarters of fiscal year 2024.

The enclosed report includes ADOT's FY 2020 through FY 2024 legislative-appropriated highway construction capital expenditures as described above.

Please contact David Bolter at (602) 712-8917 or DBolter@azdot.gov with any questions.

Sincerely,



Jennifer Toth
Director

Enclosures (1)

Cc: Zachary Harris, OSPB Budget Manager
Jordan Johnston, JLBC Analyst
jlbwebmaster@azleg.gov

Project Title	Project Location	Fund Group	FY Funded	Fund Source	Appropriated Amount	Current Budget Amount	Current Estimated Project Cost	Amount Reviewed by	JCCR Review Date	Appropriation Lapsing Date	Encumbrances	Expenditures to Date	Remaining Balance	Fund Source Agency	Managing Agency	Original Est. Completion Date	Current Est. Completion Date	Is Project Under Contract	Project Stage	Project Health	Narrative
I 10 Widening Study	SR 202 to SR 387	1000	2021	General Fund	\$9,201,725	\$9,201,725	\$997,000,000	N/A	N/A	Non-lapsing	\$316,420	\$8,647,777	\$237,528	ADOT	ADOT		2/29/2024	YES	Scoping	On Track	USDOT confirmed the grant application for the Gila River Indian Community I-10 project has received grant funding of \$95M of the estimated future project costs of \$284M. The grant project will widen 10-miles of I-10 mainline from two-lanes to three-lanes in each direction, improve crossroad/interchange bridges and install fiber optic conduit trunkline. The successful grant application fully funds the I-10 Wild Horse Pass Corridor (26-miles) between Loop 202 and SR 387. FY 2024 Qtr 3 is Target for Final Design Concept Report and Environmental Assessment. The Gila River Indian Community has approved the I-10 implementation plan for the 26-mile corridor. The procurement for construction of the northern 12-mile segment referred to as the I-10 Gila River Indian Community Project between I-10, Loop 202 to Gila River Bridge is planned to start Feb. 2024. The right-of-way acquisition request to the Gila River Indian Community is anticipated to start spring 2024 with an expectation to be completed by FY 25 Q2 for Tribal Lands and FY 25 Q4 for allotted lands.
US Route 95 Expansion	Ave 9E-Rifle Range	1000	2020	General Fund	\$28,000,000	\$279,618	\$279,618	N/A	N/A	Non-lapsing	\$0	\$279,618	\$0	ADOT	ADOT	12/31/2024	Completed in late 2022	Complete	Complete	On Track	Construction was completed in late CY 2022, but was not previously reported in this report.
US Route 95 Expansion	Ave 9E-Wellton Mohawk Canal	1000	2021	General Fund	\$27,720,382	\$27,720,382	N/A	N/A	N/A	Non-lapsing	\$336,278	\$22,630,953	\$4,753,150	ADOT	ADOT	12/31/2024	12/31/2024	YES	Construction	On Track	Rifle Range to Wellton Mohawk Canal widening projects is under construction. If available, remaining funds will be used for design, right-of-way, and construction of future projects on US 95 from Wellton-Mohawk Canal to Aberdeen Rd. A portion may be used for future grant match funds in 2024.
Distribute To The Town Of Queen Creek To Extend State Route 24 Including A Traffic Interchange At State Route 24 And Ironwood Road	Town of Queen Creek	1000	2024	General Fund	\$87,500,000	\$87,500,000	Pass Through	N/A	N/A	Non-lapsing	\$0	\$0	\$87,500,000	ADOT	Town of Queen Creek				IGA	On Track	IGA (23-0009274) IGA is in the review process. The IGA was submitted to ADOA on December 15, 2023 for review.
Improve State Route 260 Within Navajo County	SR 260 in Navajo County	1000	2024	General Fund	\$4,250,000	\$4,250,000	\$4,422,150	N/A	N/A	Non-lapsing	\$1,699	\$34,844	\$4,213,456	ADOT	ADOT	5/30/2025	TBD	YES	Scoping	At Risk	A scoping document was prepared for the project to establish the design elements to be included in the project. The scoping document was completed on September 30, 2023. The expected cost of the project exceeds the appropriation. Final design will not begin until sufficient funds are identified.
SR 97 Improvements (Bagdad) - (Conditional On Federal Grant)	SR 97 Bagdad	1000	2024	General Fund	\$10,000,000	\$10,000,000	\$50,000,000	N/A	N/A	6/30/2025	\$0	\$0	\$10,000,000	ADOT	ADOT	N/A	6/30/2026	No	Grant	At Risk	Appropriation is intended as a match for grant funding as proposed by Freeport McMoran (FMI). Design completed to Stage II. RAISE Grant and RURAL Grant were not awarded. FMI waiting on Rural Grant debrief to discuss path forward. At this time, the date of the debrief is unknown Per Laws 2022, Second Regular Session, Chapter 309 (HB2858) Sec. 18 the appropriation will revert back to the general fund if Federal funding is not secured.
Distribute To The Gila River Indian Community For Transportation Infrastructure	Gila River Indian Community	2030	2023	State Highway Fund	\$2,000,000	\$2,000,000	Pass Through	N/A	N/A	Non-lapsing	\$0	\$2,000,000	\$0	ADOT	Gila River Indian Community	9/28/2023	12/5/2023		IGA	On Track	IGA 23-0009296 with Gila River Indian Community executed 12/1/23 with funds distributed 12/05/23.
Appropriation; State Match Advantage for Rural Transportation Fund	SMART	1000	2024	General Fund	\$12,500,000	\$12,500,000	\$12,500,000	N/A	N/A	Non-lapsing	\$0	\$12,500,000	\$0	ADOT	ADOT	7/1/2023	9/1/2023	N/A	Complete	On Track	Pursuant to Laws 2023, 1st Regular Session, Chapter 135 (SB 1722), the appropriation was transferred to the five subfunds in August 2023. 1. 20% to counties with populations > 100K, 2. 20% to counties with a population < 100K, 3. 20% to municipalities with a population > 10K, 4. 20% to municipalities with a population < 10K, 5. 20% for department use to manage.

Notes:
Encumbrances and expenses thru December 31, 2023