

# Capital Outlay

## Arizona Department of Transportation Building System

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DESCRIPTION	FY 2008 JLBC
<b>BUILDING RENEWAL</b>	
ADOT Building Renewal	4,018,300
<b>SUBTOTAL</b>	<b>4,018,300</b>
<b>INDIVIDUAL PROJECTS</b>	
Payson MVD Service Center	1,229,400
Surprise MVD Service Center	6,152,000
Vehicle Wash Systems	2,398,500
Far Southeast Valley Multi-Use Facility	6,701,900
Grand Canyon Airport Restrooms	330,000
DPS Microwave Communications System	826,000
Controlled Access Highways	111,785,000
Debt Service	103,327,000
Statewide Highway Construction	99,635,000
Airport Planning and Development	25,306,000
<b>SUBTOTAL</b>	<b>357,690,800</b>
<b>TOTAL - ALL PROJECTS</b>	<b>361,709,100</b>
<b>FUND SOURCES</b>	
<u>Other Appropriated Funds</u>	
Highway User Revenue Fund	8,893,300
State Aviation Fund	25,777,100
State Highway Fund	327,038,700
<b>SUBTOTAL - Other Appropriated Funds</b>	<b>361,709,100</b>
<b>SUBTOTAL - Appropriated Funds</b>	<b>361,709,100</b>
Other Non-Appropriated Funds	353,778,000
Federal Funds	402,485,000
<b>TOTAL - ALL SOURCES</b>	<b>1,117,972,100</b>

**DESCRIPTION** — The Arizona Department of Transportation Building System (ADOT) includes all buildings and highways controlled by ADOT. The following includes amounts for state highway construction and other projects related to ADOT's mission. Most appropriations for ADOT projects are from the State Highway Fund and the State Aviation Fund.

The following amounts reflect one-time appropriations.

**FY 2008**

**Building Renewal OF \$4,018,300**

The JLBC includes \$4,018,300 for Building Renewal within the ADOT Building System in FY 2008. This amount consists of \$3,877,200 from the State Highway Fund and \$141,100 from the State Aviation Fund. The State Highway Fund amount is for the ADOT Building System and the State Aviation amount is for the Grand Canyon Airport. The amounts represent 50% funding of the revised highways building renewal formula and 100% funding of the aviation building renewal formula. Building renewal appropriations are used for major repair and maintenance of state-owned buildings. The formula is based on the square footage and replacement cost of existing buildings.

The 50% funding of Highway Fund building renewal generated by the revised formula provides an amount roughly equivalent to the appropriation under the old formula. Prior to FY 2007, ADOT was typically funded at 100% of the old formula. The higher dollar level is primarily due to ADOT's updating of building replacement cost per square foot for about 1,500 facilities. Updating the building inventory and square footage also contributed to the increase, but to a lesser extent. No specific facilities dominated the increase.

**Payson MVD Service Center OF 1,229,400**

The JLBC includes \$1,229,400 from the Highway User Revenue Fund in FY 2008 to ADOT to construct a new 5,410 square foot Payson MVD Service Center at a construction cost of \$397 per square foot. The \$1,229,400 is the difference between ADOT's estimated construction cost

of \$2,145,300 and a \$915,900 appropriation for the facility in FY 2006. While the FY 2008 appropriation would be from the Highway User Revenue Fund, the prior appropriation was from the State Highway Fund. The use of Highway User Revenue Fund monies would effectively share the cost of MVD service center construction with cities and counties. These local entities benefit from MVD revenue collections by receiving 55% of vehicle license taxes and 49.5% of Highway User Revenue Fund revenues.

ADOT already owns the land where the facility would be constructed. The service center would include facilities for customer service, vehicle inspection, commercial drivers license, and an executive hearing office.

The current leased facility in a strip mall has 1,900 square feet. The new facility will increase the customer service capacity of the office to accommodate population growth in the area and meet safety codes. Furnishings include furniture, telecommunications, a customer scheduling system, and a security system. The Payson facility had 213 customers per square foot of lobby in FY 2004 compared to figures ranging from 31 to 105 customers per square foot of lobby at selected MVD offices.

**Surprise MVD Service Center OF 6,152,000**

The JLBC includes \$6,152,000 from the Highway User Revenue Fund in FY 2008 to ADOT to construct a new 15,380 square foot Surprise MVD Service Center at a construction cost of \$400 per square foot. The service center would include facilities for customer service, vehicle inspection, enforcement, and an executive hearing office.

ADOT owns the current 6,200 square foot facility, which has insufficient parking and a crowded customer waiting area. In FY 2004, the office had 104 customers per lobby square foot. ADOT was appropriated \$2,736,200 from the State Highway Fund in FY 2007 to purchase 5 acres of land for this facility, and is in the process of buying the land.

The use of Highway User Revenue Fund monies would effectively share the cost of MVD service center construction with cities and counties. These local entities benefit from MVD revenue collections by receiving 55% of vehicle license taxes and 49.5% of Highway User Revenue Fund revenues.

**Vehicle Wash Systems OF 2,398,500**

The JLBC includes \$2,398,500 from the State Highway Fund in FY 2008 to ADOT to construct new vehicle wash systems at 6 rural highway maintenance sites statewide, including Fredonia, Kayenta, Ganado, Springerville, Globe and Safford. Each vehicle wash system costs \$399,800, or \$333 per square foot. A wash system includes a 1,200 square foot metal building, a rack frame for handling de-icer material spreaders, and equipment to contain contaminants such as road tar, lubricants and de-icer salts. The wash systems will help ADOT meet wastewater environmental regulations to protect surface and ground water.

**Far Southeast Valley**

**Multi-Use Facility OF 6,701,900**

The JLBC includes \$6,701,900 in FY 2008 to ADOT to purchase 25 acres of land in the far southeast valley for a new southeast valley multi-use facility. This amount consists of:

Highway User Revenue Fund	1,511,900
State Highway Fund	5,190,000

The 25 acres include 20 acres for a highway maintenance yard and 5 acres for a new MVD customer service center. State Highway Fund monies are included for the highway maintenance yard land. The use of Highway User Revenue Fund monies would effectively share the cost of MVD service center construction with cities and counties. These local entities benefit from MVD revenue collections by receiving 55% of vehicle license taxes and 49.5% of Highway User Revenue Fund revenues.

ADOT estimates an additional cost of \$10.8 million in FY 2009, including \$3.8 million to build certain highway maintenance facilities and \$7 million to build a new 15,400 square foot MVD customer service center. The new facilities would accommodate freeway expansion and population growth in the far southeast valley.

**Grand Canyon Airport**

**Restrooms OF 330,000**

The JLBC includes \$330,000 from the State Aviation Fund in FY 2008 to ADOT to renovate, enlarge, and make the Grand Canyon Airport terminal restrooms compliant with Americans with Disabilities Act (ADA) requirements. The renovated bathrooms would have a total of 1,200 square feet, for a cost of \$275 per square foot. The current 40-year-old facility is too small to accommodate the number of passengers, and the bathroom fixtures and size of the stalls are not ADA compliant. The project would double the size of the bathrooms, install water conserving ADA compliant fixtures, and replace deteriorated water supply and waste lines.

**DPS Microwave**

**Communications System OF 826,000**

The JLBC includes \$826,000 from the State Highway Fund in FY 2008 to ADOT for DPS Microwave Communications System authorized in Laws 2006, Chapter 345 (Capital Outlay Bill). Chapter 345 appropriated \$826,000 from the State Highway Fund in each of FY 2007, FY 2008 and FY 2009 to ADOT for distribution to the Department of Public Safety for the design, construction and implementation of a microwave communications system upgrade. As a result of this appropriation, this funding will not appear in the FY 2008 Capital Outlay Bill.

**Controlled Access Highways OF 111,785,000**

The JLBC includes \$111,785,000 from the State Highway Fund for the Highway User Revenue Fund formula dedicated to the construction of urban freeways in

FY 2008. The Maricopa Association of Governments (MAG) receives 75% and the Pima County Association of Governments (PAG) receives 25%.

**Debt Service OF 103,327,000**

The JLBC includes \$103,327,000 from the State Highway Fund for the appropriated portion of the debt service on bonds in FY 2008. ADOT has approximately \$2.1 billion in outstanding bonds and other long-term debt. The amount represents the appropriated component of debt service. See *Table 2* for more information on debt service.

**Statewide Highway Construction OF 99,635,000**

The JLBC includes \$99,635,000 from the State Highway Fund for highway construction in FY 2008. The expenditure of these monies is determined by the Transportation Board, which develops a 5-year plan. The level of State Highway Fund construction funding to be deposited into the Statewide Transportation Acceleration Needs Account (STAN) in FY 2008 is yet to be determined. (*Please see Other Issues for Legislative Consideration for further discussion of STAN.*)

Only a small portion of the state's total highway construction funding is appropriated. See Total Highway Construction Funding discussion and *Table 3* in Other Issues for Legislative Consideration for more information.

**Airport Planning and Development OF 25,306,000**

The JLBC includes \$25,306,000 from the State Aviation Fund for the department's airport construction program in FY 2008. Fund revenues are generated from a flight property tax, aircraft lieu tax, and revenues from the operations of Grand Canyon Airport.

\* \* \*

**FORMAT** — Lump Sum by Project by Fund

**FOOTNOTES**

*Standard Footnotes*

Notwithstanding A.R.S. § 41-793.01, the amounts appropriated in this section are appropriated for FY 2008 and shall be used by the applicable agency for major maintenance and repair activities for state buildings in accordance with Title 41, Chapter 4, Article 7, Arizona Revised Statutes. Twenty-five per cent or less of the monies may be spent for state building modifications to comply with the federal Americans With Disabilities Act (42 United States Code sections 12101 through 12213 and 47 United States Code sections 225 and 611) or for major maintenance and repair activities for state infrastructure. The monies may only be used for facilities on the state building inventory or for infrastructure that directly supports those facilities. Of the amounts appropriated to the Department of Administration, up to \$275,000 in Personal Services and Employee-Related Expenditures for up to 5 full-time equivalent positions may be allocated

each fiscal year until the building renewal projects are completed. All other monies appropriated in this section shall not be spent for Personal Services or Employee Related Expenditures or for maintenance contracts on building components and equipment without review by the Joint Committee on Capital Review. Any monies appropriated for building renewal in FY 2008 that are unexpended or unencumbered on June 30, 2009 shall revert to the fund from which the monies were appropriated. The building renewal expenditure plans submitted by agencies for review by the Joint Committee on Capital Review shall identify the components for each project that incorporate energy efficient systems.

The amount is appropriated from the State Aviation Fund for the planning, construction, development and improvement of state, county, city or town airports as determined by the State Transportation Board. Any balances and collections in the State Aviation Fund in excess of the specific amounts appropriated in the General Appropriations Act and in this act are appropriated to the Department of Transportation for the purposes provided in this paragraph.

The amount appropriated for highway construction is from the State Highway Fund for the planning and construction of state highways, including the national system of interstate highways within this state, the state primary or secondary system, the county primary or secondary system and urban rural routes, the acquisition of rights-of-way, the cost of contracted field administration and field engineering on construction projects and debt service payments on bonds issued for highway construction. Any balances and collections in the State Highway Fund in excess of the specific amounts appropriated in the General Appropriation Act and in this act are appropriated to the department for the purposes provided in this paragraph.

Unless otherwise specified, the monies appropriated in this act shall not be spent for Personal Services or Employee Related Expenditures of state employees, excluding any services provided as part of the inmate construction program for correctional facilities.

Unless otherwise specified, the appropriations made in this act do not lapse until the purpose for which the appropriation was made has been accomplished or abandoned, or the appropriation stands for a full fiscal year without an expenditure or an encumbrance.

*Deletion of Prior Year Footnotes*

The JLBC deletes the footnote stating that before the expenditure of any monies for Professional and Outside Services, including contracted field administration and field engineering, ADOT shall submit information on Professional and Outside Services funded from the capital budget to the Joint Committee on Capital Review. (*ADOT's consultants budget has been consistent from year-to-year, however, it remains difficult to measure the efficiency of these expenditures.*)

## OTHER ISSUES FOR LEGISLATIVE CONSIDERATION

### Statewide Transportation Acceleration Needs Account

The Statewide Transportation Acceleration Needs Account (STAN) was established as a separate account in the State Highway Fund with a deposit of \$307,000,000 in FY 2007. This amount consists of:

General Fund	245,000,000
State Highway Fund	62,000,000

The State Transportation Board uses monies in the STAN only to pay for certain costs for the construction or reconstruction of freeways, state highways, bridges and interchanges that are in a county's regional transportation plan or ADOT's long-range statewide transportation plan. STAN monies may only be used to supplement, not supplant, funding that would otherwise be made available for projects. STAN monies are divided 60% for Maricopa County, 16% for Pima County and 24% for all other counties.

The State Transportation Board has approved spending a total of \$319,500,000 of STAN monies, including the FY 2007 appropriation of \$307,000,000 and \$12,500,000 in interest, to accelerate a total of 11 projects. The 11 projects include 7 projects in Maricopa County, 3 in Pima County, and 1 in Pinal County. The 7 Maricopa County projects include 6 construction projects and 1 right-of-way acquisition project, as follows:

- Add a third lane in each direction to I-10 from Verrado Way to Sarival Road in the West Valley.
- Add a third lane in each direction to I-17 from Carefree Highway to Anthem Way in the North Valley.
- Add high occupancy vehicle (HOV) lanes in each direction to Loop 101 from Tatum Boulevard to Princess Drive in Scottsdale.
- Add HOV lanes in each direction to Loop 101 from Baseline Road to Loop 202 in Mesa.
- Build a partial interchange for the future Loop 303 at Bell Road in the Northwest Valley.
- Make road improvements on Cactus and Waddell Roads for future Loop 303 crossings in the West Valley.
- Purchase rights-of-way for construction of a Williams Gateway Freeway from Loop 202 to Ellsworth Road in Mesa.

The 3 Pima County construction projects include:

- Add a general purpose lane in each direction to I-10 from Pinal Air Park Road to Tangerine Road.
- Add a left turn lane and widen SR 86 at the town of Sells.
- Make intersection improvements at SR 86 and Kinney Road.

The Pinal County construction project is to add a general purpose lane in each direction to I-10 from Pinal Air Park Road to Picacho Peak Road.

## Summary of Non-Appropriated Capital Funds Expended

Table 1 provides a summary of non-appropriated capital funds expended. For further background information regarding the funds, please see the ADOT Summary of Funds in the ADOT operating budget section. This latter section does not include the non-appropriated capital expenditures as those only appear in Table 1.

### Highway Construction

The State Transportation Board oversees the department's highway construction program. The 5-Year Highway Construction Program adopted by the Board on June 23, 2006 includes monies from the State Highway Fund, Federal Funds, Maricopa Regional Area Road Fund, Highway User Revenue Fund for controlled access roads, and bond revenues. The highway construction program adopted by the State Transportation Board totals \$1,445,851,000 for FY 2008, including \$1,122,140,000 for construction and maintenance projects scheduled to begin in FY 2008, and \$323,711,000 for debt service. The \$1.1 billion in newly-begun projects will be expended over several fiscal years. For details please see Table 2. Table 2 does not reflect the dollar amount of any STAN projects that ADOT has accelerated to begin in FY 2008, since these projects were accelerated after the current 5-Year Highway Construction Program was adopted by the Board on June 23, 2006.

### Total Highway Construction Funding

Table 3 summarizes all estimated revenues and expenditures for FY 2008, on a cash flow basis as provided by the department. Table 3 includes cash flow revenue of \$153,500,000 from STAN, which represents the portion of the FY 2007 STAN appropriation of \$307,000,000 expected to be expended in FY 2008.

The previous Table 2, which shows the highway construction program adopted by the State Transportation Board, presents a different view since it shows the total dollar cost of highway projects scheduled to begin in FY 2008 (excluding the dollar amount of any STAN projects accelerated to begin in FY 2008, as described under Highway Construction).

Of the revenue amounts, only the Statewide Highway Construction and Controlled Access Highways amounts are appropriated. Of the expenditure amounts, only a portion of Debt Service is appropriated.

### Highway User Revenue Fund Analysis

The Highway User Revenue Fund (HURF) consists of monies received in the state from transportation-related licenses, taxes, fees, penalties and interest such as the motor vehicle fuel tax, vehicle license tax, vehicle registration, driver's license, and others. Table 4 explains the formula distribution of HURF monies between state and local governments. Table 5 presents the overall HURF distribution for FY 2006 through FY 2008. The line in Table 5, which shows Net State Highway Fund Monies Available for Statewide Highway Construction,

does not include Maricopa County and Pima County Controlled Access Funds, Bond Funds, Federal Funds, and Miscellaneous Funds available for construction. The line represents the amount that is available from the discretionary State Highway Fund to fund the State Transportation Board's 5-Year Plan.

	<b>\$ in Thousands</b>		
	<b>FY 2006</b>	<b>FY 2007</b>	<b>FY 2008</b>
	<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>
Aviation Federal Funds	\$ 3,362	\$ 2,959	\$ 3,233
Federal Grants	<u>399,475</u>	<u>379,255</u>	<u>399,252</u>
<b>Subtotal – Federal Funds</b>	<b>402,837</b>	<b>382,214</b>	<b>402,485</b>
Economic Strength Project Fund	996	1,100	1,100
Highway Expansion and Extension Loan Program Fund	35,336	50,992	50,992
Local Agency Deposits Fund	40,709	36,433	36,433
Maricopa Regional Area Road Fund	<u>227,601</u>	<u>265,253</u>	<u>265,253</u>
<b>Subtotal – Other Non-Appropriated Funds</b>	<b>304,642</b>	<b>353,778</b>	<b>353,778</b>
<b>Total</b>	<b>\$707,479</b>	<b>\$735,992</b>	<b>\$756,263</b>

	<b>FY 2008</b>
Construction	\$ 362,826,000
Urban Controlled Access <sup>2/</sup>	430,055,000
Pavement Preservation Maintenance	133,247,000
Other <sup>3/</sup>	196,012,000
Debt Service <sup>4/</sup>	<u>323,711,000</u>
<b>Total</b>	<b>\$1,445,851,000</b>

<sup>1/</sup> Does not reflect the dollar amount of any STAN projects that ADOT has accelerated to begin in FY 2008, since these projects were accelerated after the current 5-Year Highway Construction Program was adopted by the Board on June 23, 2006.

<sup>2/</sup> Includes expenditures from the Highway User Revenue Fund for controlled access and from the Maricopa Regional Area Road Fund.

<sup>3/</sup> Includes construction preparation, contingency set-asides, and related highway construction and maintenance items.

<sup>4/</sup> Information provided by the department. Includes \$103,327,000 in FY 2008 for State Highway Fund statewide construction bonds; \$61,117,000 for Highway User Revenue Fund, Maricopa Association of Governments and Pima Association of Governments controlled access bonds; \$41,631,000 for Maricopa Regional Area Road Fund Bonds; \$51,636,000 for Grant Anticipation Notes, and \$66,000,000 for Board Funding Obligation repayments from the State Highway Fund.

	<b>FY 2008</b>
<b>Balance Forward <sup>1/</sup></b>	<b>\$333,058,000</b>
<b>Revenues</b>	
Appropriated Statewide Highway Construction	\$99,635,000
Appropriated Controlled Access Highways (MAG&PAG)	111,785,000
Appropriated Debt Service	103,327,000
Statewide Transportation Acceleration Needs Account <sup>2/</sup>	153,500,000
½ Cent Sales Tax	217,600,000
Federal Aid	515,632,000
HURF Bond Proceeds <sup>3/</sup>	343,000,000
Maricopa Regional Area Road Fund Bond Proceeds <sup>3/</sup>	120,000,000
Grant Anticipation Note Proceeds <sup>3/</sup>	68,278,000
Board Funding Obligation Borrowings (BFO)	60,000,000
Highway Expansion & Extension Loans (HELP)	2,534,000
Miscellaneous Income/Expenses <sup>4/</sup>	(114,705,000)
<b>Subtotal – Revenues</b>	<b>\$1,680,586,000</b>
<b>Total Funds Available for Construction</b>	<b>\$2,013,644,000</b>
<b>Debt Service Expenditures</b>	
Appropriated Debt Service	\$103,327,000
BFO Repayments	66,000,000
HELP Loan Repayments	78,203,000
Other Debt Service (All Other)	154,384,000
<b>Subtotal - Debt Service</b>	<b>401,914,000</b>
<b>Planned Construction Expenditures</b>	
Statewide Highway Construction (including PAG)	\$605,400,000
Controlled Access Highways (MAG)	682,908,000
<b>Subtotal - Construction Expenditures</b>	<b>\$1,288,308,000</b>
<b>Total Planned Expenditures</b>	<b>\$1,690,222,000</b>
<b>Balance Forward</b>	<b>\$323,422,000</b>

<sup>1/</sup> Includes unexpended bond proceeds for bonds issued in prior years.

<sup>2/</sup> Represents the portion of the FY 2007 STAN appropriation of \$307,000,000 expected to be expended in FY 2008.

<sup>3/</sup> Proceeds reflect a cash expenditure basis.

<sup>4/</sup> Includes all MAG and Statewide program miscellaneous revenues and expenses, including inflation discount factors, construction operating budget reimbursements, interest income, third party billings and paybacks, Regional Public Transportation Authority payments, and Motor Vehicle program fees retainage.

Cities	30.5%
Counties	19.0%
Controlled Access <sup>1/</sup>	7.676%
State Highway Fund <sup>1/</sup>	<u>42.824%</u>
<b>Total</b>	<b>100.0%</b>

<sup>1/</sup> A.R.S. § 28-6538 distributes 50.5% of HURF monies to the State Highway Fund, with 12.6% of the monies distributed to the State Highway Fund being allocated to controlled access highways in Maricopa and Pima Counties. The State Transportation Board adds 2.6% by Board Policy to the statutory 12.6%, making a total of 15.2% of State Highway Fund monies set aside for controlled access highways (50.5% of 15.2% = 7.676%). The controlled access monies are divided 75% for Maricopa County and 25% for Pima County. Pima County may also use some of their monies for arterial streets and highways.

Table 5

## Highway User Revenue Fund (HURF) Distribution

		\$ in Thousands		
		<b>FY 2006</b>	<b>FY 2007</b>	<b>FY 2008</b>
		<u>Actual</u>	<u>Estimate</u>	<u>JLBC</u>
<b>Total HURF Collections</b>		1,331,625	1,398,800	1,483,200
Less:	Economic Strength Fund <sup>1/</sup>	1,000	1,000	1,000
	ADOT - MVD Operating Budget	383	607	606
	ADOT - Capital Outlay	0	0	8,893
	Dept of Public Safety Transfer from HURF	<u>63,999</u>	<u>10,000</u>	<u>10,000</u>
<b>Net HURF Collections</b>		1,266,243	1,387,193	1,462,701
Less:	Cities <sup>2/</sup>	386,128	423,094	446,124
	Counties <sup>2/</sup>	240,538	263,567	277,913
	Controlled Access <sup>3/</sup>	96,768	106,018	111,785
	Vehicle License Tax Transfer to Parity Compensation Fund <sup>4/</sup>	<u>2,693</u>	<u>3,048</u>	<u>3,236</u>
<b>Net State Highway Fund (Discretionary)</b>		540,116	591,466	623,643
Plus:	Other Income <sup>5/</sup>	15,018	15,500	16,000
Less:	Operating Budget	364,715	391,757	398,233
	Operating Carryovers, Adjustments and Transfer <sup>6/</sup>	4,849	2,843	5
	Capital Outlay and Building Renewal	1,652	10,255	11,466
	Capital Non-Lapsing Carryovers	1,457	8,925	0
	Motor Vehicle Third Party Payments <sup>7/</sup>	13,902	15,211	16,151
	Dept of Public Safety Transfer from Highway Fund	42,198	10,000	10,000
	DPS Microwave Communications System <sup>8/</sup>	0	826	826
	Statewide Transportation Acceleration Needs Account <sup>9/10/</sup>	0	62,000	0
	Debt Service <sup>11/</sup>	<u>68,060</u>	<u>73,495</u>	<u>103,327</u>
<b>Net Highway Fund Available for Statewide Highway Construction</b> (5-Year Plan) <sup>10/12/</sup>		58,301	31,654	99,635
<b>State Highway Fund Adjustments</b>				
Plus:	Discretionary State Highway Fund Beginning Balance	124,000	99,000	106,000
	Controlled Access State Highway Fund Beginning Balance	156,000	95,000	60,000
	Construction Operating Budget Reimbursements <sup>13/</sup>	49,000	58,000	60,000
	Discretionary State Highway Fund Bond Proceeds	118,000	305,000	313,000
	Controlled Access State Highway Fund Bond Proceeds	0	20,000	30,000
	Statewide Transportation Acceleration Needs Account <sup>9/</sup>	<u>0</u>	<u>245,000</u>	<u>0</u>
<b>Total Highway Fund Available for Statewide Highway Construction</b>		505,301	853,654	668,635

<sup>1/</sup> Provides monies for economic strength highway projects recommended by the Commerce and Economic Development Commission and approved by the State Transportation Board.

<sup>2/</sup> A statutorily defined distribution of HURF monies for acquisition and construction of streets or highways.

<sup>3/</sup> A statutorily defined distribution of State Highway Fund monies for design, acquisition and construction of controlled access highways. The monies are divided 75% for Maricopa County and 25% for Pima County. Pima County may also use some of their monies for arterial streets and highways.

<sup>4/</sup> Laws 2005, Chapter 306 transfers 1.51% of vehicle license tax for distribution to the State Highway Fund to the Parity Compensation Fund beginning in FY 2006.

<sup>5/</sup> Includes interest and rental income, transfers from the Public Roads Fund, revenue from 4 formerly non-appropriated funds, and miscellaneous sales and other income.

<sup>6/</sup> Includes \$5,000 annual transfer to Legislative Council for multistate highway transportation agreement.

<sup>7/</sup> Statutory payments to third parties from vehicle license taxes collected by third parties.

<sup>8/</sup> Laws 2006, Chapter 345, appropriates \$826,000 from the State Highway Fund in each of FY 2007, FY 2008 and FY 2009 to ADOT for distribution to DPS for the design, construction and implementation of a microwave communications system upgrade.

<sup>9/</sup> Laws 2006, Chapter 344, appropriates \$307,000,000 in FY 2007 for deposit in the Statewide Transportation Acceleration Needs Account of the State Highway Fund, including \$62,000,000 from the State Highway Fund and \$245,000,000 from the General Fund.

<sup>10/</sup> The level of State Highway Fund construction funding to be deposited into the STAN in FY 2008 is yet to be determined. Any HURF/Highway Fund deposit would reduce the \$99,635,000 allocation available for the general statewide Highway Construction program.

<sup>11/</sup> Debt service on highway revenue bonds, does not include debt service payable from Maricopa and Pima controlled access funds.

<sup>12/</sup> Excludes Maricopa and Pima County controlled access funds, and bond, federal, and miscellaneous funds available for construction.

<sup>13/</sup> Construction operating budget monies reimbursed from federal funds, Maricopa Regional Area Road Fund and bond monies.