

**Department of Transportation**  
**Highways**

JLBC: Bob Hull  
 OSPB: Marcel Benberou

DESCRIPTION	FY 2007 ACTUAL	FY 2008 ESTIMATE	FY 2009 JLBC
<b>OPERATING BUDGET</b>			
<i>Full Time Equivalent Positions</i>	2,516.0	2,548.0	2,548.0
Personal Services	58,848,800	72,104,800	72,104,800
Employee Related Expenditures	22,647,000	28,165,600	28,172,800
Professional and Outside Services	3,216,800	2,758,800	2,758,800
Travel - In State	1,295,800	1,817,100	1,817,100
Travel - Out of State	109,700	55,000	55,000
Other Operating Expenditures	34,386,200	31,501,100	31,493,900
Equipment	8,808,800	1,600,000	1,539,200
<b>OPERATING SUBTOTAL</b>	<b>129,313,100</b>	<b>138,002,400</b>	<b>137,941,600</b>
<b>SPECIAL LINE ITEMS</b>			
Vehicles and Heavy Equipment	36,779,400	38,147,800	38,147,800
Vehicles and Heavy Equipment Fuel Surcharge	2,000,000	2,000,000	2,000,000
Highway Maintenance	116,441,200	129,253,800	132,027,000
<b>PROGRAM TOTAL</b>	<b>284,533,700</b>	<b>307,404,000</b>	<b>310,116,400</b>
<b>FUND SOURCES</b>			
General Fund	83,000	86,600	86,600
<u>Other Appropriated Funds</u>			
Safety Enforcement and Transportation Infrastructure Fund	558,700	558,700	558,700
State Highway Fund	246,112,600	267,610,900	270,323,300
Transportation Department Equipment Fund	37,779,400	39,147,800	39,147,800
<b>SUBTOTAL - Other Appropriated Funds</b>	<b>284,450,700</b>	<b>307,317,400</b>	<b>310,029,800</b>
<b>SUBTOTAL - Appropriated Funds</b>	<b>284,533,700</b>	<b>307,404,000</b>	<b>310,116,400</b>
Other Non-Appropriated Funds	58,891,900	61,914,100	61,914,100
Federal Funds	1,285,400	1,361,000	1,394,900
<b>TOTAL - ALL SOURCES</b>	<b>344,711,000</b>	<b>370,679,100</b>	<b>373,425,400</b>
<b>CHANGE IN FUNDING SUMMARY</b>			
	<u>FY 2008 to FY 2009 JLBC</u>		
	<u>\$ Change</u>	<u>% Change</u>	
General Fund	0	0.0%	
Other Appropriated Funds	2,712,400	0.9%	
Total Appropriated Funds	2,712,400	0.9%	
Non Appropriated Funds	33,900	0.1%	
Total - All Sources	2,746,300	0.7%	
<b>COST CENTER DESCRIPTION</b> — Highways plans the statewide transportation system, including highways and airports. It is responsible for the location, design, right-of-way acquisition, construction, maintenance and management of the state highway system. It maintains the department's fleet of vehicles and equipment.			

<b>PERFORMANCE MEASURES</b>	FY 2005	FY 2006	FY 2007	FY 2009
	Actual	Actual	Actual	JLBC
• % of Maricopa regional freeway miles completed for the original 20-year ½ cent sales tax ending December 31, 2005	85	93	96	100
• % of Maricopa regional freeway travel lane miles completed for the 20-year ½ cent sales tax extension effective January 1, 2006	NA	NA	1.8	10.5
• % of overall highway construction projects completed on schedule	98	96	96.5	97

**Operating Budget**

The JLBC includes \$137,941,600 and 1,369 FTE Positions for the operating budget in FY 2009. These amounts consist of:

General Fund	\$86,600
State Highway Fund	137,855,000

FY 2009 adjustments would be as follows:

**One-Time Equipment                      OF                      (60,800)**

This adjustment would be a decrease of \$(60,800) from the State Highway Fund in FY 2009 for one-time equipment.

**Vehicles and Heavy Equipment**

The JLBC includes \$38,147,800 and 247 FTE Positions from the Transportation Department Equipment Fund for vehicles and heavy equipment in FY 2009. These amounts are unchanged from FY 2008.

Monies in this line item allow the department to maintain and replace the department’s fleet and perform motor pool services for other state agencies.

**Vehicles and Heavy Equipment Fuel Surcharge**

The JLBC includes \$2,000,000 for vehicles and heavy equipment fuel surcharge in FY 2009. This amount consists of:

State Highway Fund	1,000,000
Transportation Department Equipment Fund	1,000,000

This amount is unchanged from FY 2008.

The total of \$2,000,000 includes \$1,000,000 from the Transportation Department Equipment Fund to pay for increased gas prices, and \$1,000,000 from the State Highway Fund for ADOT’s sections to reimburse the Transportation Department Equipment Fund in order to hold the Transportation Department Equipment Fund

harmless so as to not adversely impact the purchase of replacement vehicles and equipment.

**Highway Maintenance**

The JLBC includes \$132,027,000 and 932 FTE Positions for Highway Maintenance in FY 2009. These amounts consist of:

Safety Enforcement and Transportation Infrastructure Fund	558,700
State Highway Fund	131,468,300

FY 2009 adjustments would be as follows:

**Highway Maintenance Workload                      OF                      3,219,000**

This adjustment would be an increase of \$3,219,000 from the State Highway Fund in FY 2009 for increased Highway Maintenance workload as additional miles of roadway come on line. The amount includes:

- \$1,178,000 for an increase of 124 statewide maintenance lane miles for a total of 28,473 statewide maintenance lane miles in FY 2009.
- \$2,041,000 for highway maintenance materials such as concrete, asphalt and steel. The Associated General Contractors of America reports a 6% highway and street construction cost increase in calendar year 2006.

In addition to the \$132,027,000 included for Highway Maintenance, the Proposition 400 Maricopa County 1/2 cent sales tax extension makes another \$11,300,000 available in FY 2009 for landscape maintenance, trash pick-up, sweeping and litter education from the non-appropriated Maricopa Regional Area Road Fund.

Monies in this line item are used to maintain the state highway system, including pavements, bridges, landscaping, drainage, signals, lights, fences, signs, striping, and snow removal. The monies also fund the freeway management system and the traffic operations center.

**One-Time Equipment OF (445,800)**

This adjustment would be a decrease of \$(445,800) from the State Highway Fund in FY 2009 for one-time Camp Verde maintenance camp equipment.

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**FORMAT** — Operating Lump Sum with Special Line Items by Program

**FOOTNOTES**

*Standard Footnotes*

Of the total amount appropriated for the Highways Program, \$132,027,000 in FY 2009 for Highway Maintenance is exempt from the provisions of A.R.S. § 35-190, relating to lapsing of appropriations, except that all unexpended and unencumbered monies of the appropriation revert to their fund of origin, either the State Highway Fund or the Safety Enforcement and Transportation Infrastructure Fund on August 31, 2009.

Of the total amount appropriated for the Highways Program, \$2,663,000 in FY 2009 is for performance pay for participants in the department's engineer pay plan. The department shall establish performance measures with measurable quality and quantity objectives for participants in the engineer pay plan that are designed to result in increased productivity and improved quality of the delivery of state services or products. The department shall either apply these performance measures to the entire engineer pay plan or apply relevant performance measures to subsets within the engineering pay plan either on a group or individual basis. Every quarter or month, the department shall review the participants' performance to determine if the performance measures were met. If the performance measures are met or exceeded, the applicable participants are entitled to receive the performance pay for the corresponding quarter.

Of the \$468,724,500 appropriation to the Arizona Department of Transportation, the Department of Transportation shall pay \$16,773,800 in FY 2009 from all funds to the Department of Administration for its Risk Management payment.