ADOT to See Nearly 20% Federal Funding Increase

January 2022 ushers in a year in which funding for select future Arizona Department of Transportation projects will see an increase over the next five years. A portion of this increase is the result of the recent passage of the federal Infrastructure, Investment and Jobs Act (IIJA), which uses a mix of funding determined by a formula, and money that will be available only through competitive grants. IIJA replaces the Fixing America’s Surface Transportation Act (FAST). The additional transportation funding is approximately a 20% increase from the existing federal funding the State of Arizona receives.

A Welcome, Complex and Transparent Program Process

“We welcome additional funding opportunities and the certainty provided by this legislation over the next five years,” ADOT Director John Halikowski said. “Federal funding for transportation is highly complex. We are committed to making this process transparent as part of managing the public’s expectations, and will work with our federal partners and other transportation stakeholders to maximize the impact. We will continue to be aggressive and innovative to ensure Arizona takes advantage of every funding source.”

Mesa Awarded $920K Transportation Planning Grant

Crystal Balls Are Not Just for Fortune-tellers

Gila County Approves Tonto Creek Bridge Grant
ADOT to See Nearly 20% Federal Funding Increase (Cont’d)

**Infrastructure Investment and Jobs Act Funding**

IIJA money won’t necessarily begin to flow to projects immediately, and ADOT does not yet know the timing of funding and specific final amounts. For that reason, projects that will utilize the funding cannot yet be determined.

- Arizona expects to receive through the IIJA an increase of more than $200 million a year over the next five fiscal years between 2022 and 2026.
- That $200 million per year is part of an overall $5.3 billion (over five years) in what is known as “formula funding” allocated to the state based on an objective formula.
- ADOT will retain some of that money for projects, while significant IIJA funding will be sent to local government agencies for their transportation projects, such as local street improvements, public transportation and airports.
- The exact funding amounts and recipients won’t be known until federal funding notices are provided by federal agencies later in 2022.
- Competitive funding requires transportation agencies to submit competitive bids for discretionary money available from the federal government. ADOT will rely on added guidance from federal agencies to better understand what opportunities may be available for the state to pursue.
- Also of note – ADOT’s construction costs have increased 56% over the last five years, which means previously approved funding does not go as far as initially forecasted.
- Arizona State Transportation Board/Five Year Program

Projects funded by new money from IIJA will be approved by the Arizona State Transportation Board. ADOT projects require a robust planning and approval process. The overseeing authority is the Board, which approves a new Five Year Program each spring, with annual budgets adjusted to the latest financial forecasts set for each fiscal year. The Board awards construction contracts, monitors the status of construction projects and has the exclusive authority to issue revenue bonds for transportation financing. **All meetings are open to the public.**

Each year, the Board considers various updates to ADOT’s Five Year Transportation Facilities Construction Program. This is essentially the blueprint for upcoming transportation projects. Projects may also require extensive review and approval for environmental, civil rights and other concerns.

**Major Projects Previously Funded and Underway**

As 2022 progresses, Arizonans will see significant movement on major transportation projects funded prior to the IIJA. These include a key economic corridor in southern Arizona, as well as improvement projects on both Interstates 17 and 10:

- **State Route 189** in Nogales.
- **I-17** from Anthem Way to Sunset Point.
- **I-10 Broadway Curve Improvement Project**.
- Another potential, future project that has received significant attention is the proposed I-11 corridor, which would span 280 miles between Nogales and Wickenburg. I-11 is in the preliminary study phase, and no funding has been identified for additional, required environmental studies, planning or other work.
- Dozens of other projects all around the state.

**Project Investment Categories**

While new roads attract significant attention, ADOT also is focused on maintaining and operating existing roads and other infrastructure. Similar to how a homeowner does maintenance on their home, ADOT plans upkeep and unplanned work to repair assets all around the state and respond to specific conditions, incidents or events. This [link to ADOT’s Project Investment Categories](https://www.azdot.gov/plan). Visit ADOT’s website to learn more, and subscribe for updates to receive ongoing information about specific projects.

---

**Mesa Awarded $920K Transportation Planning Grant**

**BY CITY OF MESA**

The **Federal Transit Administration** awarded Mesa a $920,000 grant to conduct comprehensive transit-oriented development planning along a proposed five-mile streetcar route in west Mesa. The **Mesa Streetcar** route would connect four major economic activity centers within the city – Riverview Marketplace, Asian District, Fiesta District and downtown Mesa.

Mesa will use the grant funding to conduct comprehensive planning efforts, define design guidelines and develop economic strategies. The Federal Transit Administration awarded Mesa the second-largest TOD grant in the country, after MARTA in Atlanta. ([Source](https://www.azdot.gov/plan))
Crystal Balls Are Not Just for Fortune-tellers

Do you remember Blockbuster? Back in the day, it was a treasure trove of great movies and made stay-at-home Friday evenings a great way to wind down the week. When did you first hear about Netflix? They started out competing with Blockbuster, but then retreated to their core, which was streaming services. Did you know that Blockbuster had a chance to purchase Netflix for $50 million but didn’t?

Blockbuster’s downfall? Failure to innovate. The rest is history.

What about your business? What are you doing to anticipate trends that could either open doors or close them—even permanently?

Business owners who make time to think beyond the next task in front of them set themselves up for more stable long-term success. Watch what other companies are doing to innovate and find ways to apply them to your company.

For example, Google is known for innovation. Consider how you could apply the following ideas from “Creating a Culture of Innovation: Eight Ideas That Work at Google” in your business.

1. Think 10x. Instead of thinking how you can improve something by 10%, think how you could improve by 10 times. “A 10x goal forces you to rethink an idea entirely,” says the article. “It pushes you beyond existing models and forces you to totally reimagine how to approach it.” Another big-thinking strategy is to keep saying, “Yes, and” to expand your thinking in an additive framework.

2. Use the 70/20/10 model. Google uses this three-part framework to promote “what if” and “out-of-the-box” thinking:
   • 70% of their projects are dedicated to their core business
   • 20% of their projects are related to their core business
   • 10% of their projects are unrelated to their core business

3. This model provides space for new ideas and initiatives while still focusing on core services. One way to apply this strategy is to allocate 10% of your time to new ideas. Consider a 40-hour work week—can you find four hours a week to study other businesses, learn about a new process, share insights with a trusted advisor, or conduct a team brainstorming session to dream? Hint: The next time you are in the car, turn off the radio and enjoy the silence to ponder possibilities.

4. Focus on users, not the competition. “We believe if we focus on users, everything else will follow,” according to the article. Many people thought Gmail was a mistake when it was introduced in 2004 because there were plenty of established email products. Google had a different idea, and believed in a better user experience with more cloud-based storage capacity. By 2014, “Gmail was the world’s #1 web-based service, with more than 900 million active users,” says the article. “We take that success as a humbling sign that any product can be improved if you simply focus on how you can make life even better for users.”

What about your clients? What can you do about your service delivery to make it more convenient or streamlined for your clients? Online portal to share important documents? Automatic confirmation of orders that have been placed? Frequently Asked Questions (FAQ) on the website? Text alerts for orders and deliveries? Maybe your project team can provide a weekly update or photo of progress on a project. Ask your clients for ideas to make their interactions with you easier and more pleasurable. Take one idea and put it into motion.

The future is not as far away as you think. Learn from Blockbuster, Netflix, and Google.

Who is going to lead the future in your company? If not you, then who?

Consider this gem:

“What a group does with its billable time determines its income for the year.

What it does with its non-billable time determines its future.”

David Maister
Gila County Approves Tonto Creek Bridge Grant

The Gila County Board of Supervisors has approved a $21.1 million Arizona Department of Transportation grant to build the Tonto Creek Bridge. The board also approved a general fund transfer of $1 million and a $1.8 million transfer from the Transportation Excise Tax Fund to pay the county’s grant match to ADOT.

ADOT will issue a bid request for the project in February, with bid returns expected in March and an award made in April or May.

Construction is expected to take 18-24 months and begin somewhere between August and October of this year. A cell tower and some APS wires must be relocated before construction can begin.

If the bids received exceed the allocated $23.9 million, Gila County will cover the difference. (Source)
**INDUSTRY EVENTS**
Thursday | Feb. 10, 2022

**FEBRUARY**

- **BOMA: Allied Partners 1st Qtr Networking - Taco TWOsday & Tour**
  - 2:22 p.m. - 4 p.m.
  - Location: 3100 N. Central Ave., Phoenix

- **IFMA: PHX Young Professionals Group Symposium**
  - 4 p.m. - 7 p.m.
  - Location: 2501 E. Camelback Road, Ste. 1, Phoenix

- **NAIOP: Coffee with Candidates Series: AZ Governor Election**
  - 8 a.m. - 9:30 a.m.
  - Location: 2325 E. Camelback Rd., Ste. 120, Phoenix

- **YBC Quarterly Meeting & Mixer**
  - 3 p.m. - 5 p.m.
  - Location: 2552 W. Erie Dr., #106, Tempe

- **Society for Construction Solutions PHX Chapter Event**
  - 5 p.m. - 7 p.m.
  - Location: 3109 N. 24th St., Phoenix

- **AZ Masonry: February Mixer at RainguardPro’s Facility**
  - 2:30 p.m. - 5 p.m.
  - Location: RainguardPro’s Facility, 2736 W. McDowell Rd., Phoenix

**MARCH**

- **PMI: Lessons Learned in Project Management from the World’s Greatest Explorers**
  - 5:30 p.m. - 7 p.m.
  - Location: Online Only

- **ULI Arizona 17th Annual Trends Day**
  - 7 a.m. - 5 p.m.
  - Location: JW Marriott Phoenix Desert Ridge, 5350 E. Marriott Dr., Phoenix

- **NAIOP: Coffee with Candidates Series: AZ Governor Election**
  - 8 a.m. - 9:30 a.m.
  - Location: 2325 E. Camelback Rd., Ste. 120, Phoenix

- **BOMA 2022 Golf Tournament**
  - 8 a.m. - 10 a.m.
  - Location: Biltmore Golf Club, 2400 E. Missouri Ave., Phoenix

**ATTENTION TO ALL FIRMS**

Need help preparing DBE Affidavits? Please see our tutorial video below:
“Preparing DBE Affidavits”
## Featured Federal-Aid Projects

### CURRENT OPEN SOLICITATIONS

<table>
<thead>
<tr>
<th>Due Date</th>
<th>Project Valuation</th>
<th>DBE Goal</th>
<th>Solicitation / Project Number</th>
<th>Type</th>
<th>Project Owner and Description</th>
<th>Contact</th>
</tr>
</thead>
<tbody>
<tr>
<td>2/18/22 11 a.m. MST</td>
<td>$6.19 million</td>
<td>5.19%</td>
<td>069-A(223)T; F040701C</td>
<td>IFB</td>
<td>ADOT - Pavement Preservation, Cordes Jct - Prescott Hwy (SR 69), Big Bug 4 - Poland Jct, Yavapai County. The work includes milling the existing asphaltic concrete and replacing it with new asphaltic concrete and asphaltic concrete friction course &amp; pavement marking.</td>
<td>Iqbal Hossain, Group Manager of Contracts &amp; Specifications, at <a href="mailto:ihossain@azdot.gov">ihossain@azdot.gov</a>.</td>
</tr>
<tr>
<td>2/18/22 11 a.m. MST</td>
<td>$7.12 million</td>
<td>3.18%</td>
<td>040-D(243)T; F040801C</td>
<td>IFB</td>
<td>ADOT - Pavement Preservation, Flagstaff - Holbrook Hwy (I-40), Second Mesa - Joseph City, Navajo County. The work consists of pavement preservation. The work includes milling the existing asphaltic concrete and replacing it with new asphaltic concrete &amp; pavement marking.</td>
<td>Iqbal Hossain, Group Manager of Contracts &amp; Specifications, at <a href="mailto:ihossain@azdot.gov">ihossain@azdot.gov</a>.</td>
</tr>
<tr>
<td>2/18/22 11 a.m. MST</td>
<td>$650,000</td>
<td>3.1%</td>
<td>087-B(228)T; F044801C</td>
<td>IFB</td>
<td>ADOT - Drainage Repairs, Mesa - Payson Hwy (SR 87), MP 229.6 to MP 229.9, Gila County. The work consists of damaged drainage repairs and reinstalling guardrails.</td>
<td>Iqbal Hossain, Group Manager of Contracts &amp; Specifications, at <a href="mailto:ihossain@azdot.gov">ihossain@azdot.gov</a>.</td>
</tr>
</tbody>
</table>

## External Links:

- ADOT Current Advertisements
- ADOT Advertised Alternative Delivery Projects
- ADOT Engineering Advertisements
- Bidding Opportunities Around the State
- ADOT Public-Private Partnership Initiatives

## DBE SUPPORTIVE SERVICES PROGRAM

1801 W. Jefferson St., Suite 101, Phoenix AZ
602.712.7761
DBESupportiveServices@azdot.gov

www.azdot.gov/beco
The DBE/SBC Resource Center is available for firms that are looking for instructive guidance for bidding work; technical assistance with prompt payment and certified payroll reporting requirements; and most other questions about working under the I-10 Broadway Curve Improvement Project Agreement.

The appointments will be available once weekly for 60 minutes in 20-minute increments.

Due to the COVID 19 protocols currently in place at the collocated offices, these sessions with staff from Broadway Curve Constructors (a joint venture of Pulice Construction Inc., FNF Construction Inc. and FlatIron Constructors, Inc.) will be conducted via virtual platform or conference calls.

Subcontractors may schedule an appointment by sending their areas of interest to rmoore@pffjv.com

Tuesday morning appointments: 7:20/7:45/8:10 – February 8, 15, 22
Tuesday morning appointments: 7:20/7:45/8:10 – March 8, 15, 22
Tuesday morning appointments: 7:20/7:45/8:10 – April 5, 12, 19
Design and Construction Opportunities
Hear from our Design and Construction team and learn about the Division’s functions and upcoming opportunities.

Steps to Winning that Design or Construction Job
Learn the steps to take to find information on upcoming opportunities and how to successfully be awarded that next project.

Business and Properties Opportunities
Hear from our Business and Properties team and learn about the Division’s functions and upcoming opportunities.

The “Ins & Outs” of Aviation Department Procurement Process
This session will provide information on how to successfully respond to Aviation procurements for goods, professional services, and revenue generating contracts.

Understanding the Badging Process
This session will educate attendees on our current security badging process.

Small Business Certification 101
Hear from the Equal Opportunity Department as they discuss the City’s small business certification programs: Airport Concessions Disadvantage Business Enterprise (ACDBE) Program, Disadvantaged Business Enterprise (DBE) Program, and Small Business Enterprise (SBE) Program and learn how these certifications can benefit your business.

Bidding Boot Camp
In this session you can hear from a panel of Prime and sub-contractors about their experience bidding, winning the award and meeting project requirements. This session is moderated and hosted by the Arizona Chapter Associated General Contractors of America.

Register at: https://avnbizsummit2022.eventbrite.com

For questions or reasonable accommodations requests please email sarah.moratto@phoenix.gov or call (602) 273-2024