ARIZONA DEPARTMENT OF TRANSPORTATION

FISCAL YEARS 2007 – 2011

STRATEGIC PLAN

ARIZONA DEPARTMENT OF TRANSPORTATION

Transmittal Statement

Gary Yaquinto
Governor's Office of Strategic Planning and Budgeting

This constitutes the Five Year Strategic Plan for Fiscal Years 2007 – 2011 in accordance with Laws 2002, Chapter 210. This is the final version of the ADOT Strategic Plan and it is available on the ADOT Internet site at:
http://www.azdot.gov/Inside_ADOT/fms/strategic_plan/adotplan.asp

Agency Head: Victor Mendez

Title: Director

Signature: _____   Date:

Agency Description

The Arizona Department of Transportation was established in July 1974. It is the State agency responsible for planning, developing, maintaining and operating transportation facilities for the efficient movement of people and products by surface and air throughout Arizona. The Department is also the statewide agency that registers motor vehicles and aircraft, licenses drivers, collects revenues and researches new transportation systems. It serves its customers through geographically dispersed facilities. Ten district offices oversee roadway construction and maintenance, twenty-two ports of entry check commercial vehicles for compliance with size and weight laws, and fifty-eight Motor Vehicle offices provide title, registration and driver license services.

The Mission

To provide products and services for a safe, efficient, cost-effective transportation system that links Arizona to the global economy, promotes economic prosperity and demonstrates respect for Arizona's environment and quality of life.

The Vision

The standard of excellence for transportation systems and services.

The Values

The principles and philosophies that describe how ADOT will conduct itself in carrying out its mission and vision.

INTEGRITY: We exhibit honesty, accountability and fairness in all we do. We strive to earn the public's trust!

RESPECT: We recognize that people are the foundation of ADOT's success. Diversity is a source of strength. We treat people with respect and dignity.

ACCOUNTABLE: We will hold all employees accountable for their actions.

CUSTOMER SERVICE: We strive to achieve customer satisfaction in everything we do!

SAFETY: We are committed to a safe and secure work environment.

PARTNERSHIP: We collaborate with residents, neighborhoods, elected officials, all levels of government, contractors, consultants, suppliers and other interested parties to provide a safe, cost-effective transportation system.

TEAMWORK: We combine our employee diversity with professional competency to be the standard of excellence in transportation products and services. We work together!

EXCELLENCE: We strive for excellence and continuous improvement in everything we do. We do it right!

COMMUNICATION: We will maintain clear, concise, accurate and timely communication.

EMPOWERMENT: We encourage employees to exercise personal responsibility by using the freedom to communicate, make decisions and take action in a supportive team environment. Make decisions – grow from mistakes!

LEADERSHIP: ADOT's leaders will provide: clear direction; opportunities for all to participate in the decision making process; and recognition of outstanding individual and team efforts.

Strategic Issues

These are the critical success factors that will impact ADOT's vision of being "the standard of excellence for transportation systems and services".

Maintenance – Arizona's taxpayers have a significant investment in transportation infrastructure: roads, highways, bridges, airports, buildings, etc. Protecting that investment is paramount. ADOT will employ the best asset management strategies to protect that investment.

Customer Service – Whether internal or external, ADOT must maintain a strong customer service focus. This will require a mix of strategies involving staff resources, the application of sophisticated management techniques and multiple service delivery methods that employ the application of technology.

Program Delivery – Each year the State Transportation Board adopts a Five-Year Construction Program. This is the result of a thorough, open and collaborative statewide effort by stakeholders to determine how best to safely and efficiently move goods, services and people throughout Arizona. The operating imperative is to deliver quality projects on time and on budget.

Regional Transportation System – As Arizona's urban cores continue to experience phenomenal growth, the movement of goods, services and people will continue to be an important regional success factor. Keeping pace will require the full utilization of innovative financing, retention of engineering and management expertise as well as partnering with interested parties.

Technology – To be "the standard of excellence for transportation systems" ADOT will have to develop strategies to deploy technology. This is more than just state-of-the-art hardware and software. Better technology includes better roadway designs, better construction techniques, materials that are more durable and reduce noise. Technology will be used to reduce congestion, improve safety and meet customer service demands. Technology will play a larger role in ADOT's business.

Congestion Management – As Arizona continues to grow congestion is becoming more than an urban issue. ADOT will deploy the best strategy or mix of strategies to manage congestion on the state highway system.

Safety – Highway safety is an Arizona and federal priority. ADOT, along with other entities, plays a pivotal role in making Arizona's roadways safer. Over 1,000 people die on Arizona's highways every year.   While the fatality rate per 100 million vehicle miles driven has fallen, the absolute number of deaths is a tragic consequence that requires consistent, sustained efforts to reduce.

Environmental Stewardship – Subject to 62 different federal, state, local and tribal environmental rules and regulations, ADOT will continue to integrate environmental management into its business practices.

Critical Strategic Issues

ADOT will strive to meet the challenges of all issues. However, there is a need to single out particular issues for special emphasis to successfully realize our mission and vision. They include, in no particular order of priority, the following:

Delivery of the 5-Year Construction Program

Customer Service

Accelerated Completion of the Regional Freeway System

Maintenance of the State's Transportation Facilities

Goals

1. Improve the movement of people and products throughout Arizona.

2. Increase the quality, timeliness and cost effectiveness of our products and services.

3. Develop and retain a competitively paid, high performing, successful workforce.

4. Optimize the use of all resources.

5. Enlist the public and political support necessary to meet Arizona's transportation needs.

Funding and FTE Summary - FY 2006

		FUNDING	FTE
General Fund	$	74,700	2.0
Highway Fund		364,661,800	4,285.5
Other Appropriated Funds		44,349,900	361.5
Non-Appropriated Funds		2,038,157,200	-
Federal Funds		523,410,700	-
Program Total	$	2,970,654,300	4,649.0

MOTOR VEHICLE PROGRAM:

CUSTOMER SERVICE STRATEGIC ISSUE -- Automated Business Systems: MVD's core business functions of licensing and registration are handled through software systems which in many cases are 25 years or older. These "legacy systems" are believed to be the oldest of any major state agency and are well beyond the expected normal life of software applications. The information contained in these systems is critical to the proper functioning of MVD and other governmental functions such as public safety, identity for social and other government services, transportation, education, revenue collection, distribution of taxes, fraud protection and security, as well as other vital government services. Critical information systems such as these should not be utilizing technology that was current decades before the personal computer or the Internet.

In addition to the above, requirements of the REAL ID Act (outlined in MVD's strategic issue #3) are to be implemented by all states by 2008. To successfully implement these requirements, the current automated business system should be replaced. While the Act also authorizes federal grants to pay for implementation costs, there is no identification of timing and/or amounts. The worst-case scenario is that Arizona needs to be prepared to shoulder the multi-million cost of implementing this act. Failure to comply with the provisions of this act leads to Arizona producing licenses and identification cards that "…clearly states on its face that it may not be accepted by any federal agency for federal identification or any other official purpose." For Arizona, this act effectively places a portion of the responsibility of Homeland Security on MVD.

STRATEGIC MATRIX:

Strategy	Pros	Cons	Alternative Solutions	Necessary Policy Changes	Probability for Success
1. Replace Automated Business Systems	• Save millions of dollars a year in the long-term in maintenance and training costs. • Decrease learning curves of new hires, increase overall staff processing efficiency, decrease transaction and wait times, and increase customer satisfaction. • Build in the proper controls, edits, and security to ensure that the system is reliable and accurate. • Improve state-to-state communication.	High initial costs & implementation demands due to research, programming, testing, and training Initial staff learning curves	Retain current mainframe and database structures, the viability of which are uncertain *(Possibly fund through registration compliance revenues collected as a*	Sufficient funding to replace outdated business systems	HIGH, as a stand-alone strategy

			result of "Lapsed Registration" letters; or use third party to fund and build replacement with repayment of third party costs out of future revenues; or divert a portion of DL and T&R transaction fees back to MVD)		

- Reduce fraud, mistakes, and outages.

- Improve accounting functions/capabilities for revenue analysis and forecasting, and help collect additional tax and fee revenues.

- Increase accuracy and timeliness in recording and distributing revenues (HURF, VLT, IFTA, IRP).

- Improve cash controls & oversight, reconciliation & verification, revenue analysis & forecasting, and help collect additional tax and fee revenues.

- Link databases, providing better, one-source customer information.

- Facilitate higher quality Internet and other electronic transactions.

- Enlarge available IT staffing pool familiar with newer technologies that are needed to maintain the new system.

RESOURCE ASSUMPTIONS: CUSTOMER SERVICE - Automated Business Systems

Description	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
FTEs					
Highway Fund	$500,000	$12,873,600	$12,500,000	$12,506,500	$12,542,000
Other Appropriated Fund					
Non-Appropriated Fund					
Federal Fund / Grants					
General Fund					
TOTAL FUNDS	**$500,000**	**$12,873,600**	**$12,500,000**	**$12,506,500**	**$12,542,000**

CUSTOMER SERVICE STRATEGIC ISSUE - Maintaining Acceptable Customer Service Levels throughout Division:

One of MVD's primary customer service goals is to maintain visit times that are reasonable and acceptable to most customers and stakeholders. Complicating the Division's ability to meet this goal are issues of population growth, decreasing staffing levels, increasing numbers of transactions per customer, antiquated legacy database systems, and the imposition of supplementary responsibilities that interfere with MVD's ability to fulfill its core activities. To reach this goal, MVD has focused on reducing the need for customers to visit field offices by offering alternative service modes, including use of the Internet, mail, phone, drop boxes, and third party service contractors. Even with this focus, however, additional field office staff are needed.

The Internet has been very successful in helping to absorb MVD transaction growth: FY99 Internet transactions = 62,000; FY05 = 4.24 million. Other transactions completed in FY05: 2.9 million transactions by third parties; 2.1 million calls answered by Call Center agents; and 985,000 vehicle renewals by mail. Regardless, field office transactions increased from 5.2 million to 5.9 million between FY99 and FY05.

Retaining a primary focus on office wait times has also decreased MVD's ability to respond to other critical work areas throughout the Division. Further, increasing state and federal mandates, most often issued without resources to carry out new directives, compromises MVD's ability to provide expected and needed staffing levels and quality of service. For example, Homeland Security issues relating the federal READ ID Act as well as other state and federal mandates require the integration of new systems and procedures that are overwhelming to many areas of MVD beyond the scope of the field offices.

STRATEGIC MATRIX:

Strategies (integrated approach)	Pros	Cons	Alternative Solutions	Necessary Policy Changes	Probability for Success
1. Increase staffing levels to meet service demands	• Lower visit times in field offices. • Lower telephone wait times (Call Center and Technical Support). • Decrease of tremendous backlog in data entry of records. • Dramatic increase in the collection of motor carrier taxes and fees, primarily via port-of-entry and mobile enforcement efforts. • Decreased turnaround for a growing number and types of refund requests, while also increasing ability to detect mistakes or	Additional PS/ERE costs Increased training costs in short-term due to additional staff	Replace Automated Business Systems	Adequate funding of salary and ERE	*HIGH, as a stand-alone strategy.* *HIGH and BEST, if integrated strategic approach is applied.*

	uncover potential fraudulent refund claims. • Increased customer and stakeholder satisfaction. • Less employee stress and turnover. • Improved employee morale and productivity. • Increased ability to maintain reasonable service when turnover does occur. • Decreased training costs in long-term due to lower turnover rates.				
2. Resolve salary inequities, raise salaries overall, and develop career paths	In addition to Strategy #1 above, • Stabilized, effective, and efficient core group of staff. • Maintain program expertise and professionalism. • Increased ability to attract and recruit highly qualified candidates when vacancies exist.	Additional PS/ERE costs	Replace Automated Business Systems	Adequate funding of salary and career path programs	*MODERATE TO HIGH, as a stand-alone strategy.* *HIGH and BEST, if integrated strategic approach is applied.*
3. Replace Automated Business Systems	• All bullets items already listed in the strategic issue entitled, "Automated Business Systems."	See "Automated Business Systems" above	See "Automated Business Systems" above	See "Automated Business Systems" above	See "Automated Business Systems" above
4. Lift third party moratorium	• Reduce transactions in field offices, thereby reducing visit times. • Increase public/private partnerships.	Would require more MVD quality assurance staff to ensure third party compliance with procedures Increased training costs due to new companies and staff Increased	Replace Automated Business Systems Increase MVD field office staff	Lifting of moratorium	*MODERATE, as a stand-alone strategy.* *HIGH, if integrated strategic approach is applied.*

		financial oversight requirements Increased transaction costs to customer			
5. Promote statutory changes	• Increase revenues by ensuring transaction and service fees cover costs. • Dramatically reduce revenue accounting and collection difficulties presented by two-tier fuel tax system. • Clarify Director's discretionary authority regarding decisions to make transactions electronically available. • Medical review authority to take action according to federal guidelines. • DPPA conformity. • Ensure accurate application to current practices.	Controversy surrounding any new legislation	None	Legislative process	*MODERATE TO HIGH, as a stand-alone strategy.* *HIGH and BEST, if integrated strategic approach is applied.*

OTHER SUPPORTING ALTERNATE STRATEGIES THAT MAY BE USED IN CONJUNCTION WITH STRATEGIES 1-4 TO ADDRESS FIELD OFFICE VISIT TIMES

- Continue promoting alternative methods for completing transactions, especially via the Internet.

- Track and monitor CS staffing and expenditures at an office level. This would require additional staffing in the MVD Executive Services Group (ESG) budget unit.

- Develop a cadre of staff trained in multiple disciplines, including but not limited to numerous aspects of the Customer Service program, who would be paid at a higher rate with the expectation that they can handle almost any job and be deployed almost anywhere in the state to meet customer demands.

- Develop steps for advancement within the CS program, with appropriate salary compensation, that offer incentives for staff retention as well as incentives for staff to willingly assume more responsibilities. Progressions might include: Leads/Technical Expects, Supervisor-in-Training, and the Multi-disciplinary Experts already mentioned above. Also develop steps within the salary ranges that will move a satisfactory employee through the assigned range.

- Benchmark with other agencies to identify additional strategies and advanced technologies that might prove beneficial.

- Return to the practice of filling limited positions, while intently monitoring spending of PS/ERE dollars to avoid any projected deficits; and reallocate staff to other offices in a limited capacity.

RESOURCE ASSUMPTIONS: CUSTOMER SERVICE - Maintaining Acceptable Customer Service Levels throughout Division

Description	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
FTEs	25	210	119	68	64
Highway Fund	$19,821,232	$55,712,998	$40,283,244	$12,141,862	$10,871,856
Other Appropriated Fund					
Non-Appropriated Fund					
Federal Fund / Grants					
General Fund					
TOTAL FUNDS	**$19,821,232**	**$55,712,998**	**$40,283,244**	**$12,141,862**	**$10,871,856**

CUSTOMER SERVICE STRATEGIC ISSUE - Identity, Data, and Other Theft/Fraud; Federal REAL ID Act: Identity theft and fraud is the fastest growing crime in the United States and Arizona ranks number one in the nation in the number of identity theft victims. In their February 2005 report entitled, "National and State Trends in Fraud & Identity Theft," the Federal Trade Commission (FTC) stated that 36.6 million Americans have been victims of identify theft. The FTC further reported that in 2003, losses to businesses and financial institutions from identity theft totaled nearly $56.2 billion while consumer victims reported $5 billion in personal losses.

Driver licenses and identification cards have become the standard for providing proof of identity and are the principal target for theft and fraud. More thorough enforcement will require enhanced business systems to generate better reporting, audit trails, title and transaction controls, a more thorough history and record of transactions, and more user-friendly inquiry systems to view the history of a record.

In May 2005, the "Real ID Act" was signed into law, which requires states by 2008 to:
- Verify that applicants for drivers license or identification card are U.S. citizens or lawful residents;
- Incorporate new authentication features into driver licenses and identification cards that are designed to prevent counterfeiting;
- Increase each state's ability to store digital images of applicants.

The law will improve verification procedures to minimize vulnerabilities to homeland security, immigration law, voter fraud, credit markets, federal and state benefits, and other criminal activity.

The language of the REAL ID Act authorizes federal grants with no identification of timing and/or amounts. The worst-case scenario is that Arizona needs to be prepared to shoulder the multi-million cost of implementing this act. Failure to comply with the provisions of this act leads to Arizona producing licenses and identification cards that "…clearly states on its face that it may not be accepted by any federal agency for federal identification or any other official purpose." For Arizona, this act effectively places a portion of the responsibility of Homeland Security on MVD.

STRATEGIC MATRIX:

Strategies (integrated approach)	Pros	Cons	Alternative Solutions	Necessary Policy Changes	Probability for Success
1. Replace Automated Business Systems and Complete Other needed	In addition to pros already written about this strategy, • The GAO reported that improved technology and software applications are critical to addressing this issue.	See "Automated Business Systems" above	See "Automated Business Systems" above	See "Automated Business Systems" above	See "Automated Business Systems" above

	Programming				
2.	Increase staffing levels	In addition to pros already written about this strategy, • Ability to scrutinize field office transactions more thoroughly. • Greater scrutiny achieved without lengthening overall customer visit time.	See "Increase Staffing Levels" above	See "Increase Staffing Levels" above	See "Increase Staffing Levels" above

RESOURCE ASSUMPTIONS: CUSTOMER SERVICE - Identity, Data, and Other Theft/Fraud; Federal REAL ID Act

Description	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
FTEs					
Highway Fund	$1,270,400	$1,343,800	$300,000	$300,000	$300,000
Other Appropriated Fund					
Non-Appropriated Fund					
Federal Fund / Grants					
General Fund					
TOTAL FUNDS	**$1,270,400**	**$1,343,800**	**$300,000**	**$300,000**	**$300,000**

STRATEGIES IMPACTING MEASURES						
MVD FY 2006 PERFORMANCE MEASURES RELATED TO STRATEGIC ISSUES	**Replace Automated Business Systems**	**Increase staffing levels**	**Resolve salary inequities, raise salaries overall, and develop career paths**	**Lift Third Party Moratorium**	**Build and Remodel Facilities**	**Promote Statutory Changes**
Achieve an average customer total visit time (door-to-door) in field offices of 35.5 minutes or less.	X	X	X	X	X	X
Increase the number of Internet and IVR transactions and activities to 4.7 million.	X	X	X		X	X
Ensure at least 77.9% of all vehicle registration renewals are completed through alternate methods.	X	X	X	X		X
Increase the total number of third party transactions to 3,290,200.	X	X	X	X		X
Ensure third parties complete 32% of all abandoned vehicle inspections.	X	X	X	X		X
Ensure third parties complete 27% of all Level I vehicle inspections.	X	X	X	X		X
Achieve 27.2 million electronic MVR transactions for commercial customers.	X	X	X			X
Issue 20% of all lien titles electronically.	X	X	X			X
Reduce average Call Center Level II wait time to 12 minutes.	X	X	X			X
Answer 81% of Tech Support service calls within 2 minutes or less.	X	X	X	X		X
Ensure that 83% of all DUI investigations are processed within 10 days.	X	X	X			X
Achieve at least a 2:1 revenue return ratio as a result of fuel tax evasion enforcement efforts.	X	X	X			X
Increase the collection of direct revenues to $26,935,192 as a result of registration compliance enforcement efforts.	X	X	X			X
Reduce late or inaccurate supplier and restricted distributor tax reports that result in a Taxpayer Notification to 15% of the total filed.	X	X	X			X
Weigh 8,200 commercial vehicles utilizing mobile enforcement.	X	X	X			X

Maintain waved-thru traffic at 1.0% of all commercial vehicle traffic identified at the fixed ports (POEs) during hours of operation.	X	X	X		X	X
Achieve an average processing time of 40 days for all Citations and Civil Batch Cons Records.	X	X	X			X
Achieve an average processing time of 27.2 days for all Mandatory Insurance records.	X	X	X			X
Establish a baseline for Combined Records average processing time.	X	X	X			X
Establish a baseline for average processing of all Microfilm Title & Registration (T&R) transactions.	X	X	X			X

INTERMODAL TRANSPORTATION PROGRAM:

MAINTENANCE STRATEGIC ISSUE - Arizona taxpayers have made a very significant investment in the State's transportation infrastructure. Protecting that investment is vital to the State's economic growth and prosperity. ADOT will employ the best asset management strategies to protect that investment.

Every year highway safety and the addition of new features to the State highway system require the submission of requests for additional maintenance funding. This process will continue as the existing system ages and also is expanded through the addition of HOV lanes, general-purpose travel lanes, auxiliary lanes, frontage roads and traffic interchanges. In addition to maintaining the status quo, the Intermodal (ITD) Division is aggressively pursuing new best management practices related to waste and storm water compliance issues, which must be addressed after completion of construction. These are not one-time expenses and the Arizona Department of Environmental Quality monitors ADOT's compliance.

Additional funding is required to operate and maintain new miles that are added to the State highway system each year as a result of new construction. Currently, there is no funding link between the construction of these new highway miles and the cost to maintain them. New miles of urban freeway require additional in-house resources and/or contracts to maintain landscaping, pick-up litter, repair cable barrier, sweep roadside debris, maintain signs and pavement striping, repair guardrail and crash attenuators, maintain drainage facilities and respond to crashes. Added miles also increase electricity costs for new roadway lighting and signals. While new features or safety enhancements are made, ITD is still required to take care of the existing inventory in order to extend its life cycle. Delays in preventive maintenance decrease the life cycle of the items in the feature inventory.

The maintenance staff has been challenged to meet the needs of maintaining new features with static or declining resources while preserving the existing system. The most visible result has been concern and comments relative to litter, landscaping and vegetation control, while the less visible maintenance activities such as pavement repair, drainage repair and roadside work, when safe to delay, have been reduced in frequency.

STRATEGIC MATRIX:

STRATEGIES	PROS	CONS	Alternative Solutions	POLICY CHANGE	SUCCESS FACTOR
1. Link funding to levels of service.	Keeps pace with new features. Improve frequency of routine maintenance. Public satisfaction increased.	In short run - essential maintenance needs not met. In longer run – useful life of investment is significantly reduced.	Pilot Program authorizing the Transportation Board to allocate the dollars to maintenance. Defer/delay landscape construction. Defer/delay non-safety maintenance activities. Reallocate construction funding to fund maintenance.	Legislative approval required.	HIGH, as a stand-alone strategy. MODERATE to HIGH, if alternative solutions are applied.
2. Apply Life Cycle Costing to maintenance operation costs for new features added to system.	Maintenance and operating costs are automatically allocated to operating budget. Provides justification for operating budget increases.	Essential maintenance needs not met.	Include maintenance and operational cost component in the total program cost for new features.	Legislative approval required.	HIGH, as a stand-alone strategy. MODERATE to HIGH, if alternative solution is applied.

RESOURCE ASSUMPTIONS: MAINTENANCE

DESCRIPTION	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
FTEs	41.0	18.0	18.0	15.0	12.0
Highway Fund	$ 11,100,000	$ 4,500,000	$4,500,000	$3,800,000	$3,200,000
Other Appropriated Fund					
Non-Appropriated Fund					
Federal Fund / Grants					
General Fund					
TOTAL FUNDS	**$ 11,100,000**	**$ 4,500,000**	**$4,500,000**	**$3,800,000**	**$3,200,000**

DELIVERY OF THE 5-YEAR CONSTRUCTION PROGRAM STRATEGIC ISSUE - Each year the State Transportation Board adopts a Five Year Construction Program. This Program is the result of a thorough, open and collaborative effort with stakeholders statewide to select and prioritize transportation projects. The operating imperative is to deliver all projects on time, within budget and in quality condition.

ADOT will seek ways to maximize the delivery of the Construction Program within the parameters of what the revenue streams allow. The results will focus on a system that improves safety, mobility, accessibility, congestion relief and improve travel times. Delivery improvements will incorporate the design and construction process changes relative to wastewater and storm water environmental issues.

STRATEGIC MATRIX:

STRATEGIES	PROS	CONS	ALTERNATIVE SOLUTIONS	POLICY CHANGE	SUCCESS FACTOR
Accelerate delivery of the construction program to the extent resources allow.	Addition of new travel lanes. Reduce congestion. Increase safety. Improve travel times.	Increased congestion. Increased travel times.	Alternative funding sources e.g. private funding, public/private partnerships, toll roads, toll lanes, etc.	Some policy changes necessary	**HIGH, as a stand-alone strategy.** MODERATE to HIGH, if alternative solution is applied.

RESOURCE ASSUMPTIONS: DELIVERY OF THE 5-YEAR CONSTRUCTION PROGRAM

DESCRIPTION	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
FTEs	9.0	5.0	5.0	5.0	5.0
Highway Fund	$1,100,000	$625,000	$252,000	$252,000	$ 252,000
Other Appropriated Fund					
Non-Appropriated Fund					
Federal Fund / Grants					
General Fund					
TOTAL FUNDS	**$1,100,000**	**$ 625,000**	**$252,000**	**$ 252,000**	**$ 252,000**

ACCELERATED COMPLETION OF THE REGIONAL FREEWAY SYSTEM STRATEGIC ISSUE - As Arizona's urban cores continue to experience extraordinary growth, the movement of goods, services and people will continue to be a significant regional success factor. Keeping pace with the high rate of growth will require the full utilization of innovative financing, retention of engineering and management expertise as well as partnering with interested parties. This is especially true for completion, on an accelerated timeline, of the 1985 voter approved Maricopa Regional Freeway System. ADOT will complete the construction on the current program by December 2007. Arizona voters approved a 20-year extension of the ½ cent sales tax (Proposition 400) in November 2004. This extension, which ends on December 31, 2025, will generate an estimated $8.5 billion in current dollars for new or expanded freeways as well as provide an average of $11 million per year for improvements in landscape care and restoration, litter control and roadway sweeping.

STRATEGIC MATRIX:

STRATEGY	PROS	CONS	ALTERNATIVE SOLUTIONS	POLICY CHANGE	SUCCESS FACTOR
Accelerate delivery of the construction program to the extent resources allow.	Reduce congestion. Increase safety. Improve travel times. Keep commitment to the community.	Increased congestion. Increased travel times.	None	None	HIGH

RESOURCE ASSUMPTIONS: ACCELERATED COMPLETION OF THE REGIONAL FREEWAY SYSTEM

DESCRIPTION	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
FTEs	13.0	5.0	5.0	3.0	3.0
Highway Fund / RARF	$7,685,000	$12,770,000	$14,250,000	$15,190,000	$15,600,000
Other Appropriated Fund					
Non-Appropriated Fund					
Federal Fund / Grants					
General Fund					
TOTAL FUNDS	**$7,685,000**	**$12,770,000**	**$14,250,000**	**$15,190,000**	**$15,600,000**

Note: The term "current dollars" are amounts that are adjusted to include inflation.

INTERMODAL TRANSPORTATION PROGRAM PERFORMANCE MEASURES:

PERFORMANCE MEASURES RELATED TO STRATEGIC ISSUES	STRATEGIES TO ADDRESS ISSUE AND RELATION TO PERFORMANCE MEASURES		
	Link funding to levels of service	Apply Life Cycle Costing to maintenance operation costs for new features	Accelerate delivery of the construction program to the extent resources allow
Increase the total maintenance travel lane miles open to traffic to 26,620	X	X	X
Maintain an International Roughness Index (IRI) smoothness rating factor of less than 171 (mediocre) on at least 95% of State highways	X	X	
Attain a Level of Service (LOS) in which 80% of the State Highway System is maintained at minimum acceptable standards	X	X	
Increase the total travel lane miles open to traffic to 18,810	X		X
Increase the travel lane miles in the Maricopa Regional Freeway System open to traffic to 921	X		X
Ensure that the Transportation Board awards a minimum of 100% of the total construction dollars planned to be awarded	X		X