



ARIZONA DEPARTMENT OF TRANSPORTATION

206 South Seventeenth Avenue Phoenix, Arizona 85007

BRUCE BABBITT
Governor

December 14, 1981

WILLIAM A. ORDWAY
Director

Honorable Margaret Hance
Mayor of Phoenix
251 West Washington
Phoenix, Arizona 85003

Dear Mayor Hance,

This letter is written to provide you with up-to-date information on the present status of the Papago Freeway and to furnish you with very preliminary construction scheduling information.

As you know, we have recently received conditional location approval from Mr. Thomas Willett of the FHWA on the Moreland Corridor alignment. This conditional approval permits us to move ahead with the design process. The next major step is the Design Public Hearing being held tomorrow at the Phoenix Civic Plaza. I know Phoenix will be represented there, and we will continue to solicit your input and recommendations as the work progresses.

After the hearing input has been evaluated, a design report will be prepared and forwarded to the FHWA for its approval. Meanwhile, we expect to have received the comments from the Advisory Council on Historic Preservation so that unconditional approval of the location may be given (anticipated by April, 1982) and that any mitigation measures required by them may be incorporated into the design.

The enclosed Interstate 10 Completion Schedule is our preliminary estimate of the time and funding requirements for the various segments of the facility. You will note that the Schedule calls for construction work to be in progress simultaneously at several locations. This Schedule represents an optimistic, but attainable, goal if Interstate funding commensurate with estimated costs will be provided by Congress.

Arizona's estimated apportioned share of Federal funds set aside for Interstate will not satisfy this goal. This is made even worse by Congressionally-set limits which do not let us spend the full amount of our apportionments. I've attached a brief explanation of this difficult funding process if you care to look at it.

Herein lies our dilemma: we have an arduously planned-for project finally receiving Federal approval only to find the flow of Federal funding will fall short of our ability to go to construction. As the attached Schedule shows, we anticipate a shortage of \$655 million on Interstate apportionments by 1987 if the current rate of Federal funding to Arizona is not changed.



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Discretionary or additional funding over and above a State's normal share can be made available for Interstate segments which are ready to go to construction. The problem is that under current regulations this discretionary money must fall within each State's obligation limitation. This requirement makes the use of discretionary funding essentially useless as long as obligation limits are in place.

We believe there is little likelihood that the current economic situation will change sufficiently for Congress or the Administration to remove the funding ceilings and accelerate the flow of Federal funds within the next couple of years. We do, however, intend to aggressively pursue the design activity to be in a position to receive and use any added funds which may become available.

We have made the U. S. Department of Transportation completely aware of these circumstances through meetings and consultation with Mr. R. A. Barnhart, Federal Highway Administrator, and his staff. I am confident we have their attention and sympathy, but a continued effort by all who have Washington contacts is needed to make the Administration and Congress aware that in the next few years we will need much larger than usual Interstate apportionments and obligation authority levels made available to Arizona if we are to complete the Papago Interstate gap in this decade.

I hope this material is helpful. We value your continued cooperation and strong support of this project.

Cordially,

W. A. ORDWAY
Director

WAO:bg
Encls.

cc: T. O. Willett, FHWA

