

NEWS

For Immediate Release: May 18, 2009 Contact: ADOT Media Relations ADOT Media Line: 1.800.949.8057

Economic recovery projects on fast track to fast savings

First six projects awarded contracts; produce cost savings of \$3 million

PHOENIX—As summer approaches, so does the beginning of construction for several highway projects funded by the American Recovery and Reinvestment Act. The Arizona Department of Transportation has been busy moving these 41 projects forward through the bid process – and realizing cost savings that will help boost the state's economy.

Six ARRA projects were awarded construction contracts by the State Transportation Board last Friday and are expected to break ground in the next several weeks. Those six projects have already produced an estimated cost savings of \$3 million in ARRA funds, money that will likely be reinvested in additional ARRA projects throughout the state. The cost savings are attributed to a trend of low bids for projects.

A total of 34 ARRA projects have been advertised for bids. The remaining seven will be advertised during the next few weeks. Of the 34 that have been advertised, 21 have gone through the bid opening process and have received bids from construction companies. Once an apparent low bidder is determined for each project, the bid is verified by ADOT. The State Transportation Board then formally approves construction contracts during its regular monthly meetings.

The bid process has resulted in a considerable cost savings for ADOT, as the struggling economy works in favor of lower bids for projects. Nearly all of the advertised ARRA projects are coming in under ADOT estimates. The 21 projects that have received apparent low bids have come in at a total of \$67.5 million during the bid process. The state's estimate to carry out those projects was \$82.6 million, which results in a potential cost savings of \$15 million for all 21 projects that have received bids.

ADOT's economic recovery projects bring two major benefits to the state that will be felt by all Arizonans. They are designed to enhance our state highway system to provide wider and safer roadways that handle increased capacity and cut down on congestion. And just as importantly, these projects are also designed to put thousands of Arizonans back to work. More than 6,000 direct construction jobs will be created or sustained through these ARRA projects.

ADOT will receive an estimated \$350 million in ARRA funds for highway projects around the state. Here's how the funds will be distributed: Maricopa County will receive \$130 million for five projects, Pima County will receive \$46 million for eight projects, and the 13 other counties in Greater Arizona will receive \$175 million for 28 projects.

For more information about ADOT's ARRA projects, log on to www.azdot.gov/recovery.