



City Council Report

Date: December 1, 2025
To: City Council
Through: Marc Heirshberg, Assistant City Manager
From: Erik Guderian, Interim Transportation Director
Sabine King, Supervising Engineer
Subject: Mountain Road: State Route 24 to Pecos Road Project
CIP Project No. CP1136
Project Agreement with Maricopa Association of Governments. Project
Agreement No. 26-MOU-10-03
(Council District No. 6)

Purpose and Recommendation

The purpose of this report is to request the approval of a Resolution authorizing the City Manager to enter into a Project Agreement (PA) between the Maricopa Association of Governments (MAG) and the City of Mesa.

The PA is for Mountain Road: State Route 24 to Pecos Road Project (CP1136) Arterial Life Cycle Program (ALCP) project (RTP Project # ACI-MOU-10-03) which defines the regional reimbursement schedule for the Project.

Refer to Exhibit "A" for the location map of the project.

Staff recommend that Council approve this Resolution, authorizing Staff to seek ALCP reimbursements.

Background

In November 2004, the voters of Maricopa County approved a transaction excise tax (Proposition 400) for the purpose of implementing the Regional Transportation Plan (RTP). The arterial street component of the RTP, defined in the ALCP, includes major arterial streets and intersection improvements (Arterial Street Improvements) with a revenue allocation.

The Federal Highway Administration (FHWA) allocated Surface Transportation Block Grant Program (STBG) and Congestion Mitigation and Air Quality (CMAQ) funds to the MAG region as sources of revenue. These are administered by the Arizona Department of Transportation (ADOT) and are eligible to be used to implement the RTP.

Discussion

Funds for ALCP are administered by the ADOT through its Regional Arterial Road

Fund (RARF) sub-account for arterial streets, and through allocations of the Federal Highway Administration's STBG and CMAQ funds that are allocated to the MAG region and administered by ADOT. Funds will be disbursed by ADOT once federal, state or local requirements are satisfied (as applicable), and upon the presentation of an invoice approved or reviewed with concurrence by MAG as provided in this Agreement.

The ALCP includes the following:

This project will reconstruct and widen Mountain Road between Pecos Road and State Route 24 to include two through lanes in each direction and a center turn lane. To enhance safety and multimodal travel and improve drainage, the scope includes new bike lanes, sidewalks, ADA ramps, and streetlighting.

This Project is described in greater detail in the Project Overview submitted by the City, dated November 30, 2023 and on file in the offices of the City and MAG.

Alternatives

The City Council could choose not to enter into this Project Agreement with MAG. The City's lack of participation would prevent the City from receiving eligible ALCP reimbursement.

Fiscal Impact

The Mountain Road: State Route 24 to Pecos Road Project (CP1136) is an ALCP project and Mesa is eligible for reimbursement for 70% of the project total cost or up to \$9,487,721, whichever is less. If the PA is not approved, then Mesa is no longer eligible for these. The total project cost is estimated at \$13,553,887 and Mesa must upfront the money as the ALCP is a reimbursement program.

A breakdown of the total estimated construction cost for the Project is as follows:

Project Description	Total Estimated Project Cost	MAG Estimated Contribution	City's Estimated Contribution
Mountain Road: State Route 24 to Pecos Road	\$13,553,887	\$9,487,721	\$4,066,166

Coordinated With

This Agreement has been coordinated with the Engineering Department, the Office of Management and Budget, and Financial Services.