# 2010 Annual Report

## On the Status of the Implementation of Proposition 400

MAG Management Committee
October 13, 2010

MARICOPA ASSOCIATION of GOVERNMENTS

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# Background

- A.R.S. 28-6354 requires that MAG annually issue a report on the status of projects funded through Proposition 400:
  - Freeway Life Cycle Program
  - Arterial Life Cycle Program
  - Transit Life Cycle Program

- Public Hearing in November.

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# Background

- Parallel process to update the Regional Transportation Plan and the life cycle programs.
- Deferred projects remain in the Regional Transportation Plan, which extends through FY 2031.
- Regional Transportation Plan – 2010 Update approved on July 28, 2010.

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# Regional Revenues

- Fiscal Year 2010 half-cent sales tax receipts were 8.9% lower than the receipts from FY 2009.
- This is the third consecutive decline in year-over-year receipts.
- Since FY 2007 the year-over-year decreases have been: 3.1%, 13.7% and 8.9%.

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# Regional Revenues

- Current forecast for half-cent revenues through FY 2026 is 6.2% lower than prior forecast.
- Estimates of revenues for the 20-year life of the tax have decreased by 26%.

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# Freeway Life Cycle Program

- A major imbalance between costs and revenues was identified in FY 2009 and measures to rebalance the program were pursued in FY 2010, including:
  - Value engineering
  - Project re-scoping
  - Project deferrals
  - Program management
  - Updated cost estimates

- $2.4 billion cost savings.

- $4.4 billion project deferrals.

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# Freeway Life Cycle Program

- Balance restored between estimated future costs and projected revenues.

| | FY 11-26 |
|---|---|
| - Future Costs: | $8.3 B |
| - Projected Revenues: | $8.4 B |

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# Freeway Life Cycle Program

- Major projects retained within the original FY 2026 horizon:
  - Loop 202/South Mountain Freeway.
  - Loop 303 (I-17 to I-10).
  - HOV lane system.
  - Improvements to the inner freeway network (e.g., I-10, I-17).

- Major projects deferred beyond FY 2026:
  - SR 801 (renumbered to SR 30).
  - SR 802 final construction (renumbered to SR 24).
  - Loop 303 (I-10 to SR 801).
  - General purpose lanes on outer freeways.
  - Several interchanges with arterials and direct HOV ramps.

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# Freeway Life Cycle Program

There has been significant progress since the start of the program in FY 2006:

- 14 Miles of new freeways are under construction.
- 119 Miles of new HOV lanes on existing freeways have been completed or are underway.
- 60 Miles of new general purpose lanes on existing freeways and highways have been completed or are underway.
- 13 Projects to install or improve interchanges on existing freeway have been completed or are underway.

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# Arterial Streets Life Cycle Program

- Through FY 2010, 20 ALCP projects have been completed.
- $62 million in reimbursements were distributed in FY 2010, for a total of $178 million since the beginning of the program.
- Lead agencies have deferred the use of $38 million in federal and regional funding from FY 2010 to later years.

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# Arterial Streets Life Cycle Program

- In FY 2009, $22 million in reimbursements were shifted beyond FY 2026 to achieve a balanced program. These adjustments were retained in the FY 2010 program update.

- During the next five years work will proceed on various phases of 87 different projects.

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# Arterial Streets Life Cycle Program

- Balance maintained between estimated future costs and projected revenues.

| | FY 11-26 |
|---|---|
| - Future Reimbursements: | $1.5 B |
| - Projected Revenues: | $1.6 B |

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# Transit Life Cycle Program

- Balanced program was achieved in FY 2009 by delaying the implementation of numerous projects.
- During FY 2010, the program was refined further, especially service levels on supergrid regional bus routes, to allow more routes to be retained.
- Shift from bus capital to operations expenditures.

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# Transit Life Cycle Program

- Balance maintained between estimated future costs and projected revenues.

| | FY 11-26 |
|---|---|
| - Future Costs: | $4.6 B |
| - Projected Revenues: | $4.8 B |

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# Transit Life Cycle Program

- Major projects within the original FY 2026 horizon:
  - 16 BRT/express bus routes.
  - 24 Regional grid bus routes.
  - 25.7 Miles of HCT/LRT.

- Major projects deferred beyond FY 2026:
  - 15 BRT/express bus routes.
  - 9 Regional grid bus routes.
  - 12 Miles of HCT/LRT (N.E. Phoenix Link).

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# Transit Life Cycle Program

- There has been significant progress since the start of program:

  - Light rail starter system opened.
  - 11 BRT routes implemented.
  - 7 Regional bus grid routes implemented.
  - 7 Additional new bus routes over next five years.

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# Ongoing Issues

- Economic recovery and transportation revenue collections.
- Federal transportation funding.
- Project scope/cost updates and program adjustments.

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## On the Status of the Implementation of Proposition 400

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