2014 Annual Report

On the Status of the Implementation of Proposition 400

MAG Management Committee
November 5, 2014

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 on November 18, 2014.

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Regional Revenues

- **FY 2014 Collections:**
  - 7.0% increase for half-cent sales tax.
  - HURF revenues 2.6% higher.
  - Half-cent receipts for FY 2014 remain 6.5% lower than those in FY 2007.

- **Forecasts through FY 2026:**
  - 0.4% increase in half-cent sales tax.
  - 5.7% decrease in ADOT funds.
  - Federal revenues somewhat lower.

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Freeway Life Cycle Program

- **Positive ending balance** for revenues vs. costs during FY 2015-FY 2023.
- **Funding deficit** of approximately $162 million was estimated through FY 2026.
- **Program will be reviewed** by MAG and ADOT during FY 2015.

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Freeway Life Cycle Program

Significant progress during FY 2014:

- **Completed**
  - SR 24 (Loop 202/Santan to Ellsworth Rd.): Construct interim freeway.
  - Loop 101/Maryland Ave.: Construct Direct HOV ramps.
  - Loop 303 (Thomas Rd. to Camelback Rd.): Construct new freeway.
  - Loop 303 (Camelback Rd. to Glendale Ave.): Construct new freeway.
  - Loop 303 (Peoria Ave. to Mountain View Blvd.): Construct new freeway.

- **Advertised for Bids or Under Construction**
  - I-10/Perryville Rd.: Construct new interchange.
  - US 60 (71st Avenue to McDowell Road): Roadway improvements. *
  - Loop 101 (Shea to 202 Red Mountain): Add GP lanes.
  - Loop 202 (Loop 101 to Broadway Road): Add GP and HOV lanes (DB).
  - Loop 303/I-10: Construct new system interchange (Phase I). *
  - Loop 303 (Glendale Ave. to Peoria Ave.): Construct new freeway. *
  - Loop 303 (US 60 to Happy Valley Road): Construct new freeway (DB).
  - Loop 303 El Mirage Road TI: Construct new interchange.

* Now completed.

- **$766 Million Programmed for Projects in FY 2015**

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Arterial Street Life Cycle Program

- **Small funding imbalance** through FY 2026 with costs 2.8% greater than revenues.
- **No project deferrals** were necessary, benefiting from the elimination of bonding and inflation allowances.
- **Program monitored continuously** by MAG to maintain reasonable balance between costs and revenues.

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Arterial Street Life Cycle Program

- **$69 million** was reimbursed to lead agencies in FY 2014, for completed projects and projects underway.
- **$479 million** has been disbursed and 48 arterial projects have been completed through FY 2014. In addition, $40 million has been disbursed for ITS projects.
- **$78 million** in reimbursements anticipated during FY 2015.

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Transit Life Cycle Program

- **Estimated future costs and revenues** are in balance through FY 2026, with a $4 million positive ending balance.

- **Balance was achieved** by finding operational efficiencies, including consolidating operating contracts. The TLCP is a dynamic program updated based on changing economic conditions, development patterns, local priorities and availability of funding.

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Transit Life Cycle Program

Significant progress since the start of program:

- **Expanded Bus Service**
  - 14 BRT routes implemented.
  - 19 Regional bus grid routes have received funding.
  - 3 Additional bus routes will receive funding over next five.
  - Ongoing operations funding.
- **LRT Extensions**
  - Mesa Dr. Extension target opening November 2015.
  - Northwest Extension (Phase I) target opening July 2016.
  - Tempe Streetcar target opening August 2018.
  - Gilbert Rd. Extension target opening October 2019.
- **Light Rail Starter Segment**
  - 12% increase in annual boardings (2011-2013).
  - Half-cent sales tax for elements of the support infrastructure.
  - No half-cent sales tax for operations funding.

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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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