

# 2013 Annual Report

## On the Status of the Implementation of Proposition 400

MAG Management Committee  
November 6, 2013





## 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 25, 2013.



## Regional Revenues

### ■ FY 2012 Collections:

- 5.4% increase for half-cent sales tax.
- HURF revenues were flat.
- Half-cent receipts for FY 2013 remain 12.6% lower than those in FY 2007.

### ■ Forecasts through FY 2026:

- 0.7% decrease in half-cent sales tax.
- 23.3% decrease in ADOT funds.
- Federal revenues significantly lower.



## Freeway Life Cycle Program

- Positive ending balance for revenues vs. costs during FY 2014- FY 2018.
- Funding deficit of approximately \$444 million was estimated through FY 2026.
- Program under review by MAG and ADOT to restore balance between costs and revenues.



# Freeway Life Cycle Program

## Significant progress during FY 2013:

### ■ Completed

- US 60 (Loop 101 to 71<sup>st</sup> Ave.): Roadway improvements.
- SR 85 (at B-8/Maricopa Rd.): Reconstruct intersection.

### ■ Advertised for Bids or Under Construction

- I-10/Perryville Rd.: Construct new interchange.
- SR 24 (Loop 101 to Ellsworth Rd.): Construct interim freeway.
- US 60 (71<sup>st</sup> Ave. to Van Buren St.): Roadway improvements.
- Loop 101/Maryland Ave.: Construct HOV ramps.
- Loop 303/I-10: Construct new system interchange.
- Loop 303 (Thomas Rd. to Camelback Rd.): Construct new freeway.
- Loop 303 (Camelback Rd. to Glendale Ave.): Construct new freeway.
- Loop 303 (Glendale Ave. to Peoria Ave.): Construct new freeway.
- Loop 303 (Peoria Ave. to Mountain View Blvd.): Construct new freeway.

### ■ \$523 Million Programmed for Projects in FY 2014



## Arterial Street Life Cycle Program

- Small funding imbalance through FY 2026, with costs 2.4% greater than revenues -- within the variance of revenue projections.
- 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.



## Arterial Street Life Cycle Program

- **\$52 million** was reimbursed to lead agencies in FY 2013, for completed projects and projects underway.
- **\$374 million** has been disbursed and 41 arterial projects have been completed through FY 2013. In addition, \$40 million has been disbursed for ITS projects.
- **\$84 million** in reimbursements anticipated during FY 2014.



## Transit Life Cycle Program

- Estimated future costs and revenues are in balance through FY 2026, with a \$60 million positive ending balance.
- Balance was achieved by delaying the implementation of projects, reducing the scope of projects, and identifying other cost savings.



## 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.
- 6 Additional bus routes will receive funding over next five.
- Ongoing operations funding.

### ■ LRT Extensions

- Northwest Extension (Phase I) completion in FY 2016.
- Mesa Dr. Extension completion in FY 2016.
- Tempe Streetcar completion in FY 2017.
- Gilbert Rd. Extension completion in FY 2018.

### ■ Light Rail Starter Segment

- 48,000 boardings per day – over 50 percent higher than projected.
- Half-cent sales tax for elements of the support infrastructure.
- No half-cent sales tax for operations funding



## Audit of the Regional Transportation Plan

- Performance audit of the RTP released on December 21, 2011.
- Audit found "No substantial evidence to warrant drastic modifications to the transportation system (plan) or specific projects".
- RTP partners have substantially implemented all of the 27 audit recommendations.



## Ongoing Issues

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

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