2013 Annual Report

On the Status of the Implementation of Proposition 400

MAG Transportation Review Committee
December 12, 2013

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 25, 2013.

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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.

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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.

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Freeway Life Cycle Program

Significant progress during FY 2013:

- **Completed**
  - US 60 (Loop 101 to 71st 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 (71st 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**

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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.

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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.

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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.

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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.
  - 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

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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 continued to follow through on implementation of audit recommendations.

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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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