



MEMORANDUM

Date: August 1, 2013

To: The Honorable Chairman and Members
Pima County Board of Supervisors

From: C.H. Huckelberry
County Administrator 

Re: **Use of Highway User Revenue Fund Bonds for Pavement Preservation**

There seems to be some misconception that Highway User Revenue Fund (HURF) bonds are restricted and prevented from being used to accelerate pavement preservation in Pima County. Such is incorrect. The following question was placed before the voters in 1997 and received approval by 57 percentage of the votes cast:

"Shall Pima County be authorized to issue and sell street and highway user revenue bonds in an aggregate principal amount not exceeding \$350,000,000 for the purpose of improving, constructing, reconstructing, acquiring rights of way for or maintaining county streets and highways, and to pay all expenses properly incidental thereto and to the issuance of such bonds, such bonds to be payable solely from revenues derived from taxes, fees, charges and other moneys collected by the State of Arizona and returned to the County for street and highway purposes pursuant to law and to be issued in one or more series, maturing not more than 20 years following the date of the issuance of each series, and bearing interest at a rate or rates not higher than 12% per annum?"

The Board of Supervisors subsequently adopted a bond implementation ordinance that specified the uses of these HURF bonds. Bond implementation ordinances can, for substantial and justifiable reasons, be amended through a public hearing process. This has occurred a number of times to reflect the current status of the 1997 bond authorization implementation and for a number of other reasons.

The authorized 1997 HURF bonds can be used for pavement rehabilitation. In fact, DOT 41, the project identified as Neighborhood Transportation Improvement, has been used to repair, overlay and widen Drexel and Country Club Roads. Presently, planning is underway

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to determine what roads and highways within District 2 can be repaired, resurfaced and rehabilitated with the remaining DOT 41 bonds.

Nothing in the 1997 original bond question and authorization prevents HURF bonds from being used for pavement preservation. The Board of Supervisors can direct that other HURF bonds be used for highway rehabilitation; however, such would require a bond ordinance amendment and public hearings.

CHH/dph

c: John Bernal, Deputy County Administrator for Public Works
Priscilla Cornelio, Director, Transportation Department