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# MEMORANDUM

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Date: December 23, 2019

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

From: C.H. Huckelberry  
County Administrator

A handwritten signature in black ink, appearing to read "CHH", is written over the printed name "C.H. Huckelberry".

Re: **Transportation Road Property Tax Fund Fiscal Year 2018**

Please see the attached report from the Transportation Director regarding the Transportation Road Property Tax Fund for Fiscal Year (FY) 2017/18. The memorandum serves as a final update of this program.

There are remaining funds in the amount of \$3 million and I have directed these unallocated funds be applied to next fiscal year's Transportation Road Property Fund. For FY 2020/21, \$26 million was allocated for road repair. With this additional allocation, the total will be \$29 million.

CHH/anc

Attachment

c: Carmine DeBonis, Jr., Deputy County Administrator for Public Works  
Yves Khawam, PhD, Assistant County Administrator for Public Works  
Ana Olivares, Director, Transportation Department

DATE: December 20, 2019



FROM: Ana M. Olivares, P.E.  
Director

TO: C.H. Huckelberry  
County Administrator

**RE: Transportation Road Property Tax Fund Fiscal Year 2018**

The road work related to the Fiscal Year 2018 Transportation Road Tax Fund for local roads is complete. As you know, the Transportation Department (DOT) administered all of the Transportation Road Property Tax projects, including the other jurisdictions. Managing the projects and schedules of the jurisdictions took longer than expected and the final expenses have been paid. The table below shows the planned and actual expenses for each of the jurisdictions.

Jurisdiction	Allocated	Miles Planned	Planned	Miles Treated	Spent
Marana*	\$ 1,183,834.00	36.06	\$ 1,166,073.00	74.06	\$ 1,161,944.00
Oro Valley	\$ 1,436,125.00	34.25	\$ 1,408,268.00	34.25	\$ 1,349,204.00
Pima County	\$ 7,978,632.00	88.65	\$ 7,916,980.00	88.65	\$ 7,015,528.00
Sahuarita	\$ 520,649.00	7.32	\$ 514,816.00	7.32	\$ 513,566.00
South Tucson	\$ 51,470.00	0.44	\$ 41,704.00	0.44	\$ 35,988.00
Tucson**	\$ 7,795,815.00	19.95	\$ 7,744,219.00	18.67	\$ 7,088,172.00
<b>Total</b>	<b>\$ 18,966,525.00</b>	<b>186.67</b>	<b>\$ 18,792,060.00</b>	<b>223.39</b>	<b>\$ 17,164,402.00</b>

\*Marana miles included additional PCTAC approved Year 2 crack seal projects.

\*\*City of Tucson removed the Rodeo Addition neighborhood work due to conflicting utility.

Remaining Transportation Road Property Tax

<b>Gross Proceeds</b>	<b>\$ 19,792,533.46</b>
Minus Actual Expenses	\$ 17,164,402.00
Minus Cost of Issuance	\$ 170,798.00
<b>Remaining Amount</b>	<b>\$ 2,457,333.46</b>
Plus Pooled Interest	\$ 240,103.00
Plus Share of LGIP	\$ 356,109.00
<b>Total Remaining Transportation Road Property Tax</b>	<b>\$ 3,053,545.46</b>

There is approximately \$3 million of unallocated Transportation Road Property Tax remaining in the program. There are several reasons for this:

- Larger than anticipated tax collections.
- Accrued interest earnings.
- Lower than anticipated management costs of the program.
- The majority of the projects were competitively bid and we received lower than anticipated construction bids.

C.H. Huckelberry, County Administrator

**Subject: Transportation Road Property Tax Fund Fiscal Year 2018**

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The Pima County Board of Supervisors unanimously approved a new General Fund Pay-As-You-Go (PAYGO) Policy on November 5, 2019 to pay for capital infrastructure projects including unincorporated County roadways. As part of this policy, and starting in FY 21, a fixed amount of General Funding will be allocated to road repair every year for the next 10 years. The 10 year road repair plan is expected to raise the County network-wide Pavement Condition Index (PCI) from 42 to 80 by FY 2030.

In FY 21, DOT has allocated \$16 million to road repair and the General Fund PAYGO program will allocate \$10 million, for a total of \$26 million. We recommend that the remaining \$3 million of Transportation Road Property Tax be added to FY 21 road repair funding amount bringing the total amount to \$29 million.

AMO:pm

c: Carmine DeBonis Jr., Deputy County Administrator  
Yves Khawam, PhD, Assistant County Administrator  
Jim Cunningham, Deputy Director  
Rob Lane, Division Manager  
Michele Milensky, Finance and Risk Management