PIMA COUNTY
TRANSPORTATION

March 20, 2019

Pima County Transportation Advisory Committee (PCTAC)

Subject: 1997 Highway User Revenue Fund (HURF) Bond Projects – City of Tucson

Dear Committee Members:

This is in response to a request for follow-up information regarding bond funding changes to several City of Tucson bond projects.

On May 7, 2004, the Chair of Pima County Board of Supervisors (BOS) and the Mayor of the City of Tucson (COT) signed a Memorandum of Understanding (MOU) for further funding of six projects in the County's 1997 HURF Bond Program. These six projects located within the boundaries of the COT would maximize mobility benefits for the residents of the COT and the County. Five of the projects were included in the original ordinance (Ordinance No. 1997-80) and the sixth project was a new project. The MOU was approved for implementation with BOS approval of Ordinance No. 2004-118 in December 2004.

Since the voters approved a bond authorization not to exceed $350,000,000, increasing the bond authorization of some projects required decreasing bond authorizations of other projects. Two other COT bond projects were decreased. The table below summarizes the affected projects and the attached copy of BOS Memorandum dated December 7, 2004 explains in detail the reasons for the changes.

Bond Project	Description	Original Ordinance 1997-80 Bond Amount	Ordinance 2004-118 May 2004 MOU Bond Amount
DOT 28	Speedway Blvd., Camino Seco to Houghton	$8,000,000	($7,418,300)
DOT 40	Grant Road, Oracle to Park	$10,000,000	($9,651,700)
DOT 49	Valencia Road, Mission to I-19	$4,000,000	$2,760,000
DOT 56	Broadway Blvd., Euclid to Campbell	$15,000,000	$10,000,000
DOT 58 (New)	Kino Parkway Overpass at 22nd Street	$0	$10,000,000
	Total Difference		$5,690,000

At the time the MOU was signed, the amount of reductions were $5,690,000 less than what was necessary to cover the increases. This gap was the result of excluding DOT 31 from Ordinance No. 2004-118. Staff had recommended that bond funding of $6,363,000 (from the original authorization of $7,100,000) from DOT 31, Tanque Verde Road, Catalina Highway to Houghton Road, be reallocated to cover the increases in the six projects mentioned above.

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However, after much discussion, the County Bond Advisory Committee recommended that DOT 31 be left untouched, because the project benefited both the COT and unincorporated Pima County. The decision of which project or projects were to fund the $5,690,000 was left for a later date.

The Pima County website has information on the 1997 HURF Bond election and all ordinance amendments, along with staff reports. This information can be found at the following link: http://webcms.pima.gov/cms/one.aspx?portalId=169&pageId=7610.

Sincerely,

Ana M. Olivares, P.E.
Director

AMO:dg

Attachments: May 19, 2004, Memorandum (including May 7, 2004 MOU)
December 7, 2004, BOS Memorandum

Board of Supervisors Memorandum

December 7, 2004

Ordinance No. 2004-118, Amending Ordinance No. 1997-80, the Bond Implementation Plan for the November 4, 1997 HURF Revenue Bond Special Election (As Amended September 22, 1998 by Ordinance No. 1998-59 and August 20, 2001 by Ordinance No. 2001-112) in Order to Implement the May 7, 2004 Memorandum of Understanding Between Pima County and the City of Tucson Regarding HURF Revenue Bond Projects Located Inside the City of Tucson; Report on Status of the 1997 HURF Revenue Bond Program

Report

On May 7, 2004, Chair Bronson and Mayor Walkup signed a Memorandum of Understanding (MOU), which signatures were ratified by the full Board and Council, regarding funding and implementation of six projects included in the County's 1997 HURF Revenue Bond Program that are located inside the City. Implementation of the Memorandum of Understanding will require execution of project specific intergovernmental agreements for all six projects, some sooner and others later. Pima County places priority on proceeding with one of the six MOU projects, DOT-05 - Alvernon, Ft. Lowell to River, and its companion project, DOT-04 - River, Campbell to Alvernon. County staff drafted and sent copies of these two agreements to the City on October 1, 2004, however, City staff has not agreed to final language that can be sent to Mayor and Council and then to the Board. Therefore, my hope to have both agreements on the agenda for December 7, 2004 cannot be realized.

Implementation of the Memorandum of Understanding will also require amendments to certain sections of the Bond Implementation Plan for the 1997 HURF Revenue Bond Program, Ordinance No. 1997-80 (as previously amended). Despite continuing review of the intergovernmental agreements, I am forwarding the required ordinance amendments to the Board for action at the December 7, 2004 meeting, with the recommendation that they be adopted.

As required, the ordinance amendments were advertised in the Daily Territorial on November 19, 2004.

Also, as required by Pima County Code Chapter 3.06 (as amended), the "Truth in Bonding Ordinance," the Pima County Bond Advisory Committee held a public meeting on the recommended ordinance amendments on October 29, 2004. The ordinance amendments presented to the Committee at this meeting dealt only with projects effected by changes in Bond Funding. The Committee unanimously recommended changes to the proposed amendments, which changes are incorporated in the recommended ordinance amendments.

The first section of this report describes the May 7, 2004 Memorandum of Understanding. The second section identifies the recommended ordinance amendments, which are presented in Ordinance No. 2004-118, in Attachment 1, in both legislative style and final form, if they are approved by the Board of Supervisors.

1. Details of the Memorandum of Understanding

On May 7, 2004, Chair Bronson and Mayor Walkup signed a Memorandum of Understanding to further funding and implementation of six projects in the County's 1997 HURF Revenue Bond Program, all six of which projects are located inside the boundaries of the City of Tucson (see Appendix 1). Five of these projects were included in the original Ordinance No. 1997-80, and the sixth project would be a new project added to the program. The five projects included in the Memorandum of Understanding from the existing HURF Revenue Bond Program are:

DOT-05	Alvernon Way, Fort Lowell to River
DOT-12	Country Club, 36th Street to Irvington
DOT-29	Houghton Road, Golf Links Road to Speedway Boulevard
DOT-49	Valencia Road, Mission Road to Interstate-19
DOT-56	Broadway Boulevard, Euclid Avenue to Campbell

The new HURF Revenue Bond project would be DOT-58, Kino Parkway Overpass at 22nd Street.

The City's priorities among these projects are Houghton Road (DOT-29); Broadway Boulevard (DOT-56); and the Kino Parkway Overpass (DOT-58). The County's priorities are Alvernon Way (DOT-05); Country Club (DOT-12); and Valencia Road (DOT-49).

Pima County Priority Projects

At Pima County's urging, the Memorandum of Understanding includes three projects that are priorities for Pima County. With the Memorandum of Understanding, Pima County will be able to move aggressively to bring all three projects to construction. All three should be completed by fiscal year 2007/08.

DOT-05 Alvernon, Ft. Lowell to River Road

The Memorandum of Understanding assumes a $12 million allocation of County bond funds for this project, which would be an increase of $6 million over the original bond authorization of $6 million. This increase in bond authorization is no longer necessary. This project is

designed and will be bid for construction shortly. The current estimate of total project cost is $9,840,000. The County has secured $4,840,000 in Urban Area HURF funding for the project, with the remaining $5,000,000 to be allocated from the project's bond authorization of $6,000,000.

This project will be bid together with DOT-04, River Road, Campbell to Alvernon. Staff has recommended that the $1,000,000 in bond authorization not required for DOT-05 be reallocated to its companion project DOT-04, increasing its bond authorization from $13,500,000 to $14,500,000. This reduction of $1,000,000 in bond authorization for DOT-05 is a change of 17 percent; the $1,000,000 increase in bond authorization is a change of 7 percent. Neither of these changes qualify as "substantial modifications," which are defined by the Truth in Bonding Ordinance as 25 percent or more. Therefore, we are disclosing this reallocation of bond authorization, but are not recommending an ordinance amendment to make the change.

The current schedule for this project anticipates construction completion by December 2006, which is within six months of the completion date in the current Bond Implementation Plan. Pursuant to the Truth in Bonding Ordinance, this six month extension also does not qualify as a "substantial modification," which is therefore disclosed but no ordinance amendment is recommended. This schedule is consistent with the Memorandum of Understanding.

Both DOT-05, Alvernon, Ft. Lowell to River and DOT-04, River, Campbell to Alvernon are ready for bid and will be bid as a single project. When finished, they will complete one of the most significant transportation corridors in eastern Pima County, providing continuous travel from Ft. Lowell and Alvernon to Thornydale and Cortaro Farms Road (and eventually to Thornydale and Linda Vista). This transportation corridor benefits residents and businesses in Tucson, Marana, and unincorporated Pima County.

Pima County has managed design and will manage construction of this project.

<u>DOT-12 Country Club, 36th Street to Irvington</u>

Implementation of the Memorandum of Understanding requires amending the bond ordinance for this project regarding Scope and Implementation Periods. Regarding Scope, the length of the project would be shortened, setting the southern terminus at Milbur rather than Irvington. Additionally, Country Club would be widened to a five-lane roadway between Milbur and Ajo Way and a three-lane roadway between Ajo Way and 36th Street, rather than the original four-lane roadway widening in the original ordinance. The current estimated completion date for the project is February 2006, which is a time extension of approximately 20 months. These changes constitute "substantial modifications" to the ordinance and ordinance amendments are recommended. The time frame is consistent with the Memorandum of Understanding.

Reducing the length and adjusting the scope of the road widening will permit Pima County to construct this project within the existing bond authorization of $7,000,000. This project is a logical follow-on to the County's recently completed widening of Ajo Way, from Country Club to Alvernon. When completed, the improvements will provide for much better access to the Kino Health Campus, Sam Lena Park, Kino Sports Park, and Tucson Electric Park. Pima County has managed design and will manage construction of this project.

DOT-49 Valencia Road, Mission Road to Interstate-19

Design for this project has been completed. Total estimated project costs are $2,760,000 higher than the available bond authorization of $4,000,000. The City of Tucson has declined County requests to provide the additional necessary funding. Pursuant to the Memorandum of Understanding, the City agrees that the County will increase the bond authorization for this project, from $4,000,000 to $6,760,000.

In light of delays in starting construction related to the funding gap, the estimated project completion will be delayed until fiscal year 2007/08, from the original schedule of fiscal year 2001/02. This delay in scheduling also requires an ordinance amendment.

Recently, the Arizona Department of Transportation(ADOT) completed a new interchange at I-19 and Valencia, including a new bridge over I-19. Working with ADOT and the City of Tucson, Pima County used 1997 HURF Revenue Bonds to complete improvements to the intersection of Valencia and 12th Avenue, tying into the new bridge over I-19. This project will continue the corridor improvements to Valencia, west from I-19 to Mission Road.

Pima County has managed design and will manage construction of this project.

City of Tucson Priority Projects

The three City of Tucson priority projects will be starting from the beginning, since no planning or design work has been done on either the Houghton Road (DOT-29) or Broadway (DOT-56) projects, which are included in the original 1997 HURF Bond Program, while the Kino Parkway Overpass (DOT-58) will be a new project.

DOT-29 Houghton Road, Golf Links Road to Speedway Boulevard

Pursuant to the Memorandum of Understanding, there is no set timetable for this project. The Memorandum states that "every reasonable effort (will be made) to ensure the $20 million from the 1997 bonds shall be used to assist with the improvement of Houghton Road from Golf Links to Interstate-10" and that "Said amount is anticipated to be matched by impact fees collected by the City of Tucson and such other regional or state funds as may be secured/necessary to fully implement this project."

For Houghton Road, the Memorandum of Understanding does not effect the bond authorization, but does require "substantial modifications" to its Scope, Other Funding, and Implementation Period. The original Scope defined the limits of the project as Golf Links north to Speedway. Pursuant to the Memorandum of Understanding, the new project limits are Golf Links, south to Interstate-10. The Memorandum of Understanding acknowledges that this project will require funding in addition to County bonds and the City accepts responsibility for securing these Other Funds. Finally, timing of the project is not specified, in terms of actual dates for Implementation Period, being left dependent upon available funding. These three changes are "substantial modifications" requiring ordinance amendments. The recommended ordinance amendment language specifies that Other Funding will not include additional County Bond Funding, above the already authorized $20,000,000.

The Houghton Road Corridor has been and is the subject of several studies, the two most important of which are by the Arizona Department of Transportation and the City of Tucson.

The Arizona Department of Transportation, in cooperation with the Pima Association of Governments, City of Tucson, and Pima County, has completed the Houghton Road Corridor Study, which looked at Houghton Road, from Tanque Verde Road to Sahuarita Road. This study divided Houghton Road into four geographical sections, one of which was the reach from Golf Links to Interstate-10. Total estimated costs for the Houghton Road Corridor, adjusting for inflation, were $265 million.

The City of Tucson Department of Urban Planning and Design is leading an effort to master plan approximately 9,000 acres of land on either side of Houghton Road, from Tanque Verde to Interstate-10, leading to a Houghton Area Master Plan.

Given the magnitude of the probable costs and the horizons of the various studies, it is likely that the time frame for the Houghton Road project is the most uncertain of the six projects.

The City of Tucson will manage design and construction of this project.

<u>DOT-56 Broadway, Euclid to Campbell</u>

Pursuant to the Memorandum of Understanding, the Bond Funding authorization for this project would be increased from $15,000,000 to $25,000,000, a $10,000,000 or 67 percent increase, which is a "substantial modification" requiring an ordinance amendment.

Based on staff input, the Memorandum of Understanding requires a rewriting of the project Scope. While the project limits remain at the one-mile between Euclid and Campbell, the two significant changes in Scope are (a) widening Broadway from "six or eight lanes," rather than

the original plan for eight lanes only and (b) inclusion of "evaluation of, and potential provision for, the use of Broadway by advanced mass transit systems in the future." These changes constitute "substantial modifications" requiring ordinance amendments.

The Memorandum of Understanding schedules design and right-of-way acquisition ($11,000,000) to be completed by fiscal year 2008/09 and construction ($14,000,000) to be completed by fiscal year 2013/14. These scheduled completion dates, especially for construction, constitute "substantial modifications" of the existing ordinance, requiring ordinance amendments. It is important to note that, in the Memorandum of Understanding, the City of Tucson commits to making "every reasonable effort to have the City fund the extension of improvements on Broadway from Campbell to Country Club" (estimated cost of $25,000,000), also to be completed by fiscal year 2013/14.

The City of Tucson will manage design and construction of this project.

DOT-58 Kino Parkway Overpass at 22nd Street

This would be a new 1997 HURF Revenue Bond project, with an additional bond authorization of $10,000,000. Creation of a new bond project is, by definition, a "substantial modification," requiring an ordinance amendment. When constructed, the project will reduce traffic congestion at this intersection and enhance traffic safety on both roadways by providing improved access control and reducing conflicting traffic movements.

The Memorandum of Understanding calls for this project to be completed by fiscal year 2008/09. County staff believes this might be an overly ambitious schedule and recommends, in the interests of appropriate caution and disclosure, that the Implementation Period in the Bond Implementation Plan extend to Period 8, which is fiscal years 2012/13 and 2013/14. Extending the time period for completing the project does not consign the project to these later completion dates, but does disclose to the public the magnitude and complexity of the project and to the fact that it might take longer than originally planned to complete.

The City of Tucson will manage design and construction of this project.

2. Discussion of Recommended Ordinance Amendments

To implement the Memorandum of Understanding as described will require amendments to Ordinance No. 1997-80, the Bond Implementation Plan for the November 4, 1997 Special Election. These ordinance amendments will amend funding, scope, and implementation schedules. The amendments are contained in Ordinance No. 2004-118, as presented in Attachment 1. The Ordinance is first presented in "legislative style," which identifies deletions in the strike-out mode (~~example~~) and new language as capitalized and in bold font (**EXAMPLE**).

Two projects are included in Ordinance No. 2004-118 that were not included in the material presented to the County Bond Advisory Committee: DOT-12, Country Club Road, 36th Street to Irvington and DOT-29, Houghton Road, Golf Links to Speedway. Since the changes to these two projects do not entail amendments to Bond Funding, they were not included in the draft ordinance amendment language presented to the Committee. The Committee noted that they were to be included in the package of ordinance amendments recommended to the Board of Supervisors and are included in Ordinance No. 2004-118. For both projects, there are ordinance amendments recommended for Scope and for Implementation Period, and for Other Funding for DOT-29. There are no recommended changes to Bond Funding.

There was one project included in the package presented to the County Bond Advisory Committee that was not recommended by the Committee and, therefore, is not included in Ordinance No. 2004-118. Staff had recommended that Bond Funding of $6,363,000 (from the original authorization of $7,100,000) from DOT-31, Tanque Verde Road, Catalina Highway to Houghton Road be reallocated to cover the increases in bond authorizations for three other City of Tucson projects (see below). After some discussion, the County Bond Advisory Committee recommended that DOT-31 be left untouched, because it is a project that benefits both the City of Tucson and unincorporated Pima County and it is, therefore, not included in Ordinance No. 2004-118.

The ordinance amendments in Ordinance No. 2004-118 deal with funding, scope, and implementation period.

Funding

The most significant ordinance amendments change project funding, as shown in Table 1 below. Three projects would experience increases in Bond Funding authorization: Valencia Road (DOT-49) at +$2,760,000; and Broadway (DOT-56) and Kino Parkway Overpass (DOT-58), both at +$10,000,000, for a total increased bond authorization of $22,760,000.

Since the voters approved a bond authorization not to exceed $350,000,000, increasing the bond authorization of some projects requires decreasing bond authorizations of other projects. At this time, reductions in bond authorizations have been identified and recommended for only two projects: DOT-28, Speedway Boulevard (-$7,418,300) and DOT-40, Grant Road (-$9,651,700), for a total reduction of $17,070,000. The original Bond Funding authorization for DOT-28 was $8,000,000, of which $581,700 has been expended on advanced planning and design, leaving $7,418,300 in remaining Bond Funding. For DOT-40, the original Bond Funding authorization was $10,000,000, of which $348,300 has been expended on advanced planning and design, leaving Bond Funding of $9,651,700.

The amount of recommended reductions are $5,690,000 less than what is necessary to cover the recommended increases in Bond Funding authorizations. This gap in full coverage for the increases in Bond Funding is the result of excluding DOT-31 from Ordinance No. 2004-118. Decisions must be made about from which project or projects the remaining $5,690,000 in reallocation will be reallocated from, but those decisions can be made at a later date.

Table 1

Recommended Reallocation of Bond Authorization Pursuant to Memorandum of Understanding

Affected Projects	Bond Impacts
Reallocate Bond Authorization to:	
DOT-49 Valencia, Mission to I-19	$ 2,760,000
DOT-56 Broadway, Euclid to Campbell	$10,000,000
DOT-58 Kino Parkway Overpass at 22nd Street	$10,000,000
Subtotal Increased Bond Authorization	$22,760,000
Reallocate Bond Authorization From:	
DOT-28 Speedway, Camino Seco to Houghton	$ 7,418,300
DOT-40 Grant Road, Oracle to Park	$ 9,651,700
Subtotal Decreased Bond Authorization	$17,070,000
Difference Increased - Decreased Bond Authorization	$ 5,690,000

For three projects, the ordinance amendments would also assign responsibility for securing any necessary Other Funding to the City of Tucson: Houghton Road (DOT-29); Broadway (DOT-56); and Kino Parkway Overpass (DOT-58).

It is important to emphasize that the recommended ordinance amendments make clear that the effected projects will only receive County bond funding in the amounts specified in the ordinance and that all additional funding must come from sources other than County bond funding.

Scope

The Scope would be amended for three projects. For Country Club (DOT-12), the reach of the project would be shortened, to run from 36th Street to Milbur rather than to Irvington on the south end. Furthermore, rather than a uniform four-lane roadway, the new project would construct a five-lane roadway from Ajo south to Milbur and a three-lane roadway from Ajo north to 36th Street. For Houghton Road (DOT-29), the direction of the improvements would be shifted, starting at Golf Links and running south to Interstate-10, rather than going north from Golf Links to Speedway. Finally, the Broadway project (DOT-56) would be changed to include "six to eight lanes" rather than a uniform six lanes and planning and design will include "evaluation of, and potential provisions for, the use of Broadway by advanced mass transit systems in the future."

Implementation Period

Timing (Implementation Period) for all of these projects would also be amended. For Country Club (DOT-12), the current projected completion date is February 2006, which requires addition of Implementation Period 5. For Valencia Road (DOT-49), the current projected completion date is sometime in fiscal year 2007/08, which requires the addition of Implementation Periods 4 and 5.

Both Broadway (DOT-56) and Kino Parkway Overpass (DOT-58) will be starting in the current or next fiscal year (Implementation Period 4) and could require several years to complete planning and design, secure all necessary funding, and complete all right-of-way acquisitions. Therefore, the recommended ordinance amendment provides until Implementation Period 8 (fiscal years 2012/13 and 2013/14) to complete the projects. The Memorandum of Understanding contemplates the Kino Parkway Overpass being completed by fiscal year 2008/09, which is Implementation Period 6. In the interests of caution, the recommended ordinance amendment for the Kino Parkway Overpass allows until Implementation Period 8 to complete the project. For the Broadway project, the Memorandum of Understanding and recommended ordinance amendment are in agreement on the timing of completion by fiscal year 2013/14.

For the Speedway (DOT-29) and Grant Road (DOT-40) projects, for which bond authorizations were reallocated, rather than ending the project, their timing of implementation would be made "subject to available funding other than County bonds."

The original schedule for the 1997 HURF Revenue Bond program envisioned a twelve year program, starting in fiscal year 1998/99 and ending by fiscal year 2009/10, comprised of six Implementation Periods of two fiscal year durations each. Extending potential completion dates for Broadway and Kino Parkway Overpass until fiscal year 2013/14, adds four more years (fiscal year 2010/11 to 2013/14) and two Implementation Periods (7 and 8). An early section of the Ordinance, "III. General Schedule of Bond Project Development," would be updated to include these additional years and Implementation Periods.

Recommendation

It is recommended that the Board of Supervisors approve Ordinance No. 2004-118, attached, amending Ordinance No. 1997-80 (as amended September 22, 1998 by Ordinance No. 1998-59 and August 20, 2001 by Ordinance No. 2001-112).

Respectfully submitted,

C.H. Huckelberry
County Administrator

CHH/jj (December 2, 2004)

Attachment

ORDINANCE NUMBER 2004 - _____

AN ORDINANCE OF THE BOARD OF SUPERVISORS OF PIMA COUNTY, ARIZONA, RELATING TO HIGHWAY USER REVENUE FUND BOND PROJECTS; AMENDING ORDINANCE NUMBER 1997-80 (AS AMENDED SEPTEMBER 22, 1998 BY ORDINANCE NO. 1998-59 AND AUGUST 20, 2001 BY ORDINANCE NO. 2001-112), BOND IMPLEMENTATION PLAN, NOVEMBER 4, 1997 SPECIAL ELECTION; AMENDING PROJECT SCOPES AND IMPLEMENTATION PERIOD SCHEDULES FOR SELECTED PROJECTS; AMENDING BOND SALES SCHEDULES.

WHEREAS, the Pima County Board of Supervisors adopted Chapter 3.06 of the Pima County Code, titled "Bonding Disclosure, Accountability and Implementation" (as amended); and

WHEREAS, in compliance with Chapter 3.06 of the Pima County Code, the Pima County Board of Supervisors adopted Ordinance Number 1997 - 80 (the "1997 Bond Implementation Plan) which was approved by the voters at the November 4, 1997 Special Election; and

WHEREAS, the Pima County Board of Supervisors now wish to amend Ordinance Number 1997-80 (as amended by Pima County Ordinances 1998-59 and 2001-112) in compliance with provisions of Chapter 3.06;

IT IS HEREBY ORDAINED by the Board of Supervisors of Pima County, Arizona, that:

1. Section III of Pima County Ordinance Number 1997-80 (as amended) is hereby amended as follows:

III. General Schedule of Bond Project Development

Actual implementation and development of the projects will depend on a number of variables. These variables include not only the amount of HURF bond debt that can be issued, but also specific project implementation details such as acquisition of rights-of-way or land for any specific project, permits from any state, federal or local jurisdiction, as well as required or necessary matching funds. Finally, federal bond arbitrage rules will also have an impact on project implementation. These rules require that once tax-free municipal bonds have been issued, all of the proceeds from the sale must be expended within two years and, if unexpended, financial penalties are assessed against the issuer. Therefore, it is imperative that any project scheduled to be constructed by a specific sale be initiated and constructed within the arbitrage limit for that particular sale. If a project is delayed because of design, right-

of-way acquisition, federal, state or local permitting, or local matching fund requirements, a project that is scheduled for later implementation must be moved forward, rather than risk violating federal bond arbitrage rules.

Because of federal arbitrage rules and the ten years that may be necessary to issue HURF bonds, the implementation period will cover approximately ~~twelve~~ **SIXTEEN** years. For planning purposes, implementation time frames will be divided into two-year time blocks. Therefore, each project will be assigned an implementation period from between 1 and ~~6~~ **8**. For example, for a project assigned an implementation period of 1, the project should be started and completed during fiscal years 1998/99 and 1999/2000.

Therefore, each project or program listed in this Bond Improvement Plan will be assigned an implementation period ranging from one to ~~six~~ **EIGHT** as indicated in the table below over the ~~twelve~~ **SIXTEEN** year expected life of the HURF bond authorization.

Table 5

Planned Bond Project/Program Implementation Period

Fiscal Year	Implementation Period	~~Cumulative Bond Sale~~
1998/99	1	~~$ 60,000,000~~
1999/2000	1	~~60,000,000~~
2000/01	2	~~120,000,000~~
2001/02	2	~~120,000,000~~
2002/03	3	~~180,000,000~~
2003/04	3	~~180,000,000~~
2004/05	4	~~240,000,000~~
2005/06	4	~~240,000,000~~
2006/07	5	~~300,000,000~~
2007/08	5	~~300,000,000~~
2008/09	6	~~350,000,000~~
2009/10	6	~~350,000,000~~
2010/11	**7**	
2011/12	**7**	
2012/13	**8**	
2013/14	**8**	

All of the HURF bonds scheduled for sale will be fully available for project implementation at the beginning of Implementation Period 6 **8**. As noted previously, the implementation periods assigned to each project will be adhered to, however, specific annual expenditures for each project will be detailed in an annual capital improvement program that will be adopted by the Board of Supervisors with the annual budget.

A cash flow analysis has been performed using the implementation period assigned for each project in Section IV of the Ordinance. This analysis assumes all funds assigned for the project are fully expended in the implementation period. For projects that cover one or more implementation periods, funding is divided equally between each period listed. The cash flow

analysis indicates that the total funding required versus available for each period is less than ten percent at variance.

2. Section IV of Pima County Ordinance Number 1997-80 (as amended) is hereby amended as follows:

***** ***** ***** ***** *****

DOT-12 - Country Club Road, 36th Street to ~~Irvington Road~~ **MILBUR**

Location: Unincorporated County, Tucson

Bond Funding: $7,000,000

Scope: The proposed improvements consist of reconstruction and widening of Country Club road to a ~~four~~-**FIVE**-lane roadway **FROM AJO WAY TO MILBUR AND A THREE-LANE ROADWAY FROM AJO WAY TO 36TH STREET** with multi-use lanes, outside curbs, storm drains, ~~and~~ landscaping**, AND** ~~. The median treatment will be either a raised landscape median or~~ a two-way median left-turn lane. ~~to be determined by further study of local access and circulation needs.~~ Country Club Road provides access to Kino Hospital, Sam Lena Park, Kino Sports Park and the Tucson Electric Park currently under construction. The intersection of Country Club Road and Irvington Road was improved in 1996 as part of a joint City of Tucson - Pima County project to widen and reconstruct Irvington Road, Benson Highway to I-10.

Benefit: The project will reduce congestion and enhance safety along Country Club Road and provide significant access improvements to the Kino public service center.

Other Funding: None Proposed

Implementation Period: 3/4/**5**

Future Annual Operating & Maintenance Costs: $30,000

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DOT-28 - Speedway Boulevard, Camino Seco to Houghton Road

Location: Tucson

Bond Funding: ~~$8,000,000~~ **$581,700 (SPENT ON ADVANCED PLANNING AND DESIGN)**

Scope: This project will reconstruct and widen Speedway Boulevard to a four-~~four~~-lane divided roadway with raised landscape median, multi-use lanes, outside curbs, storm drains and landscaping. **TO IMPLEMENT THE MEMORANDUM OF UNDERSTANDING DATED MAY 7, 2004 WITH THE CITY OF TUCSON, THIS PROJECT IS DELAYED SUBJECT TO AVAILABLE FUNDING OTHER THAN COUNTY BONDS.**

Benefit: This project will reduce traffic congestion and enhance safety along Speedway Boulevard. The estimated economic value of the improvements to traffic flow and reductions in accidents are $32.85 million. The benefit/cost ratio is 4.1:1.

Other Funding: ~~None Proposed~~ **$17,500 COUNTY HURF (SPENT ON ADVANCED PLANNING AND DESIGN)**

Implementation Period: ~~4/5~~ **DELAYED SUBJECT TO AVAILABLE FUNDING OTHER THAN COUNTY BONDS**

Future Annual Operating & Maintenance Costs: ~~$30,000~~ **City of Tucson**

DOT-29 - Houghton Road, Golf Links Road to ~~Speedway Boulevard~~ **INTERSTATE 10**

Location: Tucson

Bond Funding: $20,000,000

Scope: This project is the widening of Houghton Road to a four-lane cross section with multi-use lanes, curbs, storm drains and outside landscaping. **THE LIMITS OF THIS PROJECT ARE CHANGED PER MEMORANDUM OF UNDERSTANDING WITH THE CITY OF TUCSON DATED MAY 7, 2004.**

Benefit: The project will reduce congestion and enhance safety along Houghton Road.

Other Funding: ~~None Proposed~~ **CITY OF TUCSON**

Implementation Period: ~~2/3/4/5/6/7~~ **FUTURE, TIMING DEPENDENT UPON AVAILABLE FUNDING OTHER THAN COUNTY BONDS; STATE FUNDS WILL BE REQUESTED BASED ON CORRIDOR STUDIES CONDUCTED BY THE ARIZONA DEPARTMENT OF TRANSPORTATION.**

Future Annual Operating & Maintenance Costs: ~~$60,000~~ **City of Tucson**

***** ***** ***** ***** *****

DOT-40 - Grant Road, Oracle Road to Park Avenue

Location: Tucson

Bond Funding: ~~$10,000,000~~ **$348,300 (SPENT ON ADVANCED PLANNING AND DESIGN)**

Scope: The proposed project is the reconstruction and widening of Grant Road to six lanes. The project will have landscaped median, storm drains, pedestrian facilities, multi-use lanes, arterial street lighting and other urban street amenities. **TO IMPLEMENT THE MEMORANDUM OF UNDERSTANDING DATED MAY 7, 2004 WITH THE CITY OF TUCSON, THIS PROJECT IS DELAYED SUBJECT TO AVAILABLE FUNDING OTHER THAN COUNTY BONDS.**

Benefit: The project will reduce congestion and enhance safety along Grant Road. The estimated economic value of the improvements to traffic flow and reductions in accidents are $95.03 million. The benefit/cost ratio is 9.5:1.

Other Funding: ~~As identified in project intergovernmental agreement. (City of Tucson). At present no total cost estimate available.~~ **NONE.**

Implementation Period: ~~1/2/3/4~~ **DELAYED SUBJECT TO AVAILABLE FUNDING OTHER THAN COUNTY BONDS.**

Future Annual Operating & Maintenance Costs: ~~$21,000~~ **City of Tucson**

***** ***** ***** ***** *****

DOT-49 - Valencia Road, Mission Road to Interstate-19

Location: Unincorporated County, Tucson

Bond Funding: ~~$4,000,000~~ **$6,760,000**

Scope: The project will widen Valencia Road from four to six lanes between Mission Road and the freeway interchange. The interchange will be widened under a separate project by Arizona Department of Transportation. The existing Santa Cruz River bridge was built to accommodate a six-lane roadway and will be retained with this project. Project will include multi-use lanes, curbs, storm drains, landscaping and provisions for pedestrians.

Benefit: The project will reduce congestion and enhance safety along Valencia Road. The estimated economic value of the improvements to traffic flow and reductions in accidents are $49.22 million. The benefit/cost ratio is 12.3:1.

Other Funding: ~~As Identified In project intergovernmental agreement (City Of Tucson)~~ **$40,000 (OTHER)**

Implementation Period: 1/2/**4/5**

Future Annual Operating & Maintenance Costs: $27,000

***** ***** ***** ***** *****

DOT-56 - Broadway Boulevard, Euclid Avenue to Campbell

Location: Tucson

Bond Funding: ~~$15,000,000~~ **$25,000,000**

Scope: ~~The proposed project will widen Broadway Boulevard to eight lanes from Euclid Avenue to Campbell, approximately one mile. Proposed improvements are consistent with earlier Broadway corridor studies and the recently completed portion of Broadway Boulevard, between Euclid Avenue and Toole Avenue, east and west of the Southern Pacific Railroad overpasses. The project will have a landscape median, multi-use lanes, storm drains and other urban arterial features. The proposed project will replace the current five-lane section, which operates with a reversible median lane during peak hours, with a contemporary urban arterial.~~ **THE PROPOSED PROJECT WILL WIDEN BROADWAY BOULEVARD TO SIX OR EIGHT LANES FROM EUCLID AVENUE TO CAMPBELL, APPROXIMATELY ONE MILE. PROPOSED IMPROVEMENTS ARE CONSISTENT WITH EARLIER BROADWAY CORRIDOR STUDIES AND THE RECENTLY COMPLETED PORTION OF BROADWAY BOULEVARD, BETWEEN EUCLID AVENUE AND TOOLE AVENUE, EAST AND WEST OF THE UNION PACIFIC RAILROAD OVERPASSES. THE PROJECT WILL INCLUDE IMPROVED INTERSECTIONS AND TRAFFIC SIGNALS, A LANDSCAPED MEDIAN, MULTI-USE LANES, SIDEWALKS, STREET LIGHTING, STORM DRAINS, PUBLIC ART AND OTHER URBAN ARTERIAL FEATURES. THE PROJECT WILL INCLUDE EVALUATION OF, AND POTENTIAL PROVISIONS FOR, THE USE OF BROADWAY BY ADVANCED MASS TRANSIT SYSTEMS IN THE FUTURE. THE PROPOSED PROJECT WILL REPLACE THE CURRENT FIVE-LANE**

SECTION WITH A CONTEMPORARY URBAN ARTERIAL. FUNDED ACTIVITIES INCLUDE PROJECT PLANNING, ENVIRONMENTAL STUDIES, DESIGN, RIGHT-OF-WAY ACQUISITION, CONSTRUCTION AND PUBLIC ART.

Benefit: ~~The project will reduce congestion and enhance safety along Broadway Boulevard, as well as provide significant opportunities to revise the urban streetscape and development pattern along Tucson's "Main Street." The estimated economic value of the improvements to traffic flow and reductions in accidents are $172.85 million. The benefit/cost ratio is 4.9:1.~~ THE PROJECT WILL REDUCE CONGESTION AND ENHANCE SAFETY ALONG BROADWAY BOULEVARD, AS WELL AS PROVIDE SIGNIFICANT OPPORTUNITIES TO REVISE THE URBAN STREETSCAPE AND DEVELOPMENT PATTERN ALONG TUCSON'S MAIN STREET. THE ESTIMATED ECONOMIC VALUE OF THE IMPROVEMENTS TO TRAFFIC FLOW AND REDUCTIONS IN ACCIDENTS ARE $172.85 MILLION. THE BENEFIT/COST RATIO IS 4.9:1.

Other Funding: ~~$9,000,000~~ CITY OF TUCSON TO SECURE FUNDING OTHER THAN COUNTY BONDS TO COMPLETE THE PROJECT.

Implementation Period: 6 4/5/6/7/8

Future Annual Operating & Maintenance Costs: ~~$60,000~~ City of Tucson

***** ***** ***** ***** *****

ADD:

DOT-58 – KINO PARKWAY OVERPASS AT 22ND STREET

Location: TUCSON

Bond Funding: $10,000,000

Scope: THE PROPOSED PROJECT WILL CONSTRUCT AN OVERPASS FOR KINO BOULEVARD OVER 22ND STREET, AND ASSOCIATED ACCESS RAMPS FROM KINO TO AT-GRADE SIGNALIZED CONNECTIONS TO 22ND STREET. THE PROPOSED IMPROVEMENTS ARE CONSISTENT WITH THE ENVIRONMENTAL IMPACT STATEMENT PREVIOUSLY COMPLETED FOR THE KINO BOULEVARD CORRIDOR STUDY. THE PROJECT WILL INCLUDE MULTI-USE LANES, CURBS, SIDEWALKS, STREET LIGHTING, STORM DRAINS, LANDSCAPING, PUBLIC ART, AND OTHER URBAN STREET FEATURES. FUNDED ACTIVITIES INCLUDE PROJECT PLANNING, ENVIRONMENTAL STUDIES, DESIGN, CONSTRUCTION AND PUBLIC ART.

Benefits: THE PROJECT WILL REDUCE TRAFFIC CONGESTION AT THE INTERSECTION AND ENHANCE SAFETY ALONG BOTH ROADWAYS BY PROVIDING IMPROVED ACCESS CONTROL AND REDUCING CONFLICTING TRAFFIC MOVEMENTS.

Other Funding: IF NECESSARY, CITY OF TUCSON TO SECURE FUNDING OTHER THAN COUNTY BONDS TO COMPLETE THE PROJECT.

Implementation Period: 4/5/6/7/8

Future Annual Operating & Maintenance Costs: CITY OF TUCSON

***** ***** ***** ***** *****

PASSED AND ADOPTED by the Board of Supervisors of Pima County, Arizona, this _____ day of _____ 2004.

_____
Chair, Board of Supervisors

Attest:

_____
Clerk, Board of Supervisors

Reviewed by:

_____
Executive Assistant to the County Administrator

Approved as to Form:

_____
Deputy County Attorney

ORDINANCE NUMBER 2004 - _____

AN ORDINANCE OF THE BOARD OF SUPERVISORS OF PIMA COUNTY, ARIZONA, RELATING TO HIGHWAY USER REVENUE FUND BOND PROJECTS; AMENDING ORDINANCE NUMBER 1997-80 (AS AMENDED SEPTEMBER 22, 1998 BY ORDINANCE NO. 1998-59 AND AUGUST 20, 2001 BY ORDINANCE NO. 2001-112), BOND IMPLEMENTATION PLAN, NOVEMBER 4, 1997 SPECIAL ELECTION; AMENDING PROJECT SCOPES AND IMPLEMENTATION PERIOD SCHEDULES FOR SELECTED PROJECTS; AMENDING BOND SALES SCHEDULES.

WHEREAS, the Pima County Board of Supervisors adopted Chapter 3.06 of the Pima County Code, titled "Bonding Disclosure, Accountability and Implementation" (as amended); and

WHEREAS, in compliance with Chapter 3.06 of the Pima County Code, the Pima County Board of Supervisors adopted Ordinance Number 1997 - 80 (the "1997 Bond Implementation Plan) which was approved by the voters at the November 4, 1997 Special Election; and

WHEREAS, the Pima County Board of Supervisors now wish to amend Ordinance Number 1997-80 (as amended by Pima County Ordinances 1998-59 and 2001-112) in compliance with provisions of Chapter 3.06;

IT IS HEREBY ORDAINED by the Board of Supervisors of Pima County, Arizona, that:

1. Section III of Pima County Ordinance Number 1997-80 (as amended) is hereby amended as follows:

III. General Schedule of Bond Project Development

Actual implementation and development of the projects will depend on a number of variables. These variables include not only the amount of HURF bond debt that can be issued, but also specific project implementation details such as acquisition of rights-of-way or land for any specific project, permits from any state, federal or local jurisdiction, as well as required or necessary matching funds. Finally, federal bond arbitrage rules will also have an impact on project implementation. These rules require that once tax-free municipal bonds have been issued, all of the proceeds from the sale must be expended within two years and, if unexpended, financial penalties are assessed against the issuer. Therefore, it is imperative that any project scheduled to be constructed by a specific sale be initiated and constructed within the arbitrage limit for that particular sale. If a project is delayed because of design, right-

of-way acquisition, federal, state or local permitting, or local matching fund requirements, a project that is scheduled for later implementation must be moved forward, rather than risk violating federal bond arbitrage rules.

Because of federal arbitrage rules and the ten years that may be necessary to issue HURF bonds, the implementation period will cover approximately sixteen years. For planning purposes, implementation time frames will be divided into two-year time blocks. Therefore, each project will be assigned an implementation period from between 1 and 8. For example, for a project assigned an implementation period of 1, the project should be started and completed during fiscal years 1998/99 and 1999/2000.

Therefore, each project or program listed in this Bond Improvement Plan will be assigned an implementation period ranging from one to eight as indicated in the table below over the sixteen year expected life of the HURF bond authorization.

Table 5

Planned Bond Project/Program Implementation Period

Fiscal Year	Implementation Period
1998/99	1
1999/2000	1
2000/01	2
2001/02	2
2002/03	3
2003/04	3
2004/05	4
2005/06	4
2006/07	5
2007/08	5
2008/09	6
2009/10	6
2010/11	7
2011/12	7
2012/13	8
2013/14	8

All of the HURF bonds scheduled for sale will be fully available for project implementation at the beginning of Implementation Period 8. As noted previously, the implementation periods assigned to each project will be adhered to, however, specific annual expenditures for each project will be detailed in an annual capital improvement program that will be adopted by the Board of Supervisors with the annual budget.

A cash flow analysis has been performed using the implementation period assigned for each project in Section IV of the Ordinance. This analysis assumes all funds assigned for the project are fully expended in the implementation period. For projects that cover one or more implementation periods, funding is divided equally between each period listed. The cash flow analysis indicates that the total funding required versus available for each period is less than ten percent at variance.

2. Section IV of Pima County Ordinance Number 1997-80 (as amended) is hereby amended as follows:

DOT-12 - Country Club Road, 36th Street to Milbur

Location: Unincorporated County, Tucson

Bond Funding: $7,000,000

Scope: The proposed improvements consist of reconstruction and widening of Country Club road to a five-lane roadway from Ajo Way to Milbur and a three-lane roadway from Ajo Way to 36th Street with multi-use lanes, outside curbs, storm drains, landscaping, and a two-way median left-turn lane. -Country Club Road provides access to Kino Hospital, Sam Lena Park, Kino Sports Park and the Tucson Electric Park currently under construction. The intersection of Country Club Road and Irvington Road was improved in 1996 as part of a joint City of Tucson - Pima County project to widen and reconstruct Irvington Road, Benson Highway to I-10.

Benefit: The project will reduce congestion and enhance safety along Country Club Road and provide significant access improvements to the Kino public service center.

Other Funding: None Proposed

Implementation Period: 3/4/5

Future Annual Operating & Maintenance Costs: $30,000

DOT-28 - Speedway Boulevard, Camino Seco to Houghton Road

Location: Tucson

Bond Funding: $581,700 (spent on advanced planning and design)

Scope: This project will reconstruct and widen Speedway Boulevard to a four-lane divided roadway with raised landscape median, multi-use lanes, outside curbs, storm drains and landscaping. To implement the Memorandum of Understanding dated May 7, 2004 with the City of Tucson, this project is delayed subject to available funding other than County bonds.

Benefit: This project will reduce traffic congestion and enhance safety along Speedway Boulevard. The estimated economic value of the improvements to traffic flow and reductions in accidents are $32.85 million. The benefit/cost ratio is 4.1:1.

Other Funding: $17,500 County HURF (spent on advanced planning and design)

Implementation Period: Delayed subject to available funding other than County bonds

Future Annual Operating & Maintenance Costs: City of Tucson

DOT-29 - Houghton Road, Golf Links Road to Interstate 10

Location: Tucson

Bond Funding: $20,000,000

Scope: This project is the widening of Houghton Road to a four-lane cross section with multi-use lanes, curbs, storm drains and outside

landscaping. The limits of this project are changed per Memorandum of Understanding with the City of Tucson dated May 7, 2004.

Benefit: The project will reduce congestion and enhance safety along Houghton Road.

Other Funding: City of Tucson

Implementation Period: Future, timing dependent upon available funding other than County bonds; state funds will be requested based on corridor studies conducted by the Arizona Department of Transportation.

Future Annual Operating & Maintenance Costs: City of Tucson

DOT-40 - Grant Road, Oracle Road to Park Avenue

Location: Tucson

Bond Funding: $348,300 (spent on advanced planning and design)

Scope: The proposed project is the reconstruction and widening of Grant Road to six lanes. The project will have landscaped median, storm drains, pedestrian facilities, multi-use lanes, arterial street lighting and other urban street amenities. To implement the Memorandum of Understanding dated May 7, 2004 with the City of Tucson, this project is delayed subject to available funding other than County bonds.

Benefit: The project will reduce congestion and enhance safety along Grant Road. The estimated economic value of the improvements to traffic flow and reductions in accidents are $95.03 million. The benefit/cost ratio is 9.5:1.

Other Funding: None.

Implementation Period: Delayed subject to available funding other than County bonds

Future Annual Operating & Maintenance Costs: City of Tucson

DOT-49 - Valencia Road, Mission Road to Interstate-19

Location: Unincorporated County, Tucson

Bond Funding: $6,760,000

Scope: The project will widen Valencia Road from four to six lanes between Mission Road and the freeway interchange. The interchange will be widened under a separate project by Arizona Department of Transportation. The existing Santa Cruz River bridge was built to accommodate a six-lane roadway and will be retained with this project. Project will include multi-use lanes, curbs, storm drains, landscaping and provisions for pedestrians.

Benefit: The project will reduce congestion and enhance safety along Valencia Road. The estimated economic value of the improvements to traffic flow and reductions in accidents are $49.22 million. The benefit/cost ratio is 12.3:1.

Other Funding: $40,000 (Other)

Implementation Period: ½/4/5

Future Annual Operating & Maintenance Costs: $27,000

DOT-56 - Broadway Boulevard, Euclid Avenue to Campbell

Location: Tucson

Bond Funding: $25,000,000

Scope: The proposed project will widen Broadway Boulevard to six or eight lanes from Euclid Avenue to Campbell, approximately one mile. Proposed improvements are consistent with Earlier Broadway corridor studies and the recently completed portion of Broadway Boulevard, between Euclid Avenue and Toole Avenue, east and west of the Union Pacific Railroad overpasses. The project will include improved intersections and traffic signals, a landscaped median, multi-use lanes, sidewalks, street lighting, storm drains, public art and other urban arterial features. The project will include evaluation of, and potential provisions for, the use of Broadway by advanced mass transit systems in the future. The proposed project will replace the current five-lane section with a contemporary urban arterial. Funded activities include project planning, environmental studies, design, right-of-way acquisition, construction and public art.

Benefit: the project will reduce congestion and enhance safety along Broadway Boulevard, as well as provide significant opportunities to revise the urban streetscape and development pattern along Tucson's main street. The estimated economic value of the improvements to traffic flow and reductions in accidents are $172.85 million. The benefit/cost ratio is 4.9:1.

Other Funding: City of Tucson to secure funding other than County bonds to complete the project.

Implementation Period: 4/5/6/7/8

Future Annual Operating & Maintenance Costs: City of Tucson

DOT-58 – Kino Parkway Overpass at 22nd Street

Location: Tucson

Bond Funding: $10,000,000

Scope: The proposed project will construct an overpass for Kino Boulevard over 22nd Street, and associated access ramps from Kino to at-grade signalized connections to 22nd Street. The proposed improvements are consistent with the environmental impact statement previously completed for the Kino Boulevard Corridor Study. The project will include multi-use lanes, curbs, sidewalks, street lighting, storm drains, landscaping, public art, and other urban street features. Funded activities include project planning, environmental studies, design, construction and public art.

Benefits: The project will reduce traffic congestion at the intersection and enhance safety along both roadways by providing improved access control and reducing conflicting traffic movements.

Other funding: If necessary, City of Tucson to secure funding other than county bonds to complete the project.

Implementation Period: 4/5/6/7/8

Future Annual Operating & Maintenance Costs: City of Tucson

PASSED AND ADOPTED by the Board of Supervisors of Pima County, Arizona, this _____ day of _____ 2004.

_____
Chair, Board of Supervisors

Attest:

_____
Clerk, Board of Supervisors

Reviewed by:

_____
Executive Assistant to the County Administrator

Approved as to Form:

_____
Deputy County Attorney

MEMORANDUM

Date: May 19, 2004

To: John Bernal
Deputy County Administrator - Public Works

From: C.H. Huckelberry
County Administrator

Re: **Memorandum of Understanding Between the Mayor and Chair of the Board Regarding 1997 County Transportation Bond Projects Within the City Limits**

Attached please find information provided to the Mayor and Council regarding this matter. The item was scheduled for action on May 17, 2004, but was continued a week. The Memorandum of Understanding contains language that should guide any future intergovernmental agreements with the City of Tucson regarding implementation of these projects. As indicated in the language of the Memorandum of Understanding, the projects to be implemented are subject to the constraints under which the County implements the approved 1997 Bond Program. These fundamental principles are:

A. County Highway User Revenue Fund cash flow considering the raids that have been made on the Fund by the State Legislature in order to balance their budget;

B. Implementation of transportation improvements in the unincorporated area, our primary area of responsibility, cannot be impeded; and

C. The expenditure of County HURF bonds must be in accordance with the procedures and policies delineated in the Division II Court of Appeals allowing the County to expend County HURF bonds within an incorporated municipality.

In any discussion with City Transportation staff, please ensure that they are cognizant of our project implementation constraints, including County HURF cash flow, and the fact that projects being implemented, and even managed by the City of Tucson, are subject to the same exact constraints for implementation that have been imposed by the Court of Appeals' decision allowing expenditure of County HURF Bonds within the City of Tucson.

CHH/jj

Attachment

c: Kurt Weinrich, Transportation and Flood Control District Director

*** LATE MATERIAL FOR ADDED REGULAR AGENDA ITEM # 15 ***

MAYOR & COUNCIL COMMUNICATION

May 17, 2004

Subject: Memorandum of Understanding Between the Mayor of the City of Tucson and the Chairperson of the Pima County Board of Supervisors for Seven 1997 Pima County Transportation Bond Program Projects Within the City Limits (City-Wide)

Issue – The Mayor of the City of Tucson and the Chairperson of the Pima County Board of Supervisors have signed a memorandum of understanding (MOU), Exhibit A to the attached Resolution, for the 1997 Pima County Transportation Bond Program remaining projects within the City of Tucson. Mayor and Council are requested to: approve the MOU as specified below; ask for the County to amend the 1997 Transportation Plan; and direct staff to prepare appropriate Intergovernmental Agreement(s) for the implementation of those projects listed within the MOU.

City Manager's Recommendation – The City Manager recommends that Mayor and Council approve the MOU; request the County to amend the 1997 Transportation Bond Implementation Plan ordinance to fully fund the projects as listed in the MOU; and direct staff to work with Pima County to prepare appropriate Intergovernmental Agreement(s) for actual implementation.

Background – The implementation of projects within the City of Tucson in the 1997 Pima County Transportation Bond Program has been stalled for a variety of reasons, including, but not limited to, the need for additional funding. There is a mutual desire on the part of the City and County to expend the authorized 1997 County Highway User Revenue Bonds to maximize the mobility benefits for the residents of the City and the County. On Tuesday May 11, 2004, the Pima County Board of Supervisors, four to zero (Supervisor Carroll absent), adopted the MOU.

The five projects listed in the table are expected to be fully funded with the '97 bonds. One project (the continuation of Broadway from Campbell to Country Club) is to be eventually funded by the City. And, one project (Houghton–Golf Links to I-10) will have a '97 bond allocation of $20 million, to be supplemented by City/federal/regional/state funds as needed for actual implementation (it is anticipated that the City contribution would be in the form of impact fees collected in connection with planned development in the Houghton corridor/area).

There are other 1997 Bond projects within the City that are not included within this agreement.

Financial Considerations – With the implementation of the projects listed within the MOU, the City will benefit from an estimated $80 million of the 1997 Pima County Transportation Bond funds within the next ten years.

Respectfully submitted,

James Keene
City Manager

JK:James W. Glock/jg
Transportation
MAY17-04-247
Attachment: Resolution

ADOPTED BY THE
MAYOR AND COUNCIL

_____

RESOLUTION NO. 19830

RELATING TO THE 1997 PIMA COUNTY TRANSPORTATION BOND PROGRAM; RATIFYING AND APPROVING THE MEMORANDUM OF UNDERSTANDING BETWEEN THE MAYOR OF THE CITY OF TUCSON AND THE CHAIRPERSON OF THE PIMA COUNTY BOARD OF SUPERVISORS FOR SEVEN 1997 PIMA COUNTY TRANSPORTATION BOND PROGRAM PROJECTS WITHIN THE CITY LIMITS; AND DECLARING AN EMERGENCY.

BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF TUCSON, ARIZONA, AS FOLLOWS:

SECTION I. The Memorandum of Understanding between the Mayor of the City of Tucson and the Chairperson of the Pima County Board of Supervisors for the 1997 Pima County Transportation Bond Program, attached hereto as Exhibit A, is ratified and approved.

SECTION 2. Pima County is hereby requested to amend its 1997 Transportation Bond Implementation Ordinance to fully fund the five projects listed in the matrix in Exhibit A, estimated at $60 million, and to fund $20 million toward the improvement of Houghton Road as listed in Exhibit A.

SECTION 3. The various City officers and employees are authorized and directed to perform all acts necessary or desirable to give effect to this resolution.

SECTION 4. WHEREAS, it is necessary for the preservation of the peace, health and safety of the City of Tucson that this resolution become immediately

. . .

effective, an emergency is hereby declared to exist and this resolution shall be effective immediately upon its passage and adoption.

PASSED, ADOPTED AND APPROVED BY THE MAYOR AND COUNCIL OF THE CITY OF TUCSON, ARIZONA, _____.

_____
MAYOR

ATTEST:

_____
CITY CLERK

APPROVED AS TO FORM:

_____
CITY ATTORNEY

REVIEWED BY:

_____
CITY MANAGER

TR
TR/dc
05/12/2004 9:48 AM

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Exhibit A

PIMA COUNTY BOARD OF SUPERVISORS
DISTRICT 3
130 WEST CONGRESS STREET, 11 FLOOR
TUCSON, ARIZONA 85701-1317
(520) 740-8126
ddurazo@exchange.co.pima.az.us

SHARON BRONSON
CHAIR

LESLIE NIXON
EXECUTIVE ASSISTANT

DIANA DURAZO-GRUBB
SPECIAL STAFF ASSISTANT

KATIE MODAFFERI
SPECIAL STAFF ASSISTANT

KIKI BARCELO
SPECIAL STAFF ASSISTANT

May 7, 2004

The Honorable Robert E. Walkup, Mayor
City of Tucson
255 West Alameda
Tucson, Arizona 85726-7210

Dear ~~Mayor Walkup~~ Bob,

I've enjoyed the informal discussions we've had over the past several months focused on improving County-City relations. The region as a whole will benefit from such efforts.

Transportation is one of our more pressing needs and hence it is vital that we cooperate in this area. To that end, executing this Memorandum of Understanding is a significant step in that direction.

I'm enclosing a signed copy of this agreement and hope to execute many more in the spirit of cooperation that is self-evident in this document.

I have placed this Memorandum of Understanding on the Board of Supervisors agenda of May 11, 2004 for review, discussion and hopefully, ratification.

Sincerely,

Sharon Bronson

Sharon Bronson, Chair
Pima County Board of Supervisors

Attachment

c: The Honorable Members, Pima County Board of Supervisors

EX A TO RESOLUTION NO. 19830

Memorandum of Understanding
Between the Mayor of the City of Tucson and the
Chairperson of the Pima County Board of Supervisors
in Their Individual Official Capacities

for

1997 Pima County Transportation Bond Program
Remaining Projects Within the City Limits

Whereas, the voters of Pima County, including those in the City of Tucson, approved a County Transportation Highway User Revenue Bond proposal on November 4, 1997, and

Whereas, the election authorized County transportation improvements within the City of Tucson using County bond proceeds, and

Whereas, the City and County desire to expend authorized County Highway User Revenue Bonds to maximize mobility benefits for the residents of the City and County, and

Whereas, the City and County desire to work together on improving transportation throughout the City and County, and

Whereas, the Mayor of Tucson will ask that the City request the County to amend the 1997 Transportation Bond Implementation Plan as specified below,

Now, therefore, be it understood, that the Mayor of the City of Tucson and the Chairperson of the Pima County Board of Supervisors mutually agree to make every reasonable effort to ensure that the following projects are funded and implemented utilizing bonding authority approved by voters in 1997:

Project	Allocation of County HURF Bonds			Schedule*	Implementing Agency
1. Alvernon Way, Fort Lowell to River Rd	$12M			Period I	County
2. Overpass at 22nd St and Kino Blvd	$10M			Period I	City
3. Broadway Blvd, Euclid to Campbell	$25M	Design, R/W Acquisition & Construction	$11M $14M	Period I Period II	City City
4. Valencia Rd, Mission Rd to I-19	$6M			Period I	County
5. Country Club, 36th St to Milber	$7M			Period I	County

*Period I: Fiscal Years 2005-2009 (starting 7-01-04)
Period II: Fiscal Years 2010-2014

The Mayor agrees to make every reasonable effort to have the City fund the extension of improvements on Broadway from Campbell to Country Club in Period II (Estimated Cost $25 million).

The Mayor and Chairperson also agree to make every reasonable effort to ensure the $20 million from the 1997 bonds shall be used to assist with the improvement of Houghton Road from Golf Links to Interstate-10. Said amount is anticipated to be matched by impact fees collected by the City of Tucson and such other regional or state funds as may be secured/necessary to fully implement this project.

The Mayor acknowledges that the County shall retain appropriate controls over the actual disbursement/expenditure of the 1997 bond funds as required by law.

The Mayor acknowledges that the County continues to have responsibilities to implement transportation improvements throughout Pima County as a result of the successful 1997 Transportation Highway User Revenue bond election.

The Mayor acknowledges that State legislation to balance the State budget or other economic conditions affect the flow of County Highway User Revenue Funds necessary to support these bonds for City projects. The Chairperson agrees that every effort will be made to adhere to the project improvement schedules outlined above.

The Mayor and Chairperson acknowledge that additional actions may be necessary by each governing body to carry out the intent of this Memorandum of Understanding and each pledges to support these agreed upon principles when asking for further governing board approvals that may be necessary.

Mayor, City of Tucson

Date: 5-7-2004

Chairperson, Pima County Board of Supervisors

Date: 5-7-2004