August 20, 2001

Amendments to Ordinance No. 1997-80 (as amended by Ordinance No. 1998-59), the Bond Improvement Plan for the November 4, 1997 Special Election

Report

In preparation for the May 20, 1997 special bond elections, the Board of Supervisors adopted Ordinance No. 1997-25, popularly known as the “Truth in Bonding” Ordinance, which created Chapter 3.06 of the Pima County Code. The Board intended, by this Ordinance, to make the process of asking for voter approval of bond funding and expending those bond funds as public and accessible as possible. In compliance with this Ordinance, the Board of Supervisors adopted Ordinance No. 1997-80 (the Bond Improvement Plan for the November 4, 1997 Special Election) that identified the projects that would be constructed if the bonds were approved.

In the “Truth in Bonding” Ordinance, the Board of Supervisors recognized that all complex, long-term capital improvement plans are subject to change. Therefore, the Board created a process for publicly amending bond improvement plan ordinances to implement substantial changes in a plan. On September 22, 1998, the Board adopted Ordinance No. 1998-59, which amended Ordinance No. 1997-80.

This agenda item proposes a second round of ordinance amendments, which are described in the following sections of this transmittal memorandum.

Attached is a table that details each specific proposed ordinance amendment. Ordinance No. 1998-59 is also attached, as well as the proposed amending ordinance, which is presented in legislative format. In the amending ordinance, language that shows a strikeout (example) would be deleted from the ordinance; language that is bold and underlined (example) would be added to the ordinance.

Amendments to Ordinance No. 1997-80 (as amended by Ordinance No. 1998-59)

The November 4, 1997 special bond elections contained one ballot question - Highway User Revenue Fund (HURF) Revenue Bonds - in the amount of $350 million. Ordinance No. 1997-80, adopted for this bond election, identified 57 projects to be constructed with

BC: John Bernal, Jim Barry, Martha Durkin, 4- media, Maria of clerks office
See File:
BOS: August, Bonds, Bonds: BOS Memos, and Elections
Notes:
The Honorable Pima County Board of Supervisors
Amendments to Ordinance No. 1997-80 (as amended by Ordinance No. 1998-59), the Bond Improvement Plan for the November 4, 1997 Special Election
August 20, 2001
Page 2

these bond funds. If adopted, Ordinance No. 2001-_________ would effectuate three categories of amendments to the amended ordinance. Thirty-eight projects would be affected by these proposed amendments and some projects would be affected by more than one amendment. Most of the proposed amendments are to Implementation Period schedules or to identify the amount and sources of “Other Funding,” rather than to “Bond Funding” or “Scope.”

New Project Schedules

Seven project schedules would be amended to reflect that they are completed; DOT-3, River Road, La Cholla to La Canada; DOT-15, River Road, Thornydale to Shannon; DOT-16, River Road, Shannon to La Cholla; DOT-21, Thornydale, Orange Grove to Ina; DOT-35, Abrego Drive at Drainageway #1/Box Culvert; DOT-38, Pistol Hill Road, Colossal Cave to Old Spanish Trail; and DOT-42, South Tucson, 6th Avenue and various locations. Eighteen projects need only amendments to their Implementation Period schedules to reflect new schedules based upon more current information. In several instances, the new schedules reflect that the projects were started earlier than contemplated in the original and amended ordinances. In every instance, the proposed amendment would add time to the completion of the project, but in most instances by only one implementation period.

Clarification of “Other Funding”

Thirteen projects would be amended to identify the amount and sources of “Other Funding.”

Substantive Project Changes

Eight projects require changes to project Scope or “Bond Funding.” DOT-19, Hartman Lane North of Cortaro Farms Road will be changed from a four-lane roadway to construction of a box culvert at Hardy Wash and reconstruction of the roadway at the new culvert. DOT-20, La Cholla Boulevard, Interstate-10 to Ruthrauff and DOT-45, La Cholla Boulevard, Ruthrauff Road to Ina Road are recommended for complementary changes of scope to run, for DOT-20, from Interstate-10 to River Road and, for DOT-45, from River Road to Magee. These changes in scope will also effect Bond Funding and Other Funding allocations. DOT-30, Catalina Highway, Tanque Verde Road to Houghton would be divided into two reaches: a four-lane roadway from Tanque Verde to Harrison and a two-lane roadway from Harrison to Houghton. For DOT-39, Valencia, Interstate-19 to South 12th Avenue, the scope will be amended to construct improvements only at South 12th Avenue, which has been made possible because
an Arizona Department of Transportation project made the improvements on Valencia from Interstate-19 to South 12th. The scope for DOT-41, 22nd Street, Interstate-10 to Park Avenue would be changed to DOT-41, Neighborhood Transportation Improvements in Supervisor District 2. Because the previous project remains substantially unfunded, this scope amendment will allow expenditure of the bond funds on projects everyone agrees are productive and immediately necessary. DOT-9, Skyline Drive, Orange Grove to Campbell will be expanded to include significant improvements at the intersection of Skyline Drive and Campbell and possible additional lanes to accommodate increased traffic from commercial development. And the scope for DOT-43, 12th Avenue, Veterans Boulevard to Los Reales Road would be increased to begin further north at 38th Street rather than at Veterans Boulevard.

DOT-29, Houghton Road, Speedway Boulevard to Tanque Verde Road will be changed to show the project starting at Speedway and ending at Golf Links Road connecting a scrivener error in the original Ordinance.

**Amend Bond Sales Schedule**

The original Ordinance assumed six sales of bonds occurring every two years. The first five sales would be for $60,000,000; the sixth, and last, sale would be $50,000,000. At the Department of Transportation’s request, the first sale of HURF bonds, in June 1998, was for $40,000,000 and the Ordinance was amended on September 22, 1998 to reflect this change. Given the rate of expenditure of the June 1998 bonds, however, a second sale will not occur until sometime in Calendar Year 2001, almost three years after the first sale. Based upon this experience, staff is recommending that the Ordinance be amended to provide for the possibility of more frequent sales of smaller, more targeted amounts. This ordinance amendment would include new language that provides more flexibility in scheduling and sizing HURF Revenue Bond sales. The substitute language would include a commitment to an annual, end-of-fiscal-year report on bond sales, expenditures and projected future sales. The sale of bonds would still be limited to an amount that can be repaid by the revenue increment realized by the “HURF equity” legislation of 1996.

**Recommendation**

It is recommended that the Board of Supervisors adopt Ordinance No. 2001-amending Ordinance No. 1997-80 (as amended by Ordinance No. 1998-59).
The Honorable Pima County Board of Supervisors
Amendments to Ordinance No. 1997-80 (as amended by Ordinance No. 1998-59), the Bond Improvement Plan for the November 4, 1997 Special Election
August 20, 2001
Page 4

Respectfully submitted,

C.H. Huckelberry
County Administrator

CHH:slr (August 14, 2001)

Attachment