

## Transportation Finance Subcommittee

### Summary of January 6, 2010, Meeting

#### **Committee Members Present**

Ben Goff, Pima County, Chair  
Jim Glock, City of Tucson  
Craig Civalier, Town of Oro Valley

#### **Staff**

Timothy Thurein  
Rob Samuelson  
Cherie Campbell  
John Liosatos  
Teresa Ruiz

#### **Jurisdiction Representatives**

Ron Meck, Pima County  
Roy Cuaron, City of Tucson  
Andrew Singelakis, City of Tucson  
Rosanne Grant, Pima County

#### **Agencies/Public**

Curt Lueck, CLA.

#### **1. Welcome and Introductions**

Welcome and introductions were conducted.

#### **2. Discussion and Approval of Meeting Summary of Nov. 18, 2009**

The Subcommittee approved the meeting summary of Nov. 18, 2009, as written.

#### **3. Update on HURF Transportation Revenues/12.6% and 2.6% Funds**

Copies were distributed of:

- ADOT reports on 2.6% and 12.6% (October and November).
- FY 2010 HURF Distribution Tracking Report
- County Fuel Supplier Gallons Sold by Month for Pima County
- Pima County Percentage of Statewide Supplier Gallons Sold

Mr. Thurein reported the 12.6% fund distribution was very low. Also, the interest on the fund is low. The reporting from ADOT is lagging which may be the reason for the low November numbers. Also, the draw downs from the funds were low in November.

Mr. Goff noted the Subcommittee, at the November meeting, talked about distribution trends. He feels the numbers will look worse in the spring since there is no expectation the region will receive an adjustment like last year.

Mr. Goff asked what the TIP Subcommittee determined during the meetings on reprogramming the TIP. Mr. Liosatos replied that the results are on the TPC agenda. He reminded the Subcommittee that the TIP is concerned about the third year where some large projects were listed. Mr. Glock stated that the City pushed two large projects out of the third year. Mr. Civalier noted that the money was spread out over more years.

Mr. Goff noted that the gallonage reports show Pima County has increased the number of gallons; however, the amount of money the region receives has decreased. It is a case of receiving a bigger slice of a smaller pie. Also, Maricopa County's economy is in worse condition than here which reduces the overall size of the "pie." Mr. Glock feels lower gas prices are resulting in Sun Tran riders of choice to return to driving, which will increase gallons of gas sold.

#### **4. Legislative Items that affect Transportation Funding**

Mr. Goff noted the PAG policy positions were approved. Mr. Liosatos reported the policy positions are being distributed to the Legislature. The next legislative session starts next Monday and 67 bills have been "dropped." By this timeframe, usually 500 bills have been "dropped." The view is nothing other than the budget will happen. Mr. Civalier noted there are bills to cut business, income and property taxes. Mr. Lueck stated that there is a bill to put information on how much gas is taxed and where the tax goes.

Ms. Grant asked if there was information on VLT. Mr. Liosatos replied that since VLT is part of HURF, the concern is the state transfer of HURF funding to DPS. The question this year is, will the DPS transfer come from the "top" of the HURF money. If the transfer comes from "top" of the fund, it impacts the distribution.

Mr. Liosatos reported the region is listed for \$34 million in ARRA funding. The projects are mostly pavement management except for one Pima County bridge re-decking. The concern is the March 3 obligation deadline for the funding. ADOT is willing to "take" the local funding and "give" back STP monies. STP funds have a slightly longer obligation timeframe; however, it does require match money.

PAG is involved with getting projects designed to have on the shelf for ARRA 2. The funding for the second round of ARRA funds is estimated to be around \$34 million.

#### **5. Regional Transportation Authority Revenue Update**

Mr. Samuelson reported that sales tax collections are down 10 percent from last year; however, last year's collections were down from the year before as well. There is a clear demarcation point in October 2008 which shows the decline in collections. The RTA cash balance in the bank is approximately \$90 million. The RTA is anticipated to go to bond in the first or second quarter of the next fiscal year. Also, the RTA would like to "collapse" the bond projects into 5 packages since it is costly to bond. Due to a good bid environment, the RTA will encourage the acceleration of projects.

A study conducted by Marshall Vest indicates the RTA has created 700 net new jobs, including transit jobs at the new bus storage and maintenance facility.

**6. Other Business**

No other business was discussed.

**7. Adjournment**

Meeting adjourned.