



MEMORANDUM

Date: November 2, 2015

To: The Honorable Chair 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: **Annual Extension of Public Transit and Special Needs Transportation Services**

This November 10, 2015 Board of Supervisors agenda item is a one-year term extension of the Intergovernmental Agreement (IGA) between Pima County and the Regional Transportation Authority (RTA) for public transit and special needs transportation services. The RTA is the regional provider of transit services in Pima County, and this IGA is the mechanism by which Pima County supports and funds transit service in unincorporated Pima County. This includes fixed-route Sun Tran service, express and rural transit service, and special needs transportation services.

Pima County has historically funded transit service through IGAs with the City of Tucson (prior to the year 2010) and now the RTA. The Board of Supervisors on August 3, 2010 adopted Resolution and Order 2010-190, which approved an IGA between Pima County and the RTA for a period of five years. Rather than renew this IGA for another five-year period, it is recommended that it be extended for only one year at the present time. This is because transit service for greater Tucson is currently being re-evaluated and different funding alternatives are being considered. If and when regional transit service and funding become more stable and secure, a longer term agreement with the RTA can be pursued.

Pima County's annual contribution for transit service is referred to as Maintenance of Effort (MOE) funding. The amount is based on Arizona Revised Statute (A.R.S.) § 41-5308, which establishes the amount spent in Fiscal Year (FY) 2003/04 as the base amount, adjusted each subsequent year based on the percentage change in the Gross Domestic Product (GDP) price deflator. The GDP price deflator, as defined in A.R.S. §41-563, is simply a metric like the Consumer Price Index which accounts for inflation. Section 4 of the IGA enables the County Administrator and the Executive Director of the RTA to calculate and approve the annual funding amount each year. In FY 2014/15, the inflation-adjusted amount was \$5,905,361. The proposed amount for FY 2015/16 is \$5,964,513, an increase of \$59,152.

If approved by the Board of Supervisors, this IGA extension will allow the RTA to continue to provide transit services in the unincorporated area of Pima County for FY 2015-16.

CHH/mjk

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