



Regional Transportation Authority

# AGENDA MATERIAL

DATE 9/6/22 ITEM NO. RA 16

1 E. Broadway Blvd., Suite 401, Tucson AZ 85701  
Phone: (520) 770-9410 Fax: (520) 620-6981

RTAmobility.com

## MEMO

**Date:** Aug. 26, 2022

**To:** RTA Board of Directors

**From:** Farhad Moghimi, RTA Executive Director

**Re:** RTA Financial Update

In a follow up to our discussion yesterday on the cost to complete RTA projects, I wanted to share a couple of attachments:

- 1) A copy of the most recent Funding Needs Analysis that was in yesterday's meeting packet
- 2) A copy of an earlier Funding Needs Analysis you received in January 2022

In January, I shared with you that we were looking at a remaining funding need of \$78 million to \$121 million to complete the remaining RTA projects. Since then, we have seen a lot of changing economic factors that have resulted in the most recent adjustment in the numbers to a range of \$99 million to \$141 million. This is based on the most recent project cost estimates associated with current market conditions.

Since September 2021, this funding analysis information has been on every RTA Board agenda and presentations have been given on this topic. I understand there are a lot of moving pieces, and I am happy to meet with any of you individually to go over the specifics of this or other financials related to the RTA for a clearer understanding of the overall funding picture.

The current plan of action, as mentioned at yesterday's meeting, is to have funding options packaged for you to consider before the October meeting, so that you can come prepared to act at the meeting, if so desired, on both how to address costs for remaining 2006 RTA plan projects and establishing a budget for RTA Next.

As you know, the challenges we are facing not only are revenue-based but are also cost-based with more recent spikes in delivery prices. Other contributing factors to the challenges include more limited access to materials, the availability of a skilled labor force and capacity of the jurisdiction and local contracting community to complete the work on schedule.

AUG 31 22 09:26 PC CLK OF BD

nm

A future RTA plan will bring an anticipated \$2 billion to the table. Apart from some of that funding going to the remaining 2006 RTA plan projects, the new RTA dollars will be an important supplement to the federal and state dollars that come into our region. (Approximately \$100 million in RTA dollars annually vs. approximately \$25 million each in federal and state dollars.)

This influx of RTA dollars benefits the entire region, and the goal is to prepare a delivery solution for remaining RTA projects along with elements of a new plan for voter consideration. However, please remember that if RTA Next is unsuccessful, the Board has indicated its ongoing commitment to deliver RTA projects. We will discuss that more at the October meeting as well.

Overall, I believe the entire RTA Board is supportive of our goal to provide flexible funding to the region and the mission of the RTA. I greatly appreciate that with everyone working together to meet our objective at a future ballot, the RTA will publicly demonstrate coordinated leadership at this critical juncture of planning for RTA Next and once again serve as a collaborative model of success for others in the region to follow.

## Funding Needs Analysis - Aug. 25, 2022

<u>RTA Ballot #</u>	<u>TIP ID</u>	<u>RTA Roadway Project</u>	<u>Current Cost Estimate</u>	<u>2022-2026 TIP Funding</u>	<u>Funding Need</u>	<u>Notes</u>
1	86.06	Tangerine Road, I-10 to La Canada; Stage 2A, I-10 to Dove Mountain	\$31,905,000	\$28,707,152	\$3,197,848	Stages 2A and 2B separated
1	86.06	Tangerine Road, I-10 to La Canada; Stage 2B, I-10 to Dove Mountain	\$28,525,000	\$12,006,848	\$16,518,152	Stages 2A and 2B separated
5	56.06	Silverbell Road, Grant to Ina; Stage 2, Goret to Camino del Cerro	\$43,865,000	\$40,860,000	\$3,005,000	Stage 2 consumes all remaining RTA funding. 100% plans estimate
5	56.06	Silverbell Road, Grant to Ina; Stage 3, Camino del Cerro to Ina	\$0	\$0	\$0	Deferred to RTA Next for Scope change and additional funding.
8	10.18	Sunset, Silverbell to River; Stage 2, I-10 to River (scope has been modified to provide a grade separation at RR tracks)	\$39,421,000	\$39,421,254	\$0	IGA with ADOT; RTA funds invoiced and paid
13	82.06	1st Avenue, Orange Grove to Ina	\$0	\$6,556,000	-\$6,556,000	Deferred to RTA Next for Scope change and additional funding.
14	81.06	1st Avenue, River to Grant	\$83,400,000	\$74,200,000	\$9,200,000	Scope change pending review for deferral to RTA Next.
15	84.06	UPRR Underpass at Grant Road	\$22,665,000	\$31,975,000	-\$9,310,000	Estimate in line with latest forecast.
18	55.06	Grant, Oracle to Swan; Stages 3 and 4, from Palo Verde to Venice	\$52,777,000	\$47,000,000	\$5,777,000	100% plan estimate in April 2022. Project ready to bid.

## Funding Needs Analysis - Aug. 25, 2022

RTA Ballot #	TIP ID	RTA Roadway Project	Current Cost Estimate	2022-2026 TIP Funding	Funding Need	Notes
18	55.06	Grant, Oracle to Swan; Stages 5 and 6, from Park to Palo Verde	\$88,954,000	\$14,446,000	\$74,508,000	30% plans (Sept. 2021) estimate of \$68.75M. Current estimate increased.
19	131.00	22nd, I-10 to Tucson; Stage 2, Kino to Tucson	\$155,700,000	\$95,454,000	\$60,246,000	Latest estimates reflected. CMAR contractor working on VE recommendations. Includes RAIIE Grant.
19	131.00	22nd, I-10 to Tucson; Stage 3, I-10 to Kino	\$78,277,000	\$0	\$78,277,000	Latest estimate.
20	87.06	Aviation, Palo Verde to I-10 (R/W)	\$19,600,000	\$19,600,000	\$0	
22	38.13	Irvington, Santa Cruz River to East of I-19; Sidewalk, Bike lanes, Access, Safety and I/S Mods	\$9,800,000	\$9,800,000	\$0	
23	60.06	Valencia, I-19 to Alvernon; Access, Safety and I/S Mods	\$9,800,000	\$9,800,000	\$0	
25	59.06	Valencia, Kolb to Houghton	\$37,175,000	\$25,596,000	\$11,579,000	RTA estimate includes recent information regarding acquisition of State Land and 100% plans.
30	32.00	22nd, Camino Seco to Houghton	\$29,926,000	\$9,066,000	\$20,860,000	Latest estimate.

## Funding Needs Analysis - Aug. 25, 2022

RTA Ballot #	TIP ID	RTA Roadway Project	Current Cost Estimate	2022-2026 TIP Funding	Funding Need	Notes
31	38.00	Harrison, Golf Links to Irvington	\$9,609,000	\$6,158,000	\$3,451,000	Latest estimate.
32	16.15	Houghton, I-10 to Tanque Verde; Stage 7, from Irvington to 22nd.	\$60,380,000	\$35,128,000	\$25,252,000	Latest estimate. Requires scope change funding from Tucson for the 6-lane option.
32	23.20	Houghton, I-10 to Tanque Verde; Stage 8, from Broadway to Tanque Verde	\$55,337,000	\$7,326,000	\$48,011,000	Latest RTA estimate. Original Scope for project, though an alternate 3-lane cross section north of Speedway would significantly reduce costs.
Current Construction		Downtown Links	\$17,500,000	\$0	\$17,500,000	Supplemental funding amount was revised in June. Requires \$4M Impact fee from the City. Large growth in Railroad and Shoring Package
Totals			\$874,616,000	\$513,100,000	\$361,516,000	Up from \$293M previously presented, based upon latest current year estimates of cost and after deferral of RTA #5 Stage 3 and RTA #13
			Estimated utility reimbursements @5% of cost		-\$43,731,000	
					\$317,785,000	

Should RTA Board Elect to apply Unprogrammed funds to the Current Projects:

Available Revenue, Baseline	\$176,850,000
Revised	
Funding Need	\$140,935,000
Available Revenue, Optimistic	\$218,760,000
Revised	
Funding Need	\$99,025,000

# Funding Needs Analysis

<u>RTA Ballot #</u>	<u>TIP ID</u>	<u>RTA Roadway Project</u>	<u>Current Cost Estimate</u>	<u>2022-2026 TIP Funding</u>	<u>Funding Need</u>	<u>Notes</u>
1	86.06	Tangerine Road, I-10 to La Canada; Stage 2, I-10 to Dove Mountain	\$63,848,920	\$34,531,000	\$29,317,920	
5	56.06	Silverbell Road, Grant to Ina; Stage 2, Goret to Camino del Cerro	\$38,627,000	\$38,627,000	\$0	
5	56.06	Silverbell Road, Grant to Ina; Stage 3, Camino del Cerro to Ina	\$58,272,000	\$8,633,000	\$49,639,000	<i>RTA Plan calls for a 3-lane roadway north of El Camino del Cerro; 4-lane divided roadway is proposed.</i>
8	10.18	Sunset, Silverbell to River; Stage 2, I-10 to River (scope needs to be modified to provide a grade separation at RR tracks)	\$33,970,000	\$18,001,752	\$15,968,248	<i>Planned improvements exceed RTA Plan Scope, with Railroad grade separation and expanded roadway (3 lanes to 4 lane divided, proposed reconstruction of phase I between Santa Cruz River and I-10 to 4 lane roadway)</i>
13	82.06	1st Avenue, Orange Grove to Ina	\$11,162,950	\$7,256,000	\$3,906,950	<i>Suggested for elimination</i>
14	81.06	1st Avenue, River to Grant	\$138,156,000	\$74,200,000	\$63,956,000	<i>Request to rescope project</i>
15	84.06	UPRR Underpass at Grant Road	\$20,000,000	\$31,975,000	-\$11,975,000	
18	55.06	Grant, Oracle to Swan; Stages 3 and 4, from Palo Verde to Venice	\$47,000,000	\$47,000,000	\$0	
18	55.06	Grant, Oracle to Swan; Stages 5 and 6, from Park to Palo Verde	\$70,000,000	\$14,446,000	\$55,554,000	

# Funding Needs Analysis

<u>RTA Ballot #</u>	<u>TIP ID</u>	<u>RTA Roadway Project</u>	<u>Current Cost Estimate</u>	<u>2022-2026 TIP Funding</u>	<u>Funding Need</u>	<u>Notes</u>
19	131.00	22nd, I-10 to Tucson; Stage 2, Kino to Tucson	\$63,000,000	\$64,156,000	-\$1,156,000	
19	131.00	22nd, I-10 to Tucson; Stage 3, I-10 to Kino	\$67,248,000	\$6,298,000	\$60,950,000	
20	87.06	Aviation, Palo Verde to I-10 (R/W)	\$19,600,000	\$19,600,000	\$0	
22	38.13	Irvington, Santa Cruz River to East of I-19; Sidewalk, Bike lanes, Access, Safety and I/S Mods	\$9,800,000	\$9,800,000	\$0	
23	60.06	Valencia, I-19 to Alvernon; Access, Safety and I/S Mods	\$9,800,000	\$9,800,000	\$0	
25	59.06	Valencia, Kolb to Houghton	\$37,347,000	\$25,596,000	\$11,751,000	
30	32.00	22nd, Camino Seco to Houghton	\$25,710,000	\$9,066,000	\$16,644,000	

# Funding Needs Analysis



<u>RTA Ballot #</u>	<u>TIP ID</u>	<u>RTA Roadway Project</u>	<u>Current Cost Estimate</u>	<u>2022-2026 TIP Funding</u>	<u>Funding Need</u>	<u>Notes</u>
31	38.00	Harrison, Golf Links to Irvington	\$8,255,000	\$6,158,000	\$2,097,000	Scope is for a stand- alone 2-lane bridge over the Pantano Wash per the RTA.
32	16.15	Houghton, I-10 to Tanque Verde; Stage 7, from Irvington to 22nd.	\$50,252,000	\$35,128,000	\$15,124,000	RTA Plan calls for 4-lane road north of Golf Links; 6-lane road currently designed
32	23.20	Houghton, I-10 to Tanque Verde; Stage 8, from Broadway to Tanque Verde	\$47,540,200	\$7,326,000	\$40,214,200	
Additional Funding Requests (Broadway and Downtown Links)			\$14,300,000		\$14,300,000	

Totals	\$819,589,070	\$467,597,752	\$366,291,318
Estimated utility reimbursements @5% of cost			-\$40,979,454
Adjusted Total			\$325,311,865

Should RTA Board Elect to Apply Unprogrammed funds to Eligible RTA Scope Elements

Current Project Funding Needs (Includes cost increases for scope expansions which must be addressed by the lead agencies)	Available Revenue, Baseline Est.	\$204,524,744
	Revised Funding Needs	\$120,787,120
	Available Revenue, Optimistic Est.	\$247,268,911
	Revised Funding Needs	\$78,042,954