

## **RTA Policies, Objectives, and Procedures (POP) Roadway, Safety, and Environmental and Economic Vitality Elements**

### **Purpose**

The RTA in Pima County, Arizona, was established in 2004. The RTA Board is comprised of elected officials from the Cities of South Tucson and Tucson; the Towns of Marana, Oro Valley, and Sahuarita; the Pascua Yaqui Tribe; the Tohono O'odham Nation, Pima County and a governor appointee from the Arizona State Transportation Board. The RTA Board appointed two committees: the Technical/Management Committee and the Citizens Advisory Committee. After a year's work by the Committees, the RTA Board accepted the joint recommendations and approved a 20-year comprehensive multi-modal transportation plan. The plan and the funding mechanism were approved by the voters of Pima County on May 16, 2006.

The RTA is committed to implement the plan in a timely efficient manner and to meet statutory requirements such as project budgets and schedules. The purpose of this document is to provide a consistent and understandable framework for the implementation of the **RTA projects**. It is intended to outline existing procedures and processes, streamlining them wherever possible, in order to limit the need for additional requirements that may impede plan implementation.

It is anticipated that each jurisdiction will use the Policies, Objectives and Procedure (POP) document as a guideline for implementation of **RTA projects**. The RTA plan contains four elements; Roadway Improvement Element, Safety Element, Environmental and Economic Vitality Element, and the Transit Element. **This section does not address policies and procedures for the Transit Element.**

**POLICIES**  
**Section 1**

**Section 1.0: Policies**

The following policies of the Regional Transportation Authority are intended to facilitate development and oversight of the voter-approved Regional Transportation Plan. Procedures designed to implement these policies are set forth in subsequent sections. From time to time, the RTA may amend these policies or adopt additional policies. A policy change may or may not alter the procedures contained herein; however, a change in procedure shall not change or supersede an adopted policy.

1. It is the policy of the RTA Board to enable RTA member jurisdictions to implement programs and projects contained within the voter-approved RTA plan in a timely and cost-effective manner.
2. It is the policy of the RTA Board that policy and transportation objectives of existing regional and local plans form the foundation for project and program implementation.
3. It is the policy of the RTA Board that all projects for which funding is to be provided are included in/and consistent with the voter-approved RTA plan as part of the Roadway Improvement Element, Transit Element, Safety Element or the Environmental and Economic Vitality Element.
4. It is the policy of the RTA Board to provide the funding for RTA projects consistent with the minimum amount of funding as designated in the voter-approved RTA plan.
5. It is the policy of the RTA Board to require that RTA projects be incorporated and appropriate funding levels are committed in the regional Transportation Improvement Program before funding can be made available by the RTA.
6. It is the policy of the RTA Board to require that funding needed for RTA projects that exceeds the minimum amount of funding as designated in the voter-approved RTA plan, whether due to increases in construction cost and/or project scope changes, remains the responsibility of the lead agency to identify and provide or program additional funding for, through the TIP development progress.
7. It is the policy of the RTA Board to require that a lead agency be identified and an Intergovernmental Agreement (IGA) be approved and entered into by the RTA Board and lead agency before requests for funding reimbursement or payment can be processed by the RTA. An IGA may be developed for a single project, a single phase of a project or several related projects, as appropriate. The IGA will identify whether additional IGAs with other agencies and/or a separate, more

specific Project Agreement may also be needed, such as to provide more detail as subsequent phases of a project.

8. It is the policy of the RTA Board that procedures may be developed on a project-specific basis within each Intergovernmental Agreement and/or Project Charter. While an Intergovernmental Agreement and/or Project Charter may provide more detail or specify a variance from the procedures set forth in this document, they may not change a policy.
9. It is the policy of the RTA Board to require that the lead agency manage soft costs (i.e. planning design, construction administration) associated with RTA projects to the fullest extent possible in order to maximize funding available for actual construction. RTA funding limits for specific cost items may be set forth as necessary in the Intergovernmental Agreement and/or Project Charter.
10. It is the policy of the RTA Board to require the lead agency to provide early and on-going involvement of government entities, stakeholders and the general public in the planning stages for RTA transportation projects to ensure that implementation of projects and programs meets their mutual transportation needs.
11. It is the policy of the RTA Board that a corridor study resulting in an adopted right-of-way plan and/or inclusion of a corridor in an adopted major street and roadway plan is required for reimbursement of any right-of-way acquisition using RTA funding and that, once such an alignment is established and approved by jurisdictional governments. It is also the policy of the RTA Board to encourage jurisdictions to use their powers to exaction to the extent possible to acquire needed rights-of-way for RTA projects.
12. It is the policy of the RTA Board to encourage construction planning and phasing which limits the impacts of construction on parallel routes.
13. It is the policy of the RTA Board to encourage planning and phasing of safety, intersection, Intelligent Transportation Systems (ITS) and other "program" improvements so that they may be in place in advance of major construction on a nearby parallel corridor so as to facilitate traffic flow that may be impacted by construction of the corridor.
14. It is the policy of the RTA Board to encourage sound and cost-effective strategies that employ the latest technologies in planning, construction, and financing, that consider impacts on the environment and that help create a transportation system in which all modes interconnect for seamless travel throughout the region.
15. It is the policy of the RTA Board to encourage access management strategies which maintain an appropriate balance between mobility on the transportation facility and access to adjacent property.

16. It is the policy of the RTA Board that funding resources which are designed to accelerate project schedules, i.e. additional or advanced local government or private funding participation, Advanced Construction, HELP loans, Community Facilities Districts , etc., shall be allowed if approved in advance by incorporation in the Intergovernmental Agreement and/or Project Charter adopted for the project. Repayment by the RTA for project advancement is limited to the amount programmed in the TIP and must be consistent with the schedule identified by the RTA plan, Intergovernmental Agreement and/or Project Charter.
17. It is the policy of the RTA Board that reimbursable items for regionally funded projects are limited to:
  - a. Those costs associated with planning design, right-of-way acquisition and associated costs including relocation, construction, design concept reports, planning studies and related studies, such as environmental and other studies
  - b. Safety, intersection improvement, bicycle and pedestrian improvements in accordance with the selection criteria and corridor priorities established by the RTA Board
  - c. Small Business Assistance
  - d. Projects or components thereof directly related to capacity and safety improvements, including:
    - 1) Intelligent Transportation Systems (ITS).
    - 2) Traffic control devices
    - 3) Work zone and traffic management
    - 4) Lighting
  - e. Transit stops and pullouts, as well as queue jumper lanes, for example, for express busses.
  - f. Bicycle/pedestrian facilities where integral to the roadway, including sidewalks separated from curbs, and multi-use paths
  - g. Utility relocations in specific cases where required by law
  - h. Drainage improvements limited to those required for the roadway project and which do not exceed local jurisdictional practices.
  - i. Landscaped medians and shoulders, and other improvements within reasonable limits (and generally not exceeding typical practice for the local jurisdiction). Project landscaping will not exceed 4%.
  - j. Access management.
  - k. Asphalt (including rubberized) and concrete paving
  - l. Staff time directly attributable to project as defined in the Project Charter and IGA
  - m. Noise walls necessary to meet applicable local, state or federal standards
  - n. Environmental and cultural resources mitigation
  - o. Art, not to exceed 1 percent of the construction cost
  - p. Public Outreach expenses, provided they are reasonable and do not include unnecessary food or promotional items
  - q. Critical wildlife linkages and trails

18. It is the policy of the RTA Board to exclude payment or reimbursement for any costs incurred prior to the effective date of the IGA
19. It is the policy of the RTA Board to maintain the fiscal integrity of the RTA Board's financing programs and ensure adequate funding is available for RTA programs and projects by:
  - a. Operating on a projected cash flow basis and ensuring reasonable cash balances.
  - b. Using conservative estimates of reasonably expected revenues.
  - c. Adjusting revenues to inflation.
  - d. Judiciously using its authority to issue debt to accelerate the construction of critically needed projects.
20. It is the policy of the RTA Board that oversight of progress made towards completion of the RTA plan shall be provided by the Citizens Accountability for Regional Transportation (CART) Committee.
21. It is the policy of the RTA Board to review this policies and procedures document on a regular basis to ensure it meets the needs of the RTA, its member entities, stakeholders and the general public.
22. It is the policy of the RTA Board that RTA projects and programs are made highly and consistently identifiable through appropriate means. The RTA Board will develop additional procedures describing the methods for coordinating communications and outreach activities between the RTA and the jurisdictions.
23. It is the policy of the Board to conserve valuable revenue resources beginning in the planning/ design phase of project delivery.

**Objectives  
Section 2**

**Section 2-1 Objectives**

The PPP has five key objectives:

1. **Effective and Efficient Implementation of the RTA Plan:** In order to facilitate the effective and efficient implementation of the RTA plan the RTA Board shall:
  - a) Ensure projects are implemented in a manner consistent with the RTA PPP including any updates or amendments.
  - b) Provide the means to track project implementation against requirements established in the TIP and the RTA plan.
  
2. **Fiscal Integrity:** In order to ensure the fiscal integrity of the regionally funded RTA projects the RTA Board shall:
  - a) Establish financial and reporting requirements for each project.
  - b) Inform the Citizens Accountability for Regional Transportation Committee (CART) of revenue forecasts, actual revenues and expenditures as needed for their review of progress made towards completion of the RTA plan.
  
3. **Accountability:** In order to provide the means to track and ensure effective and efficient project implementation the RTA Board shall:
  - a) Employ comprehensive Intergovernmental Agreement and/or Project Charter or other legal instruments that detail agency roles and responsibilities in the implementation of specific projects.
  - b) Provide the means within each Intergovernmental Agreement and/or Project Charter to track project implementation, performance and successful completion of individual projects and the program.
  - c) Establish a Financial Review process that tracks annual project costs and revenue receipts. Furthermore the "Financial Review" process will update cost estimates on outstanding projects against revenue forecast. This task will be completed at least annually.
  
4. **Transparency:** In order to provide members of the public, elected officials, stakeholders, participating agencies and others with ready access to information on the program and on each project the RTA Board shall require lead agencies to:
  - a) Include public and stakeholder consultation as part of the implementation process for each project. Encourage stakeholders to be involved at the earliest possible stage of project development.
  - b) Consult with stakeholders and the public on major changes to projects in the RTA plan.
  
5. **Compliance:** The RTA Board shall require lead agencies to comply with all applicable federal, state and local requirements in the implementation of projects.

**Procedures  
Section 3**

**Section 3.1: General Procedures**

1. The requirements established in this document are limited to RTA capital projects including: projects identified in the Roadway Improvement Element, Safety Element, and Environmental and Economic Vitality Element of the RTA plan. **Transit projects are excluded from this section.**
2. RTA projects receiving any federal and/or state funding must satisfy all federal and/or state requirements in addition to the requirements established in this document.
  - a. Only select projects will have federal and/or state funding allocated to them. Those that do will be identified and the lead agency designated for that project will work to ensure conformity to federal, state and RTA policy requirements.
  - b. Where conflicts occur between federal/state and RTA requirements, the federal and/or state requirements will take precedence.

**Section 3-2: Programming the RTA plan**

1. The RTA has established project funding limits, general project scopes, and priorities for RTA projects.
2. All RTA projects must be properly programmed in the approved PAG Transportation Improvement Program (TIP) before they may be implemented or funded.
3. An executed Intergovernmental Agreement (IGA) between the RTA Board, the lead agency, and other participating agencies is required on all RTA funded projects. An IGA may be developed for a single project, a single phase of a project or several related projects, as appropriate. The IGA will identify whether additional IGAs with other agencies and/or a separate, more specific Project Charter may also be needed, such as to provide more detail as subsequent phases of a project.
4. Programming of projects funded by the RTA must be consistent with the RTA Policies and Procedures.
5. Projects initially will be programmed based on the regional and local funding specified in the RTA plan.
6. Local funds may be added to the RTA funding on all projects. A list of regional and local funds earmarked for RTA projects is available in Appendix A.

7. Jurisdictions are encouraged to begin project scoping as early as feasibly possible to identify project intricacies and try to maintain project delivery schedules.
8. Programming of construction projects may be preceded by the programmed planning, design, and right-of-way phases of the project.
9. The RTA Board may waive some or all of the preceding requirements on a specific project.
10. Amendments to the TIP, RTA and/or Intergovernmental Agreement and/or Project Charter for a project(s) must follow the policy set in Section 4-2.
11. Inflation will occur throughout the life of the RTA plan. The original project budgets listed in the 2006 RTA list were expressed in 2006 dollars. Project funding adjustments will be reviewed by the RTA Board at least tri-annually, considering growth in sales tax receipts, growth in the population (already accounted for in the project funding) and economic trends.
12. The RTA Board shall maximize programming of funds for projects in the Roadway Element as follows:
  - a. If cash flow allows, existing projects will be accelerated in priority order of the designated construction start periods.
  - b. If a project is designated to be accelerated and local funds are earmarked for the project, local funds must be available for acceleration.
  - c. If there are surplus funds available upon full completion of the RTA plan, the RTA Board will discuss options regarding additional projects.
  - d. If there is a deficit of program funds to the RTA projects, either local or regional funds may be added to makeup any deficiency. If there are no funds available, project delays will occur in the order of the scheduling priorities as determined by the May 16, 2006 ballot and the RTA Board.
13. Advancing Projects: A jurisdiction is allowed to advance design, acquire right of way and construct a project in the RTA plan.
  - a. The RTA revenue contribution for the project will stay in the negotiated construction period it is programmed in the RTA. The specific year within the construction period will be determined at the time of the request for the advancement. Reimbursement for a project will be the amount listed, plus inflation to the year it is programmed.
  - b. The advancement of a project must consider the impact of the proposed change on other RTA projects and on neighboring communities.
14. Deferring a project in the Roadway Element within the scheduled 5-year construction period.
  - a. To defer a project, the lead agency must submit a written request stating the reason(s); for the new schedule to the RTA Board. Deferrals must be



approved by the RTA Board. The deferral of a project must consider the impact of the proposed change on other RTA projects and on neighboring communities.

- b. If a project is deferred, other projects may be moved in priority order at that time, taking into account: project readiness, local funding availability, project proximity, and RTA funding availability.

15. Reporting:

- a. At a minimum, the RTA progress report will be issued annually. It will provide the status of the projects, (including project costs), revenue receipts for the previous fiscal year, and any changes in the revenue forecast for the duration of the RTA, and an estimation of costs to be incurred in the coming year. At least annually, a summary report will be published in two local newspapers.
- b. The annual report also will include a "Financial Review" process which specifies the number of projects built-to-date and projects under construction.
  - 1) The report will specify roadway lane miles, bicycle pathways, and sidewalk miles built to-date
  - 2) New information or data concerning project cost will be augmented to the data-base
  - 3) Updated revenue forecasts are to be incorporated in the reporting process
  - 4) New revenue forecast and project costs will be matched to determine where the plan stands in terms of financial implementation
- c. Audits - All participating agencies must cooperate and provide requested information, if available, as part of any audit.

**Section 3-3: RTA Committee Process**

1. Final decisions regarding the RTA plan rest with the RTA Board. Recommendations may be made from the RTA Transportation Planning Committee (TPC), CART Committee, and RTA Technical Management Committee.
2. RTA subcommittees, standing committees or newly created committees may make recommendations to the RTA Board regarding items under the Safety Element and Environmental and Economic Vitality Element. Items such as the Intersection Safety and Capacity Improvements, Elderly and Pedestrian Safety Improvements, Transit Corridor Bus Pullouts, At-grade Railroad Safety/Bridge Deficiencies, Signal Technologies; Greenways, Pathways, Bikeways, and Sidewalks, Transportation Related Critical Wildlife Linkages, and Small Business Assistance.

**PROJECT REQUIREMENTS**  
**Section 4**

**Section 4-1: Project Eligibility**

1. To be funded under the program, all projects must:
  - a. Be included on the Roadway Improvement Element or
  - b. Be approved by the RTA board if part of the Safety Element or the Environmental and Economic Vitality Element
  - c. Exclude costs incurred prior to July 1, 2006.
  
2. Project funding for improvements under the Safety Element include:
  - a. Intersection Safety and Capacity Improvements.
  - b. Elderly and Pedestrian Safety Improvements including Safe Routes to Schools
  - c. Transit Corridor Bus Pullouts
  - d. At-grade Railroad Safety projects, excluding projects solely proposed for a whistle ban
  - e. Bridge Deficiency projects
  - f. Signalization Technology and Intelligent Transportation Projects
  
3. Project Funding for improvements in the Environmental and Vitality Element include:
  - a. Greenways
  - b. Pathways
  - c. Bikeways
  - d. Sidewalks
  - e. Transportation-related Critical Wildlife Linkages
  - f. Small Business Assistance
  
4. Each project must be approved by the RTA Board. In addition, the following information must be provided for each project:
  - a. Description of the scope of the project.
  - b. If applicable, alignments as appropriate for the project.
  - c. If applicable, major project elements between (logical) project termini for the selected alignment.
  - d. If applicable, cost estimates by project phase (design, right of way and construction) based on time and material-quantity estimates for use in the Intergovernmental Agreement and/or Project Charter.
  - e. If applicable, recommendations for phasing of design, right-of-way acquisition and construction of the project.
  
5. Reimbursable items for regionally funded projects are limited to items identified in Section 1.0

6. Notwithstanding findings or recommendations from the Design Concept Report or similar study, projects, project components or other costs that are not reimbursable from the RTA include:
  - a. Enhancement projects or enhancement components of projects. If the lead agency and other agency (ies)/jurisdiction(s) listed in the IGA request an enhancement to a project funded by the RTA, the local jurisdiction and/or lead agency shall pay all costs associated with the enhanced component .
  - b. Right of way that is not used by the RTA project, with potential exceptions on a case-by-case basis for land that is identified by the lead agency and/or the local jurisdiction or jurisdictions as not marketable for sale. Right of way or other capital assets acquired for use as an eligible project cost, but not used in the RTA project, must be disposed or purchased by the lead agency and/or the local jurisdiction or jurisdictions at market rates and the funds returned to the RTA for reallocation following the requirements. Acceptable timeframes related to right of way acquisitions may be addressed in the Intergovernmental Agreement and/or Project Charter.
  - c. Any project or project element that exceeds reasonable limits or typical practice for the local jurisdiction in which the project or projects are located.
  - d. Administrative overhead costs by the lead agency and other agency (ies)/ jurisdiction(s) listed in the Intergovernmental Agreement and/or Project Charter not attributed to the project.
  - e. Other expenses, such as interest expense, as determined by the RTA Board.
7. If an annexation occurs that effects a RTA funded Project(s) and local funding, the jurisdictions involved with the RTA project shall negotiate an equitable local share while maintaining the local earmarked amounts reflected in appendix A.
8. The use of federal funds or other funding sources may involve further restrictions on the use of RTA funds.
9. Local contributions that are earmarked for the RTA plan include:
  - a. Development impact fees, local sales tax, construction sales tax or private contributions or any other form of revenues provided from the jurisdictions, region, or federal.
  - b. Third party contributions are taken at market value at the time of the donation, mutually agreed upon between the lead agency and other agency (ies)/jurisdiction(s) listed in the Intergovernmental Agreement and/or Project Charter and RTA, and have supporting documentation.
10. The Intergovernmental Agreement and/or Project Charter for each project must identify all project components for which reimbursement for the regional share is

sought from the RTA, including the components of the project that will be funded locally or by third parties.

11. The RTA Board has the final determination on the eligibility of any project or project component for reimbursement from the program.
12. The project sponsor will be reimbursed in a timely manner per the Intergovernmental Agreement and/or Project Charter.

#### **Section 4-2: Project Authorizations**

1. All projects must receive authorization to proceed with an executed Intergovernmental Agreement and/or Project Agreement before reimbursements are made.
  - a. The project must be included in the adopted Transportation Improvement Plan (TIP).
  - b. A Memorandum of Understanding (MOU) may be used as a bridge to fulfill a Project
  - c. Agreement for multi-jurisdictional projects.
    - 1) Design studies may be initiated under an Intergovernmental Agreement and/or Project Charter to determine project scope, costs and schedule, by a jurisdiction as needed for multi-jurisdiction projects.
    - 2) The Intergovernmental Agreement and/or Project Charter may address other considerations, such as roles and responsibilities for local jurisdictions in a multi-jurisdiction project, or early right-of-way acquisition, as needed in a preliminary manner prior to a full Intergovernmental Agreement and/or Project Charter.
2. Prerequisites for project authorization and the development of a Intergovernmental Agreement and/or Project Charter include:
  - a. The scope, budget and schedule of the project as currently foreseen must match that specified in the RTA and TIP; otherwise the RTA and TIP must be amended.
  - b. A lead agency for each project must be identified, agreed to by the local jurisdictions in which the project is located, and established in the Intergovernmental Agreement and/or Project Charter.
  - c. Funding from a local, regional and, if applicable, federal level must be identified in the Intergovernmental Agreement and/or Project Charter.

#### **Section 4-3: Project Amendments**

1. An amendment to the RTA TIP, if appropriate, will be needed if a scheduled project in the RTA plan is: subdivided, merged with another project, advanced,

deferred, accelerated, given reallocated money and/or altered causing a change in the scope, schedule, or budget of the project.

- a. Proposed amendments that in whole or in part negatively impact projects in the TIP or RTA may not be approved.
  - b. Amendments are subject to the approval of the RTA Board.
2. The lead agency and other agency (ies)/jurisdiction(s) listed in the Intergovernmental Agreement and/or Project Charter, typically initiates the amendment process by making a written request to the RTA Board.
- a. The request for the RTA and/or TIP amendment must be provided as part of the agenda item for review and consideration throughout the Committee Process.
  - b. The request must explain why it is necessary to change the project scope, schedule or budget including regional funding and local funding as described in the Intergovernmental Agreement and/or Project Charter.
  - c. The request must specifically address and justify the proposed changes in scope, budget or schedule relating to:
    - 1) Project length.
    - 2) Through lane capacity.
    - 3) Facility location or alignment.
    - 4) All other key project features.
    - 5) Potential negative impacts to other RTA projects, including public transportation or other mode projects.
    - 6) Potential negative impacts to meeting all applicable federal, state, regional and local
    - 7) Requirements, including but not limited to, any applicable requirements for air quality
    - 8) Conformity and any that may be imposed by an audit.
    - 9) Funding changes identified from the original project allocation.
3. For RTA projects to be subdivided or merged with contiguous or nearly contiguous projects, amendments to the RTA, TIP and Intergovernmental Agreement and/or Project Charter for the new projects must be agreed to and executed.
- a. A Design Concept Report or equivalent will be used to determine major project elements within each jurisdiction and to develop recommendations for budget allocations.
  - b. The lead agency and other agency (ies)/jurisdiction(s) listed in the Intergovernmental Agreement and/or Project Charter must agree to the proposed subdivisions, merge and/or any other associated changes.
  - c. The resulting projects must show that they provide for the completion of the original project as specified in the RTA.
4. Projects may be advanced by the Lead agency and other agency (ies)/jurisdiction(s) listed in the Intergovernmental Agreement and/or Project Charter, who must pay the costs of advancing the project and wait for

reimbursement from the RTA in the fiscal year the project or projects are scheduled to receive funding. To do so, it is required that:

- a. The lead agency and other agency (ies)/jurisdiction(s) listed in the Intergovernmental Agreement and/or Project Charter must bear all costs and risks associated with advance design, right-of-way acquisition, construction and related activities for projects.
  - b. All parties listed in the Intergovernmental Agreement and/or Project Charter must agree to the advancement.
  - c. Impacts on neighboring jurisdictions must be considered.
  - d. Financing costs and any other incremental costs associated with the advancement are not eligible for reimbursement.
  - e. The reimbursement for the advanced project will be in the first year of the implementation period for the project.
  - f. If Program revenues are lower or higher than expected, then the repayment schedule is subject to Program delays or Program advancements in the same manner as any other project in the RTA plan. The lead agency and other agency(ies)/jurisdiction(s) listed in the Intergovernmental Agreement and/or Project Charter may request to revert to the original project schedule as long as all non-recoverable costs incurred or committed are paid for by the lead agency and/or other agency(ies)/jurisdiction(s) listed in the Intergovernmental Agreement and/or Project Charter, and there are no other unacceptable adverse impacts associated with the reversion.
  - g. Upon completion of an advanced project, all invoices will be submitted to the RTA staff and payments will follow the schedule established in the Intergovernmental Agreement and/or Project Agreement.
5. Projects may be deferred at the request of the lead agency and other agency (ies)/jurisdiction(s) listed in the Intergovernmental Agreement and/or Project Charter, and/or RTA staff
- a. If a project is deferred, other projects will be moved in priority order for that year, taking into account: availability of Program funds, project readiness, local funding availability (when applicable) and RTA funding.
6. Projects in the Safety or Environmental and Economic Vitality elements which have not had substantial progress within 3 years of approval by the RTA Board shall be reviewed for deprogramming of RTA funds.

**PROJECT DETAILS**  
**Section 5**

**Section 5-1: Lead Agencies**

1. A lead agency must be identified for each RTA project or sub-divided project that crosses jurisdictional boundaries.
  - a. The lead agency shall be a RTA member agency.
  - b. Only one lead agency per project will be accepted.
2. The designation of a lead agency for each project will be accomplished through the Intergovernmental Agreement with RTA Board. An IGA may be developed for a single project, a single phase of a project or several related projects, as appropriate. The IGA will identify whether additional IGAs with other agencies may also be needed, such as to provide more detail as subsequent phases of a project.
3. The lead agency will be responsible for all aspects of project implementation, including, but not limited to: planning, project management, risk management, design, right of way acquisition and construction.
  - a. The lead agency and other agencies/jurisdictions listed in the Intergovernmental Agreement and/or Project Charter will be signatories to the Intergovernmental Agreement and/or Project Charter.
  - b. The lead agency and the agency (ies)/jurisdiction(s) listed in the Intergovernmental Agreement and/or Project Charter are expected to use generally accepted financial and project management policies, practices and procedures in the use of funds received from the RTA and in the implementation of the project.
  - c. The lead agency will be responsible for assuming all risks associated with the projects except those that are assigned to another agency (ies)/jurisdiction(s) and agreed to as such in the Intergovernmental Agreement and/or Project Charter.
  - d. The lead agency, and the agency (ies)/jurisdiction(s) listed in the Intergovernmental Agreement and/or Project Charter, will indemnify and hold harmless the RTA Board for all aspects of project implementation and operation.
4. Projects in One Jurisdiction
  - a. If a project falls entirely within one jurisdiction, that jurisdiction is expected to be the lead agency.
  - b. If there is change in jurisdictions because of an annexation that affects a project, the lead agency designated at the time of project implementation will continue unless the RTA Board approves a change.
  - c. An alternative agency may be specified as the lead agency if the local jurisdiction in which the project is located is the requesting agency.

- d. An agreement between the local jurisdiction and the lead agency must be documented in writing between the respective Town/City Managers, County/Community Administrator or designees.
  - e. A copy of that written agreement must be provided to RTA Board.
5. Projects in Multiple Jurisdictions, In cases where the RTA project is located in more than one jurisdiction, the project may be implemented as either:
- a) One project with a single lead agency as agreed to by the agency (ies)/ jurisdiction(s) listed in the Intergovernmental Agreement and/or Project Charter. The agreement to this effect between the local jurisdictions and the lead agency must be documented in writing between the respective Town/City Managers, County/Community Administrator or designees.
  - b) This agreement can be a Memorandum of Understanding (MOU) and/or an Intergovernmental Agreement and/or Project Charter (IGA).
  - c) A copy of that agreement must be provided to RTA Board, which must agree to the proposed lead agency designation.
  - d) The project may be subdivided and implemented as separate projects by local jurisdictions, if agreed to by all agencies/jurisdictions listed in the Intergovernmental Agreement and/or Project Charter, and following the amendment process.

#### **Section 5-2: RTA Project Budgets**

1. The regional funding for each RTA project as specified in the plan establishes the amount payable from regional funds for that project.
  - a. Every payment obligation of the RTA is conditioned upon the availability of funds appropriated or allocated for the payment of such obligation.
  - b. The RTA budget and timeline can change with RTA Board approval to account for surplus or deficit program funds.
2. The budget for each RTA project:
  - a. Is limited to the amount specified in the RTA budget for the project.
  - b. Will be established in the Intergovernmental Agreement and/or Project Charter.
  - c. Requires the lead agency to be responsible for the entire project costs over the RTA funding and the regional contribution and, if applicable, to work with the other agency(ies)/jurisdiction(s) listed in the Intergovernmental Agreement and/or Project Charter to cover any additional costs.

#### **Section 5-3: Eligible Costs for Reimbursement**

1. Reimbursable expenditures are limited to RTA projects meeting the requirements set forth in Sections 1-0 and 4-1.
2. No reimbursements will be made:



- a. Prior to the execution of an Intergovernmental Agreement and/or Project Charter.
  - b. Prior to the negotiated year in which the funds for that RTA project are programmed or would normally be received following the schedule in the TIP and RTA.
3. Each RTA project will have a reimbursement timeline specified in the Intergovernmental Agreement and/or Project Charter.
4. The lead agency shall send the project invoices to RTA staff for reimbursements. The lead agency will be responsible for:
  - a. All project expenditures.
  - b. Providing all project invoices to the RTA staff for reimbursement.
5. Reimbursements will be made for expenditures paid with public funds, these include development and impact fees collected by a jurisdiction.
  - a. Reimbursements will not be made for project elements donated or funded via cash or cash equivalent donations, right-of-way donations, exactions, fees and/or other third party or non-tax funding sources.
  - b. Reimbursements from the RTA will not be made for expenditures that have already been reimbursed from other sources, either in cash or cash equivalents or through in-kind contributions including, but not limited to, the provision of a transportation improvement project such as a design or related study, right-of-way acquisition or donation or construction.
  - c. Reimbursements will generally be commensurate with progress unless otherwise agreed to in the Intergovernmental Agreement and/or Project Charter, such as for specific lump sum right-of-way acquisitions and/or work. Where local funding is committed to a project, the local funding expenditure must also be commensurate with project progress unless the RTA Board approves a different arrangement.
  - d. Reimbursements for in-house staff costs are limited to those staff working directly on the project as defined in the project Charter, plus employee related expenses (FICA, Insurance, Leave, etc.)
  - e. Reimbursements will not be made for redesign due to change of project scope or design concept.
6. Right of way or other capital assets acquired for use as an eligible project cost, but not used in the RTA project, must be disposed or purchased by the jurisdiction at market rates and the funds returned to the RTA for reallocation following the requirements. Acceptable timeframes related to right of way acquisitions may be addressed in the Intergovernmental Agreement and/or Project Charter.

#### **Section 5-4: Invoicing for Reimbursement of Project Costs**

1. All project invoices shall be submitted to RTA staff for authorization for payment.
  - a. As permitted in the Intergovernmental Agreement and/or Project Charter, participating agencies/jurisdictions may invoice the lead agency for any

- item including, but not limited to, work conducted or capital assets acquired for the project or as part of the project, subject to other terms in the project agreement.
- b. The work conducted and/or received must meet all the requirements of the RTA Policies and Procedures as well as any and all other applicable federal, state, regional and local requirements.
  - c. The lead agency must retain and certify all vendor receipts, invoices and any related project records as needed and ensure that they are available for review.
  - d. These vendor receipts or invoices must be available for five (5) years after final payment is made; auditors, RTA or its designees can make possible requests.
  - e. Receipts and invoices for projects advanced by a jurisdiction may have a longer retention period.
  - f. A duly authorized representative of the Lead agency must sign all invoices and progress reports.
  - g. Earmarked contributions to projects as agreed upon by the lead agency must be documented.
  - h. If a project is advanced, all invoices are due at the time of project completion.
  - i. Other stipulations may apply as determined appropriate by the RTA Board in consultation with the lead agency.
  - j. A compliance audit may be requested by the RTA to ensure consistency.
2. The signature of the duly authorized representative certifies that the invoice and progress reports are true and correct per the terms of the Intergovernmental Agreement and/or Project Charter. The duly authorized representative for the lead agency may be the respective Town/City Managers, County/Community Administrator, designee or a higher level representative of the organization that has signing authority and is designated in the Intergovernmental Agreement and/or Project Charter for that specific RTA project.
  3. As soon as practicable, the lead jurisdiction will present to the RTA staff an invoice for cost incurred on any eligible RTA project(s).
    - a. The invoice will contain sufficient back ground information regarding payments made to contractors, vendors or any other eligible cost incurred. A referenced Intergovernmental Agreement and/or Project Charter number must also be supplied with the payment request
    - b. RTA staff will review the cost and assure that the request is within the parameters set with the Intergovernmental Agreement and/or Project Charter. If there are questions or a need of additional information, the submitting agency will be notified within five days of the receipt of the invoice by RTA staff
    - c. A request of payment from the RTA staff to the fiscal agent will be made within five days of the invoice submittal provided additional documentation is not warranted.

- d. The RTA staff will work with the fiscal agent (bank) to expedite all claims and will make payments directly to the lead jurisdiction within 2 working days of being notified by the RTA staff.

#### **Section 5-5: RTA working capital/investments**

1. The RTA fiscal agent will invest all proceeds in interest bearing accounts. Limited to the following items:
  - a. Obligations issued or guaranteed by the United States or any of its agencies, sponsored agencies, corporations, sponsored corporations or instrumentalities.
  - b. Collateralized repurchase agreements.
  - c. Bonds or other evidences of indebtedness of this state or any of the counties or incorporated cities, towns or duly organized school districts.
  - d. Commercial paper whose issuer is rated in one of the two highest rating categories for short-term obligations by any two nationally recognized statistical rating organizations.
  - e. Bills of exchange or time drafts known as bankers acceptances which are drawn on and accepted by a commercial bank.
  - f. Negotiable certificates of deposit issued by a nationally or state chartered banks, savings and loan association, or accredited credit unions
  - g. Bonds, debentures, notes or other evidences of indebtedness which are issued by entities organized and doing business in the United States and which carry as a minimum one of the Baa ratings of Moody's investors service or one of the BBB ratings of Standard and Poor's rating service or their successors.

#### **Section 5-6: Eligible Advanced Right of Way Acquisition and/or Work for Reimbursement**

1. Advanced right-of-way acquisitions and/or work that is part of a designated RTA project is eligible for reimbursement if:
  - a. It is specified in an Intergovernmental Agreement and/or Project Charter.
  - b. It is purchased/completed after July 1, 2006, for design, environmental and related planning studies and right of way acquisition.
2. Reimbursements for advanced right-of-way acquisition and/or work will be payable only to the agency that paid for the right of way acquired and/or work, unless that agency assigns the payment to another party or other terms are developed in the Intergovernmental Agreement and/or Project Charter for the RTA project.
3. The Intergovernmental Agreement and/or Project Charter will identify the appropriate priorities for reimbursement for advanced right-of-way acquisition and/or work if more than one agency is requesting such reimbursement for that project.

### **Section 5-7: Project Closeout and Reallocation of Surplus Project Funds**

1. Within 90 days following the substantial completion of a Roadway Element project, a preliminary project closeout meeting shall be conducted to review all expenditures to-date, and to review the following:
  - a. The costs of landscape improvements.
  - b. The costs charged to the project for planning, design, construction administration and surveying, from both in-house staff and consultants.
  - c. Any known, outstanding reimbursement requests.
  - d. Any expected future charges, including landscape establishment, utility relocations and any items deferred, which will still be completed and charged to the project.
  - e. Any eminent domain cases which have yet to be adjudicated.
  - f. Any other issues which may have a financial impact on the project.
  - g. Any excess property/parcel remnants from right of way acquired.
2. At the preliminary project closeout meeting, a schedule shall be developed to finalize project closeout. It is desired that RTA projects be closed out at the earliest possible time. At final closeout, a report to the RTA Board shall be prepared, which identifies the final project costs, sources of funds and scope of work. An IGA amendment, terminating the IGA will be executed if any project funds remain at project closeout. The termination IGA amendment may include a lump sum payment for future anticipated costs, such as landscape establishment.
3. Surplus project funds from the RTA will not be reallocated by the RTA Board unless and until:
  - a. Construction has been completed and the work satisfies the original intent, and the scope of the project as defined in the Intergovernmental Agreement and/or Project Charter and there are remaining regional funds that were allocated to the project.
  - b. If applicable, right of way, or other capital assets acquired with RTA funds but not used in the project will be disposed of at market rates and the funds returned to the RTA.
4. Any surplus funds remaining on categorical element projects after the scope of work identified in the IGA is completed and all eligible costs have been reimbursed shall be made released for reprogramming on other, additional projects within the same sub-element of the RTA Plan.
5. An amendment to the RTA plan will be required to change the amount of RTA funding and/or local earmarked funds, to be reallocated to other uses.

### **Section 5-8: Supplementation of Project Funds**

1. Where costs for a categorical element project exceeds the amount programmed, the executive director is authorized to approve additional reimbursements, not to exceed the lesser of 10% of the approved funding amount or \$200,000.

## LEGAL AGREEMENTS

### Section 6

#### Section 6-1: Intergovernmental Agreement and/or Project Charter

1. An Intergovernmental Agreement between the RTA and the designated lead agency and other local agencies as appropriate, is required for every project before reimbursable expenditures may be initiated. An IGA may be developed for a single project, a single phase of a project or several related projects, as appropriate. The IGA will identify whether additional IGAs with other agencies and/or a separate, more specific Project Agreement may also be needed, such as to provide more detail as subsequent phases of a project.
  - a. The scope, regional funding and schedule specified in the Intergovernmental Agreement and/or Project Charter must match that specified in the RTA for the project.
  - b. Project subdivisions must be approved as described in Section 4-3 by the RTA and, as appropriate, the TIP amended showing those subdivided projects before Intergovernmental Agreement and/or Project Charter can be executed for any of the subdivided projects.
  - c. The Intergovernmental Agreement and/or Project Charter can be amended by the RTA Board with concurrence with the local agency(ies) prior to the Intergovernmental Agreement and/or Project Charter completion.
2. Each Intergovernmental Agreement and/or Project Charter will be based on a standard agreement form or template provided by the RTA staff and customized for each project.
3. Any material changes to the standard Intergovernmental Agreement and/or Project Charter or template for a specific project must be identified in a clear and concise manner in the summary section of the Intergovernmental Agreement and/or Project Charter for that project.
4. The Intergovernmental Agreement and/or Project Charter will be comprehensive. The Intergovernmental Agreement and/or Project Charter will typically address at a minimum the following:
  - a. The project scope, schedule and budget including regional, local funding and federal funding if applicable, and cost breakdowns.
  - b. The lead agency and other agency(ies) jurisdiction(s) involved in the project.
  - c. Applicable Design Standards.
  - d. Environmental Overview.
  - e. Overall project development process including, as needed, environmental, utility and right of way clearances for construction.
  - f. Review and approval requirements; and local jurisdiction actions.

- g. Annexation (as needed), accounting, financial and legal elements including milestones or trigger points.
  - h. Contingencies.
  - i. Risk and indemnification.
  - j. Audits.
  - k. Completion.
- 5. Upon approval of the Intergovernmental Agreement and/or Project Charter an update will be given to the RTA Board regarding the status of projects, including active Intergovernmental Agreement and/or Project Charter and new Intergovernmental Agreement and/or Project Charter that will be executed during that fiscal year.
- 6. RTA and/or TIP amendments are required to go through RTA Board for any changes involving material cost; scope or schedule changes to the project.
- 7. The lead agency and other agency(ies)/jurisdiction(s) listed in the Intergovernmental Agreement and/or Project Charter will be signatories to the Intergovernmental Agreement and/or Project Charter:
  - a. To indicate their agreement to the lead agency designation and the terms of the agreement.
  - b. To indicate their acceptance of their roles and responsibilities in project implementation, if any, acting in effect as a subcontractor to the lead agency.

**Communications  
Section 7**

**Section 7-1: Communications**

The goal of the RTA with respect to overall RTA communications is to maintain and build on the credible image of the RTA as the fiscal manager and monitoring agent of the RTA plan and implementation. In order to accomplish this goal, the RTA communications procedures include:

1. The RTA in conjunction with the jurisdictions will create an official RTA brochure, which includes elements of the RTA plan, for public education. The RTA will update the RTA brochure as needed.
2. The official RTA Web site is [www.RTAmobility.com](http://www.RTAmobility.com). Jurisdictions are encouraged to add a link on their Web sites to the RTA Web site.
3. The content of primary communications materials prepared by individual jurisdictions that pertain to RTA projects and programs should be distributed to RTA staff for review. Communications materials may include, but are not limited to, signs, brochures, press releases, PowerPoint presentations, Web site information, reports, agenda templates, DVD presentations, electronic documents. This generally refers to first-time issue of any of these materials, major revisions or other major materials developed. RTA staff will commit to a prompt turnaround for review, generally 24-48 hours depending on volume of materials.
4. The RTA logo should be the primary logo used in communications materials for RTA funded projects, including but not limited to those noted in 1. above and construction signs. RTA logo placement should either be located in the top left corner or centered at the top. Jurisdictional logos may be used in conjunction with the RTA logo and may be placed in the top right corner or centered beneath the RTA logo. The RTA will provide jurisdictions with a formatted RTA logo, as needed upon request, for use in its materials. The RTA also will perform construction sign installation.
5. The RTA will serve as the primary source of information regarding the RTA plan. Issues or potential issues and/or questions from within the jurisdictions, the media and/or the public that are posed to individual jurisdictions pertaining directly to the RTA funded projects and programs should be directed to RTA staff if the jurisdictional staff is unable to answer the question, such as a legal or oversight question. As questions are posed, RTA staff should be advised for reference purposes.
6. Individual jurisdictions should communicate the general intent of any jurisdictional-sponsored event that is focused on RTA projects or programs to RTA staff and notify RTA staff of time, date and location of event for RTA staff attendance and possible assistance.

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7. Media inquiries to individual jurisdictions pertaining to the RTA should be communicated to the RTA communications staff for advance notice and/or reference purposes.



**DEFINITIONS**  
**Section 8**

**Section 8-1: Definitions**

***5-Year Construction Period***

All 51 of the itemized projects on the May 2006 proposition 1 ballot measure have been identified to begin construction in five-year periods. Period 1 reflects projects from FY2007 through 2011. Period 2 reflects projects from FY2012 through 2016. Period 3 reflects projects from FY2017 through 2021. Period 4 reflects projects from FY2022 through the end of the tax, 2026.

***2006 dollars***

Both revenue forecast and project costs are initially presented in 2006 dollars. The future revenue receipts in the later years of the program are valued in 2006 dollars, which represents the buying power of future revenues in 'today's dollars'. Similarly, construction and operating costs are stated initially in 2006 dollars. The project's estimated costs are reflected in what the cost would be today although the project may not start until many years later. Each year, the revenues and expenditures will be adjusted for the current year using the United States Gross Domestic product (GDP).

***Acceleration***

When projects are advanced ahead of the TIP programmed year. Acceleration of projects must be approved by the RTA Board.

***ADOT***

Arizona Department of Transportation

***Advancement***

Advancement of a project means that its implementation is moved earlier in time than previously scheduled in the PAG RTP and/or TIP, with the interest and any other incremental costs associated with the earlier implementation borne by the lead and/or local agencies requesting the advancement. Reimbursement for the project will remain in the year(s) in which the project was scheduled before the proposed advancement.

***ARS***

Arizona Revised Statutes

***Certification Report***

Periodic report produced, at least, annually for the public. The report is to include the previous year's revenues and project expenditures. In addition the report will annually review the revenue forecast and adjust project cost based on inflation and update on the status of the Program, current revenue and cost projections based on the latest available information.

***CIP***

Capital Improvement Program

***CART Committee***

Citizens Accountability for Regional Transportation Committee: A 21-member volunteer citizens committee serving 4, 5, or 6-year terms. The committee is tasked to review and monitor the implementation of the RTA plan and report their findings to the RTA Board.

***Design Concept Report***

Commonly referred to as 15% design. A design report normally outlines the alignment of a construction project and identifies major features of the project.

***Enhancement***

An addition to a project that exceeds generally accepted engineering or design standards for a specific project or facility. The Intergovernmental Agreement and/or Project Charter will specify project enhancements.

***Environmental and Economic Vitality Element***

The 3 items specified in the May 2006 proposition 1 ballot measure (see appendix B)

***Environmental Costs***

Most roadway and construction projects will need environmental analysis and review. Costs may be borne by RTA funds to accomplish the required level of the environmental study.

***Financial Review Process***

The process is summarized in an annual report that describes the actual revenue collections for the year along with an updated revenue forecast for the remaining years of the tax and plan. The Financial Review process also balances the revenues with an annual update of costs incurred and estimated costs on future projects.

***FHWA***

Federal Highway Administration

***Gross Domestic Product***

GDP is the market value of all the goods and services produced by labor and property located in the United States. It equals **GNP** minus the net inflow of labor and property incomes from abroad.

***Intergovernmental Agreement***

“Intergovernmental Government Agreement” (IGA), which describes the project scope and all funding associated with the project. The project agreement is necessary to receive RTA funds and describes the

process for the lead agency to receive RTA funding. An IGA may be developed for a single project, a single phase of a project or several related projects, as appropriate. The IGA will identify whether additional IGAs with other agencies and/or a separate, more specific Project Agreement may also be needed, such as to provide more detail as subsequent phases of a project. All projects require an IGA but may not require a Project Agreement.

***PAG Transportation Improvement Program (TIP)***

A formalized five-year program that describes each regional transportation improvement that is planned. In order for a regional transportation project to be funded the project must be included in the current TIP. The TIP also includes funding budgets and fiscal year that construction is to be started.

***PAG/RTA Committee Structure***

To efficiently utilize limited resources, many of the standing PAG committees may be asked to evaluate projects and assist in the implementation of projects. For example, the PAG TIP subcommittee may be asked to evaluate Intersection Safety and Capacity Improvement Projects.

***Project Agreement***

A document as needed in addition to an IGA that formalizes the funding and project limits and in some cases provides additional detail or detail that was not available at the time of development of the IGA. The project agreement is between the 'lead agency' and the RTA. In many cases it may be identical to the "Intergovernmental Agreement" An IGA may be developed for a single project, a single phase of a project or several related projects, as appropriate. The IGA will identify whether additional IGAs with other agencies and/or a separate, more specific Project Agreement may also be needed, such as to provide more detail as subsequent phases of a project.

***Regional Funds***

Funds from the State of Arizona, Federal Highway Administration (FHWA), or Federal Transit Administration (FTA) that are distributed to either PAG or the RTA for transportation improvements. Typically, these funds include 12.6% and 2.6% funds from the State; and, STP funds and transit grants from either FHWA or the FTA.

***Roadway Improvement Element***

The 35 roadway projects specified in the May 2006 proposition 1 ballot measure (see appendix B)

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***RTA Projects*** The 35 roadway projects, 5 safety element items, 3 environmental and economic vitality items and the 8 transit items outlined in the ballot measure (see appendix B).

***Safety Element*** The 5 safety items specified in the May 2006 proposition 1 ballot measure (see appendix B).

***Transit Element*** The 8 transit items specified in the May 2006 proposition 1 ballot measure (see appendix B).

Amendments to POPs:

May 15, 2008

Jan. 27, 2011

Jan. 23, 2014