

RTA's Upcoming 15-Year Performance Review

RTA Technical Management Committee

July 22, 2020

Jim DeGrood

Deputy Director

Performance Audit Requirement

Where a transportation excise tax is in effect, Arizona Revised Statutes § 41-1279.03.A.6 requires a performance audit in the 10th year and in each fifth year thereafter.

The objective of the audit is to assess the efficiency, effectiveness and performance of the RTA plan, as well as the regional transportation planning efforts of Pima Association of Governments.

The Auditor General has begun the process of selection of an Auditor for the RTA's 15-Year Performance Audit.

Performance Audit Requirement (cont'd)

The Arizona Auditor General engaged an outside auditor to conduct the first performance audit of the RTA plan, reviewing the 10-year period covering fiscal years 2007 through 2016, as well as projects scheduled for implementation in fiscal years 2017 through 2021.

The 10-Year Audit was presented to PAG/RTA in April 2017.

Major Points in RTA 10-Year Audit:

- RTA plan partners “established a robust framework”
- RTA “generally delivering projects on-budget and on-plan”
- Funds spent in accordance with ARS & RTA provisions
- RTA plan partners have plans to redirect other funds to address revenue shortfall
- Congestion, mobility and connectivity were not RTA performance targets; region has mixed results in areas of congestion, safety, pavement condition, transit performance

RTA Organizational Structure

“We found the RTA plan partners established a robust framework and oversight structure to help ensure the RTA plan is implemented as envisioned. This includes guiding policies and procedures, intergovernmental agreements, and a collaborative and dedicated tone at the top.”



RTA Performance

“At the halfway mark of the RTA plan, the RTA plan partners are generally delivering the projects as envisioned within budget and on-schedule. Slight project delays or cost overages that we identified seem reasonable and justified. “

“Since fiscal year 2007 when the RTA plan was launched, much has been accomplished including the addition of approximately 80 new roadway lane miles, 270 miles of new bike lanes and paths, 159 miles of new sidewalks, 58 new and enhanced pedestrian crossings, and 109 new bus pullouts, among other improvements.”

Compliance with Spending Requirements

“Typical project management and construction practices were employed over the RTA plan projects, and funds were spent in accordance with applicable Arizona Revised Statutes, RTA plan provisions, and RTA policies and procedures.”

RTA to use regional funds to ensure delivery of RTA projects

“Although sales tax revenues have aligned more closely with projections in recent years, total sales tax revenues over the life of the RTA plan will likely be less than the approximately \$2 billion estimated in 2005 and committed to the RTA plan—largely due to the recession.”

“To cover the funding needs and allow remaining projects to start and be completed, other state funds, federal monies, and planned bond issuances are expected to cover the balance remaining.”

RTA Performance Goals

“When the RTA plan was being developed, goals were established related to areas such as multimodal expansion, integrated transportation choices, safety, accessibility, and unobstructed mobility. Each specific ballot project selected had at least one type of project benefits such as ‘expanding travel capacity and safety,’ but the goals and benefits were not quantitatively defined to allow for evaluation against the goal or target.”

Recommendations to Enhance RTA:

- Internal project delivery performance measures by lead agencies
- Provide a range of expected revenues instead of only one scenario
- More frequent system performance assessment reporting

Recommendations to Enhance RTA:

- Compare data to RMAP targets
- Continue to refine performance-based planning
- Standardize transit performance reporting between services
- Develop performance targets for Sun Shuttle and Sun Shuttle Dial a Ride

RTA Response to Auditor Recommendations:

The RTA has addressed all recommendations of the audit team, including review of delivery performance measures with its lead agencies, development of ranges for revenue estimates, implemented performance measures and monitor those measures, and have standardized transit performance reporting.



Arizona State Senate

April 20, 2020

Dear Regional Transportation Authority Board of Directors:

During the Regional Transportation Authority's (RTA) educational campaign in 2006 for a 20-year regional transportation plan and sales tax initiative, the RTA Board of Directors was crystal clear about its intention to deliver to voters the projects identified in the proposed plan.

The RTA Board signed a pledge to maintain the projects as identified in the plan presented to the voters. The pledge was met with positive support from RTA stakeholders and the community, and the voters in the region ultimately agreed that the RTA can be trusted to deliver by approving the plan with a 3-2 margin.

These same voters were previously contemptuous of trusting the government to use their tax dollars as promised — tens of millions of tax dollars — spent on nonessential programs. With the pledge and clear mandate from voters, the RTA promised to be transparent and accountable to the wishes of the voters.

That promise has since guided every action by the RTA Board and the Pima Association of Governments' Regional Council, which manages the RTA to deliver RTA projects, especially during the 2008 Great Recession and amid other challenges.

As the mandatory, independent 10-year state performance review of the RTA concluded, both PAG and RTA leadership stepped up to the plate with good policies that were financially prudent to honor their promise to voters to deliver projects.

So, kudos to you and your executive team for keeping your word to the voters. With the passage of the 2006 RTA plan, the greater Tucson region put jobs and economic growth as a priority. The success of the RTA has paid off for your communities.

As you enter the 15th year of RTA plan implementation in FY 2020-21, the remaining years of RTA plan implementation will be even more critical for the region to work together and honor the will of the voters, as they begin to decide how to meet the needs of the region for the next 20 years.

By far, your steadfast balanced budgeting policy that focuses on delivery of priority projects and services has served your region well. I encourage you to stay the course to carry forward the fiscally responsible model of your success.

Sincerely,

A handwritten signature in cursive script that reads "Senator Karen Fann".

Karen Fann
PRESIDENT

Senate President acknowledges RTA success in honoring its promise to the voters