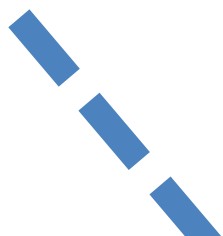


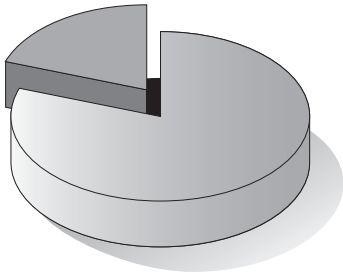


More than 41 million passengers traveled through Phoenix Sky Harbor International Airport in fiscal year 2005-06.



Transportation

The Transportation Program Represents 19.4% of the Total Budget.



The Transportation program budget includes the Street Transportation Department, the Aviation Department and Public Transit.

STREET TRANSPORTATION

Program Goal

The Street Transportation Department plans for the safe and convenient movement of people and vehicles on city streets, effectively maintains the city's streets, designs and inspects the construction of streets to assure they meet specifications and minimizes street damage through the control of irrigation and storm water.

Budget Allowance Explanation

The Street Transportation 2006-07 operating budget allowance of \$64,571,000 is \$5,947,000 or 10.1 percent more than 2005-06 estimated expenditures. This increase is primarily due to equipment replacements, a return to normal staffing levels, increased technology support, increased commodity and materials costs, increased costs for landscape maintenance and normal inflationary adjustments. This increase also is due to the carry forward of unspent funds to complete remodeling projects started in 2005-06 and for updating the Traffic and Barricade manual. The budget also reflects the first phase of the planned restoration of

Street Transportation Major Performance Measures and Service Trends

The following significant performance measures and service trends will be achieved with the 2006-07 budget allowance:

| | 2004-05 | 2005-06* | 2006-07 |
|---|---------|----------|---------|
| Street miles swept** | 169,000 | 164,000 | 190,000 |
| Miles of streets per street maintenance field employee | 14.9 | 15.2 | 15.3 |
| Percent of scheduled requests for street maintenance service completed within target | 86% | 85% | 85% |
| Percent of major/collector street miles with satisfactory rideability | 97% | 98% | 98% |
| Requests for services completed by the Operations Division | 8,861 | 8,000 | 9,500 |
| Customer satisfaction on traffic operations requests for service (scale 1 to 10) | 9.0 | 9.0 | 9.0 |
| Number of neighborhoods actively working with the Neighborhood Traffic Management Team*** | 325 | 220 | 250 |
| Miles of major streets constructed**** | 14.5 | 11.0 | 8.0 |
| Customer satisfaction on mid-block streetlight requests | 93% | 95% | 95% |

*Based on 10 months actual experience.

**The decrease in 2003-04 is due to vacant positions.

***The sweeping cycle in 2004-05 doubled in non-attainment areas (Broadway to Baseline roads, 16th Street to 51st Avenue), decrease in 2005-06 is due to unusually high rainfall, and increase in 2006-07 is result of two additional sweepers purchased through cost sharing with MAG.

****The decrease in 2005-06 is due to vacancies and a position transfer.

*****Decrease in 2005-06 and 2006-07 is due to the rise of material costs.



General Fund support to the department. Restoring General Fund support will free up gas tax funds for street construction.

The budget includes adding a 1.0 FTE engineering technician position to provide full customer service to the Floodplain Section. Costs for this position will be offset by elimination a 0.7 FTE part-time secretary II and other cost savings.

The budget also converts contract environmental services to two full-time environmental quality specialists for technical support with environmental compliance and regulation issues. Finally, the budget adds two temporary summer intern positions to assist with the street inspection areas and a civil engineer for the materials lab to work with downtown projects. Costs for these positions will be charged to the appropriate Capital Improvement Program.

Expenditure and Position Summary

| | 2004-05 | 2005-06 | 2006-07 |
|------------------------------|--------------|--------------|--------------|
| Operating Expense | \$56,398,000 | \$58,624,000 | \$64,571,000 |
| Total Positions | 764.7 | 776.7 | 782.0 |
| Source of Funds: | | | |
| General | \$19,575,000 | \$19,669,000 | \$25,638,000 |
| Arizona Highway User Revenue | 36,332,000 | 38,465,000 | 38,447,000 |
| City Improvement | 400,000 | 399,000 | 398,000 |
| Grant | 31,000 | 29,000 | 25,000 |
| Other Restricted | 60,000 | 62,000 | 63,000 |

