Transportation Infrastructure: Capital Needs

Presentation By
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The Problem: State Transportation Capital Funding Down By 75%

<table>
<thead>
<tr>
<th>State Funding</th>
<th>FY03</th>
<th>FY08</th>
</tr>
</thead>
<tbody>
<tr>
<td>Highways</td>
<td>$1.531 Billion</td>
<td>$479 Million</td>
</tr>
<tr>
<td>Transit Bonds</td>
<td>$356 Million</td>
<td>0</td>
</tr>
<tr>
<td>Airport Bonds</td>
<td>$20 Million</td>
<td>0</td>
</tr>
<tr>
<td>Rail Bonds</td>
<td>$20 Million</td>
<td>0</td>
</tr>
<tr>
<td>CREATE Bonds</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>
The Problem

- Bonds Depleted
- Highway User Fee Growth Stagnant
- Highway User Fee Revenues Diverted
The Problem: Construction Costs Escalating

- April 2003 To April 2008: Construction Costs Up 23%
- Dec. 2003 To Dec. 2007: PPI For Highway/Street Construction Up 47%
- Jan. 2007 To Jan. 2008: Diesel Fuel Costs Up 55%
The Result: State Highway Conditions Getting Worse

- Miles Of Bad State Roads More Than Double By 2013
The Result: State Highway Conditions Getting Worse

- Structurally Deficient IDOT Bridges Up 30% Since FY03
The Result: MFT For Local Roads Down 22% Since 2001
(Inflation-Adjusted $)
The Result: RTA System Deteriorating

RTA 2004-2011 Capital Program

$1.5 B/Yr. Cost To Maintain System

RTA Capital Program
The Future: Evaluating Capital Proposals

- Will miles of bad roads/bridges decrease or increase?
- Will all new capital dollars be used for capital projects?
- Are highway funds for system preservation distributed fairly?
The Future: $600 M/Yr. More Needed To Keep Roads From Worsening

- $200 Million/Yr: To Keep State Roads In Current Condition
- $200 Million/Yr: To Reduce # Of Bad State & Local Bridges
- $200 Million/Yr: To Reconstruct Interstates
The Future: Dedicating Capital Revenues For Capital Projects

- Funds More Projects For Less Revenue
- Allows Increase In MFT For Locals
- Provides Funding Dependability Needed For Selling Bonds
The Future: "Lockbox" Means 30% More Program For Same Revenue

- Provides $3.7 Billion For 10 Years:
  - Supports $12.1 Billion Trans. Program

If Generate - $1 Billion A Year Revenue For 10 Years:

- Supports $16.0 Billion Trans. Program

If Not Dedicate - $1 Billion A Year Revenue For 10 Years:

- Provides $3.7 Billion For 10 Years

More Program For Same Revenue
The Future: Ways To Assure Fair Distribution Of Highway Funds

- Set Performance Standard For Condition Of State Roads/Bridges
- Set Allocation Formula For Portion of Highway Funds, To Provide Base Level Funding For Each District
The Future: Transportation Capital Program Priorities

- Invest $600 Million/Yr. More In Repair Of Existing Roads/Bridges
- Provide Comparable MFT Increase To Locals
- Increase Transit Capital Equal To Highways But No Less Than 2:1
- Dedicate All New Transportation Capital Funding To Increased Program
- Assure Geographic Equity In Hwy. Repairs