

# **Transportation Infrastructure: Capital Needs**

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

<u>State Funding</u>	<u>FY03</u>	<u>FY08</u>
Highways	\$1.531 Billion	\$479 Million
Transit Bonds	\$356 Million	0
Airport Bonds	\$20 Million	0
Rail Bonds	\$20 Million	0
CREATE Bonds	0	0

# The Problem

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- Bonds Depleted
- Highway User Fee Growth Stagnant
- Highway User Fee Revenues Diverted

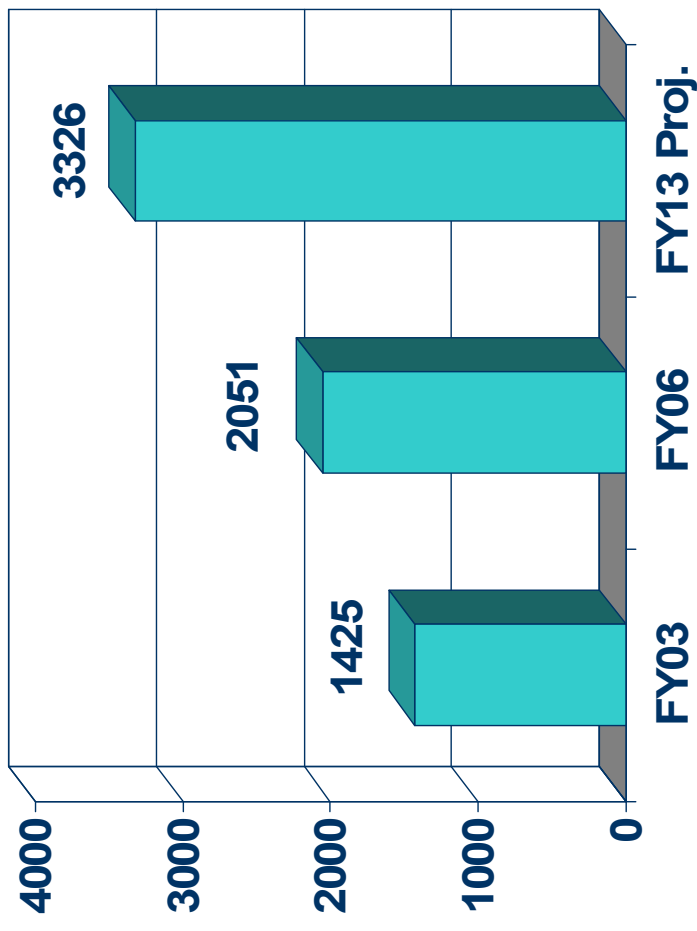
## The Problem: Construction Costs Escalating

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- 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%

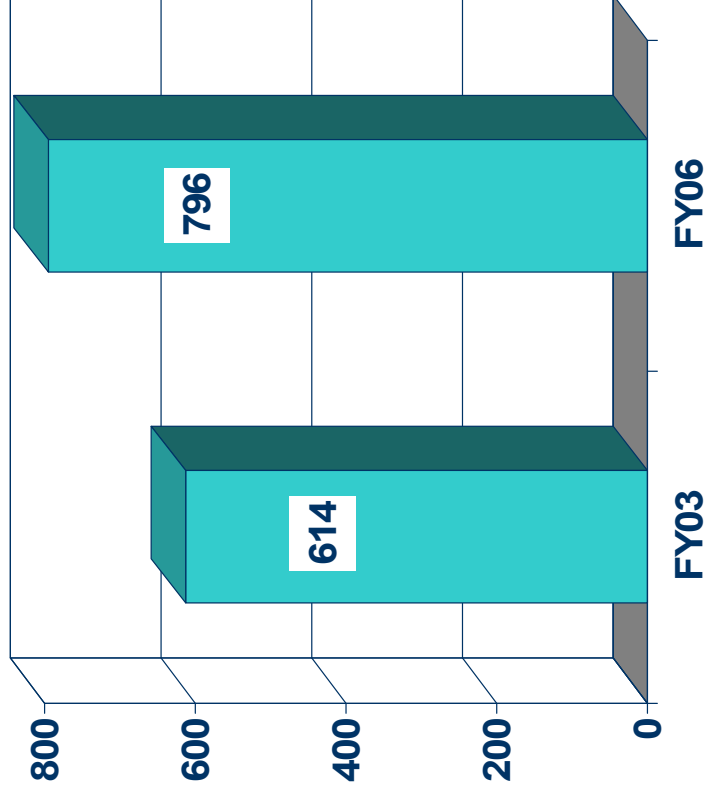
# The Result: State Highway Conditions Getting Worse

- Miles Of Bad State Roads More Than Double By 2013

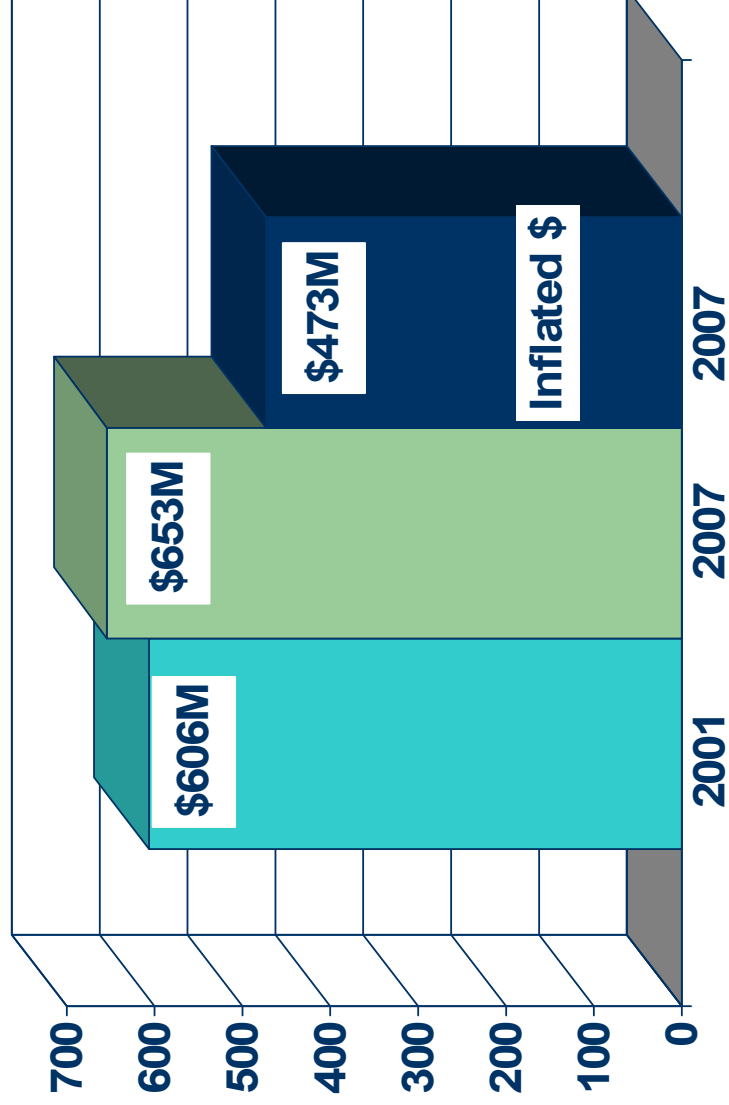


# The Result: State Highway Conditions Getting Worse

- Structurally Deficient IDOT Bridges Up 30% Since FY03

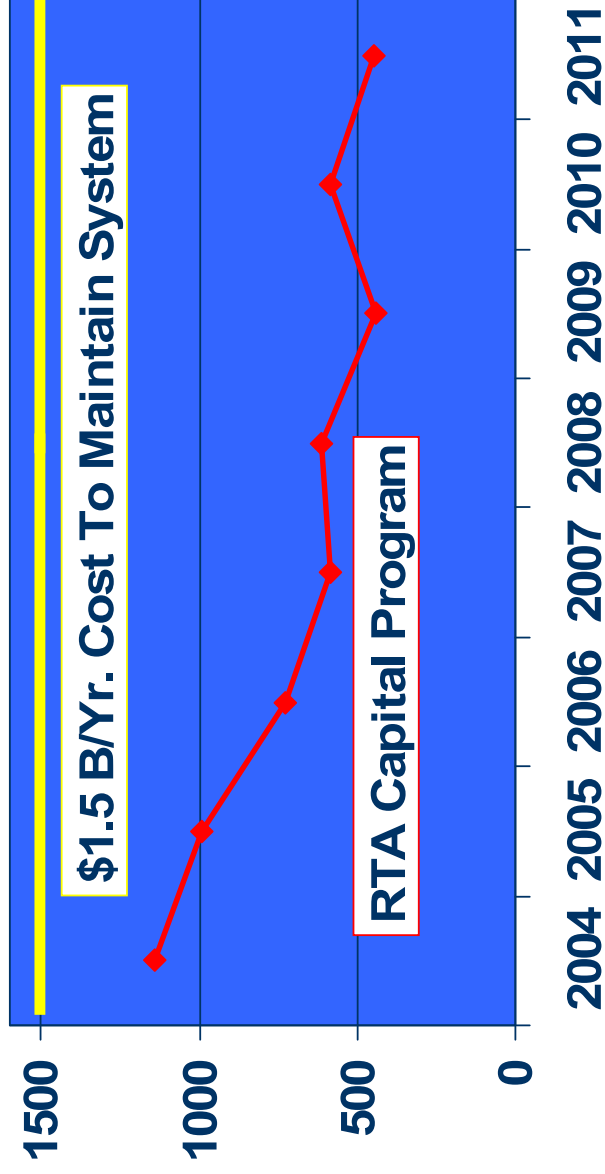


# The Result: MFT For Local Roads Down 22% Since 2001 (Inflation-Adjusted \$)



# The Result: RTA System Deteriorating

RTA 2004-2011 Capital Program





# The Future: Evaluating Capital Proposals

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- 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**

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- **\$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

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- 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

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- If Dedicate \$1 Billion A Year Revenue For 10 Years:
  - Supports \$16.0 Billion Trans. Program
- If Generate – But Not Dedicate - \$1 Billion A Year Revenue For 10 Years:
  - Supports \$12.1 Billion Trans. Program
  - Provides \$3.7 Billion For ??

## **The Future: Ways To Assure Fair Distribution Of Highway Funds**

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- **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

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- 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