

Metropolitan **Planning** Council

# Accelerate Illinois

Addressing transportation woes of residents and businesses

Event sponsor



Mar. 20, 2015

@metroplanners

Manager

Metropolitan Planning Council

**YONAH FREEMARK**

@yfreemark

# Real problems and real costs

## “Potholes! You cannot avoid them.”

—Andrea B., Peoria

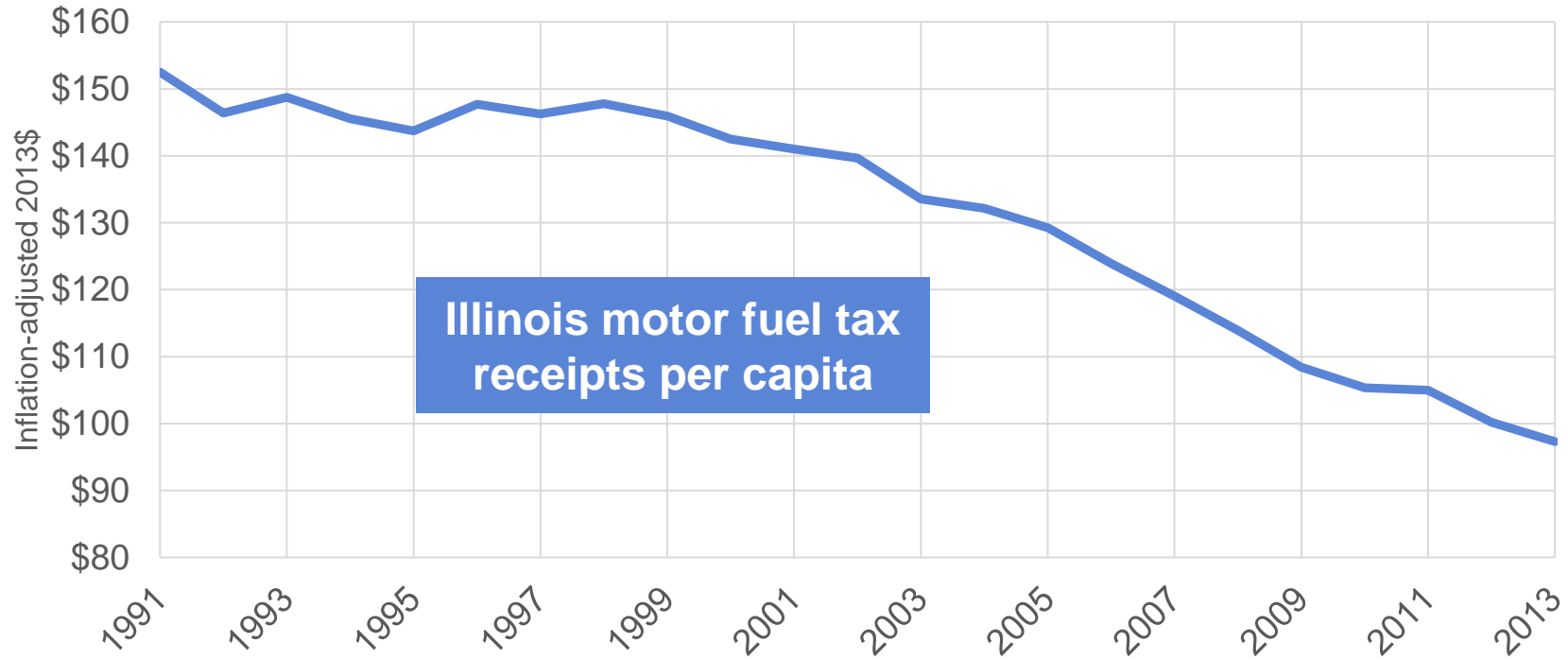
In Peoria, Andrea B. drives to work on pothole-marked University Street—one of the busiest streets in the city. There's no viable alternative to the daily experience of traveling on a street that has been filled with potholes for years.

! Illinois drivers spend an **extra \$3.7 billion a year on repair bills** for damage from poor road conditions.

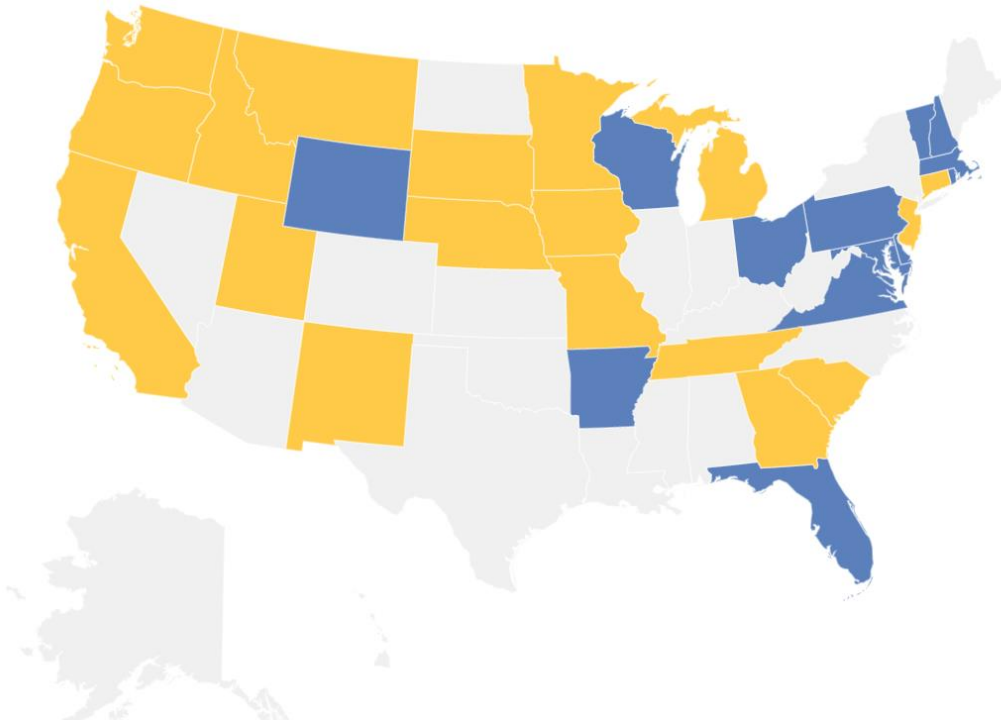
[Read story >>>](#)



# Transportation revenues are declining



# Other states are filling their gap



**13 states**

have taken action to invest more in transportation since 2012.

**18 more states**

are considering action in 2015.

# Join our campaign for change



State Transportation Director  
Michigan Dept. of Transportation

**KIRK STEUDLE**  
@transpoman

# **Michigan Transportation Revenue: A Long & Bumpy Journey**

*Metropolitan Planning Council Roundtable*

Kirk T. Steudle, P.E., Director  
Michigan Department of Transportation



# Michigan's Strategic Location



# Michigan's TDL Advantage

- International Border Crossings
- Detroit is busiest commercial crossing in North America
- 35% of all US/Canada Trade goes through Michigan
- More than \$835B in freight moves on Michigan highways, rail lines, & ports each year



# Michigan's Highway System

- Michigan has:
  - 10,000 miles on State highway system
  - 40,000 miles on Federal aid system
  - 120,000 miles total
  - 616 road agencies

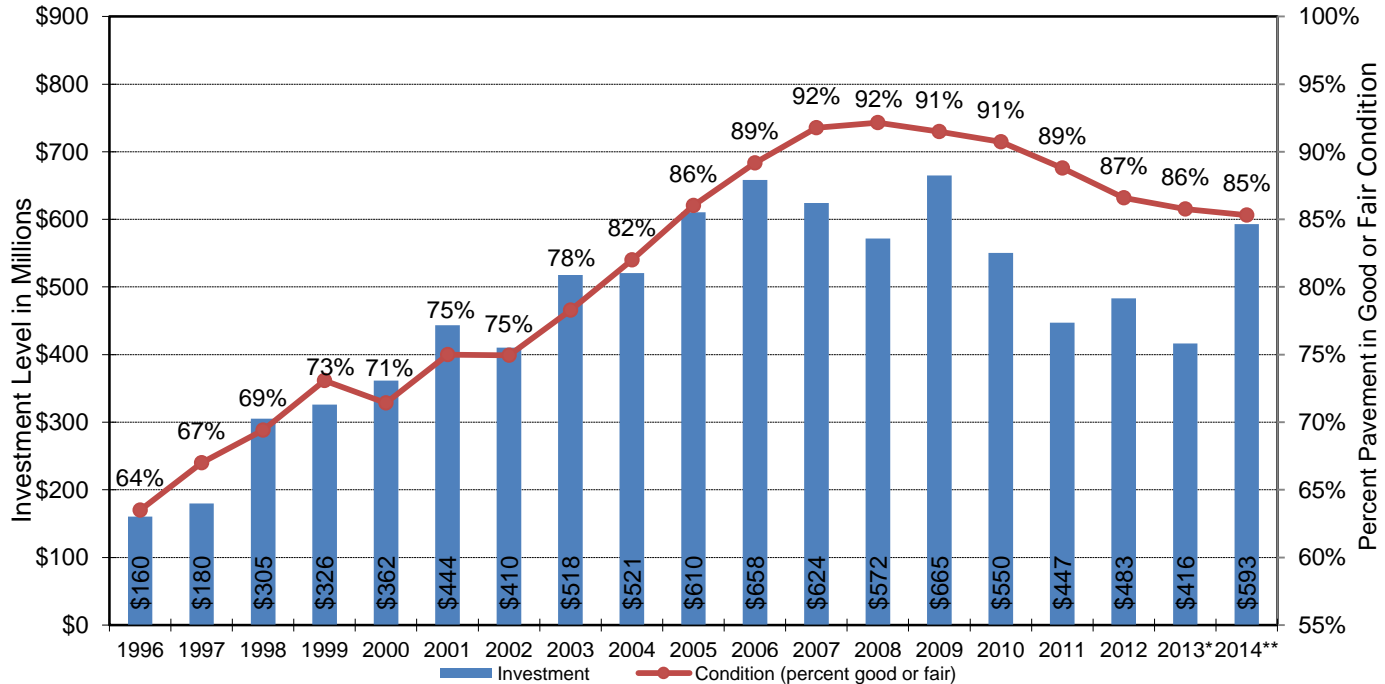


**MDOT's I, US and M routes carry 52% of all traffic and 64% of commercial traffic.**



# The Problem: State Highways

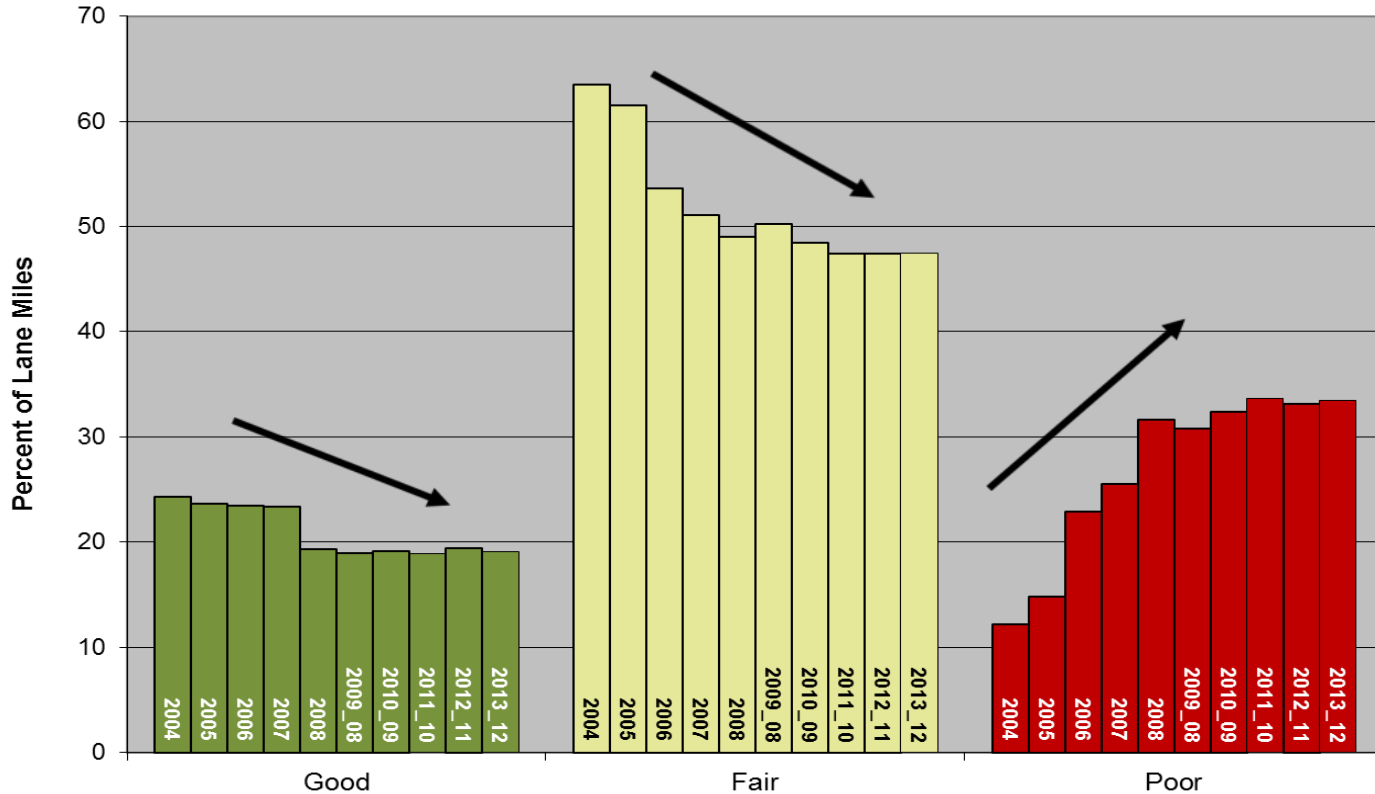
## Michigan Department of Transportation Pavement Program Investment Level vs. Actual Trunkline Pavement Condition



\* Due to a change in reporting requirements, \$60 M in work on trunkline pavement was reported in FY2012 but not built until FY2013.

# Michigan Federal Aid System Condition

## 2004-2013 Pavement Condition of Federal Aid Eligible Roads



# Timeline

- 1990's-2000's – A decade of bonding
- 2008 – Transportation Funding Task Force (TF2) calls for funding increase, just as economy crashes
- 2009 – ARRA postpones the conversation
- 2011 – Governor Snyder's Infrastructure message
- 2012 – House Working Group affirms TF2's numbers
- 2013 – Governor's State of the State call to action
- 2014 – Governor's State of the State call to action
- 2014 – Bi-partisan transportation ballot proposal
- 2015 – Governor's call to vote on ballot proposal

# Governor Snyder's 2011 Special Message on Infrastructure

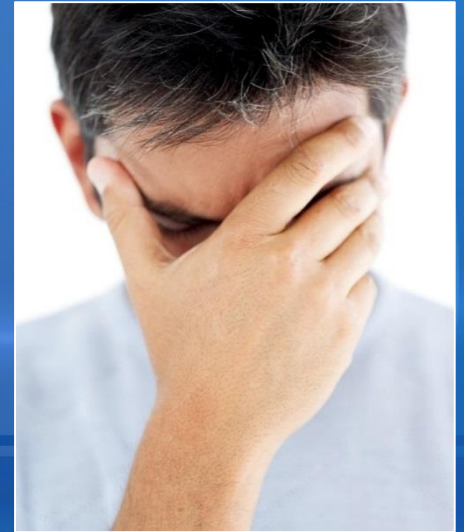
- Modern, efficient transportation is critical
- Better roads drive better jobs
- Infrastructure is essential
- \$1.4 billion shortfall
- Bold changes are needed to our funding system
- Time to seriously engage in this issue





# The Response

- “But can’t we just...
  - get more money from D.C.?”
  - convert to toll roads?”
  - get rid of heavy trucks?”
- “Can’t transportation agencies just be more efficient?”



# Efficiencies

- Major reorganization and innovative cost-saving measures in 2011 save \$55M annually
- Additional innovative cost saving measures over past 4 years are saving another \$53M per year
  - Asset management
  - Energy efficiency
  - Construction warranties
  - Innovative contracts & finance
  - New technologies
  - Partnerships
- Plus \$200M in one-time savings by bond refinancing & project innovations



# Performance & Accountability

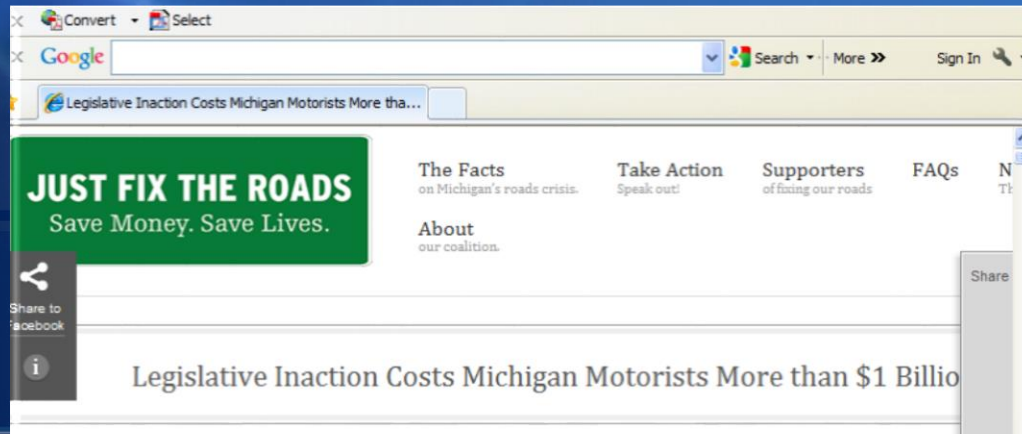
- Michigan Dashboard
- Infrastructure Dashboard
- MDOT's Scorecard
- MDOT System Measures
- Asset Management Council
- FHWA Stewardship Agreement
- Good Government in Action



<https://midashboard.michigan.gov/infrastructure>  
[www.michigan.gov/mdot](http://www.michigan.gov/mdot)

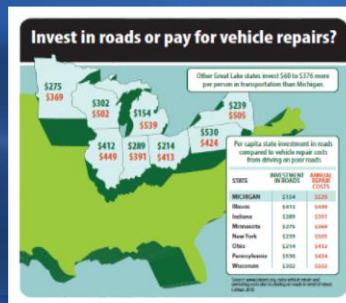
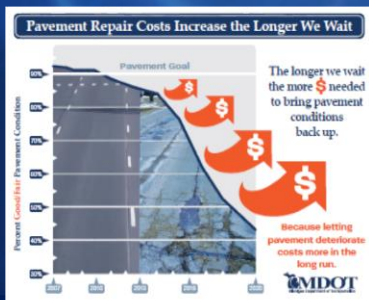
# Strong Partnerships

- Active stakeholder coalition has been essential
  - Broad membership
  - Financial commitment
- Justfixtheroads.com



# MDOT Communication Tools

- [www.michigan.gov/roadfunding](http://www.michigan.gov/roadfunding)
- [www.michigan.gov/realitycheck](http://www.michigan.gov/realitycheck)



## TRANSPORTATION Reality Check

**Myth #3:** Road crews just throw some asphalt in potholes to fix them. They need to fix them right the first time so it lasts!

**Reality:** Pothole patches are just that – a patch. A true fix will require much more.

# The Results

- Bi-partisan solution could yield \$1.2B/yr
  - Remove sales tax on fuel
  - Increase fuel taxes
  - Amend Constitution to increase sales tax
- Increasing sales tax offsets removal at pump, but requires a vote of the people
- Statewide ballot in May: Voters will decide the ultimate fate of road funding

# Fuel Taxes & Registration Fees

- Remove 6% sales tax from fuel
- Same price-based 14.9% fuel tax rate for gasoline & diesel
  - Gasoline: 19¢ plus sales tax → 41 cents
  - Diesel: 15¢ plus sales tax → 46 cents
- New Diesel-equivalent tax on Compressed Natural Gas
- Increase registration fees for trucks over 26,000 lbs. up to \$1000, phased in over 3 years



# Taxpayer Protection & Transparency

- Increase use of pavement warranties
- Increase competitive bidding by county road agencies
- Performance-driven maintenance contracting by 7 largest road agencies
- Early payment of STF debt service
  - Addresses past bonding in 1990s-2000s



# Governor Snyder's 2015 State of the State Message

## THE REINVENTION OF **MICHIGAN CONTINUES.** 2015 STATE OF THE STATE ADDRESS

GOVERNOR RICK SNYDER



2015 AND FORWARD: A CALL TO ACTION

### **FIX THE ROADS**

- ▶ Our roads are crumbling, 1 in 9 bridges is structurally deficient, and our safety is at stake. We can't have a bandaid approach to patching up roads, and we can't push this problem off for future generations. I support the bipartisan plan to fix our roads and bridges, protect our schools, and provide tax relief for lower-income Michiganders.

Moderated by MarySue Barrett  
President, Metropolitan Planning Council

# PANEL

# Moderated panel

**Tom Kotarac**

*Deputy Executive Director*

Chicago Metropolitan Agency for Planning

**Leanne Redden**

*Executive Director*

Regional Transportation Authority

**Rebekah Scheinfeld**

*Commissioner*

Chicago Dept. of Transportation

**Kirk Steudle**

*State Transportation Director*

Michigan Dept. of Transportation

# Q&A

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