



MICHIGAN DEPARTMENT OF TRANSPORTATION

**STATE TRANSPORTATION
COMMISSION**

FY 2012 TRANSPORTATION PROGRAM

September 29, 2011

Presenters

- ❖ Bus and Marine Program – Kim Johnson
- ❖ Aviation Program – Mike Trout
- ❖ Highway Program – Craig Newell

Total Transportation Program

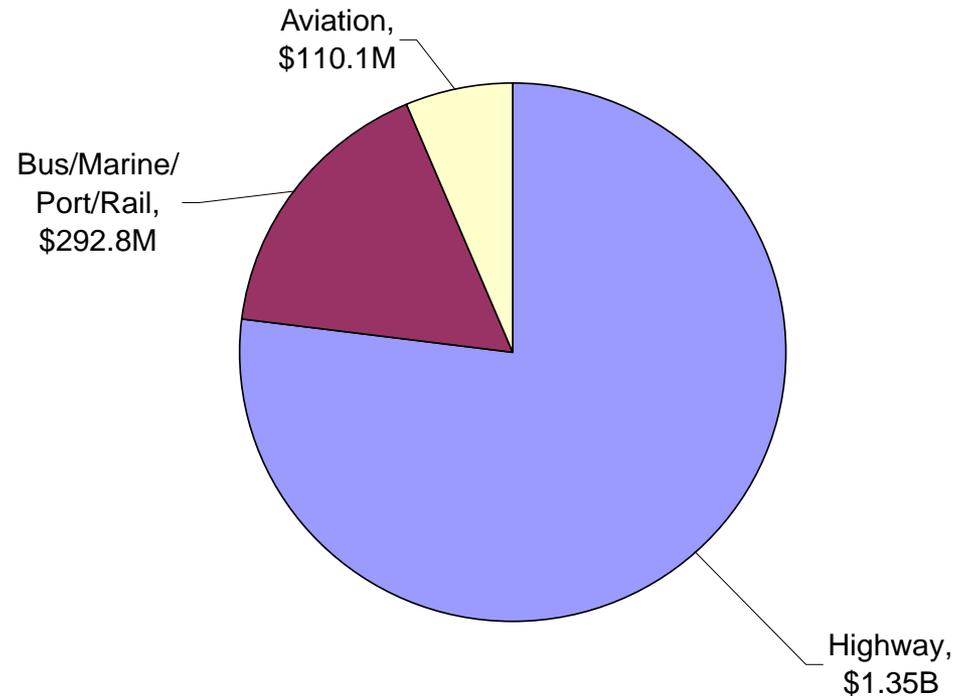
- ❖ FY 2012 Program incorporates Road and Bridges, Aviation, Transit, Marine, Port and Rail Programs
- ❖ Comprehensive view of the investments in the Transportation Program
- ❖ Benefits Michigan citizens by providing transportation choices and access



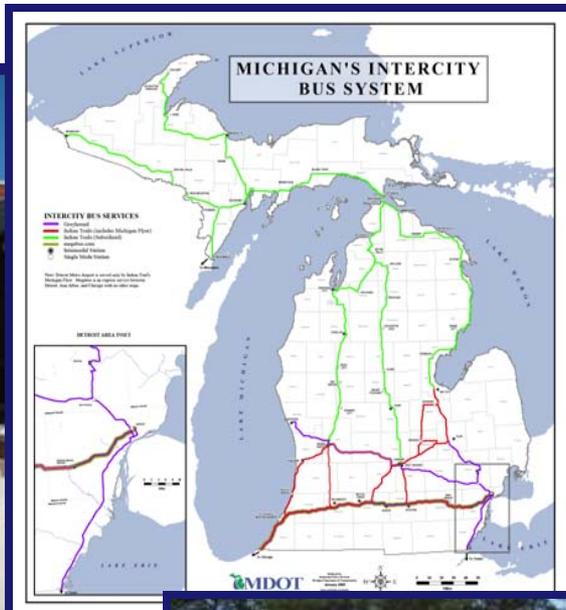
- ❖ Revenue challenges and uncertainty
- ❖ Facing difficult choices
- ❖ Preservation and efficient operations remain primary focus
- ❖ Continued safe and secure transportation system

FY 2012 Transportation Program Investment Plan

- ❖ Total Transportation Program investment totals **\$1.75 billion**
- ❖ Transportation investments support economic growth and protect quality of life



FY 2012 Bus and Marine Program



FY 2011 and 2012 Bus and Marine Program Investment Plan

	<u>2011</u>	<u>2012</u>
❖ Airport Improvement Program	\$123.2 M	\$109.7 M
❖ Air Service & All Weather Access	1.0 M	\$0.4 M
❖ Total Aviation	\$124.2 M	\$110.1 M
❖ Local Transit	\$251.3 M	\$261.7 M
❖ Intercity Bus	\$7.4 M	\$6.5 M
❖ Marine	\$0.4 M	\$0.4 M
❖ Port	\$0.5 M	\$0.5 M
❖ Rail Freight	\$10.2 M	\$12.0 M
❖ Rail Passenger	\$11.7 M	\$11.7 M
❖ Total Bus, Marine, Rail	\$281.5 M	\$292.8 M
❖ TOTAL Multi-Modal	\$405.7 M	\$402.9 M

FY 2012 Bus and Marine Program Revenue Assumptions

- ❖ Based on enacted FY 2012 Budget
- ❖ Includes state, federal and local revenue
 - Expenditure authority, not actual revenues
- ❖ Federal Revenues
 - Formula apportionments, discretionary grants, local flexing
 - Anticipated MDOT grant applications to FTA

FY 2012 Bus and Marine Program Revenue Assumptions

- ❖ State Revenues - Comprehensive Transportation Fund (CTF)
 - Michigan Transportation Fund – motor fuel tax and vehicle registration fees
 - Motor vehicle related sales tax
 - Estimated by the Department of Treasury
- ❖ Act 51 defines how CTF will be expended
- ❖ CTF supports Bus and Marine as well as Passenger Rail and Rail Freight
- ❖ CTF Revenues slightly higher than FY 2011
- ❖ Bond proceeds still being used to provide match

FY 2012 Bus and Marine Program

Preserve Existing Services

- ❖ **Operating Assistance funding preserved for local transit**
 - 78 public transit agencies
 - 39 specialized providers
 - Service in all 83 counties
 - Over 90 million trips in FY 2010
- ❖ **Preservation and maintenance of existing infrastructure**
 - State investment and match to federal funds for routine vehicle replacement and facility construction/renovation
 - Bond funds are still available for next 1-2 years
 - Capital match increased – won't match all federal funds



FY 2012 Bus and Marine Program Preserve Existing Services

- ❖ Maintain existing state-subsidized intercity bus services
 - Multi-year contract ends in July 2012
 - Will bid out service in late winter for service going through July of 2014
 - Potential changes in subsidized routes to increase efficiency without negatively impacting connectivity

- ❖ Intercity Infrastructure investments will be made for:
 - Passenger facility repairs and upgrades
 - Bus shelters and ticket kiosks
 - Motor coach replacements

FY 2012 Bus and Marine Program Preserve Existing Services

- ❖ Under FY2012 Program, MDOT will accept and deliver federal funding and utilize state funding to help preserve existing network of services
 - Rural Transit and Marine
 - Transportation to Work
 - Service to the Elderly and Persons with Disabilities
 - Rural Intercity Bus

- ❖ MDOT as well as urban transit agencies will be competing for federal discretionary funds
 - FTA distributing more funds via national competitive programs
 - Each program has a unique purpose
 - Our success at receiving funding under competitive grants is unknown and therefore our capital match shortfall is uncertain

FY 2012 Aviation Program



FY 2012 Airport Capital Program

Revenue Assumptions

- ❖ Based on FY 2012 Executive Budget
- ❖ Revenues appropriated for Capital Program only
- ❖ Includes Federal, State and Local Revenue
- ❖ Federal Revenue
 - Uncertain at this time but estimated at 2011 levels

FY 2012 Airport Capital Program Revenue Assumptions

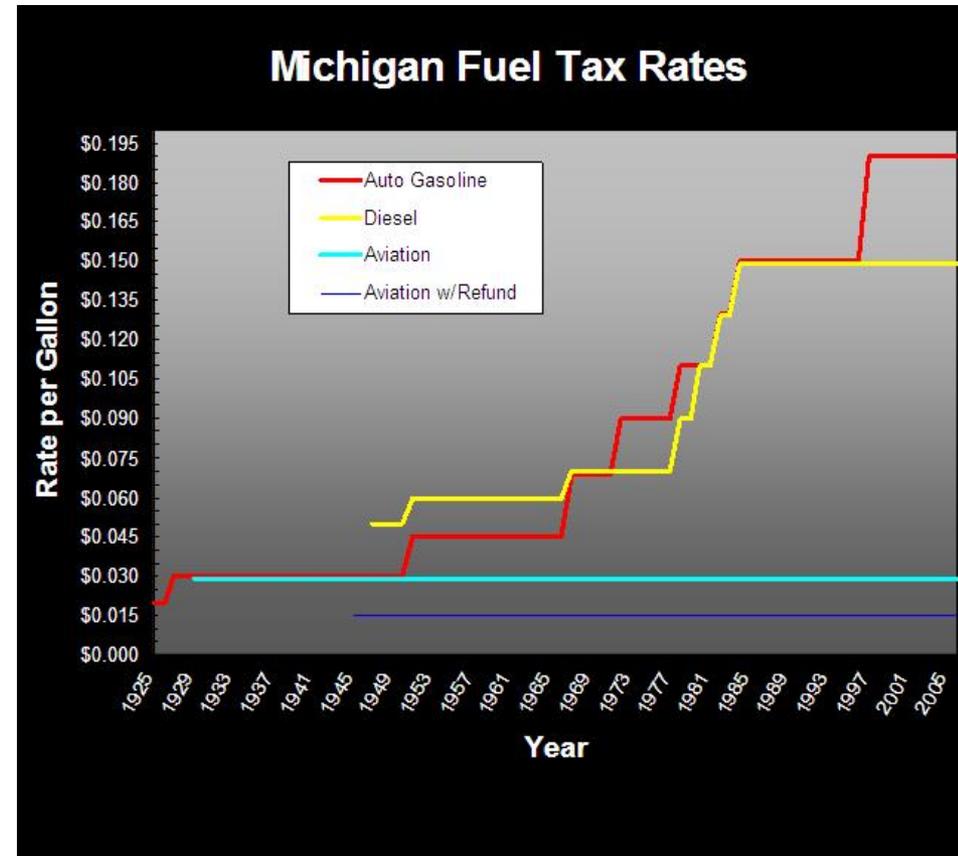
State Revenues

State Aeronautics Fund

- ❖ Includes 3¢ cent per gallon aviation fuel tax
- ❖ Detroit Metro parking tax
 - Supports bond payments & federal match

Program reflects loss of:

- ❖ ASAP Bond revenue
- ❖ All general fund support
- ❖ Revenue from operating fund



FY 2012 Airport Capital Program

	<u>2012</u>	<u>2011</u>
❖ Federal Funding	\$94.09M	\$102.93M
<u>Airport and Airway Trust Fund</u>		
■ Passenger Ticket Taxes		
■ Cargo Taxes		
■ Fuel Excise Tax		
❖ State Funding	\$2.53M	\$3.87M
<u>State Aeronautics Fund</u>		
■ Fuel Excise Tax		
■ Aircraft Registration		
■ Licensing & Permits		
❖ Local Funding	<u>\$13.13M</u>	<u>\$16.45M</u>
Total	\$109.75M	\$123.25M

FY 2012 Aviation Programs

By Category

	<u>2012</u>	<u>2011</u>
❖ Airport Improvement Program	\$109.75M	\$123.25M
❖ Air Service	\$100K	\$464K
❖ All Weather Airport Access	<u>\$250K</u>	<u>\$530K</u>
Total	\$110.10 M	\$124.244 M

FY 2012 Aviation Program System Preservation & Enhancement

Focused on needs

- ❖ Approximately $\frac{3}{4}$ of 2012 Program is Preservation
- ❖ Remaining $\frac{1}{4}$ System Enhancements



FY 2012 Aviation Program Synopsis



- ❖ Unique partnerships
- ❖ Designed to meet federal state & local priorities
- ❖ Based on MASP 2008
- ❖ 94 of Michigan's 236 public-use airports eligible for federal funds

FY 2012 Aviation Program Synopsis



- ❖ Increased emphasis on preservation
- ❖ Capital funding for fewer airports
- ❖ Increased reliance on local funding
- ❖ Decreasing ability to target state priorities
- ❖ Decreasing ability to support local economic development



FY 2012 Aviation Program



FY 2012 Highway Program



FY 2012 Highway Program Revenue Assumptions

- ❖ Total funding available for the highway Capital and Maintenance Program is estimated at nearly \$1.24B, compared to \$1.35B last year

- ❖ Federal Funding
 - FY 2012 federal revenue estimated at a level equal to FY 2009
 - Estimating \$746M in federal aid will be available
 - \$50M in toll credits utilized to match \$280M of that federal funding

- ❖ State Funding
 - Anticipate \$489M in state funding available for Routine Maintenance and Capital Program after accounting for debt service in 2012.
 - Decrease from FY 2011 funding level of \$573M

FY 2012 Highway Program Highway Program Investment Plan

	<u>FY 2012</u>	<u>FY2011</u>
❖ Repair & Rebuild Roads	\$450.8M	\$491.9M
❖ Repair & Rebuild Bridges	\$232.7M	\$249.4M
❖ Capacity Improvements/New Roads	\$146.1M	\$134.4M
❖ Safety and System Operations	\$139.3M	\$131.3M
○ Safety- \$71.7M		
○ Congestion Mitigation & Air Quality - \$38.3M		
○ ITS- \$10.1M		
○ Operations- \$19.2M		
❖ Other	\$114.4M	\$93.3M
❖ Routine Maintenance	\$267.0M	\$278.2M
❖ TOTAL	\$1.35B	\$1.38B

FY 2012 Highway Program

Preserving the System

- ❖ \$950M for Road and Bridge Preservation and Maintenance (\$550M in Construction lettings comparable to the FY 2011 amount)
- ❖ Over 70% of Highway Program dedicated to Road & Bridge Preservation and Maintenance
 - Includes Routine Maintenance activities such as pothole filling, snow plowing, sweeping and grass cutting
 - Capital program features 133 miles of improved road and over 195 rehabilitated bridges, slightly more than the 2011 amounts
 - Road CPM program will extend the life of 1,500 miles of good or fair pavement throughout the state, equaling what was done last year

FY 2012 Highway Program

Providing a Safe and Efficient Transportation System

- ❖ \$139M for Safety and System Operations compared to \$131M in FY 2011

- ❖ \$72M investment in signs, pavement markings, median guardrail, and traffic signals, and safety programs

- ❖ Continues ITS investment to improve safety and system performance
 - Traveler Information Systems, Connected Vehicles Program

- ❖ CMAQ Program continues to fund ITS operations and maintenance activities as well as other air quality improvement projects

FY 2012 Highway Program

Expanding the System

- ❖ \$146M investment for Capacity Improvements and New Roads compared to \$134M in FY 2011
- ❖ 3 Capacity Improvement projects in 2012
 - I-96 at Latson Road
 - US-131 in St. Joseph County
 - M-231, Holland to Grand Haven in Ottawa County



FY 2012 Rail Program Summary

Update Coming in October

Questions?