

Public Input Meeting

August 17, 2011

Mason City, IA

Transportation 2020

Citizen Advisory Commission

BRANSTAD/REYNOLDS

Meeting Format

- Introduction
- Background
- Public Input

Road System Studies/Initiatives

- 2002 ad hoc city/county/state initiative – identified recommendations to increase efficiency (adopted by legislature)
- 2006 Road Use Tax Fund (RUTF) Study
- 2008 TIME-21 Funding Analysis
- 2011 Road Use Tax Fund Study – underway
- Ongoing actions by individual jurisdictions

2011 RUTF Study

- Per Code of Iowa, the DOT is required to review current revenue levels and projected construction and maintenance needs.
- The report may include funding level recommendations.
- Shall also evaluate alternative funding mechanisms.
- Due every five years with first report due December 31, 2011.

Governor's Transportation 2020 Citizen Advisory Commission (CAC)

- Designated by Governor Branstad March of 2011
- Tasks
 - Assist the Iowa Department of Transportation (DOT) in completing its legislatively mandated review of road needs and funding.
 - Seek public input conditions of Iowa's roadway system, the importance of roads to Iowans and funding options.

Governor's Transportation 2020 Citizen Advisory Commission (CAC)

- Nancy Richardson – Coralville
(Co-Chair)
- Scott Cirksena – Clive
- Catherine Dunn – Dubuque
- Jim Kersten – Fort Dodge
- Rose Mitchell – West Des Moines
- Dan Wiedemeier – Burlington
- Allan Thoms – Cedar Rapids
(Co-Chair)
- Jeff Corkery – Peosta
- Geri Huser – Altoona
- Lindsey Larson – Jefferson
- Ann Trimble Ray – Early
- Larry Winum – Glenwood

The following legislators are ex-officio members of the commission:

Chair/Ranking Member of House
Transportation

- Rep. David Tjepkes (R-Gowrie)
- Rep. Jim Lykam (D-Davenport)

Chair/Ranking Member of Senate
Transportation

- Sen. Tom Rielly (D-Oskaloosa)
- Sen. Tim Kapucian (R-Keystone)

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Iowa's Public Roadway System

Jurisdiction	Length (miles)	# of Bridges
State	9,403	4,092
County	89,911	19,386
City	14,804	1,111
Other	623	210
Total	114,740	24,799

Evaluation of Recent Trends

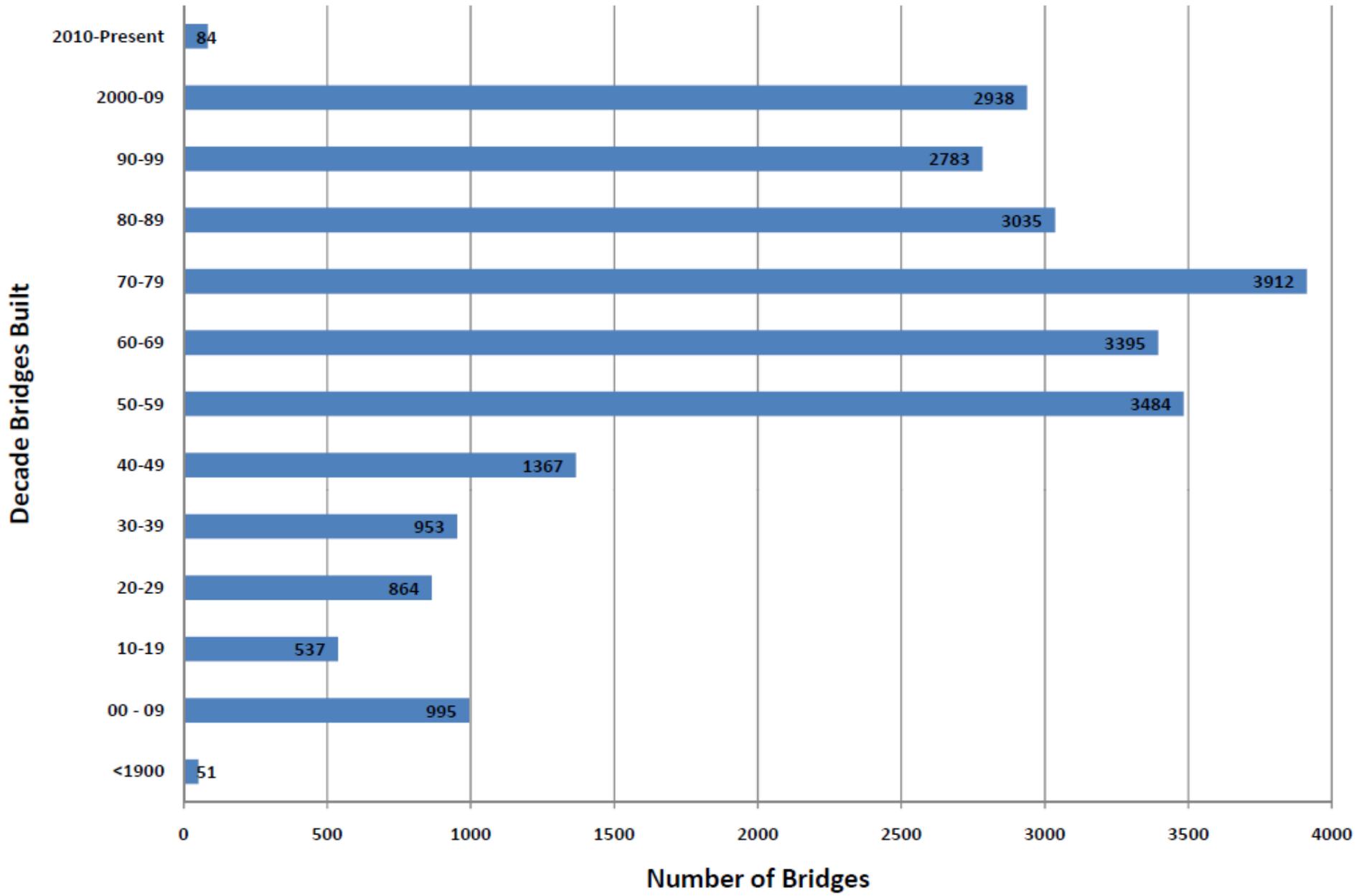
- Iowa's infrastructure rankings continue to drop

Category	2009 Ranking (based on 2007 data)	2010 Ranking (based on 2008 data)	Change
Rural Interstate Condition*	34th	38th	-4
Urban Interstate Condition*	43rd	43rd	0
Rural Arterial Condition*	43rd	46th	-3
Deficient Bridges	30th	34th	-4

Source: *Annual Report on the Performance of State Highway Systems*, Reason Foundation, David T. Hartgen, Ph.D., P.E., and Ravi K. Karanam, December 2009 and September 2010

* Based on road roughness

Age of Iowa Bridges by Decade



State Road Funding

Funding Source	FY 2011 (estimated)	Percent of Total	State Constitution Requires Funds be Used for Roads?
Fuel Tax	\$430 million	36 percent	Yes
Annual Registration Fee	\$470 million	39 percent	Yes
Fee for New Registration	\$240 million	20 percent	Yes
Other*	\$70 million	5 percent	No
Total	\$1.21 billion		

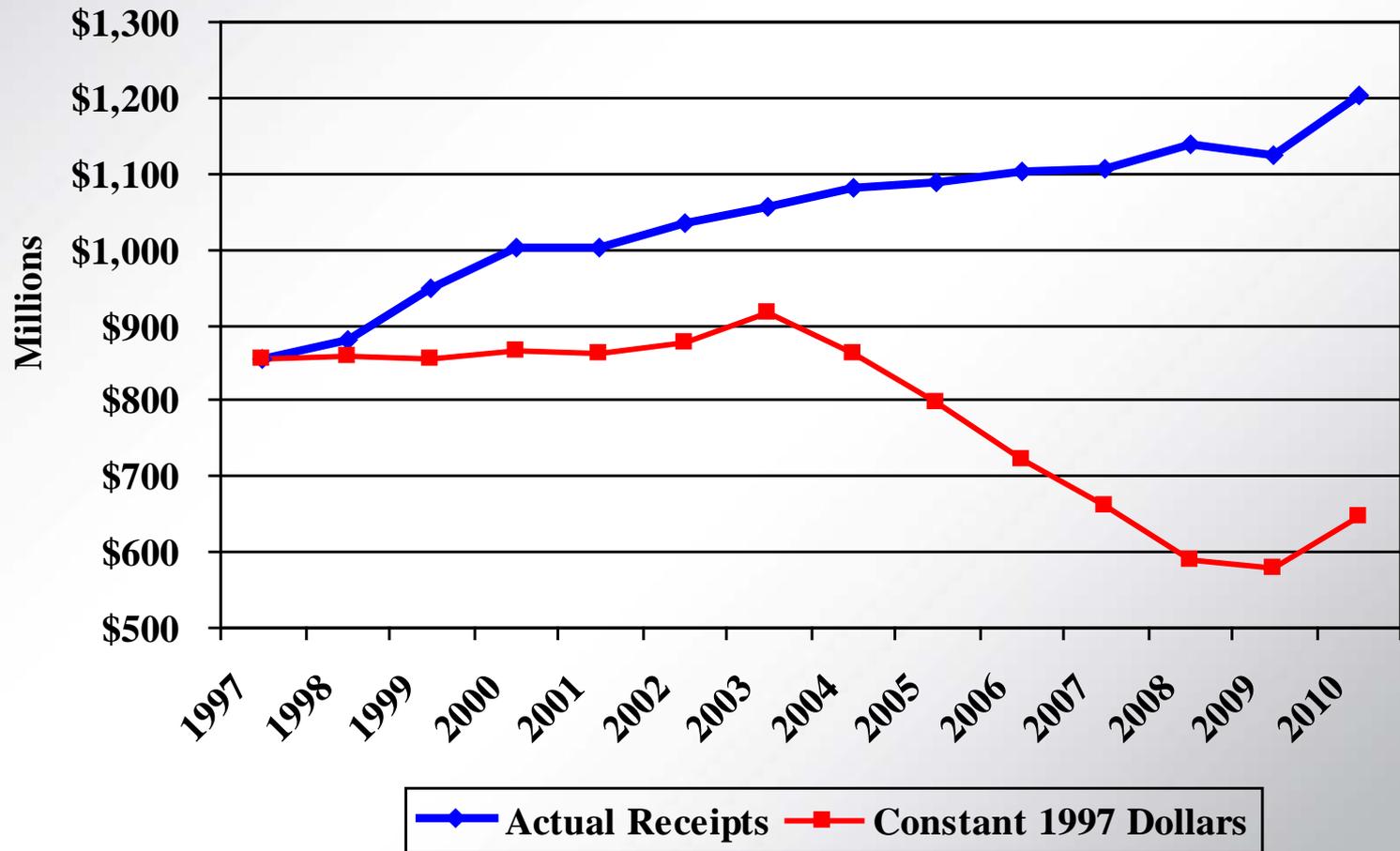
* Driver's license fees, title fees, trailer registration fees, and other miscellaneous fees.

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History of RUTF Revenue



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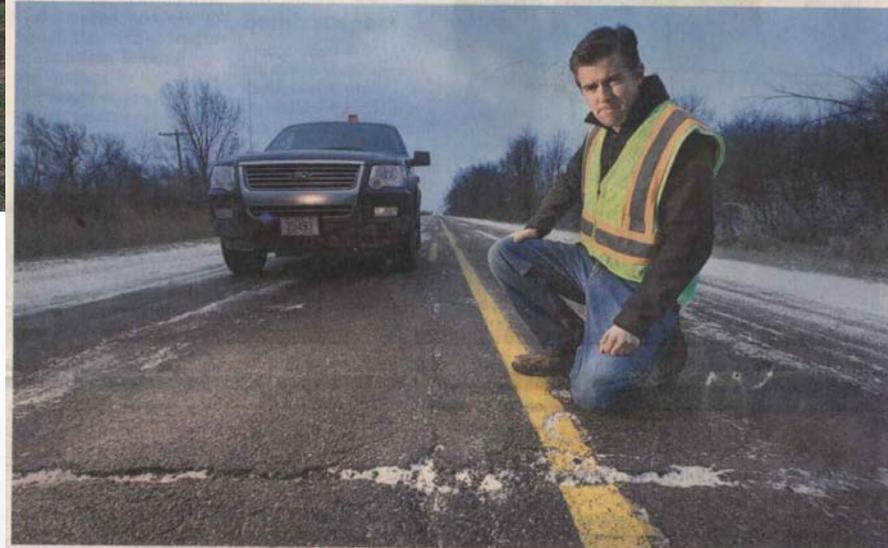
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Challenges

- “Perfect Storm”
 - Large and aging system
 - Increasing demands
 - Flattening revenue
 - Increasing construction cost inflation rate
- Impact of severe weather
 - Immediate damage to infrastructure
 - Deferred maintenance due to shift in operational activities to address weather impacts.
 - Unquantifiable loss of useful life due to underlying damage to infrastructure



Counties struggle to maintain roads



RODNEY WHITE/THE REGISTER

Washington County Engineer David Patterson looks at the deep cracks forming on County Road W64 near Haskins, north of Ainsworth. He said the road would be treated similar to the main street in Haskins and allowed to return to gravel.

As costs soar and revenue stays flat, some get reverted to gravel

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Local Challenges

- Hamilton County has had to defer equipment replacement in order to invest in roads. May impact winter operations.
- Kossuth County (since 2001)
 - Reduced employees from 46 to 41
 - Closed two bridges and vacated about three miles of road
 - Eliminated winter operations on about 50 miles of road
- Iowa 122 in Mason City has pavement, safety and operational concerns.

Evaluation of Recent Trends

- Continued impacts on the system due to severe weather.
- Condition of the system continues to deteriorate.
- Short-term growth in revenue to TIME-21 grandfathering provisions.
- Overall traffic and truck traffic has begun to grow again.
- Construction costs rising (5.4 percent through the second quarter of CY 2011).
- Less federal funding likely.
- Higher vehicle fuel economy cutting fuel tax revenues.

Evaluation of Critical Needs

- Forecast revenues will fall short of meeting critical funding needs by \$215 million per year
- Impacts of critical funding shortfall
 - Increased numbers of bridges with weight restrictions and bridge closures
 - Deteriorating conditions across the system – including high-level roads critical to movement of goods and people
 - Increased costs to transportation providers and users
 - Potential economic losses to the state of Iowa

Funding Options (existing)

- Fuel tax
- Annual registration fee
- Fee for new registration
- Driver's license fee

Funding Options (potential)

- Sales tax on fuel
- Severance tax on ethanol
- Per-mile tax
- Transportation Improvement District
- Tolling
- Development impact fees
- Bonding (financing mechanism)
- Public private partnerships (financing mechanism)
- Container tax
- Imported oil tax
- Tire tax on light-duty vehicles
- Alternative fuel/high fuel efficiency vehicle tax

Now it's your turn!

- How is Iowa's road system important to you?
- What are your views regarding the condition of Iowa's public road system? Is the condition having an impact on you today?
- If you feel additional funding is needed, what mechanisms ought to be considered?
- If you don't feel additional funding is needed, what ought to be done differently?
- How do you feel road funds should be utilized? (e.g. capacity projects, pavement preservation, bridge preservation, new roads, etc.)

More Information

- www.iowadot.gov/transportation2020
- Additional comments or questions can be submitted through the Transportation 2020 website – click on “Contact us” button along left side of website