

# Iowa in Motion

Planning Ahead 2040

Iowa Transportation Commission

January 10, 2012



# Presentation outline

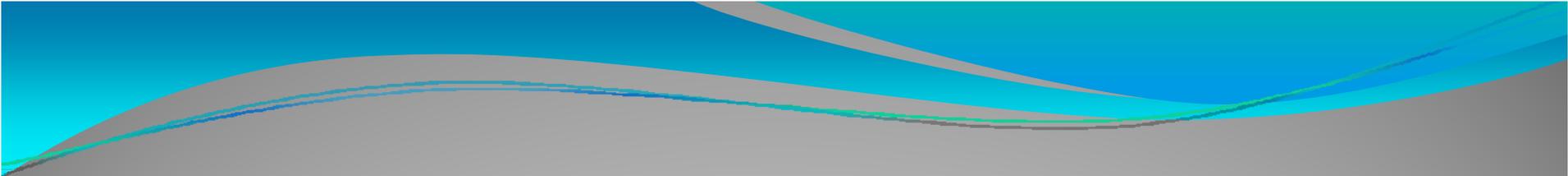
- Recap
  - Document outline
  - Schedule
- New material
  - Chapter 6: Paying our way

# Document outline

- Chapter 1: Looking ahead to 2040 (May workshop)
- Chapter 2: Understanding Iowa (Sept. workshop)
- Chapter 3: Planning considerations (Oct. workshop)
- Chapter 4: Measuring our system condition (Oct. workshop)
- Chapter 5: Choosing our path (May workshop)
- **Chapter 6: Paying our way**
- Chapter 7: Making it happen

# Schedule

- Presented previously: Chapters 1-5
- Today: Chapter 6
- February workshop: Chapter 7
  
- February-March 2012: Public input period
- March-April: Final editing
- April workshop: Full draft document
- May business meeting: Adoption

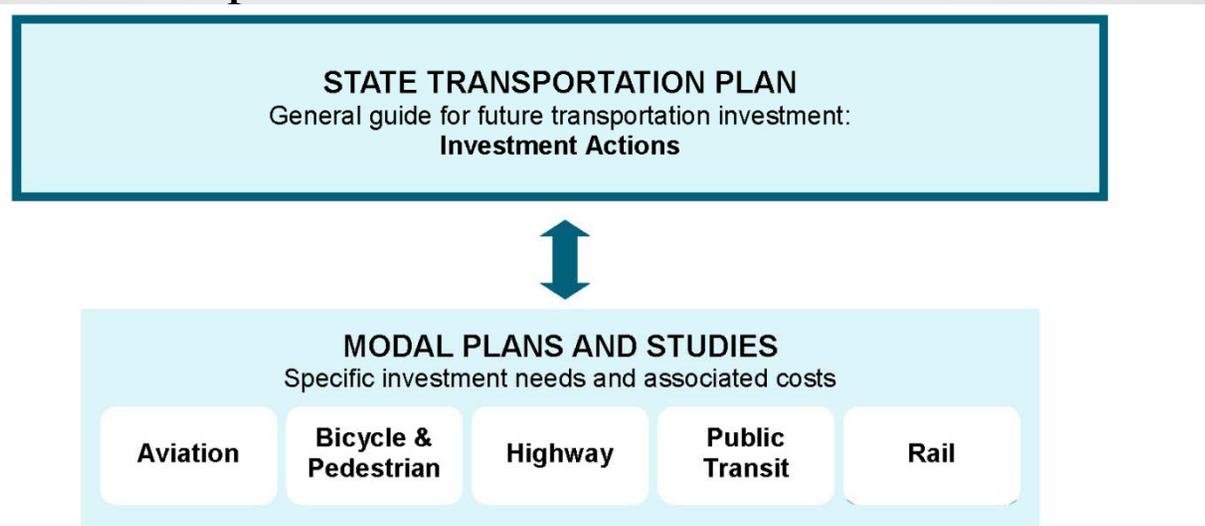


# Chapter 6

Paying our way

# Future costs and revenues

- Discussion framed, primarily, within the context of the Five-Year Program: “Iowa DOT costs” and “Iowa DOT revenues”
- Costs and revenues presented in average annual future year dollars.
- Costs were developed from the investment needs identified in individual modal plans and studies.



# Aviation

- Costs derived from Iowa Aviation System Plan update.
- Costs projected to 2040 using an annual inflation rate based on the growth of Iowa's construction cost index.
- Revenues derived from historical funding identified in the Aviation element of the Five Year Program.
- Revenues projected to 2040 by applying a linear trend line to the historical data.
- Average annual Iowa DOT costs: \$8.122 million
- Average annual Iowa DOT revenues: \$4.939 million
- **Average annual shortfall: \$3.183 million**

# Aviation continued

- Implications of the shortfall:
  - All objectives related to infrastructure and services may not be met, affecting the ability to address the needs of aviation users.
  - Access to aviation services may not be maintained or enhanced, negatively impacting economic development.
  - Planning for infrastructure, air space protection, emergency response, and local business development to ensure the most efficient and safe system may be inadequate.

# Bicycle and pedestrian

- Costs derived from Iowa Trails 2000 plan (Level 1 network).
- Costs projected to 2040 using an annual inflation rate based on the growth of Iowa's construction cost index.
- Revenues derived from historical funding for each of the DOT-managed trail funding programs.
- Revenues projected to 2040 by applying a linear trend line to the historical data.
- Average annual Iowa DOT costs: \$22.949 million
- Average annual Iowa DOT revenues: \$10.519 million
- **Average annual shortfall: \$12.430 million**

# Bicycle and pedestrian cont.

- Implications of the shortfall:
  - Some trails, including Level 1 trails, may not be built, creating a disconnected and segmented system.
  - Some existing trails may not be adequately maintained.
  - There may be fewer facilities available to accommodate potential bicyclists and pedestrians for recreational opportunities, adversely impacting health, quality of life, and the state's tourism economy.

# Highway

- Costs derived from the 2011 RUTF study analysis.
- Costs projected to 2040 using an annual average critical needs figure from the analysis.
- Revenues were also derived from the RUTF study analysis.
- Revenues projected to 2040 by applying the future revenue assumptions from this study.
- Average annual Iowa DOT costs: \$1,236.068 million
- Average annual Iowa DOT revenues: \$1,014.863 million
- **Average annual shortfall: \$221.205 million**

# Highway continued

- Implications of the shortfall:
  - Some improvements on the urban interstate system may not be addressed, which could lead to increased congestion and travel times.
  - Some improvements on the rural interstate system may not be addressed, which could lead to poorer pavement conditions.
  - Some improvements on the CIN may not be addressed, which could lead to fewer economic development opportunities and slower job growth.
  - Some corridor improvements and work on other major projects, including major bridge structures, may not be addressed.
  - Future modernization of the existing system will be a challenge.

# Public Transit

- Costs derived from Iowa Passenger Transportation Funding Study.
- Costs projected to 2040 using an annual inflation rate based on the growth in public transit costs over 10 years.
- Revenues derived from historical funding identified in the Transit element of the Five Year Program.
- Revenues projected to 2040 by applying a linear trend line to the historical data.
- Average annual Iowa DOT costs: \$49.902 million
- Average annual Iowa DOT revenues: \$17.708 million
- **Average annual shortfall: \$32.194 million**

# Public Transit continued

- Implications of the shortfall:
  - Slow bus replacement will lead to an aging bus fleet and increasing maintenance costs.
  - Future plans for service expansions may be delayed, and some existing services may be eliminated.
  - Transit facilities may not be repaired or improved in a timely manner.

# Rail (Freight)

- Costs derived from analysis of historical/anticipated costs associated with DOT-managed rail funding programs.
- Costs projected to 2040 using an annual inflation rate based on the Railroad Cost Recovery Index .
- Revenues derived from historical funding for each of the DOT-managed rail funding programs.
- Revenues projected to 2040 by applying a linear trend line to the historical data.
- Average annual Iowa DOT costs: \$33.203 million
- Average annual Iowa DOT revenues: \$11.356 million
- **Average annual shortfall: \$21.847 million**

# Rail (Passenger)

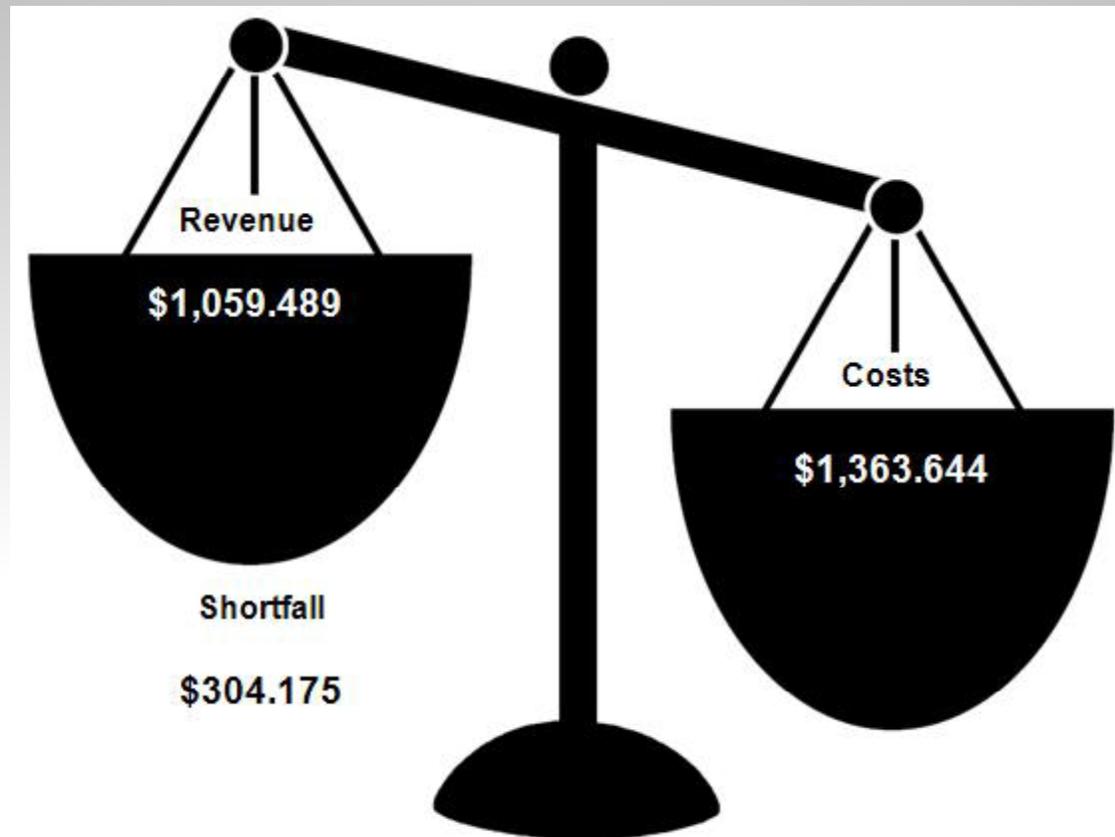
- Costs derived from the draft Iowa DOT Strategic Passenger Rail Plan.
- Costs projected to 2040 using an annual inflation rate identified in the analysis.
- Revenues identified in the analysis are based on ridership assumptions, with Iowa DOT being responsible for a share of the development and O&M costs.
- To date, limited funding committed to addressing these costs (\$3 million balance of passenger rail appropriations).
- Average annual Iowa DOT costs: \$13.419 million
- Average annual Iowa DOT revenues: \$0.103
- **Average annual shortfall: \$13.316 million**

# Rail continued

- Implications of the shortfall:
  - Some highway-railroad crossings may not receive timely improvements, which could lead to potential safety hazards for travel.
  - Inadequate funding for spur tracks to new or expanding industries may impact future economic development and job creation opportunities.
  - Some industries and communities may lose access to rail service if preservation of abandoned lines is unavailable, causing industries to close or relocate.
  - Without adequate intermodal connections to rail, business and industry may not be able to take advantage of competitive rates for shipments.
  - Rail service may be impacted if railroads are unable to recover, without financial assistance, from natural disasters that cause infrastructure damage.
  - New passenger rail service may not be initiated, delaying the potential for multimodal system benefits (e.g., lower transportation costs due to alternative passenger options and improved freight infrastructure, reduced highway usage, etc).

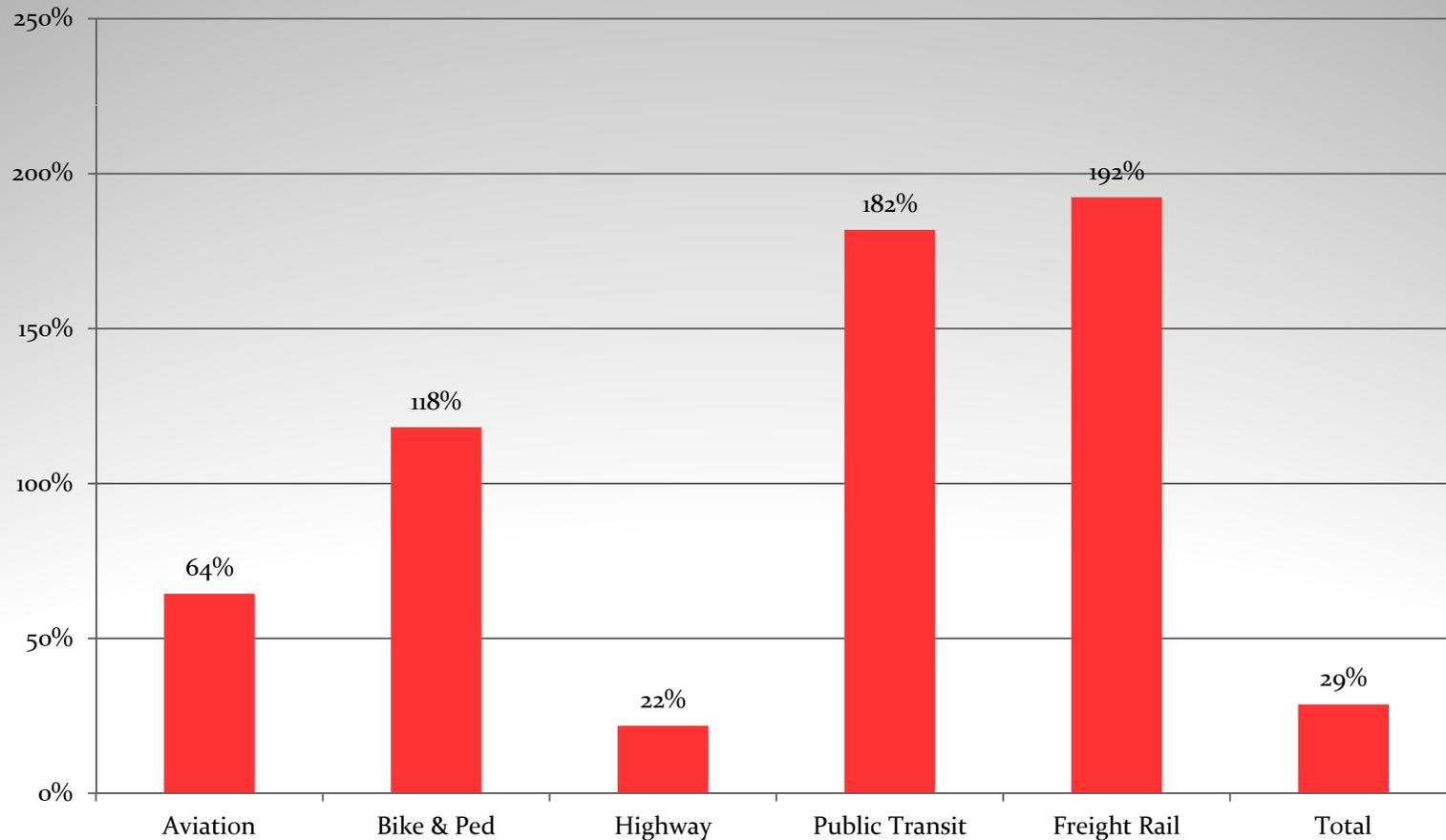
# Overall funding outlook

- Average annual shortfall across all modes (\$ millions)



# Overall funding outlook

- Shortfall as percent of revenue



# Wrap up

- Chapter 6 will be posted to department website for broader review and comment
  - <http://www.iowadot.gov/iowainmotion/state.html>
- Reminder: February workshop will cover Chapter 7
- Questions or comments?