

Senate Standing Committee on Transportation

February 1, 2011

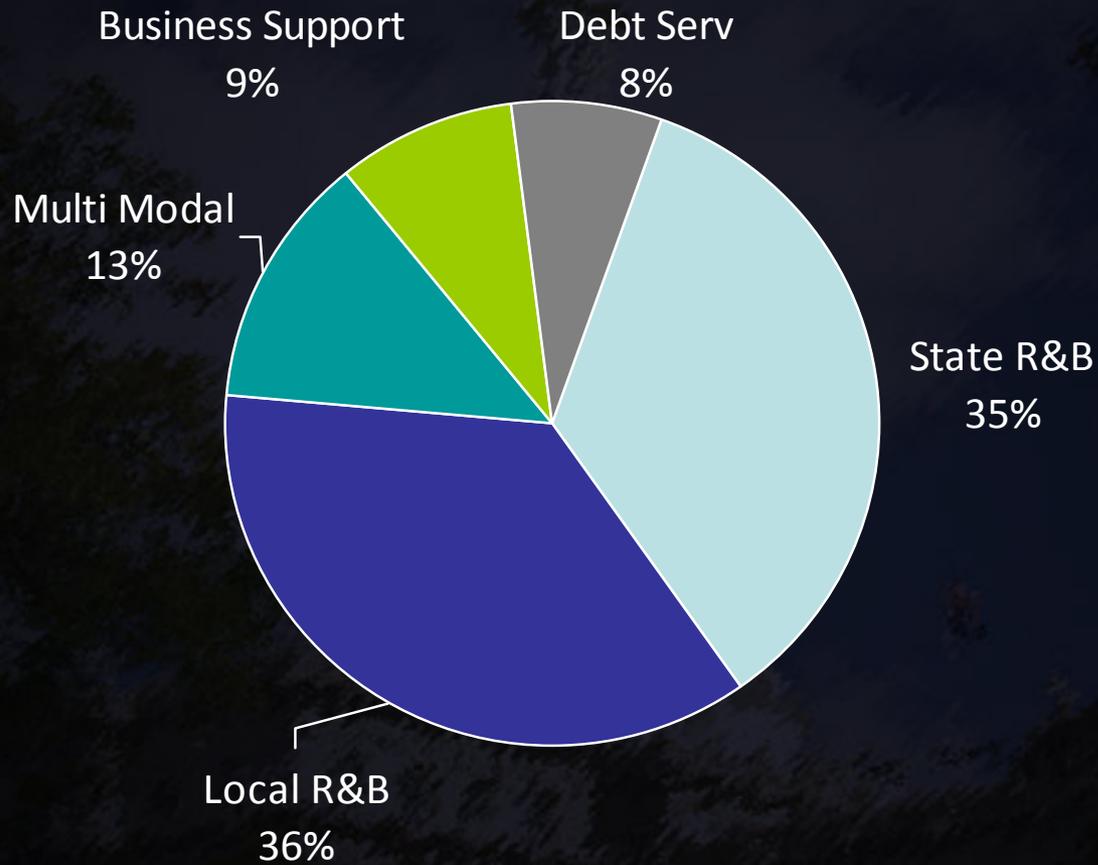
Director Kirk T. Steudle, P.E.

Michigan Department of Transportation

Transportation Connects Michigan

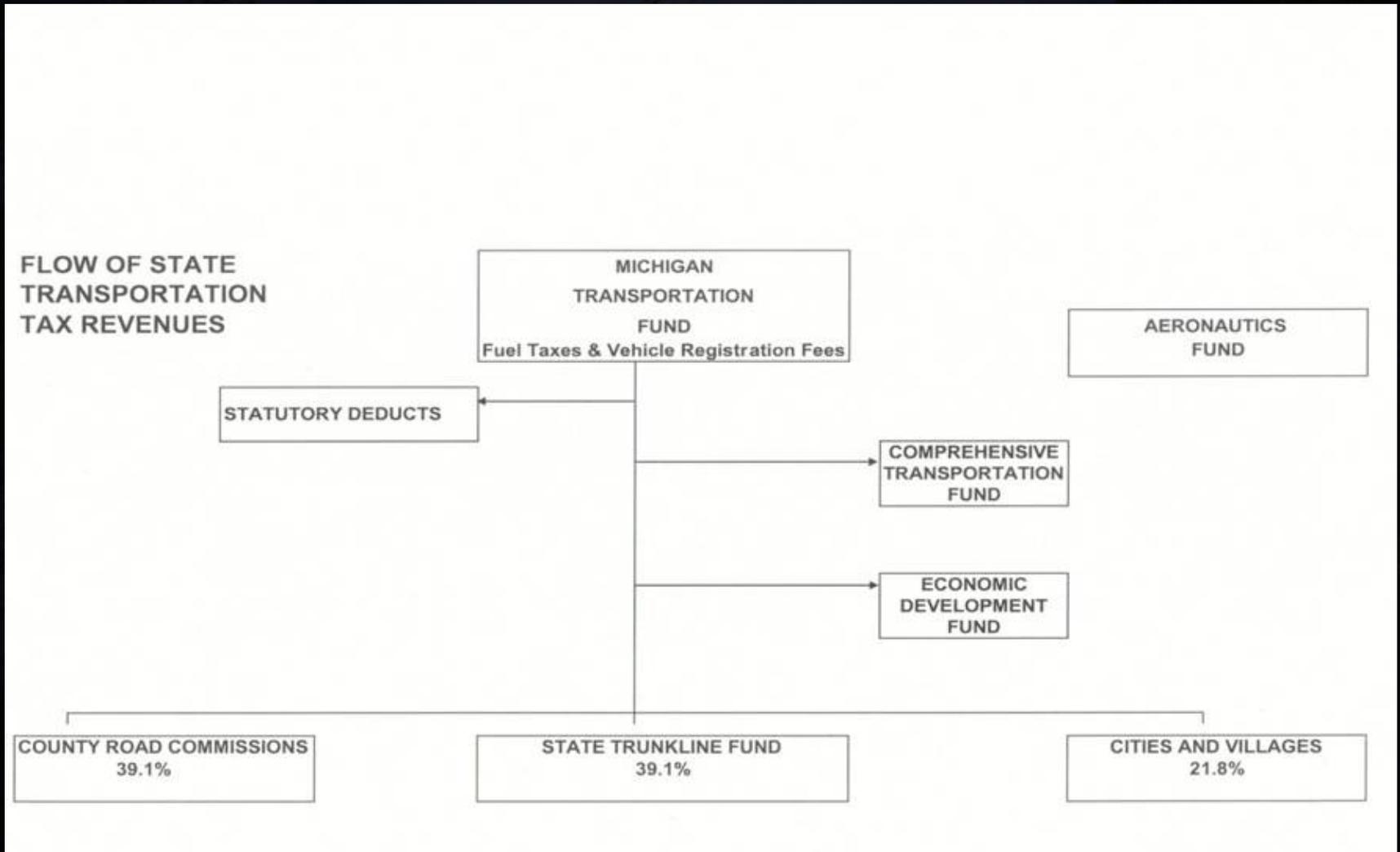
- People
- Communities
- Local Economies
- Global Economy

FY 2011 Appropriations

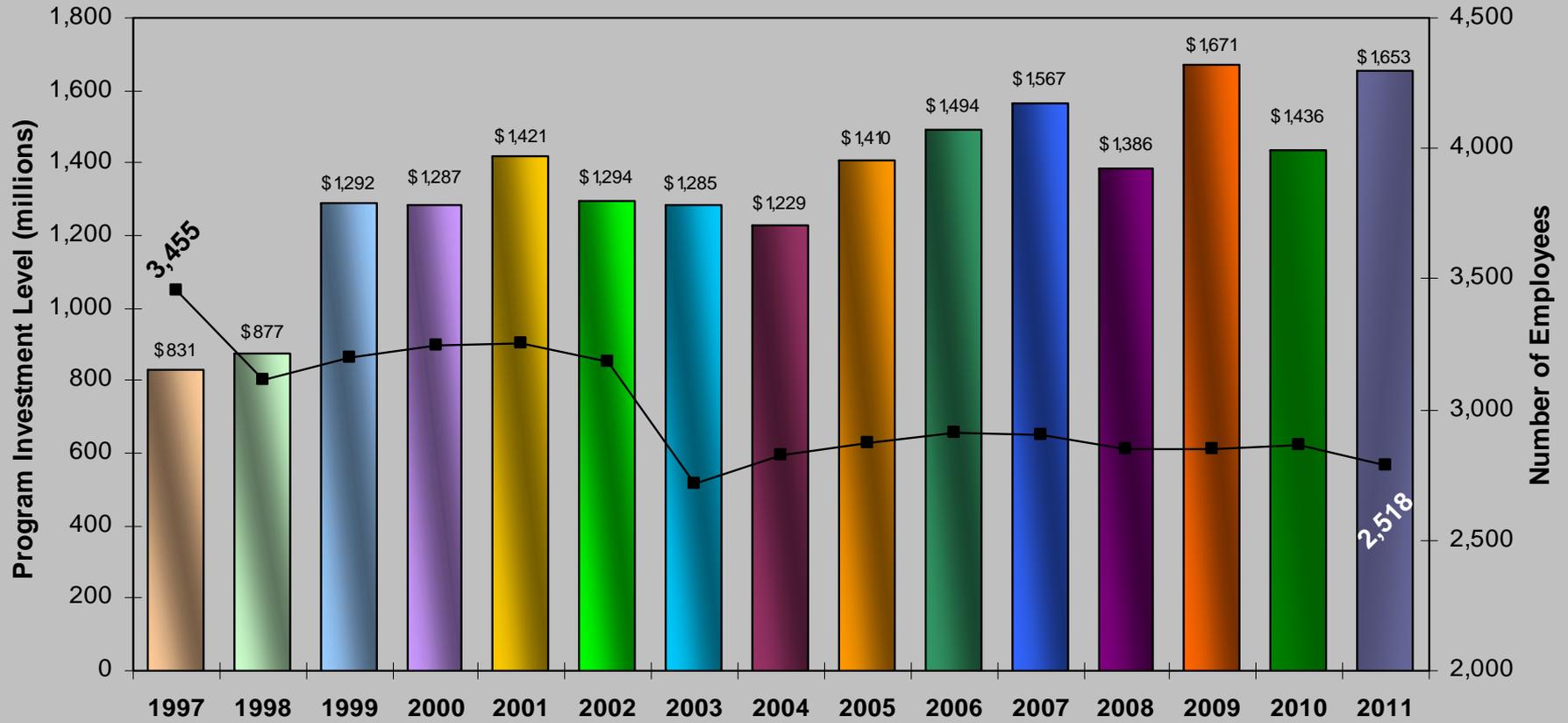


Total: \$3,235.1 million

State Transportation Tax Revenues Flowchart



Authorized Highway Capital Program Investment Level vs. Number of Employees (Including Routine Maintenance)



How We Do It Is Important

Transportation demands and expectations steadily are increasing

- 2011: \$1.4 billion highway capital program
- A Big Goal: 90 percent of state roads in good condition
- Can't maintain this condition level with existing revenues
 - Confirmed by MDOT – Asset Management Data and Michigan Transportation Asset Management Council

Asset Management

Asset management is a process to strategically manage our transportation system in a cost-effective and efficient manner

Five-Year Transportation Program

- Integrated Call for Projects
- Internal Review Committee
- Development of STIP

2011-2015 Five-Year Transportation Program

- Multi-Modal Format
- 2011-2015 Highway, Aviation, Transit, Rail, Marine/Port Programs
- Highway Project List
- Revenue Projections and Investment Strategies

DRAFT Investment Strategy Highway Program 2011-2015*

*Numbers are Rounded

Annual Average	Match All Fed. Aid Program	Reduced Program	
	FY 2011	FY 2012-2015	FY 2012-2015
Repair & Rebuild Roads	\$490M	\$440M	\$170M
Repair & Rebuild Bridges	\$250M	\$200M	\$70M
Capacity Improve/New Roads	\$135M	\$75M	\$50M
Safety and System Operations	\$130M	\$130M	\$60M
Safety	\$60M	\$60M	\$45M
CMAQ	\$40M	\$40M	\$5M
ITS	\$10M	\$10M	\$5M
Operations	\$20M	\$20M	\$5M
Other	\$90M	\$100M	\$50M
Routine Maintenance	\$270M	\$270M	\$270M
TOTAL	\$1.4B	\$1.2B	\$670M

DRAFT 2011 – 2015 Investment Strategy

Multi-Modal Programs*

*Numbers are Rounded

Multi-Modal Program	Annual Avg.	5YP Total
• Airport Improvement Program	\$120 M	\$620 M
• Air Service and All Weather Access	\$1 M	\$5 M
• Total Aviation	\$125 M	\$625 M
• Total Bus, Marine, Rail	\$280 M	\$1 B
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• TOTAL Multi-Modal	\$400 M	\$2 B

Balancing Investments

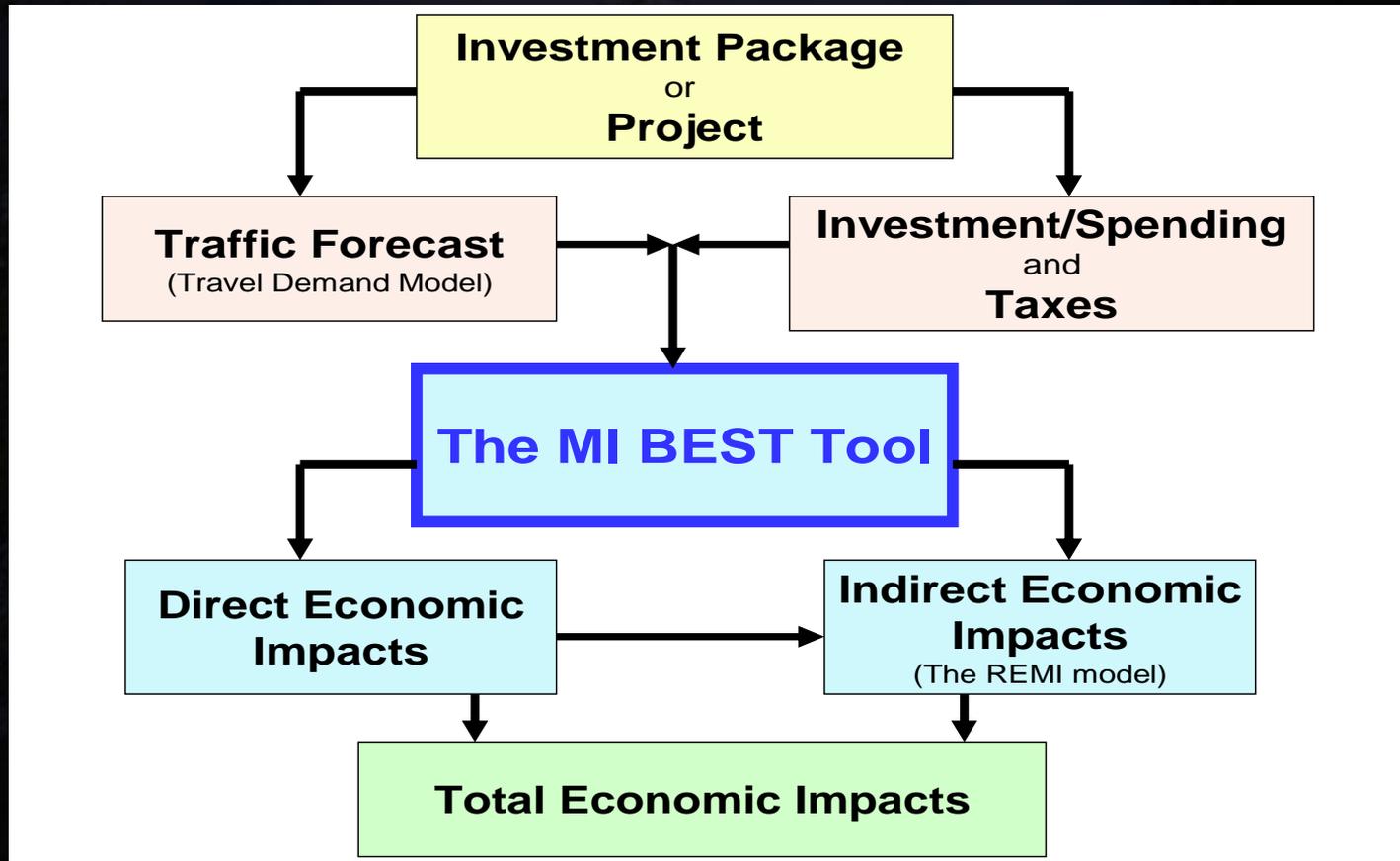
Factors Considered When Balancing Highway Investments

- Corridor Approach
- Geographic Consideration/Statewide Priorities
- Multi-Modal Considerations
- Safety Improvements
- Aesthetics and Roadsides
- Context Sensitive Solutions and Complete Streets
- Local/Metropolitan Planning Organization Priorities
- Stakeholder Input

Economic Benefits of the 2011-2015 Five-Year Transportation Program Findings



Economic Benefits Study Methodology



Transportation Moves the Economy

- Moves products to markets

Trucks

- 2007 - 481 million tons worth \$775 billion
- 2009 (provisional) - 363 million tons worth \$555 billion

Rail

- 2007 - 128 million tons worth \$142 billion
- 2009 (provisional) - 106 million tons worth \$107 billion



**Spin-Off
Jobs**

**Construction
Jobs**



**Personal
Income**



Gross State Product

Economic Benefits Generated by the 2010-2014 Highway Program

- Moves the Michigan economy
 - 15,500 jobs annually
 - \$5.3 B in personal income over 5 yrs
 - \$5.1 B in Gross State Product value added over 5 yrs



State Transportation Improvement Program (STIP)

- The Five Year Plan is the basis for MDOT's contribution to the STIP
- The STIP:
 - is a federally required planning document covering a four year period
 - Reflects the policies of the State Long Range Plan and is consistent with MPO Long Range Plans
 - Is the final planning document preceding the actual construction or implementation of projects.
 - Is the result of cooperative planning processes throughout the state

Cooperative Planning

MDOT engages the public throughout the state in cooperative planning processes:

- Metropolitan Planning Organizations (MPOs)
- Rural Task Forces
- Small Urban Program
- Tribal Consultation
- Regional Planning and Development Agencies

Cooperative Planning

- The public audiences targeted in these processes include:
 - General public
 - Local government officials
 - Locally elected officials
 - Tribal governments
 - Road commissions
 - Transit providers
 - Businesses

Cooperative Planning

- With all public participation, the goal is to reach as much of the public as possible and to provide opportunities for early and continuous involvement

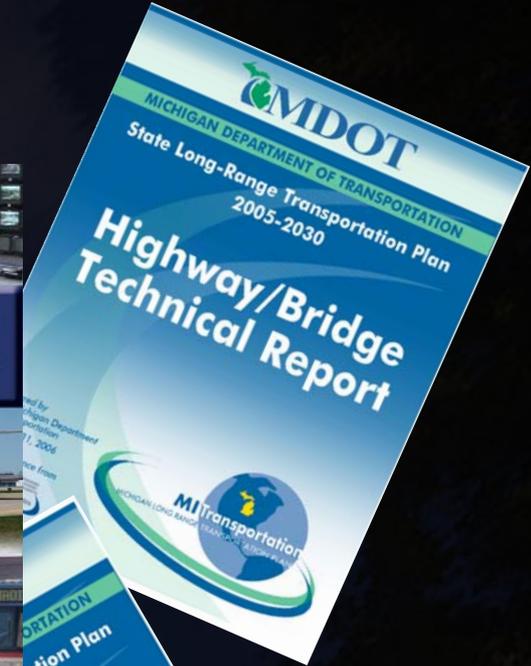


MI Transportation Plan: Moving Michigan Forward

State Long-Range Plan 2005-2030

***Final Plan is available on MDOT's Website at:
www.michigan.gov/slrp***

Public Involvement and Consultation



Outreach

Three tiers of outreach were conducted:

- Economic Advisory Group
- Stakeholders
- General public

Public Participation Activities

- Stakeholder Interviews
- Household Participation Studies
- Economic Advisory Group
- Stakeholder Workshops
- Open Houses
- Library Partnership Online Questionnaires
- Outreach Meetings
- Tribal Consultations
- Other Outreach and Consulting Activities

MDOT Structure

- 7 Regions
 - 26 Transportation Service Centers
- 6 Bureaus
 - 15 Divisions
- 7 Offices



MDOT's Emerging Communication Technology

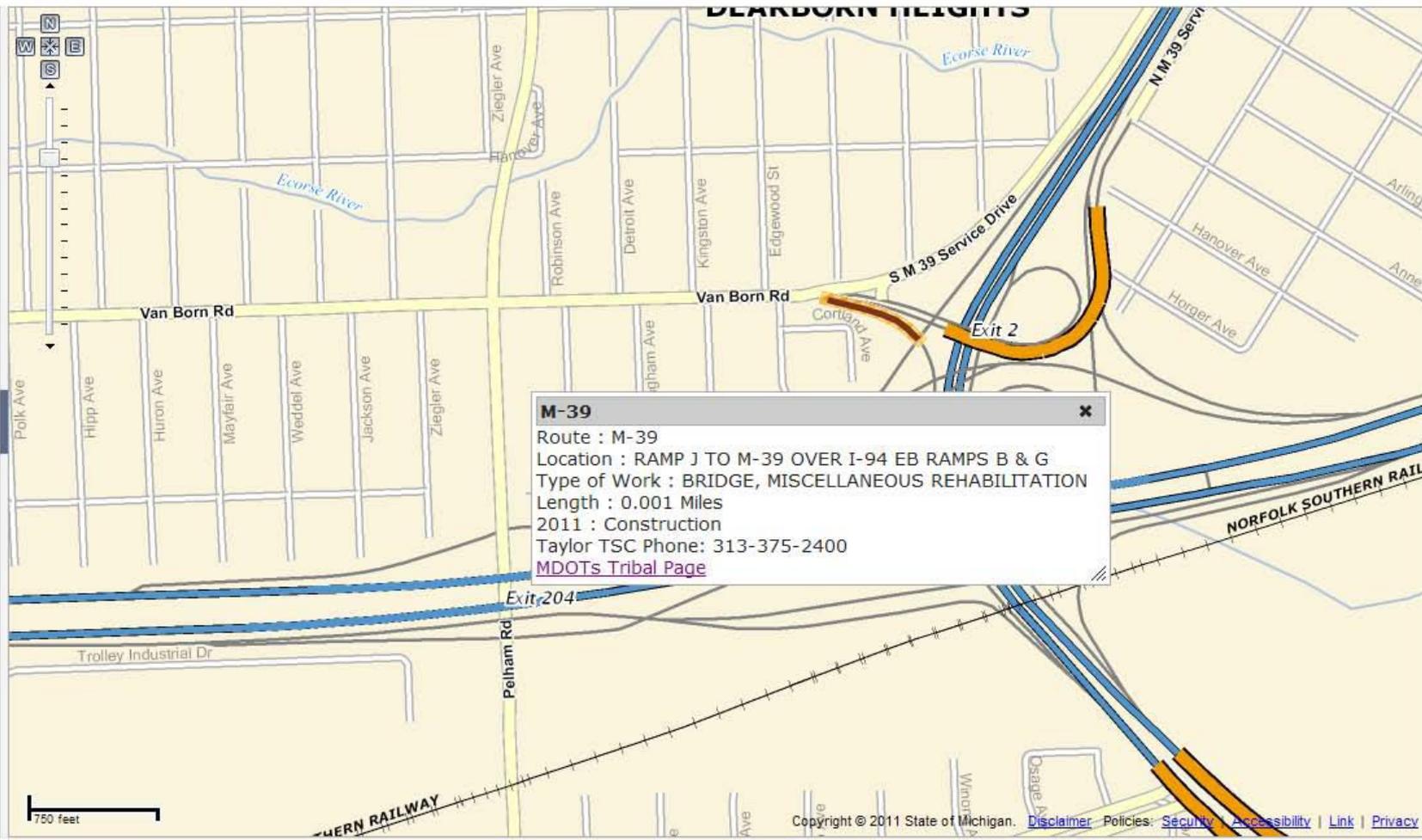
- Facebook
 - 1,980 followers
 - Ranked #6
- Twitter
 - 8,723 followers
 - Ranked #7
- YouTube Videos
 - 100,379
 - Ranked #7
- MDOT Web Page
- QR Code
- On-line comment forms



Coming Soon...



- 2010 Projects
- 2011 Projects
- 2012 Projects
- 2013 Projects
- 2014 Projects



Economic Development

- Executive Order #1999-2 binds MDOT and MEDC
 - Target Industry (TEDF Category A) Grant
 - MEDC helps MDOT identify companies that need assistance with road improvements
 - They also help TEDF applicants with job and financial viability information
 - MDOT helps the MEDC identify transportation needs of private companies expanding in the state.
 - MDOT designated a barrier buster to resolve transportation-related issues raised by MEDC

MDOT Partners

- We support MSHDA-led interagency place-making efforts that promote vibrant communities
- MSHDA and MDOT work together to apply the right transportation tool to meet a community's need.
 - TEDF
 - State Infrastructure Bank loans
 - Federal Transportation Enhancement
 - Safe Routes to School Program
- Department of Agriculture and Rural Development work on the development of Michigan's agricultural assets
 - Farms rely on rural all-season road network
 - Retain and attract food processing companies

2010 Retirement Act MDOT Recovery

MDOT Retirements

- MDOT had 2,852 permanent employees as of October 1, 2010
- MDOT had 2,518 permanent employees as of January 8, 2011
- Prior to retirement, MDOT had 244 vacancies as of September 18, 2010 (retirements started October 1)
- A total of 328 employees retired between November 1 and December 31, 2010
 - 11.7% of MDOT work force
 - Represent a combined total of 11,879 years of transportation experience





**“Providing the highest quality
integrated transportation
services for economic benefit
and improved quality of life.”**

Reorganization Overarching Principles

- Accountability
- Oversight
- Efficiency
- Core Functions
- Customer Service
- Technology Advances
- Consolidated Services

Better

Faster

Cheaper

Smarter

Safer

Thank you!