Senate Task Force Hearing

October 23, 2012

MDOT

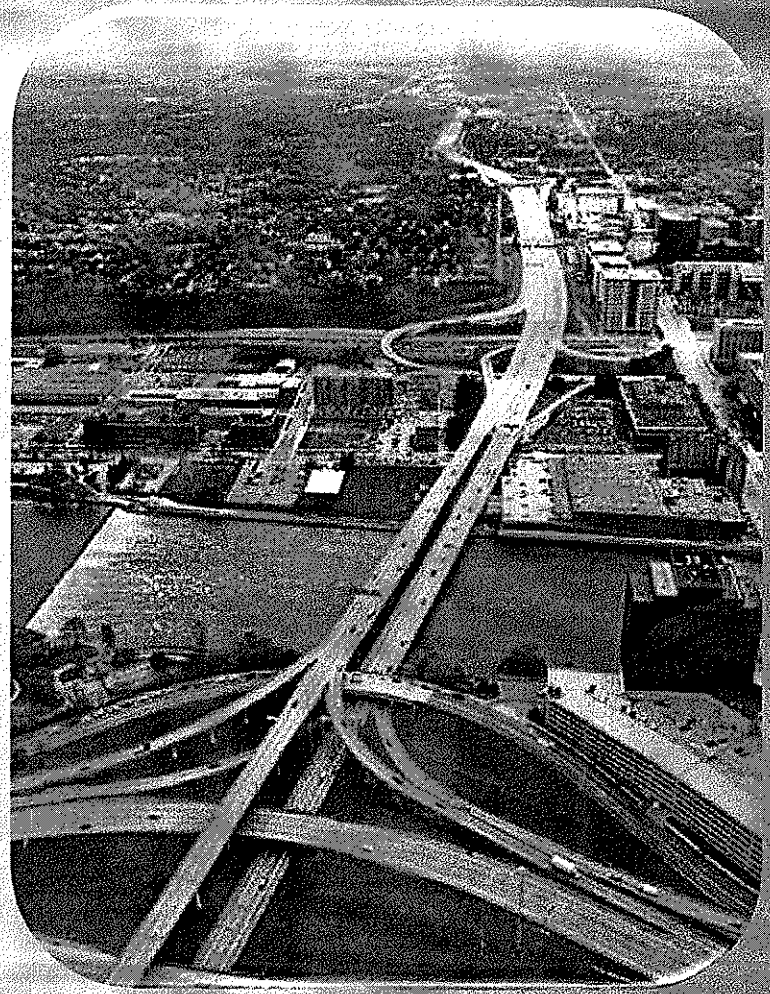
Michigan Department of Transportation

Introduction & Recap

- MDOT's asset management approach and efficiencies
- MDOT actions maximize return on investment
- Asset management allows proactive decision making and gets the most out of existing resources
- MDOT has worked hard to meet today's challenges through efficiencies and innovations

Overview

- Trunkline system and its importance to the economy
- Current revenue environment
- System condition
- Challenges and opportunities



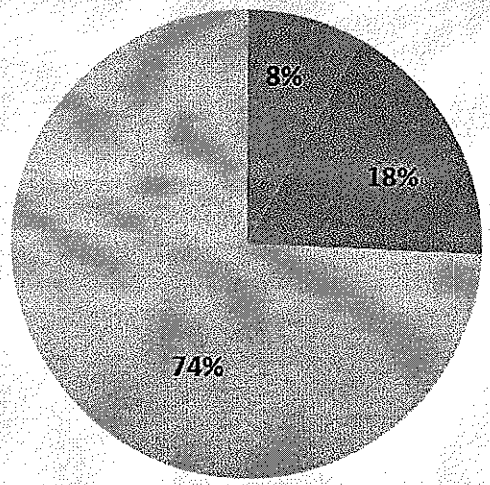
State Trunkline System

MDOT has jurisdiction over:

- 34,620 Lane Miles
- 9,617 Centerline Miles
- 4,641 Bridges

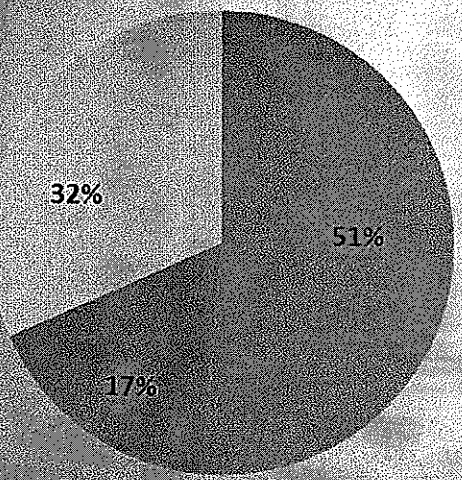
Road Miles and Vehicle Miles Traveled

Total Centerline Miles



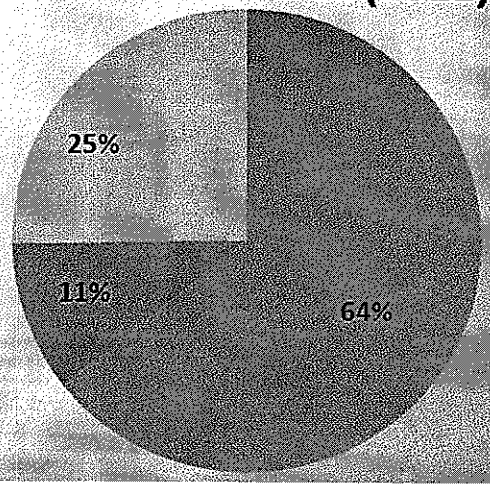
- MDOT Trunkline
- City Total
- County Total

Annual Vehicle Miles Traveled



- MDOT Trunkline
- City Total
- County Total

Commercial Annual Vehicle Miles Traveled (2011)



- MDOT Trunkline
- City Total
- County Total

State Trunklines are the Backbone of Michigan's Economy

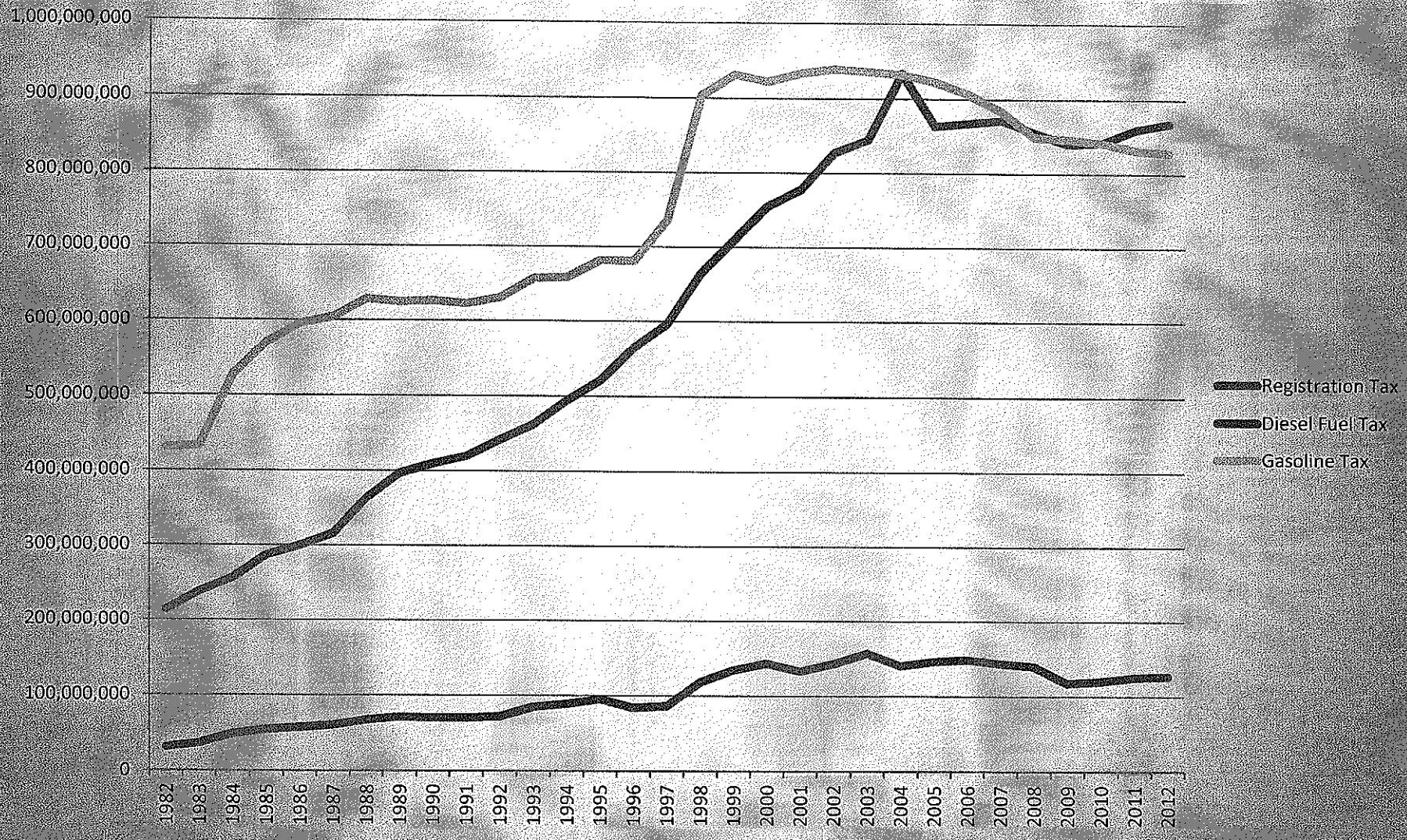
- 34% of US/Canada trade flows through Michigan
- More than $1 Trillion in freight is moved each year on Michigan's major highway corridors
- Trucking accounts for 70% of all freight tonnage moved in Michigan
- Michigan's highways are vital to both the state and the national economy

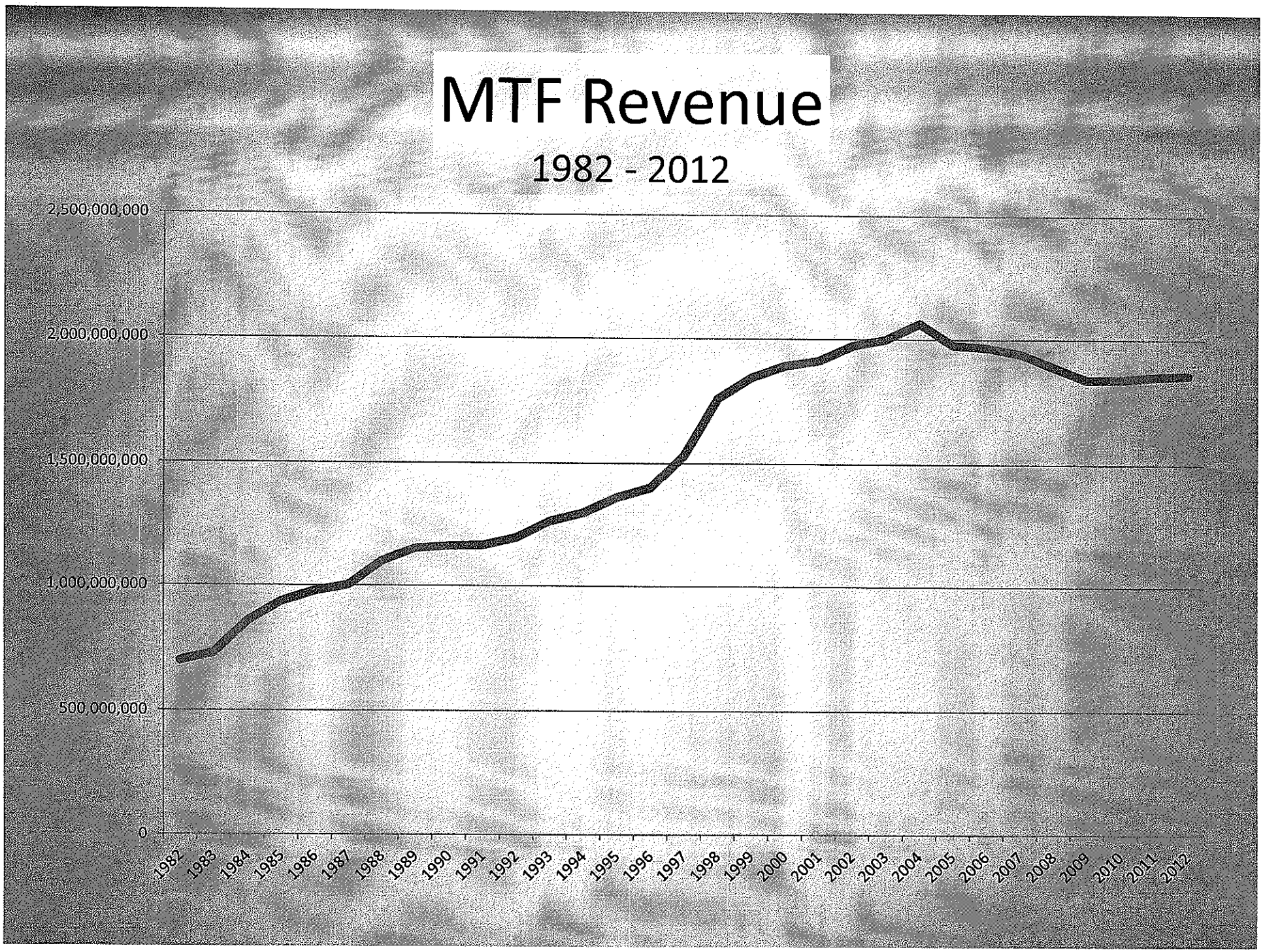
State Trunklines are the Backbone of Michigan's Economy

- **8%** of all the centerline miles in Michigan…**yet** carries and supports
  - 51% of all Traffic
  - 64% of Commercial Vehicle Traffic
  - 40% of Bridges
  - 75% of Bridge Deck Area

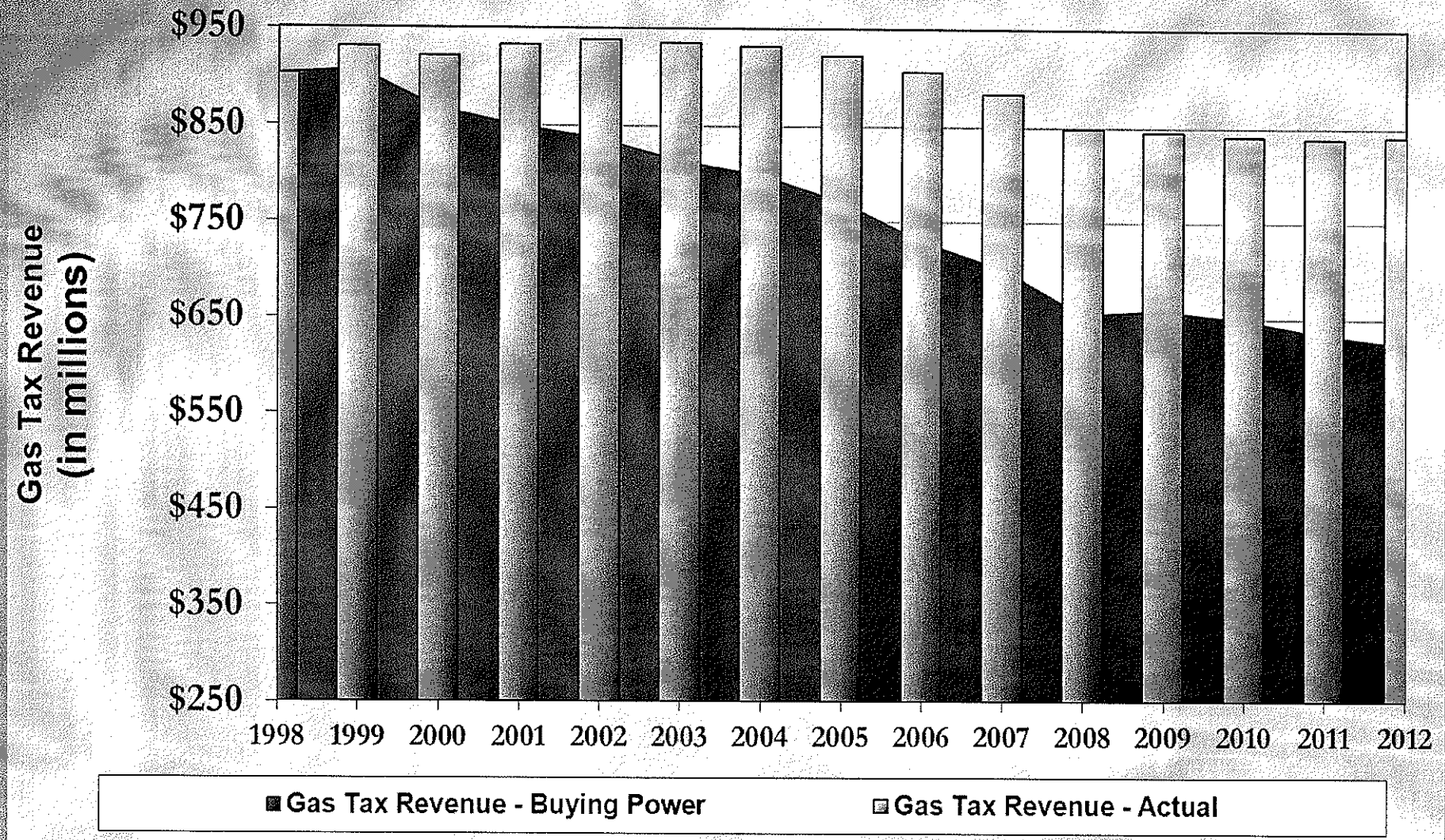
Three Sources of MTF Revenues

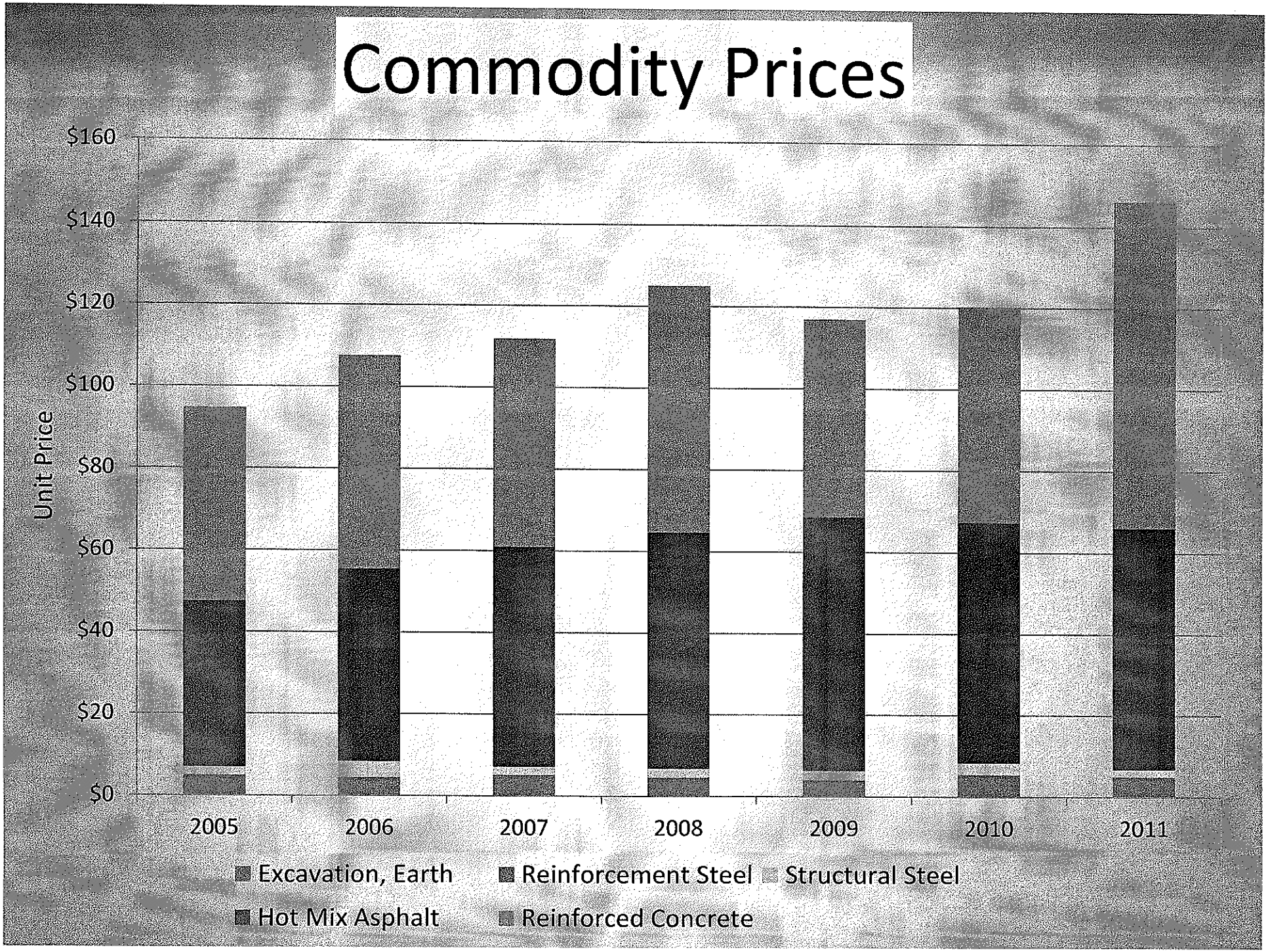
1982 - 2012



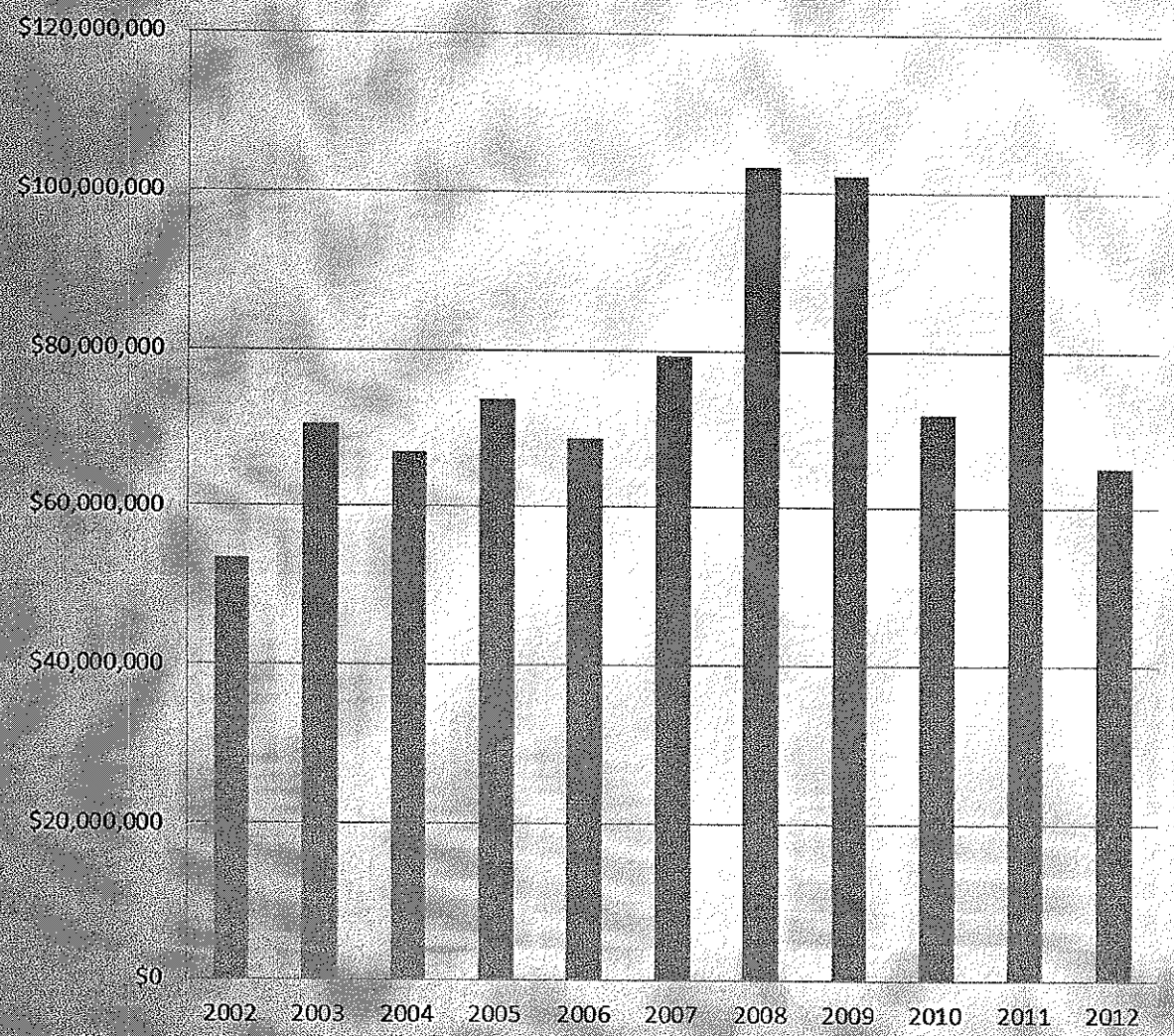

MTF Revenue
1982 - 2012
2,500,000,000
2,000,000,000
1,500,000,000
1,000,000,000
500,000,000
0
1982
1983
1984
1985
1986
1987
1988
1989
1990
1991
1992
1993
1994
1995
1996
1997
1998
1999
2000
2001
2002
2003
2004
2005
2006
2007
2008
2009
2010
2011
2012

Gas Tax Revenue
Actual vs. Buying Power



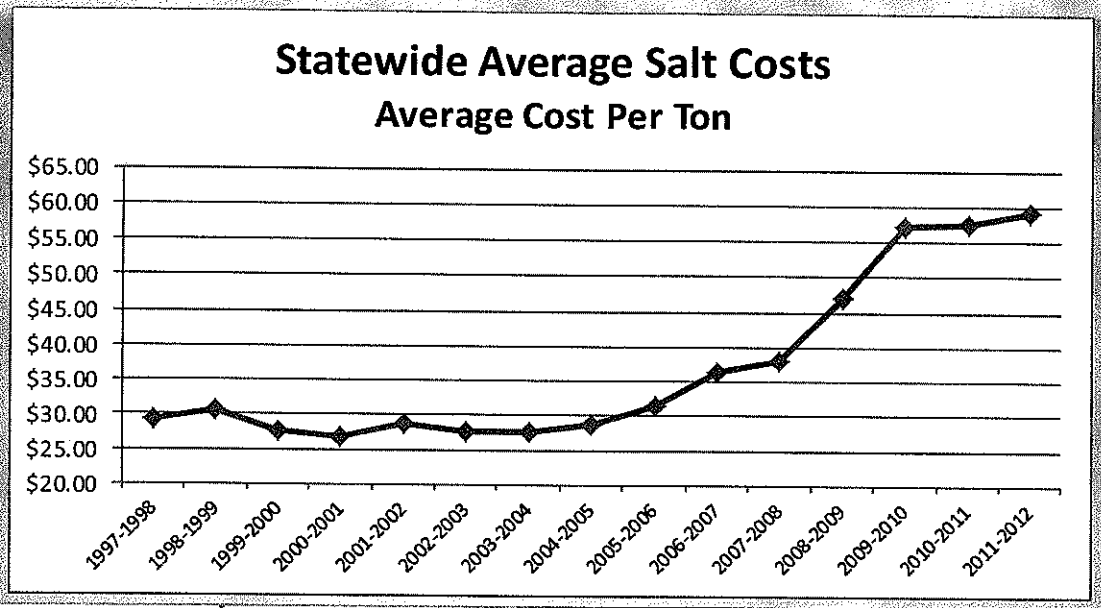

Commodity Prices
$160
$140
$120
$100
$80
$60
$40
$20
$0
Unit Price
2005
2006
2007
2008
2009
2010
2011
Excavation, Earth
Reinforcement Steel
Structural Steel
Hot Mix Asphalt
Reinforced Concrete

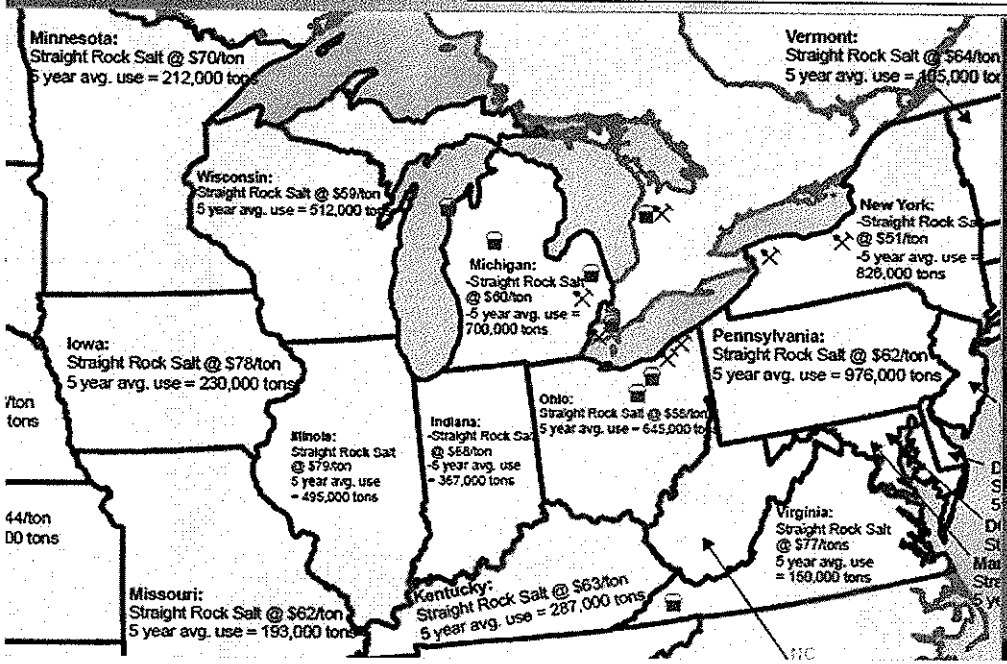
Winter Maintenance Expenditures

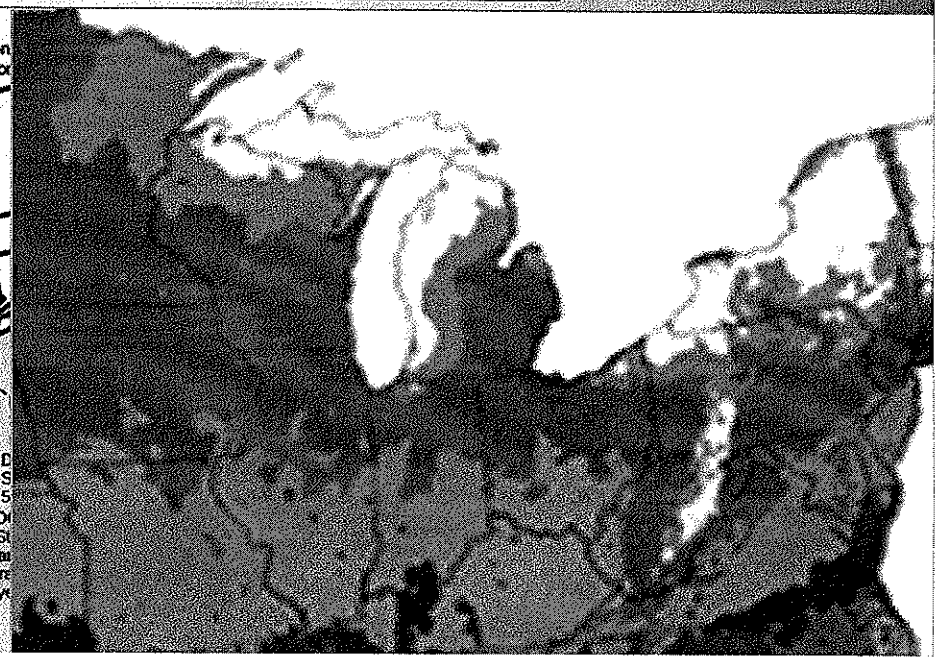


(Note: FY 2012 winter expenditures are through August. While this is the bulk of winter expenditures, they will continue to be incurred through FY 2012)

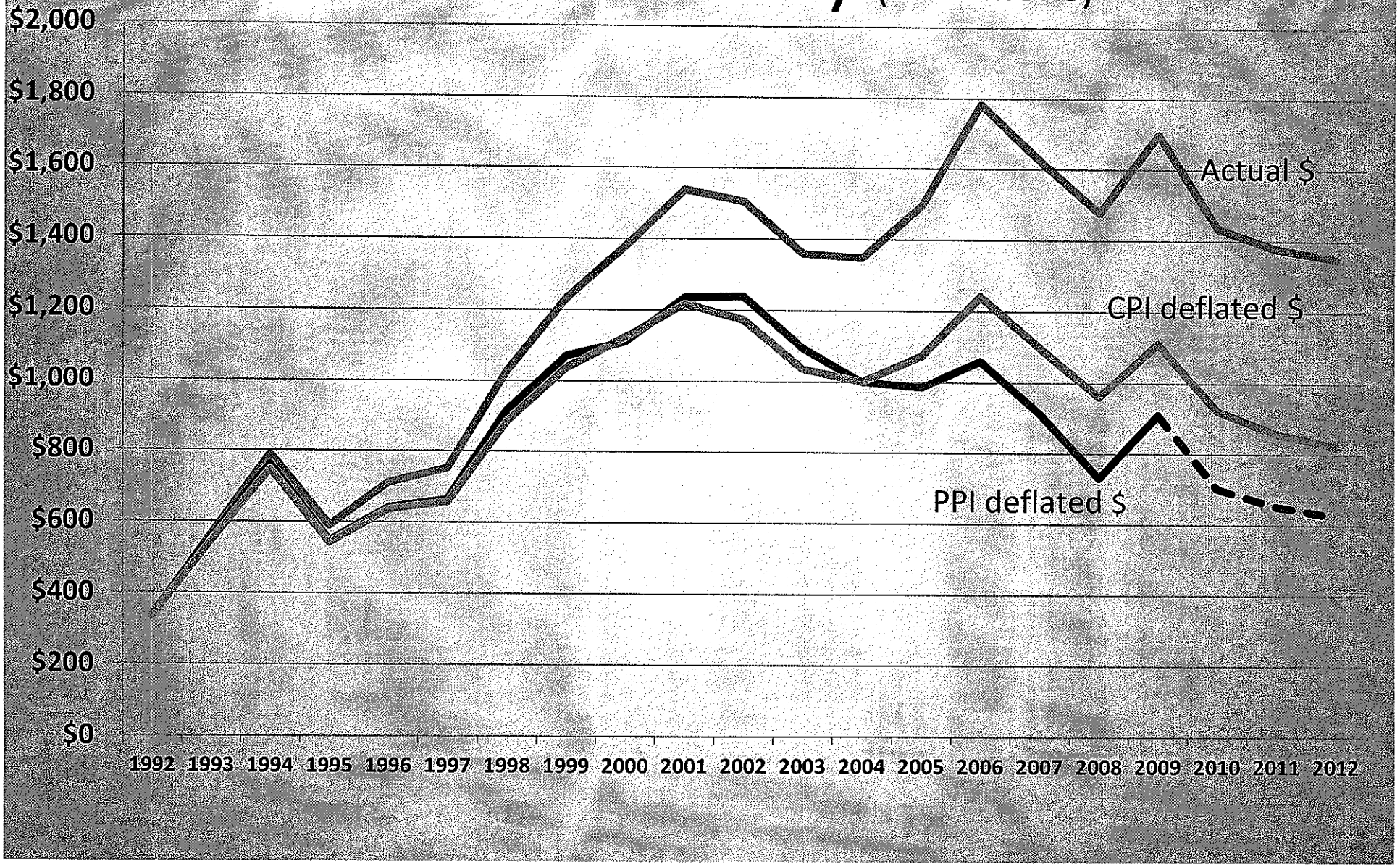
Statewide Average Salt Costs





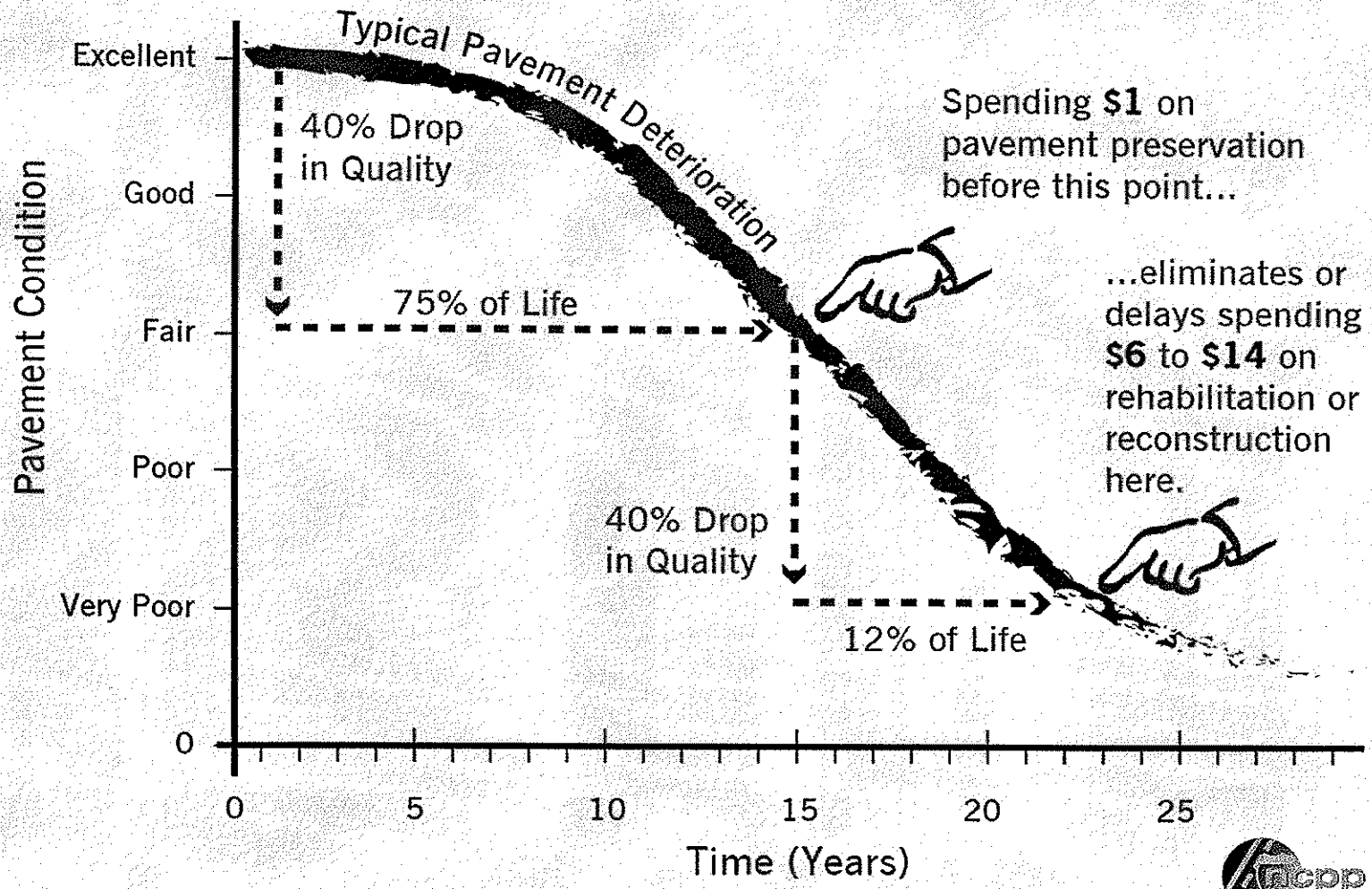


State Highway & Bridge Investment History (in millions)

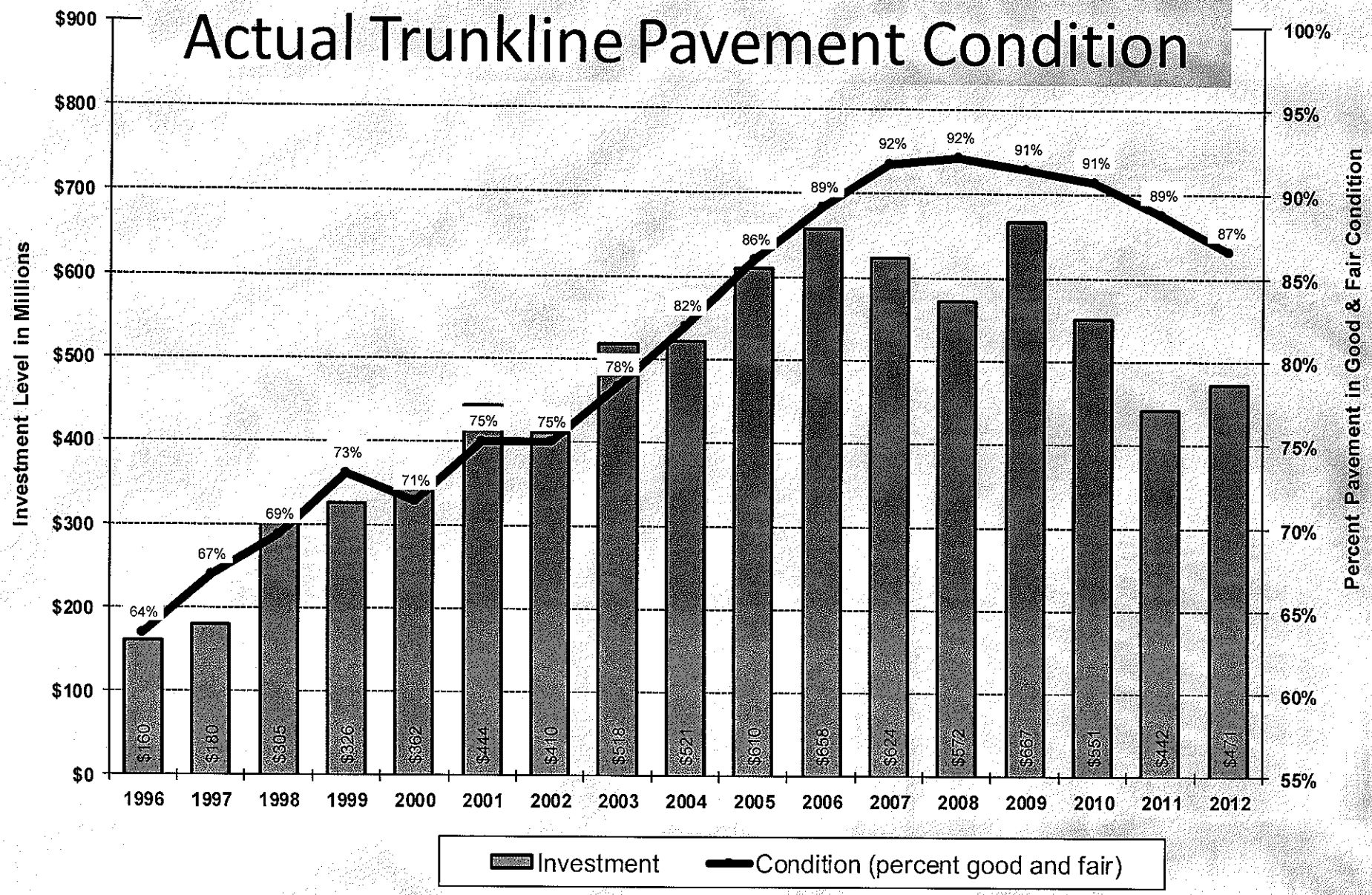


Maximizing Investment

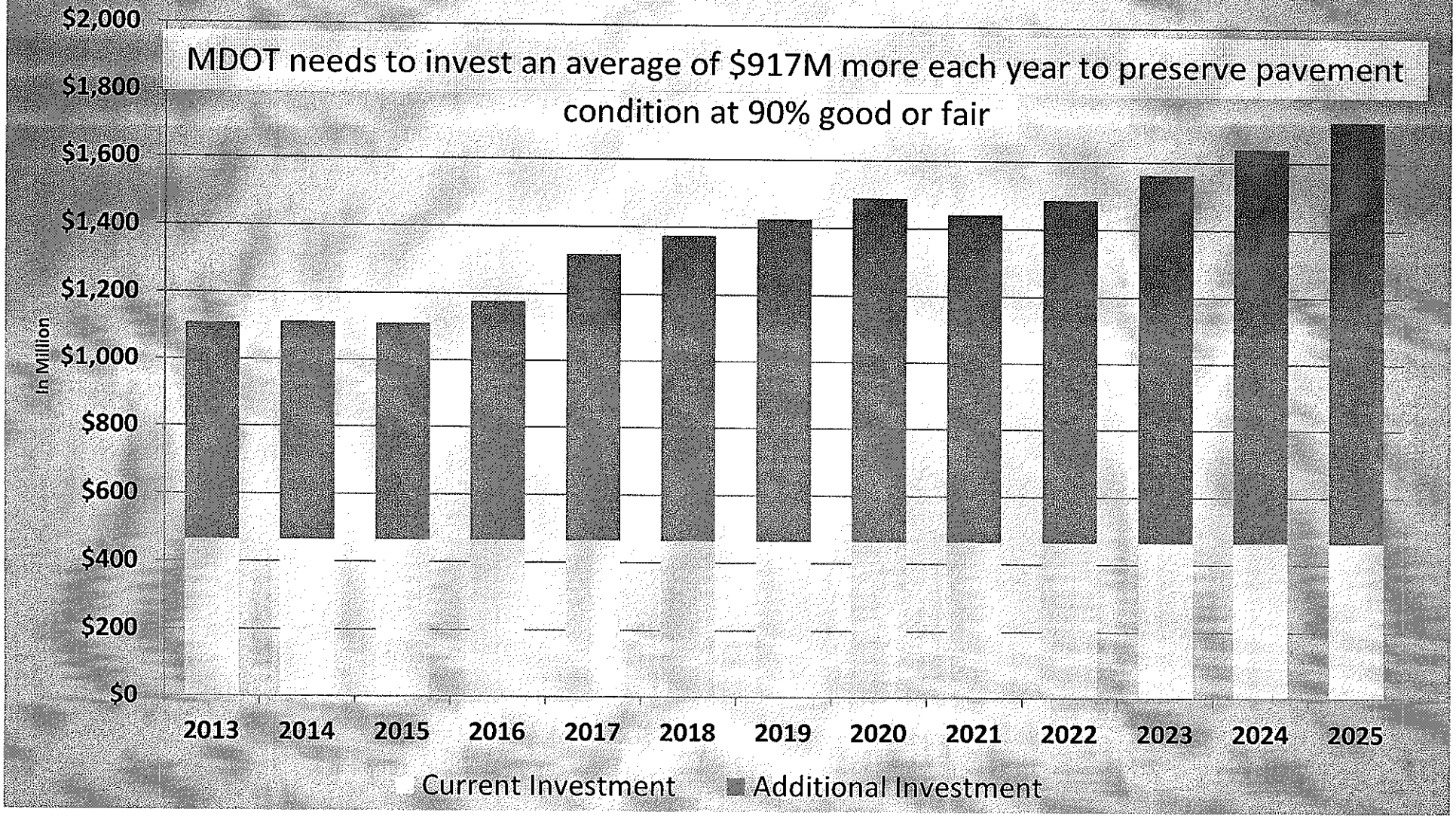
PAVEMENT PRESERVATION IS COST EFFECTIVE



Pavement Program Investment Level vs. Actual Trunkline Pavement Condition



MDOT Shortfall for Pavement Preservation



Questions?

MDOT

Better.*Faster*.Cheaper.Safer.Smarter

"Providing the highest quality integrated transportation services for economic benefit and improved quality of life."