

## What Shortfall

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## ARRA (Stimulus)

- Effect on PennDOT Construction Program
- Context of Current Political Climate
- Challenges
- Opportunities

## Effect on PennDOT's Program

- 2008      \$2.2 Billion Lets
  - 2009      \$2.8 Billion Lets
  - 2010      \$1.5 Billion Lets\*
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- \*Assumes Current Federal Program
  - \*Assumes Loss of I-80 Revenue

## Current Political Climate

- Federal Highway Trust Fund Set to Expire – September 30, 2009
  - Increased Funding Needed or 50% Cut
  - LaHood – “Gas Tax is off the table”
  - Oberstar – opposed to tolling

## Current Political Climate

- I-80 Toll Revenue Lost by 2010
- Mood of State Legislators
  - Funding of transit vs. roads/bridges is a zero sum game.
  - Funding schemes are riddled with political danger i.e. I-80 tolling.
  - Funding roads and bridges requires a tax increase and this is bad for me politically.

## Challenges

- **No Capacity for Capacity?** In 10 years, freight traffic could grow by more than 70%, adding thousands of trucks to today's roads-Will there be room for Minivan's and Motorcycles?
- **Living on Borrowed Time?** Pennsylvania has 6,938 bridges that outlived their design nearly 20 years ago.
- **A Rough Ride Ahead?** Poor pavement quality costs the average motorist an additional \$400 in vehicle maintenance costs-more than double the average total in fuel taxes paid!
- **How Much is a Life Worth?** Poor road conditions are a factor in nearly 1/3 of all traffic fatalities costing more than 14,500 lives annually.
- **Paying Less and Getting Less?**
  - As vehicle fuel economy increases, motorists pay less per mile to drive.
  - Construction material cost increases of more than 80% during the past five years means less miles maintained per dollar.

Senate Transportation Committee-Senator Robert C. Wonderling  
Chairman Tuesday, April 07, 2009

## Opportunities

- PennDOT “at the top of it’s game”
  - Other States Disorganized
  - Entire \$1.02 Advertised in 180 Days
- Infrastructure Portion of Stimulus Supported
- Chance to Show Industry Can Perform
  - Projects of Value
  - Jobs Creator
- Need to “Change the Conversation”