TRANSPORTATION

“Providing the highest quality integrated transportation services for economic benefit and improved quality of life.”
TRANSPORTATION IS THE BACKBONE OF MICHIGAN’S ECONOMY

- 35% of US/Canada trade flows through Michigan
- Michigan leads all states in trading with Canada, totaling $70.2 billion in 2011 (11.7% of all U.S./Canada trade)
- $520 billion in freight is moved each year on Michigan’s highways, rail and water ports
- Trucking accounts for 67% of all freight tonnage moved in Michigan
TRANSPORTATION IS THE BACKBONE OF MICHIGAN’S ECONOMY

- Operation of bus transit systems contribute an estimated $740 million to the economy each year
- Passenger rail is expected to generate between $1.0-1.5 billion in net economic benefit annually
- Aviation contributes more than $20 billion/year
- 80% of Michigan tourism is auto-based
MDOT has jurisdiction over:
- 9,652 Centerline Miles
- 31,974 Lane Miles
- 4,704 Bridges
- MDOT’s I, US and M routes carry 50% of all traffic and 65% of commercial traffic

MDOT’s responsibility includes preserving and maintaining major corridors that tie the state together...our success serves the entire population.
LOCAL ROADS AND STREETS

- Some 111,000 miles of local roads and streets
  - Nation’s 6th largest city street system: 21,000 miles
  - Nation’s 4th largest county road system: 90,000 miles
- 36,500 mile federal aid system includes some 27,000 miles under local jurisdiction
- These roads are under the jurisdiction of more than 600 different local agencies
PASSENGER MODES

MDOT assists:

- 78 transit and 38 specialized service agencies, providing over 98 million passenger trips per year in 83 counties
- 3 Amtrak passenger rail routes, serving over 782,000 passengers
- 5 intercity bus systems
MDOT assists:

- 17 commercial airports, serving over 37 million passengers
  - 209 general aviation airports
  - 4 state-owned airports MDOT oversees
- 26 railroads carrying over 60 million tons of freight per year
  - 4 of the 26 are major freight railroads
- 37 commercial ports, handling 80 million tons per year
MICHIGAN IS A TRANSPORTATION LEADER

- Asset management
- Capital Preventive Maintenance
- Construction Quality Partnership Training
- Road Quality Forecasting System
- Context-sensitive design solutions
- Performance measurement
- Performance warranties
- Trailway development
- Local Complete Streets policies
BUILDING PARTNERSHIPS

- Contractors/Consultants
- University Research
  - MI Tech, MSU, U of M
- Local Agencies
  - Transportation Asset Mgmt. Council
- Other State Agencies
  - Governor’s Intergovernment Coordinating Committee
- Other States/Provinces
  - I-94 operations, Midwest Regional Rail Initiative
- Private Business
PERFORMANCE & ACCOUNTABILITY

- Michigan Dashboard
- Infrastructure Dashboard
- MDOT’s Scorecard
- MDOT System Measures
- Asset Management Council
- FHWA Stewardship Agreement
- Good Government in Action

www.michigan.gov/midashboard
www.michigan.gov/mdot
SAVING MONEY

- Major reorganization and innovative cost-saving measures saved $55 million in 2011 and $16 million in 2012
  - Asset management
  - Energy efficiency
  - Performance measures
  - Construction warranties
  - Innovative contracts
  - Innovative finance
  - New technologies
  - Partnerships
ASSET MANAGEMENT

PAVEMENT PRESERVATION IS COST EFFECTIVE

- Typical Pavement Deterioration
  - 40% Drop in Quality
  - 75% of Life
  - 40% Drop in Quality
  - 12% of Life

Spending $1 on pavement preservation before this point...

...eliminates or delays spending $6 to $14 on rehabilitation or reconstruction here.
### Six Year Summary of MDOT Projects

<table>
<thead>
<tr>
<th>Calendar Year</th>
<th>Original Contract Cost</th>
<th>Final Contract Cost</th>
<th>Percent Difference</th>
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</thead>
<tbody>
<tr>
<td>2007</td>
<td>$777,582,980.29</td>
<td>$810,428,814.94</td>
<td>4.22%</td>
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<tr>
<td>2008</td>
<td>$967,285,996.11</td>
<td>$983,915,828.12</td>
<td>1.72%</td>
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<tr>
<td>2009</td>
<td>$726,981,046.84</td>
<td>$750,956,601.62</td>
<td>3.30%</td>
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<tr>
<td>2010</td>
<td>$615,818,269.64</td>
<td>$615,142,561.83</td>
<td>-0.11%</td>
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<tr>
<td>2011</td>
<td>$833,072,906.02</td>
<td>$842,999,015.92</td>
<td>1.19%</td>
</tr>
<tr>
<td>2012</td>
<td>$771,130,483.23</td>
<td>$768,530,401.94</td>
<td>-0.34%</td>
</tr>
</tbody>
</table>
History of MDOT Highway Capital Program Investment Compared to Number of Full Time Employees

- **Adjusted Highway Capital Program Investment (in 2011 dollars)**
- **Number of Employees**
INVESTMENT PER FTE IN 2011 IS TRENDING POSITIVELY
THIS IS OUR GOAL...

US-31 bridge in Beulah

I-75 in Saginaw

M-55 bridge over US-131 as it joins the Cadillac bypass

US-41 roundabout in Marquette
THIS IS OUR REALITY...

Plywood Under I-375 Bridge

Congestion at I-96 & US-23

Michigan pothole

Crumbling Five Mile Road bridge over I-275 in Livonia
How do we get there from here?
TRANSPORTATION FUNDING

- Roads and Bridges
  - Federal funds: $1 billion
    - Includes $250 million for local agencies
  - State motor fuel taxes: $946 million
  - State registration fees: $876 million

- Bus and Rail – Federal funds, state restricted funds from fuel taxes, registrations, sales taxes and local millages ($98 million)

- Aviation – Federal funds, state fuel taxes and registration fees ($12.1 million)
PAVEMENT PROGRAM INVESTMENT LEVEL VS. ACTUAL TRUNKLINE PAVEMENT CONDITION
WHAT IS THE CONDITION OF MICHIGAN’S ROADS?

2004 - 2011 Pavement Condition

% of Lane Miles

2004 2005 2006 2007 2008 2009 2010 2011

2004 2005 2006 2007 2008 2009 2010 2011

Good Fair Poor
HOW DOES MICHIGAN COMPARE?
## REGIONAL COMPARISON

<table>
<thead>
<tr>
<th>STATE</th>
<th>STATE PROFILE (thousands)</th>
<th>STATE INVESTMENT ALLOCATION (thousands)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Population</td>
<td>Registered Vehicles</td>
</tr>
<tr>
<td>Michigan</td>
<td>9,834</td>
<td>7,822</td>
</tr>
<tr>
<td>Illinois</td>
<td>12,831</td>
<td>10,789</td>
</tr>
<tr>
<td>Indiana</td>
<td>6,484</td>
<td>5,698</td>
</tr>
<tr>
<td>Minnesota</td>
<td>5,304</td>
<td>4,848</td>
</tr>
<tr>
<td>Ohio</td>
<td>11,537</td>
<td>9,800</td>
</tr>
<tr>
<td>Wisconsin</td>
<td>5,687</td>
<td>4,968</td>
</tr>
</tbody>
</table>
Population, Registered Vehicles, & Dollars Invested

Every other state invests more per person than Michigan

- Michigan: $174
- Illinois: $235
- Indiana: $187
- Minnesota: $315
- Ohio: $235
- Wisconsin: $231

- Population
- Registered Vehicles
- $ Per Population
System Size, Traffic, & Dollars Invested
MI system size & traffic are like OH and IL, but fewer dollars are invested per lane.
Sample State Vehicle Registration Fees

- **Michigan**: $1,660
- **Illinois**: $2,604
- **Indiana**: $3,191
- **Minnesota**: $1,760
- **Ohio**: $1,340
- **Wisconsin**: $2,560

**Legend**:
- **Blue**: New $14,000 Car
- **Red**: 5-Yr Old Truck $18,000
- **Yellow**: Tractor 80K lb. GVW 5-Axle
HOW WILL MICHIGAN COMPETE?
MDOT SHORTFALL FOR PAVEMENT PRESERVATION

MDOT needs to invest an average of $917M more each year to preserve pavement condition at 90% good or fair.
PAY NOW OR PAY LATER

Trunkline Investment Scenarios

- Match All Federal Aid
- Match All Federal Aid + $917M/Year
- Additional Investment

<table>
<thead>
<tr>
<th>Year</th>
<th>% Good/Fair</th>
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<tbody>
<tr>
<td>2012</td>
<td>30%</td>
</tr>
<tr>
<td>2013</td>
<td>40%</td>
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<tr>
<td>2014</td>
<td>50%</td>
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<tr>
<td>2015</td>
<td>60%</td>
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<td>2016</td>
<td>70%</td>
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<td>2017</td>
<td>80%</td>
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<tr>
<td>2018</td>
<td>90%</td>
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<td>2019</td>
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<tr>
<td>2020</td>
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<td>2024</td>
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<tr>
<td>2025</td>
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</table>
CONSISTENT CALL FOR ACTION

- 2011 Special Message on Infrastructure
- 2013 State of the State
- 2014 Budget Proposal
WE’RE POSITIONED TO SERVE...

www.michigan.gov/mdot
## WE’RE HERE TO HELP...

<table>
<thead>
<tr>
<th>Location</th>
<th>Address</th>
<th>Phone</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Lansing Office</strong></td>
<td>425 W. Ottawa</td>
<td>517-373-2114</td>
</tr>
<tr>
<td></td>
<td>Lansing, MI 48933</td>
<td></td>
</tr>
<tr>
<td><strong>North Region Office</strong></td>
<td>1088 M-32 East</td>
<td>989-731-5090</td>
</tr>
<tr>
<td></td>
<td>Gaylord, MI 49735</td>
<td></td>
</tr>
<tr>
<td><strong>Bay Region Office</strong></td>
<td>55 E. Morley Drive</td>
<td>989-754-7443</td>
</tr>
<tr>
<td></td>
<td>Saginaw, MI 48601</td>
<td></td>
</tr>
<tr>
<td><strong>Southwest Region Office</strong></td>
<td>1501 E. Kilgore Road</td>
<td>269-337-3900</td>
</tr>
<tr>
<td></td>
<td>Kalamazoo, MI 49001</td>
<td></td>
</tr>
<tr>
<td><strong>Grand Region Office</strong></td>
<td>1420 Front Ave., N.W.</td>
<td>616-451-3091</td>
</tr>
<tr>
<td></td>
<td>Grand Rapids, MI 49504</td>
<td></td>
</tr>
<tr>
<td><strong>Superior Region Office</strong></td>
<td>1818 3rd Ave. North</td>
<td>906-786-1800</td>
</tr>
<tr>
<td></td>
<td>Escanaba, MI 49829</td>
<td></td>
</tr>
<tr>
<td><strong>Metro Region Office</strong></td>
<td>18101 W. Nine Mile Road</td>
<td>248-483-5100</td>
</tr>
<tr>
<td></td>
<td>Southfield, MI 48075</td>
<td></td>
</tr>
<tr>
<td><strong>University Region Office</strong></td>
<td>4701 W. Michigan Ave.</td>
<td>517-750-0401</td>
</tr>
<tr>
<td></td>
<td>Jackson, MI 49201</td>
<td></td>
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</tbody>
</table>
OTHER RESOURCES

- [www.michigan.gov/mdot](http://www.michigan.gov/mdot)
- **Facebook**: [www.facebook.com/MichiganDOT](http://www.facebook.com/MichiganDOT)
- **Twitter**: Statewide - [www.twitter.com/MichiganDOT](http://www.twitter.com/MichiganDOT)
- **YouTube**: [www.youtube.com/MichiganDOT](http://www.youtube.com/MichiganDOT)
Questions?