

ACEC/MDOT Partnering Conference

February 4, 2010

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

Today's Topics

- **Where We've Been**
- **Where We Are**
- **What the Future Looks Like**

Where We've Been



Partnerships

- Jointly completed a design deliverable Enhancement Project with ACEC
- Jointly delivered a \$1 Billion annual program effectively
- Construction Quality Partnership
- Work Zone Speed Limits
- Disadvantage Business Enterprise (DBE)



Partnerships

- Meijer carpool lot partnership
- Diesel emissions reduction partnership
- Comprehensive traffic management strategy in partnership with Michigan International Speedway (MIS)
- Michigan State Police Partnership
- Government Performance Project



Oversight

- Warranties
- Mobility Policy
- Prevailing Wage Awareness and Commitment to Compliance
- Program Management Chart

Five Year Summary of MDOT Projects

Calendar Year	Original Contract Cost	Final Contract Cost	Percent Difference
2005	\$941,448,620.30	\$937,237,709.98	-0.45%
2006	\$580,343,367.59	\$581,951,064.12	0.28%
2007	\$777,582,980.29	\$810,428,814.94	4.22%
2008	\$967,285,996.11	\$983,915,828.12	1.72%
2009	\$726,981,046.84	\$750,956,601.62	3.30%

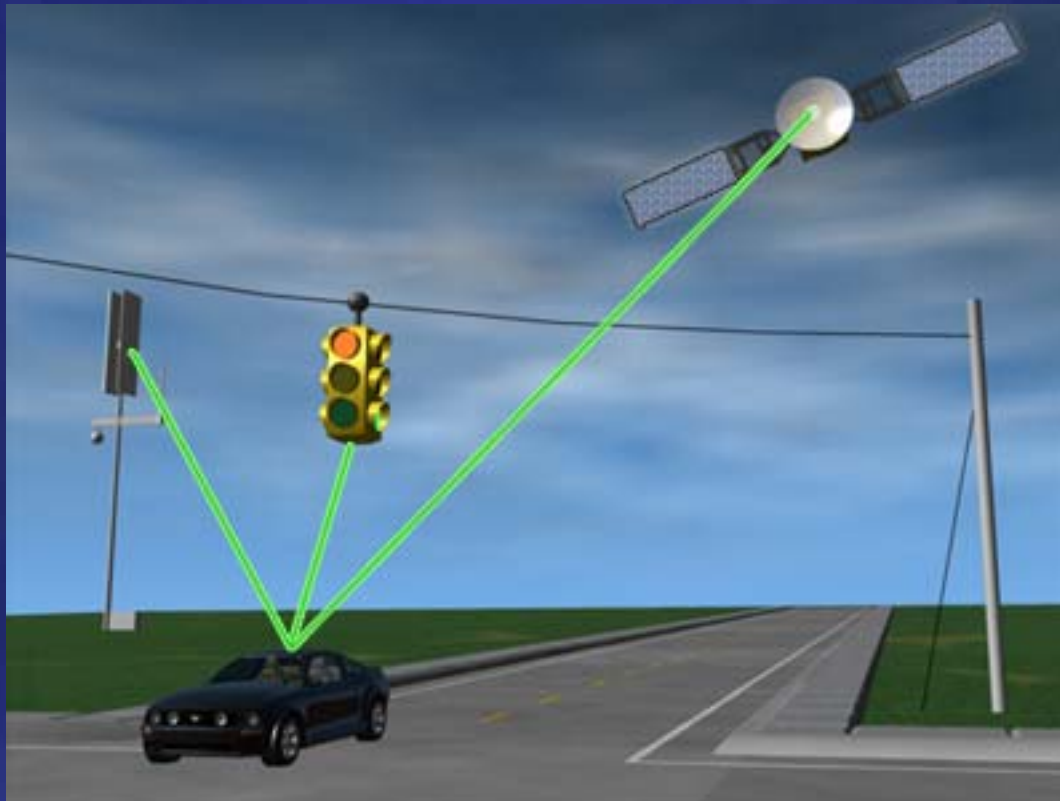
Innovations

- **Conducted a pilot program for alternate pavement bidding**
- **Best Value Contractor Selection**
- **Design-Build**
- **Design-Build-Finance**
- **MI Transportation Plan: Moving Michigan Forward**

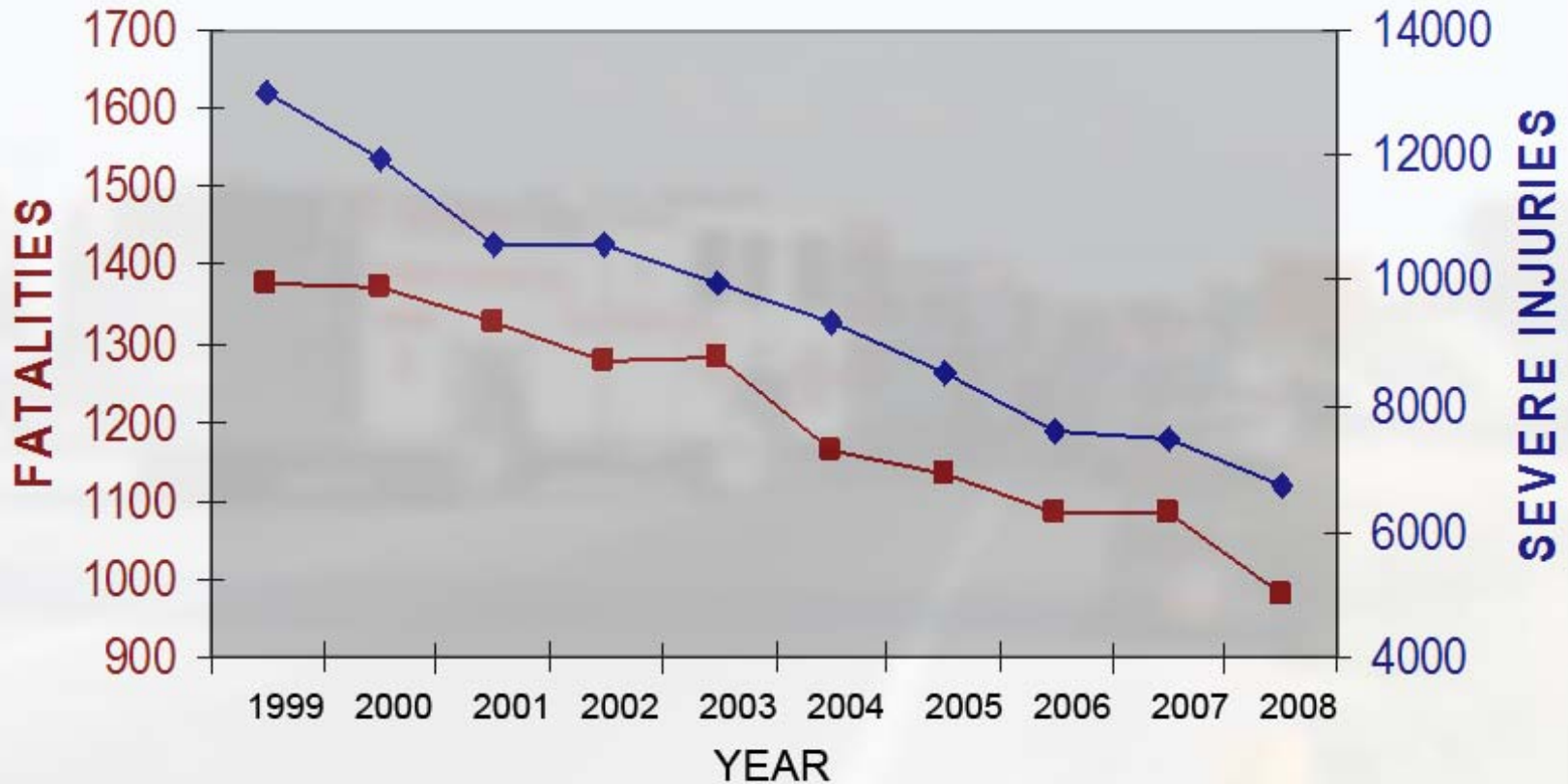


Innovations

- Michigan Benefits Estimation System
- ITS/Intellidrive



Michigan Traffic Fatalities and Severe Injuries



Specifications

- **Revised construction claims process**
- **Recycled concrete**
- **Open Graded Drainage Course Specification (OGDC)**
- **New standard specifications for construction (Spec Book) underway**
- **Aggregate Operations Committee**
- **Launched a technical review of major issues**

Where We Are



Transportation Funding Task Force

- **Created in response to Public Act 221 in December 2007**
- **Issued final report to Legislature, Governor and State Transportation Commission on November 10, 2008**
- **Report available online:**

www.michigan.gov/tf2

TF2-Related Legislation Introduced

- **New Transit Services Program**
- **Enable Transit TIFA's**
- **Transit-Regionalization Grant Program**
- **Require transit asset management**
- **Enable Public-Private Partnerships**
- **Incentive for multi-county road projects**
- **Enlarge road asset management**
- **Act 51 Amendments; CTF share**
- **Diesel parity**

TF2 Legislation to Come

- **Motor Fuel Tax Act adjustment**
- **Motor Carrier Tax (diesel fuel) adjustment**
- *Ad valorem* **registration-tax rates**
- **Weight-based (truck) tax rates**
- **Aviation revenues**
- **County-option user fees and taxes**

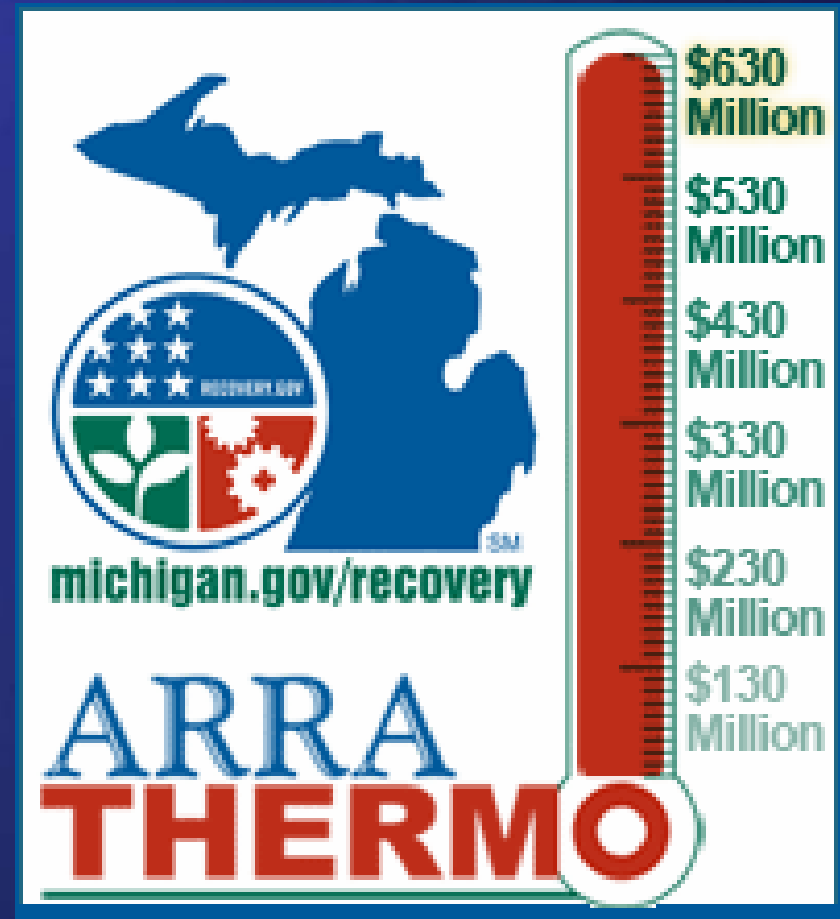
American Recovery & Reinvestment Act

- President Obama signed a one-time economic recovery package totaling \$48 billion for transportation
- Package = roughly 1 year's worth of typical federal monies
- Monies would not support maintenance and other services



ARRA Status

- **Funding allocated so far**
 - \$1.05 Billion
- **Projects let to date:**
 - 365 Highway Projects under contract
 - Engineers Estimates - \$762.6 Million
 - Low Bid - \$658.8 Million
- **High Speed Rail Funds**
 - \$40 Million



ARRA Highlighted Projects

M-59 Road Reconstruction & Widening

- **Eliminates 10-year traffic bottleneck**
- **Improves capacity & relieves congestion**
- **Previously tabled due to lack of funds**
- **Cost: \$50M**
- **Completion Date: 11/2010**
- **Jobs: 1,241**
- **Ripple Effects:
Jobs to local businesses**



ARRA Highlighted Projects

M-13 Reconstruction - Hess to North of M-46

- Separates combined sewer
- New sanitary and storm sewer
- New water main, curb and gutter
- HMA resurfacing
- Safety improvements
- Sidewalk replacement and ADA ramps
- Signal upgrades and modernization

Cost: \$5,053,211

Completion Date: 10/29/10

Jobs: 259



ARRA Highlighted Projects

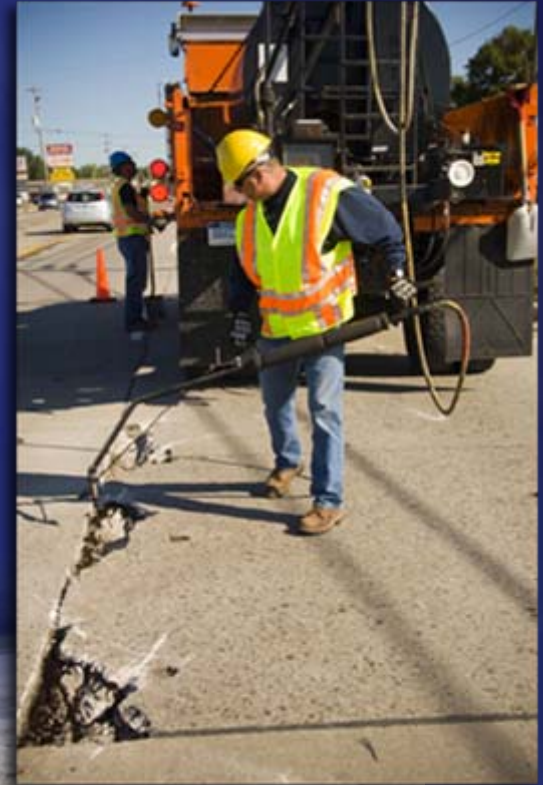
I-196 Road/Bridge Reconstruction & Widening

- Replaces obsolete road/bridge infrastructure
- ARRA funding enabled additional lane
- Improves safety and mobility
- Cost: \$40M
- Open to Traffic Date: 11/2010
- Jobs: 445 direct employees
- Ripple Effects:
 - Jobs to local businesses
 - Sustaining local investments



Jobs for Main Street

- House passed bill provides \$37.3 B for transportation investment to create jobs
 - \$27.5 B for highways nationwide
 - \$8.4 B for transit nationwide
- For Michigan this could mean
 - \$850 million for highways
 - \$117 million for transit
- But there are significant challenges...



Challenges

- **90 days from enactment to award funds for 50% of projects**
 - ARRA required 120 days to obligate funds
- **No exemption to this requirement for urbanized areas**
 - ARRA exempted MPOs from the 50% obligation requirement
- **Senate will consider the bill or pass their own, but not until February at the earliest**



What the Future Looks Like



Transportation

Transportation Futuring

*Currently anticipated
Mega-change Movers*

Lower
Manufacturing
Economy

Globalized
Economy

Population
Growth/Aging

Climate
Change

Global Energy
Independence

Develop for
Climate Change

Walkable
Communities

Intelligent
Transportation
Systems

Nanotechnology

*Transportation
Mega-trends*



Transportation Futuring

Reasonable to Anticipate that Transportation Systems Will be More:

Sustainable

Safe and Accessible

Intermodal

Freight Oriented

Surprising and Innovative



Michigan Trends

- **People living & working longer**
- **Decrease in Michigan's Population**
- **Increase in population diversity**
- **Changes in Michigan industry**
- **Increase in tourism, research/technology, and green manufacturing**
- **More classes of transportation**
- **More technology use vs. airline travel for meetings**
- **Enhanced virtual shopping**

Technology Changes Transportation

- **Impact of smart vehicles/highways/roads will restore speed & flexibility, improve safety, and eliminate waste with more cars per vehicle mile**



Technology Changes Transportation

- Improving technology to reduce driver distraction and increase safety



Technology Changes Transportation

- Radio Frequency ID license plates will enable cheap tolling



Technology Changes Transportation

- **Individuals less dependent on personal transportation, but freight transportation will still bring them their purchases**



Technology Changes Transportation

- **Line-haul buses replaced by taxis dispatched electronically**



Freight Transportation Will Continue to Grow

- Freight traffic
- Truck and auto freeway traffic
- Increasing carbon costs
- International trade



Climate Change and Carbon Pricing

- **Electric and hybrid vehicles**
- **Repopulation of core cities**
- **Passenger air travel increasingly costly and unpleasant**
 - **Business travelers**
 - **Personal travelers**



Infrastructure Footprint Smaller- But More Sustainable

- Smart highways/roads/vehicles
- Nanotechnology (i.e. carbon fiber)
- Operation focus



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THANK YOU!