



BLUE RIBBON COMMISSION UPDATE

**2013 WVDOH/MPO/FHWA
PLANNING CONFERENCE**

SEPTEMBER 17, 2013

Joe Deneault

BLUE RIBBON COMMISSION

- ❖ West Virginia Blue Ribbon Commission on Highways
 - ❖ Formation
 - ❖ Why
 - ❖ Composition
 - ❖ Duties

BLUE RIBBON COMMISSION

❖ Formation

- ❖ Executive Order 12-12
- ❖ August 14, 2012 EO signed
- ❖ September 10th Members Announced
- ❖ September 14th First BRC Meeting

BLUE RIBBON COMMISSION

❖ WHY

- ❖ System important for mobility
- ❖ Enhance safety
- ❖ Furthers commercial Interests
- ❖ Modernized system needed for modern society
- ❖ Jobs for the short-term

BLUE RIBBON COMMISSION

❖ WHY

- ❖ Improved productivity and competitiveness long-term
- ❖ One of four that maintain state and county roads
- ❖ WVDOT maintains 92%--36K miles
- ❖ Population 37th but state highway 6th largest
- ❖ Highway needs exceeding population growth

BLUE RIBBON COMMISSION

❖ WHY

- ❖ Average age of bridges 50 years
- ❖ 1/3 of bridges structurally deficient or obsolete
- ❖ Federal aid declining
- ❖ Stakeholders asked for long-term plan
- ❖ Commission will facilitate long-term, strategic plan

BLUE RIBBON COMMISSION

❖ COMPOSITION

- ❖ Governor or designee
- ❖ Three Senate members (non-voting)
- ❖ Three House members (non-voting)
- ❖ Secretary of Transportation
- ❖ Secretary of Commerce

BLUE RIBBON COMMISSION

❖ COMPOSITION

- ❖ Two County Official Members
- ❖ Elected City Official-Member of WVML
- ❖ Eleven Stakeholder Group Representatives
- ❖ Two Representatives of Academic Community
- ❖ Three Citizen Members, One from Each Cong. Dist.

BLUE RIBBON COMMISSION

❖ DUTIES

- ❖ Analyze overall structure and long-term needs
- ❖ Research and analyze funding mechanisms
- ❖ Involve public
- ❖ Research and define equitable and adequate financing
- ❖ Formulate comprehensive action plan
- ❖ Propose and recommend legislation

BLUE RIBBON COMMISSION

❖ ORGANIZATION

❖ Three Committees

- ❖ Infrastructure

- ❖ Revenue

- ❖ Public Relations/Legislative

❖ Members serve on two committees

❖ Chairpersons

- ❖ Infrastructure- Joe Deneault

- ❖ Revenue- Bob Orders

- ❖ PR/Legislative-Jan Vinyard

BLUE RIBBON COMMISSION

❖ Infrastructure

❖ Goal—Determine long-term needs

❖ Approach

- ❖ Analyze Preservation Needs

- ❖ Analyze Expansion Needs

❖ Develop recommendation

- ❖ Delivered to Revenue Committee—January 10, 2013

BLUE RIBBON COMMISSION

- ❖ Preservation Needs
 - ❖ Routine Maintenance
 - ❖ Preservation
 - ❖ Modernization
 - ❖ Reconstruction

BLUE RIBBON COMMISSION

❖ Preservation Needs

❖ Three funding levels

- ❖ WVDOT Multi-model Transportation Plan 2008-2032
- ❖ Maintain Current Funding Level
 - ❖ Continuing System Quality Deterioration
- ❖ \$400 Million per Year Additional
 - ❖ System Maintains Current Quality Level
- ❖ \$1 Billion per Year Additional
 - ❖ System Quality Greatly Improved
 - ❖ Few and Minor Defects

BLUE RIBBON COMMISSION

- ❖ Revenue Committee Recommendation
 - ❖ Current Funding—No Support
 - ❖ \$400 Million—Little to No Support
 - ❖ \$1 Billion—Support but not Consensus
 - ❖ \$750 Million—9-3 Vote
 - ❖ 1 vote wanted lower amount
 - ❖ 2 votes wanted higher

BLUE RIBBON COMMISSION

- ❖ Expansion Needs
 - ❖ Capacity Improvements
 - ❖ New Location Capital Improvement Projects
 - ❖ 2010 WVDOT long Range Plan
 - ❖ Capital Improvement Plan
 - ❖ Unfunded needs
 - ❖ Cost/Benefit Ratio equal or greater than 1

BLUE RIBBON COMMISSION

- ❖ Expansion Needs
 - ❖ \$9.4 Billion
 - ❖ 25 Year Timeframe
 - ❖ \$378 Million/Year Need
 - ❖ \$60 million from current funding
 - ❖ \$318 million unmet need

BLUE RIBBON COMMISSION

- ❖ Expansion Needs
 - ❖ 25 Years Too Long
 - ❖ Unanimous \$380 Million/Year
 - ❖ 21.4 Years

BLUE RIBBON COMMISSION

- ❖ Highway System Needs Recommendation
 - ❖ Preservation--\$750 Million/Year
 - ❖ Expansion--\$380 Million/Year
 - ❖ Other Considerations
 - ❖ Adjust for inflation
 - ❖ WWTTP transfer—Additional \$59 million/year

BLUE RIBBON COMMISSION

- ❖ Revenue Committee Inputs
 - ❖ Infrastructure Needs Determination
 - ❖ Gather Information
 - ❖ WVDOT
 - ❖ Planning
 - ❖ Budget
 - ❖ WVPA
 - ❖ Tax Department
 - ❖ Subject Matter Experts
 - ❖ Committee

BLUE RIBBON COMMISSION

- ❖ Three Legged Stool
 - ❖ Funding the Needs
 - ❖ Efficiencies
 - ❖ Innovation
 - ❖ New revenue

BLUE RIBBON COMMISSION

- ❖ New Revenue Sources
 - ❖ License and Registration Fees
 - ❖ Diesel Fuel Taxes
 - ❖ Gasoline Taxes
 - ❖ Fuel Taxes (General)
 - ❖ Vehicle Sales Tax
 - ❖ Alternate Fuel Vehicles

BLUE RIBBON COMMISSION

- ❖ New Revenue Sources
 - ❖ Sales Tax on Repairs, Parts & Service
 - ❖ Consumer Sales Tax
 - ❖ Rainy Day/Surplus Funds
 - ❖ Leveraging WV Turnpike
 - ❖ Various Tax increases
 - ❖ Severance Taxes

BLUE RIBBON COMMISSION

- ❖ New Revenue Sources
 - ❖ Local Funding Options
 - ❖ Violation Fines
 - ❖ General Revenue Fund Transfers
 - ❖ Coal Resources Transportation Fee
 - ❖ Mileage Revenue

BLUE RIBBON COMMISSION

- ❖ Committee Recommended Revenue Sources
 - ❖ Increase License and Fees
 - ❖ Raise Fuel Excise Tax
 - ❖ Alternate Fuel Vehicle Registration Fee
 - ❖ Increase Consumer Sales Tax
 - ❖ Leverage Tolls on WVTP
 - ❖ Raise Cigarette Tax
 - ❖ **Total=\$446 Million**

BLUE RIBBON COMMISSION

- ❖ Public Relations/Legislative
 - ❖ Nine Public Outreach Meetings
 - ❖ Real Time and On-Line Survey
 - ❖ 1397 Responses
 - ❖ Public Comments

BLUE RIBBON COMMISSION

❖ Result Summary

❖ General

- ❖ Roads are important- personally, economically, jobs
- ❖ P3 further development
- ❖ Important to fund safe and efficient roads
- ❖ Roads not in a state of good repair

❖ Most Favored Funding Options

- ❖ Sales Tax on Motor Vehicle related Sales/Services
- ❖ Continuation of Tolls on WVTP
- ❖ Development of State Infrastructure Bank

BLUE RIBBON COMMISSION

❖ Result Summary

❖ Least Favored Funding Options

- ❖ Increases in Motor Fuel taxes
- ❖ Increased Consumer Sales Tax
- ❖ Increased Vehicle Sales Tax (Privilege Tax)
- ❖ Local Funding Flexibility

❖ Most Favored Cost Efficiency Option

- ❖ Sales Tax on Motor Vehicle related Sales/Services

BLUE RIBBON COMMISSION

❖ Result Summary

❖ Most Favored Revenue Generators

- ❖ Continuation of Tolls on WWTTP
- ❖ Additional Fees for Alternative Fueled Vehicles
- ❖ Increases in Motor Vehicle Fees and Licenses

❖ Most Favored Innovations Option

- ❖ P3's
- ❖ State Infrastructure Bank

BLUE RIBBON COMMISSION

- ❖ September 4, 2013 BRC Recommendations (Highlights)
 - ❖ Innovative Finance
 - ❖ P3
 - ❖ Continue Use of Tolling
 - ❖ Aggressive Use of GARVEEs (\$500M Cap)
 - ❖ SIB
 - ❖ Renewed Emphasis on Local Finance of Highway Projects
 - ❖ TIFIA Loans

BLUE RIBBON COMMISSION

- ❖ September 4, 2013 BRC Recommendations (Highlights)
 - ❖ Sustainable Funding
 - ❖ Increase DMV Registration and Licensing Fees and Index
 - ❖ Alternative Fuel Registration Fee
 - ❖ Dedicate Sales and Use Tax on Motor Vehicle Related Items
 - ❖ Internet Sales Tax (If passed by Congress)
 - ❖ **Total=\$103 Million+**

BLUE RIBBON COMMISSION

- ❖ September 4, 2013 BRC Recommendations (Highlights)
 - ❖ Future Study
 - ❖ Vehicle Miles Traveled
 - ❖ Replacement of Fuel Taxes with Consumer Sales
 - ❖ Severance Taxes “Future Fund” Partial Dedication
 - ❖ Update of the WVDOT 2005 Performance Review
 - ❖ WVDOT Efficiencies
 - ❖ Current
 - ❖ Future Under Development
 - ❖ Future Needing Further Study

BLUE RIBBON COMMISSION

- ❖ September 4, 2013 BRC Recommendations (Highlights)
 - ❖ Under Consideration
 - ❖ WVPA Recommendation
 - ❖ Raise Bonding Cap to \$1.5 Billion
 - ❖ Issue \$1 Billion In Bonds
 - ❖ Provide for Raising Tolls
 - ❖ Freeze Rates for Local Users
 - ❖ Transfer to WVDOH \$1Billion to Fund Road Projects
 - ❖ 25% of the \$ Projects in Four TP Counties

BLUE RIBBON COMMISSION

- ❖ Next (Last) BRC Meeting September 19, 2013
 - ❖ Consider WVPA Recommendation
 - ❖ Additional Considerations???
 - ❖ Final Report
- ❖ Governor Action ???
- ❖ Legislative Action???

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QUESTIONS??