



MDOT **PRESS RELEASE**

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MDOT to move forward with plans for a reduced 2011-2014 road and bridge program

April 29, 2010 -- The Michigan Department of Transportation (MDOT) said today that the state is moving forward with plans to implement a reduced 2011-2014 road and bridge program. At the State Transportation Commission's April 29 meeting, MDOT said it was working with state and local transportation agencies to advance a reduced State Transportation Improvement Program (STIP). Due to declining state gas tax and vehicle registration revenues, MDOT is faced with being unable to match at least \$84 million in available federal funding beginning in 2011. MDOT first announced the possibility of a reduced program in February.

Under the reduced highway program, MDOT will have to delay 100 pavement improvement projects, leaving more than 375 miles of road in need of repair untouched. More than 575 bridge repair projects will be delayed. Capacity Improvement/New Roads funding will be reduced to \$10 million a year. In Ottawa County, portions of the Holland to Grand Haven bypass will be delayed, including work along M-231, I-96 and US-31. Reduced safety funding will significantly impact the replacement of traffic signs and the replacement and retiming of traffic signals.

Commissioners were told that MDOT is submitting two programs to the Metropolitan Planning Organizations in order to keep potential projects moving through the federal approval process in time for the 2011 construction season in case matching funds become available. One would be a program reduced by approximately \$600 million per year, while the other would be a \$1.25 billion program that would include the ability to match federal aid. Because its funding crisis remains unsolved, the department needs to begin program development in May to

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accommodate the six months required to complete the federal planning process and advertise and let projects for bid. MDOT says there will be delays in restoring the full program if the Legislature acts after May 1 to approve a revenue increase for transportation.

"We are required by federal law to balance our program to the funds available, but we continue to look for ways to minimize the impact that a reduced program would have on Michigan residents, job creation and Michigan's economy," said State Transportation Director Kirk T. Steudle. "We continue to seek creative solutions but we face the reality of having to cut \$600 million annually, beginning in 2011, and seeing the revenue from federal fuel taxes paid by Michigan taxpayers going to Ohio and other states that are able to match federal funds."

Even if the department receives the \$84 million it needs to match federal aid for the 2011 program, the state will face substantial decline in its road and bridge conditions and rail freight, passenger transportation and aviation programs. According to a Transportation Funding Task Force report in November 2008, Michigan needs to at least double its current investment in transportation to provide an adequate level of service, let alone an improved one.

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MDOT says: Construction work zones need your undivided attention.