

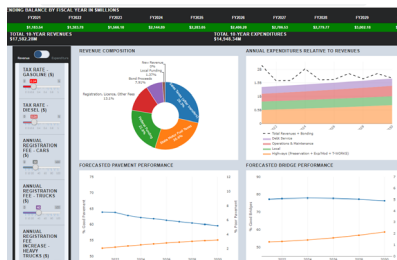
# Findings & Recommendations Discussion

## Discussion Topics

### Funding and Scenarios

- T-WORKS project letting timeframes
- Viable funding and finance options
- Calculator
- Local participation funds for new projects
- Parking lot discussion: local transportation
- Lockbox
- Modes
- Economic Development Program
- Recommend New Program Elements

- |                    |                       |
|--------------------|-----------------------|
| Program Length     | KDOT Ops and Policies |
| Priority Corridors | • Local Consult       |
| Selection Criteria | • System Condition    |

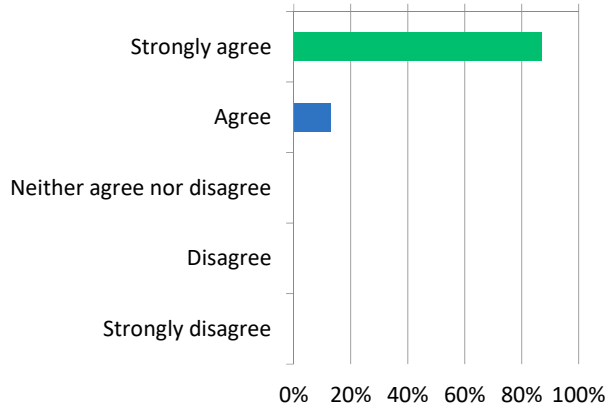


Oversight Panel

### 8. Make recommendations on the future structure of the state highway fund as it relates to maintaining the state infrastructure system.



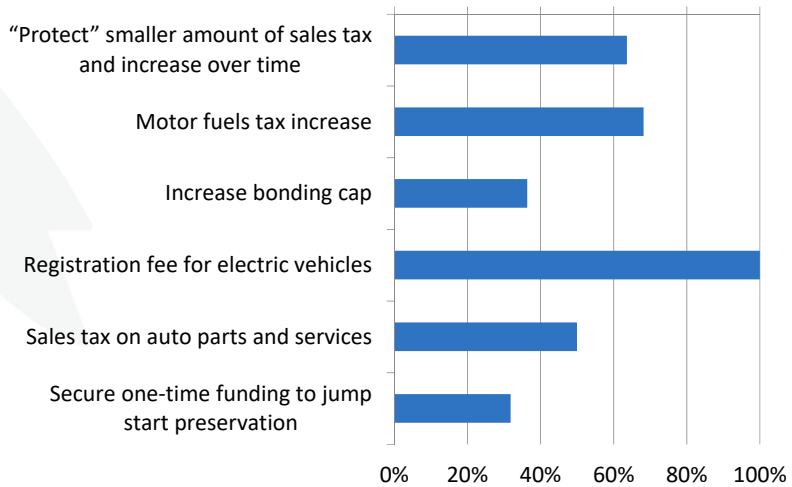
Kansas must provide consistent, stable funding in order to maintain a quality transportation system.

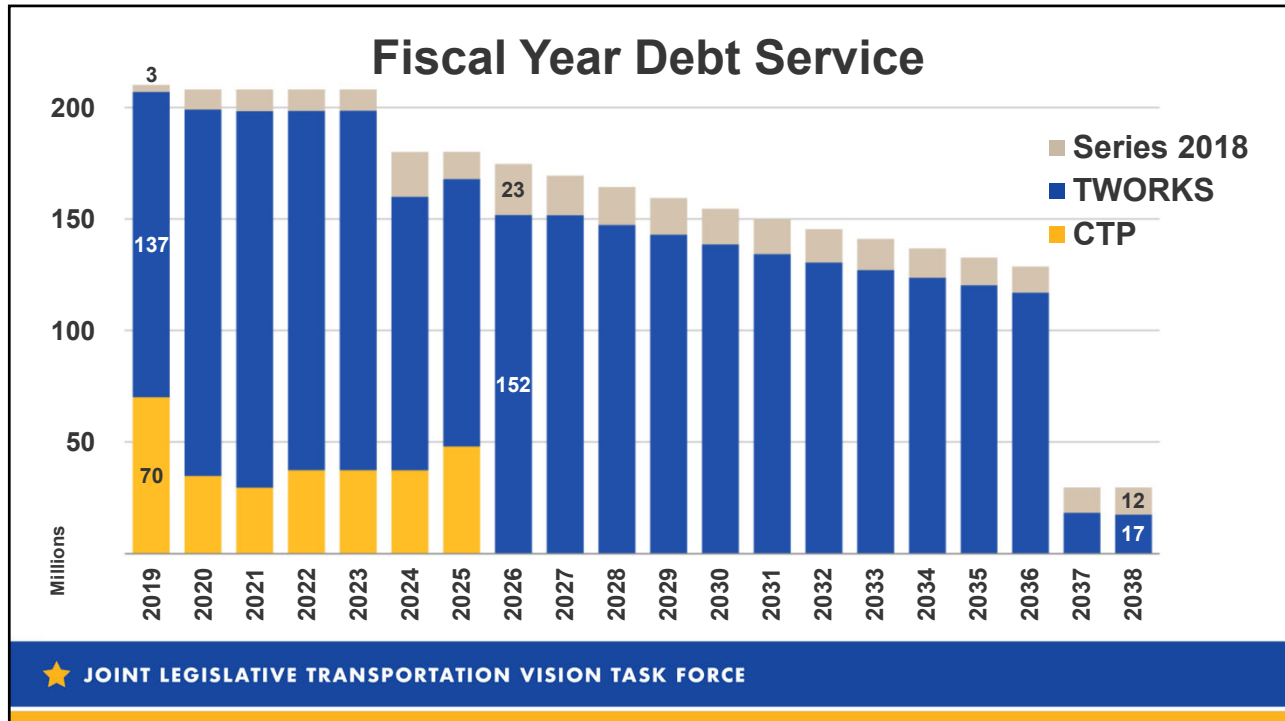


### Legislatively Viable Funding and Finance Options



Please select the funding and finance options you think would be legislatively viable. Select all that apply.

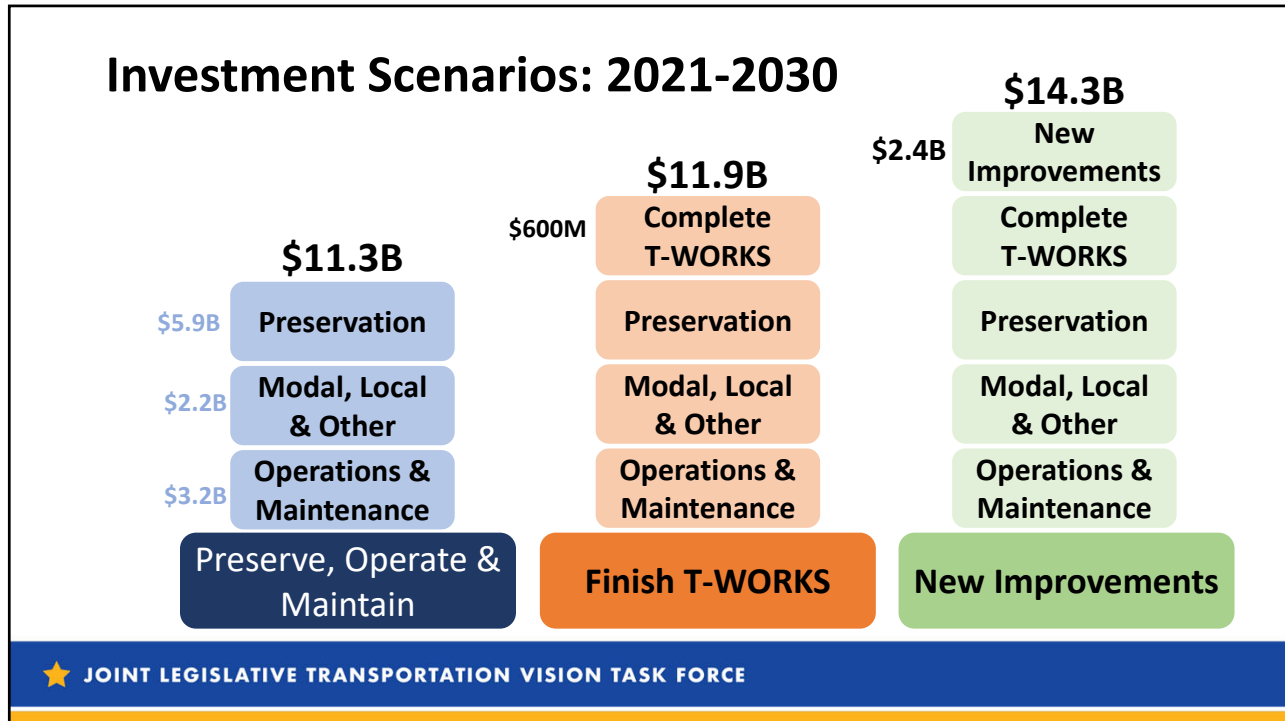




## Funding Scenarios

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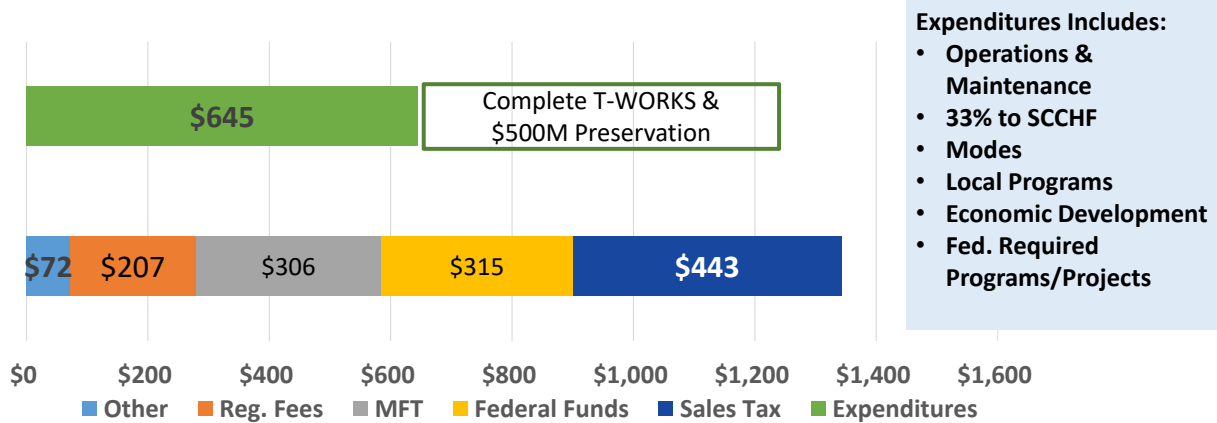


### Gap/Surplus for Scenarios by Transfer Amount

Scenario	Revenue required for FY 2021 to 2030	Ending Balance with Routine Transfers (\$105M)	Ending Balance with \$506.5 M transfers annually
Preserve, Operate & Maintain	\$11.3 Billion	\$1.6 billion	-\$2.4 billion
Finish T-WORKS	\$11.9 Billion	\$1.0 billion	-\$3.0 billion
New Improvements	\$14.3 Billion	-\$0.4 billion	-\$4.9 billion

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## Approximately \$300 M of Sales Tax (or other funds) Needed Annually for Preservation and T-WORKS Projects



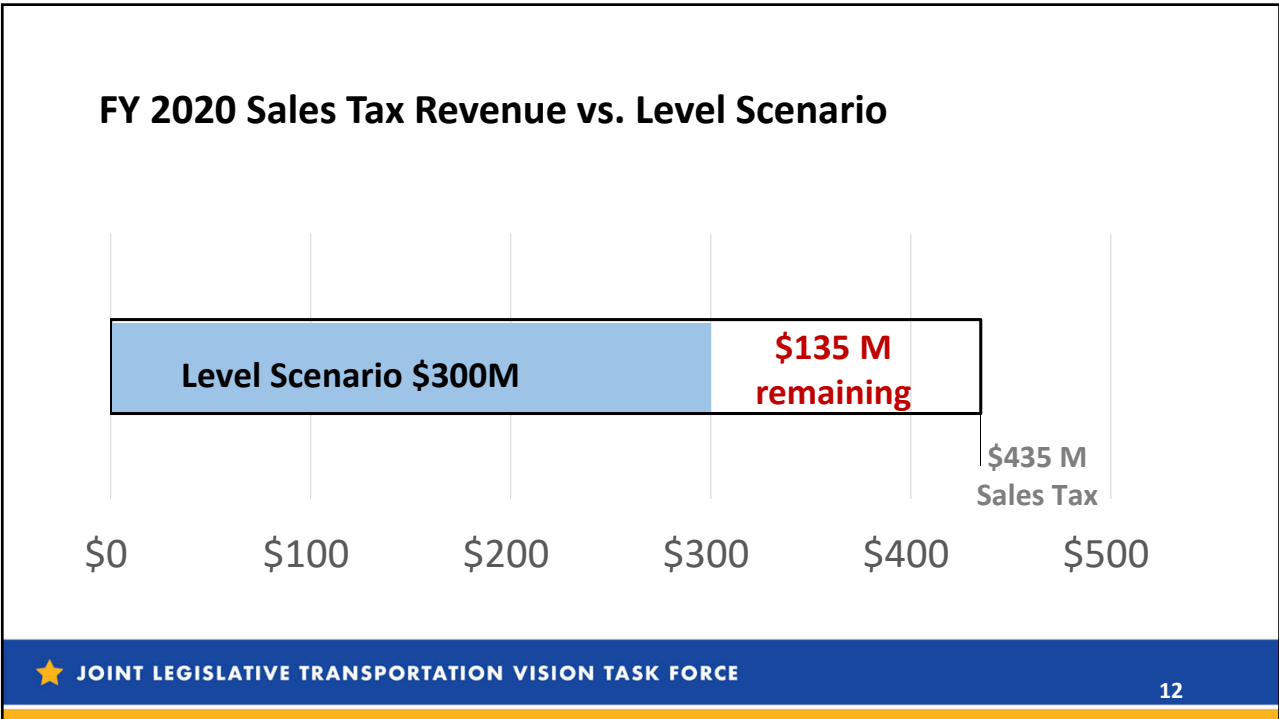
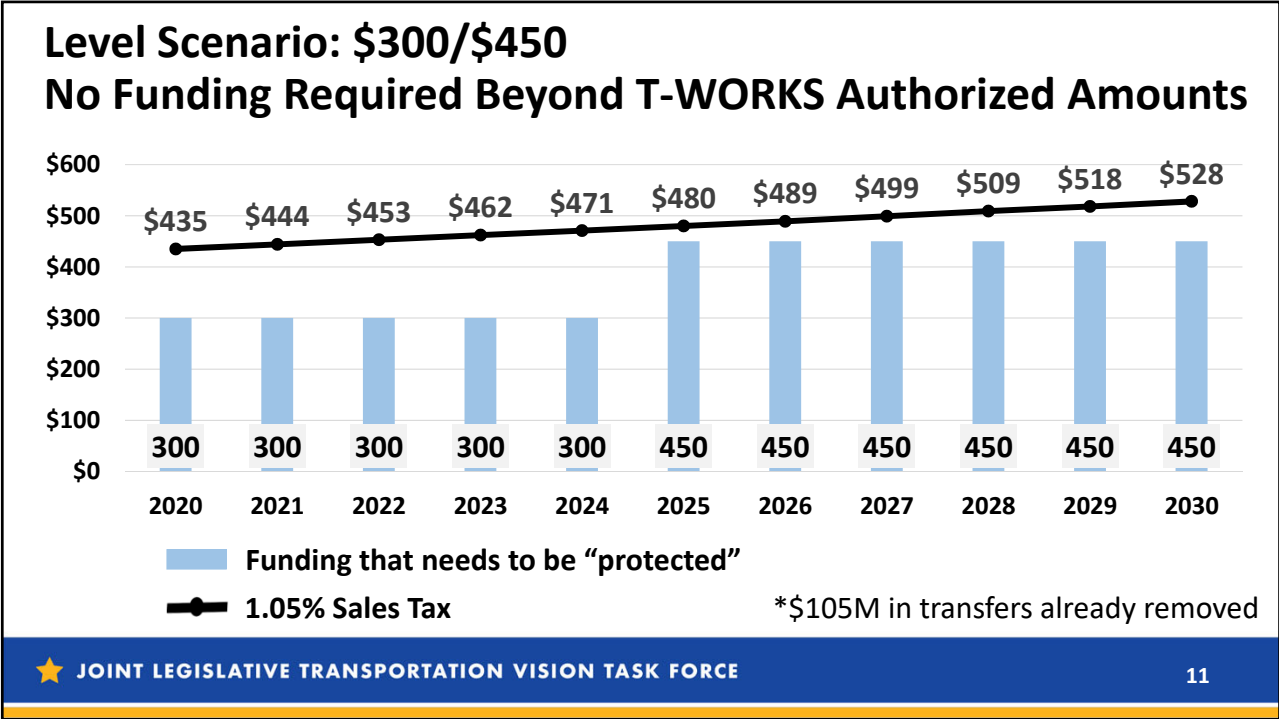
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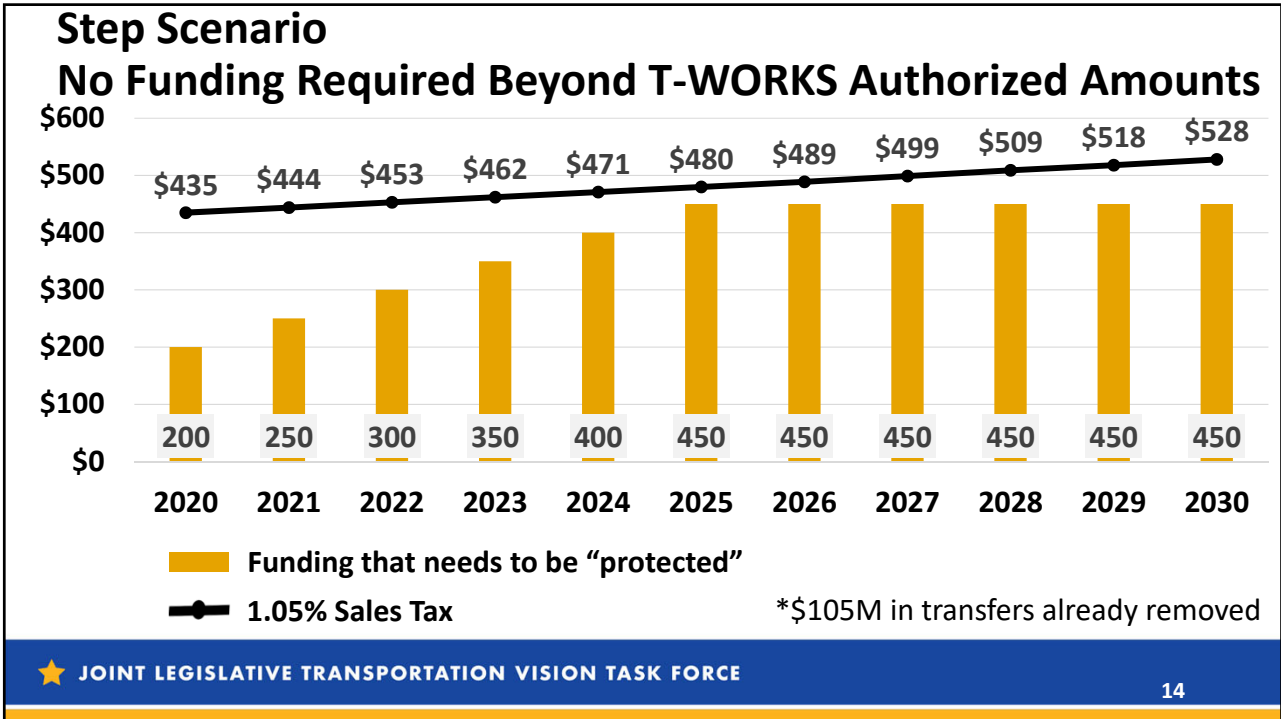
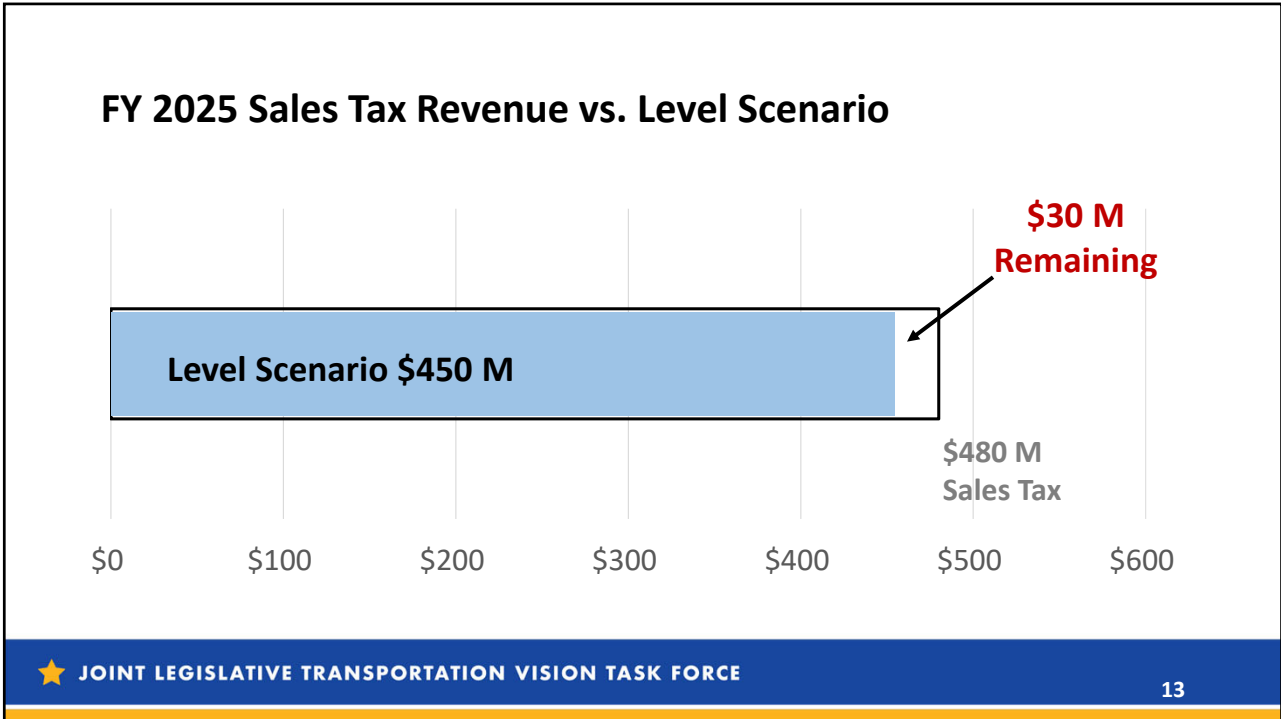
## Phased Approach Scenarios

- Don't return to full T-WORKS funding all at once – **PHASE IT**
- Fund preservation at \$500M/annually for 10 years – returns system to steady state
- Fund modernization/expansion at \$100M/annually for 10 years
  - Complete T-WORKS modernization projects
  - Complete T-WORKS expansion projects
  - Approximately \$500M for new expansion projects

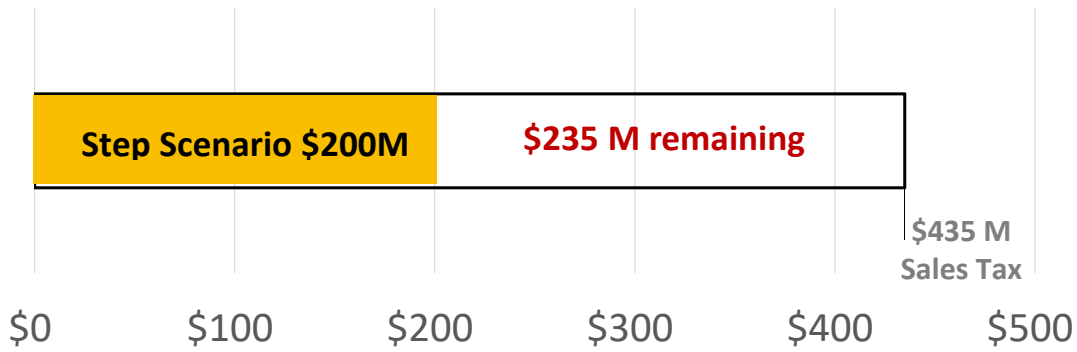
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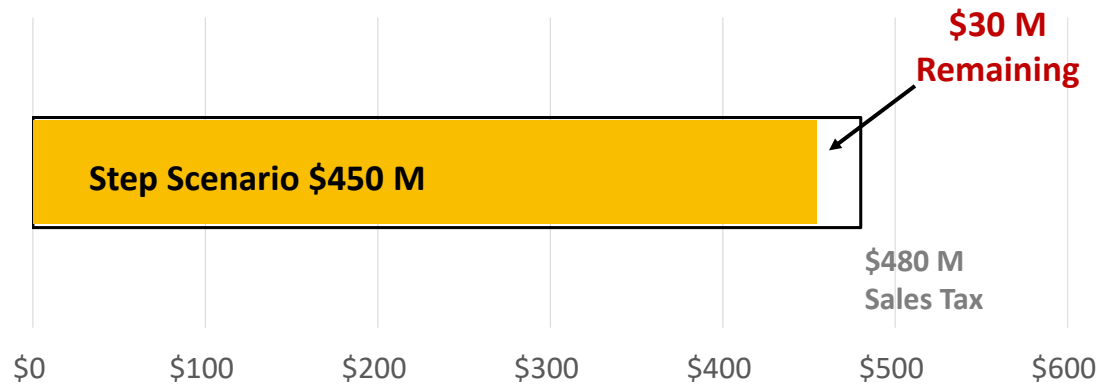




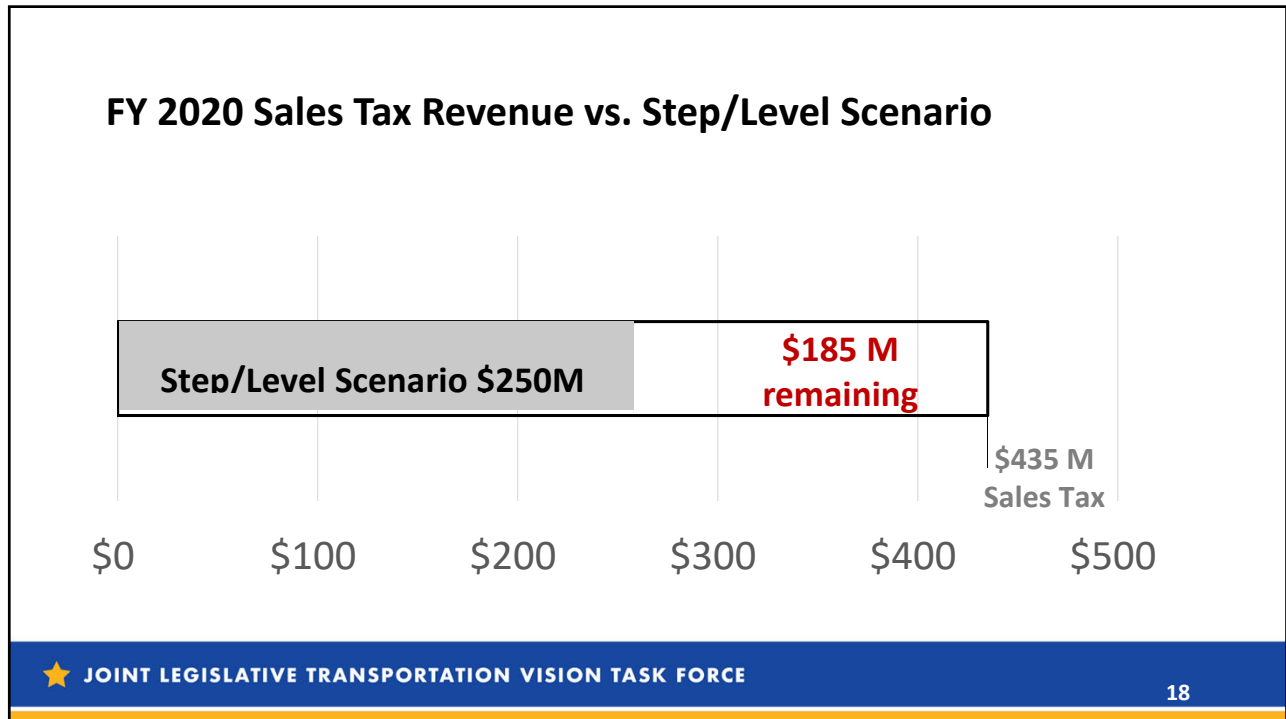
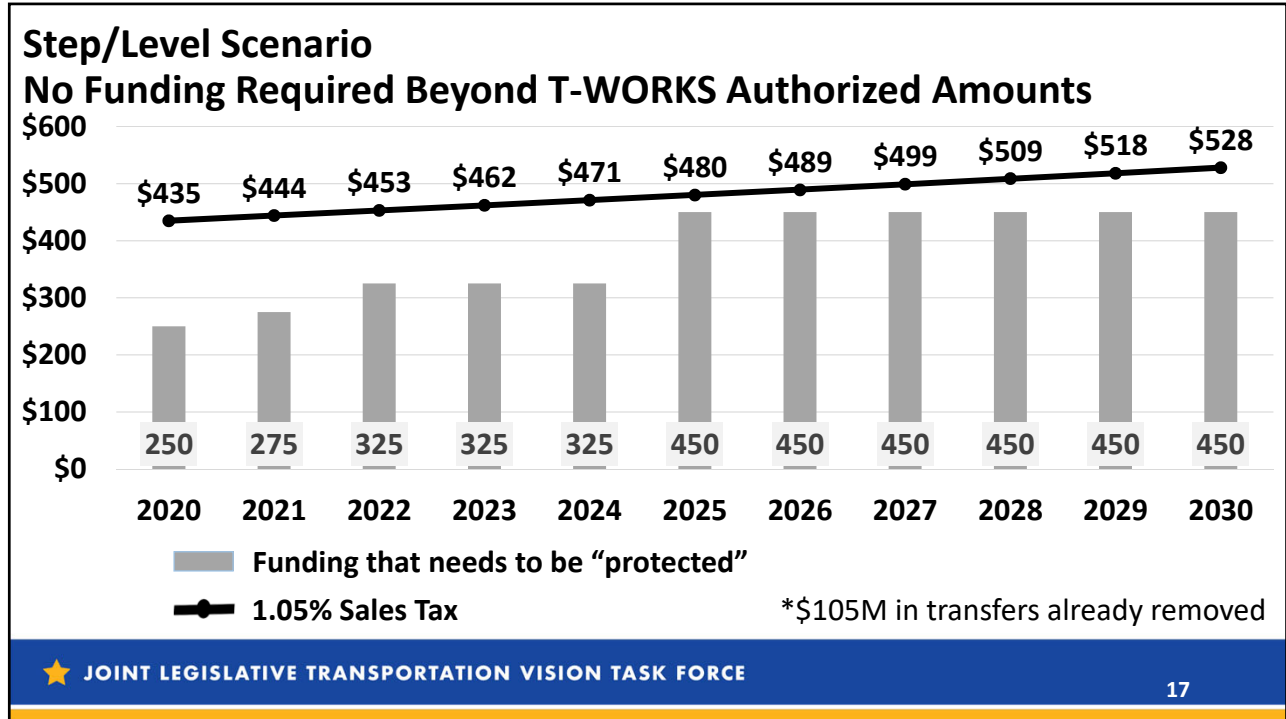
### FY 2020 Sales Tax Revenue vs. Step Scenario



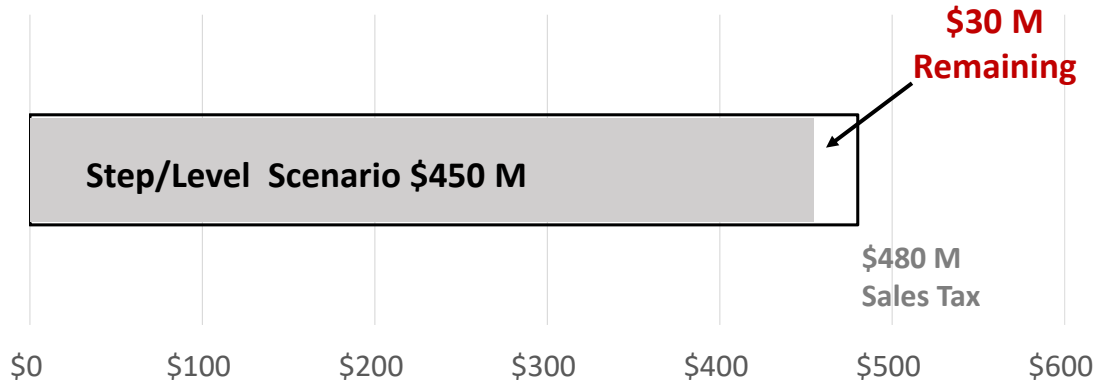
### FY 2025 Sales Tax Revenue vs. Step Scenario



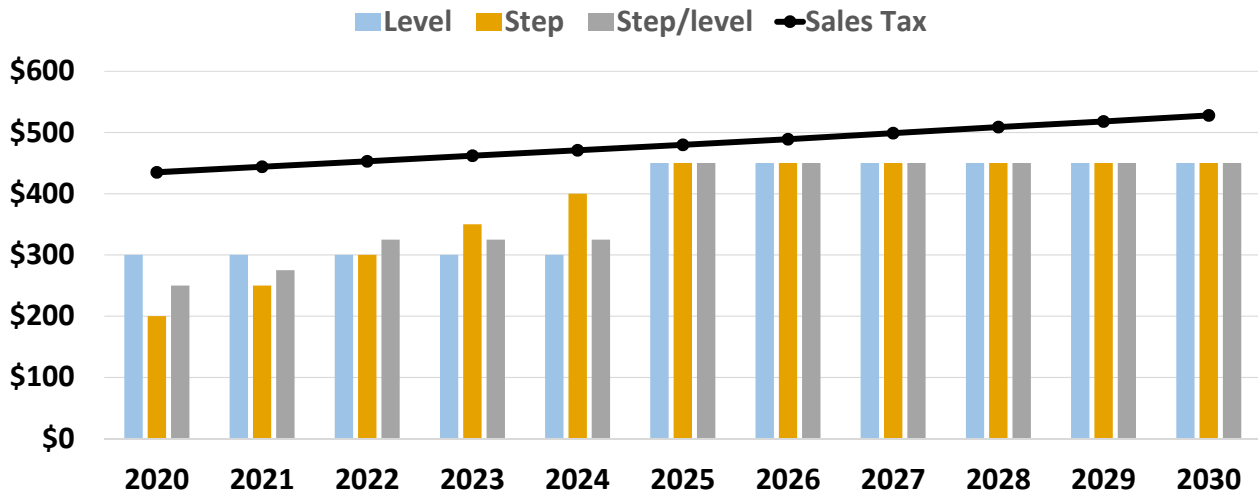




### FY 2025 Sales Tax Revenue vs. Step/Level Scenario



### Scenarios Vs. Sales Tax Received



## T-WORKS Modernization Projects – letting timeframe

Route	County	Project Scope	Construction Estimate	Projected Let Date
US-169	Anderson	2-lane reconstruction	\$25.6	Sep-19
US-281	Russell	2-lane reconstruction	\$19.6	Apr-20
K-14	Rice	Construct 2-lane on 4-lane ROW	\$52.3	Sep-21
K-14	Reno	Construct 2-lane on 4-lane ROW	\$53.6	Sep-21
K-31	Osage	2-lane reconstruction	\$23.5	Dec-21
I-135	Harvey	Interchange reconstruction	\$13.2	Jun-22
US-281	Russell	2-lane reconstruction	\$38.1	Aug-22
K-177	Morris	Widen/reconstruct	\$14.6	Feb-23
K-177	Geary	Widen/reconstruct	\$18.6	Mar-23
K-383	Phillips	2-lane reconstruction	\$33.8	Sep-23
K-383	Norton	2-lane reconstruction	\$24.0	Oct-23

## T-WORKS Expansion Projects – letting timeframes

Route	County	Project Scope	Construction Cost Estimate	Projected Letting Date
US-54	Seward	4-lane expressway	\$32.2	Sep-19
US-69	Crawford	Upgradable 4-lane expressway	\$23	Sep-19
US-50	Lyon	4-lane expressway section	\$6.6	Jun-20
US-69	Crawford	Upgradable 4-lane expressway	\$28.6	Sep-20
US-75	Montgomery	4-lane expressway section	\$6.3	Jun-21
US-54	Seward	4-lane expressway	\$21.4	Dec-21
US-166	Cherokee	4-lane freeway	\$50	Dec-21

## T-WORKS Expansion Projects – letting timeframes

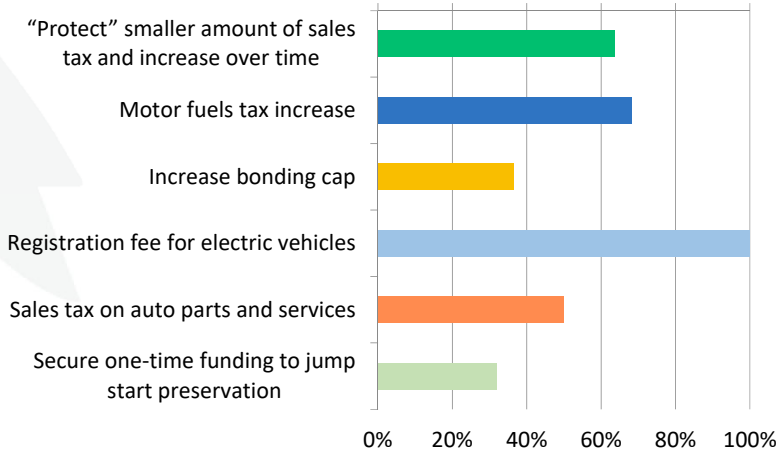
Route	County	Project Scope	Construction Cost Estimate	Projected Letting Date
K-68	Miami	4-lane expressway	\$12.6	Mar-22
US-77	Geary	Intersection reconstruction	\$6.6	Apr-22
US-50	Gray	4-lane expressway	\$34.9	Jun-22
US-50	Ford	4-lane expressway	\$45.3	Jun-22
K-68	Miami	Frontage road	\$2.6	Jun-22
I-235	Sedgwick	Interchange improvements	\$87	Jan-23
US-69	Johnson	Add lanes	\$200	Jan-24
K-10	Douglas	4-lane freeway	\$104	Jan-24

*Highlighted projects are for illustrative purposes only and have not been selected for construction.*

## Legislatively Viable Funding and Finance Options



Please select the funding and finance options you think would be legislatively viable. Select all that apply.



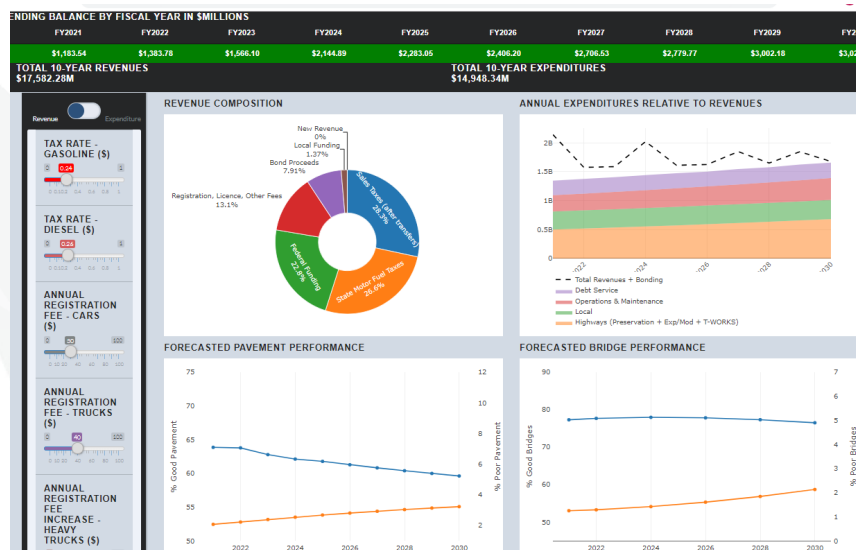
# Most Effective Way to Ensure Consistent Funding



What do you think would be the most effective way to ensure consistent funding for transportation?

- Fuel Tax
- Sales Tax
- Lockbox legislation
- Vehicles Miles Traveled Tax (VMT)

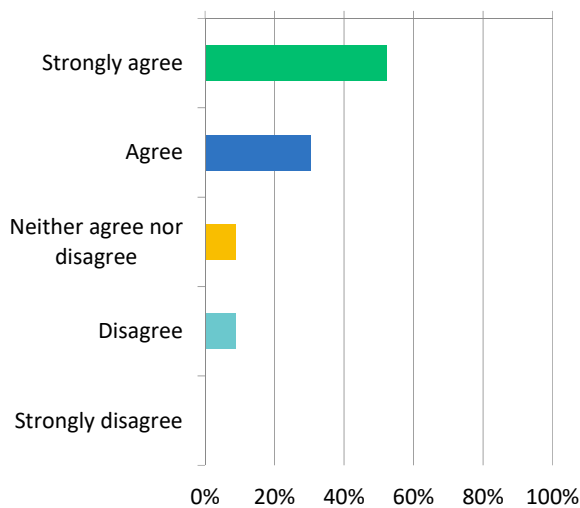
Use calculator to run scenarios



## Local Funding for New Projects



The State can't meet all transportation needs. A new program should incentivize or require some level of local community funding/participation – particularly for system expansion and new projects.



## Survey Comments about Local Funding for New Projects

This could be incorporated into a revised priority formula.

Not sure what all the ramifications could be for stronger local participation.

Not all areas have the tax base to support joint projects and I think that ability to pay should be a factor. I agree with local funding participation, but do not want to miss a large economic development opportunity because a city or county is too poor to participate.

It's called skin in the game.

## Parking Lot Discussion: Local Transportation System

- Property tax lid
- Demand transfer (use for match)
- Reduce MFT and allow local govts to assess own MFT or other tax
- More flexibility
- County Bridge Program administered by KDOT
- Incentives for size/configuration

## Funding Mechanism to Increase Funding for Local Transportation



Local governments currently receive 33 percent of motor fuels tax. Which funding mechanism would you prefer for increasing funding for the local system?



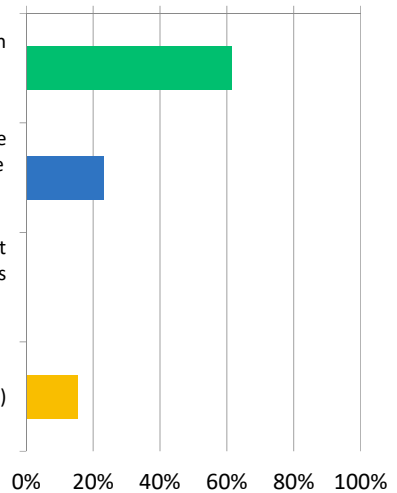
required

Increase Motor Fuel Tax rate overall (which provides an increase for State and local transportation)

Increase Motor Fuel Tax and the percentage local governments receive (which raises the amount local transportation receives but keep State funding amount the same)

Keep the Motor Fuel Tax rate the same but increase the percentage local governments receive (which also decreases amount of funding to State transportation).

Other (please specify)



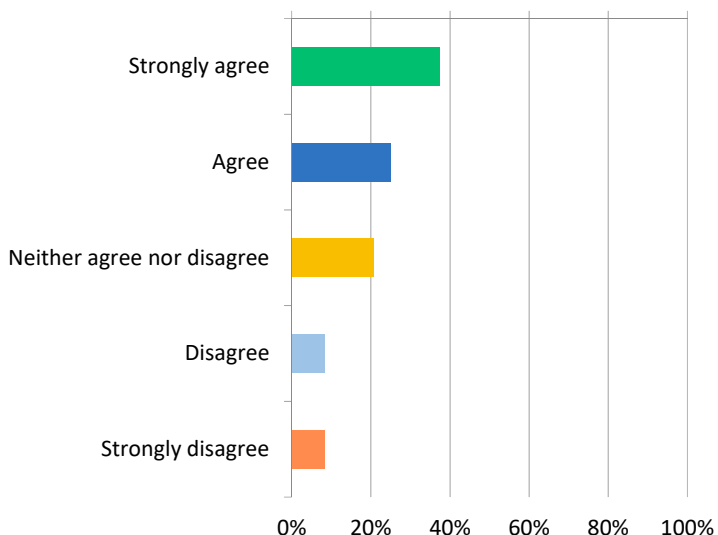
## Lockbox Legislation



Kansas should consider a constitutional amendment (a.k.a Lockbox legislation) that would require funds designated for transportation must be spent on transportation.



required



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## Survey Comments about Lockbox Legislation

**COMMENT:**

One could argue the funds are already protected.

For partial funding.

This would be outstanding, but has someone tested the waters as to whether this is achievable with the current makeup of the legislature? I have two concerns: 1) asking for this may turn some legislators away from supporting a broader program, and 2) what gets "lockboxed" is insufficient for the DOT and makes it harder in the long run to find sufficient funding.

I do worry about the potential harm of opening up this issue. This could be a potential "can of worms" being opened up that could do more harm than good. State legislative work often involves some political partisan posturing, strife and or deals of bartering involving other issues that are unrelated.

Our state is subject to economic swings and it is the responsibility of the legislature to set total government priorities, especially during difficult times. I do support roads over public education if that becomes an economic forced choice. I do believe we can "lockbox" up some reliable funding with gas taxes, for example and by reminding the voters that legislative and Governor candidates determine whether we have funds available.

The Legislature is risking the loss of confidence from the voters. If they continue to move money the voters approved for Transportation, the voters may not approve the money again.

What about the rest of the budget?

Or look for ways to "fit" revenue streams under the current constitutional language

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## Survey Comments for Lockbox Legislation to Clarify

- Sales Tax revenue is **not** protected (all other sources are)
- New funding provided through T-WORKS legislation was through a .4 sales tax
- Kansas Legislature approved the sales tax increase in 2010.
- Funding for transportation not available until 2013

## Stakeholder & Task Force Members Comments: Modes

### Bike/Ped

- Additional funding is needed to support communities.
- KDOT needs to update the state's bicycle/pedestrian plan.
- KDOT should adopt the National Association of City Transportation Officials (NACTO) standards.
- There needs to be a statewide bicycle count and review of bicycle and pedestrian-involved crashes.
- "We should look at assisting communities that have ample population and large footprint to be walkable and bikeable....We are seeing more and more food deserts all across our state."
- "Bike/Ped - Programs will attract young people."

## Stakeholder & Task Force Members Comments: Modes

### Transit

- Additional funding needed to support things like:
  - Longer Service Hours – More Routes, Weekend Service, More Frequency
  - Megaregional Connectivity (Amtrak)
  - Paratransit as a Stand-Alone Service
  - Incorporate transit into Master Planning and New Developments and Land Use
  - Staffing Needs and Operator Pay
  - Increased Rural/Urban Coordination
- “Transit is a small portion of KDOT's budget and those dollars get leveraged by the local transit operators. Increasing funding here has a high value return.”

## Stakeholder & Task Force Members Comments: Modes

### Passenger Rail

- Support for passenger rail in KS
- “We need to be looking at rail in the KC metro area to help offset the need for more and expanded highways.”
- “Investigate if providing rail from Wichita to Oklahoma will help I-35 future flow of traffic and increase economic opportunities”

### Freight Rail

- State Rail Service Improvement Fund (SRSIF) is critical
- Transload Facility Program is important
- “More rail funding and ED funding.”

## Stakeholder & Task Force Members Comments: Modes

### Aviation

- “Remove KDOT Aviation from KDOT, create an Aerospace Commission funded by aviation fuel tax (may require replacing sales tax with a gallonage tax).”

## Economic Development Program



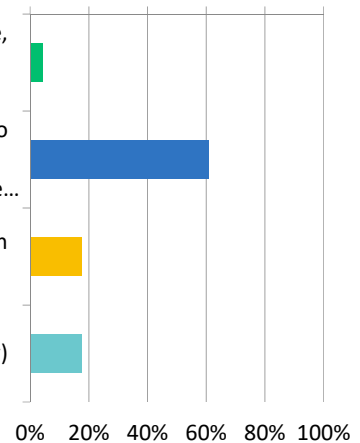
KDOT’s Economic Development program is an important tool for addressing emerging economic opportunities. Which of these statements reflects how you’d like to see the Economic Development program operate going forward?

It should remain the same, but funding should be increased.

It should be divided into two programs. One program would include...

It should remain unchanged.

Other (please specify)



- I could support a different approach
- Funding should be increased
- Revisit the selection criteria
- Larger projects should be handled by appropriation

## Recommendation



Fund preservation and modernization more fully.

Step up expansion which includes a mix of T-WORKS expansion and some new projects.

Increase funding for modes

Increase funding for Economic Development Program

Increase funding for local transportation systems

## Program Length

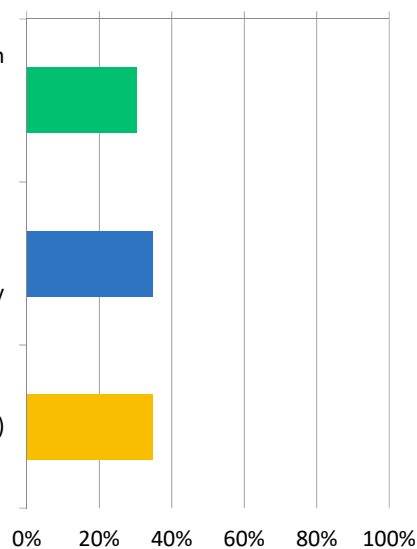


Which of these statements best reflects your opinion on the length and structure of a program?

It should be a 10-year program with the modernization and expansion projects announced at the beginning.

It should be a five year, rolling program that would allow KDOT to identify projects on an on-going basis which provides more flexibility to serve emerging needs.

Other (please specify)



## Survey Comments for Program Length

It could be a five year plan with primary projects (finish t-works and high priority expansion and modernization. With recommendations for a second phase (next five years). Or, it could be a ten year plan with primary projects listed in the first five years and secondary in the next five years.

Not convinced 5 year enough for planning. 6 or 7 better

Can we have a hybrid. 5 years is to short, however with tecnolgy a lot can change in 10.

I like a blend: A 5-year, well-defined, funded plan PLUS a 5 year extension that KDOT begins defining in years 3-5 and gets funded in year 6.

I have very mixed feelings about this. I like a 10 year program the best, but it likely will become a 5 year rolling program due to economic cylces. I think it is easier to plan for and support a 10 year program, but maybe it is time to recognize that that program is best case scenario and will be re-evaluated at the five year mark???

Can also see the value of a 10 year program.

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## Priority Corridors



As part of a future project selection framework, priority corridors should be identified

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## Highway Project Selection Criteria



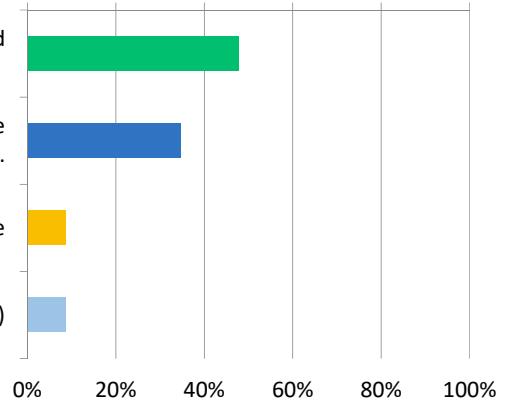
Which of the following statements best reflects your opinion on KDOT's project selection process

The current selection process has worked well and should remain the same.

Some of the factors and/or weighting of the current process should be adjusted to fit...

Not sure

Other ideas (please specify)



- Less regional input
- Some way of factoring an outside contribution

## KDOT Operations & Policies



"... transportation needs across Kansas. More than 280 projects totaling over \$18 billion were presented ... KDOT should hold regional local consultation meetings to help prioritize these needs."

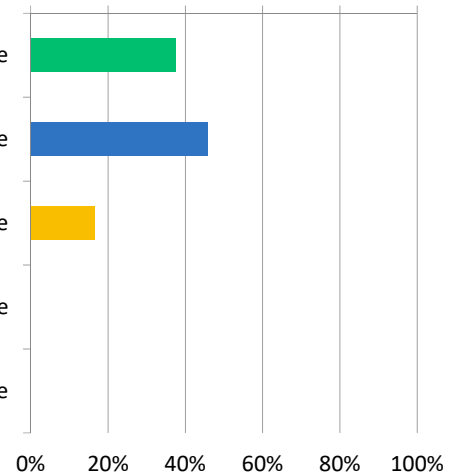
Strongly agree

Agree

Neither agree nor disagree

Disagree

Strongly disagree



## KDOT Operations & Policies

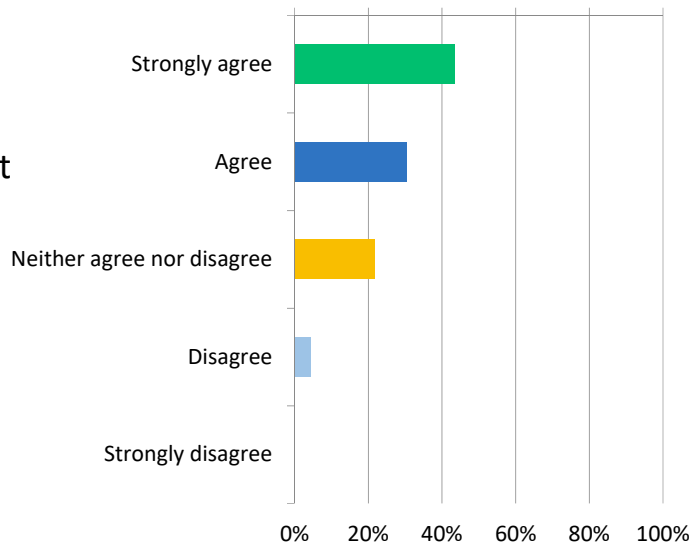


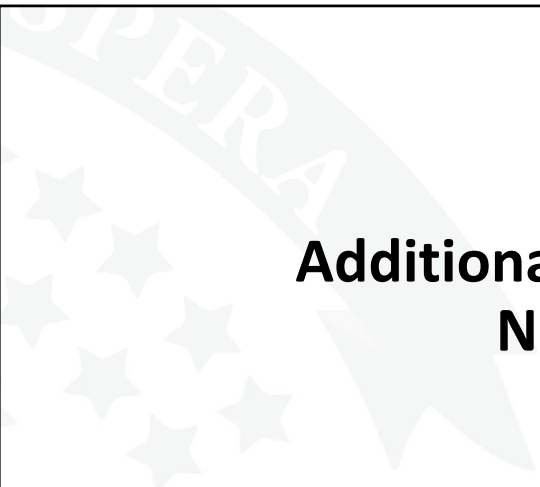
- “Comprehensive strategic plan for KDOT ops, delivery, staffing and funding / rebrand agency”
- “Be better able to quantify “value” of transportation investments and direct funding to better align w that value”
- System condition (parking lot discussion)

## Oversight Panel



The task force should evolve into an oversight panel to periodically check in on the status of the system and evaluate the progress made in implementing the task force recommendations.





## Additional Discussion and Next Steps