

Project Delivery in a Changing Environment

A Perspective from a Metropolitan Planning Organization

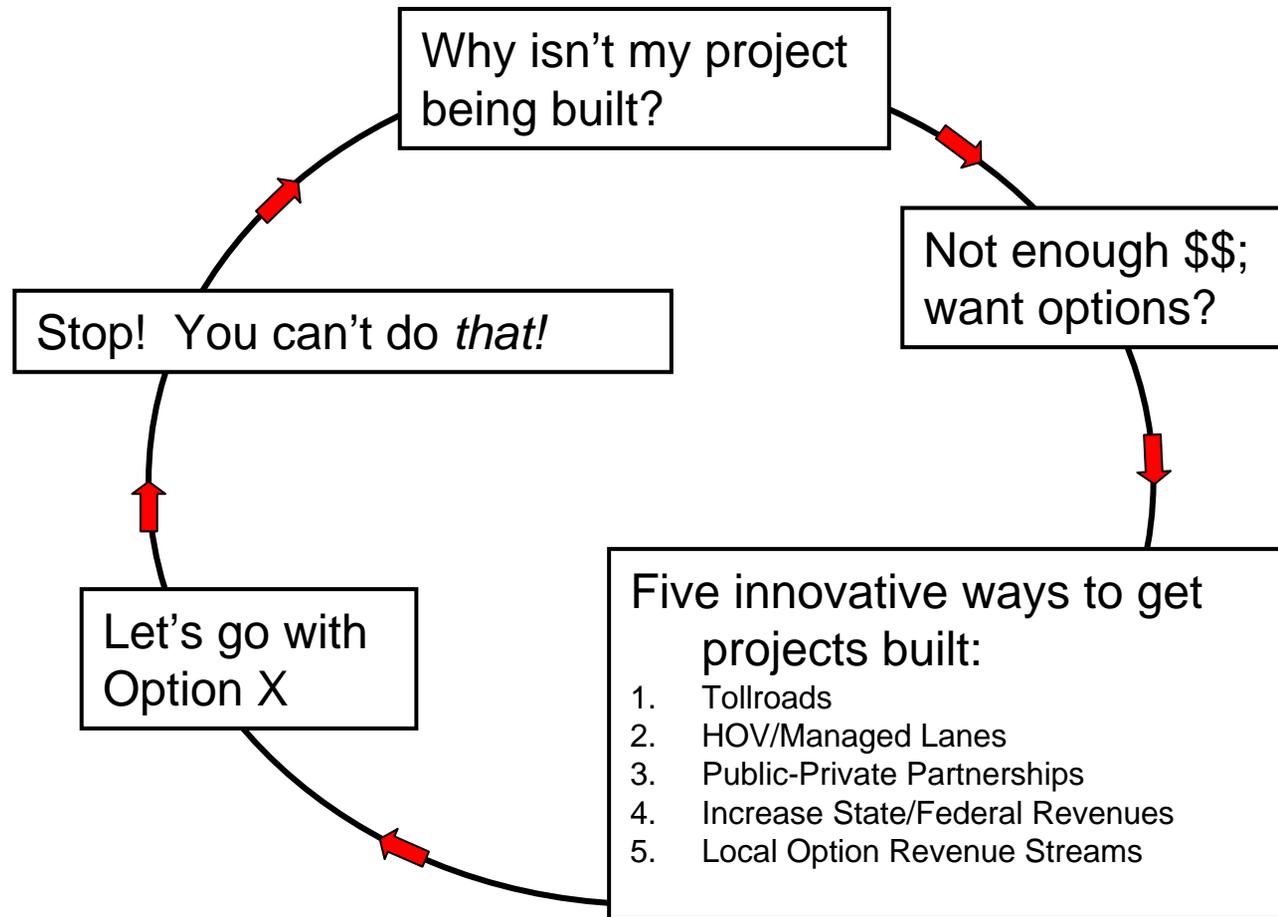
**Transportation Crossroads Conference
November 21, 2008**

www.nctcog.org/trans/presentations/index.asp

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The Transportation Funding Disconnect



Transportation Funding Primer Workshop

**A Guide to Understanding Current
Transportation Funding**

Workshop Goals

Answer Questions Related To:

- 1 How is Transportation Funded?
- 2 Why Do We Have a Funding Crisis?
- 3 What Options Are Available to Mitigate This Need?

Regional Perspective: Background

12th Largest Metropolitan Economy in the World

4th Largest Metropolitan Area in the United States

Ranked 3rd in Population Growth Between 1990-2000 Adding Over 1 Million Persons

Current Growth Trend: Added nearly 850,000 Persons between 2000 and 2007 (Growth rate increasing)

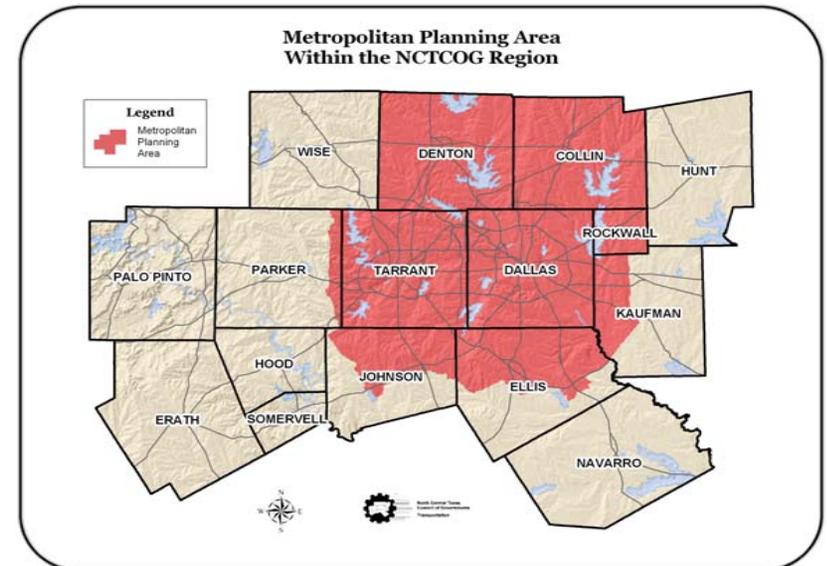
Larger than 34 States in Population

Larger than 9 States in Land Area

Represent Over 34 Percent of the State's Economy

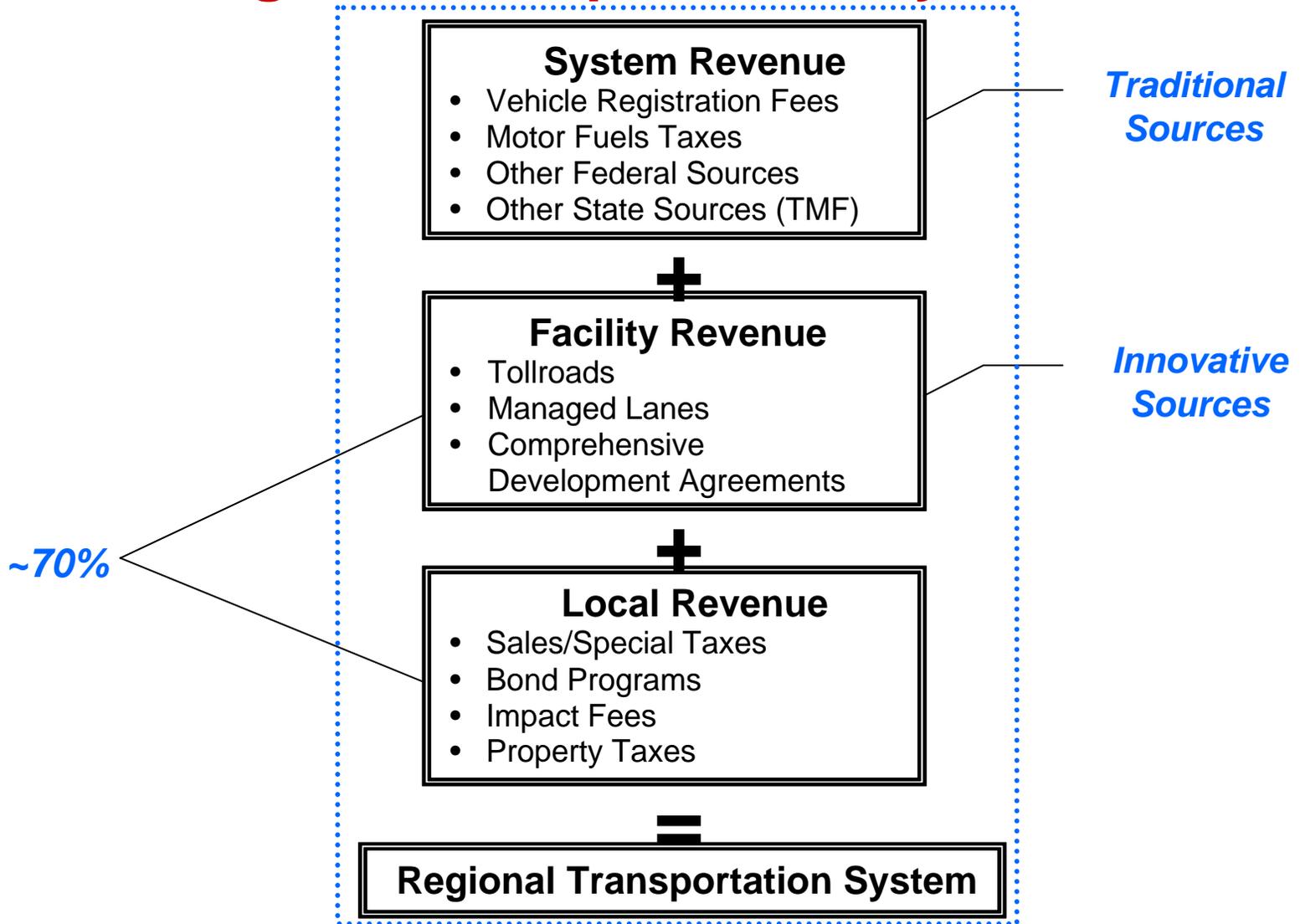
6.5 Million Persons in Year 2008

Growing to Nearly 9 Million Persons by the Year 2030



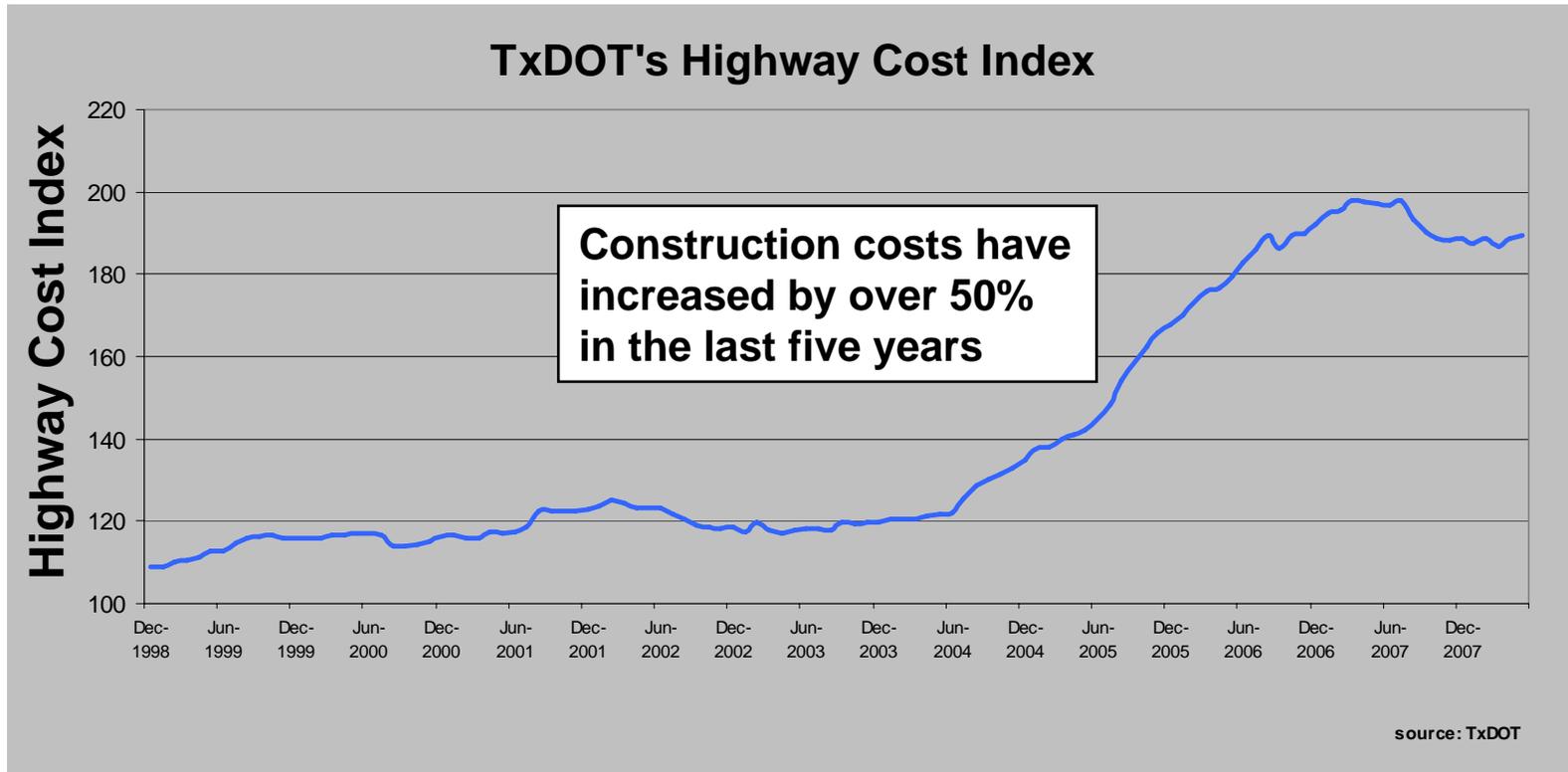
Funding Summary

Funding the Transportation System in DFW



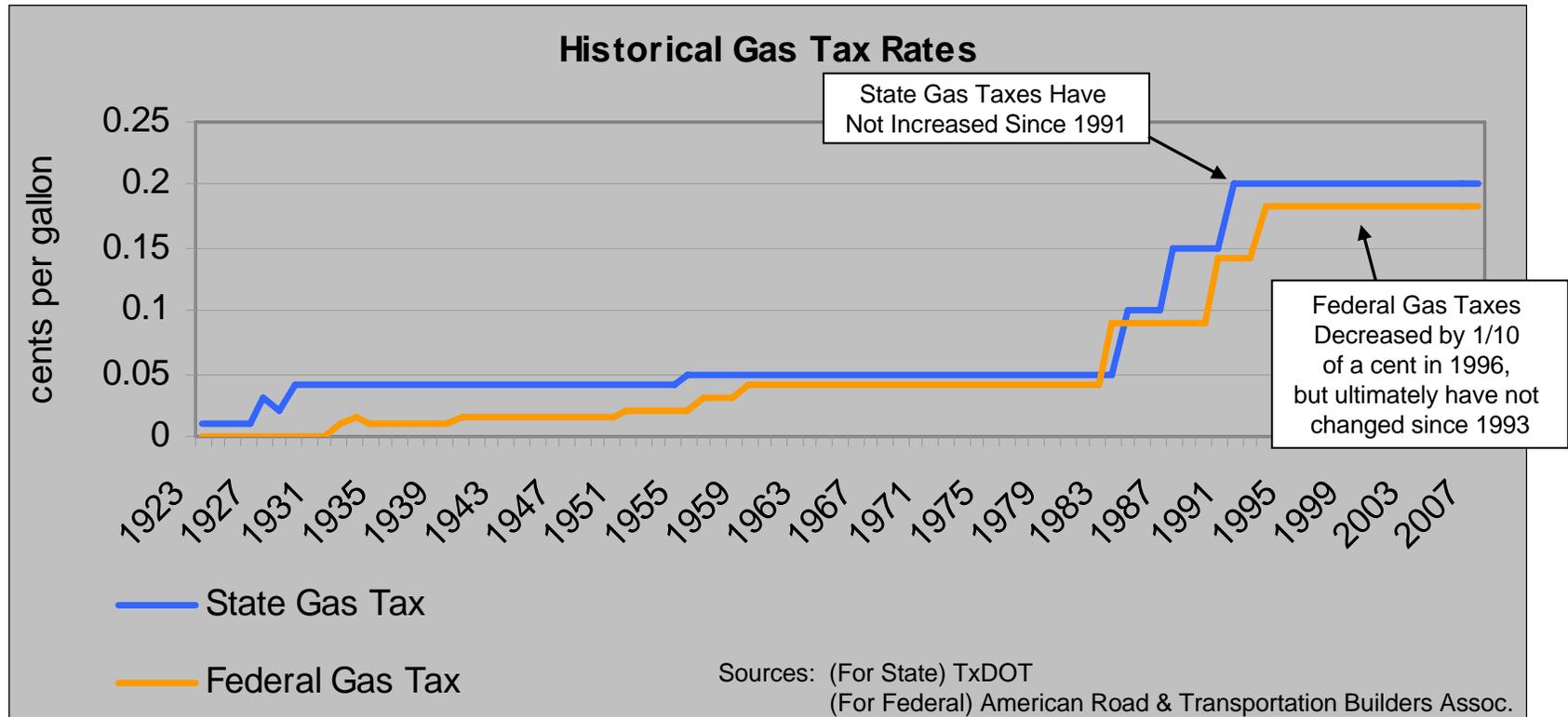
What is the Problem?

Increased Construction Costs



How Did We Get Here?

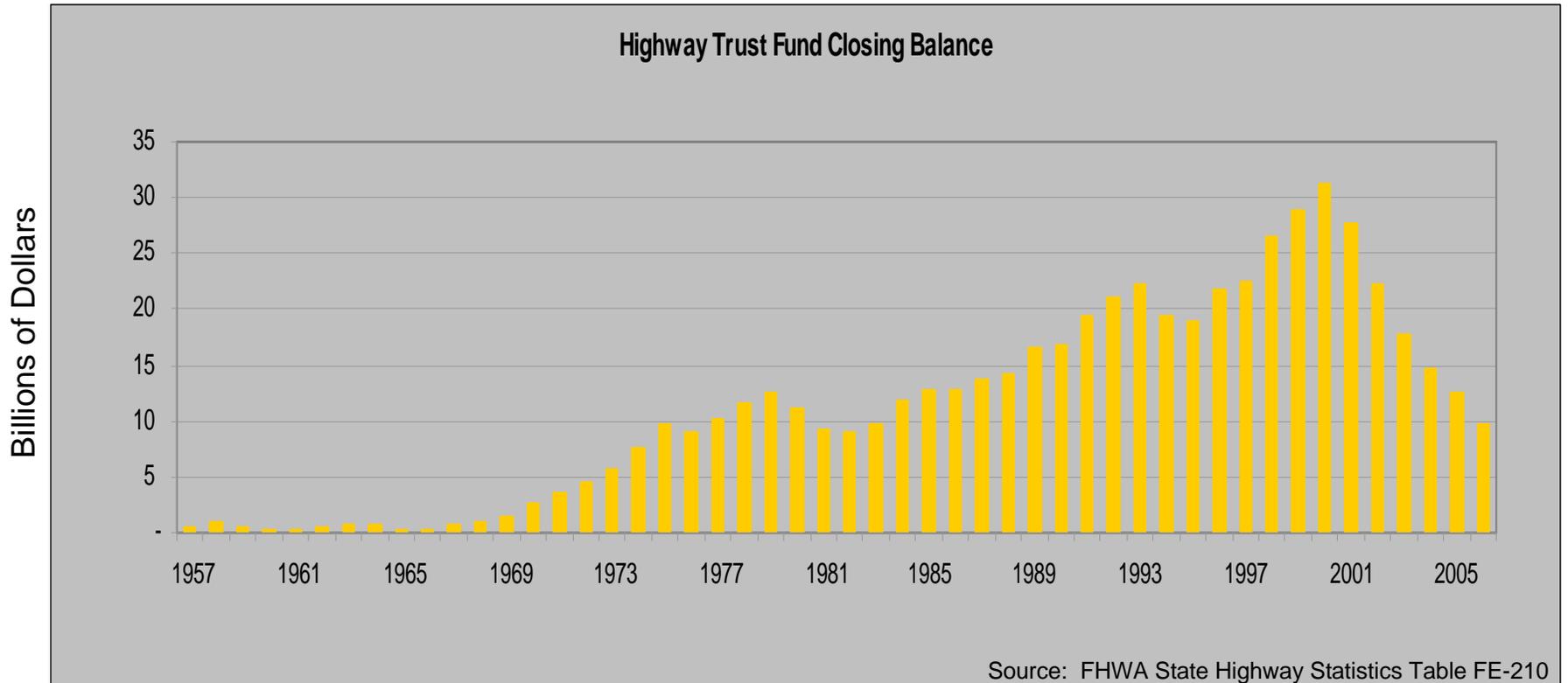
Gas Tax Rates



**Gas taxes are assessed by the number of gallons sold,
NOT by the price of gasoline**

What is the Problem?

The Highway Trust Fund



You Thought Your 401K Was a Problem: Why a Funding Crisis

FEDERAL

Bankrupt Trust Fund
Rescissions
Falling Gas Tax Revenues

STATE

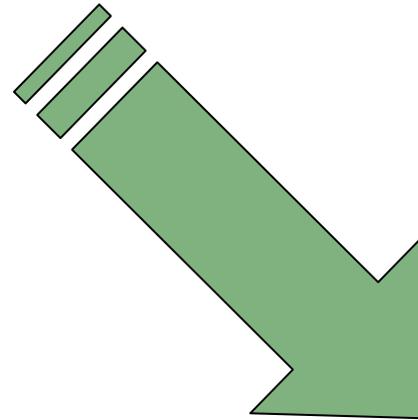
Diversions (35%)
Falling Gas Tax Revenues

LOCAL

Market Conditions Negatively Impact Bonding Capacity
Falling Sales Tax and Property Tax Revenue

OTHER

Construction Cost Inflation
Aging Infrastructure (46 years old)
Unknown Future of Public/Private Partnerships



Solutions

A Change in the Status Quo

A Major Overhaul Of How Transportation Projects Are Funded

A Major Overhaul Of Transportation Project Development

Policy Shifts Toward Risk/Reward, Accountability And Regional Leadership

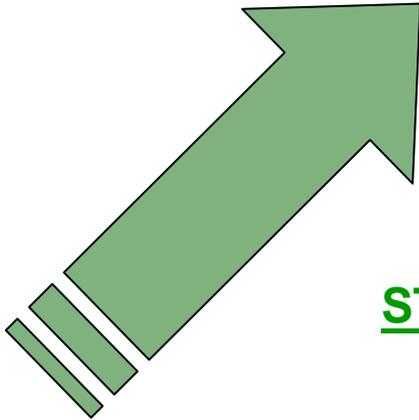
New Or Increased Fees

Management & Operations

Partnerships

Elimination Of Stovepipes

Life Preserver Options



FEDERAL

New Infrastructure Program
National Energy Policy

STATE

Big 4: Constitutional Amendment, Stop Diversions,
Index Fuel Tax, General Revenue Proposition 12 Bonds
Support Rail North Texas and Local Option Elections
Recommit to Public-Private Partnerships

LOCAL

NTTA Builds Traditional Tollroads
TxDOT Builds Managed Lanes
Private Sector Builds Regional Loop

The Transportation Funding: New Partnerships

