

Rhode Island Statewide Planning Program  
**STATE PLANNING COUNCIL**  
**MINUTES**

**Thursday, October 16, 2008**  
William E. Powers Building  
Conference Room A  
One Capitol Hill, Providence, RI

**I. ATTENDANCE**

**Members Present**

Mr. Kevin Flynn	Representing Mr. Jerome Williams, Chair, RI Department of Administration
Mr. Jared L. Rhodes, II, Secretary	Statewide Planning Program
Ms. Susan Baxter	Rhode Island Housing Commission
Mr. Daniel Berman	Representing Mr. Peter Osborn, Federal Highway Administration (Advisory Member)
Ms. Sharon Conard-Wells	West Elmwood Housing Development Corporation
Ms. Carmela Corte	Representing Ms. Rosemary Booth Gallogly, Budget Office
Mr. Michael Lewis	Director, RI Department of Transportation
Mr. L. Vincent Murray	Town of South Kingstown Planning Department
Ms. Linda Painter	Representing Mr. Thomas Deller, City of Providence Department of Planning & Development
Ms. Anna Prager	Public Member
Mr. B. Michael Rauh	Environmental Advocate
Mr. Henry Sherlock	Representing Mr. Steven Cardi, Public Member
Mr. William Sequino	Public Member
Mr. John Trevor	Environmental Advocate

**Members Absent**

Mr. Daniel Beardsley	RI League of Cities and Towns
Ms. Jeanne Boyle	City of East Providence, Planning Department
Mr. Christopher Long	Representing Mr. Timothy Costa, Vice Chair Governor's Policy Office
Ms. Janet White Raymond	Public Member

**Guests**

Ms. Meredith Holderbaum	RI House
Mr. George Johnson	State Retiree
Mr. Ralph Rizzo	Federal Highway Administration
Mr. Bob Shawver	RI Department of Transportation
Ms. Diane Badorek	RI Department of Transportation
Mr. Bruce Landis	Providence Journal

**Staff--Statewide Planning Program**

Ms. Maria Costa	Executive Assistant, Division of Planning
Mr. Vincent Flood	RI Statewide Planning Program
Ms. Nancy Hess	RI Statewide Planning Program
Mr. Michael Moan	RI Statewide Planning Program
Mr. Kevin Nelson	RI Statewide Planning Program
Ms. Derry Riding	RI Statewide Planning Program
Mr. Walter Slocomb	RI Statewide Planning Program
Ms. Katherine Trapani	RI Statewide Planning Program

**II. AGENDA ITEMS**

**1. Call to Order**

Mr. Flynn called the meeting to order at 10:06 A.M.

**2. Approval of August 14<sup>th</sup> Minutes**

Mr. Sequino moved to approve the Minutes of August 14, 2008, as presented. The motion was seconded by Ms. Conard-Wells and carried unanimously.

**Other Business**

Mr. Flynn next took “other business” out of order so as to acknowledge the recent retirement and attendance at the meeting of Mr. George Johnson. Council member Prager then read a Proclamation of Appreciation that formerly presented to Mr. Johnson on behalf of the Council. Mr. Johnson retired on September 26<sup>th</sup> with 32 years of state service. Mr. Flynn extended his personal appreciation to George for his remarkable contribution and expertise to the Statewide Planning Program and the State Planning Council and noted that he will be tremendously missed on a professional and personal level. Mr. Johnson thanked Mr. Flynn and the Statewide Planning Program, as well as the State Planning Council, and commended everyone for their hard work and dedication to these respective groups.

**4. Governor’s Blue Ribbon Panel for Transportation Funding**

Mr. Flynn called upon Director Michael Lewis of the RI Department of Transportation who provided a power-point presentation to the Council on the Blue Ribbon Panel’s efforts regarding

transportation funding. Mr. Lewis stated that one of the key purposes of the Blue Ribbon Panel, which was appointed by the Governor in spring 2008, is to educate the public on funding issues related to transportation. He noted that four public hearings were held throughout the state this year and that they received positive input from the Transportation Advisory Committee (TAC) in particular. Mr. Lewis went on to say that there appears to be a general lack of understanding amongst the public as to how transportation is funded and financed and that people really don't appreciate the value of transportation infrastructure and how it affects and impacts their everyday lives.

The Director continued by noting that the Blue Ribbon Panel is undertaking a multi-phase process to: clarify how we currently finance transportation; determine the current condition and future maintenance needs of our existing transportation infrastructure; to assess the funding gap between the cost of our maintenance needs and available resources; and to identify alternative mechanism for adequately funding our needs. He exemplified the current state of our infrastructure by noting that of Rhode Island's 772 bridges, 200 are considered functionally obsolete in that they do not meet current design standards, 164 are considered deficient and 61 bridges carry posted restrictions. He clarified that funding levels in RI are not based on what the needs are, but rather on what the available revenues are. He stated that RI, more so than any other state, is heavily dependent on federal funds when it comes to transportation and emphasized the growing problem of increasing program costs and declining revenues. A handout was also provided that overviewed potential funding alternatives (i.e. increase fuel tax at the pump, petroleum products gross earning tax, vehicle registration fee, other driver fees and automobile sales tax increase etc.).

Director Lewis next discussed The FY 2009 Highway Bridge Program Funding Source & Uses slide which depicted the three primary "buckets" that fund the State Program. The first represented the Federal Highway funds of \$220M per year which originates from the 18.3 cent per gallon federal gas tax. Director Lewis noted that RI is in fairly good shape with regard to this source given that we are a donee state that receives approximately \$2 back from every \$1 that we send to Washington. He did note however that RI should be cautious as this allocation could change with the pending reauthorization of SAFETEA-LU. The second "bucket" represented the roughly \$40 M per year General Obligation Bond (GO) funds that the state traditionally uses to provide the 20% match required to access the federal funds. The third "bucket" represented the approximately \$94 M per year in state gas tax revenues that primarily funds debt service on the GO bonds previously discussed with only the residual being made available for maintenance purposes (i.e. snow removal, tree trimming, crack sealing etc.). One again, Director Lewis urged caution in regard to this funding source given that revenues from the state gas tax are declining as high prices drive down consumption. Mr. Lewis also noted that Rhode Island, when compared to states of similar size, relies more heavily on federal dollars to fund its transportation system. For example, he pointed out that whereas RI's transportation program is roughly 1/3 state funded and 2/3 federal funded; the national average is the reverse, with 2/3 of their funding coming from state sources and only 1/3 from the federal government.

In moving forward Mr. Lewis emphasized that the Panel's funding needs projections are primarily based on repairing and restoring our bridges and highways to an acceptable level of maintenance. He estimated RIDOT's total need at approximately \$640 Million per year for each of the next 10 years (\$420M a year for the highway and bridge program, \$113 M for preventive maintenance and \$110 M per year to cover debt service). He then compared this need to the anticipated revenues of \$354 M per year and stressed the approximate \$290 M funding gap per year. In addition he noted that the Panel is also looking at the needs of the Rhode Island Public Transit Authority (RIPTA) and the Turnpike and Bridge authority (RITBA) and that these needs are currently estimated at an additional \$20 M per year for each of the next ten years. In contrast to this pointed out that annual revenues under the current system

He stated we all have choices. We can choose not to move forward and bridges will continue to deteriorate, pavement conditions will worsen, and transit service cuts will continue. These circumstances will have an effect on us all.

In closing Director Lewis explained that the Blue Ribbon Panel, with the assistance of the University of Rhode Island, the Federal Highway Administration and others is now assessing alternative funding mechanisms and ways to modify the formula to provide enhanced capital and maintenance programs without adding to debit service. A handout was provided to Council members detailing the alternatives that are currently being assessed. Mr. Lewis comforted the Council by acknowledging that RI is not alone in this regard and stated that Blue Ribbon Panel expects to release its report next.

The Chair then opened the floor to questions from the Council. Discussion proceeded as follows:

Mr. Trevor first asked whether the Panel had modeled funding options and potential revenue generation. Director Lewis responded by bringing attention to the handout and noting that the Panel's efforts have produced some preliminary alternatives and revenue generation estimates. For example he noted that a 5 cent increase in the gas tax could produce additional revenues of approximately \$22 million, \$10 increase in registration fees could produce \$10 million and \$2 toll on route 95 could produce revenues of approximately \$10 million.

Ms. Prager noted that she agreed with the assessment of the need and the current status of transportation funding but questioned what difference this Blue Ribbon Panel would make given all of the previous Panels that came before and the lack of impact that they appear to have had. Mr. Lewis responded by stating that is the curse of the Blue Ribbon Panel but noted that he believed the "planets were aligning" for real change. He expressed his feeling that there is now recognition that we can no longer continue funding transportation under our current model. He cited the state of the economy and the advanced level of deterioration that is now threatening some our most important pieces of infrastructure. He indicated again that we are not alone and that this is a national issue that is getting attention. Mr. Shawver added that the difference between when Ms. Prager was on the Blue Ribbon Panel and now is that the public is now being impacted by bridge restrictions, RIPTA route reductions and that the costs to correct these problems are significantly higher as well. In addition, he noted that some good things did happen as a result of the previous Panel's work citing the redistribution of 9 cents worth of the state gas tax away from the general fund and to RIDOT.

Ms. Conard-Wells expressed concern regarding RIPTA and the impact that anticipated deficits will have on the people who rely on its services to get to work or bring their children to daycare. Mr. Lewis acknowledged that RIPTA's issues are more complex than RIDOT in that RIDOT primarily deals with infrastructure whereas RIPTA's are most closely tied to services that people depend for essentials.

Mr. Rauh commended Mr. Lewis for an informative presentation. He agreed with the options that are being assessed but expressed concerns that that the funding goals are being set too low. Mr. Rauh questioned whether the Panel should be simply setting the bar at what it will take to maintain what we have or whether it would be better to identifying the transportation system that we actually want to have (possibly including system expansion) and plan for that. Mr. Lewis responded that there was a conscious decision by the Blue Ribbon Panel to exclude system expansion and focus the analysis on the \$300M per year deficit that we are currently faced with.

Ms. Prager commented that RIPTA has a much more complex issue. She noted that buses have a limited service life and that safety is also a concern because the older buses break down more frequently and experience higher maintenance costs. Mr. Lewis agreed but indicated that RIPTA does a great job maintaining their fleet and noted that they are often able to get a lot of life out of their equipment as a result. He also noted that RIPTA is in good shape from a capital acquisitions perspective and emphasized that much of their challenges relates to personnel and fuel costs.

Mr. Murray questioned why so little federal funds were previously devoted to maintenance. Mr. Lewis stated that there was a time when federal money could not be used for preventative

maintenance. Mr. Berman added that the program has since changed so limited amounts of federal money can be used for specific preventative maintenance activities.

Mr. Murray highlighted the ramifications to the State's transportation program should the voters fail to approve RI question 1 in the upcoming election and noted the need for a concerted effort to educate voters regarding this question. Mr. Lewis agreed, noted the conflict in the advertising that was coming out of Massachusetts asking voters to reject question 1 without reference to which question 1 they were talking about (MA vs. RI) and explained that the state was working with Massachusetts to refine their message.

Mr. Flynn concluded the discussion by noting that timing is everything and that perhaps the time was right to strike while the iron is hot and boldly increase the state gas tax given the recent rapid declines in fuel costs that would lessen the perceived impact at the pumps.

#### **5. Resolution Authorizing the Filing of Applications with the Federal Transit Administration**

Mr. Rhodes next presented a draft resolution to Federal Transit Administration (FTA) that if approved would authorize him, in his role as Secretary to the Council, to: file applications on behalf of the Council with the FTA for Federal assistance; certify to FTA that the Program is operating in accordance with their procedures; and to execute grants and cooperative agreements with FTA on behalf of the Council.

Mr. Sequino moved to approve. The motion was seconded by Ms. Conard-Wells and carried unanimously.

#### **6. Committee Membership Expirations/Nominating Process**

Mr. Rhodes updated the Council that numerous appointments to the Technical Committee, Transportation Advisory Committee (TAC) and the Recreation Resource Review Committee (RRRC) will expire on December 31, 2008. He noted that staff was generally pleased with the composition of these bodies and as such have polled members to see who was interested in reappointment by the Council. A majority of these individuals did express an interest in being reappointed; however, several slots within the Technical Committee may see some transition. These he noted included the seats held by Paul Sams, Chris Long, Patricia Reynolds, Michelle Maher, Juan Mariscal and Scott Millar.

In moving the nomination / appointment process forward, Mr. Rhodes offered to prepare a "slate of names" that would be presented to the Council's for their consideration at the next meeting. In preparing that slate, he noted his intention is to include all of those members who expressed a desire to continue and requested additional recommendations suggestions from Council members. With the Council's approval today, Mr. Rhodes noted that if approved the Council would then be required to take the slate under consideration for a month before potentially acting on it in December.

Mr. Trevor subsequently moved to approve that Mr. Rhodes prepare a "slate of names" for the Council's consideration at its next meeting. The motion was seconded by Mr. Rauh and carried unanimously.

#### **7. 2009 Meeting Schedule**

Mr. Rhodes provided Council members with a tentative 2009 Meeting Schedule for Informational purposes. He asked that Council members review it to identify any potential conflicts and noted that it would potentially be placed on next month's agenda for action.

#### **8. Chief's Report**

Mr. Rhodes stated that 3 additional positions within the Statewide Planning Program had become vacant due to retirements since his last Chief's Report. These positions included those of James Andrade, George Johnson and Linda Resendes. He noted that as a result the Program has now seen a 35% net reduction in staffing levels since approximately June, 2007. No information on the timeline for approval to refill these vacancies was available at the time.

Mr. Rhodes noted, in the wake of George Johnson's departure from state service and in accordance with State Planning Council Rules of Procedure 9.02.01, that he has appointed Ms. Katherine Trapani to serve as the Secretary to the Transportation Advisory Committee.

Mr. Rhodes also announced that the Transportation Improvement Program (TIP) approved by the Council at its August meeting has recently been approved by FHWA/FTA. He noted the following strengths and weakness of the document as identified by FHWA/FTA:

Strengths:

- RI has adopted necessary processes to comply with SAFETEA-LU;
- Program contains an innovative Land Use Plan with strong coordination between land use and transportation planning; and
- contains an integrated scenario analysis and high quality maps and graphics.

Weakness:

- The SPC/MPO could be severely understaffed if current vacancies are not filled; and
- future fiscal constraint analyses will require more detail regarding state funding availability and operations and maintenance expenditures.

Lastly, Mr. Rhodes reported that an appeal of the Department's approval of the City of Providence Comprehensive Plan Five Year Update has recently been filed with the State Comprehensive Plan Appeals Board. The appeal is being brought not by the City but by a group of property owners along the Allens Avenue corridor. He noted that although he could not discuss the matter in detail he would be happy to provide Council members with copies of the appeal if they so desired.

**9. Adjourn**

There being no other business before the Council, the meeting adjourned at 11:35 AM.

Respectfully submitted,

Jared L. Rhodes, II  
Secretary