

RHODE ISLAND STATEWIDE PLANNING PROGRAM
Rhode Island State Planning Council

Thursday, February 11, 2016
RIDO, Conference Room A
One Capitol Hill, Providence, RI

APPROVED MINUTES

I. Attendance

1. Members Present

Mr. Michael DiBiase, Chair	Director, Rhode Island Department of Administration
Ms. Lisa Vura-Weis, Vice-Chair	Deputy Chief, Office of the Governor
Mr. Jared Rhodes, Acting Secretary	Acting Associate Director, Division of Planning
Mr. Peter Alviti	Director, Rhode Island Department of Transportation
Ms. Jeanne Boyle	President's Designee, Rhode Island League of Cities and Towns
Ms. Janet Coit	Director, Rhode Island Department of Environmental Management
Mr. Roy Coulombe	Public Member
Mr. Darin Early	Representing Stefan Pryor, Secretary of Commerce
Ms. Bonnie Nickerson	Director, Providence Department of Planning and Development
Ms. Sandy O'Connor	Governor's Designee
Ms. Amy Pettine	Representing Mr. Raymond Studley, Rhode Island Public Transit Authority
Mr. M. James Riordan	Public Member
Mr. Peder Schaefer	Representing Daniel Beardsley, Rhode Island League of Cities and Towns
Mr. Gregory Stack	Representing Mr. Thomas Mullaney Rhode Island Department of Administration, Budget Office
Mr. Girard Visconti	Large Business Representative
Mr. Scott Wolf	Environmental Advocate

2. Members Absent

Ms. Nicole Alexander-Scott	Director Rhode Island Department of Health
Ms. Jeanne Cola	Non Profit Community Development Representative
Ms. Barbara Fields	Executive Director, Rhode Island Housing
Mr. Grover Fugate	Executive Director, Rhode Island Coastal Resources Management Council
Ms. Marion Gold	Commissioner, Rhode Island Office of Energy Resources
Mr. Marcus Mitchell	Small Business Representative
Mr. L. Vincent Murray	Rhode Island League of Cities & Towns, Government Official Representative
Mr. Mathies Santos	Director, Housing Resources Commission

3. Staff Present

Ms. Kimberly Crabill
Ms. Karen Scott

RI Statewide Planning Program
RI Statewide Planning Program

4. Guests Present

Ms. Meredith Brady
Mr. Ryan Gardiner
Mr. Peter Garino
Mr. Michael Walker

Rhode Island Department of Transportation
Rhode Island Department of Transportation
Rhode Island Department of Transportation
Rhode Island Commerce Corporation

II. Agenda Items

1. Call to Order

Chairman DiBiase called the meeting to order at 9:08 a.m.

4. FY 17-25 TIP Development process – for discussion

Chairman DiBiase took this item out of order and introduced Director Alviti and Deputy Director Garino from the Rhode Island Department of Transportation (DOT) who updated the Council on the RhodeWorks Initiative (see attached). Discussion was as follows:

Mr. Visconti asked if any impact studies had been done to determine how the toll gantries would affect traffic flows. Mr. Alviti responded that gantries are automated and should not impact flows.

Mr. Riordan complimented DOT on their asset management and user fee based approach. He then asked whether the gantries would be removed once the bridges were fixed. Mr. Alviti responded that the gantries would not be removed and that funding collected could be used for maintenance of the bridge and other Title 23 allowable purposes.

Mr. Riordan then asked for further explanation of the GARVEE bonding process and benefits which Director Alviti subsequently provided.

Mr. Coulombe asked if the gantries took pictures of both the front and rear license plates. Mr. Alviti responded that the equipment will capture the national standard.

Mr. Coulombe next asked for confirmation on who will have the auditing responsibility. Director DiBiase explained that the Department of Administration's Bureau of Audits has oversight. Mr. Garino also noted that Federal Highway prefers that the auditing function occur independently.

Mr. Wolf asked if DOT was assuming that there would be no overlap between the municipal requests and the RhodeWorks proposal. Ms. Brady responded that the review is currently occurring through the TAC subcommittees. Ms. Scott added that there were in fact some synergies between DOT's 10-year plan and the municipal requests but noted that the difference is significant. Mr. DiBiase also highlighted the reality that there is not a substantial opportunity to lift the municipal projects up and that the effort needs to be cognizant of the larger state needs. Mr. Alviti echoed Mr. DiBiase's comments and emphasized that the transition will be difficult.

Mr. Wolf next asked if the results of the planned level-3 traffic study could significantly change the toll calculation or gantry location. Mr. Alviti responded that he expects that the analysis could result in a little bit of movement but not significant changes.

Ms. Boyle complimented Director Alviti on the presentation and noted that there is an expectation on the local level that there will be more funding available for the local projects. Ms. Boyle also noted that she believes it would be important to have this presentation made available to municipalities so that the background is provided. Mr. Alviti acknowledged the concern and noted that DOT is currently taking the “show on the road” so that people understand the reality of where we are at.

Chairman DiBiase concluded with some overall comments on the significance of what may be accomplished here and thanked the DOT staff for their efforts and commitment.

2. Approval of January 14, 2016 Meeting Minutes – for action

Chairman DiBiase asked for a motion to approve the minutes of January 14, 2016. Ms. Coit moved to approve the minutes as submitted. The motion was seconded by Mr. Riordan. There being no discussion, the following members voted aye: Alviti, Boyle, Brady, Coit, Coulombe, Early, Nickerson, O’Connor, Pettine, Riordan, Stack, Visconti, Vura-Weiss and Wolf. Chairman DiBiase and Mr. Rhodes abstained. Not voting – Peder Schaefer. There were no nay votes.

3. Public Comment on Agenda Items – for discussion

There was none.

5. Announcements

Mr. Rhodes announced the beginning of the FY 17 Work Program development process and encouraged council members to contact him with any project related ideas and/or concerns that they may have.

Ms. Coit brought to everyone’s attention the proposed 35 million Open Space/Recreation Bond and noted that presentations are being organized around the topic.

Mr. Alviti thanked the Director and the planning staff at the Department of Administration for how they have helped to make the transition from a four to ten year process.

6. Adjourn

Chairman DiBiase asked for a motion to adjourn. Mr. Coulombe motioned to adjourn. The motion was seconded by Ms. Boyle. There being no discussion, the following members voted aye: Alviti, Boyle, Brady, Coit, Coulombe, Early, Nickerson, O’Connor, Pettine, Riordan, Stack, Visconti, Vura-Weiss and Wolf. Chairman DiBiase and Mr. Rhodes abstained. Not voting – Peder Schaefer. There were no nay votes. The meeting adjourned at 10:38 a.m.

Respectfully Submitted,

Jared Rhodes
Acting Secretary



RhodeWorks Initiative

Fixing Rhode Island's bridges and
getting Rhode Islanders back to work

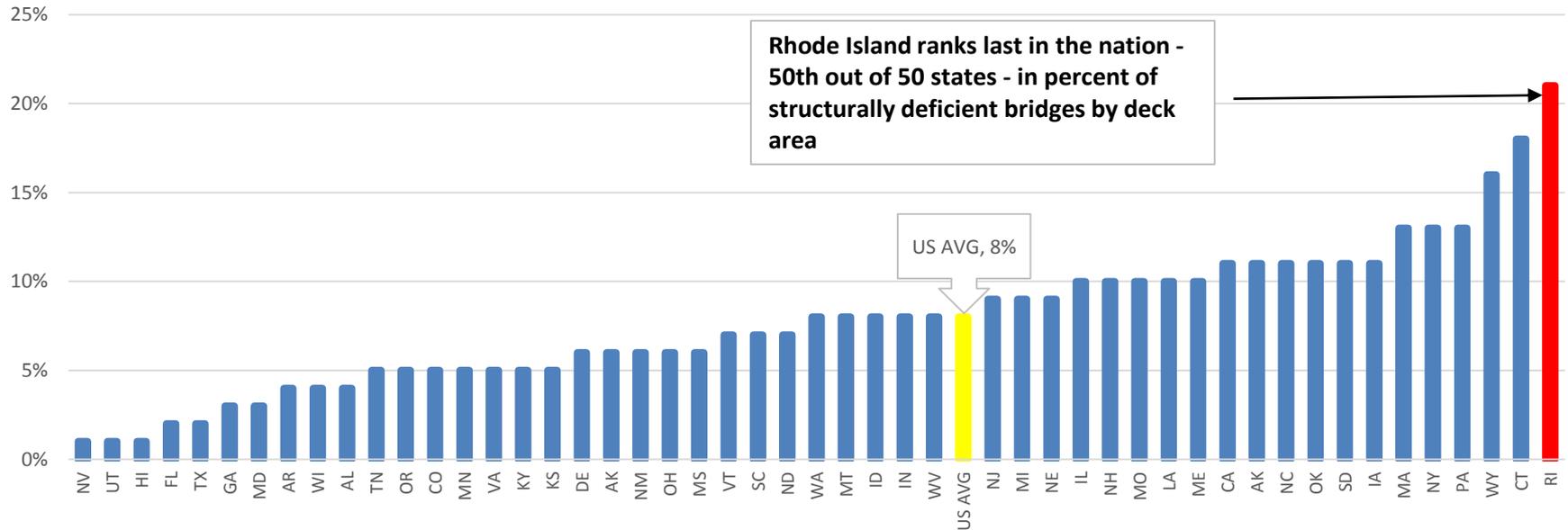


Peter Alviti, Jr. PE
Director
Rhode Island Department of Transportation

The Problem



The Problem – Rhode Island’s Bridges



PERCENT OF BRIDGES STRUCTURALLY DEFICIENT BY STATE



The Problem: Crumbling Infrastructure

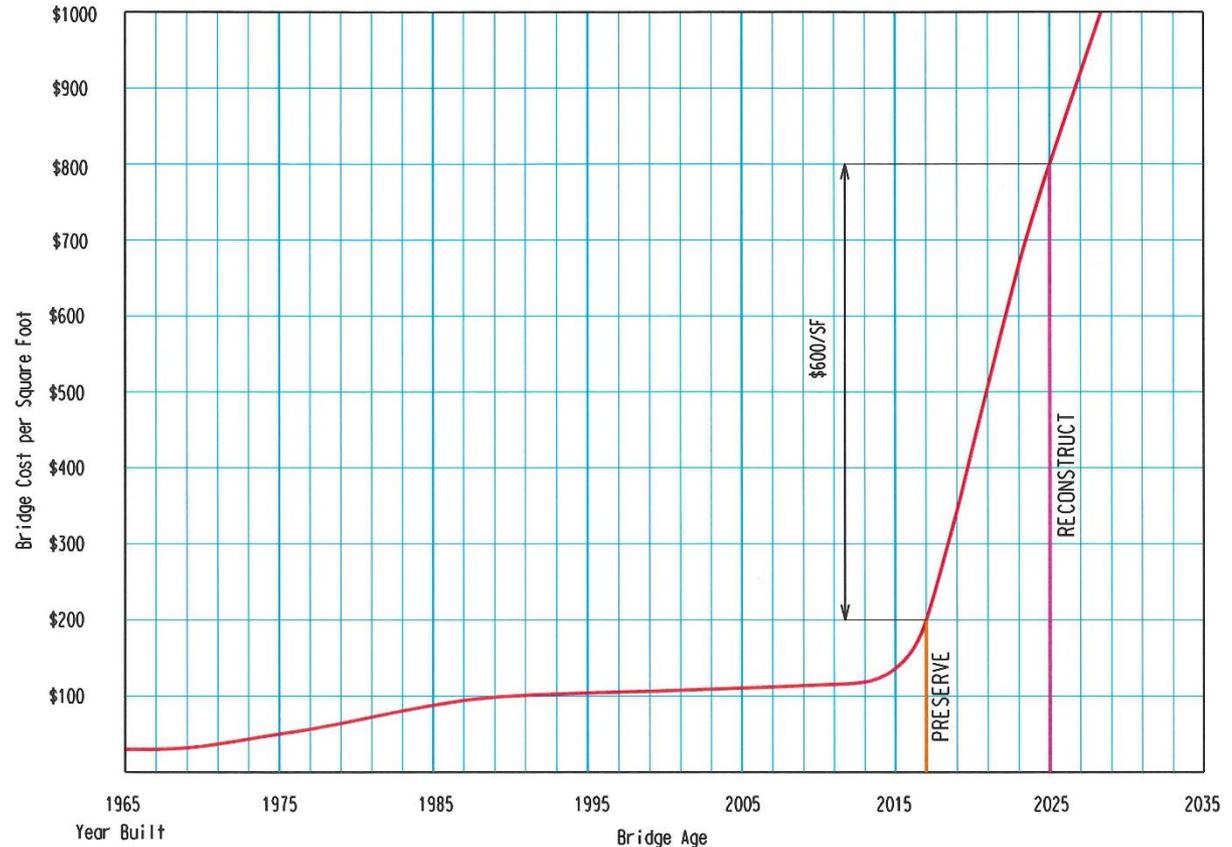
- Of the 1,162 bridges in Rhode Island, about 22 percent of them – 1 out of 5 – are structurally deficient
- 6/10 Project 30 years in Design in Need of Reconstruction
- Project delayed so long RIDOT is now repairing the bridge's temporary supports – shoring the shoring
- The interchange services over 100,000 vehicles per day
- 6/10 Represents a significant safety concern



Estimated Savings of **\$950 Million** By Accelerating Bridge Reconstruction

Deterioration vs. Cost

GROUP 5: Greenwich Avenue Bridge No. 068101
 Greenwich Avenue over I-95, Warwick
 Rhode Works Bonded - \$2.6M start construction 2017, preserve
 Without Rhode Works - \$10.4M start construction 2025, reconstruct

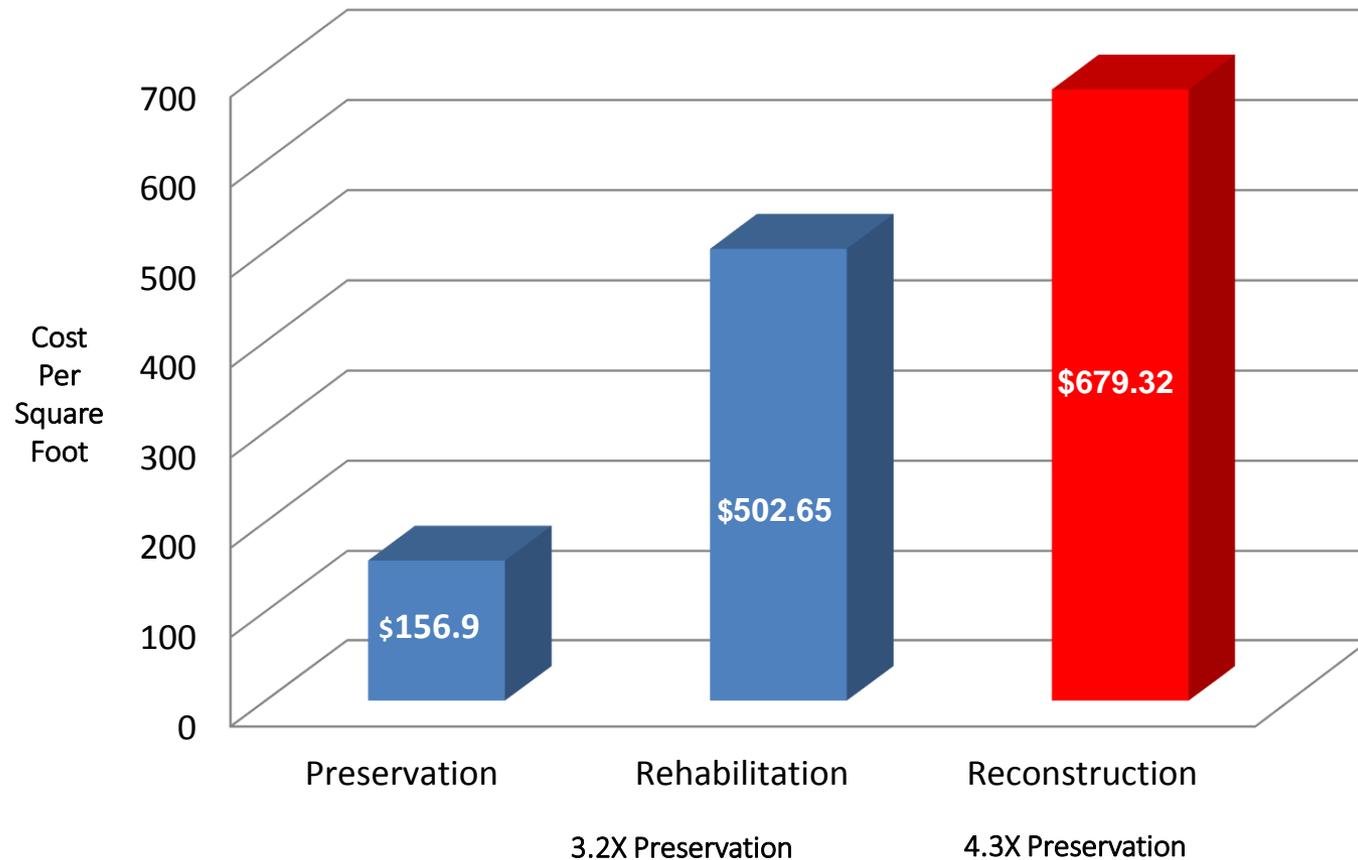


If we don't do this now, it will continue to become more expensive

Greenwich Avenue Bridge, Warwick
 Preservation vs. Reconstruction



Letting Bridges Deteriorate Leads to Much More Costly Rehabilitation and Reconstruction



How Did We Get Here?

According to a 2013 analysis by the **Tax Policy Center**, Rhode Island is tied with South Carolina for second lowest per capita state and local highway spending in the nation



% Shares of Total Spending			
		Federal	State & Local
46	Wyoming	40%	60%
47	Mississippi	41%	59%
48	Georgia	44%	56%
50	Montana	55%	45%
50	Rhode Island	55%	45%

Per Capita FY 13 State and Local Expenditures by State

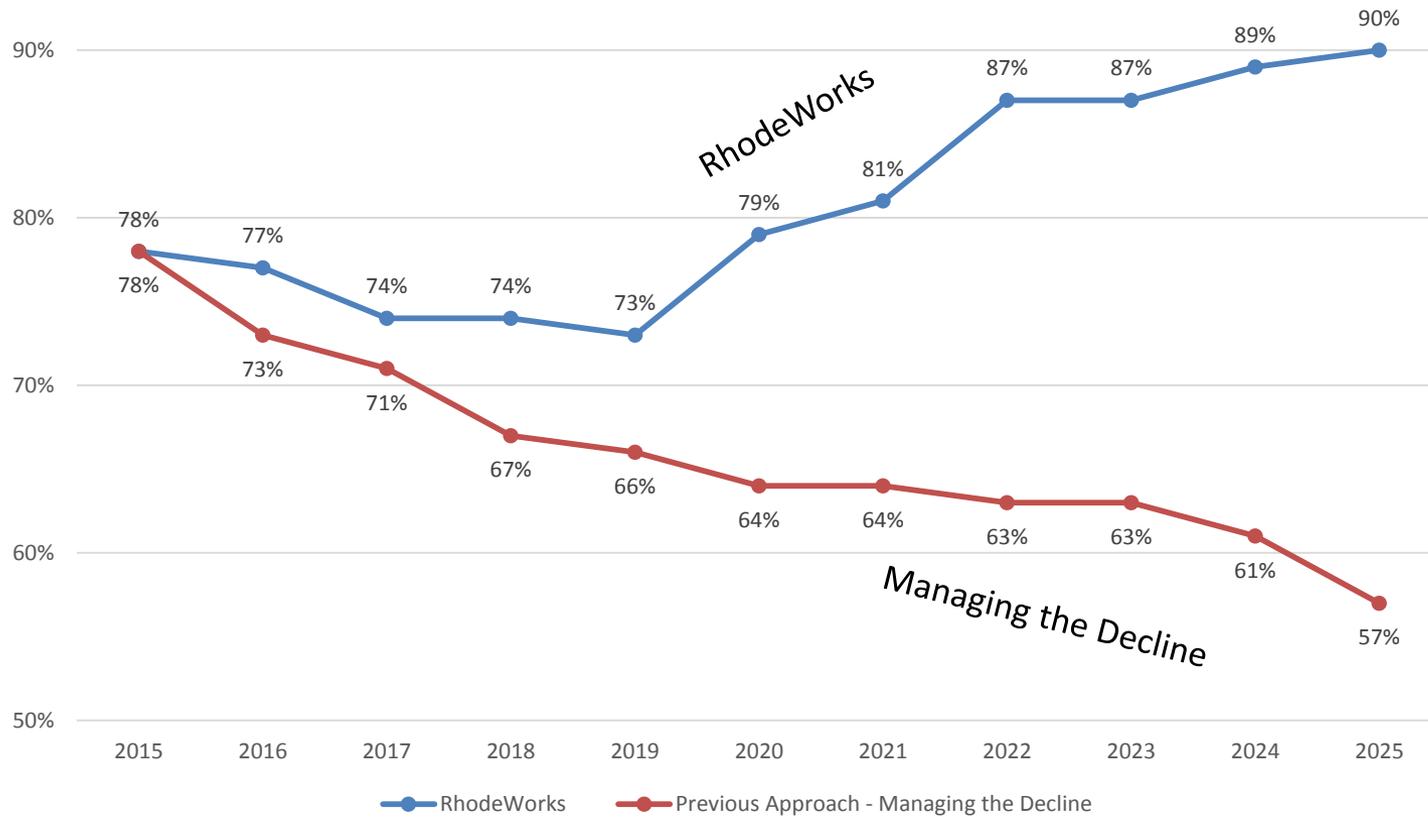
		Highway Spending (\$)
46	Tennessee	370
47	Michigan	351
49	South Carolina	330
49	Rhode Island	330
50	Georgia	296

According to a 2014 **Pew Charitable Trust** report on Surface Transportation Funding, Rhode Island is tied with Montana for lowest state and local funding as a % of total surface transportation funding in the nation



The Solution

Structural Bridge Sufficiency in the Next 10 Years



DRAFT



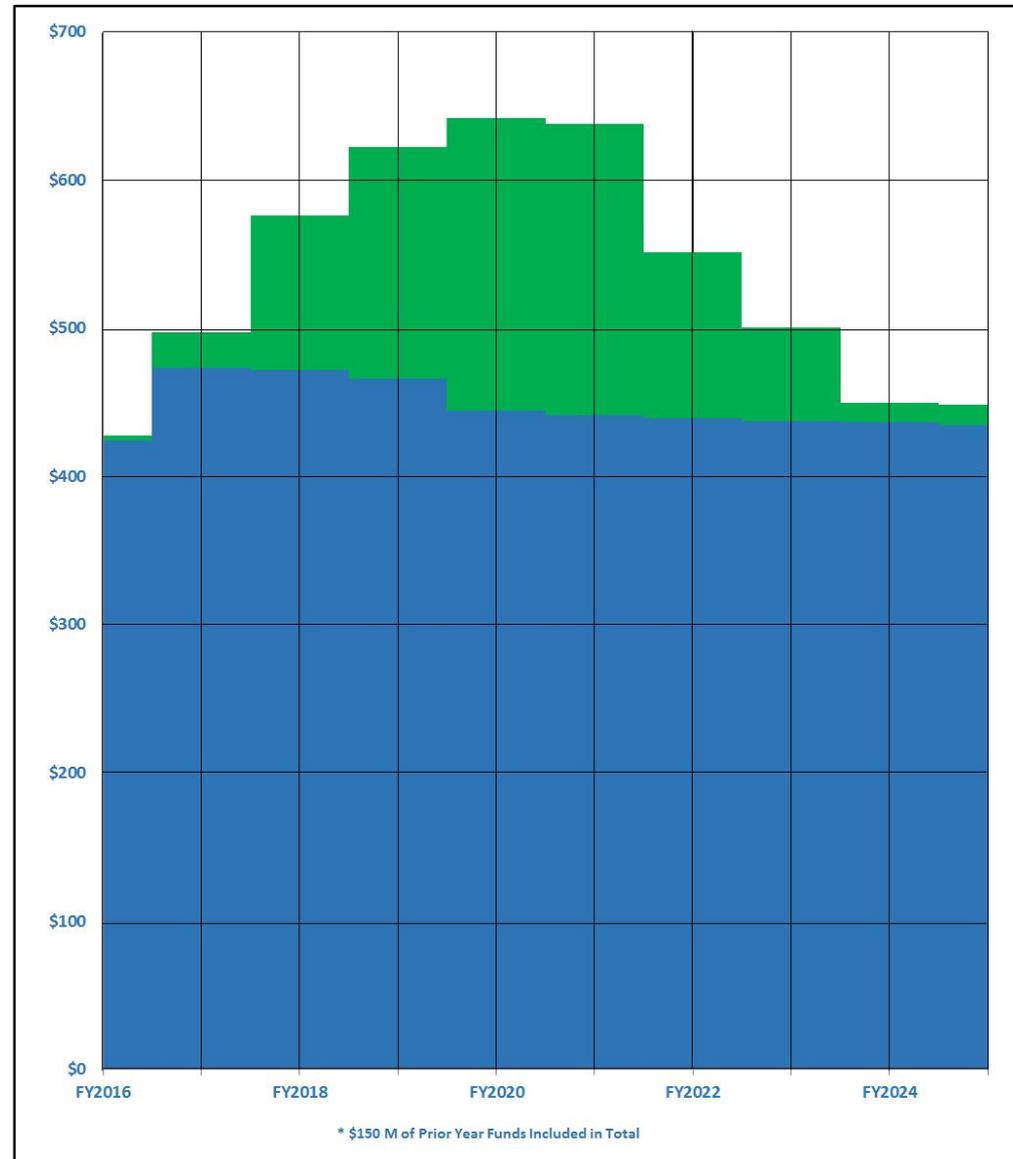
What is RhodeWorks?

It's a bold action plan that will:

- Invest over \$1 Billion over previous funding for our crumbling bridges
- Fix 150 structurally deficient bridges
- Make repairs to another 500 bridges to keep them from becoming deficient

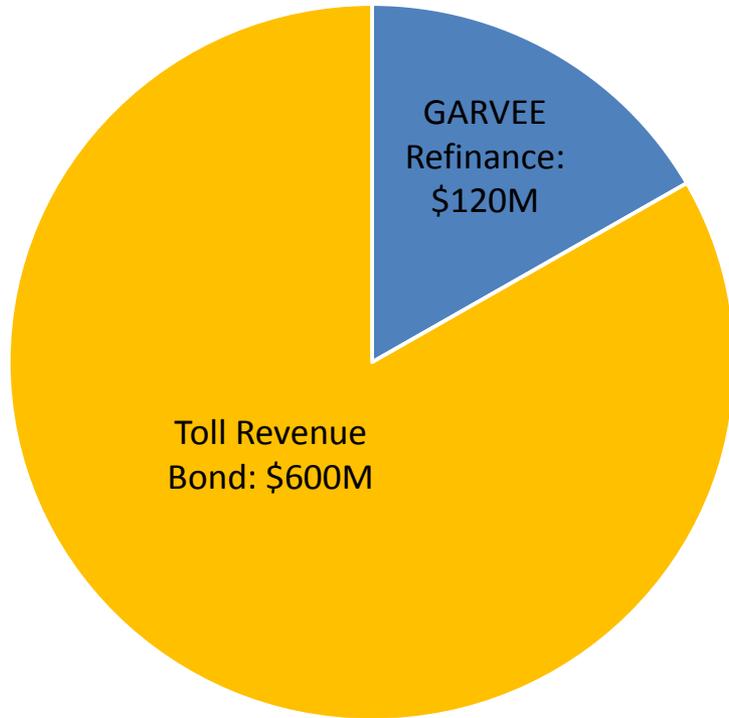
↑ 30% increase in funding compared to previous program

Annual Funding

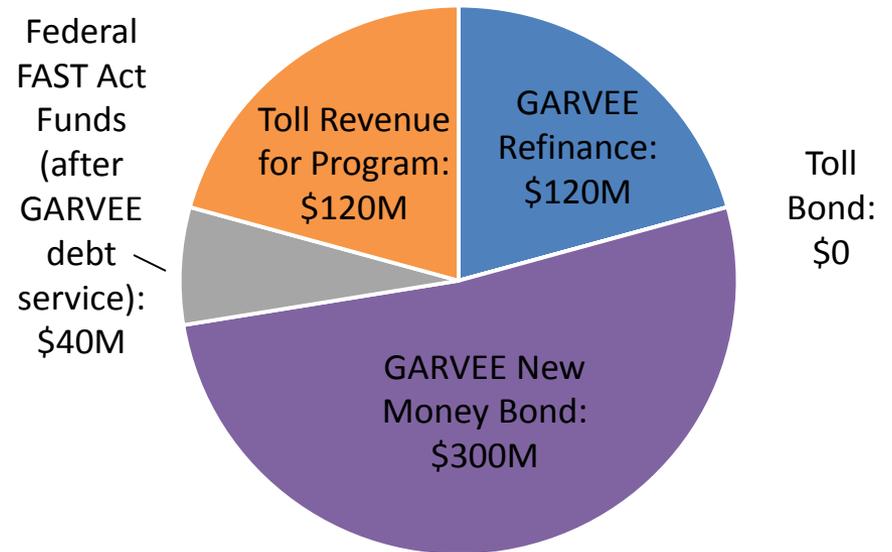


Benefits of RhodeWorks After FAST Act		
	Tolling Locations	3 LESS (14 VS. 17)
	Typical Toll	\$3.00 (\$3.00 VS. \$3.50)
	Cap on Toll to Cross State	\$20 (\$20 VS. \$30) (\$10 LESS)
	90% Bridge Sufficiency in 2025	FUNDED
	Route 6/10 Reconstruction	LOCAL SHARE FUNDED
	Toll-Backed Revenue Bond	NONE (WAS \$600M)
	Federal GARVEE Bond	\$300 MILLION
	Total Bonding	CUT IN HALF (\$300M VS. \$600M)
	Total Interest	INTEREST COSTS REDUCED 65% (\$204M VS. \$578M) (\$374M LESS)
	No Tolling of Cars	CHANGE WOULD REQUIRE VOTER APPROVAL

RhodeWorks Before Federal FAST Act
Total Funding First Five Years \$720M

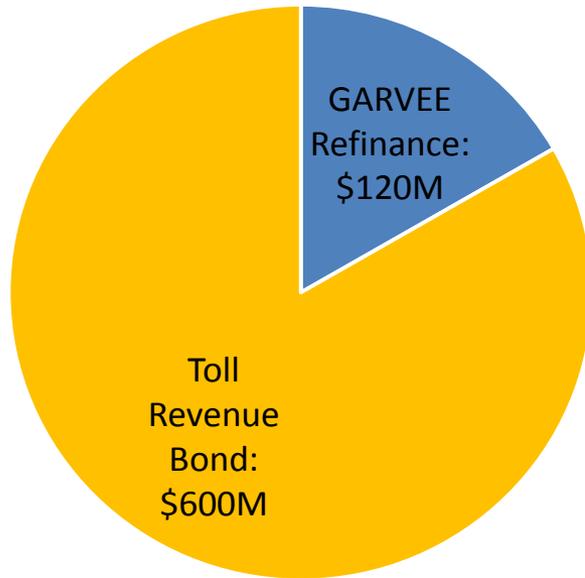


RhodeWorks After Federal FAST Act
Total Funding First Five Years \$580M

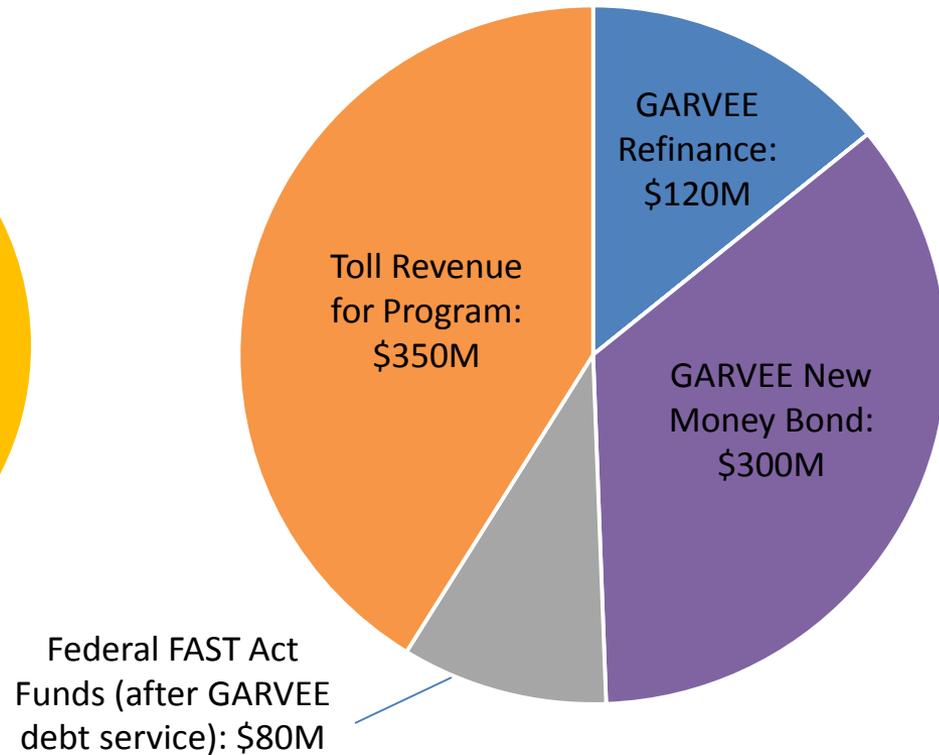


+\$400M in anticipated Federal discretionary funding

RhodeWorks Before Federal FAST Act
Total Funding 10 Years \$720M



RhodeWorks After Federal FAST Act
Total Funding over 10 Years \$850M



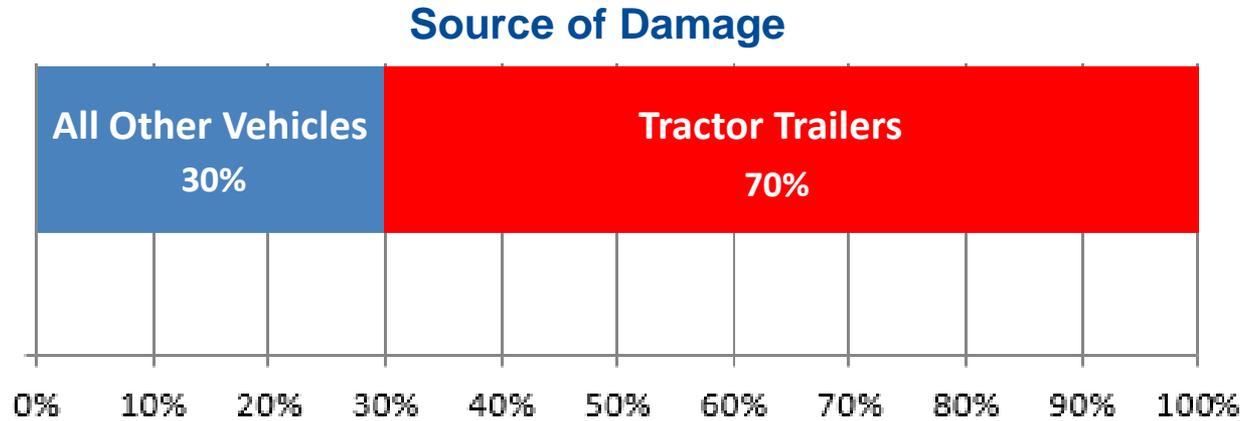
+\$400M in anticipated Federal discretionary funding

Tolling Program

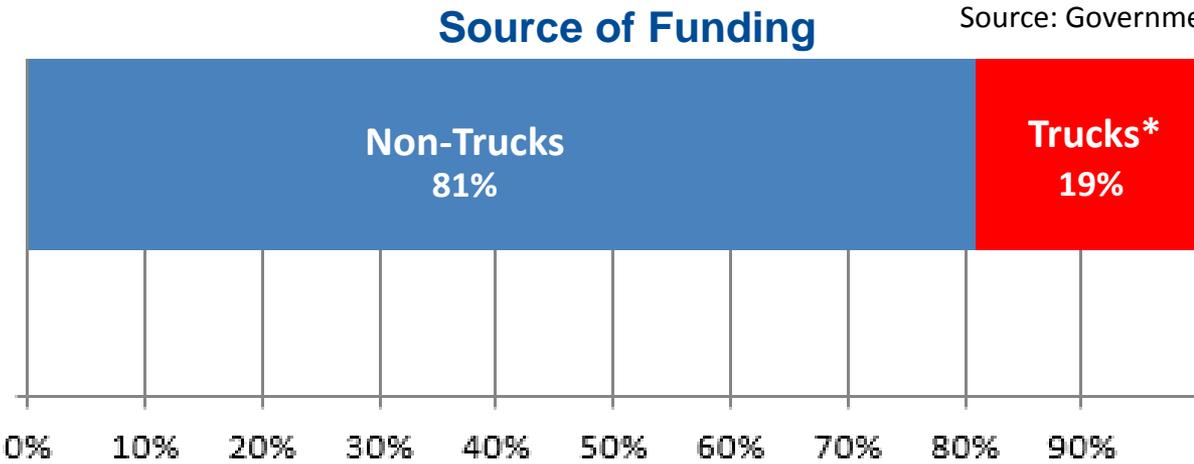
- A user fee will be electronically assessed on large commercial trucks along several bridges on 95, 195, 295, 146, 6 and 10
- The proposed legislation explicitly prohibits RIDOT from placing a user fee on cars, motorcycles, SUVs, pick-up trucks and small commercial vehicles (Classes 1-7)
- Referendum needed to toll passenger vehicles
- “Other tolling policy decisions, such as ... the classes of vehicles upon which tolls are charged, and any toll exemptions or discounts for designated users, are also at the discretion of the public authority.” – FHWA Q&A 23 U.S.C. 129(a)



Assessing User Fees Based on Damage Caused



Source: Government Accountability Office

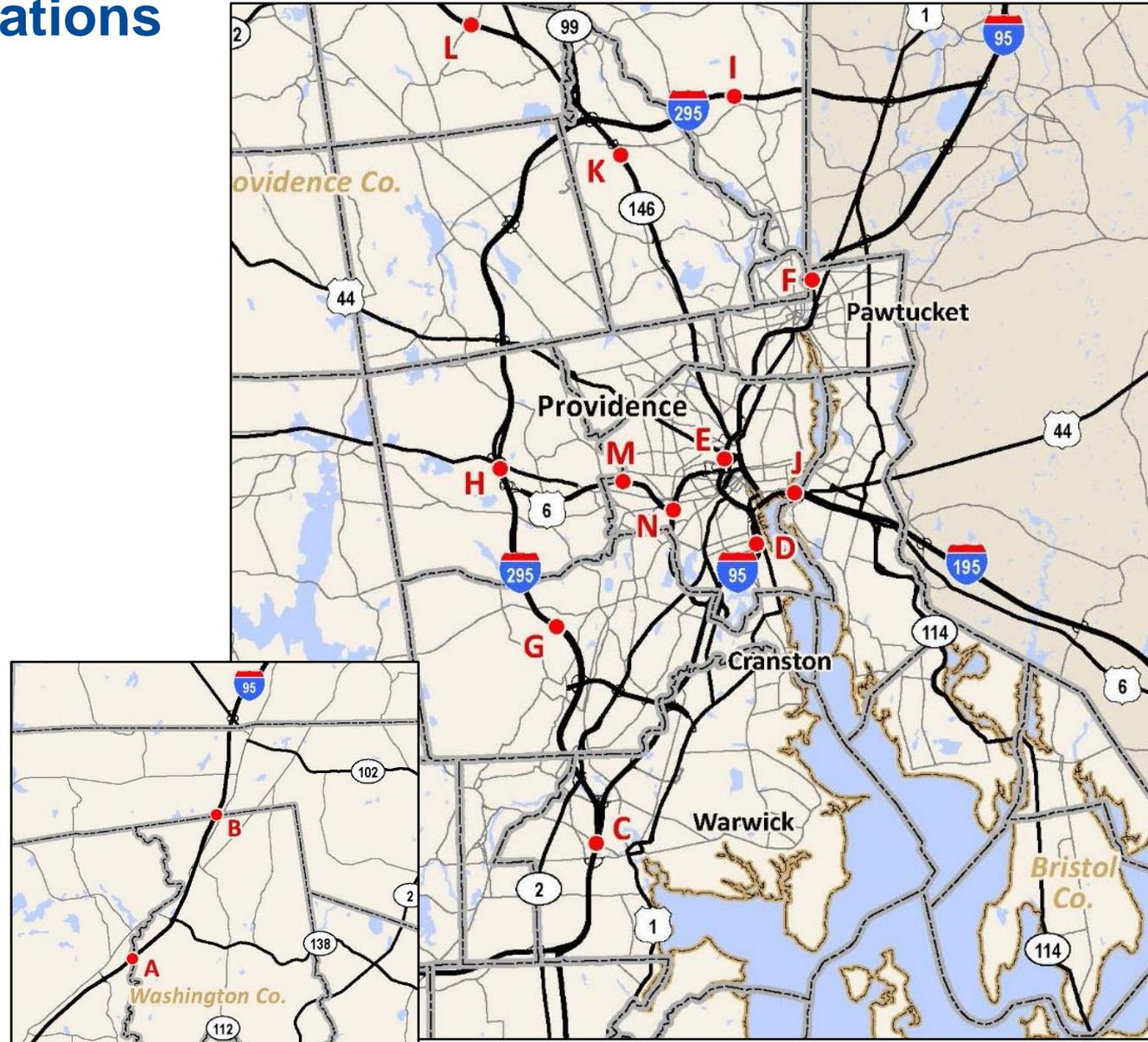


* Includes diesel taxes and truck-related taxes and fees



14 Tolling Locations

- Federal law allows states to place tolls on interstate bridges for bridge reconstruction
- Federal law requires toll revenue be used exclusively for transportation
- Data-driven locations
- Annual audits required
- The US Secretary of Transportation can suspend tolls if funding not used appropriately
- 14 locations = 0.13 gantries per mile. 3rd lowest among 20 major tolling authorities nationwide



All-Electronic Tolling = No Stopping

- No toll booths
- High-tech system will distinguish between cars and trucks and only toll large, heavy trucks Class 8 and higher
- 80-90% of trucks already have toll transponders
- Video license plate recognition will be used for trucks without a transponder



Tolling Discounts/Caps

- Once per gantry per calendar day per direction
- I-95 border-to-border trip costs \$20 each way with electronic pass
- Max daily cap of \$40 with electronic pass

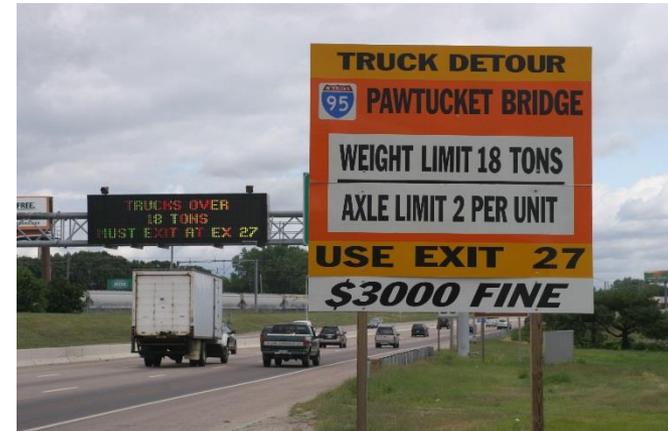
Tolling Rates

- Toll rate is lower than neighboring states
- The proposed user fee is expected to generate about \$45 million annually for bridge reconstruction
- Average toll from New York to Maryland is \$1.71 per mile



- To prevent trucks from diverting off the highway, we will prohibit through-trucking on secondary roads
- Federal regulations do NOT prohibit Rhode Island from restricting through-trucking on secondary roads.
- In the past, truckers have not diverted around highway bridges with weight limits and have paid a \$3,000 fine instead
- RIDOT working with communities to address their concerns on diversion

**NO
TRACTOR
TRAILERS
EXCEPT
LOCAL
SERVICES**



Federal Funding

GARVEE Basics

- Grant Anticipation Revenue Vehicle (GARVEE) is an innovative Federal financing program
- More than \$7.6B in GARVEEs issued nationally
- Bonds issued with the backing of future Federal transportation (Title 23) funds
- Rhode Island has issued GARVEEs before to fund five major projects

New RhodeWorks GARVEE = **\$300M**

- ✓ Assumed Maximum Interest & Issuance Cost = \$189M
- ✓ Bond Term = 15 Years
- ✓ Maximum Total Cost = \$490M



GARVEE Refinance

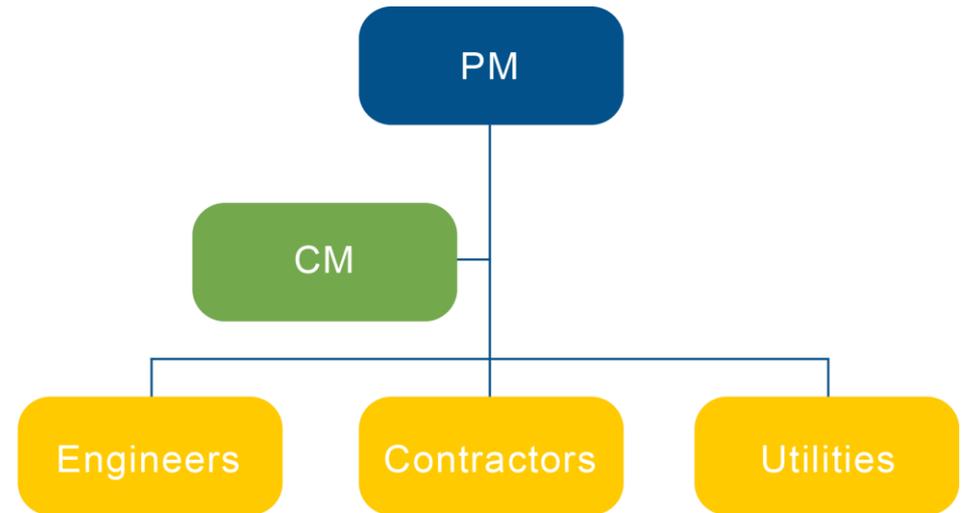
- ✓ Makes \$120M federal funding available first three years
- ✓ Interest and Issuance Cost = \$15M

Total Maximum Interest/Issuance Costs = \$204M
 Cost of Issuance = \$2M

Program Readiness

RIDOT & Industry Stand Ready to Work

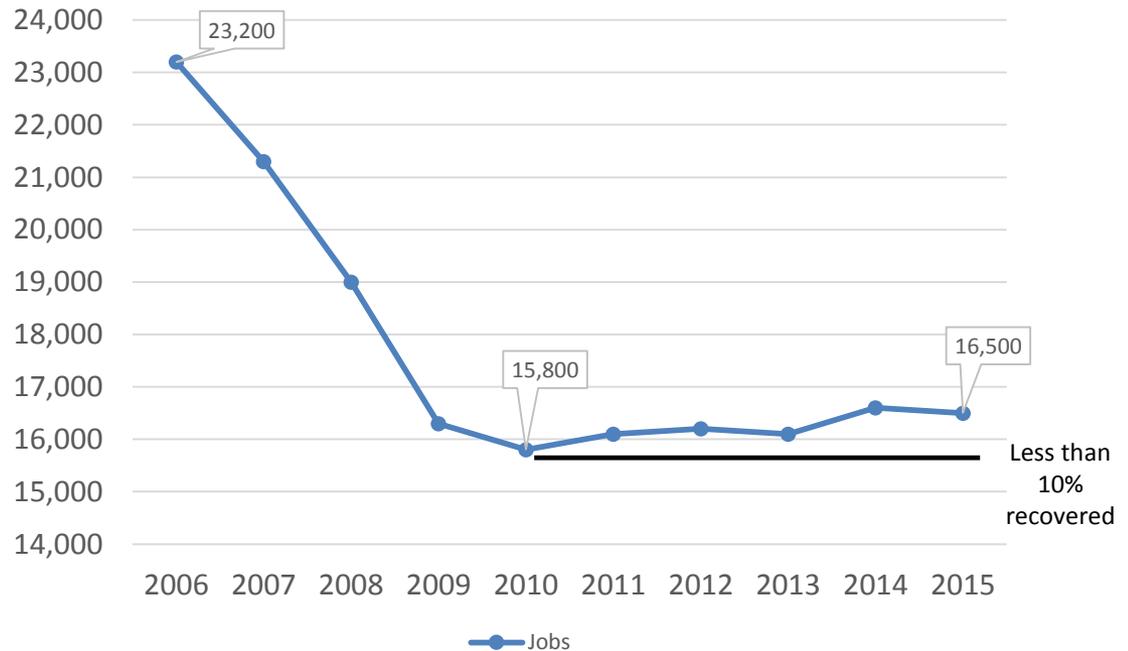
- Largest ever reorganization of RIDOT is underway
- New Project Management approach will provide greater accountability – ensuring projects are built on time, on budget and to specification
- Industry has handled surge of construction funding before – it's ready, willing and able to get the job done



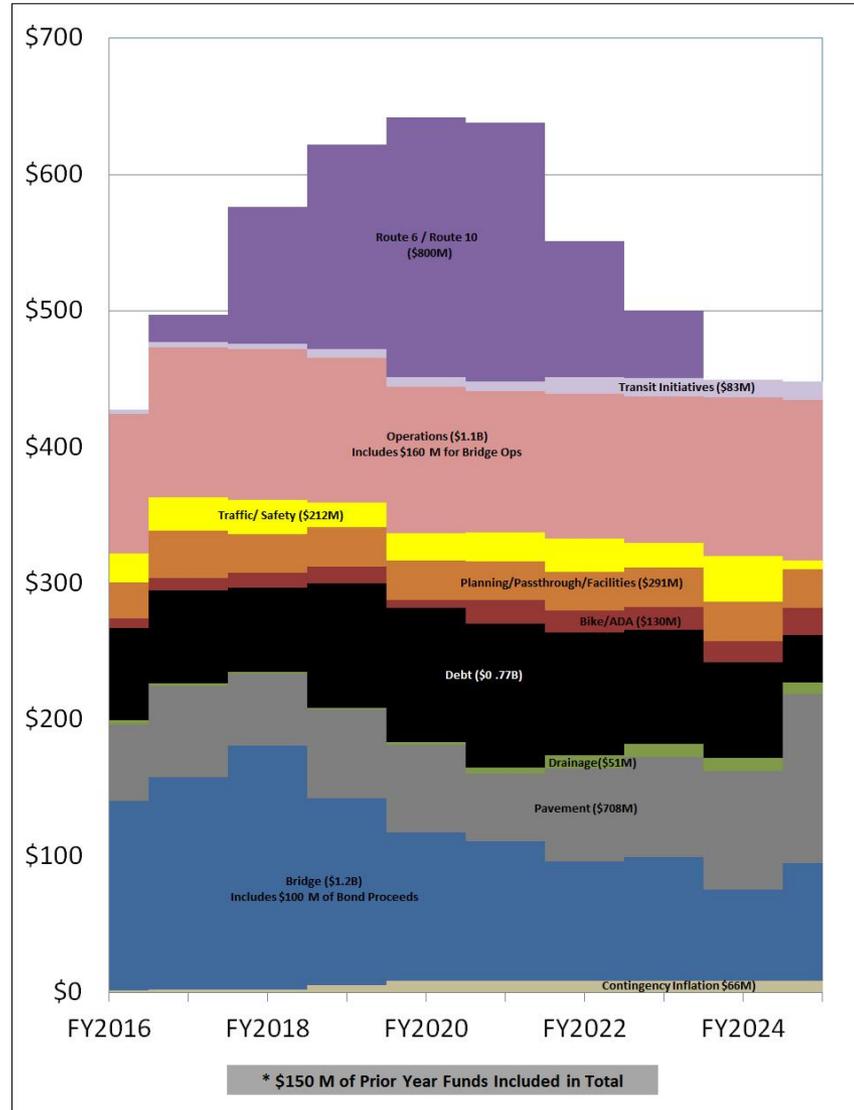
6,000 Jobs



- Construction industry one of the hardest-hit job sectors by the Great Recession
- RIDOT put more construction work out in 2015, but still saw net loss in jobs
- Construction industry has recovered less than 10% of the jobs lost in the Great Recession



\$4.7 Billion



More than Just Bridges

Over 10 Years:

- \$80M More for Transit
- \$37M More for Transportation Alternatives
- \$30M More for Pavement

Program Benefits



\$950 million SAVINGS by fixing the bridges sooner

-\$204 million in interest costs (including GARVEE refinance)

\$746 million in NET SAVINGS

Plus:

- 90% Bridge Sufficiency Reached in 2025
- Route 6/10 Project Local Share Funded
- More Dollars for Transit, Transportation Alternatives, Paving, Bikes, & Increased Maintenance Capabilities

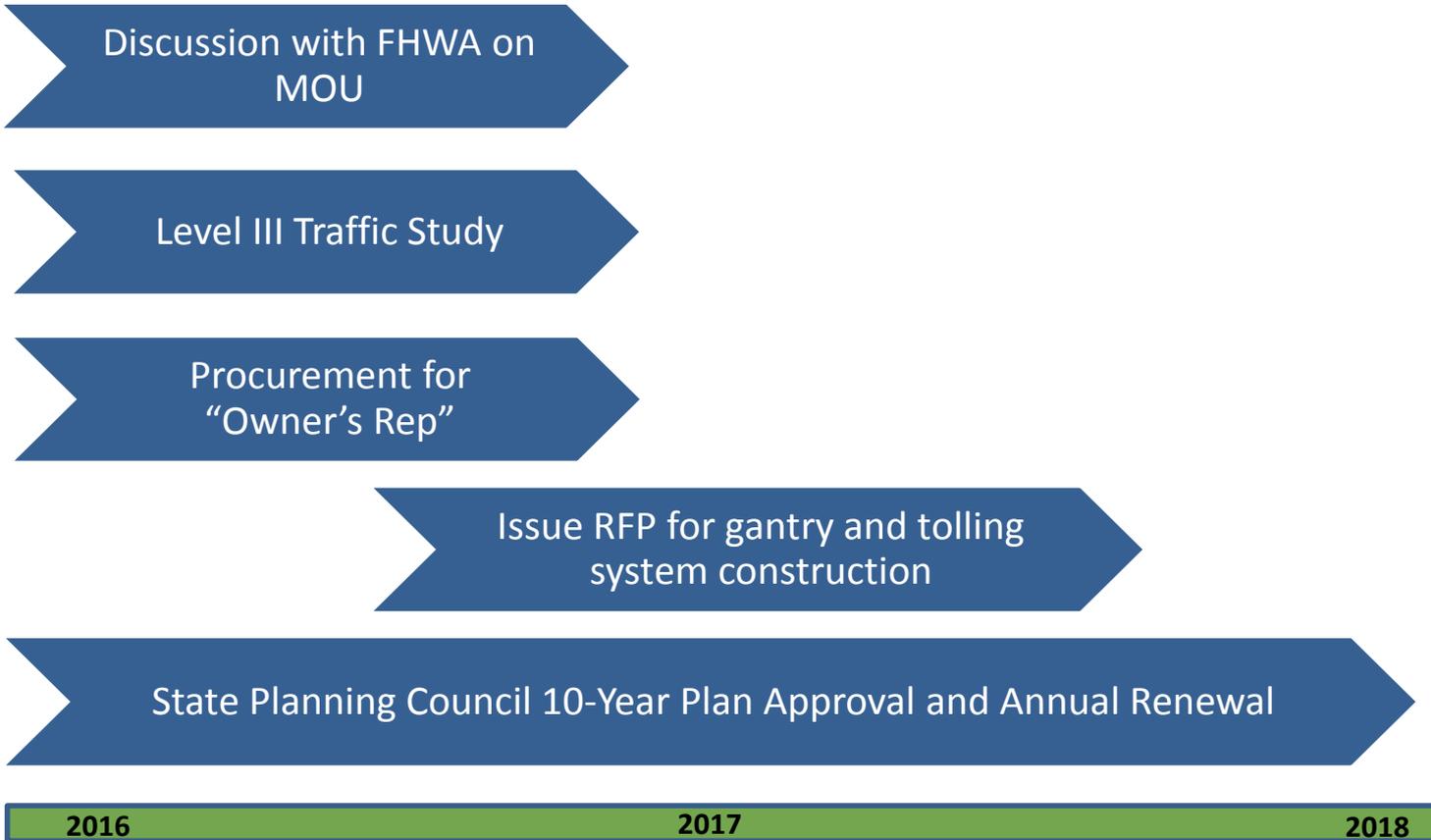


Summary of Proposals

	RhodeWorks	Public Private Partnerships H7340	H7192	RI Trucking Association Plan
Funding Sources	Truck Tolls	No Funding Source Identified	Existing Budget	Raise diesel tax Raise truck registration Fees
Funding Generated	Nearly \$45 million Per Year	None	\$3.5 M Per Year	\$12.5M per year
Fairly assesses fees on users	Yes	No	No	No
Reach 90% Bridge Sufficiency by 2025	Yes	No	No	No
Saves Taxpayers nearly \$1 billion in Bridge Reconstruction Costs	Yes	No	No	No
Sufficient Funding to Address 6/10	Yes	No	No	No
Positions RI to Attract More Federal Funding	Yes	No	No	No
Adds 6,000+ Jobs	Yes	No	No	No
Additional funding for Transit, Transportation Alternatives and Pavement	Yes	No	No	No

Next Steps

Immediate implementation after passage:



RHODE WORKS

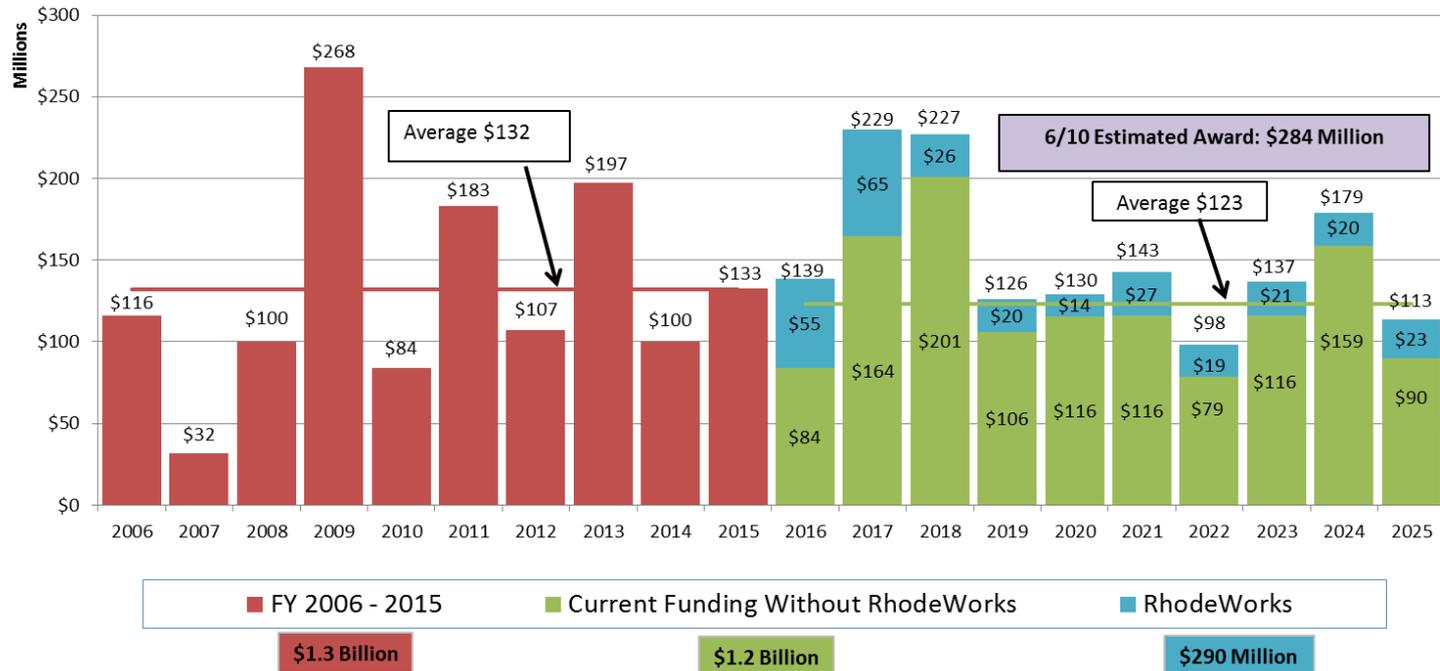


www.dot.ri.gov/rhodeworks

- RhodeWorks Fact Sheet
- RhodeWorks Bill Comparison
- Preliminary Tolling Locations
- RIDOT's 10-Year Plan
- Truck Traffic County Summary Report
- REMI Economic Impact Study
- Structurally Deficient Bridges Map
- State-by-State Bridge Deficiency Rankings

Appendix: Additional Information

RIDOT Actual & Estimated Construction Awards



Anticipated Annual
Revenue of Nearly

\$45
Million

Corridor	Number of Toll Locations	City/Town	Total EZ Pass Toll for Corridor	Average Daily Multi-Unit Truck Transactions ^{1,2}	Estimated Annual Revenue (\$ Millions)
Interstate 95	6	Exeter, Hopkinton, Pawtucket, Providence, Richmond, Warwick	\$20.00	19,760	\$25.25
Interstate 295	3	Cranston, Cumberland, Johnston	\$11.50	4,500	\$6.49
Interstate 195	1	East Providence, Providence	\$5.50	3,310	\$6.64
Route 146	2	Lincoln, North Smithfield	\$8.00	2,740	\$4.12
Route 6/10 Corridor	2	Providence	\$8.50	1,350	\$2.31
				Total Annual:	\$44.81
Note 1: Includes 25% Diversion Rate and One Charge per Day Per Gantry Cap on Repeat Trucks					
Note 2: Represents total number of individual gantry transactions in corridor					

A Different Type of Funding

Toll-backed Revenue Bonds	GARVEE Bonds
<ul style="list-style-type: none">Toll-backed Revenue Bonds are municipal bonds issued to finance road and bridge projects	<ul style="list-style-type: none">GARVEE Bonds are a financing mechanism used by many states to finance transportation projects
<ul style="list-style-type: none">These bonds are secured by the future revenue from the tolls associated with the project for which the bond was issued	<ul style="list-style-type: none">These bonds are secured solely by federal transportation funds from the federal highway trust fund
<ul style="list-style-type: none">The revenue collected from the tolls is used to pay debt service over the life of the project	<ul style="list-style-type: none">This debt financing instrument has a promise of future federal aid for debt service

Taxpayers are not on the hook