The Potential Impact of Tolling on I-70
What Warren County Needs to Know
EFFORTS OF THE EDC

Jobs:
318 new
80 retained

Wages:
135% of county average wage

Investments:
$113.8M confirmed
I-70 Economic Benefit

WITHIN 30 MILES OF INTERSTATE 70

49% of Missouri’s Employers

63% of Missouri’s Jobs

61% of Missouri’s Population

The backbone of our State’s economy
The Current Situation

Options for Enacting Tolls

- Legislative Authority
- Voter Approval
- Public Private Partnerships (PPP(p³))

$2B to $4B
The MoDOT Plan

- MoDOT received a waiver from the Federal Highway Administration in 2005 to impose and collect tolls on the I-70 corridor (MO, VA, NC)
- Governor Nixon requested in 2014 that MoDOT develop a plan for tolling I-70

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<tr>
<td>I-70 Corridor</td>
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<td>Toll Project Authorization</td>
<td>Investment Grade Study</td>
<td>EIS Re-evaluation</td>
<td>Private Sector Partner Procurement</td>
<td>Financing</td>
<td>SELECTION</td>
<td>Preliminary (ROW) Plans</td>
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“This can only be accomplished “in concert with a private sector partner”
MoDOT
(c) Interstate System Reconstruction and Rehabilitation Pilot Program- Section 1216(b) of the Transportation Equity Act for the 21st Century (Public Law 105-178) is amended--

(A) GENERAL TERM FOR EXPIRATION OF PROVISIONAL APPLICATION- An application provisionally approved by the Secretary under this subsection shall expire 3 years after the date on which the application was provisionally approved if the State has not--

i. submitted a complete application to the Secretary that fully satisfies the eligibility criteria under paragraph (3) and the selection criteria under paragraph (4);   
   iv. the State has the authority required for the project to proceed.

ii. completed the environmental review and permitting process under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) for the pilot project; and

iii. executed a toll agreement with the Secretary.

(B) EXCEPTIONS TO EXPIRATION- Notwithstanding subparagraph (A), the Secretary may extend the provisional approval for not more than 1 additional year if the State demonstrates material progress toward implementation of the project as evidenced by--

i. substantial progress in completing the environmental review and permitting process for the pilot project under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.);

ii. funding and financing commitments for the pilot project;

iii. expressions of support for the pilot project from State and local governments, community interests, and the public; and

iv. submission of a facility management plan pursuant to paragraph (3)(D).

(C) CONDITIONS FOR PREVIOUSLY PROVISIONALLY APPROVED APPLICATIONS- A State with a provisionally approved application for a pilot project as of the date of enactment of the FAST Act shall have 1 year after that date of enactment to meet the requirements of subparagraph (A) or receive an extension from the Secretary under subparagraph (B), or the application will expire.
How Did We Get To This Point?
What Warren County Needs to Know
### Recent History of Transportation Funding

#### 2014
Amendment 7: three-quarters of one percent sales tax to be used solely to fund state and local highways, roads, bridges and transportation projects for ten years. Would produce $480 million annually to the state's Transportation Safety and Job Creation Fund and $54 million for local governments.

#### 2004
Amendment 3, which requires all revenues collected from the sale of motor vehicles come to MoDOT. It requires the Missouri Highways and Transportation Commission to issue bonds for building highway and bridge projects and uses these additional revenues to pay back the bonds.

#### 2002
Legislation is passed extending the 6-cents-per-gallon motor-fuel tax, which was due to expire in 2008.

**Proposition B**—a 4-cent per gallon increase in fuel taxes and general sales tax of ½% was defeated.

#### 2000
Legislation was passed allowing MoDOT to issue $2.25 billion in bond financing to accelerate highway improvements. MoDOT can issue up to $500 million per year in bond financing through the year 2006.

#### 1992
A 6-cent per gallon increase in the motor fuel tax is passed by the Legislature. The 6 cents is to be phased in over a 5-year period; 2 cents in 1992, 2 cents in 1994 and 2 cents in 1996.

#### 1987
**Proposition A**, a constitutional amendment to increase the motor fuel tax by 4 cents per gallon,
How Missouri Compares to Surrounding States

- Missouri has more than 34,000 miles of state-owned and maintained roads
- Missouri has 10,400 bridges to maintain
- Missouri has 268,201 lane miles of road surface
- Missouri is the 7th largest system in U.S.
- Missouri ranks 45th in state gas tax rate (2014)
State Comparison of Fuel Taxes

Missouri (17c, State)
- 35.40 gas
- Last raised 1996
- 41.40 diesel
- Last raised 1997

US Average
- 48.69 gas
- 54.41 diesel

Federal Rates
- 18.40 gas
- 24.40 diesel
Fuel Consumption

Millions of gallons


Gasoline

Diesel
The Result

- Revenue has not kept pace with construction costs
  - Consumption flat
  - No tax increase
- Debt service of 2000-2006 bonds and Amendment 3 using a portion of available funds
- Construction budget is projected to be ¼ of the high point in 2009.
- Construction funding primarily for maintenance of the existing system
- Looking for alternative funding and strategies for large projects, i.e I-70
Why Oppose Tolling on I-70?

What Warren County Needs to Know
The Potential Impact

- All merchandise shipped in will have a toll mark up.
- All workers entering & leaving the County (57% of workforce) will be tolled twice daily.
- Warren County will become non-competitive with surrounding counties for attracting jobs.
- Warren County will no longer be considered a “location of choice” for new residential development.
- A toll will have a negative impact on economic growth, businesses, jobs, housing values, and retail sales which will impact the tax base.
- All personal, social, family, sports, lake, Mizzou trips will be affected by tolls.
- Impact on secondary roads and communities will be significant.
The Potential Costs

- Cost of Commuting to/from St. Charles
  - $3.00/day
  - $780/year
- Cost to attend Mizzou game
  - $19.50
- Cost to go to Lake of Ozarks
  - $13.50
- Cost to go to Montgomery City
  - $5.40
- Cost to/from Warrenton to Wright City
  - $2.10
- Cost to go to St. Louis
  - $3.00
- Cost to go to Kansas City
  - $57.00

* Based on MoDOT estimate of $.15 per mile—roundtrip estimate

PLUS YOU STILL WILL PAY FUEL TAXES

- Truck toll to deliver to/from St. Louis
  - $9.00
- Truck toll to deliver to/from Columbia
  - $58.50
- Truck toll to deliver to/from Kansas City
  - $153.00

* Based on MoDOT estimate of $.45 per mile
Public Private Partnerships

- **What they are:**
  Private firms that finance, design, build, operate and maintain publicly owned assets

- **How they work:**
  They control a publicly owned asset through a long term lease and charge a fee to use the asset that will recover their costs plus profits

- **Who are they:**
  Often times they are conglomerates that are largely funded by foreign interests.

Through 2013, 5 long term lease agreements (P3s) have been executed in the U.S.

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<th>Facility</th>
<th>Length</th>
<th>Terms</th>
<th>Costs</th>
<th>Notes</th>
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<tbody>
<tr>
<td>Chicago Skyway-IL</td>
<td>7.8 miles</td>
<td>99 years</td>
<td>$.57 to $4.52 per mile</td>
<td>Existing toll road</td>
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<tr>
<td>Pocahontas Parkway-VA</td>
<td>8.8 miles</td>
<td>99 years</td>
<td>$.36 to $.82 per mile</td>
<td>New roadway</td>
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<tr>
<td>Indiana Toll Road-IN</td>
<td>157 miles</td>
<td>75 years</td>
<td>$.03 to $.55 per mile</td>
<td>Existing toll road Bankruptcy-2013</td>
</tr>
<tr>
<td>Northwest Parkway-CO</td>
<td>8 miles</td>
<td>99 years</td>
<td>$.43 to $.86 per mile</td>
<td>Existing toll road</td>
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<tr>
<td>PR-22</td>
<td>54.5 miles</td>
<td>40 years</td>
<td>$.17 to $.72 per mile</td>
<td>New roadway</td>
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Solutions the EDC Supports

- **INCREASE** the current **STATE** fuel tax
  - A one cent gas tax increase in MO will generate $30M/year
  - A one cent diesel fuel tax increase in MO will generate $9.8M/year
- **INCREASE** the current **FEDERAL** fuel tax
- Levee a **SALES TAX** dedicated to transportation
- Create a **BONDING** mechanism for transportation projects
- Assess a **USER FEE** based on miles driven
- Tax **ALL MOTOR FUELS** equally-natural gas, electric, hydrogen, propane, and others
- Dedicate a percent of **STATE REVENUE GROWTH** to transportation
- Increase **VEHICLE REGISTRATION** and **LICENSE FEES**
Our Plan for Moving Forward

• Build a Coalition against tolling
• Develop a grassroots network
• Educate residents and business owners on the impact of tolling
• Lobby policymakers to prevent tolling
• EDC Day at the Capitol
• Support fair, equitable and viable transportation funding solutions
What You Can Do to Help

• Unify around the issue
• Row in the same direction
• Educate yourself, family members, customers, and neighbors on the impact of tolling
• Join the grassroots movement
• Spread the word with your constituents
Questions?

The Greater Warren County EDC