

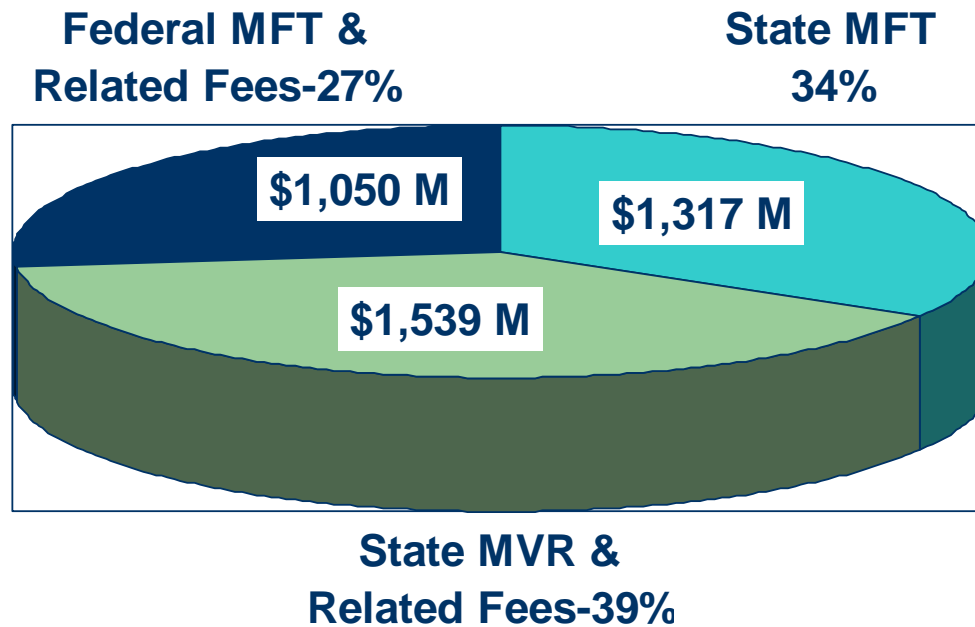
Pavement Funding

IAPA Annual Meeting

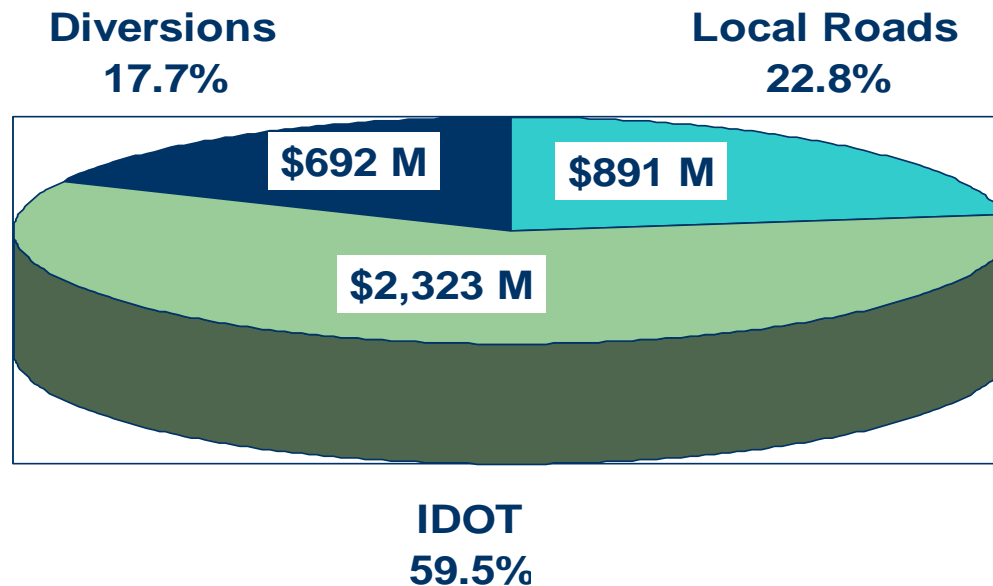
March 13, 2006



Highway User Fees for FY2005



Distribution of Highway User Fee Revenues for FY2005



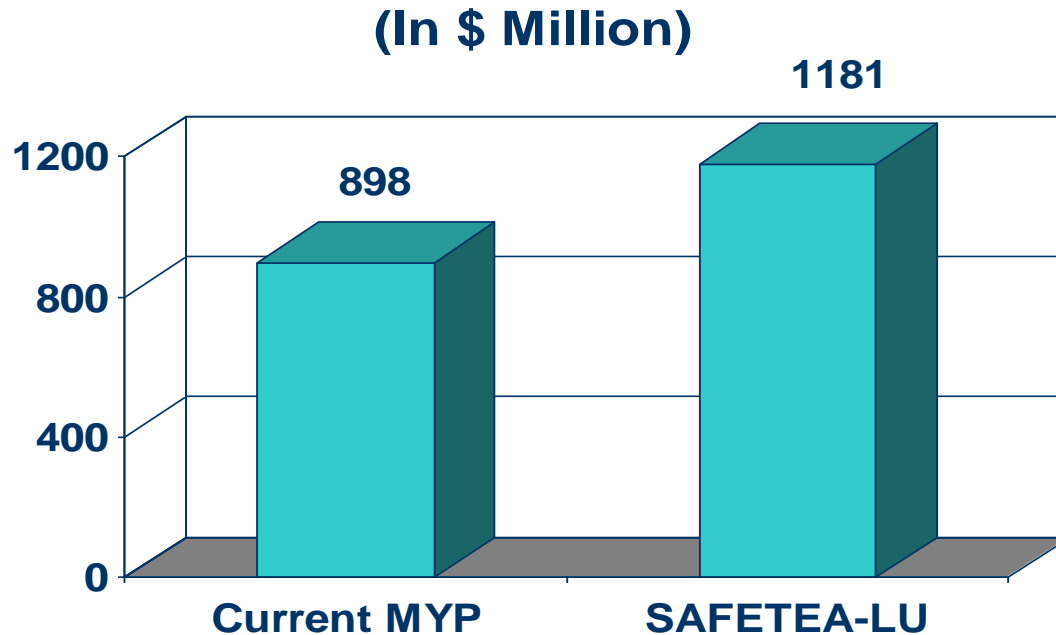
Federal Highway Funds

- SAFETEA-LU Authorizes for Illinois
 - \$250 Million: Ave. Annual Earmarked Funds
 - \$1.1 Billion: Est. Ave. Annual Formula Funds
- Previous Federal Bill Provided \$930 Million a Year

Federal Funding Challenges: Highways

- Funding Cuts
 - Obligation Ceilings Set at 85% to 90%
 - Other Cuts
- Dwindling Highway Trust Fund Balances

Federal Funds to Hwy. Imp. Prog. Average Annual Amounts

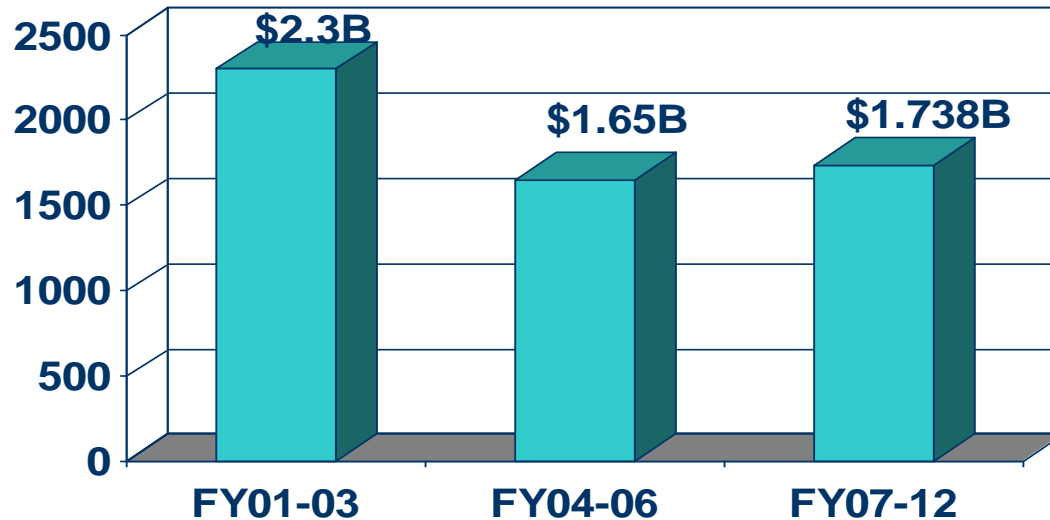


State Highway Challenges

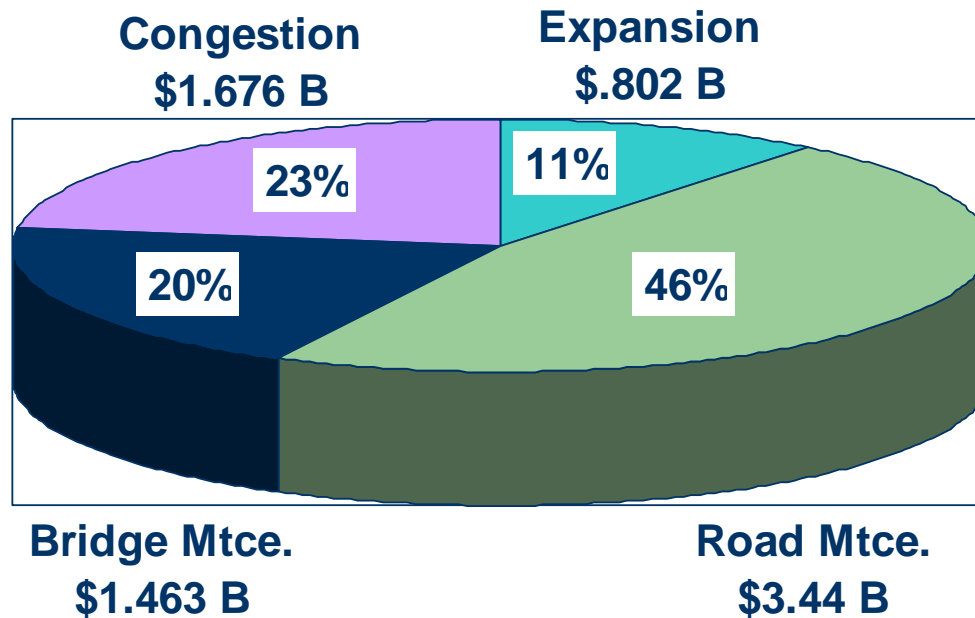
- Declining Highway Program
- Priority to Existing System
- Little to No Funding for:
 - Interstate Reconstruction
 - Congestion Relief
 - New Roads
 - Completion of Federally Earmarked Projects

Highway Program Declining

Average Annual Highway Program

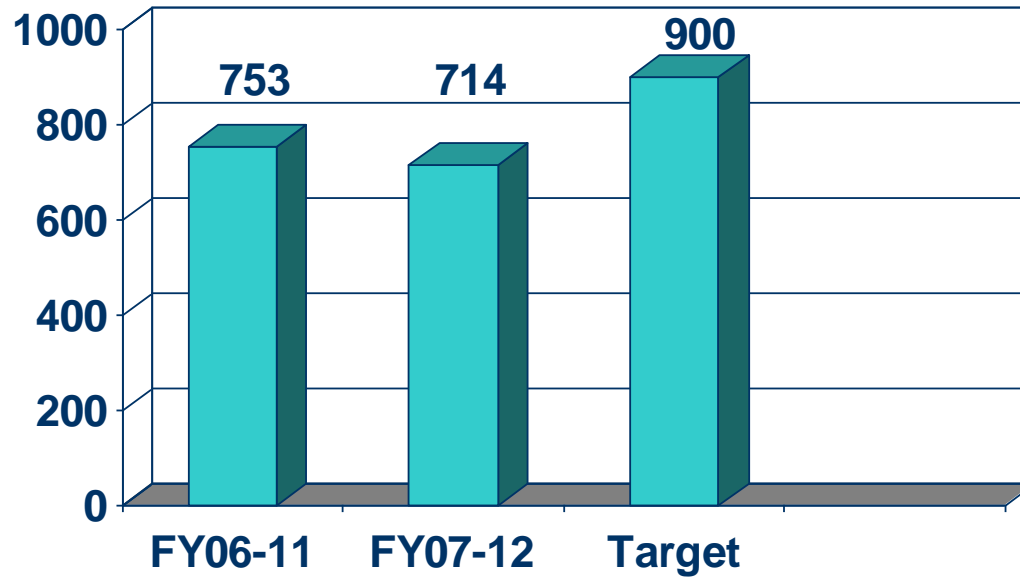


FY07-12 State Highway Program



System Maintenance Declining

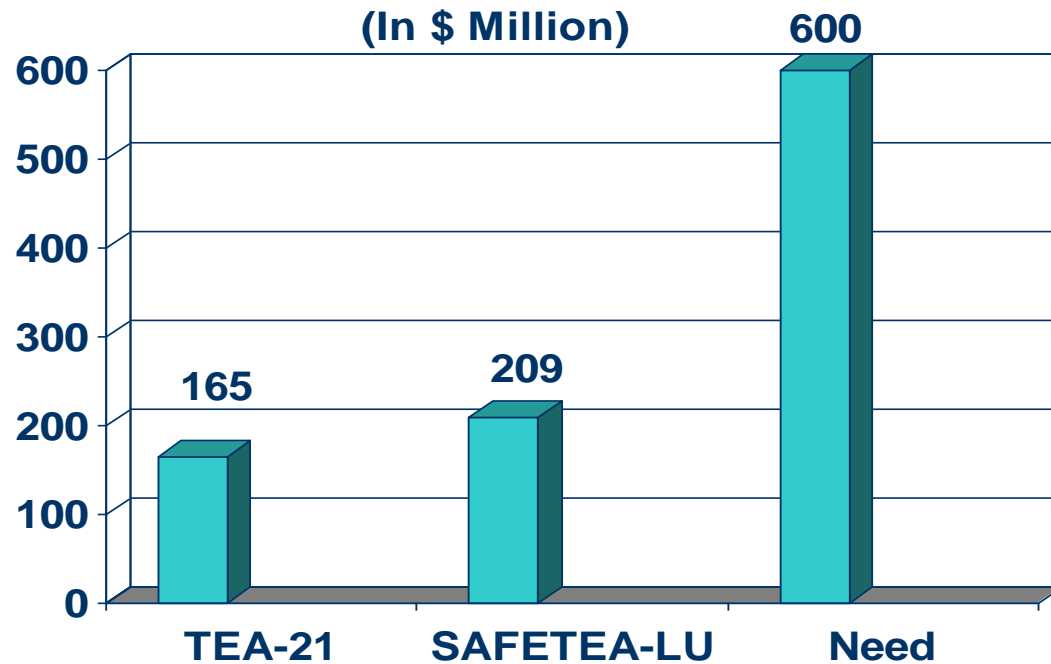
Ave. Ann. Miles Improved



FY07-12 System Maintenance

<u>District</u>	<u>Miles</u>	<u>District</u>	<u>Miles</u>
-D.1	633	-D.6	254
-D.2	624	-D.7	470
-D.3	583	-D.8	141
-D.4	688	-D.9	314
-D.5	275	Contr.Mtce.	300

Interstate Reconstruction Est. Average Annual Funding



Congestion Relief

- In 2003, Congestion in Chicago Area:
 - Cost Nearly \$4.3 Billion
 - Wasted 151 Million Gallons of Gasoline
- FY 2000-04 Program Included 155 Miles of Major Congestion Relief Projects
- FY 2007-12 Program Includes Estimated 71 Miles of Congestion Relief Projects During Next 5 Years

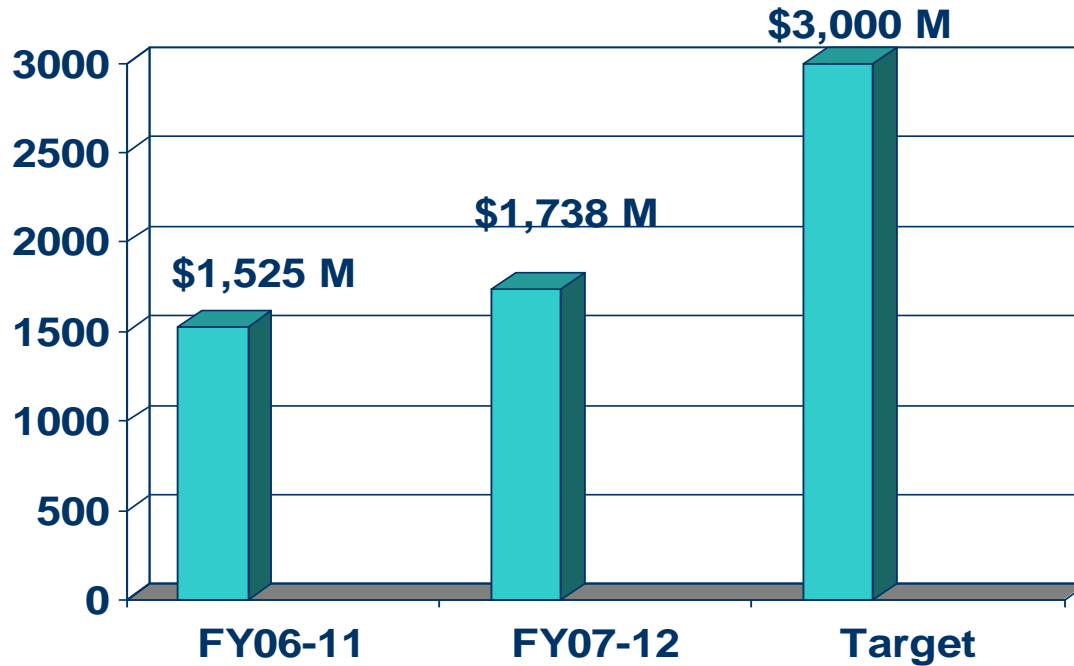
New Roads

- Access to 4-lane Roads Needed for Economic Development
- Many Pre-construction Activities Underway; Unfunded Construction Costs in the Billions
- FY 2000-04 Program Included 87 Miles of New Roads
- FY 2007-12 Program Includes Estimated 56 Miles of New Roads During Next 5 Years

Federal Earmarks

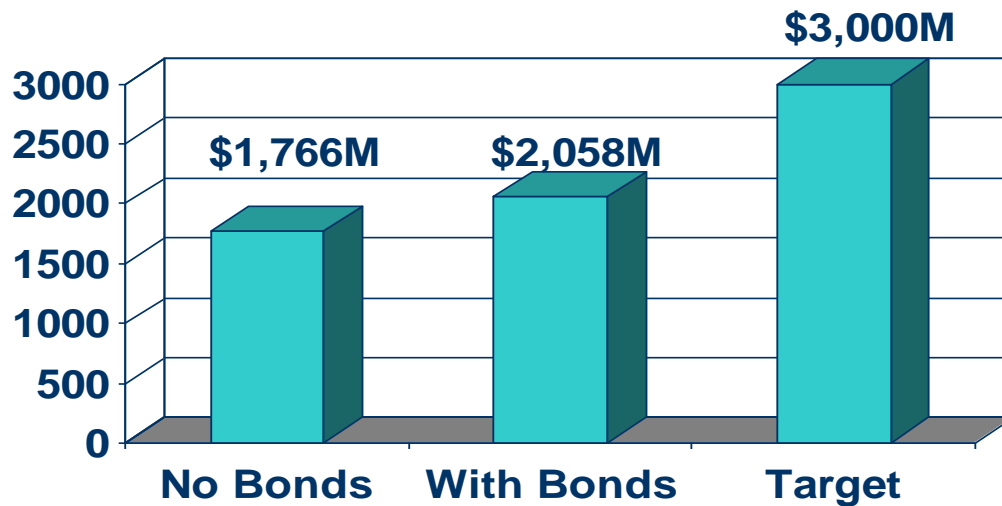
- Earmarked Federal Funding:
 - Totals \$1,257 Million
 - 305 Projects
 - On State & Local System
 - Many for Congestion Relief & New Roads
- With Match, Totals \$1,571 Million
- Far Short of Cost to Complete

Average Annual Highway Program

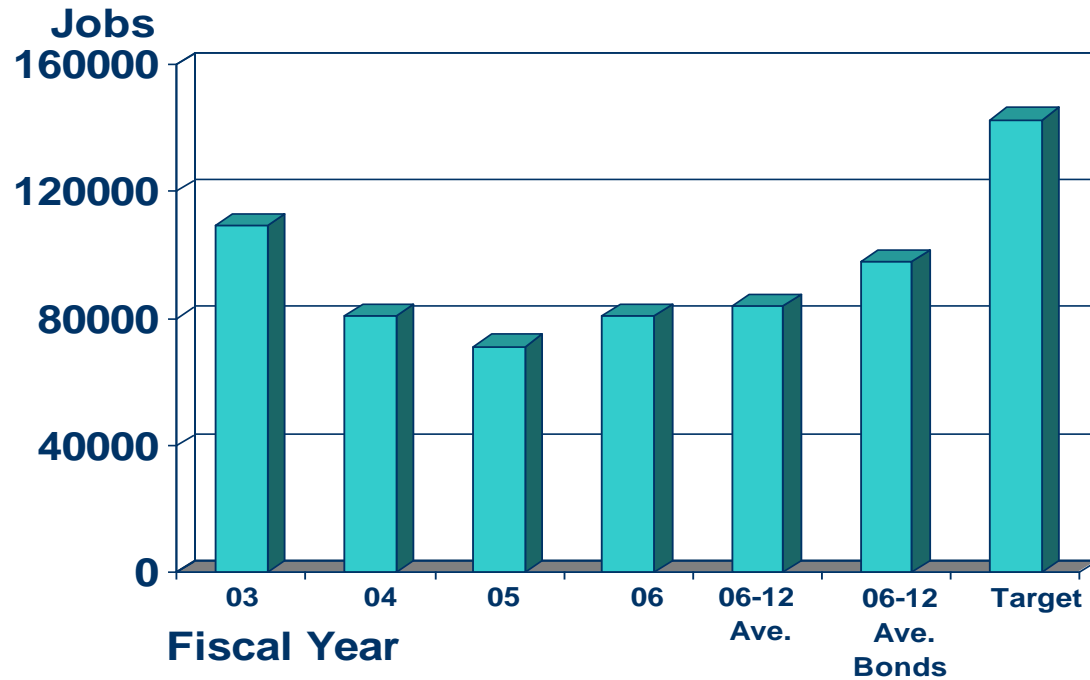


Governor's Bond Proposal

**FY2006-11 Est. Avg. Ann. Prog.
Comparison**



Hwy. Program Impact on Jobs



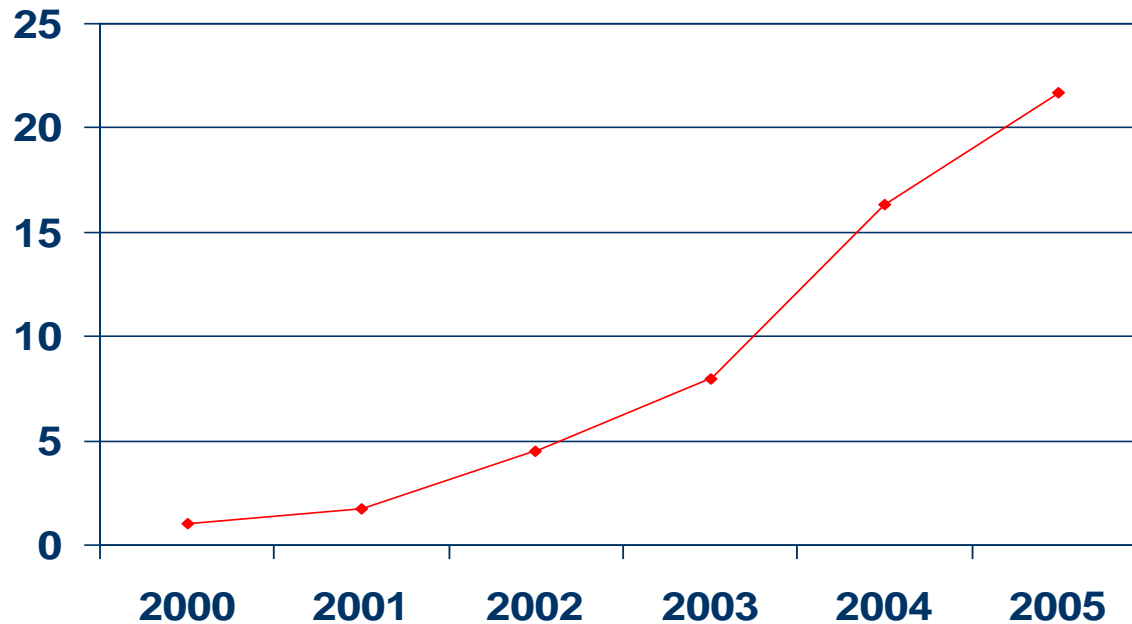
State Highway Funding Issues

- Gas Tax Revenues
- Inflation
- Diversions

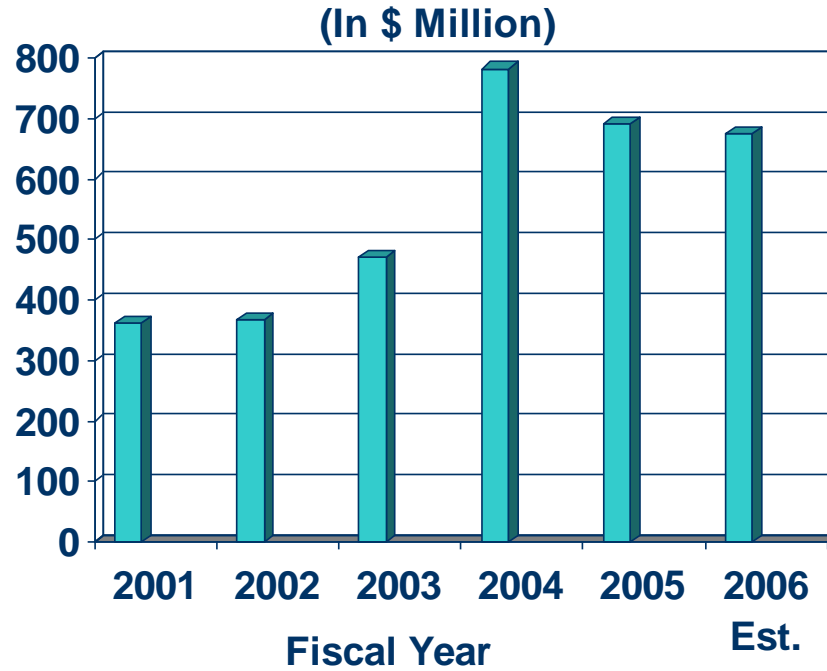
Gas Tax Revenues

- Historic Growth Rate: 1.5%
- July/Aug. FY06 Growth Rate: .97%

Inflation in Construction Industry: More Than 20% Since Dec. 2000

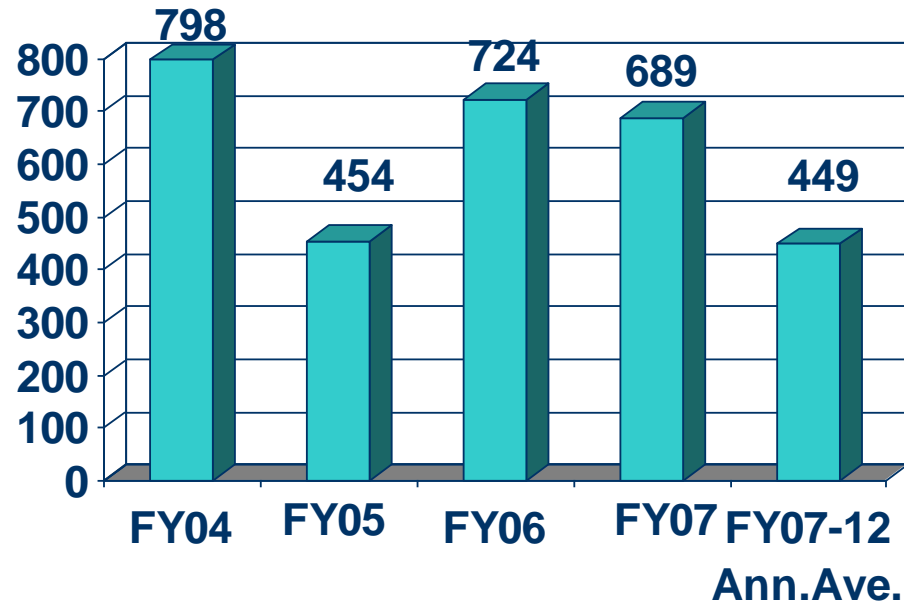


Diversions



State Funds in Highway Program

In \$ Million



% of State User Fee Revenues Proposed for Multi-Year Road Program

