



Tuesday, May 4, 2004

The draft 2025 Regional Transportation Plan (RTP) created by the Houston-Galveston Area Council (H-GAC) is the largest, long-term transportation plan for the Houston area. The plan is available at www.2025plan.org. To help increase understanding of the plan the Gulf Coast Institute will publish a series of educational bulletins. For other transportation bulletins about the RTP, visit www.livablehouston.org

A \$13 Billion Underestimate?

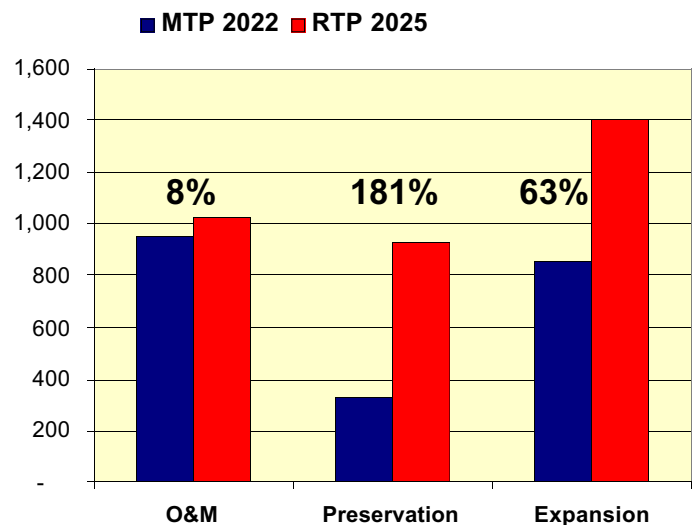
H-GAC has said the previous version of the long-term transportation plan (MTP 2022) underestimated the costs to take care of existing roadways. But it is unclear the extent of such underestimation. The statement in the RTP says, "In previous long-range plans, H-GAC assumed that P&M [preventive maintenance – essentially repaving a road] costs were a certain percentage of the added-capacity costs. However, it has been realized this was an underestimate of actual P&M needs. It is now clear that the initial construction cost of a roadway represents only a part of the total cost, which includes pavement reconstruction, rehabilitation, and resurfacing over the complete life cycle of the facility." Gulf Coast Institute analysis of preservation numbers shows that total costs have increased 181 percent since MTP 2022 (the last version of this plan). That amounts to a possible underestimation of over \$13 billion in road costs (total yearly increase of \$598 million times the 23-year RTP time span). H-GAC attributes part of the previous underestimate to misreporting by implementing agencies that turn in their budgets to H-GAC.

RTP Financial Uncertainty

The RTP states the region has fallen well short of taking care of the current transportation road system. "To date, roadway repairs have not kept pace with the level of roadway deterioration on existing facilities," says the RTP, which also says the current preventive maintenance budget is about half of what is needed. "Simply stated, approximately one-half of the rehabilitation need is fulfilled in any one year" for TxDOT-Houston District roads, according to the RTP. The RTP indicates that the funding shortfall for preventive maintenance and repair (PM&R) will not improve anytime soon. Under a section entitled "Uncertainty over long-term roadway PM&R funding," the RTP says the funding shortfall is likely to get worse in coming years because of increasing rehabilitation costs and decreasing rehabilitation funding from TxDOT.

RTP Ambiguity

Despite the implied lack of funding to preserve and maintain the existing road system as shown above, H-GAC has told the Gulf



The above chart shows how dramatically the RTP's preservation expenditures have increased since the last long term transportation plan (MTP 2022). Operations and maintenance (O&M) and expansion categories have also increased significantly. The stated numbers in the two plans show an increase in overall expenditures of 57 percent. However, H-GAC has said the actual spending increase is lower as the costs to take care of roads were significantly underreported in the last plan.

Coast Institute in a letter that such a shortfall will not exist in the future – at least for the current system. In response to a question regarding this potential 50 percent shortfall, H-GAC told the Institute that "this RTP recommends a higher priority and additional funding for PM&R to improve the condition of the existing transportation system infrastructure." This was done, they say, "by limiting roadway expansion to those funds left after adequate PM&R funds were allocated to the current system." H-GAC identified a dramatic funding shortfall and cost underestimate in the past and claims to have taken action to remedy it by increasing the priority and funding. However, questions remain. For example, can we take care of the existing infrastructure while at the same time taking care of a massive road expansion of 60 percent as proposed in the plan?

RTP Questions

Where, exactly, will all the local money come from to help pay for the \$13 billion worth of new preservation expenditures, even assuming H-GAC has identified new sources of state or federal money? Have all the local agencies agreed to place this kind of priority on preservation and maintenance? In other words, is "fix it first" a concept that all regional road and transit agencies have agreed to, or is this just a suggestion?

Public Comment Ends Tuesday May 4

Public comment on the RTP ends Tuesday, May 4, 2004. Several groups and individuals (including the Gulf Coast Institute) have requested public comment extensions so that H-GAC can revise the RTP to restate incorrect numbers and include better benefit/cost evaluations and other needed changes that many believe are necessary for rational decision-making. However, it appears as of the date of this publication, the public comment period has not been extended.

