

Proposed
\$112.975 Million Transportation Bond
for the FY 2008 -2009 Biennium

Spring 2007 Bond Referendum
To Be Decided by Maine Voters on June 12, 2007

Introduction

MaineDOT assembled the projects in its *Biennial Capital Work Plan for FY 2008-2009* with the assumption that the bond package, proposed by the Governor and passed by the Legislature for presentation to the voters, would be successful. This package is designed to go to the voters in three separate referenda. Two of the referenda, June 2007 and June 2008, relate to transportation. The total bonding approved to go the voters for transportation is \$136 million. On June 12, 2007, voters will decide on \$112.975 million of the \$136 million total. This document describes the programs and projects that approval of the June 2007 bond issue would support.

Part I - Highway and Bridge Improvements: \$100 Million

A Highway Fund General Obligation Bond for Statewide Highway and Bridge Projects: to partially fund the statewide capital highway/bridge program, including highway reconstruction, and bridge rehabilitation and replacement projects across Maine. The bond also allows Highway Fund revenues to be used for paving, statewide.

This \$100 million investment would leverage \$161 million in matching federal funds and \$15 million in local funds. This funding would be applied to highway and bridge projects statewide, including substantial projects like the Gorham Village Bypass, mobility improvements through I-295 in Portland/ South Portland, I-95 through Bangor, and replacement of the Norridgewock “Covered” Bridge. The \$100 million in state bond funding would be a significant contribution towards the state’s effort to keep up with needed highway and bridge improvements in an industry that experienced 35% cost increases between the FY 2004-2005 and FY 2006-2007 bienniums.

What if the \$100 million highway and bridge bond does not pass?

MaineDOT would go through a comprehensive project reevaluation process based on the individual status of projects in the production assembly line in June. Since some *FY 2008-2009 Work Plan* projects may encounter schedule delays between now and June, while others may involve binding financial commitments such as commitments for early investment by utilities, the specific list of projects would vary, depending upon when the evaluation is done.

MaineDOT’s project reevaluation process would be comprehensive, and all *Work Plan* projects would be reprioritized. Instead of just canceling bond-eligible projects, MaineDOT would shift other state and federal resources around, affecting a wider range of projects. For instance, although a component of MaineDOT’s state-only paving program is not bond-eligible, MaineDOT would likely be forced to cancel some state-only non-bond-eligible paving projects, enabling MaineDOT to

shift regular Highway Fund resources into projects otherwise supported by bonds. This shift would be necessary for MaineDOT to maximize the use of all federal funds in the event that the bond does not pass. While the project-by project analysis will vary based on where each project is in the project-delivery cycle, MaineDOT would likely conduct an evaluation using the following criteria:

- What, if any, projects have reached the point in their delivery cycle where there are significant adverse consequences to delaying them?
- What, if any, projects are likely going to have significant delays, regardless of funding?
- What state-only resources need to be shifted to maximize the use of federal funds?

Once these questions are answered, MaineDOT would systematically go through a reverse of the project selection process (as described in the text of the *FY 2008-2009 Work Plan*.) Based on current project production stages and MaineDOT’s resource allocation goals, MaineDOT anticipates consequences similar to the following if the highway and bridge bonds fail to pass:

Program	Work Plan Funding	Bond Reduction	Estimated Impacts	Comments
Highway Design/ Cons.	103.6	(36)	25-30 fewer Miles	Almost 35% Program Reduction
MPO Projects	43.91	(5)	tbd	MPO's would assess individual projects.
Bridges	138.55	(30)	7-10 Fewer Projects	Would fall below meeting even 50% of bridge need.
Pavement Preservation	118.9	(23)	90-110 Fewer Miles	MaineDOT would cancel paving and relocate funds to additional bridge/ highway projects.
Maintenance Paving	23.55	(6)	115-125 Fewer Miles	MaineDOT would cancel paving and relocate funds to additional bridge/ highway projects.
Total	--	(100)	--	

*Amounts shown in millions of dollars. Specific project selection and precise impacts would be based upon status of individual project schedules.

Part II - Multimodal Transportation Improvements: \$13 Million

A General Fund General Obligation Bond for Non-Highway/Bridge Transportation Needs

The General Fund Bond supports transportation projects that are constitutionally ineligible for Highway Fund resources. Some categorical definition is provided below for projects that would be funded all or in part by the General Fund bond. This June, voters will be asked to decide on the following major investments, any or all of which would be canceled or delayed if the bond does not pass:

Passenger and Freight Rail Systems – \$3.85 million

Intercity Passenger Rail Investments - \$250,000

The success of the current *Downeaster* passenger rail service and the anticipated addition of a fifth round trip necessitate an enhanced rail-equipment layover and servicing facility in Maine, (which will be included in the 2008 Transportation Bond package.) Meanwhile, \$1 million in federal funding is available to begin the environmental process for improving trackage and access north of Portland and in preparation for commuter and intercity rail service to Auburn. The \$250,000 in state funds in this bond will be used to complete this environmental process for the section from Yarmouth to Brunswick, and will match the \$1 million in already-earmarked federal funds for Yarmouth to Auburn

Industrial Rail Access Program (IRAP) Statewide - \$1.6 million

This successful program increases freight rail use, which reduces wear on Maine's highway system. Since 1997, the state has funded \$5.2 million for the IRAP program. This investment has been matched by private sector investments of more than \$8 million in two dozen locations across the state. IRAP provides matching grants to private businesses that plan to upgrade rail infrastructure in order to move product via rail. This IRAP investment would thus leverage \$1.6 million in local (and other) funds. The IRAP program is the best economic development tool available for businesses that want to move from truck-to-rail service or are solely dependent on rail service. It also helps to ensure the health of the state's railroads by providing new customers. It is focused on energy, forest products, and manufacturing projects all over the state.

Mountain Division Line Study/Purchase/Engineering - \$500,000

The state currently owns the Mountain Division rail line from Gorham to Fryeburg (39 miles) and wishes to explore introduction service along this potentially profitable corridor. One current gravel company alone generates 25,000 truck trips per year, which has tremendous impacts on roads. There is significant regional interest in reestablishing freight service, as well as future commuter rail and passenger excursion service, in this highly congested corridor. This funding would allow for an economic evaluation of the corridor as well as some preliminary engineering on the line. The remaining funds would be applied toward the purchase of right-of-way from Pan Am Railways back to Westbrook.

State-Owned Railroad Track Capital Improvements - \$1 million

Only 30% of the ties were replaced on the Rockland Branch in the rehabilitation project in 2001, which left a marginal tie condition. The Rockland Branch is in need of at least 200 ties/ mile at this point to keep it at the Federal Rail Administration (FRA) Class 3 standard. An ongoing tie program should be in place on the branch to maintain that FRA standard. Wingwall repair is also needed on the Montsweag Arch in Woolwich, within the next two years, to keep the bridge stable; this has been estimated at \$500,000+. This work was part of the original work program for the rehabilitation, but had to be cut from the project. This funding would also contribute towards Phase II on the Lewiston Lower Road line upgrading it from Knight-Celotex to the Lisbon Industrial Park to serve additional customers.

Freight Rail Interchange Program (FRIP): Danville Gateway, Pan Am-SLA / Brunswick, Pan Am-MERR - \$500,000

The interchanges between the state's railroads are key areas for improvements to the flow of goods into and out of Maine. MaineDOT's current priority would be to assist in the rehab of Danville Junction (Auburn) interchange to accommodate a proposed dedicated rail service to Montreal and points west. This investment will also benefit traffic flow when future passenger rail service is continued. With this project, safety and efficiency would be improved at Danville, and at least two days of shipping time would be cut from rail shipments to the Midwest and West Coast. Funding would be matched by the Pan Am Railways and the Saint Lawrence & Atlantic Railroad for the project.

Port and Ferry Improvements - \$1.775 million

Small Harbor Improvement Program - \$1 million

This successful program protects Maine's working waterfront through a combination of pier, bulkhead construction, and reconstruction projects. The program also funds floats, landside improvements, public access, and other activities which assure the viability of Maine's working harbors. The funding will allow continuation of the program through the biennium. Funds are competitively matched by towns up to a 50% level.

Searsport- Army Corps of Engineers Study - \$275,000

This provides state match for the Army Corps of Engineers Channel Deepening Reconnaissance Study for the federal channel in Searsport. This will make sure the port can handle larger ships in the future. Funds are federally matched at a 50% level.

Portland International Marine Terminal - \$500,000

These funds provide basic engineering and stabilization for the granite block seawall at this important piece of marine infrastructure for the Port of Portland. This is only the first step in rehabilitation of this public marine terminal.

Transit and Intermodal Facility Improvements - \$3,650,000

Transit (Buses) - \$1 million

The \$1,000,000 in bond money for accessible vehicles will help support bus purchases for transit projects throughout the state. Statewide, there are 20 transit providers that provide service in a coordinated mode. These funds will provide match for up to \$4,000,000 in federal funds for fleet replacement and expansion. These projects also include accessible buses for the *GOMaine* program and accessible car services. The various existing *Explorer* bus systems—*Shoreline*, *Island*, and *Mountain*—are supporting seasonal industries in all corners of the state. New systems planned in Carrabassett Valley and Brunswick will continue to enhance economic development without further traffic congestion, and are also supported by this bond. These vehicles improve transportation options for everyone, including commuters, tourists, and the elderly and disabled. They provide

fully accessible systems, and they enhance employment and recreational options for visitors and residents alike.

Intermodal Passenger Facilities - \$2.65 million

This program provides \$2.5 million in matching funds for Phase I in the development of the planned intermodal passenger facility in Trenton, supporting the need for expanded services and traffic reduction in the Acadia National Park-to-Ellsworth corridor; and \$150,000 for an intermodal passenger facility in Augusta.

Aviation Infrastructure Improvements - \$3,200,000

This funding will match the \$57.5 million in Federal Aviation Administration funds and \$3.2 million in local funds to provide grants for infrastructure improvements to publicly owned airports statewide. Projects include runway and taxiway reconstruction, safety improvements, and other enhancements to improve airport access, invest in economic development, and to improve the safety of air services in Maine. In addition, there are a limited number of funds for pavement preservation to protect and extend previous investments.

Trails, and Pedestrian and Bicycle Improvements - \$500,000

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\$500,000 for requests received by the State of Maine Bicycle and Pedestrian Program, for construction of bicycle and pedestrian trails in communities throughout the state, and assistance in improving pedestrian and bicycle safety and access on the state's road systems. This state bond would provide match for \$1.6 million in Federal Highway Administration "Transportation Enhancement" funds, some of which might include:

- **Statewide bicycle and pedestrian program needs**, including bicycle and pedestrian safety programs in schools
- **Sidewalks** in Wells and Houlton
- **Multi-use trail improvements** in Ellsworth, Fryeburg, Orono, Portland, Lewiston, and Winslow
- **Eastern Trail improvements** in Biddeford, Kennebunk
- **Mountain Division Multi-Use Trail** in Fryeburg
- **Down East Sunrise Trail** in Hancock and Washington Counties