



Citizen's Guide to **TRANSPORTATION FUNDING** in Missouri

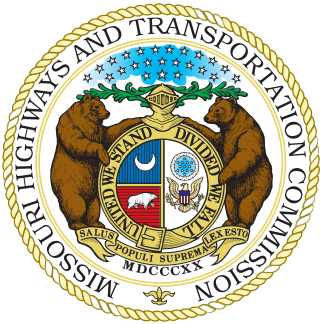


Missouri Department of Transportation
www.modot.org



November 2022

MEET MoDOT



Missouri Highways and Transportation Commission

The Missouri Highways and Transportation Commission is a six-member, bipartisan board that governs the Missouri Department of Transportation. Commission members are appointed for six-year terms by the governor and are confirmed by the Missouri Senate. No more than three commission members may be of the same political party. The commission appoints the MoDOT director and the secretary to the commission. The director is responsible for appointing or hiring all other employees.

Robert Brinkmann, Defiance
Chair

Gregg Smith, Clinton
Vice Chair

Terry Ecker, Elmo
Commissioner

Warren K. Erdman, Kansas City
Commissioner

Dustin Boatwright, Cape Girardeau
Commissioner

Brian Treece, Columbia
Commissioner

Pamela Harlan
Commission Secretary

SAFETY

SERVICE

STABILITY

MoDOT Leadership

Patrick McKenna
Director

Ed Hassinger
Deputy Director and Chief Engineer

Eric Schroeter
Asst. Chief Engineer

Brenda Morris
Chief Financial Officer

Becky Allmeroth
Chief Safety and
Operations Officer

Lester Woods
Chief Administrative Officer

Rich Tiemeyer
Chief Counsel

Committed to Transportation

Our mission is to provide a world-class transportation system that is safe, innovative, reliable and dedicated to a prosperous Missouri.

MoDOT designs, builds and maintains roads and bridges and works to improve airports, river ports, railroads, public transit systems and pedestrian and bicycle travel. The agency also administers motor carrier and highway safety programs.

Contents

How Transportation Funding Works	2
OVERVIEW	4
Transportation Funding IN MISSOURI	5
How Does Missouri COMPARE?	10
Where is the money INVESTED?	12
MoDOT Funding DISTRIBUTION	20
Disadvantaged Business Enterprises	25
MoDOT Contractor Workforce Analysis	26
The Cost of TURNOVER	27
The Cost of OPERATIONS	28
The Current Condition of MISSOURI TRANSPORTATION	31
ASSET Management	36
What is THE COST?	37
High-Priority Unfunded TRANSPORTATION NEEDS	40

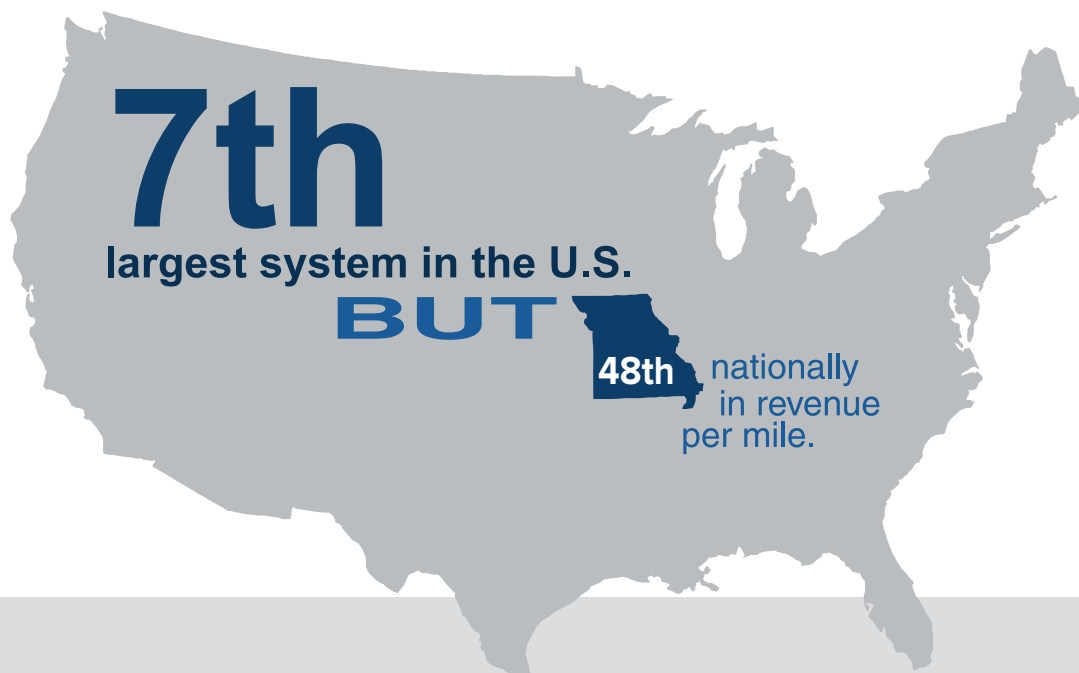
www.modot.org/guidetotransportation

CITIZEN'S GUIDE TO TRANSPORTATION FUNDING IN MISSOURI

How Transportation Funding Works

The citizens of the state of Missouri own a tremendous asset – the state transportation system.

Missouri's transportation system is a tremendous asset. Built by our parents and grandparents and funded by \$59 billion in user fees (it has a \$160 billion replacement value today), it is the nation's seventh largest state highway system – a system that is larger than neighboring states Kansas and Illinois combined. Through the combined efforts of MoDOT and its construction partners, \$602 million of net assets was added to the system value in 2021. Missouri's transportation system plays a vital part in the lives of its citizens. It is counted on to safely and reliably connect people with family, jobs and services, businesses with suppliers and customers, students with schools and visitors with destinations.



How Transportation Funding WORKS

The Citizen's Guide to Transportation Funding in Missouri will further explain how transportation funding works, including how funds are distributed and invested across the state, and provide information on high-priority unfunded needs.

The primary sources of revenue provided to the Missouri Department of Transportation (MoDOT) to manage this system are user fees: fuel taxes, registration and licensing fees and motor vehicle sales taxes.

In May of 2021, the Missouri General Assembly passed Senate Bill 262, raising Missouri's motor fuel tax by 2.5-cents per gallon per year over the next five years.

The average Missouri driver pays about \$32 per month in state and federal fuel taxes and fees. This amount does not include initial estimates of motor vehicle fees and federal general revenue transfers for transportation. After distributions to other entities that are required by law, and payment of debt, MoDOT receives 60% of these funds to design, build, operate and maintain the system.

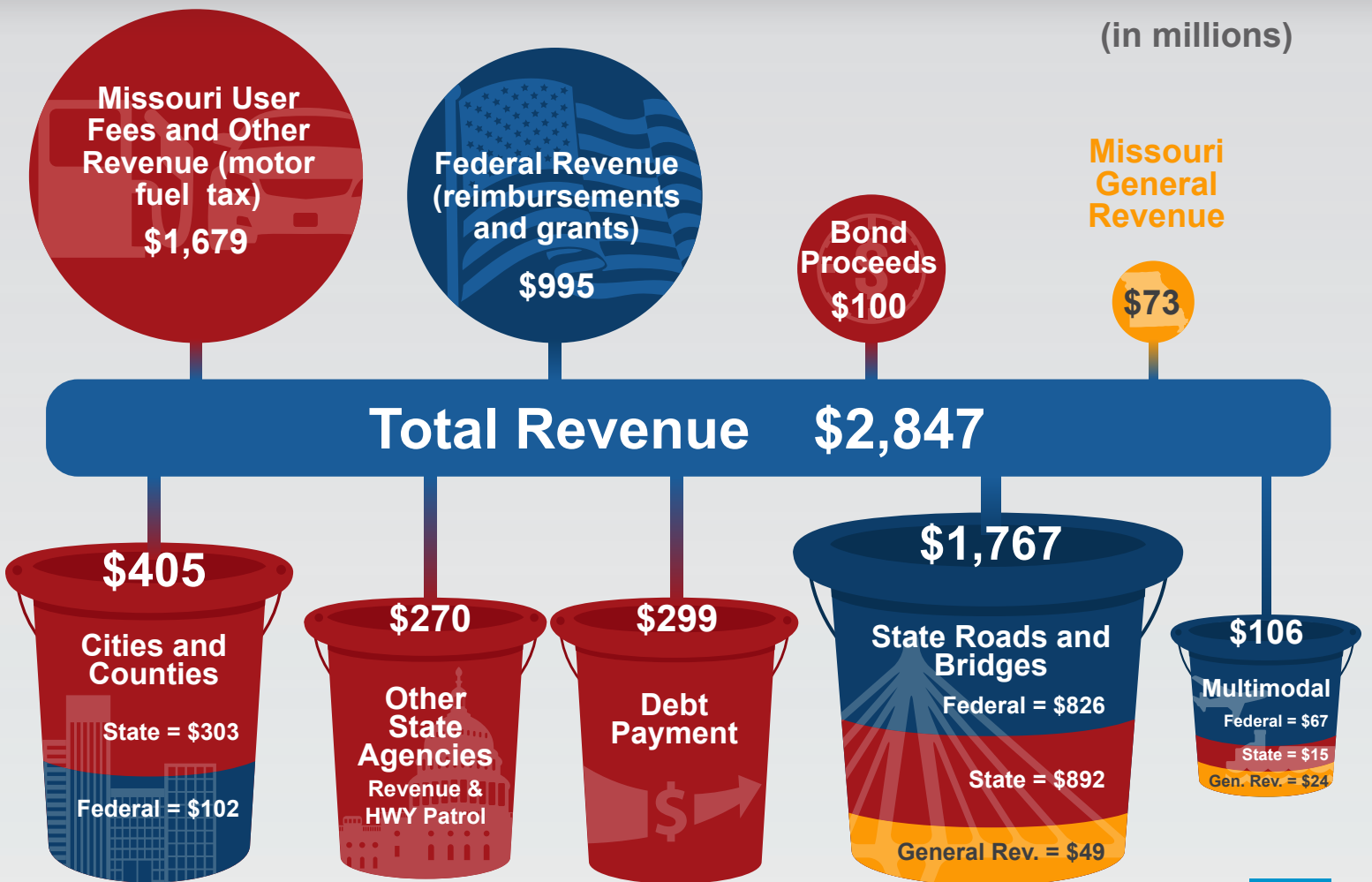
When compared to other states, MoDOT ranks 48th in the nation in revenue per mile, which leads to significant unfunded transportation needs across Missouri.

OVERVIEW

Missouri Transportation Funding – Overview

Missouri’s transportation revenue, including bond proceeds, totaled nearly \$2.9 billion in fiscal year 2022. As shown below, 63% of the revenue and bond proceeds came from state user fees and 35% from federal revenue. A small fraction of funds came from Missouri’s General Revenue Fund, which receives revenue from the state income tax and the state’s general sales tax.

The \$2.9 billion of revenue and bond proceeds is distributed into five “buckets” for various transportation purposes as determined by state and federal laws. Each bucket has a unique blend of state and federal revenue, as depicted by the red, blue and gold colors. The following pages provide a detailed look into each revenue source and funding bucket.



Transportation Funding IN MISSOURI

How Transportation is Funded in Missouri

The state transportation system is funded from four sources:

- Missouri User Fees and Other Revenue
- Federal Revenue
- Missouri General Revenue
- Bond Proceeds

Missouri User Fees and Other Revenue

\$1,679 million

Missouri user fees are paid by the users of the transportation system and are dedicated for transportation use in the state¹. They include fuel taxes, registration and licensing fees and motor vehicle sales taxes.

The largest source of revenue from Missouri user fees is the state fuel tax. The state fuel tax rate of 19.5 cents is paid for each gallon of gasoline and diesel fuel sold in Missouri.

¹ Missouri Constitution – Article IV, Section 30(b)

The July 2021 enactment of the additional 12.5 cents of state motor fuel tax will gradually increase the state's previous 17 cents per gallon over five years. It is important to note that Missouri's tax per gallon is collected whether the price at the pump is \$1.99 or \$3.99.

Each year, about four billion gallons of fuel are sold – three billion gasoline and one billion diesel. In fiscal year 2022, Missouri travelers paid **\$734 million** of state fuel taxes – nearly one-half of all Missouri transportation user fees. The July 2021 increase in the state motor fuel tax will gradually increase the tax per gallon by 2.5 cents per year starting in Oct. 2021 and every July 1 through 2025. Eventually, the Missouri tax per gallon will be 29.5 cents per gallon.

Transportation Funding IN MISSOURI

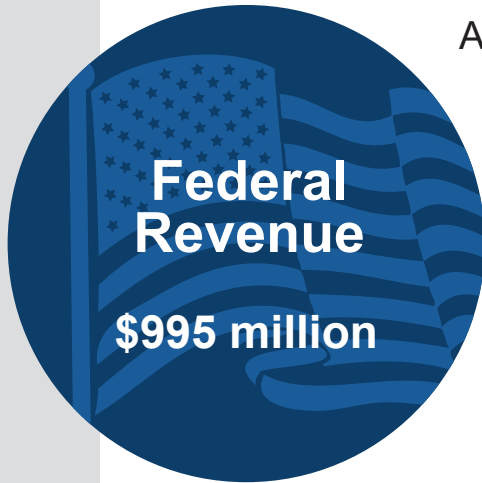
For Missourians who purchase or lease a vehicle, a 4.225% state sales tax is paid. State and local transportation receives revenue from 3.5% of the 4.225% state rate, which totaled **\$474 million** in fiscal year 2022. Revenue from the remaining 0.725% is dedicated to the School District Trust Fund, Department of Conservation and the Department of Natural Resources.

Missouri drivers also pay vehicle registration and driver's licensing fees. The fee amounts vary based on vehicle horsepower for passenger cars, vehicle weight for trucks and class of driver's license. Most of these fees were last increased in 1984, while some were last increased in 1969. In fiscal year 2022, Missourians paid **\$345 million** of vehicle registration and driver's licensing fees.

Other revenue sources include taxes on aviation fuel, railroad fees, interest earned on invested funds and highway construction cost reimbursement from local governments and surrounding states. In fiscal year 2022, Missouri received **\$126 million** in other revenue.

In FY 2022, Missourians Paid:

- **\$734 million** in state fuel taxes,
- **\$474 million** in taxes on vehicle sales and
- **\$345 million** in vehicle registration and license fees.



A significant amount of transportation funding comes from the federal government. Federal funding is generated by the federal fuel tax – 18.4 cents per gallon for gasoline and 24.4 cents per gallon for diesel. Other sources include various taxes on tires, heavy truck and trailer sales, heavy vehicle use tax and general revenue. These revenues are made available to the states based on formulas prescribed by federal law through transportation funding acts. The previous transportation funding act, Fixing America’s Surface Transportation (FAST) Act, authorized federal programs for the five-year period from 2016-2020. It expired Sept. 30, 2020, but was extended for another year by continuing resolution. In Nov. 2021, the federal transportation bill, called the Infrastructure Investment and Jobs Act (IIJA), was reauthorized. The new bill is estimated to increase federal funding to Missouri approximately 25% for five years.

The majority of federal revenue is dedicated to pay for a share of eligible highway improvement costs. The federal share for the eligible costs is typically 80%, with the state or local government providing a 20% match. The amount of federal funding available is fixed, so some eligible costs may not receive federal reimbursement.

“The federal share for the eligible costs is typically **80%**, with the state or local government providing a **20% match.**”

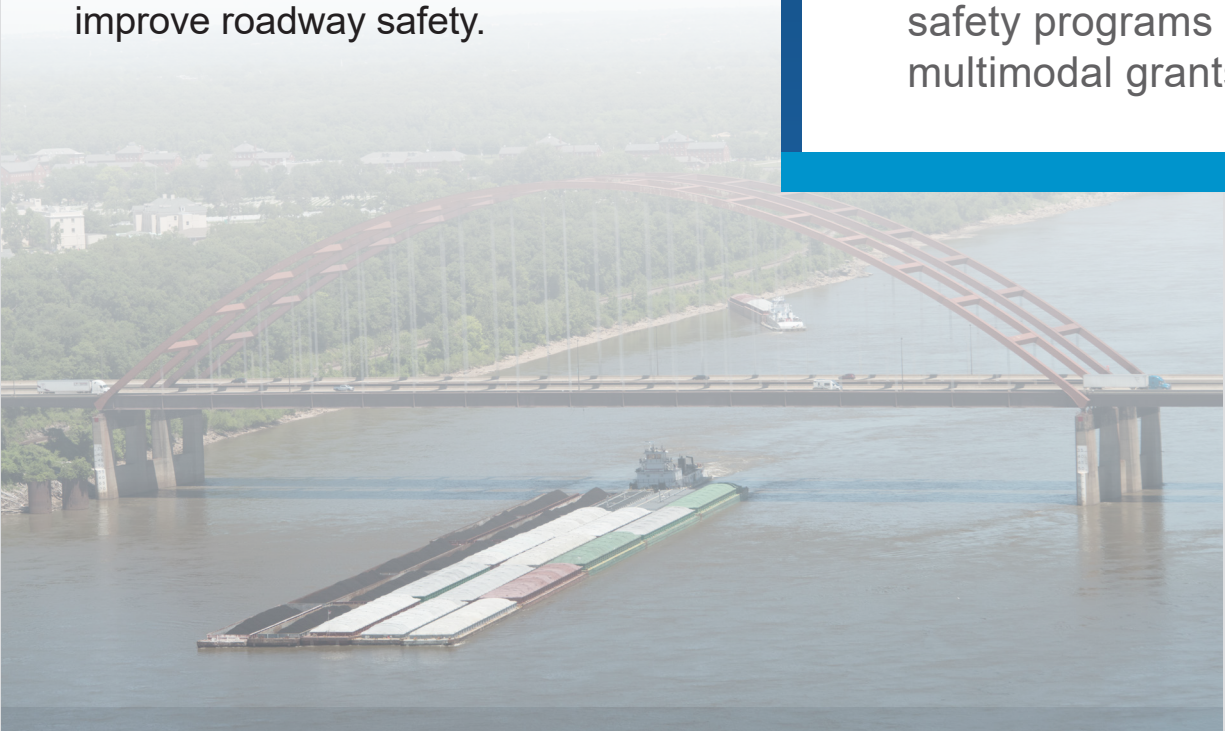
Transportation Funding IN MISSOURI

Many operational costs for transportation, such as plowing snow and mowing right of way, are not eligible for federal reimbursement. In fiscal year 2022, Missouri received **\$806 million** of federal reimbursement for state highway improvements and **\$102 million** for cities and counties.

This revenue source also includes federal funding for multimodal grants totaling **\$67 million** in 2022. Aviation (\$44 million), transit (\$23 million) and rail (\$0.4 million) all receive federal funding. The remaining \$20 million is for highway safety grants to improve roadway safety.

In FY 2022,
Missouri received:

- **\$806 million** in federal reimbursements on state highways,
- **\$102 million** for cities & counties and
- **\$87 million** for federal safety programs and multimodal grants.



Missouri General Revenue

\$73 million



Missouri's General Revenue Fund provided **\$73 million** for transportation purposes in fiscal year 2022, or 2% of transportation revenue. The major sources of funding for Missouri's General Revenue Fund are the state income tax and general sales tax.

The Missouri General Assembly allocates these funds through the

annual appropriations process during the state's legislative session. This annual process can be challenging for transportation funding as many projects require a multi-year funding commitment to go through planning, design and construction.

General Revenue Funds can be used for any transportation improvement as directed by the Missouri General Assembly. The \$73 million in fiscal year 2022 included \$24 million in multimodal funding and \$49 million for the Governor's Focus on Bridges and Transportation Cost Share programs.

Focus on Bridges

MoDOT borrowed \$301 million as part of the Focus on Bridges Program. The Focus on Bridges Program provided \$351 million in funds to repair or replace 250 bridges on the state highway system. The Focus on Bridges Program provided \$50 million of General Revenue in fiscal year 2020 to fund approximately 45 bridge projects. The remaining \$301 million is funded by bond proceeds with General Revenue Fund monies being made available for debt service payments over seven years.

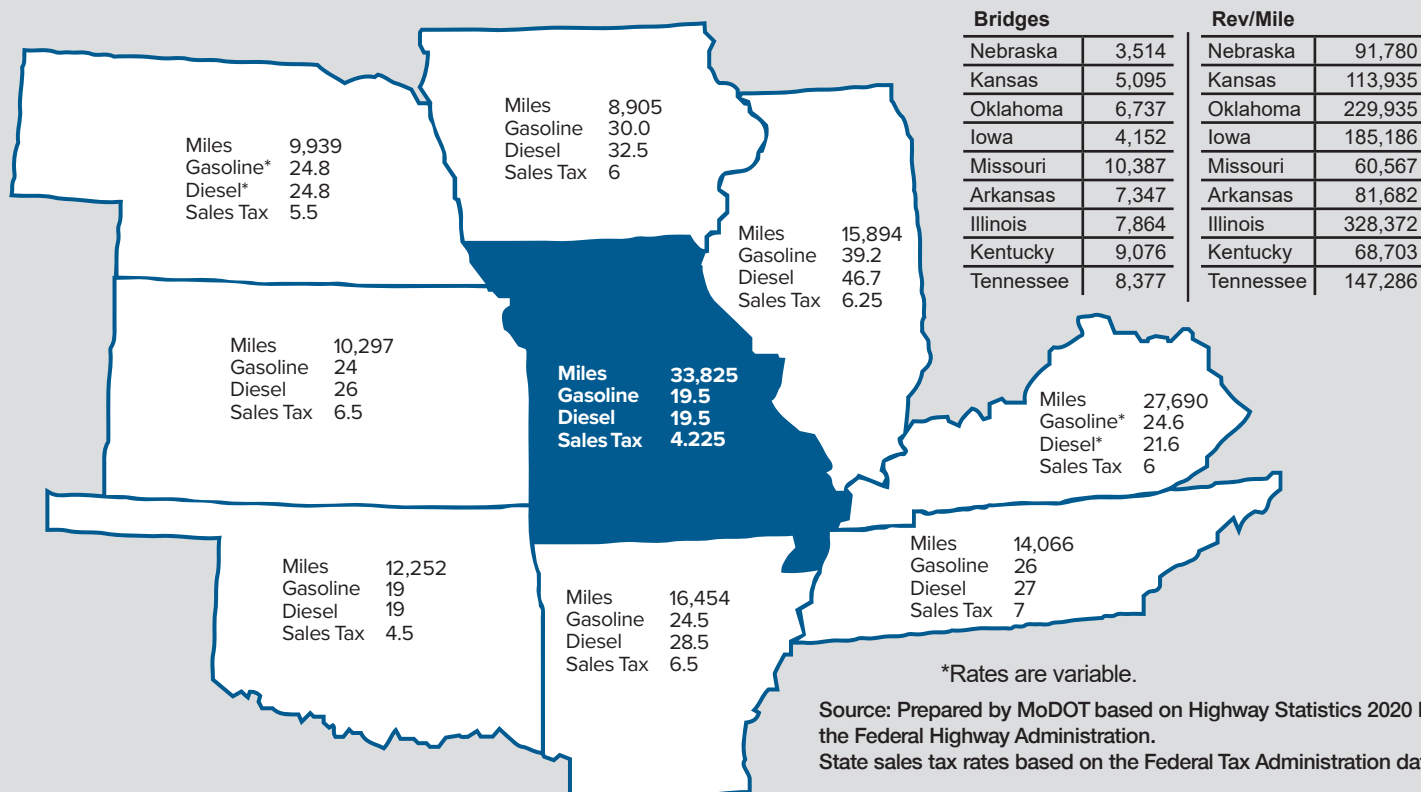
How Does Missouri COMPARE?

How Missouri Compares to the Nation and its Neighboring States

Missouri ranks 48th nationally in revenue per mile, primarily because the state's large system – the nation's seventh largest with 33,825 miles of highways – is funded with one of the lowest fuel taxes in the country. This ranking will be updated in subsequent years to reflect the increase in motor fuel tax. Missouri also ranks seventh nationally in the number of bridges with 10,387. This does not include the city and county system of roads and bridges, which includes an additional 97,000 miles of county roads and city streets, and nearly 14,000 bridges.

Missouri Lags Behind

Missouri has one of the lower fuel tax rates compared to its neighbors. Yet it has a larger state-maintained highway system than any of them.



*Rates are variable.

Source: Prepared by MoDOT based on Highway Statistics 2020 by the Federal Highway Administration. State sales tax rates based on the Federal Tax Administration data.

Gasoline and diesel fuel tax rates are shown in cents per gallon. Miles are shown in center line miles of the state maintained highway system.

The 2021 enactment of SB262 raises Missouri's motor fuel tax 12.5 cents.

The motor fuel tax will increase gradually as follows:

- » 2.5 cent increase Oct. 1, 2021.
- » 2.5 cent increase each July 1 through 2025.
- » Totalling 29.5 cents per gallon Missouri motor fuel tax.

Over the last 20 years, due to inflation and ever-improving vehicle fuel economy, the purchasing power of Missouri's state fuel tax has effectively dropped from 17 cents to 4 cents during a time when the cost of the primary road and bridge building materials of asphalt, concrete and steel have doubled. Labor costs have also significantly risen during that time frame.

Missouri's revenue per mile is \$60,567, while the national average is \$261,021. By contrast, New Jersey's revenue per mile of \$2,420,949 ranks first, although its state highway system includes only 2,329 miles and 2,400 bridges. When compared to its eight surrounding states, Missouri has the largest highway system and the lowest revenue per mile.

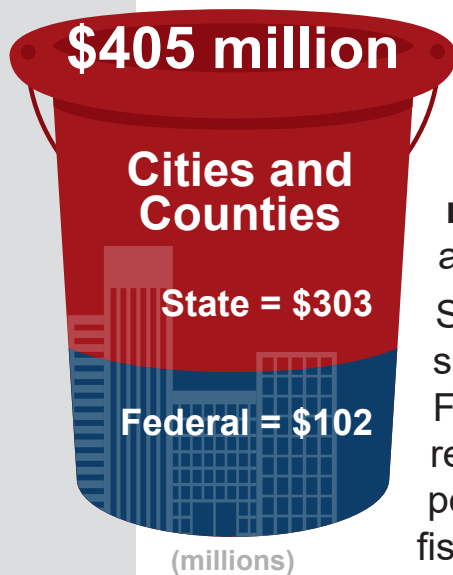
As of July 1, 2022, the rate increased 2.5 cents to 22 cents per gallon. Several of Missouri's surrounding states also benefit from additional revenue sources for transportation like tolling and general sales taxes.



Where is the money INVESTED?

Where is the Money Invested?

MoDOT does not receive the entire \$2.9 billion of transportation revenue and bond proceeds or the \$32 per month from the average Missouri driver. After allocations to cities, counties, other state agencies and debt payment, MoDOT received \$1.8 billion of transportation revenues in fiscal year 2022 to invest in the state transportation system. That equates to about \$20 of the \$32 per month Missouri drivers are paying.

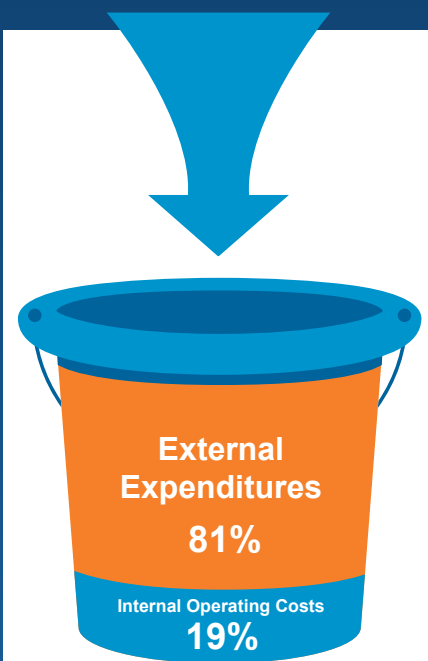


Cities and counties in Missouri receive a share of state and federal transportation revenues for projects of their choosing. In fiscal year 2022, that totaled **\$405 million** – \$303 million in state funds and \$102 million in federal funds.

State funds are distributed as specified in the state constitution². For fuel taxes, cities and counties receive 5.31 cents of the 19.5 cents per gallon rate, or about 27%. In fiscal year 2022, this totaled **\$205 million**. For vehicle registration and driver's licensing fees, cities and counties received **\$31 million**, or about 9%. For motor vehicle sales tax, cities and counties received **\$67 million**, or about 14%. After 1980, cities and counties received 15% each, or 30% of the total. Distribution was different in the past, resulting in a different percentage.

² Missouri Constitution – Article IV, Sections 30(a) and 30(b)

How much of MoDOT investment flows directly to the private sector?



The distribution of federal funds is prescribed by federal law through transportation funding acts. The majority of federal revenue is dedicated to reimburse a share of eligible costs, which is typically 80%.

The federal transportation programs for cities and counties include:

- Off-System Bridge,
- Congestion Mitigation and Air Quality,
- Surface Transportation Block Grant Programs,
- Transportation Alternatives Programs – these funds encompass a variety of smaller-scale transportation projects such as pedestrian and bicycle facilities, recreational trails and other community improvements, and
- Bridge Formula Program.

The majority of cities and counties also receive additional local revenues – most often from additional sales and property taxes – to build and maintain city streets and county roads. These amounts are not included in the totals discussed here.

In Nov. 2021, the federal transportation bill, called the Infrastructure Investment and Jobs Act (IIJA), was reauthorized. The new bill is estimated to increase federal funding to Missouri approximately 25% for five years.

The Missouri Constitution and state and federal laws determine how transportation funds are allocated to states, cities and counties.

Where is the money INVESTED?



Per the Missouri Constitution³, the Missouri Department of Revenue (DOR) and the Missouri State Highway Patrol (MSHP) also receive transportation revenue. In fiscal year 2022, the amount totaled **\$270 million**.

The Highway Patrol receives funding for administering and enforcing state motor vehicle laws and traffic regulations. The Missouri General Assembly determines the amount available to the MSHP each year – \$247 million was spent in fiscal year 2022.

The Department of Revenue receives funding for the cost to collect transportation taxes and fees. The cost of collection cannot exceed 3% of the particular tax or fee collected. In fiscal year 2022, the DOR received \$23 million.

³ Missouri Constitution – Article IV, Section 30(b)

MoDOT, the Highway Patrol and the Department of Revenue are the only state agencies that may receive transportation dollars.

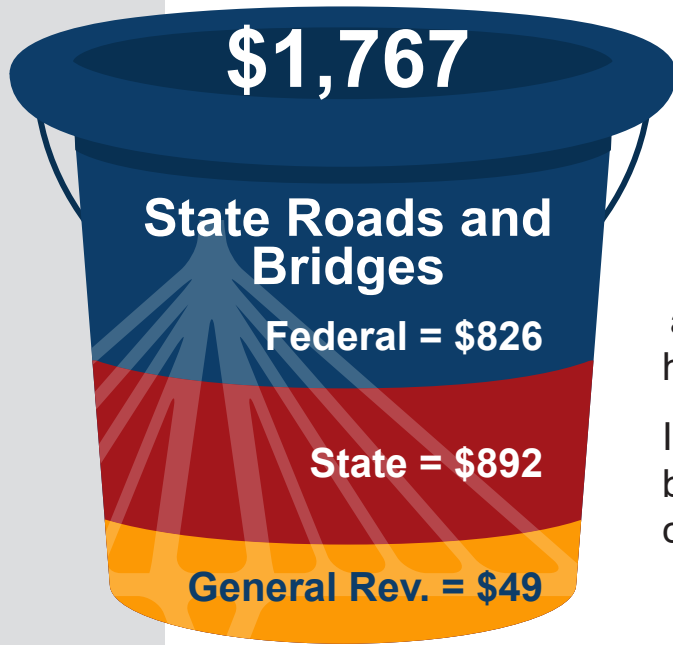
From 2000-2010, and again in FY2020 and FY2022, MoDOT sold bonds that provided additional resources for highway improvements. Bonds are debt and similar to a home mortgage – this debt must be repaid over time. The total debt payment in fiscal year 2022 totaled **\$299 million**.

MoDOT has four kinds of bonds: senior bonds that were authorized by the Missouri General Assembly in 2000; Amendment 3 bonds that were authorized by Missouri voters in 2004; bonds authorized by the Missouri General Assembly in 2019 to finance the Focus on Bridges program with debt service from General Revenue over seven years; and federal GARVEE (Grant Anticipation Revenue Vehicle) bonds that financed specific projects. Borrowing advanced construction and allowed Missouri to avoid inflation in labor and materials costs; however, borrowed money must be repaid and new borrowing should be enabled with dedicated and reliable additional revenue to cover repayment and maintain credit ratings.

Senior bonds will be paid off in 2023, Amendment 3 bonds will be paid off by 2029 and GARVEE bonds will be paid off by 2033. Focus on Bridges bonds will be paid off in 2027. The average interest rate on all outstanding debt combined is 2.63%.



Where is the money INVESTED?



(millions)

After distributions to cities and counties, other state agencies and the debt payment, 60% of transportation revenue is available for state roads and bridges. These are the funds that enable MoDOT to design, construct, operate and maintain a network of 33,825 miles of highways and 10,387 bridges.

Investments for state roads and bridges are summarized into five categories:

- Construction Program
- Maintenance
- Fleet, Facilities and Information Systems
- Administration
- Highway Safety Programs

The majority of MoDOT's expenditures are payments to vendors. The payments are for goods and services needed to build and maintain Missouri's transportation infrastructure. Whether it be payments to contractors, the purchase of equipment and supplies, design services or travel costs, these outward focused expenditures are an investment in Missouri's economy and drive economic opportunity in the state.



The construction program is the largest area of investment in MoDOT's budget, totaling **\$1.134 billion** in fiscal year 2022. It includes payments to contractors to build projects that maintain and improve the system (\$915 million), MoDOT engineering costs associated with administering and monitoring the construction program – including salaries, wages and fringe benefits (\$137 million), payments to engineering design consultants (\$62 million) and the cost of acquiring right of way (\$20 million).

The maintenance expenditures, totaling **\$494 million** in fiscal year 2022, pay for the services performed by MoDOT employees like plowing snow and mowing. But it also includes maintaining the pavements on the state's lower-volume routes, approximately 5,200 of which are not eligible for federal reimbursement. It covers utilities, tools and materials needed in maintenance buildings across the state, bridge maintenance, signing, striping, sweeping, rumble stripes, lighting, etc. The maintenance budget also allows for traveler information and incident management services.

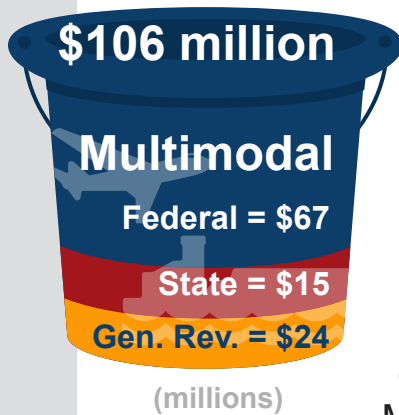
Fleet, facilities and information systems investments, totaling **\$97 million** in fiscal year 2022, cover the costs of purchasing MoDOT's fleet of trucks, constructing and maintaining MoDOT buildings and providing information technology that is needed for MoDOT to perform maintenance and engineering functions.

Where is the money INVESTED?

MoDOT's administrative costs – the thirteenth lowest in the nation – were **\$52 million** in fiscal year 2022. That includes salaries, wages and fringe benefits to provide support services like human resources, accounting, legal, executive management, customer service, etc. Administration also includes medical insurance costs for MoDOT retirees.

Road and bridge investments include **\$20 million** for highway safety programs that reduce fatalities and serious injuries, which includes salaries, wages and fringe benefits.

In total, MoDOT invested **\$1.797 billion** on state roads and bridges in fiscal year 2022.



Multimodal includes non-highway modes of transportation such as transit, aviation, railroads and waterways. The majority of transportation revenue is legally required to be spent on state roads and bridges, leaving only \$106 million, or about 4% of total revenue, available for multimodal needs. Unlike highways, MoDOT does not own multimodal facilities. Instead, MoDOT's role is to administer funding and provide an oversight role for multimodal improvements. Many of the multimodal entities receive local tax revenue and direct federal funding, which are not included in these amounts.

MoDOT administered **\$47 million** of aviation funds in fiscal year 2022. Missouri has dedicated taxes on aviation fuel to fund improvements to public use airports in Missouri.

MoDOT also administers federal funding to improve airfield pavement conditions and lighting systems, eliminate obstructions and for expansion projects.

In fiscal year 2022, MoDOT administered **\$27 million** of transit funds. The majority of these funds are from federal programs that support operating costs and bus purchases for transit agencies across the state. There is a small amount of state and General Revenue funding to support operating costs for transit agencies.

MoDOT administered **\$12 million** of rail funds in fiscal year 2022. These funds are used to support two programs – the Amtrak passenger rail service between St. Louis and Kansas City and safety improvements at railroad crossings. The Amtrak funding is from General Revenue, and safety improvements at railroad crossings are from state and federal sources.

Waterways funding totaled **\$12 million** in fiscal year 2022. These funds provided operating and capital assistance to Missouri's river ports and ferry boat operators.

MoDOT also administers a **\$1 million** freight enhancement program that provides assistance to public, private or not-for-profit entities for non-highway capital projects that improve the efficient flow of freight in Missouri.

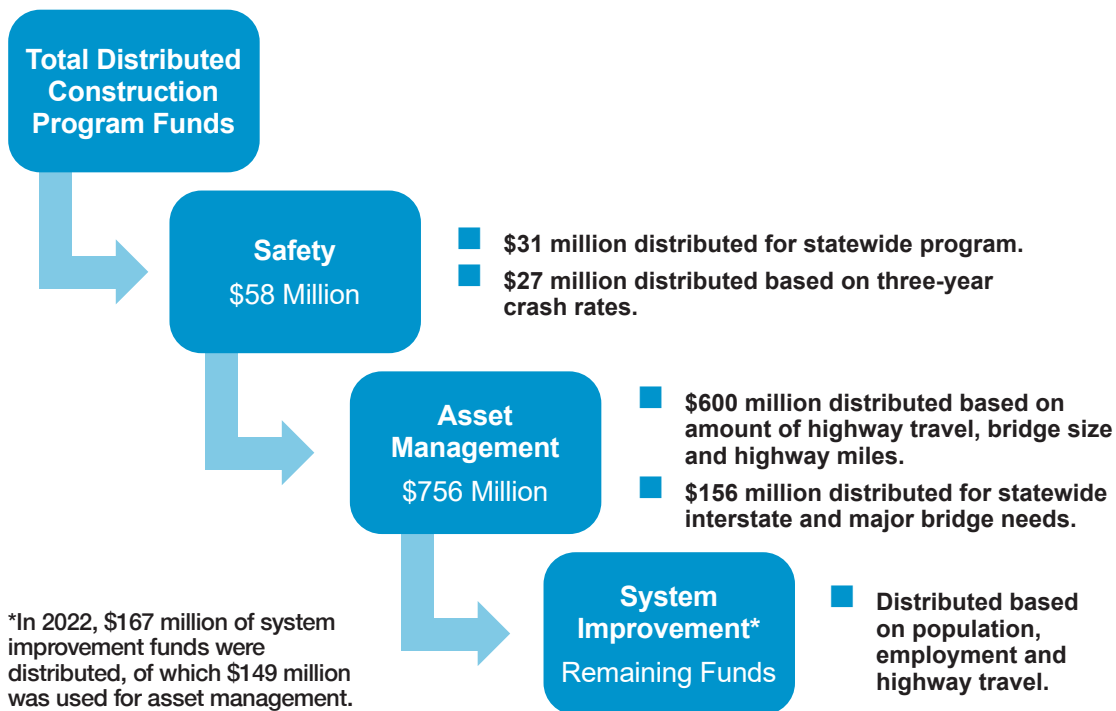
Internal operating costs to administer the various multimodal programs totaled \$3 million, including salaries, wages and fringe benefits.

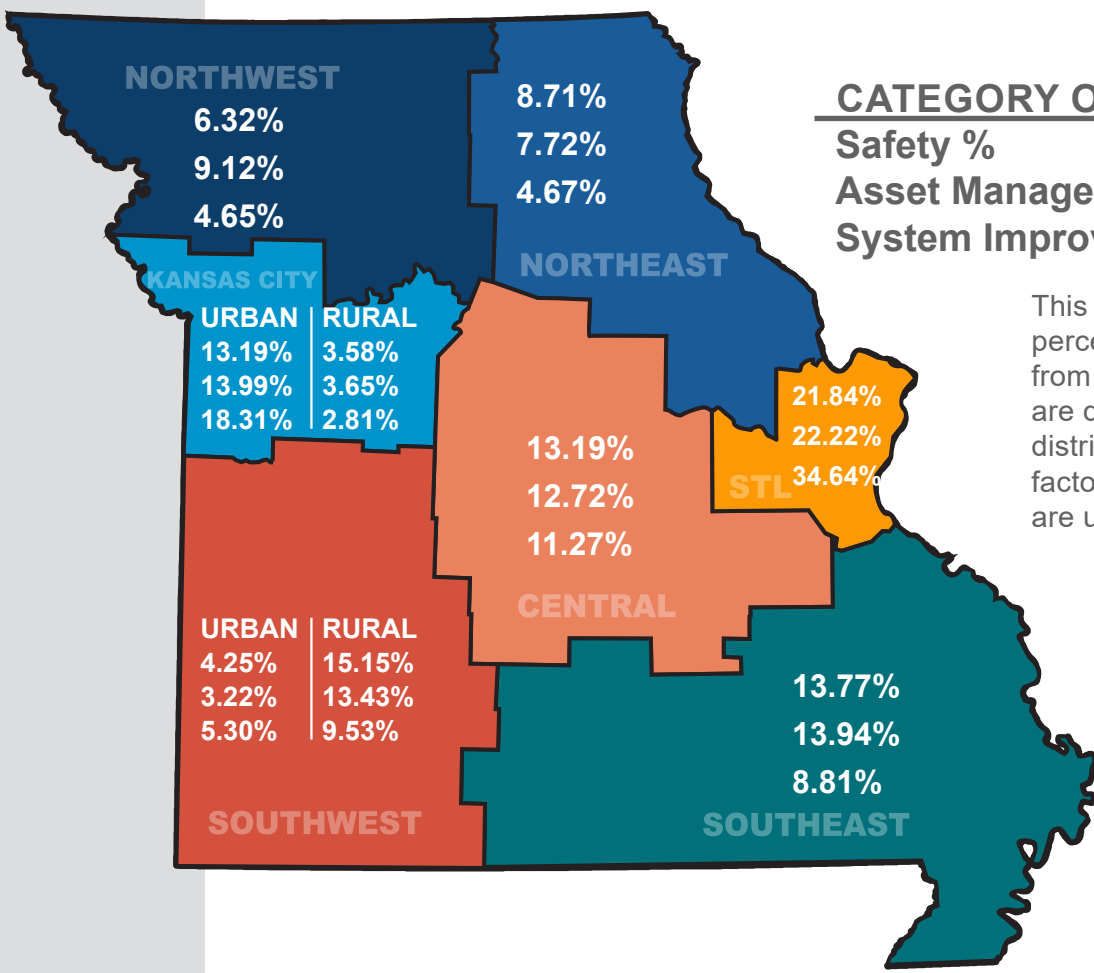
MoDOT Funding DISTRIBUTION

How is MoDOT's Funding Distributed Across the State?

Since 2003, the Missouri Highways and Transportation Commission has used a formula to distribute construction program funds for road and bridge improvements to each of its seven districts. This is the largest area of MoDOT's budget that provides funding for safety improvements, asset management and system improvement funds that districts can use to take care of the system or invest in major projects that relieve congestion and spur economic growth. In many districts, asset management funds are not sufficient to maintain current system conditions. Districts use system improvement funds to make up the difference.

Construction program funds are allocated annually to districts using the following formula:





CATEGORY ORDER:

- Safety %
- Asset Management %
- System Improvement %

This map shows the percentage of funds from each category that are distributed to each district, based on 2022 factors. Those factors are updated annually.

Once construction program funds are distributed to districts, MoDOT collaborates with regional planning groups to identify local priorities based on projected available funding. The regional transportation improvement plans are brought together to form the department's Statewide Transportation Improvement Program, which outlines five years of transportation improvements. As one year of the plan is accomplished, another year is added.

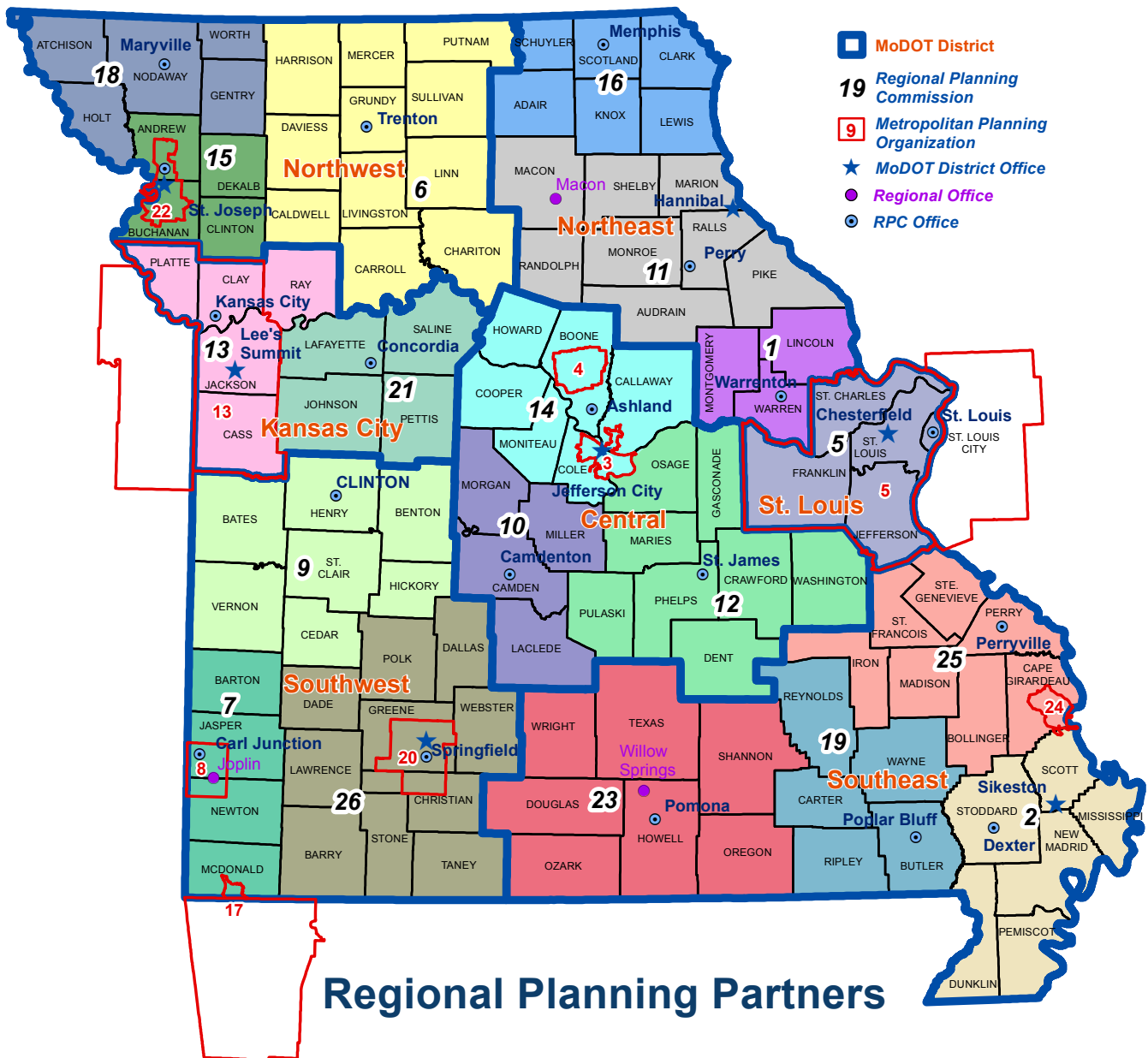
MoDOT Funding DISTRIBUTION

There are two types of regional planning groups in the state: urban areas have Metropolitan Planning Organizations, and rural areas have Regional Planning Commissions. Board members for each of these groups are typically city and county leadership, elected officials and local business owners.

The regional planning groups reach out to local citizens to identify transportation needs. MoDOT staff assists regions to prioritize those needs based on road and bridge conditions, traffic safety data and overall mobility. The prioritization process also includes balancing priorities with available funds.

Funding for MoDOT operations consists of costs for staff and expenses for maintenance, fleet, facilities and information systems activities. The funding distribution for MoDOT staff costs is based on the number of personnel needed in each district to provide the services to the public, including snow removal, mowing right of way and maintaining roadsides. The budget for expenses, such as salt, paint and fuel, are distributed to districts based on the number of highway miles, highway travel and minor roads that are in poor condition.

MoDOT's planning framework involves local citizens from start to finish – an approach that has earned MoDOT recognition as a national leader in public involvement.



1. Boonslick Regional Planning Commission	14. Mid-Missouri Regional Planning Commission
2. Bootheel Regional Planning & Economic Development Commission	15. Mo-Kan Regional Council
3. Capital Area Metropolitan Planning Organization	16. Northeast Missouri Regional Planning Commission
4. Columbia Area Transportation Study Organization	17. Northwest Arkansas Regional Planning Commission
5. East West Gateway Council of Governments	18. Northwest Missouri Regional Council of Governments
6. Green Hills Regional Planning Commission	19. Ozark Foothills Regional Planning Commission
7. Harry S. Truman Coordinating Council	20. Ozarks Transportation Organization
8. Joplin Area Transportation Study Organization	21. Pioneer Trails Regional Planning Commission
9. Kaysinger Basin Regional Planning Commission	22. St. Joseph Area Transportation Study Organization
10. Lake of the Ozarks Council of Local Governments	23. South Central Ozark Council of Governments
11. Mark Twain Regional Council of Governments	24. Southeast Metropolitan Planning Organization
12. Meramec Regional Planning Commission	25. Southeast Missouri Regional Planning and Economic Development Commission
13. Mid America Regional Council	26. Southwest Missouri Council of Governments

MoDOT Funding DISTRIBUTION

When adding the construction program, operations, administration and highway safety programs together, the following amounts were spent in districts for fiscal year 2022:
(\$ Millions)

District	Construction Program	Operations*	Admin**	HWY Safety Programs	Total
Northwest	\$88	\$74	\$2	\$0	\$164
Northeast	\$55	\$65	\$2	\$0	\$122
Kansas City	\$235	\$60	\$3	\$3	\$301
Central	\$200	\$77	\$2	\$1	\$280
St. Louis	\$239	\$69	\$3	\$4	\$315
Southwest	\$153	\$85	\$2	\$1	\$241
Southeast	\$121	\$87	\$2	\$0	\$210
Central Office***	\$43	\$74	\$36	\$11	\$164
Total	\$1,134	\$591	\$52	\$20	\$1,797

*Includes \$494 million of maintenance expenditures and \$97 million of fleet, facilities and information system expenditures.

**According to the Reason Foundation, MoDOT's administrative costs are 13th lowest in the nation for state departments of transportation.

***Statewide administrative costs include \$17 million for medical insurance costs for MoDOT retirees.

Since spending can fluctuate from year to year, the table below provides the amounts based on the five-year average from fiscal years 2018 through 2022:

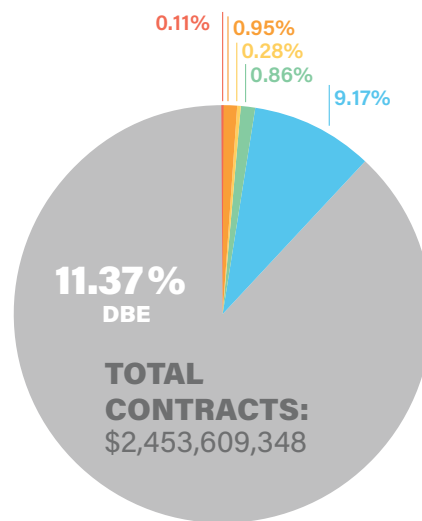
(\$ Millions)

District	Construction Program	Operations	Admin	HWY Safety Programs	Total
Northwest	\$90	\$63	\$2	\$0	\$155
Northeast	\$77	\$57	\$2	\$0	\$136
Kansas City	\$201	\$59	\$3	\$3	\$266
Central	\$124	\$70	\$2	\$0	\$196
St. Louis	\$244	\$66	\$3	\$3	\$316
Southwest	\$163	\$81	\$2	\$1	\$247
Southeast	\$113	\$81	\$2	\$0	\$196
Central Office	\$37	\$73	\$35	\$11	\$156
Total	\$1,049	\$550	\$51	\$18	\$1,668

Disadvantaged Business Enterprises

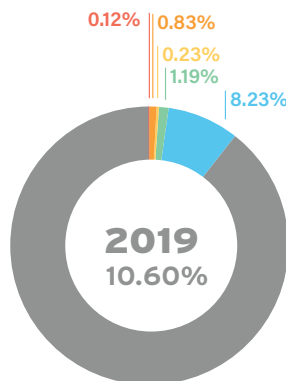
The Disadvantaged Business Enterprise program is a federally mandated program administered by MoDOT's External Civil Rights Division. The program's overall goal is to provide opportunities to participate in the economic benefits of highway construction to small businesses owned and operated by disadvantaged individuals.

STATEWIDE TOTAL FFY 19-21

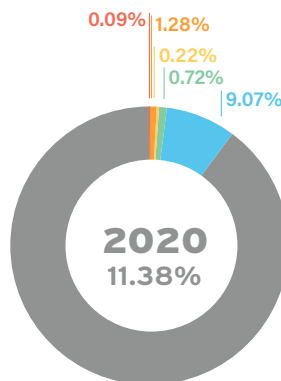


TOTAL DBE PARTICIPATION COMMITTED: \$279,042,387

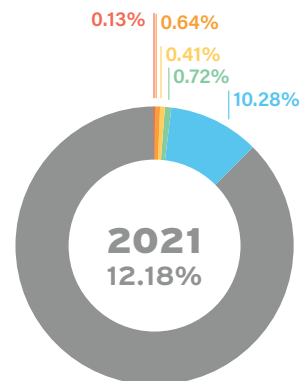
ASIAN AMERICAN	\$2,745,933	NATIVE AMERICAN	\$21,153,965
BLACK AMERICAN	\$23,339,095	NON-MINORITY (Female & Male)	\$224,945,062
HISPANIC/LATINO AMERICAN	\$6,858,332		



TOTAL: \$758,436,718
DBE: \$80,370,042



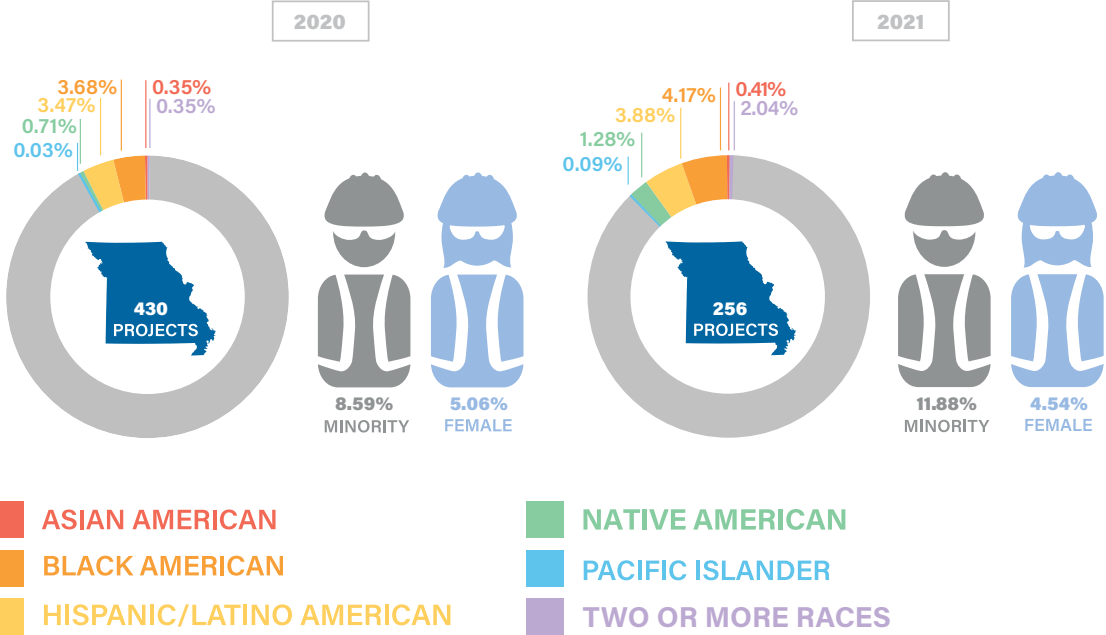
TOTAL: \$967,391,528
DBE: \$110,052,069



TOTAL: \$727,781,101
DBE: \$88,620,275

MoDOT Workforce Analysis

CONTRACTOR



MoDOT STAFF

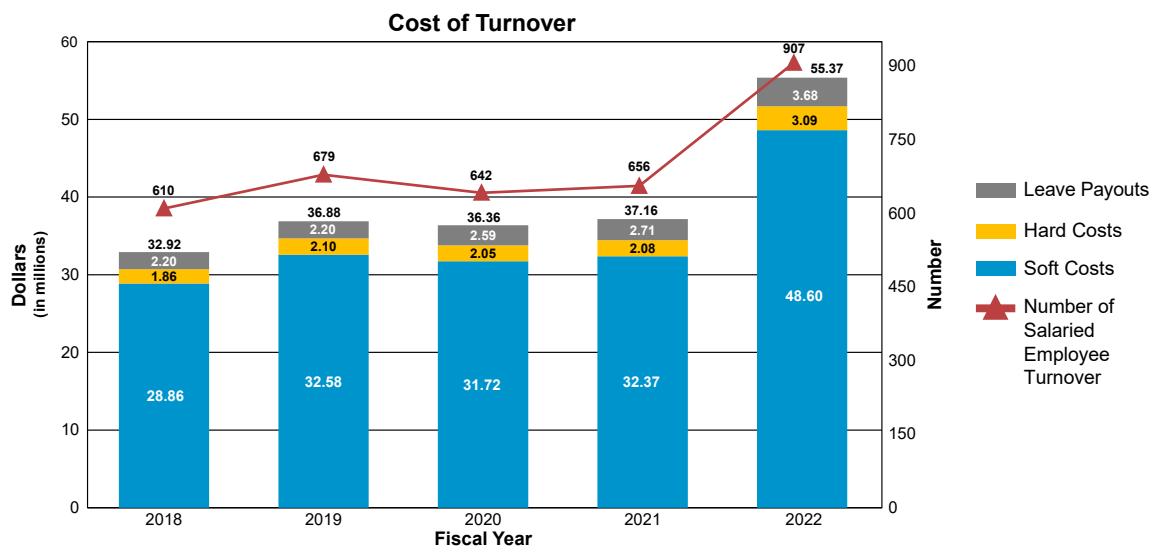
Minorities and women employed



Sources: MoDOT Tracker, Annual Federal Highway Report by percentage of employees
www.modot.org/welcome-external-civil-rights

The Cost of TURNOVER

Excessive employee turnover significantly impacts MoDOT's productivity. It is costly to Missouri taxpayers and creates a continual staffing cycle to fill the positions needed to maintain a safe and reliable transportation system. Non-competitive employee salary rates are resulting in increased employee separations and fewer employment applicants who have the knowledge, skills and abilities necessary to perform the work required to design, build, maintain and operate a complex transportation system. Approximately 900 employees left in fiscal year 2022. It is necessary to improve employee pay to ensure MoDOT can staff critical positions and retain a trained and qualified workforce.



Turnover costs to MoDOT exceeded \$30 million each fiscal year from 2018-2021, and it exceeded \$50 million in fiscal year 2022.

- Hard costs: direct costs related to staff time in separating/filling the position, advertisement efforts and pre-employment fees (drug testing, background checks and physical exams).
- Soft costs: lost productivity tied to the departing employees, vacant positions, selection and training efforts for each new employee.
- Leave payout: unused annual leave and comp time direct payments.

The Cost of OPERATIONS

How Much Does It Cost to Operate the Transportation System?

MoDOT employs 3,000+ field employees throughout the state to operate and maintain the transportation system. In fiscal year 2022, MoDOT invested \$591 million, or about \$11.56 per month from Missouri drivers, to provide services, including:

- Pavement repairs and sealing
- Winter operations
- Bridge maintenance
- Striping
- Traffic signs and signals
- Mowing
- Flood/road closures
- Ditches/Drainage
- Litter and debris removal
- Incident response
- Customer calls
- Dead animal removal
- Driveway maintenance
- Permits
- Vegetation control

The most significant cost of operations is roadway maintenance. In fiscal year 2022, \$226 million of MoDOT's operating budget was spent on roadways for repairs, sealing and striping. Each year, MoDOT crews place enough asphalt to do a 1-inch overlay and sealing from Los Angeles to Washington D.C. – about 2,300 miles.

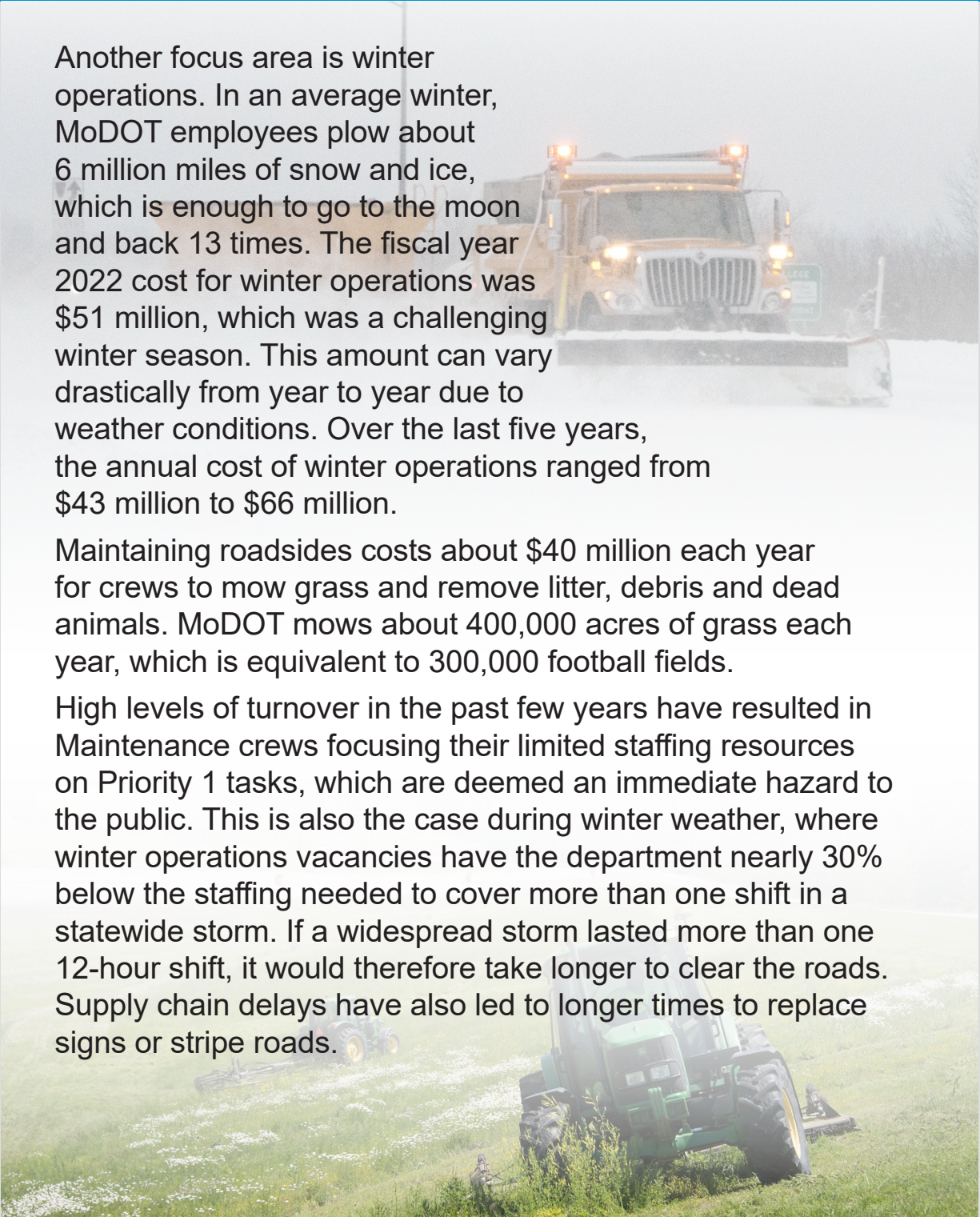
The repair work from MoDOT operations is focused on roads that do not carry a lot of traffic. Funding from the construction program pays for pavement improvements for heavily traveled roads, like interstates and U.S. highways.



Another focus area is winter operations. In an average winter, MoDOT employees plow about 6 million miles of snow and ice, which is enough to go to the moon and back 13 times. The fiscal year 2022 cost for winter operations was \$51 million, which was a challenging winter season. This amount can vary drastically from year to year due to weather conditions. Over the last five years, the annual cost of winter operations ranged from \$43 million to \$66 million.

Maintaining roadsides costs about \$40 million each year for crews to mow grass and remove litter, debris and dead animals. MoDOT mows about 400,000 acres of grass each year, which is equivalent to 300,000 football fields.

High levels of turnover in the past few years have resulted in Maintenance crews focusing their limited staffing resources on Priority 1 tasks, which are deemed an immediate hazard to the public. This is also the case during winter weather, where winter operations vacancies have the department nearly 30% below the staffing needed to cover more than one shift in a statewide storm. If a widespread storm lasted more than one 12-hour shift, it would therefore take longer to clear the roads. Supply chain delays have also led to longer times to replace signs or stripe roads.



The Cost of OPERATIONS

Operating funds do more than just maintain the system. They also provide funds to operate the system so people get where they want to go. MoDOT manages over 2,600 traffic signals, 250 dynamic message signs, 1,100 traffic cameras and has traffic management centers in Kansas City, St. Louis and Springfield. The average annual cost for these operations is \$15 million.

In addition, MoDOT crews are able to respond quickly to incidents ranging from traffic crashes to flooding to make sure Missourians arrive safely at their destination. One of the department's primary customer concerns is trash along the roadsides and debris from unsheltered areas on state right of way, yet another symptom of high staff turnover and vacancy.

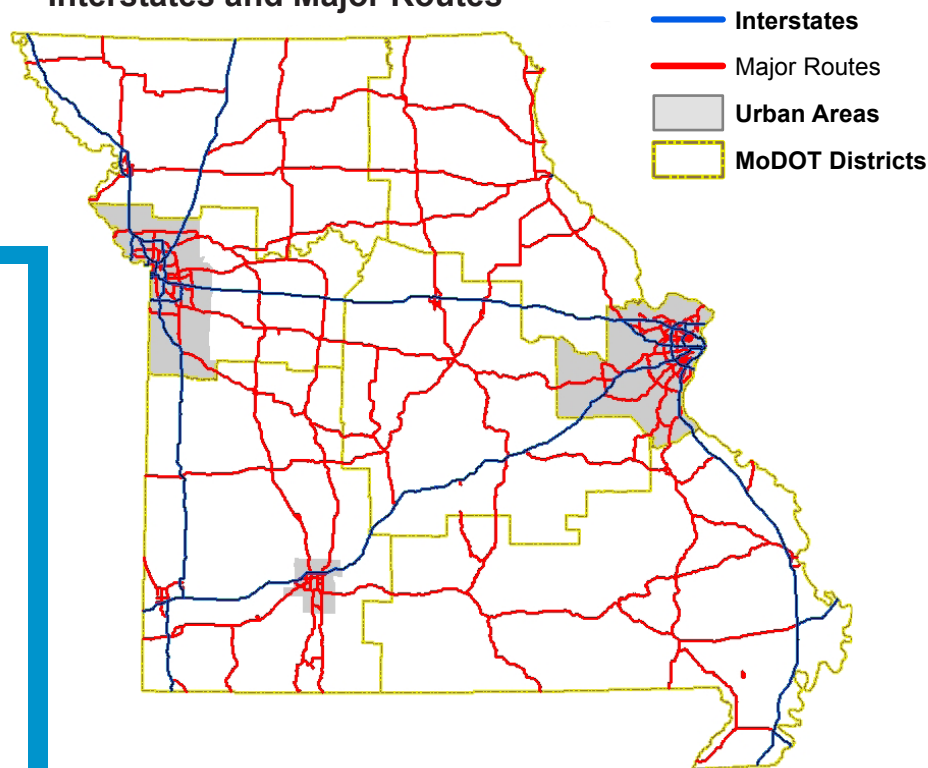


The Current Condition of MISSOURI TRANSPORTATION

What is the Current Condition of Missouri Transportation?

Last year, 52 billion miles were traveled on the state highway system, an increase of 5.3 billion miles, mostly due to the pandemic. The majority of travel occurs on interstates and major routes. Interstates and major routes include just 5,554 miles of the 33,825 miles of highway in Missouri but account for 76% of the travel. Currently, 90% of these routes are in good condition as MoDOT has focused on improving and maintaining these routes over the last decade.

Interstates and Major Routes

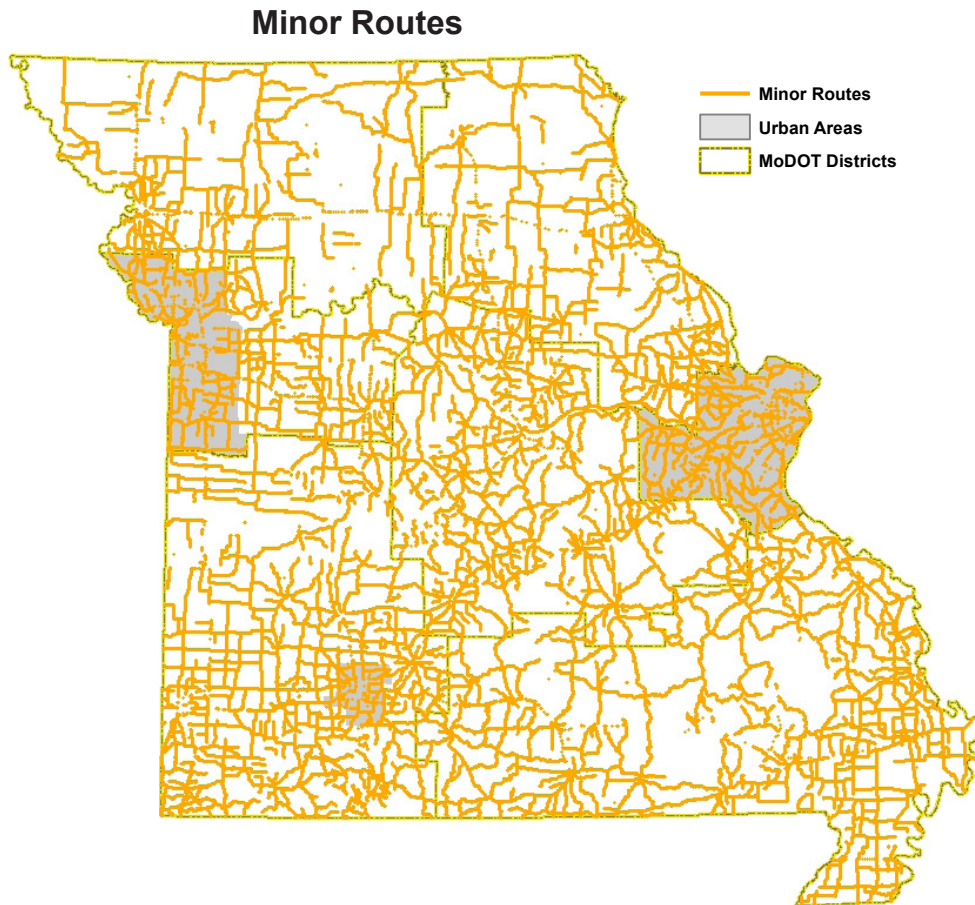


39.4 billion miles were driven on interstates and major routes; therefore, on average, 7.1 million vehicles traveled each mile, an increase of 4.2 billion compared to 2021 after the pandemic.

MoDOT's construction program provides the funding to maintain these routes.

The Current Condition of MISSOURI TRANSPORTATION

Missouri's minor routes make up the largest group of state highways, accounting for 17,848 miles – just over one-half of the entire state highway system. Almost 23% of all state travel occurs on these routes. Currently, 80% of these routes are in good condition.

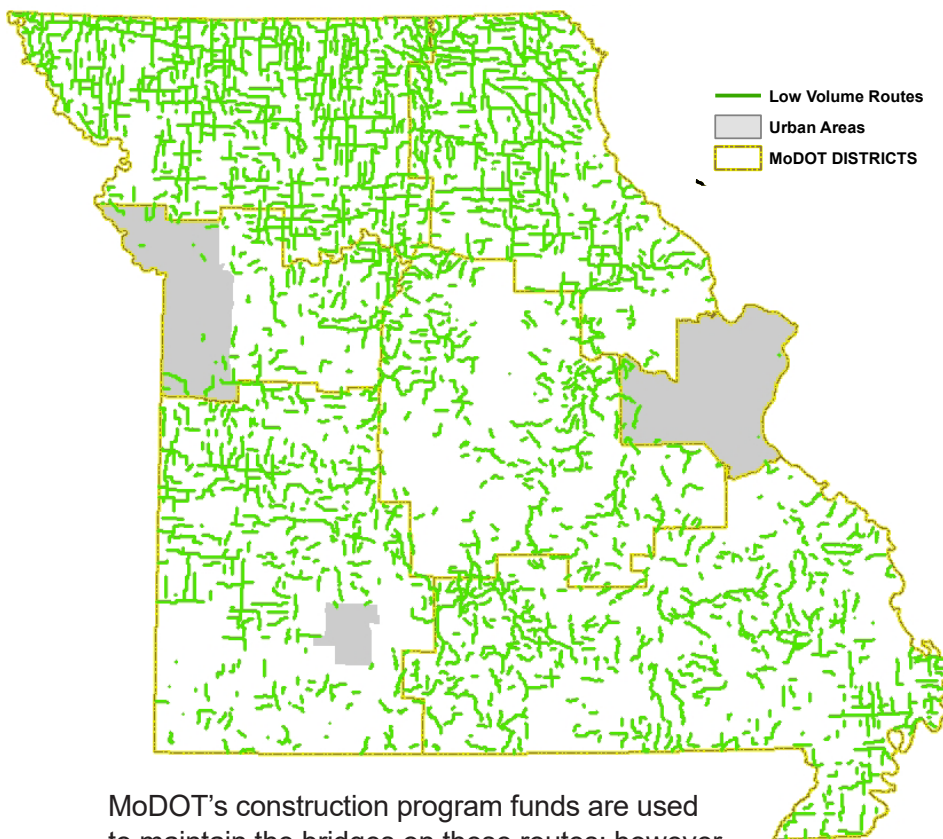


11.8 billion miles were driven on minor routes; therefore, on average, 662,000 vehicles traveled each mile - an increase of 1.2 million miles compared to 2021.

MoDOT's construction program provides the funding to maintain these routes.

The final tier of Missouri highways is low-volume routes. Each of these routes carries less than 400 vehicles per day and primarily serves local transportation needs. Missouri has 10,423 miles of low-volume routes, accounting for about one-third of the state system. However, approximately 5,200 miles of these routes are not on the federal aid highway system and are ineligible for federal funds, which has impacted investment levels and conditions during the past 25 years. Travel on these routes is less than 2% of all state highway travel. Currently, 71% of these routes are in good condition.

Low Volume Routes

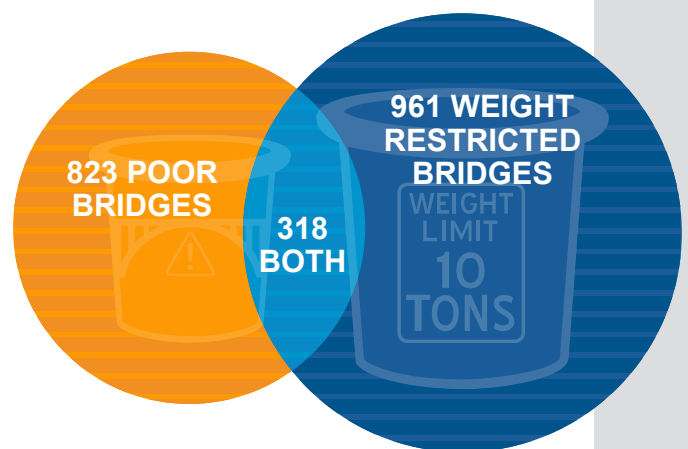


MoDOT's construction program funds are used to maintain the bridges on these routes; however, the pavements on these routes are maintained using MoDOT's maintenance funds.

800 million miles were driven on low volume routes; therefore, on average, 76,753 vehicles traveled each mile.

The Current Condition of MISSOURI TRANSPORTATION

In addition to the huge network of highways, Missouri has 10,387 bridges of varying sizes, including 204 major bridges that are longer than 1,000 feet, or about the length of three football fields. Currently, 823 bridges are in poor condition, an improvement of 14 since 2021. MoDOT inspects these bridges on a regular basis to ensure they are safe for travelers. If a bridge is unsafe, it is closed until repairs can be made. Missouri also has 961 weight-restricted bridges, with 318 of them also in poor condition.



Totals	Typical Bridges	Major Bridges	All Bridges
Number	10,183	204	10,387
Area	64,601,789	22,814,391	87,416,180
Average Age	49.5	39.1	49.3
Weight Restricted	926	35	961
Area of Weight Restricted	6,383,269	5,091,094	11,474,363
Poor	797	26	823
Area of Poor	4,327,347	2,809,008	7,136,355
Both Poor and Weight Restricted	306	12	318
Both Poor and Weight Restricted Area	1,214,150	1,552,483	2,766,633
Only Poor and Only Weight Restricted	1,111	37	1,148
Only Poor and Only Weight Restricted Area	8,282,316	4,795,136	13,077,453
Average Price per Square Foot	\$150	\$900	--
Total Cost	\$9.7 billion	\$20.5 billion	\$30.2 billion

Approximate vehicle weights

Lower weight limits for about 1,300 load-posted state bridges:



AVERAGE STANDARD CAR: **1.5 TONS**



AVERAGE PICKUP TRUCK: **3 TONS**



AVERAGE AMBULANCE: **5 TONS**



AVERAGE DELIVERY TRUCK: **6 TONS**



AVERAGE LOADED SCHOOL BUS: **17 TONS**



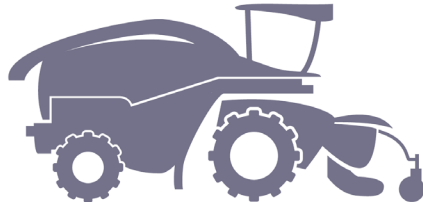
AVERAGE LOADED GARBAGE TRUCK: **25 TONS**



AVERAGE LOADED CHARTER BUS: **20 TONS**



AVERAGE FIRE TRUCK: **19-30 TONS**



AVERAGE LOADED COMBINE HARVESTER: **30 TONS**



AVERAGE LOADED PLOW TRUCK: **28 TONS**



AVERAGE LOADED CONCRETE TRUCK: **33 TONS**



AVERAGE LOADED DUMP TRUCK: **36 TONS**

AVERAGE LOADED TRACTOR TRAILER: **40 TONS**



Source: PennDOT

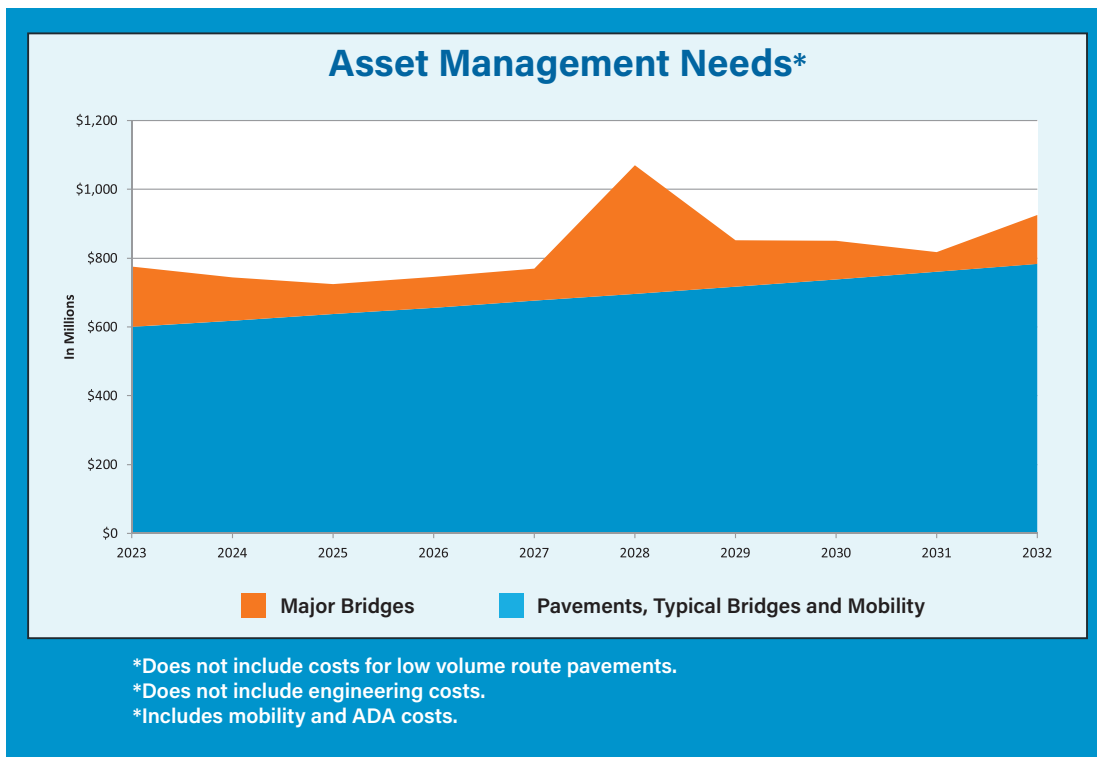
James Hilston/Post-Gazette

ASSET Management

MoDOT has adopted an asset management approach to make the best decisions with transportation investments. The goal of the plan is to keep roads and bridges in good condition for as long as possible given current funding levels. The plan also demonstrates the investment level needed in order to maintain the system at its current condition.

Asset	Asset Management Goal Based on Current Funding
Interstates and Major Routes	90% Good Condition
Minor Routes	80% Good Condition
Low Volume Routes	70% Good Condition
Bridges	Less Than 900 Poor Condition

The asset management 10-year funding needs are shown in the chart below:



What is THE COST?

How Much Do Current Roadway Conditions Cost Missourians?

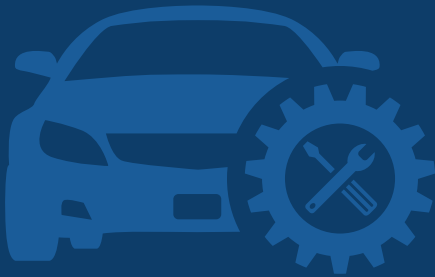
Missourians pay a relatively small amount per month to use the state system of roads and bridges. The average Missouri driver pays about \$32 per month in state and federal transportation taxes and fees. That's far less than what the average Missourian pays for cell phone service, cable television or internet service.

But there are also hidden transportation costs that Missourians may not realize they are absorbing when they sit on congested highways, drive on rough roads or experience vehicle crashes.

Monthly Cost Per Driver



What is THE COST?



System condition costs Missouri drivers about \$511 per month.

According to the 2019 Texas Transportation Institute's Urban Mobility Scorecard, Missourians who commute to work by car spend many hours in congestion, ranging from 19 hours per year in Cape Girardeau and 14 hours in St. Joseph, to 47 hours per year in Kansas City and 46 hours in St. Louis. That means gallons of fuel wasted, a loss of productivity and hours lost that have an adverse effect on a person's quality of life. The associated cost of congestion translates to an average of \$46 per month for Missouri drivers.

There are also hidden costs in operating and maintaining a vehicle on rough roads due to:

- Accelerated vehicle depreciation,
- Additional vehicle repair costs,
- Increased fuel consumption,
- Increased tire wear and
- Environmental impact of congestion.

The Road Information Program's 2020 "Missouri Transportation by the Numbers" report calculated those costs to be \$64 per month for Missouri drivers, or a total of \$3.3 billion each year to the state of Missouri.

Motor vehicle crashes cost Missourians \$20.7 billion each year⁴. This equates to \$400 per month for each Missouri driver. This amount includes medical costs, lost workplace and household productivity, property damage, congestion costs and legal costs.

When combined, congestion, additional vehicle operating costs and roadway crashes cost each Missouri driver about \$511 per month. Additional investments in congestion relief, improving system conditions and safety can reduce these costs for Missourians.

4 Crash Costs for Highway Safety Analysis, 2018, Federal Highway Administration

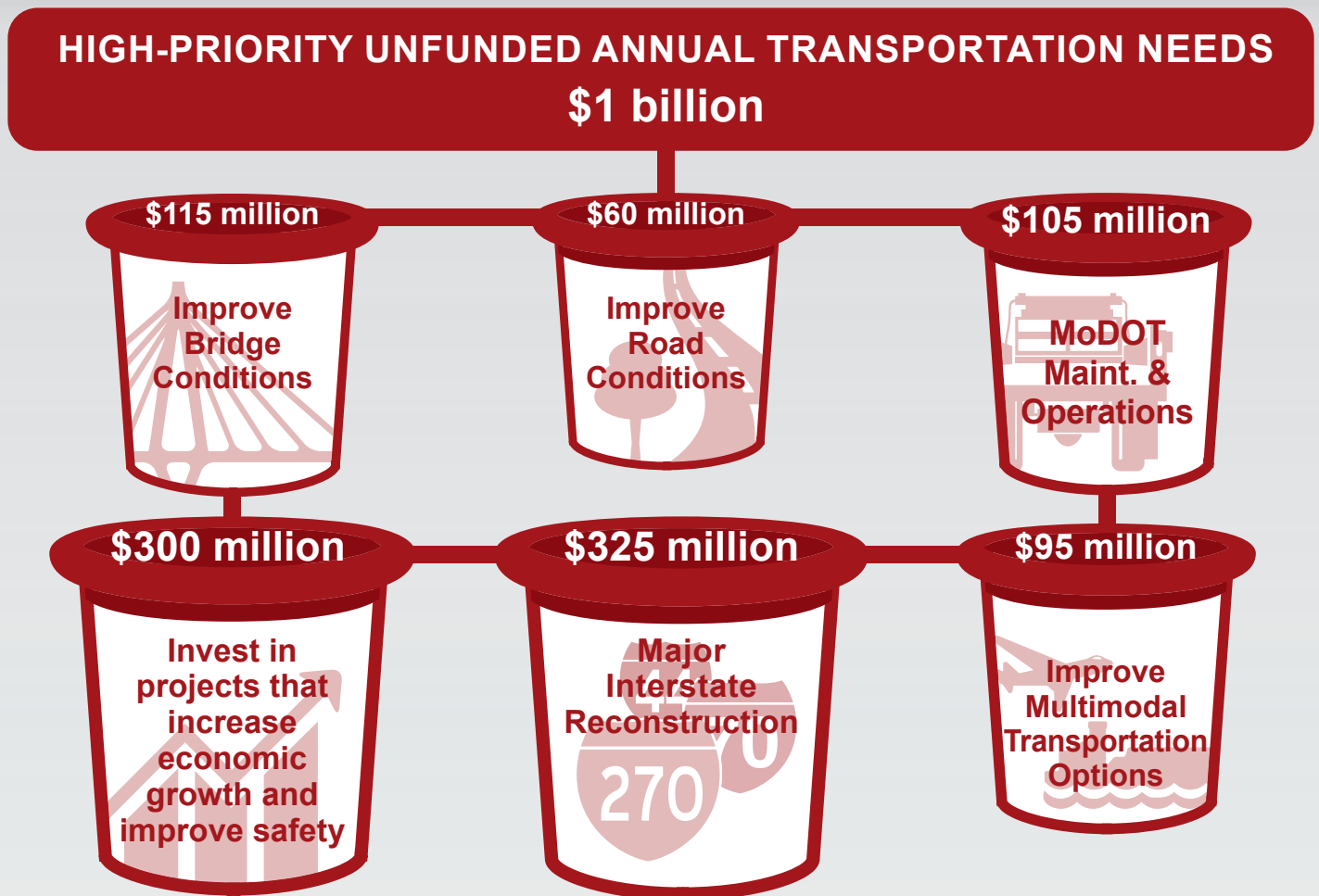


High-Priority Unfunded TRANSPORTATION NEEDS

What are Missouri's Transportation Needs?

When MoDOT completed its current long-range transportation plan, extensive input from Missourians resulted in five goals for the state's transportation system over the next 20 years:

1. Take care of the transportation system and services we enjoy today.
2. Keep all travelers safe – no matter the mode of transportation.
3. Invest in projects that spur economic growth and create jobs.
4. Give Missourians better transportation choices.
5. Improve reliability and reduce congestion on Missouri's transportation system.



With MoDOT's current available resources, the reality is that the department must focus its attention on keeping the existing system in the condition that it is in today. To do that, some MoDOT districts must devote every available dollar to maintaining the condition of their roads and bridges, and they are still going to lose ground over time. That leaves a number of unfunded transportation needs.



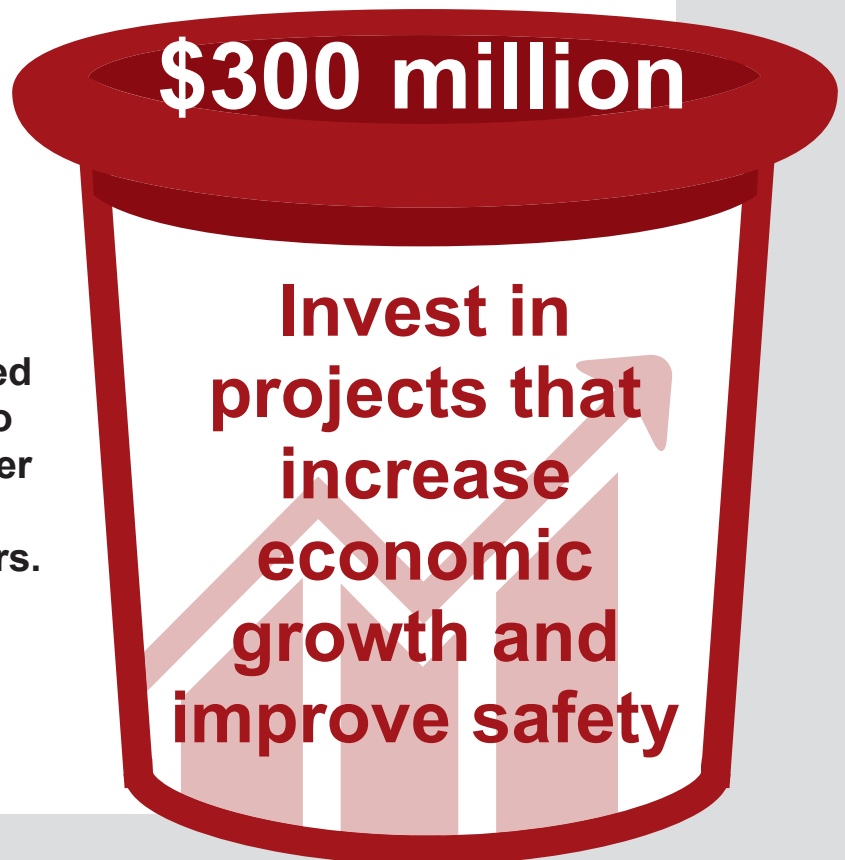
Improve road and bridge conditions – Investing an additional \$280 million per year would enable all of MoDOT's districts to adequately maintain their existing system, begin driving down the state's number of poor bridges, improve the condition of the state's roads and stabilize the level of MoDOT's maintenance and operations efforts to keep pace with inflationary cost increases. **The required investment equates to an average of \$5.48 per month by each of the state's licensed drivers.**

In Fall 2022, MoDOT and its regional planning partners prioritized \$4.7 billion in road and bridge unfunded project needs in three tiers. Tier one includes \$528 million. Tier two is worth \$2 billion in needs and tier three includes \$2.2 billion. Additionally there are \$1 billion in multimodal needs. There is an additional nearly \$4 billion identified statewide unfunded needs primarily focused on improving Interstate 70.

High-Priority Unfunded TRANSPORTATION NEEDS

Invest in projects that increase economic growth and improve safety – These are the projects that local communities across the state are clamoring for but which are unaffordable in today’s financial environment. Projects include new interchanges, adding shoulders with rumble stripes and adding lanes to the current system. In addition to congestion reduction and economic growth benefits, all of these projects would improve safety so fewer fatalities and serious injuries occur.

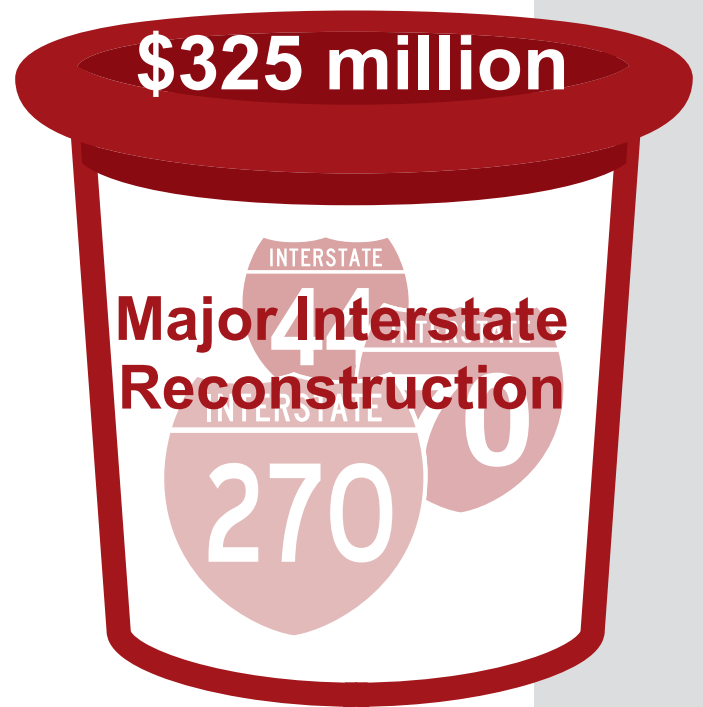
An additional investment of \$300 million per year would allow MoDOT to begin meeting those needs. MoDOT would work with its regional planning partners to ensure the highest priorities would be funded. **The required investment equates to an average of \$5.87 per month by each of the state’s licensed drivers.**



Major interstate highway reconstruction – The nation’s interstate system is now 65 years old, and Missouri’s interstates were built with a 20-year life expectancy. They need attention. The poster child for Missouri’s interstate needs is Interstate 70 – the nation’s oldest interstate. MoDOT has known for years that it needs to be reconstructed with added capacity to reliably handle mounting levels of traffic, especially long-haul trucks. The project, though, has been and continues to be unaffordable.

The state’s other six interstates will also be facing improvement/preservation needs in the coming years. An additional \$325 million per year would allow MoDOT to begin tackling this long overdue improvement. **The required investment equates to an average of \$6.36 per month by each of the state’s licensed drivers.**

Many Missourians depend on non-highway modes of transportation; however, the state currently invests very little money toward those needs.



Please visit www.modot.org/planning-and-performance-support-0 for a list of specific unfunded needs for each region of the state.

High-Priority Unfunded TRANSPORTATION NEEDS

\$95 million

**Improve
Multimodal
Transportation
Options**

Improve multimodal transportation options –

Missouri's transit systems, railroads, ports, waterways, airports and bicycle/pedestrian facilities could begin to see much needed improvements with an annual investment of \$95 million.

MoDOT would work with the owners and stakeholders of these transportation systems, along with our regional planning partners, to identify and fund the highest

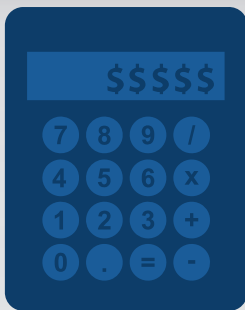
priority needs. **The required investment equates to an average of \$1.86 per month by each of the state's licensed drivers.**



CITIZEN'S GUIDE TO TRANSPORTATION FUNDING IN MISSOURI

In summary, Missourians enjoy access to a large transportation system that keeps us connected. Maintaining and improving the transportation system is expensive but is a worthwhile investment. The average Missouri driver contributes about \$32 per month to fund their access to the transportation system and the services MoDOT provides.

Incremental increases in funding for improving road and bridge conditions, investing in projects that increase economic growth and safety, reconstructing major interstates and improving multimodal transportation options can offset the \$511 of hidden costs drivers are paying each month due to congestion, rough roads and traffic crashes.

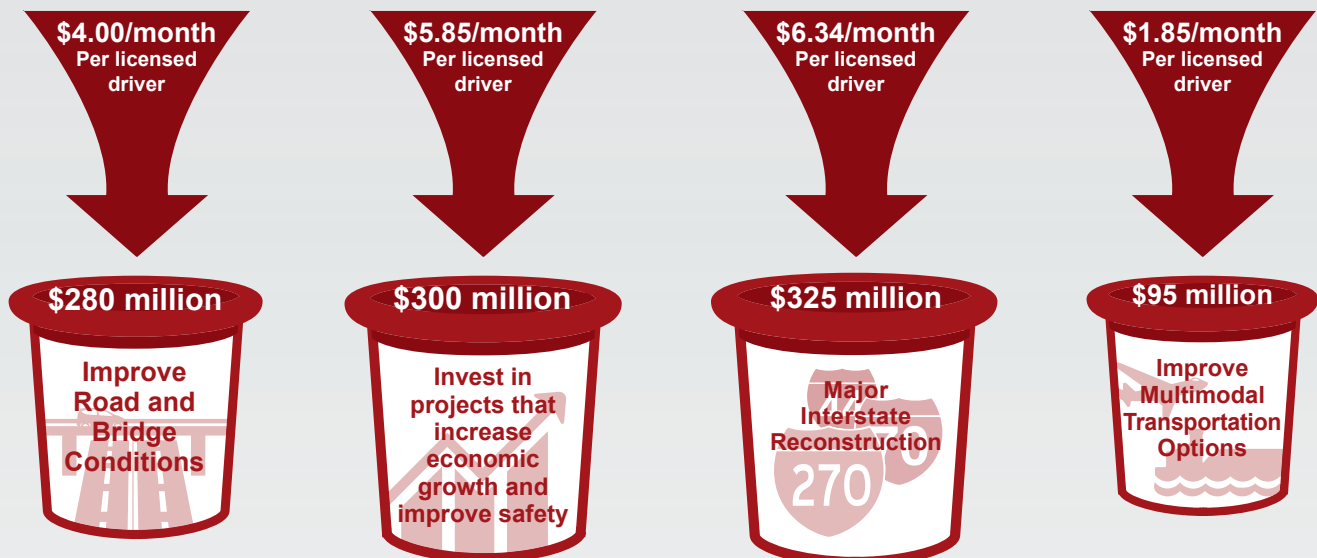


MONTHLY COSTS OF ADDITIONAL BENEFITS

The average driver in Missouri pays \$32 per month in federal and state taxes/fees to support Missouri's system of roads and bridges.

Based on 13,476 miles driven per year at 22.9 mpg, plus the average motor vehicle sales tax per driver.

Additional Investments Needed to Improve Missouri's Transportation System





Missouri Department of Transportation
1-888-ASK-MoDOT
modot.org

