

## VIII.

# Financial Plan for Implementation of the Long Range Transportation Plan

The financial plan for the implementation of the *Long Range Transportation Plan* attempts to address, to the extent possible, the transit operating and capital acquisition needs, the bicycle and pedestrian facility needs, highway needs for preservation, operations and maintenance, expansion, and the transportation system planning needs identified over the 25-year planning period for the Chippewa-Eau Claire Metropolitan Planning Area. To accomplish this task, it is necessary to define the parameters used for identifying needs, as well as to make assumptions on the availability of future funding to address those needs. The following sections discuss the methodologies applied in the development of the financial component of the long range plan. Table 19 displays the financial cost estimates calculated for the transportation system improvement needs identified through the 2030 planning horizon. Table 20 depicts the anticipated revenue and funding sources expected to be available to support the implementation of the plan.

### ***Transit System***

**Transit operating needs** for the Eau Claire and Chippewa Falls public transit systems have been developed from current TIP funding requests and projected through the planning period. The combined annual operating costs of the two systems in 2006 is estimated to be \$4.4 million. This base figure was increased by 3% annually to provide an estimate for the future transit operating needs out to the year 2030. Based on current funding formulas, the availability of transit operating assistance funds is projected to remain at the 29% federal/31% state/40% local cost share, until such time as other funding formulas are established by federal and/or state public transit funding authorities.

**Transit capital acquisition needs** for the public transit and specialized transportation services were also developed from current TIP funding requests and from discussions with service providers to determine vehicle replacement cycles. Based on the vehicle replacement cycles and planned service adjustments, current vehicle replacement costs were increased by 3% annually to provide an estimate for future capital acquisition needs to the year 2030. Current funding formulas were also projected to be maintained at the 80%

federal/20% local share for estimating the availability of transit capital acquisition funding, until changed by federal and/or state transit funding authorities.

## ***Bicycle/Pedestrian Facilities***

The bicycle transportation plan element of the long range plan has identified **bikeway system improvement needs** that approximate \$11.7 million, when adjusted for inflation. Street improvements requiring wide curb lanes, bike lanes or paved shoulders account for \$6.9 million of the total improvement cost estimate and are expected to be incorporated into street improvement projects when they are scheduled. Similarly, pedestrian facilities, such as sidewalks and special crossing structures, are also expected to be incorporated into street improvement work when it is programmed. The remaining \$4.8 million worth of improvements to the bikeway system are directed at the expansion of the off-road urban path/trail system, which also accommodates pedestrian traffic. The average annual expenditure to address these off-road improvement needs would initially require approximately \$246,000 annually. However, to adjust for inflation over time, this base figure was increased by 3% annually to reflect increasing construction costs. The Transportation Enhancement Program requirements for 80% federal/20% local project cost sharing were projected as the source of available funding.

## ***Street and Highway System***

The **street and highway system preservation needs** were calculated for the entire road system within the planning area using locally-derived pavement treatment costs and life-cycle applications. This methodology is summarized in Appendix G. The result of these calculations identified average annual preservation needs of approximately \$28.4 million annually between 2006-2010 for road resurfacing, reconditioning, and reconstruction work. In addition, street and highway operations and routine maintenance costs can equal the cost of 3R work, and require an additional \$28.4 million annually. The combined total of funds currently available for preservation, operations and maintenance activities in the planning area from federal, state and local transportation funding sources amounts to approximately \$38.0 million annually, or \$18.8 million short of identified needs. **Available funding represents only 67% of the identified street and highway preservation, operations and maintenance needs in the planning area.** This shortfall can be expected to continue throughout the planning period if no actions are taken to increase transportation funding. The base figure of \$56.8 million was increased by 3% annually to reflect the inflation rate for future costs. The inflation adjusted projection of system preservation, operation and maintenance needs are estimated to average \$78 million annually through the 2030 planning period. However, the inflation adjusted estimates of currently available transportation funding for system preservation, operations and maintenance indicates a shortfall of approximately \$28.4 million annually through

the 2030 planning period. State and local transportation officials, out of financial necessity, are required to delay or re-prioritize higher cost, long term maintenance and improvement work for lower cost alternatives that address immediate needs, but fall short of maintaining the expected longevity and level of service of the road system. This approach will continue to perpetuate increasing infrastructure deficiencies if current funding levels are not increased or new sources of transportation revenue found. The identified level of investment is not adequate to address the identified roadway preservation, operation and maintenance needs and will result in increasing roadway deterioration and mobility disruptions in the planning area in the future. In an effort to lessen this impact, the MPO will continue its policy that emphasizes system preservation over capacity expansion in its project prioritization process in the TIP.

In addition to prioritizing system preservation projects over capacity expansion projects, the MPO encourages local and state officials to pursue additional revenue sources to address the identified transportation funding shortfalls. Additional transportation revenue can be pursued from the following local sources to address the \$28.4 million average annual funding shortfall over the 25-year planning period.

- \$3.4 million – Use of development agreements for private funding of new infrastructure construction.
- \$2.2 million – Dedicate a portion of the county sales tax for transportation use.
- \$5.4 million – Increase the transportation budget from general fund revenues.
- \$3.5 million – Use of utility/impact fees to fund transportation projects.
- Establish a Regional Transportation Authority with a separate taxing authority for dedicated transportation purposes.
- \$0.5 million – Use of Transportation Enhancement program funds.
- \$4.0 million – Use of Tax Increment Financing districts, Community Development Block Grant program funds, and Transportation Economic Assistance program funds to implement transportation projects.
- \$3.0 million – Use of special assessments for local street improvements.
- \$6.4 million – Use of bonding for transportation projects.

Also, since local municipalities rely on State revenue sharing and dedicated transportation funding programs to help support local transportation projects and services, the State should also strive to increase transportation revenues. Additional state transportation revenue can be pursued from the following state sources and/or actions:

- Discontinue the transfer of state transportation funds for non-transportation purposes.
- Use of bonding for transportation projects.
- Reinstate gas tax indexing.
- Dedicate a portion of the state sales tax from the sale of automobiles and automotive related parts to the transportation fund.
- Increase the vehicle registration and licensing fees.
- Adopt a value-based licensing fee.

- Evaluate the implementation of toll roads on high volume corridors.
- Evaluate changes to state transportation funding formulas for the distribution of state and federal transportation funds to local municipalities.
- Permit the establishment of Regional Transportation Authorities to assist with funding local transportation projects and services.
- Implement user fees based on miles driven.

While the State's ability to increase transportation revenue from various sources is acknowledged, the dedicated use of those funds for transportation purposes has been breached in recent years, creating a level of uncertainty for the future use of existing or new transportation revenue at the State level. State and local municipalities have also come to rely more heavily on bonding for transportation projects. The long term affect of increased borrowing to address needed transportation improvements also carries with it an increased financial risk regarding the availability of transportation funding for future projects.

The **street and highway system expansion needs** were identified through the planning process to accommodate urban area growth and development, and to correct identified traffic congestion problems attributable to roadway capacity deficiencies. The system expansion needs are listed by project under two categories which reflect the anticipated time frame for implementation and the availability of funding. The COMMITTED projects are those that are currently programmed in the TIP and local CIPs through 2010. The cost of those projects is identified in Table 19, along with the sources of funding. The PLANNED projects are those that are expected to be implemented between 2010 and 2030. Projected costs have been identified for those longer range projects using the most recent project cost estimates and applying a 3% annual inflation factor to more accurately reflect future construction costs. The anticipated funding sources for the identified expansion projects are listed as federal, state and local cost sharing.

## ***System Planning***

**Transportation system planning** is one of the core responsibilities, along with the programming of federal transportation funds, required to be performed by the MPO to maintain federal transportation funding eligibility for the designated urbanized area. To accomplish these tasks, the MPO requires financial support to conduct the continuing, cooperative, and comprehensive transportation planning and programming process for the metropolitan planning area. Cost projections have been prepared for MPO planning activities based on expenditures of approximately \$143,000 per year and increased by a 3% annual inflation rate through the 2030 planning period. The anticipated funding sources for the MPO planning activities are assumed to remain the current 80% federal/10% state/10% local cost sharing arrangement, until such time that new funding formulas are established by federal and/or state transportation authorities.

**Table 19**  
**Chippewa-Eau Claire Metropolitan Planning Area**  
**Transportation System Projected Costs, 2006-2030**  
**(\$000)**

	2006-2010	2011-2015	2016-2020	2021-2025	2026-2030
<b>TRANSIT</b>					
Operating & Maintenance	\$23,210	\$26,573	\$30,799	\$35,727	\$41,443
Capital	\$6,609	\$562	\$4,204	\$753	\$4,959
<b>TOTAL TRANSIT</b>	<b>\$29,919</b>	<b>\$27,135</b>	<b>\$35,003</b>	<b>\$36,480</b>	<b>\$46,402</b>
Comments	<ul style="list-style-type: none"> <li>• Costs projected using a 3% annual inflation rate.</li> </ul>				
<b>BICYCLE/PEDESTRIAN</b>					
Off-Road Pathway Construction	\$1,230	\$1,384	\$1,604	\$1,860	\$2,156
On-Road Improvements	\$1,004	\$1,164	\$1,349	\$1,564	\$1,813
<b>TOTAL ENHANCEMENT</b>	<b>\$2,234</b>	<b>\$2,548</b>	<b>\$2,953</b>	<b>\$3,424</b>	<b>\$3,969</b>
Comments	<ul style="list-style-type: none"> <li>• Costs projected using a 3% annual inflation rate.</li> <li>• On-street bike/pedestrian improvements incorporated in street/highway construction/reconstruction projects.</li> </ul>				
<b>HIGHWAYS</b>					
Preservation (3R)	\$104,000	\$113,875	\$132,010	\$152,887	\$177,230
Operations & Maintenance	\$85,800	\$93,831	\$108,775	\$126,101	\$146,187
<b>TOTAL PRESERVATION/ OPERATIONS AND MAINTENANCE</b>	<b>\$189,800</b>	<b>\$207,706</b>	<b>\$240,785</b>	<b>\$278,988</b>	<b>\$323,417</b>
Comments	<ul style="list-style-type: none"> <li>• Highway preservation, operations and maintenance costs are based on available funding, which addresses only 67% of identified needs.</li> <li>• Costs projected using a 3% annual inflation rate.</li> </ul>				
<b>EXPANSION COMMITTED</b>					
<b>USH 12</b> Chippewa River Bridge	\$5,251 (completed '05)				
<b>STH 29 Bypass</b> Chippewa Falls	\$6,890 (JT)				
<b>Park Avenue</b> Jeffers St. to Peterson Ln.	\$1,754				
<b>USH 53 Bypass</b> Eau Claire	\$36,293 (\$30,580 for JT)				

Table 19 continued

**Table 19 cont'd**  
**Chippewa-Eau Claire Metropolitan Planning Area**  
**Transportation System Projected Costs, 2006-2030**  
**(\$000)**

	2006-2010	2011-2015	2016-2020	2021-2025	2026-2030
<b>STH 93</b> I-94 to Cedar Road	\$6,123				
<b>Galloway Street</b> Moore St. to Brookline St.	\$500				
<b>Seymour Cray Sr. Blvd.</b> CTH I to STH 178	\$2,300				
<b>Commercial Blvd.</b> CTH OO to Melby Road (completed '05)	\$4,000				
<b>TOTAL COMMITTED</b>	<b>\$63,111</b>				
<b>EXPANSION PLANNED</b>					
<b>Birch Street</b> Starr Ave. to Pine St.	\$486				
<b>Gateway Drive</b> E Hamilton to 3 <sup>rd</sup> St. E.	\$3,954				
<b>STH 37/85</b> I-94 to 37/85 split		\$2,983			
<b>STH 29/124</b> Convert Interchange to Roundabout		\$3,900			
<b>USH 12</b> Winchester Wy to Shultz Rd		\$10,039			
<b>CTH T</b> Alpine Rd. to Old STH 29			\$9,602		
<b>USH 12</b> Vine St. to STH 312			\$5,791		
<b>CTH S</b> USH 53 to STH 178				\$8,125	
<b>Spring Street</b> Duncan Creek Bridge				\$200	
<b>Alexander St.</b> E. South Av. to Old STH 29				\$594	
<b>CTH AA</b> Gateway Dr. to House Rd.				\$666	

*Table 19 continued*

**Table 19 cont'd**  
**Chippewa-Eau Claire Metropolitan Planning Area**  
**Transportation System Projected Costs, 2006-2030**  
**(\$000)**

	2006-2010	2011-2015	2016-2020	2021-2025	2026-2030
<b>CTH X</b> STH 29 to CTH K	\$2,300 (Br.)				\$11,647
<b>USH 53</b> Bridgewater Av Interchange					\$10,500
<b>TOTAL PLANNED</b>	<b>\$6,740</b>	<b>\$16,922</b>	<b>\$15,393</b>	<b>\$9,585</b>	<b>\$22,147</b>
<b>Comments</b>	Costs projected using a 3% annual inflation rate.				
<b>TOTAL HIGHWAYS</b>	<b>\$259,651</b>	<b>\$224,628</b>	<b>\$256,178</b>	<b>\$288,573</b>	<b>\$345,564</b>
<b>SYSTEM PLANNING</b>					
Planning/Programming	\$715	\$825	\$955	\$1,100	\$1,270
<b>TOTAL PLANNING/ PROGRAMMING</b>	<b>\$715</b>	<b>\$825</b>	<b>\$955</b>	<b>\$1,100</b>	<b>\$1,270</b>
<b>Comments</b>	Costs projected using a 3% annual inflation rate.				
<b>TOTAL TRANSPORTATION SYSTEM COSTS</b>	<b>\$292,519</b>	<b>\$255,136</b>	<b>\$295,089</b>	<b>\$329,577</b>	<b>\$397,205</b>



**Table 20**  
**Chippewa-Eau Claire Metropolitan Planning Area**  
**Transportation System Anticipated Revenue and Funding Sources, 2006-2030**  
**(\$000)**

	2006-2010	2011-2015	2016-2020	2021-2025	2026-2030	Comments
<b>TRANSIT</b>						
<b>Operating</b>						Projected Funding Share
Federal	\$6,581	\$7,706	\$8,932	\$10,361	\$12,019	29%
State	\$7,405	\$8,238	\$9,548	\$11,075	\$12,847	31%
Local	\$9,324	\$10,629	\$12,319	\$14,291	\$16,577	40%
						Revenues projected with a 3% annual inflation rate.
<b>Capital</b>						
Federal	\$5,287	\$450	\$3,363	\$602	\$3,967	80%
Local	\$1,322	\$112	\$841	\$151	\$992	20%
<b>Total Transit</b>	\$29,919	\$27,135	\$35,003	\$36,480	\$46,402	Dependent on federal, state & local programming
<b>BICYCLE/PEDESTRIAN</b>						
<b>Construction</b>						Projected Funding Share
Federal	\$1,787	\$2,038	\$2,362	\$2,739	\$3,175	80%
Local	\$447	\$510	\$591	\$685	\$794	20%
<b>Total Enhancement</b>	\$2,234	\$2,548	\$2,953	\$3,424	\$3,969	Dependent on federal, state & local programming

Table 20 continued

<b>Table 20 cont'd</b>						
<b>Chippewa-Eau Claire Metropolitan Planning Area</b>						
<b>Transportation System Anticipated Revenue and Funding Sources, 2006-2030</b>						
<b>(\$000)</b>						
	<b>2006-2010</b>	<b>2011-2015</b>	<b>2016-2020</b>	<b>2021-2025</b>	<b>2026-2030</b>	<b>Comments</b>
<b>HIGHWAYS</b>						
<b>Preservation (3R)</b>						
Federal/State/ Local	\$104,000	\$113,875	\$132,010	\$152,887	\$177,230	Projected preservation, operations and maintenance funding addresses only 67% of identified highway needs.
<b>Operations &amp; Maintenance</b>						
Federal/State/ Local	\$85,800	\$93,831	\$108,775	\$126,101	\$146,187	Revenues projected with a 3% annual inflation rate.
<b>Total Preservation, Operations &amp; Maintenance</b>	\$189,800	\$207,706	\$240,785	\$278,988	\$323,417	Dependent on federal, state & local programming
<b>Expansion Committed</b>						
<b>USH 12</b>	\$5,251					
Chippewa River Bridge Federal/State	(Completed '05)					
<b>STH 29 Bypass</b>	\$6,890					
Chippewa Falls Federal/State	(JT)					
<b>Park Avenue</b>	\$1,754					
Jeffers St to Peterson Ln Federal/Local						

Table 20 continued

<b>Table 20 cont'd</b> <b>Chippewa-Eau Claire Metropolitan Planning Area</b> <b>Transportation System Anticipated Revenue and Funding Sources, 2006-2030</b> <b>(\$000)</b>						
	2006-2010	2011-2015	2016-2020	2021-2025	2026-2030	Comments
<b>USH 53 Bypass</b> Eau Claire Federal/State	\$36,293 (\$30,580 for JT)					
<b>STH 93</b> I-94 to Cedar Road Federal/State	\$6,123					
<b>Galloway Street</b> Moore St to Brookline St Local	\$500					
<b>Seymour Cray Sr. Blvd.</b> CTH I TO STH 178 Federal/State/Local	\$2,300					
<b>Commercial Blvd.</b> CTH OO to Melby Road Local	\$4,000 (Completed '05)					
<b>Total Committed</b>	<b>\$63,111</b>					
<b>Expansion Planned</b>						
<b>Birch Street</b> Starr Ave. to Pine St. Federal/Local	\$486					
<b>Gateway Drive</b> E Hamilton to 3 <sup>rd</sup> St E. Federal/State/Local	\$3,954					
<b>STH 37/85</b> I-94 to 37/85 split Federal/State		\$2,983				

Table 20 continued

<b>Table 20 cont'd</b>						
<b>Chippewa-Eau Claire Metropolitan Planning Area</b>						
<b>Transportation System Anticipated Revenue and Funding Sources, 2006-2030</b>						
<b>(\$000)</b>						
	<b>2006-2010</b>	<b>2011-2015</b>	<b>2016-2020</b>	<b>2021-2025</b>	<b>2026-2030</b>	<b>Comments</b>
<b>STH 29/124</b> Interchange to Roundabout Federal/State		3,900				
<b>USH 12</b> Winchester Way to Shultz Rd Federal/State		\$10,039				
<b>CTH T</b> Alpine Rd to STH 29 Federal/State/Local			\$9,602			
<b>USH 12</b> Vine St. to STH 312 Federal/State			\$5,791			
<b>CTH S</b> USH 53 to STH 178 Federal/State/Local				\$8,125		
<b>Spring Street</b> Duncan Creek Bridge Local				\$200		
<b>Alexander Street</b> E South Ave to Old STH 29 Local				\$594		
<b>CTH AA</b> Gateway Dr to House Rd Federal/Local				\$666		
<b>CTH X</b> STH 29 to CTH K Federal/State/Local	\$2,300 (Br.)				\$11,647	
<b>USH 53</b> Bridgewater Av Interchange Federal/State/Local					\$10,500	
<b>Total Planned</b>	<b>\$6,740</b>	<b>\$16,922</b>	<b>\$15,393</b>	<b>\$9,585</b>	<b>\$22,147</b>	

Table 20 continued

**Table 20 cont'd**  
**Chippewa-Eau Claire Metropolitan Planning Area**  
**Transportation System Anticipated Revenue and Funding Sources, 2006-2030**  
**(\$000)**

	2006-2010	2011-2015	2016-2020	2021-2025	2026-2030	Comments
<b>TOTAL HIGHWAYS</b>	\$259,651	\$224,628	\$256,178	\$288,573	\$345,564	Revenues projected with a 3% annual inflation rate.
<b>SYSTEM PLANNING</b>						
<b>Planning/ Programming</b>						Projected funding share
Federal	\$572	\$660	\$764	\$880	\$1,016	80%
State	\$71	\$82	\$95	\$110	\$127	10%
Local	\$72	\$83	\$96	\$110	\$127	10%
<b>Total Planning/ Programming</b>	\$715	\$825	\$995	\$1,100	\$1,270	Dependent on federal, state & local programming
<b>TOTAL TRANSPORTATION SYSTEM FUNDING</b>	\$292,519	\$255,136	\$295,089	\$329,577	\$397,205	