

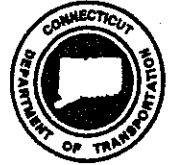


STATE OF CONNECTICUT

DEPARTMENT OF TRANSPORTATION

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Phone:



January 20, 2010

Ms. Amy Jackson-Grove
Regional Administrator
Federal Highway Administration
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Glastonbury, CT 06033

Ms. Brigid Hynes-Cherin
Federal Transit Administration
Regional 2 Administrator
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New York, NY 10004-1415

Mr. Richard H. Doyle
Federal Transit Administration
Regional 1 Administrator
Transportation Systems Center
Kendall Square
55 Broadway, Suite 920
Cambridge, MA 02142-1093

Dear Ms. Jackson-Grove, Ms. Hynes-Cherin and Mr. Doyle:

In recent years, Connecticut has taken tremendous steps forward in addressing pressing transportation infrastructure challenges and needs. The unprecedented commitment of funding to projects such as the Q-Bridge Crossing Program, the New Haven Rail Yard, the M8 Rail Car Procurement, the Statewide Bus Fleet Replacement and Transit Service Expansion are a testament to the State's commitment to preserving and enhancing its transportation infrastructure. As our federal partners, you have been integral to our efforts and we are grateful for our partnership with you and your colleagues.

Last year, the Department of Transportation (Department) initiated an effort to critically evaluate and establish priorities in recognition of the need for making informed, thoughtful and logical decisions relating to the preservation, modernization, and expansion of Connecticut's transportation infrastructure. Working collaboratively across the entire organization – Policy and Planning, Engineering and Construction, Operations and Maintenance, Aviation and Ports and Public Transportation – the State's transportation critical needs have been identified and prioritized in relation to reasonably constrained funding expectations and in recognition of funding program guidelines. This exercise addresses the Department's transportation program needs and resources over the next five years.

A significant additional challenge was the passage of the American Reinvestment and Recovery Act (ARRA), which has been a top priority of the Department throughout 2009. Even

with the ongoing work to establish clear priorities, the Department was hard-pressed to focus on the obligation and project delivery of both Statewide and municipal level programs in response to ARRA guidelines. As a result, in addition to the work underway to establish clear project and program priorities, the Department made a concerted effort to streamline our project pipeline and delivery systems.

Much has changed since we initiated this effort and, given the shift in the economic and financial landscape at both the State and federal levels, we thought it would be an appropriate time to provide you with information which demonstrates not only our commitment to balance our program to funding realities, but to point out the fundamental gap that exists between our funding levels to program requirements. As you know, all too well, the economy has taken a sharp turn for the worse, State and federal revenues have plummeted and the Federal Surface Transportation Act (SAFETEA-LU) has expired. There is tremendous uncertainty surrounding the repassage of this bill which has had significant implications on our ability to plan and execute our transportation infrastructure program.

Within the context of the development of the Statewide Transportation Improvement Program (STIP) we have had discussions throughout the State regarding the national financial picture and the resulting impact on transportation infrastructure needs. As you know, we are required to develop a "financially constrained" STIP. The Department has taken this requirement extremely serious in the development of the current STIP. These frank conversations have allowed us to begin building a framework to help ensure that our scarce resources are used where they are most needed. While difficult, these conversations have ultimately been well received. I think it is fair to say that our regional partners recognize that similar conversations are occurring in every State across the nation.

Whatever happens at the federal level, we are certain that it will contain a significant emphasis on the performance and the state-of-good repair of our existing infrastructure assets. Consequently, the upkeep and preservation of our existing roadway, bridge, public transportation, and aviation and port assets must be our top priority. There is also likely to be an emphasis on measurable results and asset management principles. Over the last year, the Department has placed a considerable emphasis on the development of quantifiable performance metrics and the efforts that we have made to date match up well with federal initiatives and will serve the State for many years to come. The reality is that we have a tremendous preservation challenge in Connecticut. This document and the Tables enclosed clearly demonstrate that ongoing commitments greatly limit discretionary choices beyond existing infrastructure repair and rehabilitation initiatives. The analysis contained herein demonstrates that there will simply not be enough money to address all the "have-to-do" projects in the State. Indeed, on Tables D1 and D2, you will see that we have approximately \$4 billion in "unfunded" initiatives in our Highway/Bridge and Public Transit program.

The fundamental reason for this is that we have several significant (Mega) projects that will absorb a majority of federal and State funding, which severely limits the funding remaining for not only much needed preservation requirements, but potential upgrade and expansion projects as well. The clear outcome is that we have to limit and match what we plan to do, with

that of which we can realistically achieve. Of particular concern to the Department, is the need to consider the impacts of initiating new work utilizing "earmark" dollars (federal and State) when it is clear that we do not have the financial resources to support construction.

It is the Department's position that preservation and ensuring the state-of-good repair of our existing infrastructure is essential to the future of our transportation system and a legacy that must be responsibly attended to. When and where dollars are available for any system enhancements, consideration should be placed on those smaller projects that can offer public transit alternatives, address important safety and traffic flow issues, and address capacity and service needs (such as operational lanes, turning lanes, etc...). Certainly, we must cast a careful eye to being in a position to plan and discuss expansion projects but given today's financial realities, the opportunity to implement these initiatives will most likely not present itself in the immediate future.

As previously indicated, we have provided a series of Tables which are briefly described below:

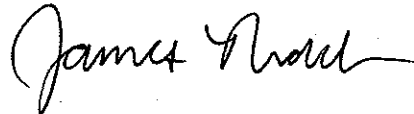
- Table A: Anticipated Funding: This chart shows the amount of available funding for both the Highway/Bridge Major Program and Transit Program for the next five years. **The underlying assumption for this and the subsequent Tables is a stable rate of federal funding for the next five years.** As you can see, the amount of available uncommitted funds is a small fraction of the Total Funding Available.
- Table B1: Depicts the existing Highway/Bridge obligations by project. These are projects that we have under contract, have existing federal agreements in place, or are a part of an ongoing program that must be completed.
- Table B2: Depicts the existing Public Transit obligations by project. These are projects that we have under contract, have existing federal agreements in place, or are part of an ongoing program that must be completed.
- Table C1: Contains a detailed project list which the Department would recommend for the balance of uncommitted funding for critical Highway/Bridge Projects.
- Table C2: Contains a detailed project list which the Department would recommend for the balance of uncommitted funding for Public Transit Projects.
- Tables D1 and D2: Contains a detailed list of unfunded Highway/Bridge and Public Transit Projects. As you can see, we have an extensive list of preservation and modernization needs that may not be realized within the next five years.
- Tables E1 and E2: Contains a detailed list of Major Long-Term Initiatives which do not currently have identified funding sources.

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The underlying assumption in these documents is based on State funding authorized in current legislation and a stable rate of federal funding. The balance remaining after each consecutive set of Tables is carried forward to the next Table. Tables D1 and D2 depict that there is no money available to fund projects, many of which are characterized as high priority requirements. Prioritization is based on safety, structural deficiencies, financial resources and readiness of projects to proceed. While the specific components (projects) of the programs are not yet fully defined, setting aside the financial resources to maintain our current infrastructure in a state-of-good repair is imperative. It is our intention to target those preservation funds consistent with solid asset management principles and strategies, utilizing the performance goals and metrics put in place by the Department in recent years.

In closing, we recognize that there will be considerable discussions and debates in Congress on the reauthorization of the Surface Transportation Act. As our federal partners, we want to assure you that we are committed to preserving the investment that you have made with us in our State's transportation infrastructure. We also affirm our commitment to work with all our partners at the local, regional, State and federal level to shape the most effective and affordable set of transportation programs possible. We have prepared this analysis of our program to demonstrate our recognition of the need to match our requirements to funding realities and look forward to our ongoing cooperation and partnership in maintaining our current assets and in shaping and ultimately implementing clear transportation priorities now, and once we have new transportation authorizations.

Sincerely,



James P. Redeker
Acting Bureau Chief, Policy and Planning
Bureau Chief, Public Transportation

Enclosures

cc: Governor M. Jodi Rell
The Honorable Joseph F. Marie, Commissioner Department of Transportation
Transportation Committee
Regional Planning Organizations