

Attachment A

Summaries of Transportation Finance Panel Meetings & Presentations

April – Governor welcomed members of the panel with opening remarks, followed by Panel introductions; Presentation by Commissioner Jim Redeker (CTDOT) on state of Connecticut’s infrastructure and specifics of *Let’s Go CT!*; presentation by Secretary Benjamin Barnes (OPM) on state of STF, revenue projections, and estimated future funding gap; discussion of panel on processes & procedures for moving forward.

May – Presentation by Senate Minority Leader Len Fasano and Rep. Christopher Davis on the Republican plan for funding transportation needs and their opposition to both tolling and any tax increases; presentation by Commissioner Catherine Smith (DECD) on the importance of transportation infrastructure for the state’s economic vitality; presentation by Rep. Tony Guerrera (Chairman of the General Assembly’s Transportation Committee) on the importance of properly funding and fixing Connecticut’s transportation infrastructure; comments by Rep. Tom O’Dea (Ranking Member of the General Assembly’s Transportation Committee); Panel discussion on the next meeting’s public forum in New Haven.

June – Presentation by Samara Barend (AECOM) on P3s, the different P3 models that exist, and important P3 considerations; presentation by Michael Likosky (32 Advisors) on P3 considerations for government, financial institutions, and design-construction firms; presentation by Senator Martin Looney suggesting areas of interest and other recommendations for the Panel’s discussions; presentation by Mark Morehouse (William Blair & Company) on important aspects of P3s, successful P3s in neighboring states, and the keys to their successes; presentation by Professor Jonathan Peters (The College of Staten Island) on the importance of proper financing and reviewing the collection cost of any new revenue source; presentation by Joseph Seliga (Mayer Brown) on the importance of having a proper legal framework in place when engaging in P3s and knowing when a project is right for a P3; the meeting was then opened for public comments, and seven citizens, who signed-up, testified on issues of importance to them and/or the industries they represented; the Panel then reintroduced invited speakers and engaged them in a Q&A session on the various aspects of P3s.

July – Presentation by Pat Jones (IBTTA) on tolling as a possible source of infrastructure funding; presentation by Ananth Prasad and Kevin Hoeflich (HNTB) on transportation funding options, an overview of tolling as one of those options, and the importance of maximizing revenue from non-toll and non-tax revenue sources; presentation by Jack Basso on a variety of transportation revenue options, including VMT fees; presentation by Eric Weinstein (Department of Revenue Services), Tim Sullivan (DECD), and Tony Roberto (Connecticut Innovations) on Tax Increment Financing.

September – Chairman Staples opened the meeting by announcing that Governor Malloy extended the Panel’s deadline until the end of the year; presentation by Tom Maziarz (CTDOT) and Glen Weisbrod (Economic Development Research Group) and discussion on the Economic Impact Analysis of select *Let’s Go CT!* projects and corridors (the widening of I-95 and the widening of I-84); presentation by Brian

Tassinari (OPM) on the updated STF revenue estimates, as a result of oil prices and market conditions; the presentations were followed by general discussion regarding the Panel's next steps.

November – Presentation by Tom Maziarz and Rich Armstrong (CTDOT) and discussion of select *Let's Go CT!* capital projects (reconstruction or rehabilitation of the Hartford Viaduct and reconstruction of the Waterbury Mix-Master) and possible construction strategies; presentation by Tom Maziarz (CTDOT) and Steve Fitzroy (Economic Development Research Group) and discussion on the Economic Impact Analyses complete for these same *Let's Go CT!* projects (the Hartford Viaduct and the Waterbury Mix-Master), as well as the enhancements proposed for the New Haven Line.

Attachment B

Ten Year Historical Amounts for Major Revenue Sources of the Special Transportation Fund as of FY2014

History of the Motor Vehicle Fuels Tax Collection

<u>Fiscal</u> <u>Year</u>	<u>Gasoline</u> <u>Rate(¢)</u>	<u>Diesel</u> <u>Rate(¢)</u>	<u>Collection</u>	<u>Growth</u>
2005	25.0	26.0	\$483,797,382	4.2%
2006	25.0	26.0	\$480,867,798	-0.6%
2007	25.0	26.0	\$478,250,020	-0.5%
2008	25.0	37.0	\$495,122,768	3.5%
2009	25.0	43.4	\$495,024,644	0.0%
2010	25.0	45.1	\$503,635,414	1.7%
2011	25.0	39.6	\$483,526,139	-4.0%
2012	25.0	46.2	\$492,794,802	1.9%
2013	25.0	51.2	\$501,269,424	1.7%
2014	25.0	54.9	\$508,057,833	1.4%

The Motor Vehicle Fuels tax (MFT) was first established as a Special Transportation fund revenue source in fiscal year 1985 and is the largest revenue source for the fund. The tax is levied on all motor fuel sold in Connecticut, with separate tax per gallon rates for both diesel fuel and gasoline. As has been shown in Table 3, the gasoline portion of the MFT has remained flat at 25 cents per gallon for over a decade. Diesel, the major driver of revenue growth over the last 10 years, is set annually by the Department of Revenue Services based on the sum of (C.G.S. 12-458h):

1. A base rate of 29 cents per gallon
2. Calculation of the average wholesale price for the Hartford/Rocky Hill and New Haven areas as reported by the Oil Price Information Service from April 1st to March 31st of the prior year multiplied by the Oil Companies tax rate (currently 8.1%)

History of the Oil Companies Tax Collection

Fiscal		Gross	STF	STF
<u>Year</u>	<u>Rate</u>	<u>Collections</u>	<u>Deposit</u>	<u>Growth</u>
2005	5.0%	\$179,047,466	\$13,000,000	23.8%
2006	5.8%	\$279,590,420	\$43,500,000	234.6%
2007	6.3%	\$309,403,945	\$141,000,000	224.1%
2008	7.0%	\$367,783,240	\$127,800,000	-9.4%
2009	7.0%	\$267,813,157	\$141,900,000	11.0%
2010	7.0%	\$264,917,723	\$141,900,000	0.0%
2011	7.0%	\$334,462,843	\$165,300,000	16.5%
2012	7.0%	\$372,966,634	\$226,900,000	37.3%
2013	7.0%	\$374,925,895	\$199,400,000	-12.1%
2014	8.1%	\$416,109,657	\$380,700,000	90.9%

The Oil Companies tax, also known as the Petroleum Products Gross Receipts Tax, is levied on the gross earnings from the first sale of petroleum products by distributors in the state of Connecticut. Up until June 30, 2015, the total amount of oil companies revenue collected was deposited into the state's General Fund and a set amount, determined by state statute, was transferred to the Special Transportation fund. Starting on July 1, 2015, all of the Oil Companies revenue will be deposited into the Special Transportation Fund.

History of Motor Vehicle Receipts Revenue

Fiscal		
<u>Year</u>	<u>Collection</u>	<u>Growth</u>
2005	\$233,851,818	6.7%
2006	\$227,261,155	-2.8%
2007	\$224,677,566	-1.1%
2008	\$225,524,482	0.4%
2009	\$220,780,735	-2.1%
2010	\$220,703,173	0.0%
2011	\$220,144,426	-0.3%
2012	\$235,446,219	7.0%
2013	\$234,483,769	-0.4%
2014	\$236,063,131	0.7%

Motor Vehicle Receipts (MVR) contains revenue collected from the issuing of motor vehicle licenses, motor vehicle registrations and other motor vehicle related fees/licenses. MVR were established as a revenue source for the Special Transportation fund in fiscal year 1985.

History of Licenses, Permits and Fees Revenue

<u>Fiscal</u>		
<u>Year</u>	<u>Collection</u>	<u>Growth</u>
2005	\$155,083,239	0.0%
2006	\$160,441,942	3.5%
2007	\$170,460,043	6.2%
2008	\$153,761,952	-9.8%
2009	\$142,430,802	-7.4%
2010	\$135,003,639	-5.2%
2011	\$135,453,360	0.3%
2012	\$135,974,435	0.4%
2013	\$137,283,583	1.0%
2014	\$138,390,185	0.8%

Licenses, permits and fees contains various revenue accounts not associated with the registration or operation of motor vehicles. This revenue source was established as a revenue source for the Special Transportation fund in fiscal year 1985.

Attachment C

Let's Go CT! Estimated Debt Issuance

Fiscal Year	Total Project	Less:		Total
	Cash Flow Needs ¹	Estimated Federal Funds ²	Surplus Cap ³	
2016	\$ 1,401,958,333	\$ 676,221,589	\$ -	\$ 725,736,744
2017	\$ 1,599,158,333	\$ 689,448,001	\$ -	\$ 909,710,332
2018	\$ 1,692,675,000	\$ 703,403,254	\$ -	\$ 989,271,746
2019	\$ 1,785,025,000	\$ 718,766,014	\$ 529,127,396	\$ 537,131,589
2020	\$ 1,833,208,333	\$ 734,756,621	\$ 513,496,109	\$ 584,955,603
2021	\$ 1,835,630,575	\$ 734,756,621	\$ 505,945,571	\$ 594,928,383
2022	\$ 2,333,640,956	\$ 734,756,621	\$ 479,877,789	\$ 1,119,006,546
2023	\$ 2,861,685,002	\$ 734,756,621	\$ 1,173,635,733	\$ 953,292,648
2024	\$ 3,446,859,851	\$ 734,756,621	\$ 1,188,429,262	\$ 1,523,673,967
2025	\$ 4,341,243,126	\$ 734,756,621	\$ 1,252,250,491	\$ 2,354,236,014
2026	\$ 4,534,320,010	\$ 734,756,621	\$ 1,033,753,306	\$ 2,765,810,083
2027	\$ 5,517,186,775	\$ 734,756,621	\$ 873,099,466	\$ 3,909,330,689
2028	\$ 5,707,119,401	\$ 734,756,621	\$ 577,528,520	\$ 4,394,834,260
2029	\$ 6,477,882,436	\$ 734,756,621	\$ 297,261,211	\$ 5,445,864,604
2030	\$ 4,937,395,435	\$ 734,756,621	\$ -	\$ 4,202,638,814
Total	\$50,304,988,567	\$10,870,161,689	\$ 8,424,404,855	\$ 31,010,422,024

Notes:

- ¹ The cash flow needs of both *Let's Go CT!* and on-going transportation capital projects.
- ² Estimated federal match on certain projects. Please refer to Assumptions in Section III of this report.
- ³ Excess surplus, Line 8 in Table 14 of this report, as a result of the Surplus Cap (please refer to "Surplus Cap" in Section VIII of this report) which will be used to offset cash flow needs in the ensuing fiscal year.
- ⁴ Total Debt Issuance was used to calculate debt service for the *Let's Go CT!* forecast.