

NEWS RELEASE

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Cuts will cost jobs, road quality

Kansas Department of Transportation budget cutbacks will cost the state jobs and impact the quality of the state's highway system.

Cuts to KDOT's budget were announced Monday when Governor Mark Parkinson was forced to take budget-balancing measures in light of unprecedented revenue shortfalls this year.

KDOT will transfer \$50 million from the State Highway Fund to the State General Fund to address the state's financial crisis. Transportation Secretary Deb Miller said the transfer will result in the elimination of highway preservation projects, such as resurfacings, and important equipment purchases.

The Substantial Maintenance program, designed to protect the state's highway investment, will be reduced by \$50 million. But because those projects are paid out over more than one year, that reduction will only save \$25 million this year. KDOT also will reduce planned equipment purchases, including dump trucks, tractors and mowers, by 50 percent; halt several studies; and indefinitely suspend the purchase of equipment for a Wichita traffic management project.

"Cutting projects will impact jobs, not only of contractors but of suppliers. It will also eliminate the spinoff spending that happens in communities during construction," said Secretary Miller. "We're going to do a lot fewer maintenance jobs and that will result in rougher roads and more vehicle maintenance."

There have now been \$229 million in revenue adjustments to the State Highway Fund since January. Twice since mid-summer KDOT has had to cut projects.

As a result of all the budget-cutting, KDOT's 2010 construction budget is now down to \$279 million, which is about 40 percent of the annual construction spending during the past 10 years.

"These reductions will have long-term fiscal consequences that will require additional spending in future fiscal years to return the system to good condition," Secretary Miller said.

Cuts to KDOT's operating budget will halt two major studies – the Five County Regional Transportation Study in the Kansas City area and the Rail Freight Study to identify critical freight bottlenecks. Also affected is the planned purchase of equipment to continue the expansion of the Wichita traffic management system.

Secretary Miller said the effect of the fund transfers on a budget that was already smaller than any of the past 10 years will make it difficult for KDOT to do the work necessary to maintain the state's highway system.

"We are filling very few job vacancies and many of our maintenance crews are short-staffed. That means we are able to do less, and there is a consequence to that. If the winter season is significant and prolonged, costs that exceed our budget for salt, sand and overtime must be absorbed with our remaining operating budget authority," Secretary Miller said.

A list of projects that will be done this year, and those that have been cancelled, is under development and will be posted when completed on KDOT's Web site, www.ksdot.org, under "Recent News Releases."

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