

On Monday, the MMAC Board of Directors will meet and the topic of discussion will be transportation. A last minute addition to the agenda is United States Secretary of Transportation Mary Peters.

Previously, I was asked to meet Secretary Peters at our airport and join her that day as she tours a number of sites related to transportation. With that in mind, it is possible that my time with you at lunch may be limited pending the fluid schedule of the Secretary.

Still, I want to share a few thoughts with regarding transportation.

First, there is good news coming in the 2008 budget. We provide \$11.3 million for continued capital investments at General Mitchell International Airport and at Timmerman Airport. In July, we broke the all-time record for passengers with a 13.8% increase over 2006 and we are well on our way to break the annual record in 2007.

Second, budget will also include \$11 million more to continue our investments in county roadways and bridges. We also include new funds to improve our parkways throughout the county.

Third, we include funding to restore all of the bus routes that the transit system proposed for elimination and we restore the area of service for the ParaTransit system. Getting people to and from jobs is a priority for me.

Still, there are some challenges looming on the horizon. Historically, nearly 70% of the costs of operating transit were covered by the state transportation fund. Since 2000, the amount of state aid for transit has fallen well below inflation.

In addition, years ago, the transit system started using federal capitalized maintenance funds for operating purposes. Those funds are projected to run out after 2010. This combined with a steady decrease in the percentage of state aid will lead to serious challenges in the future.

Some have suggested a regional sales tax as the answer. To achieve this goal,