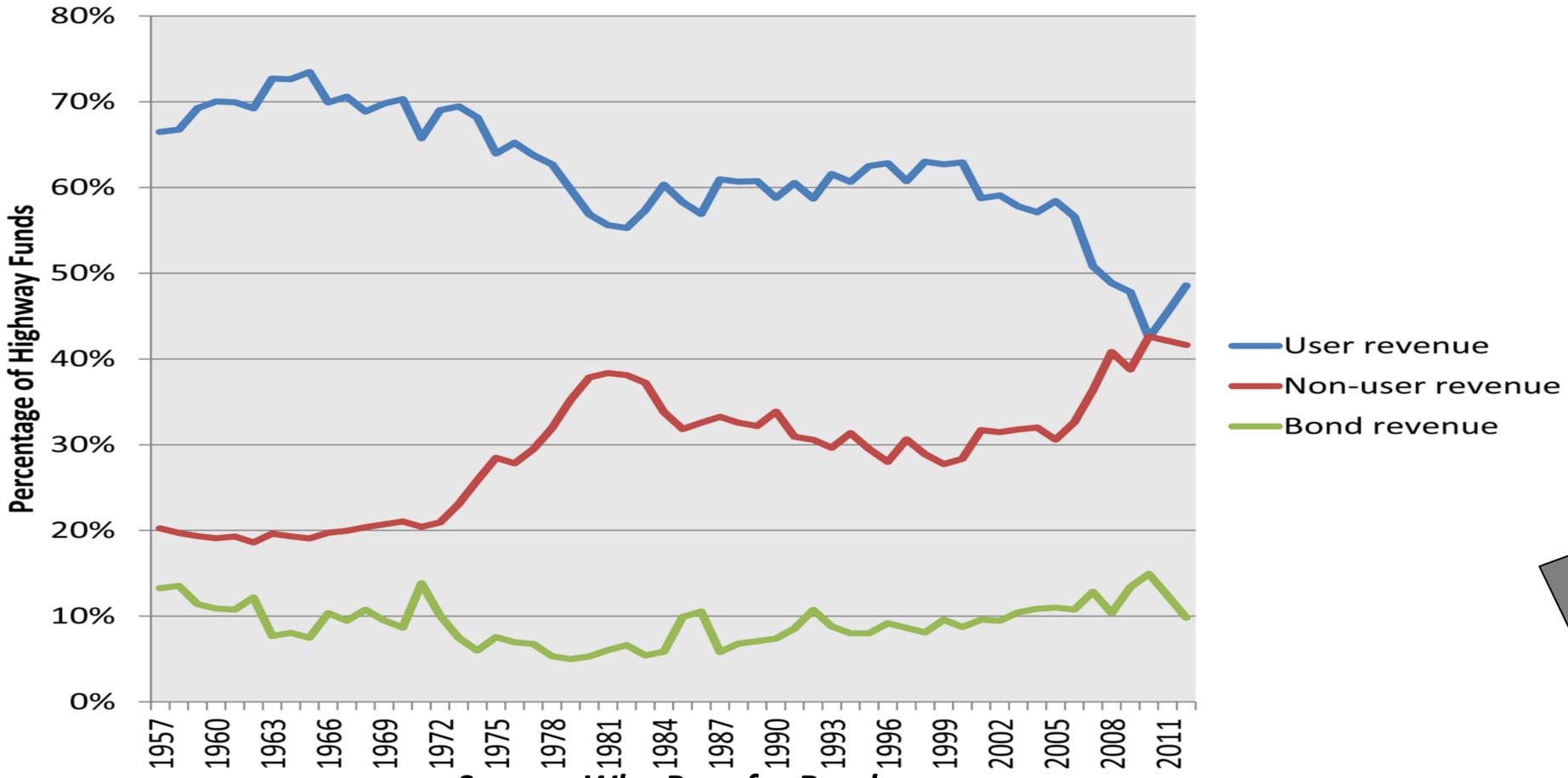


Life Cycle of a Road

WHO PAYS FOR ROADS?



We All Do! Road design, construction, maintenance and operations throughout the United States are funded through a variety of sources, including bonds, user revenues (gas tax, toll fees), and non-user revenue (income tax, sales tax).



Source: *Who Pays for Roads*,
 US Public Interest Research Group, May 2015

Did You Know?
 Approximately \$1,100 per household per year pays for roads from sources such as income taxes, gas taxes, user fees, general taxes, and road bonds.



Funding Roads Comes from a Variety of Sources, such as...

- ❖ **Developers and Private Landowners** pay to build roads when creating subdivisions in order to provide access to properties.
- ❖ **Cities (Palmer, Wasilla, Houston)** all have public works projects which are part of the annual capital budget.
- ❖ **Road Service Areas** fund road projects from taxes and fees such as auto licensing. There are 16 road service areas in the Mat-Su Borough with their own governing boards that oversee construction and maintenance of roads within their established boundaries.
- ❖ **Borough** funding comes from a variety of sources including road bonds, property taxes, state capital grants and federal grants.
- ❖ **Alaska Department of Transportation & Public Facilities** funds many major road projects in the Mat-Su such as Parks Highway, Seward Meridian and Knik Goose Bay Road.
- ❖ **Federal Highway Administration (FHWA)** is the main agency that distributes funds for roads from sources such as the Highway Trust Fund, which is funded through the federal gas tax.

Life Cycle of a Road

WHAT DOES IT COST TO BUILD A ROAD?

Matanuska-Susitna Borough
 Planning | Public Works | Capital Projects



Example: Bogard/Seldon Road Extension Project Costs*

BOGARD	State Funds
Design	\$6,194,344
ROW	\$6,147,112
Utilities	\$1,737,415
Construction	\$25,232,100
TOTAL*	\$39,310,971

SELDON	Borough Funds	State Funds	TOTAL
Design	\$1,923,116	\$1,602,879	\$3,525,995
ROW	\$499,705	\$331,301	\$831,006
Utilities	\$968,006	\$981,500	\$1,949,506
Construction	\$5,350,122	\$5,865,364	\$11,215,486
TOTAL*	\$8,740,943	\$8,781,049	\$17,521,992

*Costs are estimates. Project is not completed.

* Lucille – Wards -Beverly Lakes (Wards – Church 1995 Costs)

