

The Facts on SB 1610

SB 1610 directs the Oklahoma Turnpike Authority to perform additional studies and create a report to submit to the Legislature at which point they could modify or eliminate certain turnpike locations as previously authorized in statute.

According to the OTA:

"The OTA is already required to perform studies and develop plans that demonstrate technical and financial feasibility resulting in the avoidance, minimization, and mitigation of identified impacts."

Here are the facts:

City leaders in Norman and Noble, Cleveland County Commissioners, and citizens are united in their concerns about the proposed turnpikes and are seeking all avenues to halt this project until the OTA can provide more evidence the proposed toll roads are both necessary and technically feasible. Despite this widespread opposition, however, the OTA has already begun purchasing properties for the proposed turnpikes before feasibility, environmental impact, and human impact studies have even begun. This is not an effort to avoid, minimize, or mitigate impacts; the OTA has becoming increasingly brazen in forcing turnpikes through areas with less input from legislators, municipal government, county officials, and input from the citizens of Oklahoma.

According to the OTA:

"After the initial turnpike authorization, this level of legislative review has not been required and the uncertainty limits the OTA's ability to secure financing to engage in and perform the studies and engineering."

Here are the facts:

The OTA has hired engineering design firms, assigned them individual sections of the proposed routes and asked them to turn in 30% roadway design reports by October of 2022; **these engineering designs are proceeding before the environmental assessments are completed or the bonds approved.** This is a potential fiscal disaster because the feasibility and/or the environmental studies could force the routes to be moved out of Lake Thunderbird's watershed after the OTA has already spent \$60 million on engineering design. The OTA is acting in a financially irresponsible way by rushing this project through without any sound fiduciary or engineering plans.

According to the OTA:

"Project authorization has been the responsibility of the legislature and the challenges, finer details of route selection, timing and specifics of implementation have been the responsibility of the OTA. This methodology has withstood the test of time and has yielded favorable results."

Here are the facts:

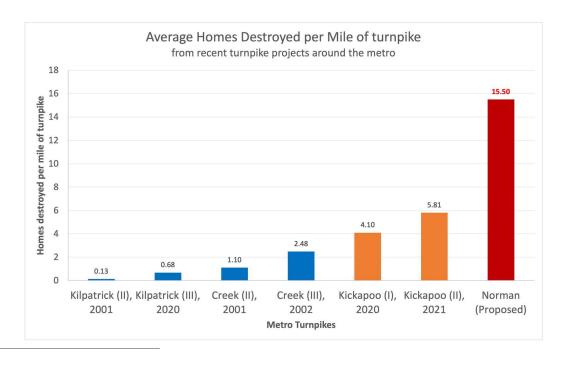
<u>Historically, OTA toll roads achieve, on average, less than 63% of projected revenues, with some turnpike legs faring much worse</u>. To date, the Chickasaw Turnpike has garnered less than 24% of its projected revenues. Another recent example is the gross overestimated projection of the recently constructed 21-mile long Kickapoo Turnpike. Projections estimated the Kickapoo would have approximately 12,000 vehicles per day; however, in 2021, an average of 2,113 vehicles/day traveled the Kickapoo; nearly 5.5 times fewer vehicles/day. But, even if the Kickapoo does eventually see 12,000

vehicles/day and pays an average of \$1.46/vehicle/day (\$6.4M/yr), it would take more than 80 years (50 years after the bonds are due) to repay the \$25M/mile constructions costs (\$525M) owed to bond-holders. Note, these calculations omit interest owed which, if conserved, would take an additional 51 years (131 years total).

The Kickapoo Turnpike is a perfect example of why the residents of Oklahoma have lost confidence in the OTA's ability to propose and construct financially responsible infrastructure. Further, this example, and many others, show that the OTA historically uses inflated traffic and revenue projections to obtain bonds and loans to construct turnpikes that are not fiscally responsible and do not generate the revenue needed to pay back bond and loan holders, and **then uses these NEW bonds/loans to repay OLD debts.**

Finally, the proposed number of houses that would be condemned per mile of toll road is significantly higher and impacts thousands of families. The Kickapoo Turnpike condemned less than 6 houses per mile; the proposed turnpikes will condemn more than 15 houses per mile. According to Governor Stitt, "You can't wait until it's too late to put the road in, you just disrupt so many neighborhoods and lives, so that's why we've decided to do it now to make sure we're getting it out there when it's really just farmland, pasturelands you're not disrupting."

These proposed turnpikes affect thousands of families and the citizens, the City Council of Norman, the Cleveland County Commissioners, the Bureau of Reclamation (BoR), and the United States Department of Agriculture (USDA) all want more information before the OTA continues to purchase properties in pursuit of these toll roads. SB 1610 helps ensure OTA provides that information BEFORE financing, land purchases, and construction.



https://www.oklahoman.com/story/news/columns/2016/05/01/oklahoma-turnpike-authority-has-history-of-inflated-projections/60676701007/

https://oksenate.gov/publications/issue-papers/perspectives-oklahoma-turnpike-authority