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Tennessee Lawmakers Ok Auto-Gas Tax Hikes

Knoxvillebiz.com – April 29, 2009

Tenn. - Legislators in a Tennessee House subcommittee approved a measure to allow future automatic gas tax increases based on the consumer price index. The House Rural Roads Subcommittee approved the so-called "indexing" plan, as an amendment to HB1321, introduced on Tuesday by Rep. Bill Harmon, chairman of the House Transportation Committee.

The bill, based on last week's recommendations by a special joint House-Senate Transportation Funding Options Study Committee, now awaits action by the Senate Transportation Committee. The Senate Transportation Committee chair, Sen. Jim Tracy, also sponsored the bill.

Tracy said the bill is not yet finalized, but something must be done as the cost of building roads has increased by 40 percent, while fuel tax revenues have fallen flat. "We know we have to do something," he said.

Washington Lawmakers OK Seattle Viaduct Tunnel, Floating Bridge Plans

Land Line Magazine – April 29, 2009

The state legislature in Washington sent two bills to the governor for approval on Sunday, April 26, authorizing the tunnel replacement of the Alaskan Way Viaduct and tolling on the state Route

520 floating bridge, respectively. The tolls on the SR 520 bridge across Lake Washington in King County will be used to fund construction of a replacement bridge. The state Transportation Commission will decide toll amounts that will be collected prior to the construction of the \$4.65 billion replacement bridge.

Gov. Christine Gregoire announced her support of both bills after the Legislature gave its approval. "Together, these projects will improve our immediate transportation needs as well as build a statewide transportation system to move us into the 21st century," Gregoire said in a statement.

Senate lawmakers agreed to House changes to the bill authorizing the replacement of the quake-damaged Alaskan Way Viaduct with a \$4.3 billion stacked four-lane, deep-bore tunnel under First Avenue. The plan commits up to \$2.4 billion in state funds for the project, and adds \$400 million in additional toll revenue, with construction slated to begin in 2011. Seattle property owners will foot the more than \$2.8 billion bill relating to cost overruns in replacing the existing Viaduct with a tunnel.

VDOT to Eliminate 230 Jobs in June

VDOT Press Release – April 28, 200

RICHMOND – The Virginia Department of Transportation began notifying 230 hourly employees across the commonwealth this week that their employment will end on June 6 as the agency moves to reduce staffing costs. The cuts are one element of a comprehensive plan designed to address the \$2.6 billion shortfall in transportation revenues over the next six years. The agency announced in February that it is seeking to reduce its overall staffing levels by 1,000 full-time employees and 450 wage staff over the next 18 months.

"The reality of our budget shortfall means that we have to prioritize spending on safety-related projects and to maintain our existing highways," said David S. Ekern, VDOT commissioner. "None of these are easy decisions for us to make. We know that these decisions will impact the public and the lives of our valued professional staff, but we must make the sound business decisions necessary to ensure the long-term viability of Virginia's transportation system and our department."

In February, the Commonwealth Transportation Board enacted the first phase of the cost-cutting plan when it reduced the number of new highway projects to be built. The revised six-year improvement program cut \$2 billion in funding, delaying or eliminating 808 projects statewide. The second phase involves staffing changes and organizational reductions in staff, and the third phase focuses on reducing spending on VDOT's programs and services.



I am amazed at the number of states where DOT personnel are experiencing some kind of downsizing or RIF, a temporary or long-term furlough program or an outright pay cut. We have been through this before but not to this extent. State budget projections for next year look even worse. It's time to rethink virtually everything we are doing to try and succeed in these very challenging times. TW

NTTA Delays Cashless Plan for Dallas North Tollway

Dallas Business Journal – April 27, 2009

DALLAS – The North Texas Tollway Authority approved plans to convert the President Bush Turnpike to an all-electronic collection (ETC) system this week while simultaneously delaying plans for the same conversion of toll plazas on the Dallas North Tollway.

“Delaying the transition of the DNT is a prudent decision that allows us to gather more information about the response to all-ETC prior to converting our busiest roadway,” said the NTTA’s Interim Executive Director Janice Davis. “It also allows us to delay about \$40 million in spending during these tough economic times.”

The NTTA board of directors passed a resolution last year for the conversion of the entire NTTA toll road system to cashless collection. The authority touted the benefits of going cashless including improvements to safety, air quality and mobility, as well as the reduction in overall operating expenses.

Mass. Plans to Build Wind Turbine along Turnpike

Boston Herald - April 28, 2009

BOSTON – Transportation and energy officials in Massachusetts are making plans to construct a wind turbine in the state’s western region. Secretaries for the state’s Transportation and Energy and Environmental Affairs announced this week that they are seeking proposals to build the turbine near the Blandford Rest Area on the Massachusetts Turnpike.

The 68-acre site was found by a University of Massachusetts study to have the highest elevation on the Turnpike, and is capable of supporting a 1.5 megawatt turbine. It would generate enough power to support about 400 homes.

The output from the wind turbine would be sold to a retail electricity provider such as the Western Massachusetts Electric Co. A transportation spokesman said officials hope the visibility of the first turbine along the Turnpike would boost awareness about wind energy. Proposals for the project must be submitted by June 30.

Proposed Bill Lets States Opt Out of Highway Program

The Dallas Morning News – April 28, 2009

WASHINGTON, D.C. – A Texas Senator has introduced legislation to eliminate the long-obsolete federal highway funding system by allowing states to opt out of the program and keep all the fuel tax collected at gas pumps. The bill by U.S. Senator Kay Bailey Hutchison (R-TX) would give states the option to receive rebated gas tax dollars generated within their state for use on surface transportation projects rather than receiving funding from the Federal Highway Program.

"Our legislation would cut the overwhelming majority of federal strings attached, but would require that rebated taxes be spent on surface transportation projects. This option would allow states to receive a more equitable distribution of gas tax dollars, while ensuring funds are directed toward improving transportation in high growth areas of our states in line with regional needs," Sen. Hutchison said.

Hutchison, who is attempting to challenge Gov. Rick Perry in next year's Republican primary, said the state receives about 92 cents for every \$1 in fuel tax paid at gas pumps in the state. She called Texas one of about 30 "donor" states that send more gasoline tax revenue to Washington than they receive for road projects.

"It's time for every state to be able to be on its own," Hutchison said at a transportation summit in Irvine last August. "We are very underfunded because we're a high growth state, and we need to be able to use our dollars in a more efficient way."

N.H. House Approves 15-Cent Gas Tax Hike

Land Line Magazine – April 28, 2009

Lawmakers in the New Hampshire House have voted to raise the state gas tax by 15 cents per gallon in an effort to finance its \$11.5 billion state budget. The House bill accompanying the two-year state budget endorsed several new taxes on wealthy estates, capital gains and gambling winnings, among others.

With a 182-165 vote, the House advanced to the Senate tax hikes on hotel room rentals, dining out and cigarettes, in addition to the adding 15-cents to the existing 18-cent-per-gallon state fuel tax, which is the primary source of revenue for the state's roads. The New Hampshire Department of Transportation is anticipating a \$1 billion funding deficit in the state's 10-year highway plan.

The gas tax increase would be introduced in 5-cent annual increments over the next three years finishing at 33 cents per gallon in 2011. Diesel fuel would increase every two years, to reach 33 cents by 2018. The increase would generate an additional \$125 million in 2010 and 2011 for the highway fund, and would be dedicated to repairs and construction of the state's roads and bridges.

Oklahoma Leads in Stimulus Spending

Tulsa World – April 28, 2009

OKLAHOMA CITY – The Oklahoma Department of Transportation is leading the nation in the percentage of its stimulus dollars spent. On Monday, following the Transportation Commission meeting, ODOT had approved spending for \$314 million worth of improvements to the state's highway system.

ODOT has awarded approximately \$465 million in funding from the federal government's economic stimulus package. Department spokeswoman Terri Angier said the Federal Highway Administration placed Oklahoma in the top position in stimulus spending prior to Monday's

meeting, where an additional \$90 million worth of stimulus projects were approved.

The transportation department still has about \$7 million left for county bridge and road projects, as well as about \$39 million for transit projects. Federal officials have yet to announce how the reported \$8 billion for railway projects will be distributed. ODOT officials said the stimulus funds may reach farther than they originally anticipated, as many projects awarded have come in for amounts less than engineers' estimates.



We review many stories each week to determine which ones would be most useful to our colleagues. As expected, numerous stories throughout the country are published about the stimulus funding and how it is being implemented. We can't print them all but choose an interesting variety. Much confusion exists about approved projects, funds apportioned or obligated, and projects under construction. The media and the public largely don't understand the differences between each of these milestones. I am growing more and more cautious in considering what I read and how it's portrayed unless it comes from a DOT source. Our readers should also be careful. TW

MoDOT Delivers First of 802 Better Bridges

MoDOT News Release – April 23, 2009

JEFFERSON CITY – The Missouri Department of Transportation marked a milestone this week in its mission to fix 802 of the state's worst bridges in five years by reopening the first bridge repaired under the Safe & Sound Bridge Improvement Program. On April 23, MoDOT, Missouri Highways and Transportation Commission and county officials celebrated the rehabilitation of the bridge over Hominy Creek in Polk County. Two other Safe & Sound projects were also finished this week, one in Howell County and another in St. Francois County.

"We made a commitment to Missourians that we would improve hundreds of the state's worst bridges, and we are delivering that promise," said MoDOT Director Pete Rahn. "MoDOT is addressing more bridges than we ever have before thanks to the Safe & Sound initiative, as well as the normal bridge work scheduled in our five-year construction program, ongoing corridor work and now upcoming recovery act projects."

As soon as the Missouri Highways and Transportation Committee approved the Safe & Sound program on Sept. 18, 2008, MoDOT went to work and was able to get the first bridges under construction within five months. "We went to work immediately to get 100 of these projects designed, placed out for bid, awarded and under construction in record time because Missourians simply deserve better bridges," said Rahn.

The Safe & Sound initiative will repair 802 bridges by Oct. 31, 2014 at a total cost of approximately \$700 million.