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NC DOT to Take Over Turnpike Authority

The Daily Advance – July 7, 2009

The North Carolina Turnpike Authority will transfer into the hands of the state department of transportation, including operations of the Mid-Currituck Bridge project, which the authority took over from the state just four years ago. The state House overwhelmingly agreed to the merger, with a 113-4 vote to give administrative functions for the seven-year-old authority to the North Carolina Department of Transportation.

The Senate approved a similar bill when it signed off on its version of the \$18 billion state budget in May. State officials say the merge is designed to improve efficiency and cut costs. State revenue has dropped by an additional \$1 billion since May, according to Schorr Johnson, spokesman for President Pro Tempore Marc Basnight.

If the merger provision remains in the budget House and Senate conferees are working to agree on by July 15, the authority will no longer be a separate entity, and will fall under the DOT secretary's supervision, Johnson said.

With Basnight's support, then-Gov. Mike Easley transferred control of the long-delayed mid-county bridge project from the state DOT to the Turnpike Authority in August 2005. Under the legislation signed by Easley, the Authority was given the authority to contract with private companies to construct nine other projects including the span over Corrituck Sound.

Calif. High-Speed Rail Funding at Risk in Budget Fight

Silicon Valley/San Jose Business Journal – July 7, 2009

The budget bill recently passed by the California Legislature may threaten more than \$1.3 billion federal stimulus money, according to backers of plans to run high-speed rail in the state. The budget-balancing bill Gov. Arnold Schwarzenegger says he will veto contains wording requiring additional study of the section of rail between San Francisco and San Jose.

Homeowners in wealthy communities along that section of the proposed line have voiced opposition over the route for the high-speed trains that will eventually travel between San Francisco and Los Angeles.

The language in the legislation aimed at repairing a \$26.3 billion state budget deficit is attached as a condition of the state spending \$139 million on hiring engineering firms and staff. Backers of the high speed rail say such a study would delay the project beyond the time frame where it would be eligible to receive \$1.3 billion in federal stimulus money they have been promised. Last year, voters approved \$9.95 billion in bonds for the project, which is expected to have a final cost of \$45 billion.



The complexity of budget decisions and political machinations in state houses often result in collateral damage to programs and people who are not intended targets. Transportation programs and projects are no exception. TW

Congestion Eases Slightly in Recession

USA Today – July 8, 2009

The recession has slowed congestion slightly in the U.S. but experts say the quarter-century pattern of increasing congestion is expected to rebound when the economy recovers. The average commuter spent 1.3 fewer hours in traffic in 2007 than in 2005, and wasted one less gallon of gas, reported the Texas Transportation Institute 2009 Urban Mobility Report. Researchers say this is the first time there has been a national decline since the study began in 1982.

The decline is “not the result of major investment in traffic strategies or effective land-use strategies,” study co-author Tim Lomax said, but was the effect of rising gas prices and the recession. “Once gas prices (drop) and the economy starts to pick up, I think we’ll see a return to congestion growth.”

Traffic volume has risen 3% to 5% annually over the past three to four decades, and Lomax predicts traffic volume to rise by 1.5% to 2% annually in the coming years. “That’s still a pretty big challenge, and one that we haven’t shown any ability to address,” he said.

Despite the rare decrease in congestion, Americans still lost \$87.2 billion in 2007 on wasted fuel and lost productivity – more than \$750 per driver, the study found.

AZ Toll Bill Sent to Governor

Today's News-Herald – July 7, 2009

A new toll road measure authorizing cities and towns in Arizona to build, operate and finance the construction of toll roads has been sent to Gov. Jan Brewer's desk for her signature.

Lake Havasu City Communications & Intergovernmental Affairs Officer Charlie Cassens said the purpose of the bill was simply to provide an alternate funding option. "It is not something that means we are automatically going to charge a toll," Cassens said. "It is to keep as an option for pre-planning for something that may not happen for years to come."

Lake Havasu City officials are hoping the bill is approved because it would allow them to move forward with a second bridge to the Island. The city could use toll collections as an additional way to pay off bonds for building the bridge.

Miss. Gas Tax Too Low, says Transportation Official

Associated Press – July 7, 2009

JACKSON, Miss. – The gas tax is too low in Mississippi and the state needs to stop using fuel tax revenue for other programs as the state struggles to pay for improvements to aging roads and bridges, the state's top transportation leader says. Mississippi Department of Transportation Director Butch Brown voiced his concerns about the state's gasoline tax at a news conference to introduce a national campaign to increase awareness of crucial transportation needs.

Brown noted that the state's 18.5-cent gasoline tax has not changed since 1987, while fuel prices have quadrupled in the past 20 years.

"At that time (1987), remember back, gas was selling for a dollar a gallon. That was 18.5 percent as a percent of the cost of fuel," Brown said. "Now ratchet forward, when you get to \$4 a gallon do the math." Mississippi's gasoline tax is the eighth lowest in the nation, and far lower than the 45.6 percent average.

Brown, who is vice president of AASHTO, said that transportation gets no money from Mississippi's general fund, while about a third of the state's gas tax revenue diverts to other state programs. This takes an estimated \$200 million from MDOT which "is legally ours," said Brown.



Butch makes a point that is valid here and in most other states. As I read this story I wondered what the government would do if personal income tax rates Or sales tax rates had been held steady since 1987? The vulnerability of the gas tax is one of the biggest hurdles we face in dealing with in our inability to sustain the improvements our nation's transportation system needs. TW

Missouri Bill could Allow More Transportation Projects

A new bill may soften the blow to the Missouri Department of Transportation as it prepares to have its budget cut in half over the next two years. Recently signed by Gov. Jay Nixon, the bill would make it possible for the agency to maintain more transportation projects using the design-build process. The method used to bid highway and bridge projects can decrease project costs and cut completion time in half.

The bill gives MoDOT the authority to contract 2 percent – or about 10 projects – of the department’s State Transportation Improvement Project list using design-build. The traditional method requires MoDOT to design the entire project before soliciting bids and awarding construction contracts.

“It allows large and more complex projects to be constructed more quickly because you have a single contractor working on both the design and the construction,” said Lisa LeMaster, senior governmental relations specialist at MoDOT. Therefore, a project can move from one phase into the next much more quickly.”

The time and money saved by utilizing the design-build method will be vital over the next couple of years as MoDOT competes for more stimulus funding and its budget drops from \$1.2 billion this year to \$500 million by 2012.

Colorado City Launches Website to Stop Tollway

TheNewspaper.com – July 7, 2009

A Colorado city has launched a massive campaign against a planned toll road in the area, including launching a website (ReallyBadDeal.org) to outline its case against the tollway. Last month, the city of Golden sent a 48-page report to investment firms that had expressed interest in taking part in the tolled beltway project near Denver. The city warned the companies that investment in the Jefferson Parkway would be unwise.

“We are committed to informing the public, especially when it comes to issues that will deeply affect our communities like the proposed Jefferson Parkway plan,” according to the website. “Golden took this unusual step because it is concerned that Jefferson County and the cities of Broomfield and Arvada have become fixated on the fantasy of luring a private investor to underwrite the cost of the Jefferson Parkway. As a result, these local governments are not focusing on realistic transportation solutions needed to erase the region’s congestion.”

The city hired financial analysis firm CRA International to conduct a review of the toll plan, which subsequently found that toll revenue would not cover the full cost of construction for the proposed project. The primary reason was that by 2030, daily traffic volume would not exceed 15,000 vehicles, because the proposed route does not connect common destinations.

The city is so sure in the findings from the financial analysis that it has offered a \$10,000 contribution to any investor interested in hiring an independent review firm to provide a second opinion. “Given the financial, legal and political risks, this is an especially poor investment

prospect," the city explained in the letter to investors. "It maximizes possible risk to investors and provides little or no potential return."

Arkansas Panel Agrees to High-Speed Rail Study

Associated Press – July 9, 2009

LITTLE ROCK, Ark. – A transportation panel in Arkansas has agreed to request funding for a study to look into the possibility of high-speed rail connections between Texarkana and Little Rock and Little Rock to Memphis, Tenn. At a meeting this week, the Arkansas Highway Commission authorized the state Highway and Transportation Department to the Federal Rail Administration for funding to help cover the cost of the study.

A decision from the rail agency is expected by early next year, and the study itself would take about 18 months. The order authorizing the grant application states that the Little Rock-Texarkana segment has already been designated as part of the South Central High-Speed Rail Corridor and the FRA's feasibility study would be "to consider extending high-speed passenger rail service from Little Rock to Memphis."

Highway Department spokesperson Randy Ort said new tracks would need to be built to establish high-speed rail service between Little Rock and Memphis.