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## Chesapeake OKs Jordan Bridge Replacement Plan

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*The Virginian-Pilot* – January 28, 2009

**CHESAPEAKE** – The Chesapeake City council this week unanimously agreed to turn the closed Jordan Bridge over to a private development group for demolition and replace it with a fixed, tolled span connecting Portsmouth and South Norfolk. The 80-year-old bridge was closed Nov. 8 after inspectors said millions of dollars in structural repairs were needed. The developer's demolition alone will save the city more than \$2 million.

The development team, which includes former Virginia Department of Transportation commissioner Philip Shucet and the experienced Figg Bridge Developers, says it can build the new bridge for less than \$100 million and have it open by July 4, 2010. The group has suggested \$2 tolls to help pay for the work.

"This bridge to opportunity is a clear signal that Chesapeake is open for business," said Chesapeake Mayor Alan Krasnoff, who helped guide the project quickly through the city approval process in a little more than a month, rather than the usual months-long analysis. "Now let's get to work and make this happen."

The new bridge, named the "South Norfolk Jordan Bridge," will be fully financed by the private sector, and will be over twice as long as the old bridge, which carried 7,000 vehicles per day but prohibited heavy trucks. The new bridge will be able to handle more industrial traffic, and will not have to lift for water traffic on the South Branch of the Elizabeth River, as did the closed bridge.





*different model than we have been observing on past initiatives but a success story none-the-less. The fact that it came together so fast is impressive. That the mobility of the citizens of Chesapeake and the surrounding area will be positively impacted in so little time is amazing.*

*We need to learn more about how this was done, not that every deal needs to look like the Jordan Bridge. We need to know how it was done quickly and without a lot of fuss or controversy. In some cases I think we have made the whole PPP process too complicated and cumbersome for our own good. If we constrain the public-private relationship to the point that only a few projects get built, then what have we accomplished? While some processes and regulations are necessary to protect the public good do we sometimes create a path so hard to go down that no one tries? Processes and regulations in and of themselves don't built projects. Regulations on the shelf don't improve mobility and processes never paved a road. Let's be careful we don't constrain the great potential of PPP by being so caught up in the details that we miss opportunities that come along. This is a project worth studying and emulating. TW*

## Caterpillar to Cut 20,000 Jobs

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USA Today – January 26, 2009

This week brought news of a wave of layoffs that included Caterpillar, the largest maker of construction and farm equipment in the world. The company said it will cut 20,000 employees, contract and agency workers after its fourth quarter profit plunged 32 percent. It warned of a "dismal year for the world economy," with the 18-percent cut in the Illinois-based company's workforce representing the worldwide slide in construction and mining.

Caterpillar, viewed as a stalwart of U.S. industry, said the economy has slowed dramatically in China and other previously fast-growing nations leaving fewer buyers for bulldozers, graders and other heavy equipment.

If orders for earthmovers and other heavy equipment improve, which some predict as countries around the world start building highways, bridges and other public works to help create jobs, Caterpillar can quickly recall some workers.



*Caterpillar is something of a bellwether for our industry and the mining community. This move portends what they see as a critical softening of the market. TW*

## U.S. Infrastructure Earns a 'D' Grade

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Associated Press - January 28, 2009

WASHINGTON – The nation's roads, public transit and other infrastructure received a 'D' grade in the American Society of Civil Engineers (ASCE) latest four-year report card. The group estimates that Americans spend over 4.2 billion hours a year sitting in traffic, which in turn costs the economy more than \$78 billion, earning roads a D- grade.

The report by top engineers warns that the American society's basic physical backbone is just barely above failing, although the cost to raise the grade is enormous. Highlights of the report were released just as the House of Representatives prepared its first vote on President Barack Obama's economic stimulus package; ASCE says it will cost \$2.2 trillion to fix the nation's aging infrastructure.

The organization assigned a D grade for everything in the U.S. including schools, parks, levees and dams, which is the same as the groups last report in 2005, although it slid from a "high D" to a "low D," according to report chairman Andrew Herrman. The 2007 cost would be \$1.7 trillion to fix what is broken, as opposed to \$2.2 trillion today.

Bridges were given a C; parks and rail systems scored a C-. Aviation, dams and public transit received solid Ds, and the worst grades of D- went to drinking water, roads, inland waterways and sewage systems.

"That absolutely makes sense," said Granger Morgan, head of Carnegie Mellon University's engineering and public policy program, an expert not involved in the 28-member panel preparing the report. Morgan said his travels around the world have shown that U.S. infrastructure, particularly transportation, "is certainly not in the same league as parts of the developing world and parts of Europe."



*ASCE's report card on America's infrastructure emerged as a clear and concise way to communicate how things really stand in our nation. It has received wide acclaim due to its credibility and the fact that it is a grading system the public understands. The results are sobering, but true. These are grades we cannot tolerate; failure to act will result in lower grades in the future. In the spirit of disclosure I worked with a group of notable individuals from our industry on this report card. TW*

## Budget Cuts Postponed in Anticipation of Federal Stimulus

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*Baltimore Sun* – January 27, 2009

Planned budget cuts in Maryland were postponed this week as Gov. Martin O'Malley's administration cautiously estimated it will receive roughly \$3.5 billion in federal funding over the next two years. The governor said that if Congress and President Barack Obama sign off on the much anticipated stimulus package, it would allow reversal of drastic budget cuts already underway.

O'Malley said conversations with Maryland congressmen have given him a firm estimate that the state could possibly receive roughly \$2.5 billion in operating assistance over the next two years and an additional \$1 billion in infrastructure spending. The expectation of receiving those federal dollars has allowed the governor to delay planned actions to close a \$2 billion budget gap.

Maryland's portion of an \$825 billion bill could forestall layoffs and cutting millions from Baltimore's school system next year. O'Malley had planned \$54 million in cuts to public works and \$66 million reductions to state aid for public schools, health departments, community colleges and local police.

## Stimulus could Fund County's Highway Complex Project

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*The Caledonia Argus, MN - January 26, 2009*

Taxpayers in Minnesota's Houston County could see major benefits to President Barack Obama's proposed stimulus package under the jurisdiction of the U.S. Economic Development Administration called Fast Start Projects, designed to put people back to work. In a December county board meeting, Houston County Financial Director Casey Bradley told members that the proposed program could fund up to 100 percent of the construction costs for a planned new county highway complex.

Bradley and County Engineer Brian Pogodzinski prepared the preliminary application and submitted it to the Arrowhead Regional Development Commission Dec. 16. The commission has since been asked by the U.S. EDA to submit a list of projects eligible for federal funding under the EDA's Investment Programs that could begin by July 1, 2009.

"If the President gets the stimulus programs going, I feel we are sitting very good as far as getting approved for Fast Start Projects," Bradley told the county board January 20. "The county has met all the criteria for the program and should be able to meet the deadlines." The proposed \$8 million project will relocate the county's highway department facility from just east of the Houston County Fairgrounds in Caledonia to a location on Highway 76.

## Auto-to-Transit Shift Continues amid Falling Gas Prices

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*Mobilizing the Region, NY - January 26, 2009*

Despite the recent, albeit temporary, drop in gasoline prices making it relatively cheap to drive again, Americans are continuing to reduce their driving. Recent figures from the Federal Highway Administration show a 5.3 percent decline in miles driven for November 2008 compared with November 2007, with 13 billion less miles logged. This represents the second largest drop in driving of any month over the past year, even though gas prices had dropped to about \$2 per gallon.

As the first eleven months of 2008 saw a 102 billion mile drop in driving, transit systems across the nation are reporting record ridership. Ridership increased by 5 percent nationwide through September 2008 compared with the same period the year before, according to the American Public Transportation Association's most recent data.

Cities including Albany, Boston, Philadelphia, Kansas City, Dallas, Portland and San Francisco saw continuing ridership increases in November, and preliminary data from NYC Transit showed modest, yet continuing November gains on subways and buses. Economic recession typically results in fewer vehicle miles, but this time is unique because transit ridership is not suffering. An APTA official said that as Americans shifted to transit to save on gas, they "discovered" the benefits and convenience of transit.

# Analysis: Officials Seek to Restructure Transportation Dept.

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*Morris News Service – January 26, 2009*

*ATLANTA* – Three state leaders in Georgia with a history of disagreeing have come together in a shared commitment to reconfigure the state's transportation department. They say the agency's administration of contracts must be restructured before more funding can be supported, and the General Assembly is also supporting the administrative overhaul.

Gov. Sonny Perdue, Lt. Gov. Casey Cagle and House Speaker Glenn Richardson have revealed few details about the great deal of time spent behind closed doors on the matter, but House Majority Leader Jerry Keen was willing to answer a few of reporter's questions. Keen said the plans involve changing the makeup of the transportation board, as Georgia differs from 48 other states which have a transportation board appointed by their governor. Georgia's board members are elected from congressional districts by the state lawmakers representing those districts.

A constitutional amendment would be required to change the makeup of the transportation board. Cagle and Richardson have agreed to let the Gov. Perdue take the lead on the issue, so legislation will most likely be introduced by one of his floor leaders; not expected for a few more weeks. "There are lots of rumors going around about what's in it," said Mr. Perdue's spokesman, Bert Brantley. "You'll just have to wait."

## MTA Board Approves Subway Study

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*Los Angeles Times – January 22, 2009*

*California* – The board of directors of the Metropolitan Transportation Authority has approved a \$17.2 million environmental study of a Westside subway extension. The only "no" vote came from County Supervisor Mike Antonovich, citing expense and the time it would take to build the subway.

When asked if it were really possible that the subway would not reach Westwood until 2032, as the MTA staff proposed, Los Angeles Mayor Antonio Villaraigosa said, "If it was up to me, it would be done tomorrow." He added that he's looking at every possibility to accelerate construction, including public-private partnerships and federal funding. He said he has also had discussions with the Obama administration about matching local funding for projects.