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## DOT Reform Stalls Budget Talks

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*The Sun News - May 15, 2007*

*COLUMBIA* – The South Carolina House is threatening to delay action on the state's \$7.3 billion budget until the Senate passes a Department of Transportation reform bill. Three senators and three representatives have made little progress in coming to an agreement for the state budget, which has millions of dollars in local spending at stake.

Speaker Bobby Harrell, R-Charleston, has been accused by other legislators of refusing to pass a budget unless the Senate agrees to a DOT reform. If the group cannot reach a compromise, a continuing resolution must be passed by the two chambers, which would only allow the same amount of money to be spent as this year. Sen. Hugh Leatherman, R-Florence and Chairman of the Senate Finance Committee, says he and the other two budget conference participants cannot control what the chamber does with DOT reform.

Currently, the reform bill is stalled by a Senate filibuster. The two sides agree on the accounting and priority reforms for the agency, but cannot agree on the structure of the agency's governing board; who should appoint it and be the director.

## Legislature Passes Gas Tax Increase, Veto Promised

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*Coon Rapids ECM Publishers, MN - May 15, 2007*

*Minnesota* - The Minnesota legislature approved a \$7 billion transportation bill containing a nickel gas tax increase, which Gov. Tim Pawlenty has vowed to veto. Even though the House had just enough votes to override a veto, the bill's Republican supporters may not all be willing to go against the governor.

The transportation package, which spans the next decade, includes higher license fees and a half-cent metro area sales tax hike. Roads and transit would receive \$534 million in funding over the

next two years. The bill would increase the state's 20 cent gas tax by five cents on Sept. 1, and could reach up to 7.5 cents because the bill also authorizes a 2.5 cent surcharge to pay off up to \$1.5 billion in bonds for road projects.

House leaders said they tried to avoid a showdown with the governor by cutting a proposed ten-cent increase in the gas tax down to a nickel, and permitting more borrowing for construction projects. Pawlenty believes the ten-year plan should use long-term loans to pay for \$1.7 billion in transportation, even though transportation officials say the \$7 billion bill would pay for only about half of what was necessary to catch up on the back log of projects.

When asked Monday whether Pawlenty planned to follow through with his plan to veto the bill, the governor's spokesperson said, "Yes. Emphatically, yes." He said Republican legislative leaders have sworn to Pawlenty that they would have the votes needed to uphold his veto.

## **\$1B Road Money Swap for Tunnel Approved**

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*The Philadelphia Inquirer - May 14, 2007*

*NEWARK, N.J.* – Gov. Jon S. Corzine's plan to swap \$1 billion in anticipated federal road funding to help pay for construction of the \$7.5 billion Trans-Hudson commuter rail tunnel project was approved by a regional transportation planning agency Monday. Supporters of the tunnel say it will reduce traffic congestion, and after the federal money is transferred to the project, the state would use money from its Transportation Trust Fund for road improvements, according to state Transportation Commissioner Kris Kolluri.

The North Jersey Transportation Planning Authority, which is charged with distributing money for transportation projects in the North Jersey region, approved the plan on Monday. Kolluri said the transfer of funds won't delay or threaten any future road projects. "It's a dollar for dollar swap with no loss in highway revenue," he said. Using the federal dollars for the project instead of state funding allows the state a guaranteed money stream over the next decade, as opposed to one that needs state approval in four years, said Kolluri.

New Jersey has already promised \$500 million from the Transportation Trust Fund for the second commuter rail tunnel, which will connect New Jersey to New York under the Hudson River. The Port Authority of New York and New Jersey has pledged as much as \$2 billion.

## **Governor, Lawmakers Try to Compromise on Toll Road Legislation**

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*Austin American-Statesman - May 11, 2007*

*Texas* - Texas lawmakers are trying to find middle ground with Gov. Rick Perry after the House and Senate passed a bill that would limit contracting toll roads to private companies. Both sides have expressed a desire to compromise after the governor threatened to call for a special session to discuss the issue.

House Bill 1892 calls for a two-year moratorium on private toll roads, with a few exceptions for projects already in progress or projects independent of the state DOT in Harris County.

The state received separate letters from U.S. Transportation Secretary Mary E. Peters and FHWA Chief Counsel James D. Ray saying the bill would not affect the state's eligibility for federal dollars, however Ray's letter followed up with five pages of specific concerns. He said the bill

appeared to allow local entities to contract out toll roads to private companies without a competitive bidding process. It also seems to set public and private road building concerns in opposition, according to Ray. Bypassing the state DOT for any highway project could jeopardize all federal funding for state highways.

## **Gov. Calls \$102,858 Typist 'Tip of Iceberg'**

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*The Providence Journal - May 12, 2007*

*PROVIDENCE* – Gov. Donald L. Carcieri acknowledged last Friday that the state Department of Transportation contract, which overpaid a private company by nearly 150 percent for duties at the traffic control center “may be just the tip of the iceberg.” The governor said DOT director Jerome Williams has warned him, saying, “There are apparently other contracts with similar overhead rates.”

The now-famous traffic control center contract which paid the equivalent of \$102,858 a year for a typist, raised questioned over how many other DOT contracts contain equally high markups. According to the Providence Journal, at the end of last week, the DOT had not filed since Oct. 2005 the roster of contracts it is required to file with the secretary of state each quarter.

The governor is not blaming any current or past key officials yet, including Williams or former DOT Director James Capaldi, who retired in late December and now works for the Louis Berger Group. “The more I learn, the less satisfied I am in how the Department of Transportation has been managed,” Carcieri said. “There may also be instances where contracts were being awarded to companies composed of former DOT staff, or to companies related to current DOT personnel. We don’t have those answers now, but we will soon.”

## **Work on Mid City/Expo Light Rail Line Kicks Off**

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*Construction.com, New York - May 15, 2007*

*California* - Construction on a long-awaited light rail line between Los Angeles and Culver City is expected to begin this month along an old railroad right-of-way. The Exposition Light Rail Line will be built in a narrow and densely populated area, and will be tied into the existing Blue Line.

FCI Constructors, Fluor, and Parsons have formed a joint venture to build the line, and DMJM Harris will work on the engineering design of the project. Tom Wilson, vice president of Parsons and design manager for the joint venture said the Exposition Metro Line Construction Authority has veered away from the standard light rail transit in the design of the Exposition line, with plans to use landscaping and elements of urban design to develop an attractive parkway. “How do you fit this in and improve a corridor?” says Wilson of the challenge of making the rail line aesthetically pleasing in the urban area. “It’s a challenge to balance these interests and develop an attractive design.”

The Mid-City/Exposition Light Rail Transit line, planned for over ten years, will run from downtown Los Angeles, past USC, and then continue on parallel to the 10 Freeway. Phase One of the Expo line is around 9 miles and should be completed by February 2010, at a cost of \$600 million. Design work for the second phase which will extend through Santa Monica is anticipated to begin this year.

## **BRT Competes for a Spot in Mass Transit**

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WASHINGTON – Bus Rapid Transit advocates are saying the nation is wasting billions of dollars on extravagant light rail systems when commuters can ride more affordably and with less environmental impact on buses. The Federal Transit Administration reported to Congress in February that it plans to issue \$18.2 billion worth of rail project grants in fiscal 2008, and only \$1.4 billion for BRT projects.

“The reason the federal government invests in rapid transit in the first place is that it gets people out of their cars,” said William Vincent, a former DOT official who is currently the general counsel for the Breakthrough Technologies Institute, an environmental advocacy group. “You cut down on greenhouse gases. You reduce oil consumption,” added Vincent. “You can get the same number of people out of their cars for about one-quarter the cost with BRT.”

The institute calculates that BRT can carry travelers with less than a third of the carbon dioxide emissions of light rail, and one-sixth of those of private cars. In a cost-benefit analysis study, Vincent found the annual operating cost for a light rail system was about \$933 per average weekday. At less than half the cost, the average for BRT was \$445. A similar study led the Metropolitan Atlanta Rapid Transit Administration to choose BRT along the I-20 East corridor.



*This is an interesting story and points to some dynamics in the transit world that are challenging to deal with. BRT can be an economical solution in certain applications. It does, however, need a dedicated right of way to ensure the most efficient service possible. That said, there are sociological factors that play into the LRT and BRT discussions including the public's more positive view of LRT versus BRT. TW*

## Conn. GOP Pushes for Gas Tax Holiday

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The Hartford Courant, May 14, 2007

Connecticut - Republican Connecticut lawmakers say they are working to amend as many bills as they can in the last weeks of the session to suspend the state's 20-cent-per-gallon gas tax over the summer months. They say the state's increasing \$848 million surplus could easily absorb the \$120 million cost of the three-month tax break.

For the break to make it through by the end of the session on June 6, the legislature would have to add the gas tax suspension to another bill in the form of an amendment. Gov. M. Jodi Rell said she supports the idea of the three month tax suspension, as well as legislation that caps the state's gross receipts on gas tax beyond a certain amount.

However, not all lawmakers agree that the tax-break plan is worthwhile. Rep. Steve Fontana, D-North Haven, co-chairman of the legislature's energy committee, said the \$120 million should be spent on major transportation expenses such as improving bridges or buying more commuter rail cars. He said his committee is looking into long term solutions to the high gas prices, including more alternative fuel or electric vehicles, and allowing cities to give local tax breaks to fuel efficient vehicles.



*There is an increasing sentiment for bringing relief to motorists through reducing or eliminating the motor fuel tax in the states. While that might be a short-term solution this summer, the longer-term strategy needs to focus on improving conservation, exploration, reduced environmental restrictions and other activities that will have sustainability impacts as well as recognize that we do have a growing population in this country. TW*

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