












*Editor's Note: In our efforts to ensure accuracy of the Tom Warne Report each week we try to fix obvious errors from the various news reports. That said, two errors were noted by Wayne McDaniel of PB last week. In spite of what was said in the source news articles the Chesapeake Bay Bridge-Tunnel is not in Tampa, not privately operated and Governor Rendell didn't sign the federal appropriations bill. TW*

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## Minnesota Bridge Collapses at Rush Hour

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Reuters – August 2, 2007

**MINNEAPOLIS** – Divers continue to search for victims in the murky waters of the Mississippi River following the worst U.S. bridge collapse in more than 20 years. Four people were confirmed dead Thursday night, more than 24 hours after the 500-foot I-35W bridge collapsed during rush hour. The 40-year-old, eight-lane bridge was undergoing resurfacing work at the time of the collapse.

The state's busiest bridge, the I-35W span is a major artery between Minneapolis and St. Paul, carrying 141,000 cars per day. While the cause of the collapse is still unknown, the bridge was deemed structurally deficient by the federal government as early as 1990. Approximately 77,000 bridges in our country are in this category, 1,160 in Minnesota alone.

The most recent inspection was in 2005, in which it received a score of 50 out of 100 for structural stability. U.S. Transportation Secretary Mary E. Peters, who arrived in Minneapolis Thursday morning, said "(The rating) was by no means an indication that the bridge was not safe." Nevertheless, Secretary Peters asked all states to inspect similar steel truss bridges immediately.

Mike McGray, owner of Progressive Contracting Co., which was performing the redecking work on the bridge, said he had "no idea" what may have caused the bridge to give way. One of his workers was among the missing and is presumed dead.

National Transportation Safety Board Chairman Mark Rosenker said investigators would rebuild the bridge piece by piece off-site to try to determine the cause of the catastrophe.



*This is a sad event for everyone involved. In watching CNN last night the buzz about bridges in the nation being "structurally deficient" is pretty loud. I was struck by the lack of understanding by those using that term of what it really means. Many good people at MnDOT are working very hard on this right now. They will rise to the occasion to do what needs to be done. TW*

*In the spirit of disclosure MnDOT has retained my services to assist with the replacement bridge effort.*

## Controversial UNCC Light Rail Study has Flaws

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*Charlotte Observer, NC - Jul 31, 2007*

**CHARLOTTE** - The lead author of a controversial study about the Charlotte Area Transit System has admitted to using flawed information in comparing the cost of the system to projects in other cities. The Charlotte Observer found the University of North Carolina in Charlotte used data from an unauthorized California transit site, instead of from the federal or local government constructing the lines.

Consequently, the study inaccurately reported that CATS did not have cost overruns in building the South Corridor line. Shortly after the study's release, author Edd Hauser updated the information to reflect cost overruns, but once again used inaccurate data from the site. As a result, the update exaggerated CATS' cost overruns compared to other light-rail lines. The study reported CATS to be "at or near the top in terms of performance," while the Observer and the Charlotte Chamber agreed CATS service is about average or above average.

The question of whether to keep or repeal the half-cent sales tax for transit will be on ballots Nov. 6. Transit backers have cited the report in defense of the tax, which mainly pays for bus service and light-rail line construction.

## D.C.-Area's \$10B Transportation Boom

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*Washington Post, July 29, 2007*

**WASHINGTON** - Commuters in the Washington, D.C. metro area will soon be seeing a \$10 billion road and rail improvement makeover, the most extensive construction boom since the construction of Metro several decades ago. State and local governments are working on about six mega-projects and numerous smaller ones in an attempt to alleviate the gridlock on most of the regions major arteries and side streets.

The most significant portion of the work will extend over five years, beginning this fall with the first leg of Maryland's intercounty connector. The 18-mile toll road will stretch east-west across Prince George and Montgomery counties. Several interchanges on the beltway will also be enhanced.

State officials plan to extend Metro's Orange Line in Northern Virginia from Falls Church to Dulles International Airport, as well as add four new toll lanes between Springfield and Georgetown Pike on the beltway, widen I-66, and add new toll lanes to I-95 and I-395. Virginia is prepared for severe construction-related congestion, and state officials have set aside \$58 million for incident management teams, websites, electronic message boards, shuttle buses, information centers in malls, and updates to be sent to mobile devices.

## Lawmakers Heat up Assault on I-80 Tolls

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Centre Daily Times, PA - Jul 31, 2007

*Pennsylvania* - Two U.S. lawmakers raised the stakes Monday on plans to toll I-80 in Harrisburg, Pennsylvania. At two news conferences, U.S. Rep. Phil English, R-Erie, said he plans to present a bill that, upon approval, would reroute I-80 toll revenue to the federal government. The funds would go to help run a federal assistance program for workers whose jobs have been transferred overseas. "If by chance Pennsylvania would move forward and toll I-80, this legislation would prevent the state government from seeing a single dime of the revenue," said Julia Wanzco, English's press secretary.

U.S. Rep. John Peterson, who also came out against the I-80 toll plan last week, said he would back the bill as a way to undercut the I-80 plan. "I think the Legislature (in Harrisburg) makes a mistake if they don't refute this and start over," said Peterson, R-Pleasantville. "...I'm going to do everything humanly possible – that's legal – to stop this."

The Pennsylvania General Assembly approved a transportation bill this month that could put up to 10 toll plazas on the 311-mile stretch of I-80 in the state to raise money for road maintenance and improvements on the interstate. The plan, which depends upon FHWA approval and borrowing over \$13 billion, would use new and higher toll revenue from the Pennsylvania Turnpike and I-80 to reduce the debt.

Gov. Ed Rendell's spokesman, Chuck Ardo, said the governor was "somewhat dumbfounded" by the congressman's efforts. Rendell announced last week that his staff is preparing for the possibility of privatizing the turnpike as a fallback position, in case the lawmakers "succeed in undermining the bipartisan (transportation) plan," Ardo said. A federal program for displaced workers "is certainly a noble cause," Ardo said Monday. "But we don't believe that defunding roads, bridges and mass-transit agencies across the commonwealth is the best way to retrain workers."



*We don't often run continuing stories but I can't resist on this one since It's so unbelievable. Pennsylvania faces a transportation funding crisis of historic proportions. The Governor and other elected officials are trying to address the shortfall and two Congressmen are doing everything possible to undercut their efforts. These representatives offer no alternatives, just roadblocks, which is the part where they want transportation dollars to go to a jobs program. Some weeks the events we report on are so amazing...stranger than fiction...you can't make this stuff up. TW*

## Governor: Voters Best Judge for Toll Road Plan

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Campaigns & Elections (press release) - Jul 31, 2007

*New Jersey* - The debate between Democratic and Republican legislative candidates over the "asset monetization" has reached such a fever pitch that Gov. John Corzine is contemplating putting an end to the fight by putting it to a vote as a ballot referendum. "I would like to hear

what the voters have to say," Corzine said in an interview Monday.

Since last year, Corzine's administration has been developing a plan to lease several of the state's assets, including the Turnpike, Garden State Parkway and Atlantic City Expressway to a newly formed "public benefit corporation," which will manage and maintain the roads. The new corporation could then borrow money, which could pay off a portion of state debt.

The issue of leasing state assets has been the top campaign topic this election cycle in New Jersey. Republicans have said that the governor has not been forthcoming enough with specific details and that the plan will lead to large toll increases. Meanwhile, many Democrats, especially those engaged in competitive elections, have been distancing themselves from the plan, largely based on the public's negative perception of the concept of asset monetization.

## Caltrans Submits DBE Plan to Protect \$3B in Federal Funds

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*Business Wire (press release) – August 1, 2007*

**SACRAMENTO, Calif.** – In order to protect \$3 billion in federal transportation funding and in response to the findings of a recent Disparity Study, Caltrans submitted a plan Wednesday, July 20 to the FHWA to ensure California's compliance in federal Disadvantaged Business Enterprise (DBE) Program guidelines.

"We must do everything possible to ensure we keep our share of federal highway funds," said Caltrans Director Will Kempton. "The federal government has required the state to meet approved Disadvantaged Business Enterprise Goals, and if the state were to fail to meet those goals, we could jeopardize our federal transportation dollars."

The study conducted by BBC Research & Consulting was the result of a Ninth Circuit Court of Appeals ruling that requires specific evidence of discrimination in the public transportation contracting industry in California prior to the use of a race conscious DBE program. The study collected data for minority-owned firms and found disparities between utilization and availability most severe for African American, Asian Pacific American, Native American and women-owned firms.

The program submitted to the FHWA for implementation during Federal Fiscal Year 2008 includes an overall goal of 13.5 percent for DBE involvement.

## Blast Warns of Age of Infrastructure

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*Washington Post, United States - Jul 20, 2007*

**NEW YORK** – The explosion of an 83-year-old steam pipe during rush hour on Wednesday sent a powerful reminder that the infrastructure in many U.S. cities is aging and becoming dangerously volatile. The steam conduit that exploded was laid during Calvin Coolidge's presidential term, and belonged to a system that started providing energy to Manhattan buildings in 1882.

Investigators have not yet determined the cause of the explosion, but some experts say the possible cause could be the city's aging infrastructure. "This may be a warning sign for this very old network of pipe that we have," said Anil Agrawal, a professor of civil engineering at the City College of New York. "We should not be looking at this incident as an isolated one."

American cities from Los Angeles to Boston are reaching an era of middle age, and the infrastructure holding them up is starting to show signs of wear. DePaul University transportation professor Joe Schwieterman's city of Chicago has most of its infrastructure dating back to the early 20th century. "The aging infrastructure below the streets is an enormous liability for the city," said Schwieterman. "We know it needs modernization but the cost is staggering. We're forced to pick our battles wisely.

In recent years, massive power outages due to old components in electrical systems and flash floods from thousands of miles of underground water and sewage pipes reaching the end of their lifespan have been the result of these aging systems. It will take an estimated \$1.6 trillion over the next five years to get the nation's roads, bridges, water systems, dams and airports into good condition, according to the American Society of Civil Engineers.



*We concentrate on transportation in this newsletter but I felt this story spoke to the depth of the problem of underinvestment in infrastructure in America. TW*

## Congress Looks at Solution for Crumbling Infrastructure

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ABC News - Aug 1, 2007

WASHINGTON - Congress introduced legislation Wednesday that would give roads, bridges, mass transit and other aging infrastructure in the nation facelift by developing a system that would identify, evaluate and finance projects. Bill sponsors U.S. democratic Senator Chris Dodd, of Connecticut, and Republican Senator Chuck Hagel, of Nebraska, cited major infrastructure breakdowns, including the steam pipe explosion in Manhattan as examples of why it is time to advance for the 21st-century economy.

"The legislation we are introducing establishes a new system through which the federal government can finance infrastructure projects by leveraging private and public capital to fund large projects that are vital to our country," said Hagel, in a statement.

The legislation would establish a U.S. infrastructure bank in charge of evaluating and financing publicly owned mass transit, roads, bridges, housing and water systems that would require potential federal funding at a minimum of \$75 million per project. Possible financing would include preliminary tax-credit bonds of \$60 billion, as well as loan guarantees and direct subsidies, all supported by the full faith and credit pledge of the government, the sponsors said.

"This measure can help rebuild our roads, bridges, transit and water systems, improve our quality of life, and spur jobs and economic growth," Dodd said in a statement. "By investing today, we can minimize costs down the road..."



*I agree there is more the Federal government can do to assist with the aging infrastructure problems we face, but a close reading of this proposal indicates it is supported by tax credit bonds and loan guarantees. There is no evidence of new money. Finding more ways to borrow against current revenues and increase debt seems to be the answer more and more often. It is seen as a way to generate revenue without raising taxes. It's a pattern that has only one end... some states are already there. TW*

## NC Toll Project Delayed

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News & Observer, NC - August 2, 2007

*RALEIGH, N.C.* – A North Carolina turnpike project may be delayed up to two years, and faces a possible \$80 million cost increase, after lawmakers failed to come up with seed money for the proposed toll road Wednesday. With the end of the legislative session nearing on Thursday, one of the top House officials told Wake County leaders they would be responsible for the \$20 million recurring seed money for the 18.9-mile Triangle Expressway in their county.

Senate leaders responded coldly to transportation appropriations subcommittee chairman Rep. Nelson Cole's suggestion to use the state highway maintenance fund as a source for the seed money. Even though county legislators said they would continue to search for the money to save the project, however with success unlikely, the delay appeared inevitable.

N.C. Turnpike Authority executive director David Joyner said there would not be another opportunity to pump state money into the Wake County toll road before the "short session" in May. Joyner said without the state seed money needed to float construction bonds, the authority may be forced to use its statutory power to enter a long-term contract with private investors who would build and maintain the road.

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