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Study: Californians Support "Green" Fees and Taxes

Mineta Transportation Institute News Release – March 25, 2008

SAN JOSE, Calif. – Most Californians support "green" transportation fees and taxes, according to a survey performed by researchers at the Mineta Transportation Institute (MTI). Nearly 1,500 California residents showed they favor the fees, which would be set at variable rates: higher rates for more polluting vehicles and lower rates for those with fewer emissions. In fact, switching a transportation tax or fee from a flat-rate version to a green version can boost support by more than 20 percent.

The poll for this study asked Californians about a "feebate" program for new vehicle purchases under which higher polluting vehicles would be charged a tax and less polluting vehicles would receive a rebate. Sixty-five percent of respondents supported this proposal, while only thirty percent opposed it.

The poll also asked residents for their views on several other tax and fee options, including a vehicle registration fee and a mileage fee where the rate varied according to vehicle emission levels. Nearly two-thirds of respondents supported raising the current \$31 registration fee to an average rate of \$62. However, when respondents were asked if they would support a flat increase of the registration fee from \$31 to \$62 for everyone, only 40 supported in the increase. In every case, Californians favored green approaches to transportation compared to flat-rate options.



We included this story because it illustrates a mood surfacing around the country. People are willing to pay a fee for things they support whether it is the

environment, predictability in their travel, or other quality of life issues. Such programs are a good start but ultimately will have to address a couple of major points. First, the taxes will seem regressive to lower income families who drive older, more polluting vehicles. Second, others are willing to pay higher fees and be less socially conscious because they can buy enough carbon credits to overcome their high carbon impact lifestyles. However, we don't need to have all the answers to move forward. By the way, for readers of the magazine, Fast Company, there is a great article on Iceland's hydrogen program this month. TW

Penn. Bill Pays for Roads without Taxes, Tolls

Landline Magazine – March 24, 2008

Penn. - Two Pennsylvania lawmakers have unveiled a bipartisan transportation plan to pay for bridge and road construction with no new taxes or tolls. Reps. David Argall, R-Tamaqua and Keith McCall, D-Lansford, announced their plan, which involves gradually shifting the annual \$500 million the State Police currently receive from the state's Motor License Fund back into the control of the state's department of transportation.

McCall and Argall want to wean the State Police off the fund, which currently amounts to about two-thirds of the department's annual budget. Law enforcement would receive \$50 million less each year than the prior year over the next decade, and the department would gradually receive funding from the state's General Fund. As a result of rerouting the money, PennDOT would collect \$2.75 billion over the next ten years for road and bridge projects. Each year after the transition is complete the department would get \$500 million for those projects.

Both McCall and Argall are against privatizing the Pennsylvania Turnpike, saying the state would be putting too much revenue into private companies and banks while removing a major source of state income. The bill has gained momentum because it doesn't require residents to pay additional tolls or taxes and at least 40 House Republicans and Democrats have added their names to the bill as co-sponsors.



I always like stories where funds will be raised for one government program by cutting another. Supporters of the other program are not going to sit back and let it happen. Solutions that raise money without raising taxes make for good sound bites but current allotments are a closed system unless more money comes in through higher tax revenues due to growth or higher tax rates. The math is simple. TW

Bay Bridge Approach to Open 7 Months Early

abc7news.com, CA - Mar 24, 2008

SAN FRANCISCO – Crews may complete the new “West Approach” to the Bay Bridge seven months ahead of schedule, in January, if the Bay Area Toll Authority approves an additional \$24.7 million to accelerate the work. A major section of the mile-long stretch of east and westbound freeway is set to open in a couple weeks.

Caltrans says the seismic retrofit project was planned for completion in late 2009 but might finish early, for a price. "What do we get for \$24.7 million dollars? What we get is early completion. This project is going to be done at least seven months ahead of time," said John Goodwin from MTC.

The extra money will come from \$900 million the Bay Area Toll Authority built into the original budget for this kind of expense. By finishing early, money will be saved on labor costs, and the project will come very close to the original \$429 million budget for the west approach.

"There were plans for how to deliver this but as we went through them we reserved the right to improve the project," said Bart Ney from Caltrans. "And our construction engineers worked very hard with Tutor Saliba and the city and county of San Francisco to make a better project."

For the past year, traffic has diverted onto a detour underneath the westbound lanes so crews could demolish and replace the old road. In a few weeks, commuters will start using the new, permanent approach to the bridge.

Ohio Drivers Seek Legal Compensation from ODOT

The Review, OH - Mar 21, 2008

Ohio - Drivers in Ohio are seeking legal compensation from the department of transportation for damages sustained from potholes in state roadways. Last week approximately 150 claims were brought before the Administrative Determinations court against the Ohio Department of Transportation to determine whether the claim warrants a case, according to AD Deputy Clerk Dan Borchet.

Borchet said pothole season for the Court of Claims of Ohio (CCO) began about a month ago, so no investigations have begun, because ODOT has 60 days to investigate the claim. ODOT then issues a statement to the plaintiff, who has 30 days to issue a response to the department before a decision is made.

In 2007, approximately 44 percent of plaintiffs received compensation for all damages sustained by potholes, said Borchet. Even if the car damage from a pothole has been fixed, motorists can still file, claim, and possibly receive reimbursement for repair costs or insurance deductibles. To be awarded compensation, car owners must be able to prove a pothole caused the damage, and inform ODOT of the location of the pothole.

Toll Lane Proposed for I-580

San Jose Mercury News - March 24, 2008

Calif. - A toll lane for I-580 has been proposed by an Alameda County agency to open sooner than an earlier planned toll lane for a southbound 14-mile stretch of Interstate 680 over Sunol Grade. Toll lanes have become a popular among traffic planners and some elected officials in California and other states when trying to relieve congestion; the Alameda County Congestion Management Agency hopes to have a 12-mile toll lane along an eastbound stretch of interstate

open earlier for the second-most congested freeway corridor in the Bay Area.

I-580 in western Contra Costa and Alameda is the only one with worse congestion, and there is no room to add toll lanes to it. Last year, the state awarded the Alameda County Congestion Management Board \$99 million from voter-approved Proposition 1B for a planned carpool lane on I-580. Recently the agency proposed to increase the funding by \$10 million to expand the project and collect tolls electronically with FasTrak. A feasibility study is currently underway, and the board plans to make a decision on the project within the next year, said Dennis Fay, executive director of the congestion management agency.

"We think the numbers look very good," said Fay. "This is the major route for commuters and goes between the Bay Area and Central Valley." Meanwhile, the Sunol Grade project has been delayed by six months due to the state's budget woes. "The two projects are running neck and neck now," said Fay.

Both projects are expected to award contracts this spring, with work set to begin in the summer, according to Caltrans, which will oversee the construction.

New York Transit's Real Estate Revenues Fall \$32M

Bloomberg – March 24, 2008

N.Y. - New York's state Metropolitan Transportation Authority, the largest transit agency in the U. S., has announced a 35 percent decline in its March real estate tax collections, which will fall \$32 million below the 2008 budget forecast as the real estate market continues to suffer. The MTA collected \$37.5 million of mortgage recording tax receipts in March, and \$41.8 million in commercial real estate taxes, a sharp decline from projections.

"A couple months have now come in quite negative," said Gary Dellaverson, the MTA's chief financial officer. "We took these tax projections down quite dramatically from last year, and they are quite dramatically underperforming." The mass transit agency will be forced to postpone upgrades, including increasing service on 11 subway lines and new bus routes, promised after the February fare increase, Dellaverson said.

The MTA receives mortgage recording taxes on property in New York City and seven counties located in the agency's service region. The agency also collects property transfer and mortgage recording taxes on commercial property in New York City. The MTA anticipated getting \$669.2 million of commercial real estate taxes and \$576.8 million in mortgage recording taxes in its 2008 budget, a drop from \$861.5 million and \$702.3 million respectively.

Real estate taxes have brought the MTA \$306.3 million so far this year, a \$21.1 million decrease from projections in the 2008 budget.

Indiana DOT Accelerates I-69 Widening

The Indianapolis Star – March 22, 2008

Indiana - Interstate 69 in Indiana is going to get wider much more quickly because the state department of transportation has agreed to aggressively accelerate construction of the roadway in Hamilton County. The agency is planning to build at least one additional lane in each direction on the interstate by fall 2009, as well as make other improvements near the 116th Street exit.'

"These are very much needed improvements and will be a tremendous benefit to us as we continue to grow," said Fishers Town Manager Gary Huff. "We are very happy with this development." Fishers and county officials have been frustrated that the major work on I-69 would not begin until as late as 2020.

INDOT spokesman Will Wingfield said \$9.5 million has been dedicated to build an additional lane in both directions between 96th Street and 116th, as well as other improvements. The department says that although the entire project cannot be moved up, such interim steps could be taken to help relieve congestion. The remainder of the project cannot begin until the \$550 million widening project on I-465 is completed in 2015.

Long-term plans for the project include widening I-69 from 96th to 116th Street from six to 10 lanes, plus widening the stretch from 116th to Ind. 238 from four lanes to six. Interchanges along the corridor will also be rebuilt.

Proposal would Lift Toll Road Cap

NewsChannel5.com, TN - March 24, 2008

NASHVILLE, Tenn. – The House has approved a measure to remove limits on how many toll roads or bridges could be built in Tennessee, a move backers say was crucial to jump-start state infrastructure amid dwindling federal resources.

Transportation officials in the state were informed this week that another \$66 million is going to be deducted from promised federal money for roadwork. Nearly a quarter-billion has been cut from Tennessee's expected road money by the federal government since 2005.

Senate Transportation Chairman Jim Tracy said his panel is not sure the pilot program approved last year that allows one toll road and one toll bridge project needs to be changed. Tracy said the House version would likely not advance out of his committee without changes.

The House also voted Monday to send Gov. Phil Bredesen a proposal to limit the operations of toll facilities to prohibit the state from contracting with foreign-owned companies to operate toll roads and bridges.



Recently, in another issue of the Tom Warne Report, I referred to the foreign owner issue. You would be surprised at the number of contractors and engineering firms currently foreign owned. Avoiding them would lead to cutting out some of the significant players in our industry. It would shock people to know just how many "US" companies they know and love are actually owned in whole or in part by foreign interests. We'll start a list; anyone who wishes to contribute (both engineering and non-engineering,) send me an email. We'll publish it in a few weeks. TW

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Overpass Costs Soar in Commuter Rail Deal

Orlando Sentinel – March 27, 2008

Florida - A plan to switch out freight trains in Orlando and replace them with commuter rail service is drawing fire from critics after a recently announced \$144 million cost increase. The soaring cost stems from reports from the state department of transportation that five overpasses along the line will need to be built along the freight line in Alachua, Sumter and Marion counties.

This report comes as the state is trying to trim billions from its budget. A preliminary estimate for the overpasses came in at \$59 million, however, that was only for three overpasses, according to Dick Kane, Florida DOT spokesman. Two additional overpasses were added to the department's work plan to address increased traffic in those areas. The state has also agreed to pay for improvements to CSX's freight corridor elsewhere as part of their deal to purchase 61 miles of tracks in Orlando.

Despite the cost increases to the rail project, Sen. Dan Webster, R-Winter Garden, a member of the transportation committee, said the overpasses in question will be built no matter the outcome of the commuter rail project. "They have nothing to do with CSX and the commuter rail deal," Webster said. "It's just another try to derail it, and it's not going to work. We are going to press ahead."

Last year, Seminole, Orange, Volusia and Osceola counties and Orlando unanimously voted to fund the \$615 million price tag to build the line, using state, local governments and federal sources. In a separate part of the deal to acquire the 61 miles of tracks, the state will pay CSX \$150 million, as well as \$341 million more for improvements throughout the CSX freight line, including the overpasses. The second part of the deal has risen from \$491 million to \$635 million because of the higher overpass cost.

The commuter rail line will run 61 miles between DeLand and Poinciana, with the first section from DeBary to Sand Lake Road in Orange County set to open in 2010.

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