







Editor's Note: With the July 4th holiday this week we have decided to publish an early shortened version of the Tom Warne Report. We hope you all have a wonderful and safe 4th. Thanks for your loyalty and support. TW

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Poll: Build Texas Roads without Taxes, Tolls

Austin American-Statesman, TX - Jun 29, 2008

Texans want their roads and rail built without any taxes or tolls to pay for them, a recent transportation poll reports. Dallas-based nonprofit Texas Lyceum surveyed 1,000 Texas residents, asking them 30 questions that covered whether they thought the state and local governments should spend more on highways, passenger rail, airports, bus service and ports.

A strong majority said yes, the state needs more of all those things, because, according to 84 percent of respondents, "reducing traffic congestion" is either very important or somewhat important. But when asked if the state's 20-cent-per-gallon gas tax should be increased to pay for that work, 72 percent said no.

Toll roads were rejected as a funding option as well. For new toll roads such as Texas 130, 66 percent said no, thank you. A slightly higher 69 percent rejected tolling existing highways.

These responses won't give legislators a leg to stand on when they meet in January to consider options. They are likely to approve Proposition 12, which allows TxDOT to borrow \$5 billion under the constitutional amendment approved by voters in November. The amendment lets the state issue \$5 billion in bonds and pay it back with general state revenue.

S.D. Roads Decay with Declining Gas Dollars

Sioux Falls Argus Leader, SD - Jun 29, 2008

Drivers in South Dakota already struggling with record gas prices have a bumpy road ahead of them: hundreds of miles of state roads are crumbling and government funding is deteriorating, leaving state legislators looking for new funding.

"The existing system is essentially broke," state Transportation Secretary Darin Bergquist told legislators in a special committee established to examine highway needs and revenue. "We have two contrary philosophies in this country.

"Forever, we have essentially funded our highway infrastructure based on a tax on fossil fuels. At the same time, we in the country are doing everything we can to reduce our reliance on fossil fuel. The two are 180-degrees opposed to each other."

While it is still early in the study, the committee is looking at these possible solutions:

- Raise the state gas tax. The 22-cent tax has not been raised since 1999.
- Implement a temporary sales-tax increase
- Make cuts to other state programs to send more money to transportation needs

Rep. Shantel Krebs, R-Souix Falls, said DOT charts show the equivalent of 8.5 cents of the 22-cent fuel tax is diverted from state highway work. It goes to areas such as the Highway Patrol, refunds, boats and snowmobile trails, county road striping, state park roads and industrial roads. Krebs suggested other departments pick up those fees instead.

The DOT reports that 82 percent of the state highway pavement is in good or excellent condition. However, without a funding boost, that will fall to 63 percent in 2020. Meanwhile, the percentage of pavement in poor condition will rise from 3 percent currently to 19 percent in 2020.



Declining dollars coming from fuel tax sales is a story playing out across the country. The headlines seem to focus on the impact of this trend on the Highway Trust Fund but the story at the state level is just as concerning. TW

FDOT Reissues Qualification Request for Alligator Alley Lease

The Bond Buyer – June 27, 2008

BRADENTON, Fla. – The transportation department in Florida is beginning a new search for a private company to be the first to lease an existing toll road in the state. Eight firms responded to FDOT's first call for submissions in early May, but the agency now says it needs more detailed information from firms interested in leasing the 78-mile-long Alligator Alley for up to 75 years.

Kevin Thibault, assistant secretary of engineering and operations for FDOT, said a panel of experts said they will need to obtain more information from submitters such as who would be collecting tolls, performing maintenance, or clarifications about investors.

"We looked at all they gave us and obviously what we asked for wasn't all we needed," Thibault said, noting that the procurement process would not give the flexibility to go back and forth asking questions. "It was easier for us to go back out and clarify those areas."

None of the eight firms that submitted at the first request objected to the request for new qualifications, due July 23. New firms may also enter the process; however, the new start means FDOT loses about a month on its previous schedule for the Alligator Alley leasing process. FDOT will recommend a short list of firms on August 20, which will then be asked to respond to a request for proposals.

The lease is expected to bring in \$350 million to over \$1 billion in additional revenue for transportation projects in southern Florida. Alligator Alley stretches across Collier and Broward counties in south Florida.

Austin's 183A to go Cashless

The Trucker News Services – June 30, 2008

Cash toll collection will be eliminated on the 183A toll road northwest of Austin by the end of this year, after the Central Texas Regional Mobility Authority board voted on the decision recently. The move will save the agency an estimated \$1 million every year in operating costs.

"With roughly 80 percent of our customers paying with TxTag [transponder], it no longer makes economic sense to operate cash toll booths," Mike Heiligenstein, executive director of the Mobility Authority. "With so few people paying cash, we are spending almost as much money to collect cash as we are collecting. By eliminating cash collection we can save money and shift those savings to other priorities such as the future expansion of 183A."

The toll road currently has a no cash policy at a smaller mainline plaza and at ramp plazas but the decision will eliminate cash collection at their major mainline toll plaza at Park Street. For drivers who do not have a transponder, the authority has a video tolling system dubbed "Pay-By-Mail." A Toll Bill is mailed to the registered owner of the vehicle, at 25 percent premium over what TxTag transponder customers are charged.

TX183A will be the fourth tollway in the state to go cashless. The first was the Westpark Tollway in Houston, which opened in 2004, and only allows access by cars with transponders. Loop 49 in Tyler and SH121 in Dallas were the first cashless toll roads in the state to allow vehicles without transponders, by use of both video tolls and transponders.

North Texas Tollway Authority in Dallas implemented cashless transponder and video tolling over a year ago, and will convert all their toll plazas to cashless by 2010 – the biggest conversion ever in North America. CTRMA's Heiligenstein said the cashless collection system improves safety and mobility as well as cutting fuel consumption and vehicle emissions by getting rid of stop-to-pay.



Let's face it—cash transactions are an endangered operation in our society. Whether it's a debit card in your wallet or a transponder on your dash, our

tendency is to rely on electronic transfers to handle most transactions in our lives. "Pay-By-Mail" is a nice option for those without a transponder as long as the cost and rate of collection are not out of sync with good business practice. With pre-paid long distance cards available in vending machines all over the country, I see a market for pre-paid transponders for those who don't have a debit card or choose not to purchase a transponder. The sooner we convert to such systems the better. TW

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