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Secretary Peters Proposes New Funding Plan

CNN - July 29, 2008

ATLANTA - This week U.S. Transportation Secretary Mary Peters unveiled the Bush Administration's new plan to reform, refocus and renew the nation's approach to highway and transit systems. The plan promises a renewed focus on expanding and maintaining federal highways instead of diverting funding to other projects.

"Without a doubt, our federal approach to transportation is broken. And no amount of tweaking, adjusting or adding new layers on top will make things better," Secretary Peters said. "It is time for a new, a different and a better approach."

The new plan proposes consolidating 102 federal transportation programs into eight umbrella categories. It would also improve the current 13-year average it takes to design and build new highway and transit projects in the U.S., by streamlining the federal review process- still asking the same strict environmental and planning questions, but get answers more quickly.



Mary is right. The system is broken and no amount of tinkering around the edges will make the changes necessary to make the federal program sustainable over the long haul. Many good ideas are on the table, but we need boldness and speed.. neither of which is a hallmark of the typical process in D.C. TW

\$140B Needed to Repair U.S. Bridges

WASHINGTON, D.C. - Nearly \$140 billion is needed to repair all of the bridges in the nation, if work began today, according to comprehensive report released this week by a nationwide safety organization, just days before the anniversary of the I-35W bridge collapse in Minnesota. If the bridge work is delayed, the price tag will rise, said the report by the American Association of State Highway and Transportation officials.

"States simply cannot keep up with bridge maintenance," the report stated, noting that 90 percent of truck traffic and 73 percent of U.S. road traffic travel on state-owned bridges. Nearly one in four bridges is structurally deficient, or needs repairs or widening, and the average age of America's bridges is 43 years. Most bridges were designed to last 50 years, and one in five is over 50 years old.

Five main problems identified by the report as a threat to America's bridges are congestion, age, soaring construction costs, lack of maintenance funds and "the staggering costs of new bridges." "Thirty months of unprecedented construction inflation are forcing state officials to delay important bridge replacement projects," the report said. "Nearly every state faces shortages," it says, keeping them from performing work to "keep their bridges sound indefinitely."

Illinois City OKs Additional 2-Cent Diesel Tax

Land Line Magazine – July 29, 2008

Illinois - An Illinois city is on the brink of approving an additional 2-cent-per-gallon diesel tax following a recent City Council meeting. The news is grim for truckers, already struggling with record fuel prices, who often congregate in the city of Mount Vernon because of its three large truck stops.

Mount Vernon Mayor Mary Jane Chesley said a date has not been set for when the ordinance will go into effect. Mount Vernon's city clerk, Jackie Sharp, said the mayor is putting off signing the bill because she opposed the way the city council voted on the tax without giving citizens an "opportunity to vote on the taxes." The council also approved a 1 percent restaurant/beverage tax and a telecommunications tax increase from 1 to 2 percent in the meeting.

The city has been debating ways to increase funding for a new overpass interchange project since June 9. Chesley said those three taxes could generate an estimated \$900,000 a year in revenue for the city.

States Tax Gas Guzzlers

Forbes – July 30, 2008

U.S. - As the federal highway trust fund withers from lack of revenue from people cutting back on driving to avoid high fuel prices, a few states are in a different boat. The American Petroleum

Institute reports that the average tax per gallon has risen in 16 states since January. As of July 1, the average tax per gallon including the federal levy, had risen to 49.4 cents, up from 47 cents in January. The rise was the result of state and local taxes.

States ranking the highest in per gallon charges right now (Connecticut, California, New York, Illinois, Michigan and Indiana) figure taxes based on a percentage of the price of gasoline- so when gas prices go up, so does the state's tax on each gallon.

With the federal tax, Californians pay an average of 74.9 cents per gallon, an 11-cent increase since January. An April increase from 6% to 7% of its general sales tax rate brought Indiana from 12th to 6th place on the high-tax ranking list. Minnesota's Democratic legislature overrode a veto by Gov. Tim Pawlenty by approving a major transportation funding bill including a gas tax increase, which will be phased in, totaling 8.5 cents per gallon by 2012. The state is currently 7 cents below the average state tax levy as of July 1, at 24 cents per gallon.

Alaska has the lowest tax on gasoline, where the oil-rich state levies just 8-cents per gallon. The southern region of the nation has the lowest taxes overall, with federal, state and local taxes combined averaging 38.5 cents per gallon. The highest is the West, at 64.6 cents per gallon on average.

California tops all gas tax guzzlers with the diesel tax however, which rise even higher across the nation, at 84.3 cents per gallon. The national average of combined state and federal taxes was 56.4 cents per gallon as of July 1, up 2.8 cents since January. Hawaii charges 76.3 cents per gallon tax on diesel, compared with 51 cents on regular gasoline.



I can't count the times I have been with elected officials in states across this country who have told me that their state has the highest gas tax in the nation. We have about 45 first places if I have correctly kept track. This article points out how complicated this analysis can be and how important it is to include all taxes (state, local, sales, etc.) when computing which state is the highest. TW

Toll will Buy Life in the Fast Lane in Miami-Dade

Palm Beach Post – July 28, 2008

Florida - Motorists who use I-95 in South Florida will soon be able to pay a fee to avoid bumper-to-bumper traffic on an 8-mile northbound section in Miami-Dade County, allowing them to travel at speeds near the 55-mile-per-hour speed limit.

"You can never guarantee anything, but the goal will be to maintain a 45-to50 mph constant level of service," said Gus Pego, the Florida Department of Transportation's district Secretary. "This will be a major benefit for those who travel between Miami-Dade and Broward counties."

Set to open in late August, the express lanes between downtown Miami and the Golden Glades interchange is the first stretch of the \$260 million 95 Express that may eventually extend into Palm Beach County. The southbound high-occupancy-toll lanes on the same stretch of interstate are expected to open in fall of 2009. By 2011, the toll lanes will be extended in both directions

north to I-595 in Broward County.

Tolls in the lanes will vary based on the amount of congestion, ranging from as low as 25 cents to \$2.50 or more during rush hour. Motorcycles, carpoolers and hybrids can use the lanes free of charge.

One Year After Bridge Collapse, Little has Changed

Associated Press – July 30, 2008

MINNEAPOLIS – The worst U.S. bridge collapse in over 20 years marked its one-year anniversary this week. The August 1 collapse in Minneapolis brought calls for urgent repairs to spans across the nation. However, according to the Associated Press, two of every three of the busiest bridges in each state, collectively carrying nearly 40 million cars a day, have not been repaired beyond regular maintenance.

In a review of 1,020 spans, or each state's 20 most-traveled bridges with structural deficiencies, only 12 percent have been fixed. State officials acknowledged that the structures need improvement as soon as possible, and the failure to complete the repairs was not from lack of effort. Numerous factors including budget shortages, rising construction costs, a backlog of bridge projects, election-year politics and bureaucracy limited progress.

The AP also found:

- Sixty-four percent of the bridges were not repaired beyond regular maintenance; however, most were scheduled for some kind of work in the future.
- Another 24 percent had partial repairs, either through an on-going project not yet completed or by short-term repair to temporarily address the problem.

Minnesota's response was among the most vigorous, with the passage of a \$6.6 billion transportation spending plan; in June a new commissioner outlined a \$2.5 billion draft bridge improvement plan to replace 11 major spans over the next decade with new funding.

Alaskan Way Budget at \$2.8 Billion

The Seattle Times – July 30, 2008

Washington - Last year, \$2.8 billion was budgeted by the Washington state Legislature to replace downtown Seattle's quake-damaged Alaskan Way Viaduct with a new elevated roadway. Of that money, \$1.1 billion has already been spent or committed to several viaduct projects, even with no decision on how to replace it. In addition, officials are not sure if the remaining \$1.7 billion will be enough to complete the replacement viaduct and reconstruct the Alaskan Way sea wall. Where was the money spent?

The largest chunk, an estimated \$540 million, has been committed to reconstructing the south

end of the 2.2-mile viaduct, between South Holgate and South King Streets, according to Ron Paananen, viaduct manager for the state DOT.

An additional \$64.4 million will be spent beginning this fall on relocating utility lines. Stabilizing piers near Colman Dock, which is completed, cost \$4.5 million. Rebuilding the Battery Street Tunnel will cost around \$119 million, but cannot be completed until a decision about replacing the central part of the viaduct is made. Downtown transit improvements will cost \$125 million, and connecting Lenora Street with the Battery Street Tunnel will cost another \$56 million.

With viaduct-replacement costs rising \$10 million a month because of inflation, the DOT hopes to narrow the choices to two or three by this fall. Gov. Christine Gregoire plans to announce the final decision in December.

Tennessee Looks at Borrowing Money to Fix Bridges

The Tennessean – July 28, 2008

Tennessee - Transportation officials in Tennessee are looking at borrowing money for the first time as a way to pay for bridge upgrades, the state transportation commissioner announced this week. With the state's bridge inspection and maintenance programs threatening to be overtaken by soaring material costs and waning repair dollars, Tennessee Department of Transportation Commissioner Gerald Nicely said it may be time to change their practices.

"We've never done bonding (for transportation spending) in Tennessee," Nicely said Monday. "I'd like to see how that works."

It would cost \$1.75 billion to replace the 1,148 structurally deficient bridges in the state, according to state officials. Additionally, 2,919 of the state's 19,519 bridges are classified as functionally obsolete.

"Pay as you go is getting tougher," the commissioner said at Monday's news conference. "Clearly we are going to have to look at new ways of funding." Nicely said he was particularly interested in Missouri's ambitious plan to borrow millions to replace 800 bridges at one time. Without new funding sources, he said, new highway projects will be postponed to repair existing roads and bridges. Nicely added that the state did not start any new road projects last year, and will probably not begin any this year.

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