The Fiscal Crisis and Transportation: Sustainable Funding is Part of the Solution

Each passing day marches our nation closer to the “fiscal cliff” and, despite the eminent danger, Members of Congress, pundits, and analysts continue to disagree over what a solution might look like. The extreme partisan gridlock gripping the legislature indicates that any resolution will consist of compromises from both Democrats and Republicans. What neither party should compromise, however, is the need for sustainable transportation funding.

Ensuring sustainable funding for transportation is a vital component of any debt solution and has been integral in previous, successful resolutions. While it may seem paradoxical to advocate for increased funding during a fiscal crisis, bolstering our nation’s infrastructure and enhancing our goods movement systems will boost the economy by supporting U.S. commerce. Though direly needed, the continuous diversion of general funds to the ailing Highway Trust Fund drains financial resources from other national needs. Establishing a sustainable funding solution for transportation would be a significant step towards reducing the national debt. Several proposed solutions to the debt crisis highlight this issue.

The Budget Reconciliation Act of 1993, which successfully balanced the national budget, included a federal gas tax increase of 4.3 cents per gallon. In fact, this is the last time the federal gas tax was increased. Given the advent of fuel efficient vehicles, increased transit ridership, and many other factors present in today’s society, an increased gas tax may or may not be the magic bullet needed for solvent transportation funding. Perhaps more likely, a gas tax increase stands to be one piece of a palatable solution.

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Economists and transportation experts alike have advocated a number of transportation-related revenue sources as part of a comprehensive deficit reduction plan. The Simpson-Bowles plan, released in November 2010, advocates a national gas tax increase of 15 cents per gallon, beginning in 2013. According to former Senator Alan Simpson and former President Clinton Chief of Staff Erskine Bowles, the proposed gas tax increase should be “dedicated to fully fund the transportation trust funds and therefore eliminate the need for further general fund bailouts.”

Similarly, the Bipartisan Policy Center’s Domenici-Rivlin Debt Reduction Task Force Plan 2.0, released earlier this month, advocates increasing the gas tax by 15 cents per gallon and indexing it to inflation, dedicating the revenue to the Highway Trust Fund.

Created by SAFETEA-LU, the National Surface Transportation Policy and Revenue Study Commission, commonly known as the 1909 Commission, reported in 2008 on the current condition of America’s transportation network, forecasted future needs, and identified financing mechanisms. Drawing a clear linkage between the health of transportation and the health of our national economy, the report’s recommendations opened “the first half of our Nation’s history saw that economic development was directly tied to infrastructure development…. Now we have outgrown this system and it is time for new leadership to step up with a vision for the next 50 years that will ensure U.S. prosperity and global preeminence for generations to come.” The Commission recommended a host of federal revenue measures, including increased gas tax revenues, tax credits, a portion of Customs duties revenues, and a federal freight fee.

The immediacy of the “fiscal cliff” forces Congress to make difficult decisions and establish priorities. In doing so, Congress must recognize sustainable transportation funding is critical to the nation’s long-term debt reduction.

Maryland DOT’s Caitlin Hughes Rayman Selected to Lead FHWA’s Office of Freight Management and Operations

Maryland Department of Transportation’s Assistant Secretary for Transportation Policy and Freight, Caitlin Hughes Rayman, has been selected to be the Director of the Federal Highway Administration’s (FHWA) Office of Freight Management and Operations.

“I commend the Federal Highway Administration for selecting Caitlin Hughes Rayman to lead the Office of Freight Management and Operations,” said Coalition for America’s Gateways and Trade Corridors (Coalition) Chairman Mortimer Downey. “I have every confidence that Caitlin will excel in this position and increase the deference given to freight transportation. The Administration will undoubtedly find her knowledgebase and leadership skills as tremendous assets among many others she possesses.”

An active Coalition member while at Maryland DOT, Rayman was responsible for managing legislation and policy aimed at improving multimodal freight transportation. Prior to joining Maryland DOT in 2007, she served as the Federal Legislative Programs Coordinator for North Carolina DOT where she worked a great deal on freight mobility issues.

Rayman will replace former Director of the Office of Freight Management and Operations Tony Furst, who now serves as FHWA’s Associate Administrator for Safety.
In mid-October, the 40-member Advisory Committee on Supply Chain Competitiveness convened at the Department of Commerce for its inaugural meeting. It was a real pleasure to see so many top authorities gathered around the table to share their views and expert understanding of our complex and multidimensional freight network. From all regions, modes and industry angles, this collective expertise is key to developing a knowledgebase and framework for maximizing the future potential of a goods movement system that is already a modern marvel.

The meeting commenced with Acting Commerce Secretary Rebecca Blank and Acting Transportation Undersecretary Polly Trottenberg, who provided context to the group of public and private stakeholders: To remain globally competitive, the United States must provide freight infrastructure and policies that support businesses, jobs and access to foreign markets. Government and industry must work together to achieve this. A better understanding of the role of government is needed, along with practical advice for measuring system performance and prioritizing investment.

Sounds logical, right? It’s almost hard to believe that our same federal government, whose many agency functions are proceeding with such rational calm, is the same one we hear falling over the fiscal cliff without parasail or bungee cord. These days, every positive development in sound policy-making seems offset with breathless news stories of economic catastrophe waiting to knock us off our feet in just a few short weeks. It’s hard to begin a discussion in Washington without starting with “Depending on…”

There’s no question that our country is at a serious cross-roads, but we can’t get lost in rhetoric and political advantage and lose sight of long-term goals as we cope with near-term crisis. There is no doubt that we must invest in our infrastructure in order to remain a top global economic power. The choices presented by the fiscal cliff hold opportunities as well as constraints.

Now is the time to seize the day and work out a set of compromises which not only serve to put our economic house in order, but also serve to invest in the foundations that will support the growth we need in years ahead. This means a robust transportation system that can provide frictionless mobility for people and goods. Let’s hope our national leaders will focus on this present opportunity and, most importantly, act on it!

Leslie Blakey, Executive Director
November Elections Bring Many Changes to Congressional Transportation Committees

While the November 6th general election resulted in the essentially same pre-election political dynamics, there are some important changes in the congressional transportation committees. New committee members, as well as new leadership, will undoubtedly have an impact on the direction of transportation policy in the 113th Congress.

The House remains in GOP control, meaning the Transportation & Infrastructure Committee chair will be a Republican. Rep. John Mica [R-FL] relinquished his position as chair due to Republican House rules passed in 1994, which dictate that committee leaders are limited to a six-year term. Although Chairman Mica spent four of his six years in Committee leadership as Ranking Member in a Democrat-controlled House, those years count toward the cumulative total of six years in committee leadership. An amendment offered by Rep. Phil Gingrey (R-GA) during a November closed-door meeting of the House GOP Conference would have changed leadership rules to count years served as a ranking member as a half-year in the tally, rather than a full year. The amendment was defeated.

Chairman Mica has endorsed Rep. Bill Shuster [R-PA] to become the next Chairman. Rep. Shuster formally announced his interest in the position in a letter to the GOP immediately following the November 6 elections and was officially appointed Chairman on November 28th.

A total of 13 seats can be filled on the Transportation & Infrastructure Committee in the 113th Congress. This count includes one Committee seat that was vacant entering election season, along with 12 sitting Members of Congress who will not be returning to the House of Representatives in January. Nine of those seats belonged to Democrats and three to Republicans, plus the vacant seat which makes four total vacancies for the majority.


Rep. Mazi Hirono [D-HI] will be leaving the House of Representatives to replace retiring Senator Daniel Akaka [D-HI], and Rep. Bob Filner [D-CA] is now the mayor-elect for the City of San Diego.


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One seat on the Committee remains in limbo as Louisiana will lose a Congressional district in the 113th Congress, which has forced a race between two Republican incumbents: T&I member Rep. Jeff Landry [R-LA] and Rep. Charles Boustany [R-LA], who serves on the Ways & Means Committee. This race will go to a runoff as both candidates failed to receive 50 percent of the vote in the all-party election. Results are expected by December 8. If Rep. Jeff Landry loses the election, 14 seats on the Transportation & Infrastructure Committee will be vacant.

Further stirring up the Committee, the Republican Caucus named two T&I members (Rep. Jamie Herrera Beutler of Washington State and Rep. Chuck Fleischmann of Tennessee) to the Appropriations Committee, meaning they will likely relinquish their T&I seats. T&I member Rep. Billy Long of Missouri was named to the Committee on Energy and Commerce; he too will likely vacate his T&I seat for this assignment.

The Senate transportation committees, consisting of the Environment and Public Works Committee and the Committee on Commerce, Science, & Transportation, will largely remain the same. All current members of the Environment and Public Works Committee will return, and Senator Barbara Boxer [D-CA] will stay as Chair. Due to Senate Republican term limits, Senator Jim Inhofe [R-OK] will not return as ranking republican. Senator David Vitter [R-LA] has announced his campaign for the position and is expected to replace Inhofe.

Senator John D. Rockefeller [D-WV] will remain Chairman of the Committee on Commerce, Science, & Transportation. The Committee’s Ranking Member, Senator Kay Bailey Hutchison [R-TX], is retiring from Congress. Her position will likely be filled by Senator Jim DeMint [R-SC].

Though the general balance of power within the House and Senate remains unchanged, new committee members and new leadership will impact the shape and trajectory of the next surface transportation reauthorization. With everything from policy prioritization to funding at stake, these subtle adjustments will prove meaningful as the process of bill-writing quickly approaches.
COMPREHENSIVE REGIONAL GOODS MOVEMENT PLAN AND IMPLEMENTATION STRATEGY

The Southern California Association of Governments (SCAG) is finalizing its Comprehensive Regional Goods Movement Plan and Implementation Strategy, a long-range vision and plan for enhancing Southern California’s freight transportation system. Developed in coordination with regional, state and national stakeholders, the Plan was designed to ensure that the region continues to play a vital role in the global supply chain while meeting regional economic goals, addressing critical mobility challenges, preserving the environment and contributing to community livability and quality of life goals.

Building Southern California’s Goods Movement System for the Next Century

Southern California is a world leader in commerce and a major exchange point for international culture as businesses from across the globe trade via the region’s seaport, airport and international border crossing facilities. In 2010, over 1.5 billion tons of goods valued at almost $2 trillion moved across the region’s transportation system. Whether carrying imported goods from the San Pedro Bay Ports to regional distribution centers, supplying materials for local manufacturers or delivering consumer goods to residents, the movement of freight provides the goods needed to sustain industries and consumers on a daily basis. Working with its public and private sector partners, SCAG has established a vision and plan for a regional goods movement system to remain a cornerstone of the national economy.

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Twenty-five years from now, the goods movement system in the SCAG region will include bold new capacity enhancements including new and expanded rail yards, additional main line railroad tracks, expanded and modernized port terminals and a truck-only lane system. The new system will also include critical bottleneck relief projects on major freeways and operational improvements such as traveler information systems and GPS technology to reduce truck delays. Multiple grade separations on railroad main lines will provide significant traffic congestion relief throughout the region. The system will also show significant progress in reducing emissions from goods movement sources through an aggressive technology advancement plan to deploy near-zero and zero-emission vehicles. The SCAG region will continue to lead the nation and the world in the application of innovative strategies for goods movement that realize the vision embodied in this Plan.

**Serving the Users of the Goods Movement System**

- **Investments Targeting Key Goods Movement Functions and Industries to Support the Economy** The Plan ensures that local and regional businesses have access to transportation services necessary to support economic growth by targeting investments in key corridors where these industries are located. Targeted system improvements will help contain rising costs of goods and services. The Plan supports regional industries and global supply chains that trade in international, domestic and local markets.

- **Addressing Growth Through Multi-Modal Solutions, Capacity Expansion and Operational Improvements** The Plan supports capacity improvements in the marine terminals, intermodal terminals, railroad mainlines and roadway access routes to the seaports, airports and international land border crossings that make up the region’s trade transportation system.

- **Expanding the Goods Movement System While Providing for a Healthy Environment and Livable Communities** The Plan provides for the lowest emission modal options and cleanest fuels in the near term and supports development and implementation of near-zero and zero-emission technologies for the future. The Plan also includes strategies that mitigate neighborhood and community impacts to the maximum extent possible.

**For More Information**

The Executive Summary and Final Report of the Comprehensive Regional Goods Movement Plan and Implementation Strategy are scheduled to be released in December, 2012. For more information, please visit [http://scag.ca.gov/goodsmove/](http://scag.ca.gov/goodsmove/).
Emissions Report Shows Significant Maritime-Related Clean Air Progress for Puget Sound Region

Maritime-related air pollution has decreased—as much as 40 percent, depending on the type—since 2005, according to a report released today.

The report is the result of the 2011 Puget Sound Maritime Air Emissions Inventory, which provided an update to the 2005 baseline inventory.

The inventory estimated greenhouse gases, diesel particulate matter and a number of other pollutants, such as sulfur dioxides and volatile organic compounds. It focused on pollutants related to ships, harbor vessels, cargo-handling equipment, rail, heavy-duty trucks and other fleet vehicles associated with maritime activities.

Much of the clean air progress is due to significant, voluntary investments of the maritime industry and government agencies in cleaner technology, cleaner fuels and more efficient systems of operation.

Results from the 2011 inventory will help guide and focus future emissions reduction investments.

Reasons behind results
The maritime industry has adopted a number of voluntary initiatives to reduce emissions, including switching to low-sulfur or biodiesel fuels, using shore power, replacing or retrofitting older engines and improving systems to use equipment more efficiently.

The Northwest Ports Clean Air Strategy, a ground-breaking initiative of the ports of Tacoma, Seattle and Metro Vancouver, B.C., has helped further reduce emissions in the Puget Sound and Georgia air basins. Mandatory engine and fuel standards also have spurred adopting newer engines and cleaner fuels.

Some of the decrease also can be attributed to fewer ship calls and less cargo resulting from a sluggish economy.

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PORT PROJECT COMPLETION ALLOWS MORE RAIL CARS INTO GRAIN TERMINAL

The port’s West Vancouver Freight Access Grain Subdivision project is now complete, thanks in large part to the funds provided through the TIGER II program administered by the FHWA through WSDOT. This project improves the flow of grain exports by reconfiguring and adding rail track near the grain terminal.

Colf Construction of Vancouver, Wash. finished the project on October 4, allowing port tenant United Grain Corporation to pull longer blocks of railcars through the unloading pit. The new infrastructure also allows for improved worker safety by reducing the number of switches or movements, by increasing the length of the rail car sections that are processed. These sections of cars have to be broken up and shifted from one track to another in order to unload 110-car Unit Trains of grain. Additionally, automatic switches have been installed as a safety improvement to reduce risk to those working on the terminal.

These improvements allow more grain to come in and out of Clark County, bringing with them, the potential for new jobs in a safer environment while delivering economic benefit to our region. The project began construction in mid-March of this year, and in addition to the rail expansion, a 100,000 gallon water tank was installed to supplement the port’s current water system.

Source: The Port of Vancouver, USA

What’s next

Inventory results will help focus future efforts and investments. The ports of Seattle and Tacoma are updating their Northwest Ports Clean Air Strategy goals based on the inventory results.

Maritime partners will continue efforts to lower diesel emissions because they pose a public health risk. Exposure to diesel pollutants can contribute to increased rates of lung cancer, chronic respiratory and cardiovascular disease and other health effects.

Maritime industry partners continue to seek ways to reduce emissions from all sources, with particular attention to ships. While ship-related emissions have dropped, they account for 63 percent of the maritime-related diesel particulate matter emissions.

The 2011 results do not account for the North American "Emission Control Area" that went into effect Aug. 1, 2012, requiring ships operating in waters along the Pacific, Gulf and Atlantic coasts of the United States and Canada to burn cleaner fuels. This regulation is expected to have a significant effect in further reducing ship-related emissions.

Source: The Port of Tacoma
Member News

Rasmussen to Lead Help Inc.

Help Inc. (Help), the provider of PrePass and other commercial vehicle safety services, has selected Karen Rasmussen, a visionary leader of the transportation industry, to serve as the organization’s president and CEO effective November 15. Ms. Rasmussen will report to Help’s board of directors.

Serving as the president and CEO of the Arizona Trucking Association since 2001, Ms. Rasmussen has been involved in all aspects of commercial vehicle operations including safety, education, enforcement, public relations, environmental protection, and local, state and federal advocacy.

“The officers and members of Help are excited about the experience, enthusiasm and vision Karen will bring to our organization,” said Jim Poe, chairman of Help’s board. "Her commitment to safety comes at a pivotal time for our organization as we offer new tools for carriers and their regulators that seek to simultaneously increase trucking productivity and regulatory compliance."

“We interviewed many of the top candidates in the nation. Karen’s proven leadership, communication skills and focus will reform Help and make its services even more relevant in the years to come,” added Poe.

Arizona Trucking Association Chairman George Cravens said, “As our president, Karen led our association with enthusiasm, integrity and the desire to provide the best product for our members. Her commitment to safety and education has been remarkable,” he said. “We will miss her tremendously, but wish her all the best in her new endeavor.”

Ms. Rasmussen’s experience includes tenure at Ryder System, the California Trucking Association, Oklahoma Highway Patrol, Oklahoma Governor’s Office of Highway Safety and the Montana state legislature. She has many trucking industry awards, recognitions and honors.

Source: PrePass

2013

NRC Conference and Exhibition

Plan to attend the premier railroad construction and maintenance industry event!

The annual National Railroad Construction and Maintenance Association Conference will encompass more than 800 attendees, 100 exhibitors and 25,000 square-feet of meeting space. We have a unique program agenda lined up with chief engineers from the major freight railroads and other key speakers covering topics on:

- 2013 Class 1 and Regional Railroad Capital Spending Plan
- Rail Projects of National Significance
- Commuter Rail and Transit Contracting
- Florida Rail Projects
- Rail Infrastructure Legislation
- Railroad Construction Safety
- High-Speed Rail Developments
- Positive Train Control

Conference Highlights

- Golf and Fishing Tournaments, Safety Awards, Networking Receptions
- Seminars on Legal Issues for contractors and State DOT track construction opportunities

Attendee, hotel and exhibit registration available at www.nrcma.org
Port Receives $1.34 Million to Reduce Diesel Pollution

U.S. EPA funds cleaner cargo-handling equipment

The U.S. Environmental Protection Agency has announced a $1.34 million grant for a Port of Long Beach project to deploy cleaner cargo-handling equipment at its container terminals.

The funds will help two terminals, Piers A and J, to retrofit 11 rubber-tired gantry cranes with diesel particulate filters or exhaust treatment technologies. The grant also will allow the future Middle Harbor terminal to fund five yard tractors to run on electricity instead of diesel.

Piers A and J are operated by SSA Terminals. Middle Harbor will be operated by Long Beach Container Terminal (LBCT), currently at Pier F. The total project cost is $3.98 million with the terminal operators picking up $2.64 million of the bill.

The grant funds technology that will reduce an estimated 33 tons of particulate matter, 25 tons of nitrogen oxide (a contributor to ozone smog) and 733 tons of carbon dioxide (a greenhouse gas) over the life of the equipment.

“This EPA grant will not only reduce diesel air pollution at the Port of Long Beach, it will help accelerate these projects and allow them to happen faster than they would without the grant,” said Dr. Robert Kanter, Port of Long Beach Managing Director of Environmental Affairs and Planning. “We are also very excited that this grant will help one of our terminals make the change to zero emissions equipment.”

Rubber-tired gantry cranes are used to stack and sort shipping containers in the terminal, getting the containers ready to be placed on trains, trucks and ships. Yard tractors haul the containers within the terminal between the ships, container yard and rail yard.

The Port has become a world leader in sustainable seaport operations by reducing the environmental impact of goods movement. The Port is committed to its Green Port Policy and the San Pedro Bay Ports Clean Air Action Plan, which has set goals for reducing the adverse health effects of the Port. For example, from 2005 to 2011, the Port cut emissions of diesel particulate matter by 75 percent.

Source: The Port of Long Beach
Belmont Road Grade Separation Completed

Gov. Pat Quinn on Wednesday joined state and local officials and representatives of Metra and BNSF Railway to mark the completion of the Belmont Road grade separation project in DuPage County, a massive undertaking that has many benefits for Metra riders, area drivers and the region’s environmental and economic well-being.

Joining the Governor at the dedication ceremony were State Sen. Kirk W. Dillard, State Rep. Patricia R. Bellock, DuPage County Chairman Dan Cronin, Downers Grove Mayor Martin T. Tully, IDOT Secretary Ann Schneider, Metra Board Member Paul C. Darley and Metra CEO Alex Clifford.

The $60 million project eliminated a troublesome and dangerous intersection between the four-lane Belmont Road, a major north-south artery through Downers Grove and DuPage County, and three BNSF Railway tracks, which carry approximately 150 commuter and freight trains every day. The road and rails were separated by digging an underpass for Belmont Road and by building new bridges to carry the tracks over the underpass - all of which was done while the road and rails were still open to traffic. The project also included building a new bridge to carry Warren/Burlington Avenue over Belmont Road and feeder ramps to connect that bridge to Belmont.

This project has multiple benefits for Metra passengers as well as area drivers and residents:

· It improves safety by separating rail traffic from Belmont Road vehicles.
· It eases congestion and therefore emissions from idling vehicles on Belmont Road.
· It facilitates economic development in the area by reducing time lost to congestion. It also improves the productivity of Metra and freight traffic.
· It greatly improves the flow of traffic around the nearby Belmont commuter station in Downers Grove.
· It increases safety by providing commuters and other pedestrians with an underpass under the railroad tracks.
· Metra riders also benefit from new commuter boarding platforms and sheltered ADA ramps.
· It increases the amount of parking available to commuters at the Belmont Station by nearly 300 spaces.

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Planning for the grade separation project began more than a decade ago and involved a special collaboration among multiple entities, including Metra, BNSF Railway, Downers Grove, DuPage County, Illinois Commerce Commission, Illinois Department of Transportation and the Federal Transit Administration. Phase One construction was completed in 2009, when Pan-Oceanic Engineering relocated existing utilities in the area and created new commuter parking lots. Work on the underpass and bridges began in 2010 and was carried out by Lorig Construction.

The work was done with only temporary disruptions to traffic on Belmont Road and to commuter trains and passengers. Metra would like to extend a special thanks to our riders, local drivers and area residents for their patience and cooperation during construction.

The Belmont Road grade separation project is part of the Chicago Region Environmental and Transportation Efficiency program (CREATE Project GS7). CREATE is a partnership between U.S. Department of Transportation, the State of Illinois, City of Chicago, Metra, Amtrak and the nation’s freight railroads to increase the efficiency of the Chicago region’s passenger and freight rail infrastructure and enhance the quality of life for Chicago area residents.

CREATE’s goals are to improve passenger rail service; reduce freight rail congestion to boost regional and national economic competitiveness; reduce motorist delay due to rail conflict at grade crossings; enhance public safety; promote economic development; create and retain jobs; improve air quality; and reduce noise from idling or slow-moving trains.

For more information please contact Metra Media Relations, 312-322-6776

Source: CREATE Program
Florida Invests in Competitiveness

The Panama Canal Expansion and Investments in Florida’s Ports Will Boost Its Economy

To diversify Florida’s economy and make our state more competitive, Florida is investing in seaport and related infrastructure more than at any other time in our history. This new infrastructure will allow Florida companies to be more efficient handling freight, and will allow additional opportunities for companies to transport their goods to markets in and out of Florida.

The chart shows Florida’s investment in its seaports, showing significant increases during 2012 and planned for 2013. This is, in part, a response to the widening of the Panama Canal and the opportunities that will present themselves to Florida ports and companies.

The Panama Canal Expansion

Expected to cost more than $5 billion, the Panama Canal Expansion includes the building of new locks on both the Atlantic and Pacific sides of the canal, building new channels to access the new larger locks, and dredging existing channels to accommodate larger ships. These improvements are expected to double the capacity of the 50-mile canal. The project is expected to be completed in 2014. This is likely to shift world trade logistics, and will result in an opportunity for Florida to increase its role in international trade.

The Panama Canal improvements will allow the use of significantly larger ships, which will have nearly three times the capacity of the older ships. The downside for many ports is that the newer ships when fully laden require around 50-foot deep channels. Fortunately, Port Miami had prior clearance from the Army Corps of Engineers to dredge to that level – and that work is already planned. When completed, Port Miami will be the closest U.S. 50’ deepwater port to the Panama Canal.

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Florida is the 4th largest exporting state, and has enjoyed a trade surplus since 2007.

Port Miami

Port Miami has three large projects underway, totaling more than $1 billion in investment, to get itself ready for the future as a logistics hub. These projects include channel dredging, re-fitting and expanding a damaged rail line to the port, and digging a tunnel that will allow trucks better access to Interstate 95 from the port.

First, in March 2011, Governor Rick Scott directed the Florida Department of Transportation to include $77 million for the Port Miami dredging project. The entrance channel will be dredged to a depth of 50 feet, so that “post-Panamax” ships will be able to reach the port. At the time, the improvements to Port Miami were projected to bring 30,000 new jobs to the area.

Second, the rail line that connected the port and the mainland was damaged during Hurricane Wilma in 2005. Since that time, containers unloaded at Port Miami have been offloaded to trucks. This rail line will be greatly expanded to include an on-dock intermodal container transfer facility that will allow easy double-stacking of containers on the train cars. The repaired rail line will allow direct connection with the Florida East Coast railway, allowing quicker deliveries to U.S. cities on the east coast and the Midwest.

Third, a tunnel is being dug under the channel, so that trucks will have access to the Interstate system instead of having to drive through downtown Miami. A giant tunnel boring machine has completed the eastbound tunnel, and will be turned around to dig the westbound tunnel. The tunnel will allow trucks to connect with I-395, avoiding trips and the traffic through downtown Miami to access the port.

Benefits to Florida

These improvements will make Florida much more efficient handling freight and will lead to new opportunities for businesses in Florida, as well as increasing our state’s competitiveness in the world market. Existing businesses will be able to take advantage of low-cost, efficient freight service to increase their competitiveness and expand their businesses. Florida will also be able to use its system to attract new businesses to the state, providing jobs for Floridians and additional revenues for the state.

Source: Florida TaxWatch Center for Competitive Florida
Industry News

Board Selects Former FHWA Official as New AASHTO Executive Director

The American Association of State Highway and Transportation Officials’ Board of Directors voted on November 19, 2012, to approve Frederick G. “Bud” Wright to be the seventh executive director to lead the nearly 100-year-old organization.

The board, comprised of the chief executive officers of each of the 50 state departments of transportation along with the District of Columbia and Puerto Rico, voted during the AASHTO annual meeting in Pittsburgh to appoint Wright to succeed John Horsley, AASHTO’s executive director since 1999, who is retiring February 1.

“Bud Wright has almost four decades of experience in both the private sector and as a top executive at the Federal Highway Administration,” said Kirk Steudle, AASHTO president and director of the Michigan Department of Transportation. “Wright’s proven leadership in critical areas such as transportation safety, policy and legislation, budget, and financial oversight will be extremely beneficial to AASHTO as it works with our membership and lawmakers to shape the next surface transportation authorization bill.”

Wright, a transportation consultant based in Alexandria, Virginia, has recently worked on a major project examining approaches to performance-based management of the federal-aid highway program. He also has played a significant role in a research effort focused on administrative and institutional issues associated with mileage-based user fees.

“I am excited to have the opportunity to join this great organization and to work with our members, the Congress, the Administration, and other U.S. transportation interests as we address the transportation policy and funding challenges that lie ahead,” said Wright. “We owe the American people the right to travel on and benefit from investment in the world’s best transportation network.”

Wright served as Executive Director of the Federal Highway Administration from 2001 to 2008, assisting the Administrator in establishing policies, programs, and priorities for the $40 billion annual federal-aid highway program. As FHWA’s chief operating officer, he was also responsible for a workforce of more than 2,000 transportation professionals and an annual operating budget of $400 million.

From 2001 to 2002, Wright was the FHWA program manager for safety. Before that, Wright was director of the Office of Budget and Finance, where he worked extensively on the Transportation Equity Act for the 21st Century (TEA-21).

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Wright began his career in 1975 as an economist in the FHWA Office of Planning. In 1986, he was selected for a congressional fellowship, serving with the Senate Appropriations Committee staff. In 1989-90, he was a member of the National Transportation Policy Team, which developed former Transportation Secretary Samuel Skinner’s National Transportation Policy.

From 1990 to 1992, Wright served as a special assistant to FHWA’s executive director, working on the development of legislative provisions and negotiations with Congress that led to the landmark Intermodal Surface Transportation Efficiency Act of 1991. In 1992, he was appointed division administrator in Nevada, the agency’s first non-engineer to hold such a position.

For the past four years, Wright has served on an ongoing basis as a consultant to Lindsay Transportation Solutions/Barrier Systems, Inc., a leading manufacturer of products used in highway lane management and highway safety. He is currently a member of the American Road & Transportation Builders Association Board of Directors, and he is a co-chair of ARTBA’s MAP-21 Policy Promotion, Implementation & Funding Enhancement Task Force.

Wright has received the Presidential Rank Award for federal government executives, the Secretary of Transportation’s Special Achievement Award, the Federal Highway Administrator’s Superior Achievement Award, and the Secretary of Transportation’s Team Award (for development of TEA-21). Wright holds a B.A. in economics from Virginia Polytechnic Institute and State University in Blacksburg, Virginia.

Source: American Association of State Highway and Transportation Officials
National Awards Recognize Outstanding State DOT Leadership and Innovation

On Monday, October 22, the American Association of State and Highway Transportation Officials released an announcement that 14 state departments of transportation will receive national awards for “exceptional leadership, innovation, and creativity.” The annual President’s Transportation Awards were granted during the AASHTO Annual Meeting in Pittsburgh on November 18th. These awards recognize “individuals, programs, or teams for improving environmental conditions, utilizing technology, implementing excellent executive management skills, increasing efficiencies, and making effective use of taxpayer dollars.”

Among the recipients are two members of the Coalition for America’s Gateways and Trade Corridors, the Maryland and Washington State departments of transportation. AASHTO will award the Maryland Department of Transportation’s Transit Administration Chief Operating Officer, Michael Davis, for his work on public transportation. Davis “implemented a strategic vision” to increase the “efficiency, reliability, and environmental sustainability” of the Maryland Transit Administration.

The Washington State Department of Transportation was also awarded on November 18th. AASHTO recognized Ferries Engineer Mark Nitcham, Captain John Tullis, and Captain Bill Chapple for their success in identifying a way to increase fuel efficiency without sacrificing on-time performance for their largest vessel, the Puyallup. These efforts resulted in monumental fuel savings of 180,000 gallons per year.

Source: American Association of State Highway and Transportation Officials

National Transportation Safety Board Names Infrastructure Integrity as Top Ten Transportation Challenge for 2013

The National Transportation Safety Board (NTSB) released its “2013 Most Wanted List” on November 14, 2012, which names the top ten transportation challenges for the upcoming year. The list covers all transportation modes and includes six new issue areas – distraction, fire safety, pipeline safety, positive train control, motor vehicle collision avoidance technologies, and infrastructure integrity.

The NTSB’s prioritization of infrastructure integrity highlights the importance of infrastructure maintenance in improving transportation safety. The organization cites recent accidents, infrastructure failures, and statistics to indicate that infrastructure integrity must be preserved. The NTSB calls for investment, maintenance, and appropriate allocation of resources as solutions to infrastructure’s preservation, and proposes solutions for air, rail, and highway.


Source: The National Transportation Safety Board
Communicating Transportation Funding Issues
American Association of State Highway and Transportation Officials
October 2012

On October 29, the American Association of State Highway and Transportation Officials released a peer exchange report, “Communicating Transportation Funding Issues,” that offers transportation agencies practical approaches to more effectively make the case for transportation investments to the general public and key decision makers.

“Those who read this report will have a better appreciation for the connection between effective communications and public awareness and acceptance of transportation investment,” said Mara Campbell, customer services director of the Missouri Department of Transportation. “The transportation funding gap is growing and we believe that, if the public knows what’s at stake, they’ll support greater transportation investment.” The report based on the peer exchange focuses on four key elements of communication: audience identification, market research, message design, and message delivery.

The report includes best practices from state DOTs in California, Florida, Kansas, Maryland, Michigan, Missouri, Utah, Washington, and Wisconsin which have effectively communicated complex issues surrounding finance, funding, planning, and project selection. In addition, the peer exchange identified successful case studies of communication techniques that improved the public’s understanding of transportation investment needs, funding options, and program management and implementation.

Strengthen Federalism: Establish a National PPP Unit to Support Bottom-Up Infrastructure Investment
Brookings Institute
November 2012

In a time of constrained public budgets, leveraging private-sector financial resources and expertise to deliver a range of infrastructure projects has growing appeal. However, these public/private partnerships (PPPs) often entail complicated contracts that differ significantly from project to project and from place to place.

To address this problem, countries, states, and provinces around the world have created specialized institutional entities—called PPP units—to fulfill different functions such as quality control, policy formulation, and technical advice. The federal government should establish a dedicated PPP unit to tackle bottlenecks in the PPP process, protect the public interest, and provide technical assistance to states and other public entities that cannot develop the internal capacity necessary to deal with the projects themselves.

Creating a federal PPP unit would:

1. Provide states, cities, and metropolitan actors with the support and technical assistance needed from the procurement stage through long-term management of the projects by helping public actors determine the best Value for Money investment, assess long-term economic benefits of projects, and increase capacity to deal with contract changes over the life of the PPP
2. Create a more attractive, open, and robust environment that encourages private investment by creating predictability in the procurement process and demonstrating that the government actors involved want to “do business”
3. Serve as the first step in creating an integrated national infrastructure agenda, given that PPPs are integral to the overall capital investment and infrastructure strategy of the nation. Establishing a more uniform PPP process across all 50 U.S. states necessitates creating a broad strategy for national infrastructure development in the future.

Opportunities Exist to Improve the Effectiveness of Federal Efforts to Support the Marine Transportation System

U.S. Government Accountability Office
November 2012

The MTS is integral to the efficient movement of the nation's freight. The MTS includes navigable waterways, ports, and port connectors, such as roads and railways that provide access to the Interstate highway system and the national rail network. According to DOT, approximately 90 percent of America's overseas imports and exports by tonnage move by ship. Consequently, the continued maintenance and improvement of the MTS is essential to sustaining the nation's competitive position in the global economy. This report examines (1) Corps and DOT programs that can be used to maintain or improve the MTS, (2) key challenges to maintaining and improving the MTS, and (3) opportunities to improve the effectiveness of the federal role in the MTS. GAO analyzed information from the Corps and DOT, interviewed relevant agency officials and industry associations, and conducted site visits to six ports--selected based on tonnage, geographic representation, and other factors--to discuss federal, state, and local investment in MTS infrastructure.

The GAO recommends DOT should (1) inform the development of the National Freight Strategic Plan with the Corps' planned investments in the nation's navigable waterways and (2) ensure the review and update of the National Strategy for the MTS to include accountability mechanisms for the Strategy's recommended actions. DOT agreed to consider the report's recommendations.


Flexible Funding Continues to Play a Role in Supporting State and Local Transportation Priorities

U.S. Government Accountability Office
November 2012

The nation's surface transportation system is critical to the economy and affects the daily life of most Americans. However, the system is under growing strain, and the cost to repair and upgrade the system to safely and reliably meet current and future demands is estimated in the hundreds of billions of dollars. State and local governments must maintain existing systems while making efficient use of transportation dollars at a time when revenues to support the Highway Trust Fund--the major source of federal highway and transit funding--are eroding.

The Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA) introduced several Federal Highway Administration (FHWA) programs that provided states and urbanized areas flexibility in selecting projects to be funded with federal-aid highway funds. In particular, states and metropolitan planning organizations (MPO) may use FHWA's Surface Transportation Program (STP) and Congestion Mitigation and Air Quality Improvement Program (CMAQ) funds, which we refer to as flexible funding throughout this report, for transit projects. Subsequent reauthorization acts--including the most recent surface transportation reauthorization, Moving Ahead for Progress in the 21st Century (MAP-21)--have continued to provide this flexibility.

The Consolidated and Further Continuing Appropriations Act of 2012 required us to review how states have used their authority to transfer federal funding between highway and transit programs. To respond to that mandate, this report examines the extent to which states have transferred flexible funding between highway and transit programs since 2007 and the factors that affected the decisions of selected states and urbanized areas to transfer flexible funding and the outcomes of those decisions. Similarities and differences to the previous flexible-funding report are noted, as appropriate.

Research News

Potential Benefits of Mileage-Based User Fees to the Freight Industry and Industry Concerns

University of Minnesota, Humphrey School of Public Affairs
August 2012

The concept of funding surface transportation infrastructure through fees charged on miles driven has been receiving growing attention from transportation professionals and researchers in recent years. Highway funding in the United States has traditionally been done through user fees, most notably motor vehicle fuel taxes. However, there are growing concerns among some policymakers that fuel taxes no longer serve as an adequate, sustainable, efficient, nor equitable user fee.

Recognizing the problems that arise when surface transportation is funded through motor fuel taxes, several entities, both in the United States and abroad, have conducted pilot projects or have implemented mileage-based fees. Several of these have been specifically designed for heavy trucks. There are two major concerns related to truck travel: (1) heavy trucks consume a great deal of roadway capacity due to their size, operating characteristics, and annual miles traveled; and (2) roadway wear and tear caused by the combination of truck mileage and heavy loads is significant and disproportionate to the number of trucks on the road.

The concept of mileage-based user fees has seen increasing support from a number of groups in recent years; however, it faces opposition from many in the general public, and in particular from the trucking industry which largely objects to this approach to funding transportation. This paper is part of a larger effort exploring the benefits to the freight industry of mileage-based user fees, while highlighting industry concerns over its implementation.

http://www.cts.umn.edu/Publications/ResearchReports/reportdetail.html?id=2170

Accelerating Infrastructure Improvements with Better Public Policies that Tap Private Investment

Center for American Progress
November 2012

President Barack Obama’s re-election was widely viewed as a referendum on the issues he has championed in his first term, and that certainly includes rebuilding our nation’s infrastructure. On the campaign trail, the president repeatedly called for directing to infrastructure the federal spending saved by ending the wars in Afghanistan and Iraq, asking for those funds to support “nation building right here at home.” Only one week before the election, he laid out his legislative agenda for a second term: addressing the federal deficit first, then moving on to infrastructure improvement and immigration reform.

For the president to accomplish his infrastructure strategy goals, additional reforms that mobilize more private investment in infrastructure are necessary. Private investors already fund a substantial percentage of infrastructure projects by purchasing municipal bonds, but better policies could incentivize even more private investment. In this report we propose a number of common-sense reforms to help achieve this goal, including: fully uncapping and standardizing federal rules that give states tolling authority; establishing a national infrastructure bank; introducing American Infrastructure Bonds with a direct federal subsidy; and renewing the 1705 loan program and extending the production and investment tax credits for at least 10 years.

Upcoming Events

**January 9-12, 2013:** NRC Conference, Miami Beach, Florida

**January 12, 2013:** AASHTO Journal TransportationCamp, Washington, DC

**January 13-17, 2013:** Transportation Research Board 92nd Annual Meeting, Washington, DC

**April 9-10, 2013:** CAGTC Annual Meeting, Washington, D.C.

**April 16-18, 2013:** Port & Intermodal Finance & Investment Summit, Miami, FL

CAGTC & Freight in the News

**Road to Nowhere: MAP-21 provides little direction for U.S. transport policy**
*Breakbulk Magazine*
October 2012

**Commerce department forms supply chain advisory committee**
*Progressive Railroading*
October 15, 2012

**Advisory Committee on Supply Chain Competitiveness members look forward to making a difference**
*Logistics Management*
October 19, 2012
[http://www.logisticsmgmt.com/article/advisory_committee_on_supply_chain_competitiveness_members_look_forward_to](http://www.logisticsmgmt.com/article/advisory_committee_on_supply_chain_competitiveness_members_look_forward_to)

**Help Inc.’s Technologies Move Trucks Through Inspections**
*Trucking Info*
October 22, 2012

**Who Will Head DOT, House T&I Committee?**
*Journal of Commerce*
November 9, 2012
Why Join CAGTC?

Shape Policy
CAGTC Members have the opportunity to help shape policy and legislation with an organization that is known for getting results on the Hill. Membership gives you a seat at the table as our positions are vetted, debated, finalized and carried to the halls of Congress, where we then pull out the votes. All members are invited and encouraged to participate in our various policy and planning committees, which meet by phone, email and, occasionally, in person.

Up To Date Information
CAGTC strives to keep our members well informed and keyed in on important national freight developments. Because our work focuses solely on goods movement issues, we are able to disseminate concise, lightening-quick updates. Our members often tell us that CAGTC delivers information quicker than any of their other DC connections!

Access
CAGTC holds one annual, in-person meeting every spring, with impressive member turn out. In addition to our annual meeting, we hold smaller member events on a regular basis, such as our Congressional Goods Movement Briefing each spring and our Trade Corridor Summit in 2007. We also meet regularly with Congressional Members and staff and with the Administration. All of these meetings are free and open to members. Given that this is authorization time, we expect our calendar for Hill visits to book up quickly - in the run up to SAFETEA-LU, CAGTC held over 500 meetings with policy makers!

Member Promotion
In all our endeavors, the Coalition highlights its member organizations as examples of good projects and how the process should work. We do this in our regular meetings on the Hill, at conferences and during presentations and in our newsletter, which goes out every other month. Members have a spotlight for recent achievements, a sounding board of experts for advice, as well as an opportunity to network with likeminded organizations.

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DON’T MISS THE YEAR’S MOST IMPORTANT MEETING ON U.S. FREIGHT POLICY

2013 ANNUAL MEETING
COALITION FOR AMERICA’S GATEWAYS AND TRADE CORRIDORS

APRIL 9-10, 2013
Washington DC

April 9 is free and open to the public.
April 10 is open to CAGTC Members only.

For questions and registration, please call
202-828-9100 or email enessle@blakey-agnew.com

For additional meeting details please visit our website
www.tradecorridors.org/annual-meeting