2007 James L. Oberstar Forum on Transportation Policy and Technology

Our Nation’s Transportation Infrastructure: Heading Toward a Crisis?

A SUMMARY REPORT
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Transportation policymakers, professionals, and research leaders from Minnesota and across the country joined U.S. Rep. James L. Oberstar on October 7 and 8, 2007, to examine the challenges posed by the nation’s aging transportation infrastructure. The event, held on the University of Minnesota's Minneapolis campus, addressed many of the infrastructure issues raised by the collapse of the nearby I-35W bridge just two months earlier.

This was the sixth meeting of the transportation policy and technology forum named in honor of Oberstar and the first since Oberstar became chairman of the House Transportation and Infrastructure Committee. The forum was again hosted by the Center for Transportation Studies (CTS) at the University of Minnesota.

“The U.S. transportation network remains the envy of the world, but we are losing ground,” Oberstar said during his keynote speech, emphasizing the key role the transportation system plays in the nation’s global competitiveness. “If we don’t develop a new inter-modal and international competitiveness vision in this country—a renewed commitment to invest in the construction of the needs of all modes of transportation—we will be left behind.”

Oberstar and many other forum participants also talked in depth about the need for greater transportation infrastructure funding and ways to garner public interest in the often-dry and complex issue. In particular, discussion focused on the proposal of a federal gas-tax increase to fund badly needed transportation system maintenance and improvements.

Speakers at the public portion of the forum included U.S. Sen. Amy Klobuchar, former secretary of the U.S. Department of Transportation Norman Y. Mineta, former chair of the U.S. House Transportation and Infrastructure Committee Bud Shuster, University of Minnesota president Robert Bruininks, as well as a panel of current and former state DOT leaders. CTS director Robert Johns served as master of ceremonies.

The public portion of the forum included presentations and discussions for invited leaders, which began with an introductory report on the U.S. transportation infrastructure from Steve Lockwood of PB Consult.

In addition, a panel of University of Minnesota faculty members presented compelling research about the I-35W bridge collapse and deficiencies in the nation's transportation infrastructure. Moderator John Adams, geography professor and associate dean for academics at the University’s Humphrey Institute of Public Affairs, emphasized the need for maintaining and improving roads and bridges as assets on our national balance sheet. Roberto Ballarini, University of Minnesota civil engineering professor and department head, provided a primer in lay terms on the structural fatigue plaguing the nation’s transportation systems, complete with detailed color photos. University of Minnesota civil engineering associate professor David Levinson discussed the effects of frugality when funding the transportation infrastructure.

At the public portion of the forum, which attracted more than 300 and drew interest from area media as well as a video team from C-SPAN, Mineta and Shuster joined Oberstar in a panel discussion in which they shared some of their previous attempts to fund infrastructure improvements, primarily through a federal gas-tax increase.

Attendees also heard a panel of current and former state DOT leaders discuss infrastructure challenges in their states. Frank Busalacchi, Wisconsin Department of Transportation secretary, discussed the challenge of educating the public about the need to rebuild the interstate system and the enormous costs involved. Will Kempton, director of the California Department of Transportation, talked about funding, noting that the federal gas tax was last increased in 1993, and California’s state gas tax was last increased in 1995. Tim Martin, former secretary of the Illinois Department of Transportation, also made a case for raising the gas tax.

In his closing remarks, Congressman Oberstar called for a renewed commitment to providing the vision and leadership to rebuild and expand the nation’s transportation systems despite the current political and legislative environment. “We need to rebuild the public confidence in our transportation system,” he concluded. “We will not wait for the crisis to come upon us.”

This report summarizes the main events of the two-day forum on transportation policy and technology. More information about this and previous Oberstar forums may be found online at www.cts.umn.edu/oberstarforum.
Underinvestment Cited as Key Factor Affecting U.S. Transportation Infrastructure

“A nation’s physical infrastructure is a critical element in both its productivity and quality of life,” explained PB Consult’s Steve Lockwood, highlighting points from the white paper he prepared for the forum. “For continental economies like that of the United States, a continental-scale highway system is crucial for national development, particularly as it relates to our just-in-time society.”

Problems with one piece of the highway system—bridges—have been given special prominence in light of the recent bridge collapse in Minneapolis. According to Lockwood, the average age of U.S. highway bridges is more than 40 years old. Most of these structures were built at a time when vehicular traffic and weights were much less than they are today, when bridge construction materials were at lower standards and less redundancy was acceptable. “As these structures age, deterioration is inevitable,” he said.

U.S. bridge conditions are evaluated in terms of deficiencies, Lockwood added. As of 2004, more than 158,000 bridges in the country were classified as “structurally deficient.” He pointed out, however, that the classification is somewhat misleading. “This doesn’t mean a bridge is unsafe, but rather, it needs some significant attention. Using obscure terminology like this has not aided the public’s or policymakers’ understanding of the problems.”

He noted also that most bridge failures are caused by natural events such as floods and hurricanes. Less than 10 percent of the failures are human-related resulting from impacts, overloads, or obvious design problems. While these human failures can be exacerbated by deterioration, he explained, failure from deterioration alone is quite rare.

Nonetheless, it is clear that our nation’s highways and bridges are suffering, Lockwood said. Just to maintain the current sub-par conditions requires an investment of $79 billion a year. By contrast, to improve all highways and bridges and achieve maximum cost-effective conditions requires an annual investment of $132 billion a year. “We’re currently spending only $70 billion annually,” he explained.

“In the past, transportation efficiency has been [our country’s] ‘ace in the hole’ in competing in the global marketplace,” he continued. “But this advantage is eroding as our infrastructure declines, in part from underinvestment.”

Policymakers in the United States are preoccupied with many other issues these days, such as Iraq, immigration, health care, global climate change, and presidential elections, which makes it difficult for them to focus on such a seemingly mundane issue as highway infrastructure conditions, Lockwood observed. “Transportation infrastructure, like other public utilities, is relatively invisible,” he said. “It only becomes a public policy issue when there is a crisis, and then it fades quickly in the face of these other issues.”

Since the I-35W bridge collapse, however, the House Transportation and Infrastructure Committee has put forward a new dedicated bridge program to address structurally deficient bridges throughout the national highway system, Lockwood reported. The legislation has four key components: improving bridge inspection requirements and reviewing standards; providing dedicated funding for structurally deficient highway system bridges; distributing funds based on a formula to be related to public safety and need; and establishing a bridge reconstruction trust fund, separate from other programs and earmarking.

“The bill suggests that funding will be more closely related to needs,” he explained. “As a separate trust fund, the proposed program would be exempted from Congressional earmarking. In addition, its focus on inspection and monitoring reinforces the activities already under way within the federal bridge program and provides supporting resources.” As it stands, this bill is under threat of a presidential veto.

In upcoming years, major national policy decisions may be made that will affect the next generation of highways and highway users, Lockwood added. “We all know that diverting from ‘business as usual’ at the state and federal levels requires a strong and collective effort among key stakeholders—the infrastructure owners, professional community, industry, and users,” he concluded. “I hope that this forum will be a good starting point to carry that activity forward into [other] state and national forums.”
A panel of University of Minnesota faculty members presented compelling perspectives about the I-35W bridge collapse and overall deficiencies in the nation's transportation system.

“It is finally dawning on us that physical deterioration of the public infrastructure involves real costs,” said moderator John Adams, geography professor and associate dean for academics at the University's Humphrey Institute of Public Affairs. “At a time when we should be building up the nation's stocks, we are drawing many of them down. Roads and bridges are one class of assets on our national balance sheet; maintaining and improving them costs money. But not maintaining them also costs in wear and tear that should be recognized each year as a depreciation expense on annual government budgets.”

Roberto Ballarini, University of Minnesota civil engineering professor and department head, next offered a primer in lay terms on the structural fatigue plaguing the nation's transportation systems. He highlighted results from the American Society of Civil Engineers (ASCE) “Report Card for America’s Infrastructure,” which evaluated 15 infrastructure categories, including aviation, bridges, rail, roads, and transit, on the basis of condition and performance, capacity versus need, and funding versus need. It rated them all as Cs and Ds—that is, mediocre to poor.

“If we want to compete in a global environment, we need a strong infrastructure,” Ballarini said. “We were able to develop a national interstate system when we decided it was important. It was a tremendous achievement, and it took money. But we weren’t richer back then than we are today. [The United States is] arguably the richest we’ve ever been, but somehow we don’t see fit to put money into our infrastructure.”

In the 1950s, when many U.S. bridges were built, engineers didn’t know much about structural fatigue, he continued. Today, these bridges are prone to fatigue and must be regularly inspected, maintained, and sometimes replaced. However, Ballarini cautioned, ascertaining whether or not these structures are dangerous isn’t easy.

“Determining if bridges are safe, how long will they be safe, and how we can fix structural problems requires first understanding the problem, then detecting it, and then going back to fix it.”

Ballarini described some of the latest in bridge construction materials, including those that are less prone to corrosion cracking. He explained that these innovations can mitigate structural problems, but there is no sure-fire way to prevent all future failures. “We do learn from failures,” he noted. “The more we study them, the less frequently they will occur.”

To that point, he added that a group of University researchers and students from the civil engineering department received a small grant from the National Science Foundation to perform a “parallel” investigation of the I-35W bridge collapse. “The long-term goal is to identify exactly what happened and use that information to prevent events like [the bridge collapse] in the future.”
With the I-35W bridge collapse in mind, forum attendees dove headfirst into a morning of facilitated discussion around the complex challenges brought on by an underfunded, deteriorating transportation system. CTS communications director Gina Baas framed the dialogue, asking participants to consider public expectations of a transportation system, the vision government leaders should promote for this system, the challenges to achieving this, and strategies to overcome these challenges. CTS director Robert Johns moderated the session.

One of the main problems participants acknowledged is the public’s lack of understanding of the issues. “People want to drive alone with the road capacity of 1975 at speeds from the 1950s and paid for in 1988 dollars,” offered Curt Johnson, with the Citistates Group. “The fact that these wants are unattainable doesn’t resonate with individuals. Instead, it results in criticism that DOTs can’t deliver on this ‘reasonable’ demand.”

Rick Krueger, from the Minnesota Transportation Alliance, pointed out that there is enough information available indicating what the problems are. “We just haven’t done a good job of getting that message out,” he said. “We have to shift from building the case to actually presenting the case to the public in a way that resonates.”

“The public tends to panic [after a crisis such as the bridge collapse],” added Catherine French, professor of civil engineering at the University of Minnesota. “But over time they become complacent. We need to somehow keep the public engaged.”

Sometimes, the wrong messages are communicated, observed retired Minnesota state senator Carol Flynn. “There is this argument that transit is subsidized in an enormous way, but roads somehow pay for themselves,” she said. “We have never been able to change that message appropriately, so we need to keep pounding away at that.”

Part of this miscommunication, explained Jake Crandall, retired president and CEO of AAA Minnesota/Iowa, may be because “the public gets too much information from talk radio hosts, who have everyone convinced that our [transportation] professionals are idiots wasting our money. We need experts like the people [at this forum] to get their messages out to the public. We need to get as passionate and persuasive as the talk show hosts.”

Many participants suggested that legislators themselves do not fully understand the issues either. But Jay Cowles, with the Itasca Group, noted, “Last year, CTS briefed the legislature for the first time with transportation facts.”

During the conversations, several participants voiced the need for a cohesive, national transportation vision. “Every state has 20-year plans and most sit on a shelf because of the system we have in place,” said Richard Thomas, with Ames Construction. “A lot of public officials can see only two or four years out and do only what they need to, to limp through to the next election.”

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“The public also expects transportation to be there for them, to be cost-efficient, and to be well-designed, but they don’t want to talk about if should it be a six- or four-lane arterial,” added Jim Erkel, with the Minnesota Center for Environmental Advocacy. “I think the public is ready to put money into the system, but they need to know what the vision is for their region.”

“I recently had a conversation with a beer distributor who said that his company could handle a nickel gas tax increase, but no more than that,” explained Doug Weiszhaar, with WSB & Associates, Inc. “The very next day fuel prices went up 15 cents. I checked to see if he had gone out of business at that point, and he hadn’t. Somehow, we need to re-educate people on what we need and how we need to pay for it.”

Marcia Marcoux, member of the Rochester, Minnesota city council, pointed out that “[Rochester] passed a local-option sales tax...”
dedicated to street reconstruction, because people understood there was a need that wasn’t being met. The challenge is that it is very complicated where all this money goes. But, when people knew specifically where that money was going, it was easier to overcome that challenge."

“[Transportation funding] is not easy to understand,” Minnesota state Rep. Ron Erhardt agreed. “People forget that the 1999–2000 income tax rates were cut, and we gave back four to five years of rebates. We took billions of dollars out of the general fund to give back to the people. Maybe it’s a time for a change in the other direction. We do need a concentrated effort to educate people.”

Erhardt’s comments sparked some debate over the issue of raising the gas tax versus allowing private firms to take over building and maintaining U.S. roadways. Some felt that privatization offers a quick fix to patch the gap between transportation needs and available funding and is a way to outsource difficult decisions, like raising tolls, to entities that don't have to worry about getting reelected. Others disagreed.

According to Frank Busalacchi, Wisconsin DOT secretary, “The public doesn't want us selling off our roads to private partnerships. Even if they did, that would be only a small part of the solution.”

“I hear [citizens] clamor for a better transportation system,” Jim Hovland, mayor of Edina, Minnesota, added. “They are more than willing to make the commitment [by paying more taxes]. [Raising taxes] requires strong political leadership—leaders have to stand up and say this is important.”

“Political leaders are often waiting for the next person to pick up the cost,” explained Lee Munnich with the University’s Humphrey Institute of Public Affairs. “We need to better communicate what the cost of failure means.”

“As we are picking and choosing our leaders, we’re missing the face, the leader—that someone to provide a credible, long-term solution,” Hennepin County commissioner Linda Koblick added.

Blue Earth County commissioner Colleen Landkamer feels that partisan negativism is hindering progress in adopting a vision and a leader to represent it. “Rather than vilify people when we disagree, we should work together to get things done. We need a better way to articulate what the challenges are in transportation, but not the way it is today. We need to change this debate.”

According to Bloomington city council member Steve Elkins, it is also important for the business community to get engaged. “We have a lot of work to do in the business community,” he said, “and it has to come from bottom up, not top down.”

“The business community has some strong-willed CEOs that make it difficult for us to take positions on funding, certainly the sales tax, which is an even tougher subject than the gas tax,” Jefferson Lines CEO Charles Zelle added. “CEOs may not agree on the solution, but they are coming together to understand the cost of congestion to their own business.”

Changing direction a bit, Fred Gates, representing Minnesota U.S. Rep. Betty McCollum, noted the nation’s changing demographics and how that affects transportation. “The younger generation no longer lives in the suburbs—they live in core cities, and many don’t own cars,” he said. “I think the [transportation] discussion will change very quickly because this younger generation will start to control the discussion.”

“We are an aging America,” added Shelley Poticha, with Reconnecting America. “But we have not addressed what that means for how people get around, where they want to live, and how that informs how we prioritize our efforts.”

Rural areas must also be considered, observed Jason Boehlert, with the National Association of Development. “A lot of people in rural areas assume that infrastructure will never come,” he said. “But as goods are moved around this country, they have to go through rural areas at some point. If that infrastructure doesn’t exist, there’s a breakdown in that system.”

To wrap up the session, Tom Horan, with the Humphrey Institute’s Center for Excellence in Rural Safety, pointed out that, in terms of traffic crash fatalities, a bridge falls every other week in Minnesota—but that doesn’t get attention. “Traffic crashes are the number one killer of teens in the United States,” he concluded. “We need to reframe this as a public health issue—a good transportation system is one that saves people’s lives.”
Throughout his public address, U.S. Rep. James L. Oberstar stressed the importance of our nation’s transportation infrastructure to its ongoing viability and security in a growing global economy. “While the U.S. transportation network remains the envy of the world, we are losing ground,” he said. “Without a renewed commitment to providing the vision and leadership to rebuild and expand these systems, this situation will continue to get worse.”

As the U.S. economy and population have grown, Oberstar added, so has dependence on the transportation infrastructure. “Despite the significant growth in use of our infrastructure, we are not making the investments necessary to bring these systems up to date, much less making the investments necessary to accommodate future growth,” he said. “As a result, all of our transportation networks are at capacity or have exceeded capacity, and this is hurting our national economy.”

He called attention to the recently published 2007 Urban Mobility Report, which provides a grim illustration of how underinvestment has affected the surface transportation network. The report, by the Texas Transportation Institute, reveals that congestion in 2005 caused a $78 billion annual drain on the U.S. economy in the form of 4.2 billion lost hours and 2.9 billion gallons of wasted fuel.

But the congestion crisis is not limited to highways, Oberstar warned. “Our nation’s rail infrastructure lacks the capacity to handle existing freight volumes, let alone the anticipated freight levels in the future,” he said. “Our nation’s ports, waterways, and related landside intermodal connectors are also ill, and the inland waterways are suffering from similar inefficiencies.”

U.S. airways are also clogged, Oberstar reported, noting that the Federal Aviation Administration (FAA) expects airlines to carry more than 1 billion passengers by 2015, an increase from approximately 744 million in 2006. “After the 9/11 terrorist attacks, the [Minneapolis-St. Paul airport] cancelled investments [for increasing] capacity in favor of security-related investments,” he said. “And so did every other airport in the country. Now, aviation is playing catch up again. We have the busiest airspace in the world, yet we have not invested in airside capacity or in modernizing the air traffic control system.”

Since the mid-1980s, some state and local governments have looked to more involvement from the private sector for design, construction, operation, and financing of new or existing toll highways. Oberstar explained that the U.S. House Subcommittee on Highways and Transit has held hearings to examine such public-private partnerships. One key finding from these hearings, Oberstar noted, is that private investment and tolls would provide, at most, 8 to 9 percent of the resources necessary to maintain and upgrade the surface transportation network. “Despite this [small percentage],” Oberstar said, “[privatization of roadways] appears to be the only solution the [Bush] administration will consider to address the crisis. [They] have unfortunately taken short-sighted, ideological approaches to addressing this situation, and we have seen a significant deterioration of the network as a result.”

Oberstar cited several examples of international competitors he says are making substantial investments in their transportation infrastructure to meet the needs of the new global economy. “In 1989, China had only 168 miles of expressway,” he said, “By the end of 2004, the country had constructed nearly 22,000 expressway miles—which have dramatically cut freight shipment times criti-
University of Minnesota president Robert Bruininks, who opened the public portion of the forum, noted that the I-35W bridge collapse had dramatically affected students and staff because of the disaster’s close proximity to campus. He also thanked Minnesota’s congressional delegation for their help in securing federal support following the collapse. “Within a day, Congress acted and responded with a meaningful commitment of federal support for the bridge and our community,” Bruininks said. “It lifted all the spirits here at the University and throughout the state of Minnesota.”
Invited speaker U.S. Senator Amy Klobuchar described for audience members her vision for improving and securing the nation’s transportation infrastructure. She specifically addressed the I-35W bridge collapse, noting that within 60 hours of the collapse, Congress passed and President Bush signed Public Law 110-56. This provided immediate, essential funds for the recovery effort and authorized additional funds for bridge reconstruction totaling $250 million.

“With those initial funds,” she explained, “the State of Minnesota has increased transit options to serve commuters, set up detours to restore traffic flow, cleared structural debris, and begun laying the general framework for reconstruction.” She added that approval of this funding came with “remarkable speed and bipartisanship,” which is “a rare feat in Washington these days.”

In August, $55 million of the promised $250 million was made available to the State of Minnesota. In September, Klobuchar, along with Senator Norm Coleman, secured passage of an amendment to the fiscal year (FY) 2008 transportation appropriations bill to fully fund the remaining $195 million, she reported, adding that President Bush has threatened to veto the bill. “Minnesotans who are concerned about the bridge funding and who have influence in the White House should be directing their energy toward that end of Pennsylvania Avenue.”

The sudden failure and collapse of the I-35W Bridge has raised many questions about the condition and safety of roads and bridges throughout the country, Klobuchar continued. “As I said the day after the collapse, ‘In America, a bridge just shouldn’t fall down.’ Unfortunately, it has taken a disaster to put the issue of infrastructure and investment squarely on the national agenda, and it is long overdue.”

In September, the Senate Committee on Environment and Public Works held a hearing to examine the condition of bridges throughout the country. “This hearing highlighted the fact that critical investment in the maintenance and construction of our nation’s transportation infrastructure is imperative,” Klobuchar reported. “This is especially true for America’s bridges, which are deteriorating far faster than we can repair or replace them. … There are deficient bridges found in every state across the nation, and fixing all of them doesn’t come cheap.”

“Strengthening and maintaining our national infrastructure must be a national priority. At the moment, however, our priorities are not in the right place,” Klobuchar said. She offered several options for generating needed infrastructure funding, such as rolling back the tax cuts given to people with the top 1 percent of income, addressing the severe under-collection of capital gains taxes, repealing taxpayer-funded giveaways to oil companies, and re-establishing priorities.

According to Klobuchar, rural Minnesota is now in the midst of an economic revival that will rely on a strong transportation system. “As our nation demands greater energy independence and security, rural Minnesota is poised to benefit enormously with the further development of homegrown renewable energy resources,” she said. “Already, the development of wind farms and of ethanol plants has rejuvenated many rural parts of our state. At the same time, these industries are placing new demands on our transportation infrastructure.”

But it’s not just rural areas that need attention, Klobuchar added. “More than half of our state’s population lives in the seven-county Twin Cities metro area, and the need for more transportation options is clear,” she said. “Congestion is major threat to quality of life and prosperity here, costing precious time and money for both commuters and businesses. We must broaden our options with the right mix of multimodal solutions while maintaining our existing system of roadway.”

“We will not be able to build a 21st-century economy by relying on a 20th-century infrastructure that is both rapidly deteriorating and inadequate for our growing needs,” Klobuchar concluded. “Our nation faced this challenge a half century ago, and we succeeded in building a new modern transportation system for our new modern economy. It is our responsibility to restore Eisenhower’s vision of a transportation system that works for America, but we need the leadership, the imagination, the will, the public support, and the resources to make it happen. We can’t afford to fail this time.”

The complete text of U.S. Sen. Amy Klobuchar’s speech from October 8, 2007, is online at www.cts.umn.edu/oberstarforum.
Experts Seek to ‘Rebuild’ a National Consensus on Transportation Funding

A bipartisan panel of transportation experts that included Rep. James L. Oberstar, former secretary of the U.S. Department of Transportation Norman Y. Mineta, and former chair of the U.S. House Transportation and Infrastructure Committee Bud Shuster agreed with the forum’s crosscutting theme that highways and bridges in Minnesota and across the country need more public attention and a greater share of its money.

“Transportation is the underlying basis of our economy,” Mineta said. But, voicing his frustration at the difficulty of getting the public and politicians to engage in and fully understand the issues, he added that until it’s denied to people, it doesn’t get talked about. Even when it is talked about, “the interest shelf-life is short.”

He pointed to a USA Today survey taken a month and half after the I-35W bridge collapse, which asked if people would pay additional taxes to rehabilitate the nation’s transportation infrastructure: 62 percent [of respondents] said they would not support a tax increase. “What do we have to do to establish a sense of urgency about transportation?” he asked. “The United States will not remain competitive in a global economy with the level of investments we’re currently making across all transportation modes.”

Mineta shared some of his attempts to fund infrastructure improvements. Though the federal gasoline tax has been 18.4 cents since 1993, Mineta explained, President Bush rejected his 2001 proposal, which called for a two-cent gasoline tax increase for the first year, third year, and fifth year.

Panelists also briefly addressed the issue of bipartisanism and how it will affect the upcoming surface transportation funding reauthorization process, given the many political differences over how to best finance transportation. “I think the [bipartisan] environment will change,” Shuster said. “In the next election, we need to hold both the Republican and Democratic presidential candidates’ feet to the fire. We need to ask the right questions and get a commitment. With a new administration coming, there can be a more positive approach to transportation.”

Shuster reflected on what he called “brief shining moments in transportation” when the Republican and Democratic parties came together to pass the Transportation Equity Act for the 21st Century (TEA-21) and the Aviation Investment and Reform Act for the 21st Century (AIR-21). “We knew we had a golden opportunity to do something good for America, and we had strong, knowledgeable bipartisan support from leaders in Congress,” he explained. “But before we introduced [our] legislation, we did a year-long road show across the United States. We met with governors and city mayors and asked them what their problems were. We met with business and union leaders. Back in Washington, we met one-on-one with Republican and Democratic members of Congress. Only after all that did we introduce our legislation.”

“The time is now to build—or some might say, rebuild—a national consensus,” Oberstar added. “But it is hard to keep the public’s attention [focused on transportation], because there are so many important issues out there.”

All three panelists agreed that there are partial options available to help solve the transportation funding crisis. “There are dire predictions about revenue declines in 2009,” Oberstar said, eyeing a temporary five-cent motor fuel tax increase. “We will need more revenue, but we have to look at it from all sources. No matter what form of fuel a vehicle uses for propulsion, they all use the roadway and need to pay their fare share or we can’t sustain our highway infrastructure.”

“I think there should be a menu of financing mechanisms, since not one solution will fit everywhere,” Mineta added. “As we go toward hydrogen fuel cell vehicles, a gasoline tax doesn’t mean anything. We need substantially different revenue sources to have a sustainable foundation for funding. We have to totally change our approach in order to get away from what we know as the gasoline tax.”

“I was a purist for many years [in my belief] that the Highway Trust Fund should finance transportation projects,” Shuster noted. “I’ve come to the conclusion that even if we implement a dedicated increased gas tax, funding from the Highway Trust Fund will be inadequate. There is nothing wrong with public-private partnerships, if they are very tightly defined,” he explained. “We shouldn’t set the idea [of public-private partnerships] aside without bothering to consider it. Finding money wherever we can find it has to be 90 percent of the solution.”
Current and former state DOT leaders discussed infrastructure challenges in their states during the final panel of the forum.

“Wisconsin parallels the rest of country in that we face a lot of the same issues: an aging infrastructure, increasing construction costs, and decreasing revenue,” explained Frank Busalacchi, Wisconsin Department of Transportation secretary. “We [state DOTs] can’t address these issues alone. The federal government must be our partner. That’s what the interstate system is—it joins the whole country and was a great idea. We need to maintain that.”

Busalacchi was also appointed by California congresswoman Nancy Pelosi to the National Surface Transportation Policy and Revenue Study Commission, which is charged to develop a national transportation vision to be presented to Congress by the end of the year. “At this point, we have all the data we need,” he explained. “I think we will make two recommendations with regard to the gas tax. One is that we have to go with the existing tax for the short-term, maybe the next 10 years. But beyond that, we need some type of vehicle-miles traveled (VMT) tax so that everyone using the system pays fairly.”

To Busalacchi, one of the main challenges for state DOTs is that the public doesn’t understand that the interstate system essentially needs to be rebuilt. “Unfortunately, rebuilding this system is not small potatoes,” he said. “In downtown Milwaukee, for example, we have [an interchange] that was built in the 1960s for $38 million. We’re replacing it today for $810 million. That’s just the tip of the iceberg—we have to rebuild almost the entire freeway system in southeastern Wisconsin.”

Will Kempton, director of the California Department of Transportation (Caltrans), added that although Caltrans faces the same challenges of other DOTs, it has had some great successes of late. For example, Caltrans recently replaced a 350-foot permanent section of the Bay Bridge, which carries about 280,000 vehicles a day, using an innovative strategy to construct a new bridge next to the old bridge. Following a huge public notification effort, Caltrans closed the Bay Bridge completely on the Labor Day weekend, knocked down the old structure, removed the debris, slid the new bridge into place, and reopened the new bridge—all within three days.

Circling back to the realm of challenges, Kempton noted that the federal gas tax was last increased in 1993. “Here we are with all of these responsibilities, growing system demand, an aging infrastructure, and having to pay for that on the same ‘salary’ we made back in the mid 1990s,” he said. “State DOT leaders need to demonstrate that DOTs do good things for the public.”

“A gas tax increase in California is not politically popular either, but the key is demonstrating accountability,” Kempton continued. “We want to operate as a business does. It’s that kind of competency we need to demonstrate. California voters recently approved an

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“UNFORTUNATELY, REBUILDING THIS SYSTEM IS NOT SMALL POTATOES.”

– FRANK BUSALACCHI
infrastructure bond package that includes $20 billion for transportation—although, this is just a down payment on the [transportation] needs we face."

Tim Martin, former Illinois Department of Transportation (IDOT) secretary, referred to a study done by Global Insight, a major forecasting company, about the position of the United States as an economic power. “This study shows us as number three or four by 2050,” he said. “How do we stop that? It is all about the investment.”

“CONGESTION IS SLOWLY STRANGLING OUR ABILITY TO MOVE FREIGHT AROUND.”

– TIM MARTIN

Martin, too, made a case for raising the gas tax. “No one is paying their fair share if the last time the federal gas tax was raised was in 1993 and inflation has doubled prices since then,” he said. “We have to do something about that.”

“The political structure needs to understand we are slowly strangling ourselves,” he added. “We have not built the roads [needed to meet demand], and congestion is slowly strangling our ability to move freight around. Once a week in Chicago, commuter trains are delayed because of freight interference.”

To illustrate his point, Martin described the Chicago Region Environmental and Transportation Efficiency Program (CREATE) project, which is a first-of-its-kind partnership between the State of Illinois, City of Chicago, Chicago Metra passenger rail, and the nation’s freight railroads. CREATE will invest $1.5 billion in critically needed improvements to increase the efficiency of the region’s rail infrastructure and the quality of life of Chicago-area residents, he explained, pointing out that this project also needs to include the trucking and airline industry. “We are all intermodal,” he said. “If we don’t watch it, we will all fail together.”

To conclude, Martin agreed with Kempton that state DOTs have to communicate their successes to the public. “We first have to find out what the public wants,” he said, “then give them what they want, tell them that we are giving it to them, remind them that we gave it to them, and celebrate the successes to everyone possible.”
Attendees of Invitation-Only Discussions

National and Minnesota Leaders
Jason Bochler, National Association of Development
Richard Braun, RPB
Debra Brisk, HDR Engineering, Inc.
Frank Busalacchi, Wisconsin DOT
Homer Carlisle, American Public Transportation Association
Fred Corrigan, Aggregate and Ready Mix Association of Minnesota
Jay Cowles, Unity Avenue Associates
Jake Crandall
Douglas Differt, URS
Chuck Dulic, HNTB Corporation
Steve Elkins, City of Bloomington, Minnesota
Ron Erhardt, Minnesota House of Representatives
Jim Erkel, Minnesota Center for Environmental Advocacy
Carol Flynn
Lisa Freese, Minnesota Department of Transportation
Mark Fuhrmann, Metro Transit
Jeff Hamiel, Metropolitan Airports Commission
Alison Harris, Office of U.S. Rep. Keith Ellison
Ron Have, Freightmaster Inc.
Tim Henkel, Minnesota Department of Transportation
Mary Hill Smith, Metropolitan Council
Frank Hornstein, Minnesota House of Representatives
James Hovland, City of Edina, Minnesota
Michael Huber, Center for Prevention
Curtis Johnson, Citistates Group
Will Kempton, California Department of Transportation
Amy Klobuchar, U.S. Senate
Linda Koblick, Hennepin County, Minnesota
Rick Krueger, MN Transportation Alliance
Colleen Landkamer, Blue Earth County, Minnesota
Kelly Leone, U.S. Department of Transportation
Stephen Lockwood, Parsons Brinckerhoff
Marcia Marcoux, City of Rochester, Minnesota
Tim Martin, CTE
Bob McFarlin, Minnesota Department of Transportation
Norman Mineta, Hill and Knowlton
Steve Murphy, Minnesota Senate
James Oberstar, U.S. House of Representatives
Shelley Poticha, Center for Transit-Oriented Development
Brain Ryks, Duluth Airport Authority
Bud Shuster, U.S. House of Representatives (retired)
Robert Skinner Jr., Transportation Research Board
Richard Thomas, Ames Construction
Douglas Weiszhaar, WSB & Associates, Inc.
Mark Wilson, Office of U.S. Sen. Amy Klobuchar
Charles Zelle, Jefferson Lines

University of Minnesota Attendees
John Adams, Geography
Roberto Ballarini, Civil Engineering
Cathy French, Civil Engineering
Jerry Fruin, Applied Economics
Timothy Holst, Swenson College of Science and Engineering, University of Minnesota Duluth
Tom Horan, Humphrey Institute of Public Affairs
Robert Johns, Center for Transportation Studies
David Levinson, Civil Engineering
Henry Liu, Civil Engineering
Lee Munnich, Humphrey Institute of Public Affairs
Channing Riggs, University Relations
Barbara Rohde, Humphrey Institute of Public Affairs
Mary Vogel, Center for Changing Landscapes

Forum Staff
Gina Baas, Center for Transportation Studies
Julie Graizer, Continuing Professional Education
Stephanie Malinoff, Center for Transportation Studies
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