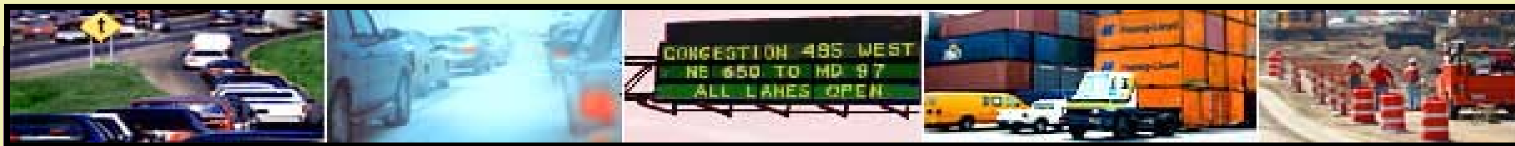

FEDERAL HIGHWAY ADMINISTRATION
TEXAS DIVISION

State of Texas Border Partnership E-Newsletter

Volume II, Issue 3 State of Texas Border Partnership Newsletter June 8, 2009

In this Month's Issue:

FHWA Operations Support - Port Peak Pricing Program Evaluation

Over the past two decades, international waterborne container trade has been the fastest growing driver of freight transportation demand in the United States. The effects have been particularly dramatic at our major container ports. While intermodal rail has had positive impacts, the effects of truck congestion – both at the terminals and along major access routes – have been increasingly identified by many communities as significant issues.

A number of ports and intermodal terminals are considering peak-period truck pricing strategies modeled on the Ports of Long Beach and Los Angeles PierPASS OffPeak program to: 1) reduce peak-period congestion; 2) improve terminal operating efficiencies; 3) reduce truck wait and idle times; 4) improve air quality; and 5) lessen community impacts.

To facilitate this process, the Federal Highway Administration (FHWA) Office of Freight Management and Operations, with support from Cambridge Systematics, Inc., is conducting an evaluation of the applicability, Federal policy implications, and possible public and private sector roles related to peak pricing strategies at other ports and intermodal facilities in the U.S. This report presents a detailed discussion of the results from this evaluation.

The remainder of this report is organized into the following sections:

Section 2: Analysis of the PierPASS Off-Peak Program – This section provides a summary of the key issues pertaining to the PierPASS OffPeak program, focusing on the factors that led to the implementation of the program, the success of the program in mitigating peak-period traffic congestion, and stakeholder perceptions about the program.

Section 3: Market Analysis – This section provides a discussion of the key port market characteristics to be considered in evaluating the feasibility of port peak pricing programs, and the results of the performance evaluation of selected ports with respect to the identified set of market characteristics/factors.

Section 4: Institutional Analysis – This section provides a discussion of the key institutional issues pertinent to port peak pricing programs, including shipper acceptance of peak pricing programs, the role of shipper organizations, long shore labor unions, and independent drayage truckers in program development/implementation, and the impacts of night-time trucking/noise restrictions on the feasibility of port peak pricing programs.

Section 5: Policy and Program Considerations – This section presents a discussion of the key policy/regulatory issues pertaining to port pricing, including a summary of existing Federal congestion pricing programs, existing Federal port related policies, legal issues pertaining to port user fees, and considerations for Federal port peak pricing program and evaluation guidelines.

For additional information, please see the following URL:

http://www.ops.fhwa.dot.gov/publications/fhwahop09014/sect1.htm

Source: FHWA
Contact Information: Ed Strocko
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Port of Long Beach will furlough workers

Port of Long Beach employees must take off five days of work without pay by the end of the port's fiscal year on Sept. 30, the port confirmed.

The furloughs will reduce operational costs as Long Beach, like most U.S. ports, adjusts to declining cargo volume.

Long Beach has seen its container traffic fall 28.8 percent in the first four months of 2009, including a 28.9 percent drop in loaded imports and a 30.8 percent decline in loaded exported containers. Loaded container traffic fell 29.7 percent in April.

Spokesman Art Wong said all port staff, including top executives, are required to take five furlough days. Long Beach will stagger employee furloughs so the port offices will remain open for normal business hours.

All city agencies in Long Beach require that their employees participate in the furlough program in order to address the city's budget problems.

The neighboring Port of Los Angeles also intends to reduce its costs in the months ahead, and various options are under consideration, said spokeswoman Lori Kelman. The port, as a proprietary agency of the city of Los Angeles, is not required to participate in the city's overall cost-reduction program. However, the port authority plans to do its part in a show of support with other city agencies, Kelman said.

Author: Bill Mongelluzzo
Source: *The Journal of Commerce Online - News Story*
Updated: May 26, 2009 7:16PM GMT
URL : http://www.joc.com/node/411529

SoCal port sets funds for new trucks, retrofits

The Port of Long Beach, Calif., said it is making funds available to truckers who want to retrofit older trucks or buy new trucks.

Under a subsidized lease-to-own program, applicants can receive funding for a pre-approved new truck under a 7-year lease agreement that is subsidized up to 80% by the port.

Monthly payments for drivers as low as $300 for both diesel and alternative fuel / liquefied natural gas trucks and the port's $137,000 subsidy for LNG trucks is more than double that of the $68,000 for diesel trucks.

Applicants can receive subsidized loan funding for a pre-approved new truck, secure their own financing based on their credit, and receive a port grant of $67,000 for a clean diesel truck or $105,000 for an LNG truck, with grant is paid out over seven years. The Port will provide a one-time upfront grant of up to $20,000 towards the purchase of retrofit equipment for trucks with 1994-2003 model year engines. The retrofit must be a California Air Resources Board-approved retrofit device that achieves at least 85% particulate matter and 25% NOx reductions.

Submittal of all application forms are due to the port's Clean Truck Center by Friday, June 5, at 4 p.m. local time. Click here for more information. (Port of Long Beach Web site.)

Source: *Transport Topics*
Updated: 5/20/2009 2:30:00 PM
URL: http://www.lmtruck.com/articles/tttemplate.aspx?storyid=21954

NAFTA trade among U.S., Canada, and Mexico falls 27.9%

Surface transportation trade among the United States, Canada and Mexico fell 27.9% in March from a year earlier, the third consecutive month of decline greater than 27%, the Department of Transportation said Thursday.

Between February and March, trade with Canada and Mexico rose 6.5%, U.S. DOT Bureau of Transportation Statistics said in its monthly report. Truck imports to the United States dropped 21.5%% to $18.7 billion, while exports fell 18.9% to $18.9 billion.

Rail imports plummeted 42.8% to $4.6 billion, while exports fell 35.9% to $2.8 billion, DOT said. Pipeline imports fell 56.3% to $2.9 billion, while exports declined 57.4%, to $285 million. U.S.-Canada trade fell 34.2% to $31 billion. The value of truck imports fell 26.8% and the value of truck exports fell 25.1%.

U.S.-Mexico trade fell 15.1% to $20 billion. The value of truck imports fell 15.5% and the value of truck exports fell 6.4%.

Surface transportation consists largely of freight movements by truck, rail and pipeline. About 90% of U.S. trade among NAFTA partners moves by land.

Source: Transport Topics
URL: http://www.ttnews.com/articles/basetemplate.aspx?storyid=22010
Date: 5/28/2009 11:00:00 AM

For a full copy of this BTS report, please see: http://www.bts.gov/press_releases/2009/bts027_09/html/bts027_09.html

Rough roads ahead: fix them now or pay for it later

Driving on rough roads costs the average American motorist approximately $400 a year in extra vehicle operating costs. Drivers living in urban areas with populations over 250,000 are paying upwards of $750 more annually because of accelerated vehicle deterioration, increased maintenance, additional fuel consumption, and tire wear caused by poor road conditions.

A report released today by the American Association of State Highway and Transportation Officials (AASHTO) and TRIP, reports that one-third of the nation's major highways, including Interstates, freeways, and major roads, are in poor or mediocre condition. Roads in urban areas, which carry 66 percent of the traffic, are in much worse shape.

"The American people are paying for rough roads multiple times," said Kirk T. Steudle, Director of the Michigan Department of Transportation, at a news conference held to release the report. "Rough roads lead to diminished safety, higher vehicle operating costs, and more expensive road repairs. It costs $1 to keep a road in good shape for every $7 you would have to spend on reconstruction. It's another drag on the economy." The report uses the latest government statistics to show pavement conditions in all 50 states and vehicle operating costs by state and urban areas. The report also finds that:

- 30 to 60 percent of the roads in 20 of the nation's largest urban areas are in poor condition.
- 36 percent of the roads in the Detroit urban area are in poor condition. In contrast, the Los Angeles area and surrounding communities have 64 percent of their roads in poor condition.
- 61 percent of rural roads are in good condition.
- 72 percent of the Interstate Highway System is in good condition, but age, weather conditions, and burgeoning traffic are eroding ride quality.

The report points out that traffic growth has far outpaced highway construction, particularly in major metropolitan areas. The number of miles driven in this country jumped more than 41 percent from 1990 to 2007 – from 2.1 trillion miles in 1990 to 3 trillion in 2007. In some parts of the country, dramatic population growth has occurred without a corresponding increase in road capacity, placing enormous pressure on roads that, in many cases, were built 50 years ago.

The full report is available at http://roughroads.transportation.org, along with charts, photographs, and examples from states working to improve their highway systems.

U.S. DOT unveils $1.5 B in infrastructure grants

The U.S. Department of Transportation (DOT) took a major step to open up a $1.5 billion grant pool that can cover ports, intermodal, freight rail and other types of freight construction as well as passenger projects.

Dubbed TIGER discretionary grants, for Transportation Investment Generating Economic Recovery, this money was included in the Recovery Act to be allocated directly by DOT Secretary Ray LaHood separate from other amounts targeted specifically for state highway departments, airports or passenger rail systems.

Those other funds were under quick-release rules with early deadlines, so LaHood's TIGER team at DOT focused on first handling those other programs to get their spending under way while it developed application guidelines for his discretionary grants.

Those criteria, published in the May 15 Federal Register, could open the door for many more freight projects. While states could use their highway funds under the stimulus law for freight rail and port projects as well as road work, by far most of that money went into bridge repairs and pavement resurfacing.

But LaHood earlier said ports will be able to tap his $1.5 billion grant pool to get help with some key projects. DOT said the grants can range from $20 million to $300 million "to support high impact transportation projects." Short line railroad officials have worried about having to meet the $20 million threshold to qualify for projects such as lower-cost bridge replacements, but LaHood can waive that minimum grant requirement level to cover smaller projects.

The program aims to inject funds into projects that can both quickly create construction jobs and stimulate broader economic activity. DOT also said it will use the grants to improve existing transportation facilities and national competitiveness, boost energy efficiency and curb greenhouse emissions.

The grant pool includes $200 million that can be leveraged into much larger investments, as it could be used under a separate federal loan program to pay a borrower's subsidy costs. That would allow the money to support another $2 billion in credit assistance, DOT said. To see the Federal Register notice, click here.

Source: U.S. Dept of Transportation website

URL: http://www.dot.gov/affairs/2009/dot6909.htm

Date: May 15, 2009

AAR traffic tallies: make it 20 straight tough weeks for North American railroads

Through the year's first 20 weeks, U.S. railroads' traffic fortunes haven't changed. Witness week No. 20, which ended May 23. U.S. roads originated 259,265 carloads, down 21.5 percent, and 188,885 intermodal loads, down 19.1 percent compared with totals from the same week last year, according to the Association of American Railroads (AAR).

Canadian railroads reported weekly volume of 53,316 carloads, down 33.5 percent, and intermodal volume of 37,052 containers and trailers, down 18.9 percent. Mexican railroads reported weekly volume of 13,102 cars — virtually the same as last year, the AAR said — and 5,188 trailers and containers, down 18.8 percent.

For more information on North American railroads' traffic through 2009's first 20 weeks and during the week ending May 23, follow this link.

Source: Progressive Railroading

URL: http://www.progressiverailroading.com/news/article.asp?id=20516

Date: May 29, 2009

President Obama announces national fuel efficiency policy

WASHINGTON, DC – President Obama today – for the first time in history – set in motion a new national policy aimed at both increasing fuel economy and reducing greenhouse gas pollution for all new cars and trucks sold in the United States. The new standards, covering model years 2012-2016, and ultimately requiring an average fuel economy standard of 35.5 mpg in 2016, are projected to save 1.8 billion barrels of oil over the life of the program with a fuel economy gain averaging more than 5 percent per year and a reduction of approximately 900 million metric tons in greenhouse gas emissions. This would surpass the CAFE law passed by Congress in 2007 required an average fuel economy of 35 mpg in 2020.

"In the past, an agreement such as this would have been considered impossible," said President Obama. "That is why this announcement is so important, for it represents not only a change in policy in Washington, but the harbinger of a change in the way business is done in Washington. As a result of this agreement, we will save 1.8 billion barrels of oil over the lifetime of the vehicles sold in the next five years. And at a time of historic crisis in our auto industry, this rule provides the clear certainty that will allow these companies to plan for a future in which they are building the cars of the 21st century."

This groundbreaking policy delivers on the President's commitment to enact more stringent fuel economy standards and represents an unprecedented collaboration between the Department of Transportation (DOT), the Environmental Protection Agency (EPA), the world's largest auto manufacturers, the United Auto Workers, leaders in the environmental community, the State of California, and other state governments.

"The President brought all stakeholders to the table and came up with a plan to help the auto industry, safeguard consumers, and protect human health and the environment for all Americans," said EPA Administrator Lisa P. Jackson. "A supposedly 'unsolvable' problem was solved by unprecedented partnerships. As a result, we will keep Americans healthier, cut tons of pollution from the air we breathe, and make a lasting down payment on cutting our greenhouse gas emissions."

"A clear and uniform national policy is not only good news for consumers who will save money at the pump, but this policy is also good news for the auto industry which will no longer be subject to a costly patchwork of differing rules and regulations," said Carol M. Browner, Assistant to the President for Energy and Climate Change. "This an incredible step forward for our country and another way for Americans to become more energy independent and reduce air pollution."

A national policy on fuel economy standards and greenhouse gas emissions is welcomed by the auto manufacturers because it provides regulatory certainty and predictability and includes flexibilities that will significantly reduce the cost of compliance. The collaboration of federal agencies also allows for clearer rules for all automakers, instead of three standards (DOT, EPA and a state standard).

"President Obama is uniting federal and state governments, the auto industry, labor unions and the environmental community behind a program that will provide for the biggest leap in history to make automobiles more fuel efficient," said Department of Transportation Secretary Ray LaHood. "This program lessens our dependence on oil and is good for America and the planet."

Credit: White House News Release
Date: May 19, 2009
URL: http://www.whitehouse.gov/the_press_office/President-Obama-Announces-National-Fuel-Efficiency-Policy/

SPECIAL REPORT: Cross-border trucking program appears on fast track

American truckers would be sharing the highways with Mexican drivers much sooner than anyone expected if U.S. Secretary of Transportation Ray LaHood has his way.

LaHood announced on Thursday that he wants to open the border to Mexican trucks as early as next month. The *Congressional Quarterly (CQ)* reported it would not be simply a continuation of the original cross-border demonstration program.

Instead, according to *CQ*, it would be a permanent program with new safety guidelines. How many trucks would be involved and what the safety guidelines would be won't be known until LaHood unveils the plan to lawmakers during the first week in June.

How he expects to win Congressional support in just a matter of weeks is also unclear. What is clear is that the process is moving much faster than expected, and Owner-Operator Independent Drivers Association (OOIDA) Executive Vice President Todd Spencer says now is the time for truckers to call their lawmakers to express their concerns. Spencer says some of those concerns are related to safety and some are tied to economics. "We, as citizens of America are spending billions and billions of dollars on stimulus – to stimulate American business and American economy and American jobs. Yet the economic policy that is associated with this would cost the jobs of literally thousands and thousands of U.S. truck drivers. Now that's absolutely absurd and outrageous on its face."

Spencer says there is no way Secretary LaHood could open the border without Congressional approval and that the earliest that could possibly happen would be in the fall. He also notes that current U.S. law prohibits any new cross-border program unless it meets a long list of requirements.

Source: Land Line Magazine
Author: Reed Black, staff writer
Date: Friday, May 22, 2009
URL: http://www.landlinemag.com/Special_Reports/2009/May09/052209_crossborder.htm

Passport deadline looms for all land border crossings

If you cross into the U.S. from Canada or Mexico for any reason, you will be required to have a passport or other approved documentation as of June 1, 2009 – regardless of your North American citizenship.
In other words, the verbal declaration of citizenship will no longer be accepted.

U.S. citizens returning to the states by land will be required to produce a valid U.S. passport, passport card, a valid FAST, NEXUS or SENTRI credential, enhanced driver's license, military identification with travel orders, or a Merchant Mariner document.

Canadian citizens have been required since 2008 to show a valid passport, FAST, NEXUS or SENTRI card, or an enhanced driver's license. Travelers from the U.S. and Canada under the age of 16 can use a birth certificate. Some exemptions exist for student travelers and native North Americans. People who cross the border by air and go through customs at airports have been required to have a passport or an accepted credential since 2008. The passport requirement comes from the Western Hemisphere Travel Initiative, created in 2004 by the Department of Homeland Security on a recommendation by the Sept. 11 Commission.

According to the U.S. Department of State, turnaround time for new U.S. passports and renewals is four to six weeks. Expedited service costs more and takes about 14 days. The department also has a service for people needing a passport on shorter notice.
Click here to read more about the Western Hemisphere Travel Initiative and click here for information on obtaining or renewing a U.S. passport.

Source: Land Line Magazine
URL: http://www.landlinemag.com/todays_news/Daily/2009/Apr09/042009/042409-07.htm
Author: David Tanner, staff writer
Date: 04/24/09

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Famous Quote of the Day:

"Life is like an ice-cream cone; you have to lick it one day at a time."

--Charles Schulz, American cartoonist

Next FHWA HQ's Talking Freight Web Seminar (Wednesday, June 9, 2009)

The Federal Highway Administration's (FHWA) Office of Freight Management and Operations and the Office of Planning host the "Talking Freight" web seminars. These web seminars are part of a broader Freight Professional Development Program (FPD) aimed at providing technical assistance, training, tools, and information to help the freight and planning workforce meet the transportation challenges of tomorrow.

These FHWA web seminars are held on a monthly basis throughout the year and are open at no cost to all interested parties in both the public and private sectors. The next FHWA HQ's Talking Freight Seminar will be held on June 9th from 12-1:30 PM (CST) and will cover the topic of: TIGER Discretionary Grants under the Recovery Act.

The American Recovery and Reinvestment Act of 2009 (Recovery Act) appropriated $1.5 billion of discretionary grant funds (TIGER Discretionary Grants) for capital investments in surface transportation infrastructure to be awarded by the U.S. Department of Transportation. These TIGER Discretionary Grants are to be awarded on a competitive basis to projects that have a significant impact on the Nation, a metropolitan area, or a region.

Please join Tony Furst from FHWA's Office of Freight Management and Operations (HOFM) and Jake Falk from USDOT's Office of the Secretary as they discuss the program, selection criteria, evaluations, and application process. (Complete applications for TIGER Discretionary Grants must be submitted by September 15, 2009).

To register for this seminar, please go to http://www.fhwa.dot.gov/freightplanning/registration.htm and click on the seminar topic. Future Talking Freight web seminars are also shown here.

U.S. Transport CO2 Emissions Drop

The U.S. Energy Information Administration (EIA) says transportation-related emissions, which account for about a third of total U.S. energy-related carbon dioxide (CO_2) emissions, dropped 5.2 percent in 2008.

By mid-2008, total oil consumption was 100-200 trillion Btu per month lower than the previous two years as gasoline and diesel prices reached an all-time high. By the end of the year, transport-related petroleum consumption had dropped a total of 1.4 trillion Btu compared to 2007.

Total U.S. CO_2 emissions fell 2.8 percent last year, from 5.96 billion tonnes ($MMTCO_2$) in 2007 to 5.8 billion $MMTCO_2$. While the U.S. GDP grew 1.1 percent in 2008, despite the recession impact in the second half, energy use per unit of GDP actually fell 3.3 percent. The EIA reports that total U.S. energy-related CO_2 emissions have grown by 15.9 percent since 1990. Currently, energy-related CO_2 emissions account for over 80 percent of U.S. greenhouse gas emissions (GHG).

From 1990 to 2007 (the latest year of data for all U.S. GHG), carbon dioxide intensity had fallen by 26.4 percent and emissions of total GHG per dollar of U.S. GDP had fallen by 28.0 percent.

Source: http://www.aircargoworld.com/break_news/26052009h.html
Date: 05/26/09
For a copy of the EIA report, please see: http://www.eia.doe.gov/oiaf/1605/flash/pdf/flash.pdf