

FEDERAL HIGHWAY ADMINISTRATION TEXAS DIVISION

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State of Texas Border Partnership E-Newsletter

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US Transportation Secretary urges swift passage of jobs plan

WASHINGTON -(Dow Jones)- U.S. Transportation Secretary Ray LaHood called recently for "swift passage" of a job-creation package in Congress to bring down double-digit unemployment figures. LaHood said he met with Sen. Richard Durbin (D., Ill.), the Senate's No. 2 Democrat, to press for the package to include "ample" funds for highway construction and other transportation projects. He also pushed for the plan to give his agency more discretion in deciding which projects get federal aid, expanding a program that bypasses existing funding formulas. LaHood said the change would lead to more innovative transportation projects.

"We're urging swift passage, with ample funds, for highways, transit, aviation and rail, including Amtrak," LaHood said in a speech at a national mayors' conference in Washington.

The House approved a \$154 billion jobs package in December that includes \$27.5 billion for highway construction and additional funds for other infrastructure projects. The Senate is currently drafting its own package.

LaHood wants the plan to expand a \$1.5 billion program called Transportation Investment Generating Economic Recovery, or Tiger, in which state and local agencies apply for funding for a host of projects. LaHood said the program allows the DOT to give aid to projects that otherwise wouldn't get funds under existing formulas.

The U.S. DOT is expected to announce the first awards from the program in coming weeks. LaHood rejected criticism, mostly from Republicans, that the \$787 billion eco-

omic-recovery package enacted last year has been ineffective. "The stories that have been written that it hasn't created jobs is baloney," LaHood said, adding that he has visited construction sites funded by the stimulus plan. "I see orange cones and orange barrels all over your communities."

LaHood said that jobs generated this year by the stimulus plan are on track to exceed last year's total. He didn't cite figures.

White House economists said this month that the stimulus package was responsible for keeping between 1.5 million and 2 million jobs in the economy through the end of 2009. Numerous errors have been found in reports by recipients of the funds, and Republicans have criticized the administration's statements as overstating the plan's effectiveness.

Source: Dow Jones Newswires

URL Link:

<http://www.nasdaq.com/aspx/stock-market-news-story.aspx?storyid=201001211376dowjonesonline000603>

Date: 01/27/10

Cargo hauled dropped by a fifth last year

The nation's railroads had their worst year in decades in 2009, a dramatic reminder of the brutality with which the recession damped demand for coal, lumber and other goods that make up the backbone of the economy.

Freight trains carried 20% less cargo last year than in 2008, according to a report by the Assn. of American Railroads, and the industry shed nearly 21,000 jobs. The 12-month period was the slowest since the association began keeping records in 1988.

Among the most dramatic declines was a 33% drop in lumber and wood products carried by train, a key indicator of demand for new construction. Trains carried 34% fewer motor vehicle parts and 8% less coal. "Last year saw declines, most of them quite steep, in every major category of rail carload traffic," said John Gray, senior vice president of policy and economics for the rail association. "Railroads are happy to have 2009 behind them."

The drops in the movement of coal, lumber, retail goods and other products carried by train mirrored the devastation in the U.S. economy wrought by the housing and mortgage industry meltdowns. As demand crashed for houses, cars and the commodities used in manufacturing, so did the need to haul goods and materials.

Taken over a two-year period that included all of 2008 and 2009, the declines were even more dramatic, according to the report: a 48% drop in the transportation of motor vehicle parts; a 49% drop in metallic ore and metals; and a 47% drop in lumber and wood products.

By last month, though, the picture was beginning to brighten. Twelve of the 19 main commodities hauled by trains -- including grain, chemicals, petroleum and automobile parts -- showed growth during December compared with the same period a year earlier. The number of rail cars in storage also began to drop in December, indicating another uptick in business. The signs of thaw reflected hopeful indications at the nation's seaports, where traffic also increased in December. Like the increase in train traffic, imports are a sign that consumers are again buying some goods. These products -- many of them carried in shipping containers that are then bolted onto flatbed freight cars -- will travel by train and truck to destinations across the nation.



Several Wall Street analysts are predicting increased rail traffic this year as the housing and automobile industries begin to recover, increasing demand for lumber and motor vehicle parts. Demand for coal could also increase as factories begin to ramp up production.

In November, billionaire investor Warren Buffett bet big on railroads, agreeing to pay \$34 billion for Burlington Northern Santa Fe Corp. The world's second-richest man called the investment an "all-in wager on the economic future of the United States," just a month before the industry began to show signs of recovery.

BNSF is one of the two freight lines that serve Southern California and the ports of Los Angeles and Long Beach. The other is Union Pacific Corp. If the improvement continues, it would bring relief to the railroads, which were suffering before the economic slowdown spread to other countries from the U.S., said Rick Paterson, an air freight and surface transportation analyst for UBS Investment Research in New York.

"Transports [including railroads] were in trouble before the global recession hit," Paterson said. "They were overexposed to the two worst parts of the U.S. economy -- the housing and automotive industries." Railroads such as Fort Worth-based BNSF and Union Pacific, headquartered in Omaha, will be "in much better shape in 2010" as domestic freight and international trade recover, he said.

BNSF and Union Pacific will both report their fourth-quarter and full-year earnings Jan. 21.

Source: Los Angeles Times
Date: 01/14/10

URL: <http://www.latimes.com/business/la-fi-railroads14-2010jan14.0,1878683.story>

U.S. DOT Conditions & Performance Report (2008) released

The U.S. DOT recently published the *2008 Status of the Nation's Highways, Bridges, and Transit: Conditions and Performance* report to Congress (C&P report). The C&P report is intended to provide decision makers with an objective appraisal of the physical conditions, operational performance, and financing mechanisms of highway, bridge, and transit systems based both on the current state of these systems and on the projected future state of these systems under a set of alternative future investment scenarios. This edition of the C&P report is the eighth in the series that combines information on the Nation's highway and transit systems.

The main body of the report is organized into four major sections. Part I, "Description of Current System," includes the core retrospective analyses in the report, including chapters on the role of highways and transit, system characteristics, system conditions, operational performance, safety, and finance.

Part II, "Investment/Performance Analysis," includes the core prospective analyses of the report, including projections of future highway, bridge, and transit capital investment under certain defined scenarios. This section also explores how these scenarios would be affected by changing the assumptions about travel growth, financing mechanisms, and other key variables.

The highway investment scenarios presented in this report are developed in part from the Highway Economic Requirements System (HERS), which uses marginal benefit-cost analysis to optimize highway investment. The HERS model quantifies user, agency, and societal costs for various types and combinations of improvements, including travel time, vehicle operating, safety, capital, maintenance, and emissions costs.

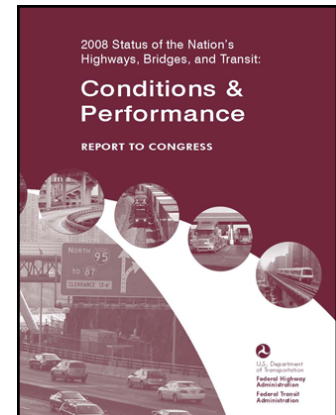
Bridge investment scenario estimates were developed from the National Bridge Investment Analysis System (NBIAS) model, which was used for the first time in the 2002 edition of the C&P report. Unlike previous bridge models (and similar to HERS), NBIAS incorporates benefit-cost analysis into the bridge investment/ performance evaluation.

The transit investment analysis is based on the Transit Economic Requirements Model (TERM). The TERM consolidates older engineering-based evaluation tools and introduces a benefit-cost analysis to ensure that investment benefits exceed investment costs. Specifically, TERM identifies the investments needed to replace and rehabilitate existing assets, improve operating performance, and expand transit systems to address the growth in travel demand and then evaluates these needs in order to select future investments.

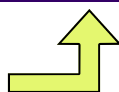
Part III, "Special Topics," explores further some topics related to the primary analyses in the earlier sections of the report. Some of these chapters reflect recurring themes that have been discussed in previous editions of the C&P report, while others address new topics of particular interest that will be included in this edition only. Part IV, "Afterword: A View to the Future," identifies potential areas for improvement in the data and analytical tools used to produce the analyses contained in this report and describes ongoing research activities.

For additional copies of this report call: 202-366-9899 or 800-240-5674

URL Link: <http://www.fhwa.dot.gov/policy/2008cpr/index.htm>



December truck tonnage jumps 6.6%



U.S. truck tonnage jumped 6.6% in December from the same month in 2008, the first year-over-year increase in 15 months, [American Trucking Associations](#) said recently.

ATA's seasonally adjusted for-hire truck tonnage index grew 2.1% in December from November after a 2.6% decrease from October to November.

The index grew to a reading of 108.4, with the year 2000 as the base year at 100. December's index was the highest since November 2008.

The not seasonally adjusted index, which represents the change in tonnage actually hauled by the fleets before any seasonal adjustment, was 103 in December, up 2.3% from November. This month's reading was aided by economic growth and positive inventory effect, said ATA Chief Economist Bob Costello.

"However, economic activity is expected to moderate in the current quarter, which will keep a lid on tonnage growth," Costello said in a statement. December's increase was due in part to a 7.8% drop in the previous year, Costello added.

"There is no doubt that the industry is moving the right direction, but the level of freight will not be as strong as the year-over-year increases suggest because of how terrible it was in late 2008 and much of 2009," he said.

ATA calculates the tonnage each month based on reports by its member trucking companies.

Source: Transport Topics On-Line

Date: 01/26/10

URL: <http://www.ttnews.com/articles/basetemplate.aspx?storyid=23633>

Truck-involved fatalities drop 12.3% in 2008



The rate of truck-involved fatalities in the United States dropped 12.3% in 2008 to a record low, [American Trucking Associations](#) said recently.

The figure fell to 1.86 fatalities per 100 million miles, the lowest since records began in 1975, from 2.12 per 100 million miles in 2007, ATA said in a statement.

ATA calculated the figures based upon vehicle miles traveled data recently released from the Federal Highway Administration and crash data previously released by the National Highway Transportation Safety Administration.

The drop is the largest year-to-year drop on record and the fifth consecutive drop in the annual rate. Injuries from truck-involved crashes fell 11% to 39.6 per 100 million miles, from 44.4 per 100 million miles in 2007, the association said.

ATA attributes the declines to the hours-of-service regulations that took effect in 2005. The truck-involve fatality rate fell more than 20% since that year.

Source: American Trucking Associations

Date: 01/20/10

URL: <http://www.ttnews.com/articles/basetemplate.aspx?storyid=23597>



Port of Milwaukee plans improvements for 2010

While many of the ports in the Great Lakes saw their traffic volumes fall between 15 to 30 percent last year during the recession, the Port of Milwaukee's volumes were only down 0.7 percent, according to Eric Reinelt, port director.

The port shipped and received 2.91 million metric tons during 2009, compared with its 2.93 million during 2008.

"I was in meetings in Toronto (two weeks ago) with other port directors from the Great Lakes, and they were much lower in tonnage," Reinelt said. "Years ago, the port had a policy of diversifying its tonnage base and broadening out into additional tonnage from things like steel and manufactured goods. We've moved into a lot of bulk commodities - our road salt business has doubled in the last 10 to 15 years. What has really pulled out through was the increase in road salt and Wisconsin's exported grain."

The Port of Milwaukee's tonnage should increase in 2010 because of the increase in manufacturing activity - which should result in more shipments of steel coming in and higher amounts of finished goods

being shipped out, Reinelt said. "With the dollar still low compared to other world currencies, I think exports (from Wisconsin) will improve," he said.

Several new wind power projects have recently been approved in Wisconsin, and most of those projects will use parts and components that will be imported from Europe. The Port of Milwaukee is planning to improve one of its on-ramps to Interstate 794 north this summer, in order to accommodate oversized trucks, Reinelt said.

"We will be spending about \$500,000 to improve our entrance ramp to the Hoan (Bridge), which will allow us to move trucks onto the highway without going onto city streets," he said. "We will see that business (wind power products) returning - a lot of projects are getting financed."

Source: Biz Times.com

Date: 01/25/10

URL: <http://www.biztimes.com/manufacturingweekly/2010/1/25/port-of-milwaukee-plans-improvements-for-2010>

Panama Canal Authority seeks canal crossing

The Panama Canal Authority is planning a permanent road connecting North and South American land masses on the canal's Atlantic side.

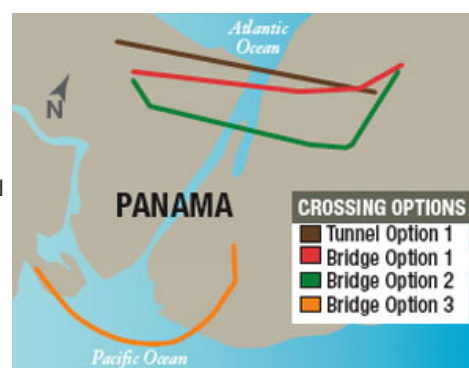
Over the next few weeks, officials with the agency, known by its Spanish acronym ACP, plan to award a feasibility contract for possible alternatives for a permanent vehicular crossing at the Gatun Locks near Colon. Preliminary plans call for either a bridge or tunnel.

Currently, traffic must use a small road that runs directly in front of the locks. The arrangement requires that the only road crossing at that end of the canal must be closed when the locks are open for ships. This essentially cuts off one side of the isthmus from the other.

The route will become impassable when work begins on the new locks, which are part of the massive \$5.2-billion Third Lane Expansion Project.

The ACP wants a permanent replacement road that will not interrupt canal operations. The project is separate from the Third Lane Expansion Project, says Jorge L. Quijano, ACP executive vice president of engineering and program management. "We have to make sure there is a component for a continuous connection across that area throughout the construction of the locks," he

says. At present, the two permanent roads linking the North and South American land masses are both at the Pacific end of the canal. The Bridge of the Americas at the mouth of



the waterway was completed in 1962 at a cost of \$20 million, and the \$120-million Centennial Bridge at the Galliard Cut opened in 2004. After the contract is awarded, the selected contractor will have seven months to present the studies.

Source: Engineering News Record

Date: 01/20/2010

URL: http://www.silobreaker.com/panama-canal-authority-11_248257

Senate panel to weigh National Infrastructure Bank

Hearing Looms for Infrastructure Bank

WASHINGTON — The Senate Banking Committee will hold a hearing next month on the creation of a national infrastructure bank, chairman Christopher J. Dodd said yesterday. The Connecticut Democrat joined a coalition of infrastructure bank proponents, including Pennsylvania Gov. Edward G. Rendell, at a press conference here to urge Congress and the Obama administration to create the bank.

The group, led by a group called Building America's Future, also sent a letter last week to the president asking for his fiscal 2011 budget to provide at least \$10 billion to capitalize a national infrastructure bank. The budget request is to be released early next month. However, a number of hurdles stand in the way of the bank's creation. House and Senate members decided not to provide conditional funding for a national infrastructure bank late last year, saying that the bank should first be created through the usual authorization process.

A multi-year transportation authorization bill has not advanced beyond the subcommittee level in the House and is expected to be delayed through this year. Questions also remain about the composition of the bank, how it would be capitalized and sustained, and who would choose the slate of projects to be financed.

"We're looking for presidential leadership," Rendell said. "America needs a variety of methods — action by the government and private sector, current and new revenues, and federal leadership and local innovation — to repair and modernize our nation's infrastructure." The advocates argued that the bank would help create jobs and generate economic activity, echoing the job-creation angle taken recently by similar groups.

"Any strategy for long-term job creation and economic growth must be centered on moving from a consumption economy to an economy that puts people to work building things again," said Rep. Rosa DeLauro, D-Conn. Rendell praised the creation of the Transportation Investment Generating Economic Recovery grants. The so-called TIGER grants have been wildly popular and currently are the only vehicle for multi-state surface transportation -projects. "But after the stimulus is done, we have no vehicle

for those kinds of projects, the Democratic governor said. "The infrastructure bank is absolutely perfect for that." He said the infrastructure bank could be used to make annual payments on public-private partnership leases, provide credit assistance for Transportation Infrastructure Financing and Innovation Act loans, and to provide private-activity bonds and possibly Build America Bonds. Rendell added that the bank should have independent bond authority.

As envisioned by proponents, the bank would be a financing and funding vehicle for many different types of infrastructure — highways, bridges, ports, passenger rail, freight rail, water and sewer treatment plants, broadband, and schools, among other projects. "A national infrastructure bank with a strong water component should be among the options considered by Congress and the administration to meet this need," said Dan Hartnett, legislative affairs director for the Association of Metropolitan Water Agencies. "To be most effective, the bank should target assistance to large water projects of regional or national significance — thus giving urban water utilities a fair chance at competing for funds."

The coalition also included two of the largest industry groups, the American Road and Transportation Builders Association and the American Association of State Highway and Transportation Officials. Later in the day, the American Public Transportation Association hosted a conference call with reporters in anticipation of the Federal Railroad Administration's forthcoming announcement of how it will use the \$8 billion of high-speed rail funds made available by the American Recovery and Reinvestment Act.

"Financing is not funding," Art Guzzetti, APTA vice president of policy, said in his argument for a longer-term federal high-speed rail program. "You can't do financing without funding." One of the challenges states and localities will face in developing a high-speed rail network is "what kind of regional authorities will be created" to facilitate the network, he said.

Source: Bond Buyer

Date: 01/21/10

URL: http://www.bondbuyer.com/issues/119_262/national-infrastructure-bank-1006259-1.html

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Famous Quote of the Day:

"Humor is the good
natured side of a truth."

- Mark Twain

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Next Talking Freight Web Seminar on February 17th

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.

The Talking Freight seminars are sponsored by the Federal Highway Administration (FHWA) and are held via web conference. This means that you view the PowerPoint presentations over the Internet while listening to the presenters over the telephone. The FHWA "Talking Freight" 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 February 17th from 12-1:30 PM (CST) and will cover "Empty Miles Program - Matching Empty Trailers

With Available Freight." Truck carriers often face challenges with minimizing their empty tractor-trailer miles. These challenges are particularly acute during periods of low demand and/or high fuel prices. Empty truck miles not only do not provide revenue for carriers, they also create more roadway congestion and increase particulate emissions without providing direct economic benefits to communities.

To address this issue, the Voluntary Interindustry Commerce Solutions (VICS) Association has created a service called Empty Miles designed to match carriers with regular shipment cycles with shippers needing to have their products delivered. Find out more information about how the Empty Miles Service is set up and how carriers and retailers utilize and benefit from the program. For additional registration information, please see:

URL: http://www.ops.fhwa.dot.gov/freight/fpd/talking_freight/index.htm

EDITOR'S NOTE:

The FHWA "Talking Freight" monthly webinar series is now eligible for AICP certification maintenance (CM) credits for AICP members through the American Planning Association. Credits can be claimed at: <http://www.planning.org/cm/search/provider.htm?ProviderCompanyID=246167>

For additional information please contact Ms. Carol Keenan of FHWA HQ's at: carol.keenan@dot.gov

U.S. DOT bans texting by commercial motor vehicle drivers

U.S. Transportation Secretary Ray LaHood recently announced federal guidance to expressly prohibit texting by drivers of commercial vehicles such as large trucks and buses. The prohibition is effective immediately and is the latest in a series of actions taken by the Department to combat distracted driving since the Secretary convened a national summit on the issue last September.

"We want the drivers of big rigs and buses and those who share the roads with them to be safe," said Secretary LaHood. "This is an important safety step and we will be taking more to eliminate the threat of distracted driving."

The action is the result of the Department's interpretation of standing rules. Truck and bus drivers who text while driving commercial vehicles may be subject to civil or criminal penalties of up to \$2,750.

"Our regulations will help prevent unsafe activity within the cab," said Anne Ferro, Administrator for the Federal Motor Carrier Safety Administra-

tion (FMCSA). "We want to make it crystal clear to operators and their employers that texting while driving is the type of unsafe activity that these regulations are intended to prohibit."

FMCSA research shows that drivers who send and receive text messages take their eyes off the road for an average of 4.6 seconds out of every 6 seconds while texting. At 55 miles per hour, this means that the driver is traveling the length of a football field, including the end zones, without looking at the road. Drivers who text while driving are more than 20 times more likely to get in an accident than non-distracted drivers. Because of the safety risks associated with the use of electronic devices while driving, FMCSA is also working on additional regulatory measures that will be announced in the coming months.

For additional information, please see:

<http://www.dot.gov/affairs/2010/dot1410.htm>