

FEDERAL HIGHWAY  
ADMINISTRATION

#### In this Month's Issue:

- TIGER grant applications showcase the demand for innovative transportation projects nationwide (p.1)
- Surface Transportation Board (STB) completes environmental review of Alaska Railroad's northern extension (p.2)
- Large rail traffic powers up (p.2)
- Chamber, NAM, ATA, & AAA voice support for increasing motor fuel taxes (p.3)
- California special panel considers sharp fuel tax increase (p.3)
- VMT up slightly for July 2009 (p.4)
- Transportation services index increased a tad in July 2009 (p.4)
- America's Transportation Awards (p.6)
- Port volume recovering from six-year low (p.6)
- Next Talking Freight Webinar on October 21, 2009 ("Effects of Panama Canal Expansion") - p.7

# State of Texas Border Partnership E-Newsletter

Volume 11, Issue 7 Border Partnership Newsletter

October 1, 2009

## TIGER grant applications showcase the demand for innovative transportation projects nationwide

The U.S. Department of Transportation received nearly 1,400 applications from all 50 states, territories and the District of Columbia vying for a share of \$1.5 billion the department will award for innovative transportation projects that show significant economic and environmental promise for the nation, a region, or metropolitan area, Transportation Secretary Ray LaHood announced today.

The TIGER (Transportation Investment Generating Economic Recovery) Discretionary Grant program was created by Congress to finance significant performance-driven projects and those that involve multiple jurisdictions or modes. The TIGER program focuses on longer-term, strategic infrastructure development along with the Economic Recovery Act's primary focus on immediate job creation.

"We have received an outpouring of creative and innovative transportation project proposals from across the country and we are excited to get started," said Secretary LaHood. "Through the TIGER grants we will begin to seriously address the 21st century transportation challenges of improving our environment, the livability of our communities, enhancing safety while strengthening our economy."

Of the \$57 billion in TIGER grants requested, more than half of the applications are for highway or bridge projects, with the rest of the applications focusing on transit, railroad, port infrastructure, multimodal or other investments.

The U.S. Department of Transportation has designed a rigorous evaluation process that will require projects seeking over \$100 million in federal funds to undertake an economic benefit-cost analysis. The required analysis will consider factors such as fuel and travel time savings, carbon emission reductions and economic and public health benefits.

The U.S. Department of Transportation also will use a cross-modal evaluation process where teams from each of the major modes – highways, transit, rail, maritime and aviation – will work together evaluating a broad cross-section of projects.

Grants may be awarded to state and local governments, including U.S. territories, transit agencies, port authorities, metropolitan planning organizations, tribal governments and multi-state or multi-jurisdictional applicants.

Projects selected will be announced as soon as possible, but no later than February 17, 2010. The Secretary has committed to announcing all of the projects by January. The TIGER Discretionary Grants program was announced May 15, 2009.

More information about grant applications can be found at <http://www.dot.gov/recovery/docs/tdgappoverview.pdf>. A complete list of applications will be posted on the U.S. Department of Transportation web site next week.

Source: U.S. Department of Transportation  
URL website: <http://www.dot.gov/affairs/2009/dot15109.htm>

Date: 09/25/09

## Surface Transportation Board (STB) completes environmental review of Alaska Railroad's northern extension

The [Surface Transportation Board \(STB\)](#) recently completed a Final Environmental Impact Statement (FEIS) for the [Alaska Railroad Corp.'s \(ARRC\)](#) proposed Northern Rail Extension (NRE) between North Pole and Delta Junction.

Estimated to cost between \$650 million and \$850 million, the project calls for building an 80-mile line connecting the existing Eielson Branch at the Chena River overflow structure to a point near Delta Junction. The NRE line would accommodate freight and passenger trains, with passenger trains operating at a top speed of 79 mph and supporting transit operations between Fairbanks, North Pole, Salcha and Delta Junction.

The FEIS, which includes a recommended route and mitigation measures, ends the board's environmental review process that began in 2005. The [Federal Railroad Administration](#) funded the EIS with grants totaling \$16 million.

The railroad expects the STB to issue a final decision on the project by October's end. If the NRE is approved, ARRC would begin final design and construction. The project would advance in four phases beginning in 2010: 1) the Tanana river crossing at Salcha; 2) rail construction from Moose Creek near North Pole to the river crossing; 3) rail construction from the crossing to the Donnelly military training area; and 4) rail construction from Donnelly to Delta Junction.

U.S. Department of Defense appropriations will partially fund first-phase design and construction, including \$104.2 million for final design, permitting, right-of-way acquisition, material procurement and construction preparation. Additional phases will advance pending the availability of federal funds.

Source: Surface Transportation Board  
URL website: [http://www.stb.dot.gov/STB/environment/key\\_cases\\_alaska.html](http://www.stb.dot.gov/STB/environment/key_cases_alaska.html)  
Date: 09/28/09

---

## Large rail traffic powers up

Bouncing back from a shortened week that included Labor Day, major U.S. rail operations had their strongest intermodal performance of 2009 in the week ending Sept. 19, and carloads nearly reached recent year-to-date highs. Yet the report also contains cautionary signals about how fast freight demand is rising overall. U.S. operations of large rail carriers plus a few regional lines that report to the Association of American Railroads loaded 205,137 intermodal units in the latest week, which was still down 12.4 percent from a year earlier but topped what had been the 2009 peak of 204,103 loads set on Jan. 10.

Those big railroads originated 282,341 carloads of bulk commodities and cargoes such as motor vehicles that require large freight cars. That was one of the highest numbers this year and not far behind the 2009 peak of 285,580 reached Aug. 29, even though the latest week was still down 9.6 percent from the same period last year. The report is in line with a number of recent signs showing that freight demand has firmed. Among the latest-week highlights were new 2009 highs for the number of railcars hauling automobiles and equipment, at 14,457 loads picked up, and for waste and scrap materials at 8,976. Both suggest a recent surge is still under way for train-hauled autos and cheap scrap inputs for factories to make new products. Loadings of grain hop-

per cars were the strongest since February, topping even the mid-August surge as grain demand caused more shippers to load railcars. Yet the report also showed some mild cooling in demand from recent levels in a number of carload categories. Chemical tank car loadings at 27,608 in the latest week are in line with levels through most of August, but are down 1,000 loads or more from Aug. 29 and Sept. 5. Coal loadings of 130,695 railcars were just slightly ahead of the Labor Day week, and were down 11 percent from a year earlier. Coal is the largest rail cargo by volume, but through the first 37 weeks of 2009 carriers have hauled almost 500,000 fewer coal cars.

The mixed view of demand from the weekly figures may not clear up until next month. That's because heavy flooding around Atlanta this week shut down some key traffic lanes for both Norfolk Southern and CSX Transportation, and could have slowed handoff traffic from western carriers as well. So next week's report on traffic through Sept. 26 could be dampened by the flood impact.

Source: Journal of Commerce On-Line  
Author: John D. Boyd Date: Sep 25, 2009  
URL website: <http://www.joc.com/node/413605>

## Chamber, NAM, ATA, & AAA voice support for increasing motor fuel taxes

Three major business organizations joined with the nation's largest motorist association this week to call on Congress to swiftly enact a multiyear surface transportation authorization measure and to fully fund it by increasing the gasoline and diesel taxes that support the federal Highway Trust Fund.

Organizations participating in a Tuesday conference call with reporters were the U.S. Chamber of Commerce, the National Association of Manufacturers (NAM), the American Trucking Associations (ATA), and the motor club AAA. The call took place one day before the House of Representatives overwhelmingly approved a three-month extension of federal surface transportation programs that are set to expire next Wednesday, Sept. 30.

"The time to act is now," said Thomas Donohue, president of the Chamber of Commerce. He and other speakers on the call urged Congress to complete work on a six-year transportation bill by the end of this year. "We need a transportation bill sooner rather than later," said Kathleen Marvaso, vice president of public affairs for AAA.

While stressing their support for increased fuel taxes to pay for a robust transportation bill, speakers representing these four organizations also called on Congress to

enact substantial program reforms and to ensure that Americans know where their extra tax dollars would be going. Asked by reporters to cite a number they would support, the groups declined to cite a specific cents-per-gallon figure but said they would consider supporting a specific fuel-tax increase if proposed by Congress after they could see what it would pay for.

"A penny increase would be a waste of time while 40 cents would be too big a bite," Donohue said. He suggested that whatever number is proposed, the legislation must "put some mechanisms in place so [the gas tax] continues to go up with inflation and demand. We don't want to have to come back and revisit this."

Federal fuel taxes of 18.4 cents per gallon for gasoline and 24.4 cents per gallon for diesel were last increased in 1993. They are not presently indexed to inflation and thus the purchasing power of the fuel tax has plummeted over the past 16 years.

Source: AASHTO Journal  
URL website: <http://www.aashtojournal.org/Pages/092509chamber.aspx>  
Date: 09/25/09

---

## California special panel considers sharp fuel tax increase

In addition to restrictive port rules, idling enforcement and equipment upgrades, truckers in California soon could have another headache on their hands. A bipartisan panel is considering a proposal to increase the state's excise tax on motor fuels by nearly 20 cents.

The fuel tax proposal is one of several options drawing consideration by the Commission on the 21st Century Economy. The group was formed to determine how best to reduce the volatility in state revenues and then to report to Gov. Arnold Schwarzenegger. The commission is made up of 14 members. Half of the members were appointed by Schwarzenegger, a Republican, while the rest were appointed by the Democrat-led Legislature.

Among the options getting attention by the commission are simplifying the personal income tax, and eliminating the corporate income tax and replacing it with a business net receipts tax, which would be lower but would affect more businesses. Even though California has the most expensive gas and diesel in the contiguous 48 states, one measure under consideration is a proposal to hike the

state's per-gallon tax on gas and diesel by 18 cents. The additional revenue would be used to pay for transportation projects, which would include transit and smart growth, *The Sacramento Bee* reported.

The Owner-Operator Independent Drivers Association views the proposed tax increase as excessive. The Association also is opposed to using revenue from fuel taxes for projects that don't benefit highway users. "From our perspective, any fuel tax increase should be used solely for roads and bridges. But no matter what it's used for, 18 cents is too much," OOIDA Executive Vice President Todd Spencer said recently. The commission had a Sept. 20 due date to issue its final report to the governor. Schwarzenegger could call the Legislature into special session to consider the commission's recommendations.

Source: Landline Magazine  
URL website: [http://www.landlinemag.com/todays\\_news/Daily/2009/Sept09/090709/091009-03.htm](http://www.landlinemag.com/todays_news/Daily/2009/Sept09/090709/091009-03.htm)  
Date: 09/10/09

## VMT up slightly for July 2009

Americans drove 2.3 percent more miles in July 2009 than they did in the same month the year before, according to data released this week by the Federal Highway Administration.

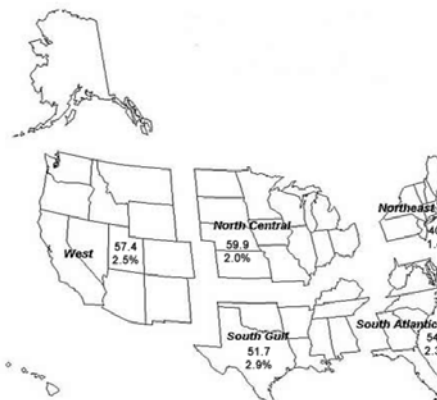
Travel for July 2009 is estimated at 263.4 billion miles nationwide. That's up 5.8 billion miles from the estimate for July 2008, a month that set record high gasoline prices.

Driving went up in all five regions of the country this July. Gains were largest in the South Gulf region (2.9 percent) followed by West (2.5 percent), South Atlantic (2.3 percent), North Central (2.0 percent), and Northeast (1.4 percent). For the first seven months of this year, driving is even compared to the January-to-July period of 2008.

Source: Federal Highway Administration  
URL website: <http://www.fhwa.dot.gov/ohim/tvtw/09jultvt/index.cfm>  
Date: 09/23/09

### July 2009 Traffic Volume Trends

- Travel on all roads and streets changed by 2.3% (5.8 billion vehicle miles) for July 2009 as compared with July 2008.
- Travel for the month is estimated to be 263.4 billion vehicle miles.
- Cumulative Travel for 2009 changed by 0.0% (-0.6 billion vehicle miles).
- Cumulative estimate for the year is 1,709.2 billion vehicle miles of travel.



Estimated Vehicle-Miles of Travel by Region - July 2009 - (in Billions)  
Change in Traffic as compared to same month last year.

Region	Total Travel	Percentage Change
North-East	40.1	1.4
South-Atlantic	54.4	2.3
North-Central	59.9	2.0
South-Gulf	51.7	2.9
West	57.4	2.5

## Transportation services index increased a tad in July 2009

In July, the Transportation Services Index (TSI) climbed 1.5 percent from June's level to 98.8, according to the U.S. Department of Transportation's [Bureau of Transportation Statistics \(BTS\)](#). However, the index fell 11.6 percent from July 2008's level and declined to its lowest July point since 1998.

July's Freight TSI of 95.5 rose 1.6 percent from June's level — the first month-over-month increase since February and largest gain since January 2008.

The first Freight TSI rise in five months is a sign an economic recovery is beginning, said U.S. Transportation Secretary Ray LaHood in a prepared statement.

"However, despite this tangible sign of progress, we all know that we still have a long way to go," he said.

Here's one tangible sign: the Freight TSI plunged 13.5 percent compared with July 2008's level, registering the largest July-over-July decline in the 20 years BTS has calculated the TSI.

Meanwhile, July's Passenger TSI increased 1.2 percent from June's level to 110.4. However, the index tum-

bled 5.9 percent on a year-over-year basis. For more BTS data on the three indexes in July and through 2009's first seven months, follow the web-link shown below.

Source: U.S. Dept of Transportation Bureau of Transportation Statistics  
URL website: [http://www.bts.gov/press\\_releases/2009/bts042\\_09/pdf/bts042\\_09.pdf](http://www.bts.gov/press_releases/2009/bts042_09/pdf/bts042_09.pdf)  
Date: 09/11/09

### Definition of TSI

The TSI tells us how the output of transportation services has increased or decreased from month to month.

The index can be examined together with other economic indicators to produce a better understanding of the current and future course of the economy.

The movement of the index over time can be compared with other economic measures to understand the relationship of changes in transportation output to changes in Gross Domestic Product (GDP).



## NY and NJ Port Authority offer clean air incentives

NEW YORK -- The president had Cash for Clunkers. Call this one the Cash for Clean Cargo program.

Commissioners for the Port Authority of New York and New Jersey yesterday authorized nearly \$9 million for a pair of initiatives to improve air quality around its port.

Under one, the Port Authority will reimburse ocean vessel operators up to 50 percent of the cost differential between high-sulfur and low-sulfur fuel. The vessels, which can be half the size of a football field, also must participate in a speed reduction program. The ocean-going vessel program will cost \$6.36 million.

Under the second program, port tenants replacing cargo-handling equipment with new equipment that meets federal on-road air emission standards will be reimbursed for 20 percent of the cost. About 125 pieces are expected to be replaced through the \$2.24 million cargo equipment upgrade program.

Port Authority chairman Anthony Coscia said they are the first clean air initiatives of their kind among ports on the East Coast.

As the operator of some of the busiest transportation links in the region, including Newark Liberty International Airport and the Lincoln and Holland tunnels, the Port Authority is associated with negative contributions to air quality.

Because commuters own the cars that travel through the tunnels, airlines own the planes that fly into the airports and ship companies own the vessels that sail to the port, "you could easily absolve yourself of responsibility," Coscia said. "But we think that's sort of an easy way out of a complicated problem."

So the Port Authority will give financial incentives to ship companies that use low-sulfur fuel on the way into the port.

"That creates a substantial difference in the amount of pollutants they emit into the air as they approach the port," Coscia said.

"You have to sort of buy into the notion that you are going to put your money where your mouth is."

The Port Authority will work with the Coast Guard to ensure that ships are complying with the clean air requirements.

The port handles more than \$100 billion in cargo a year. Total container traffic last year was more than 5 million units.

The cleaner air also will benefit port workers and residents living nearby, Coscia said. "We have gotten a lot of buy-in from people who are employed at the ports who are happy about what we are doing now," he said.

The Port Authority, which has a goal of reducing greenhouse gas emissions 80 percent by 2050, previously replaced more than 600 of its oldest and most polluting trucks with cleaner new models.

In addition, the authority announced this week that two major components of its \$600 million ExpressRail project were completed, allowing 1.3 million cargo containers to be shipped by rail and taking about 3 million trucks off the road.

A second lead track to the ExpressRail Elizabeth facility will allow trains to arrive and depart simultaneously. In addition, a rail support facility can handle four 10,000-foot trains daily.

Coscia hopes to one day see the clean air initiatives expanded to the airports.

URL website: <http://www.nj.com/news/ledger/jersey/index.ssf?/base/news-14/1253839507220390.xml&coll=1>

Date: Friday, September 25, 2009

Source: Star-Ledger Staff



## AMERICA'S TRANSPORTATION AWARDS

On Time, On Budget, Innovative Management

Tuesday, September 29, 2009

Almost 25,000 votes have already been cast on-line in the 2009 America's Transportation Awards competition. Fifty projects from 33 states were entered in three categories: On Time, On Budget, and Innovative Management. A panel of independent judges narrowed the entries to ten - with the "best of the best" competing for the Grand Prize and the People's Choice awards.

The Grand Prize will be determined by the judges; the People's Choice Award will be given to the project receiving the most on-line votes - and the competition is fierce. On-line voting will continue through October 23 at [www.americastransportationaward.org](http://www.americastransportationaward.org). The AAA, the American Association of State Highway and Transportation Officials and the U.S. Chamber of Commerce are co-sponsoring the national competition for the second year.

These sponsoring organizations are also seeking award partners for the 2009 competition. For sponsorship information, contact [ATAsponsors@aaashto.org](mailto:ATAsponsors@aaashto.org) or call 703-746-6670.

To see descriptions of the top ten finalists, to vote or to learn more about the competition, go to the following website for additional information.

URL website: <http://www.americastransportationaward.org/>  
Date: 09/29/09

## Port volume recovering from six-year low

Cargo volume at major retail container ports is at its lowest level since 2003, but the numbers are better than previously projected according to the National Retail Federation.

Retail Federation experts are projecting import volume at 12.5 million containers for 2009 – down 17.7 percent from the 2008 volume of 15.2 million container units.

Things could have been worse, however. Just a few months ago, the same analysts were projecting the 2009 volume at 12.3 million container units.

"We're starting to see a pattern where import levels are still below last year but they're not as far below as they were just a few months ago," Jonathan Gold, vice president of supply chain and customs policy for the National Retail Federation, said in a statement released Sept. 17. "This matches up with other economic indicators that show the recession may be coming to an end."

IHS Global Insight predicts that month-to-month import container traffic will peak for the year in October and enter a weaker phase through January. Import volume in December is projected to decline by 2 percent from December 2008. Experts see that as significant because



it will be the first single-digit decline in a year otherwise filled with double-digit losses.

One side effect of the overall decrease in import volume is that congestion continues to be rated "low" at nine major ports, including Los Angeles/Long Beach, Hampton Roads and Houston according to *Port Tracker*, the National Retail Federation's forecasting publication.

Source: Landline Magazine- URL website: [http://www.landlinemag.com/todays\\_news/Daily/2009/Sept09/092109/092109-04.htm](http://www.landlinemag.com/todays_news/Daily/2009/Sept09/092109/092109-04.htm)

Date: 09/21/09

## FEDERAL HIGHWAY ADMINISTRATION TEXAS DIVISION

### CONTACT INFORMATION

Kirk D. Fauver  
300 E. 8th Street, Room 826  
Austin, TX 78701

Phone: 512-536-5952  
Fax: 512-536-5990  
E-mail: [kirk.fauver@fhwa.dot.gov](mailto:kirk.fauver@fhwa.dot.gov)

We're on the web at:  
[www.fhwa.dot.gov](http://www.fhwa.dot.gov)

### Famous Quote of the Day:

"We learn by example and by direct experience because there are real limits to the adequacy of verbal instruction."

--[Malcolm Gladwell](#),  
British-born Canadian journalist/  
author

**Disclaimer Notice-** The information and articles contained within this newsletter do not necessarily constitute a standard, policy or position of the Federal Highway Administration. The mention of commercial products, their source or use in connection in this newsletter should not be construed as either actual or implied endorsement of such products.

Information provided is a compilation from other news and on-line media sources, any information relayed is based upon the accuracy of the information provided by other news gathering organizations and does not necessarily reflect the views or positions of the Federal Highway Administration or the State of Texas Border Partnership Working Group.

## Next FHWA HQ's Talking Freight Web Seminar

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 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 October 21 2009 from 12-1:30 PM (CST) and will cover the topic of "[The Panama Canal Widening and Implications for Gulf & Atlantic Coast Ports](#)." The Panama Canal is currently in the process of being widened and the increased capacity of the canal is expected to alter trade

patterns into the United States. An increase in the volume of all-water shipments between East Asia and the U.S. Gulf and Atlantic Coasts are expected as a result of the widening of the canal.

Though the Panama Canal widening project is not expected to be completed until 2014, many of the shipping ports in the Gulf and Atlantic coasts have already been taking actions to enhance their port system operations and capacity. To register for this free web seminar, please go to <http://www.fhwa.dot.gov/freightplanning/registration.htm> and click on the seminar topic.

### 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?](http://www.planning.org/cm/search/provider.htm?ProviderCompanyID=246167)  
[ProviderCompanyID=246167](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](mailto:carol.keenan@dot.gov).

## TxDOT Launches New Online Tools Highlighting State's Top 100 Congested Roadways

AUSTIN - The Texas Department of Transportation unveiled new website tool that enables website visitors to interactively examine lists of [congested roadways](#) in the state, look up [pavement condition ratings](#) and see how the maintenance funds spent in their area will impact their roadways. The tools, which are linked to the department's project tracker, were created at the direction of the Texas Legislature.

The idea of sharing congestion data with the public is not new – the Texas Transportation Institute (TTI) at Texas A&M University has long distributed reports on congestion levels throughout the United States, including those levels in

Texas. Sharing the information in such an interactive and state-focused manner is always an appropriate exercise, especially in times of tight funding. TxDOT will work with Metropolitan Planning Organizations across the state to align resources to meet the most pressing needs.

For additional information, please see the following website: [http://www.dot.state.tx.us/project\\_information/default.htm](http://www.dot.state.tx.us/project_information/default.htm)

