

## **MINNESOTA FREIGHT ADVISORY COMMITTEE SPRING/SUMMER 2007 MEETING**

The Minnesota Freight Advisory Committee (MFAC) met June 8, 2007, for its Spring/Summer quarterly meeting in Bloomington, Minnesota.

### **Panel Report/Discussion on Transportation Legislative Outcomes for 2007**

**Session** - Panel Moderator – Ron Have – MFAC Chair

- Representative Bernie Lieder – Chair, House Transportation Finance Division
- John Apitz – Director, Minnesota Regional Railroads Association
- Jeremy Estenson – Director of Government Affairs, Minnesota Trucking Assoc.
- Betsy Parker – Government Affairs Director, Mn/DOT

#### Summary of Representative Lieder's comments

As to funding for transportation, increases in cost of operations and the declining state of the infrastructure, among other things, make it difficult to get additional revenue through the legislature. It is necessary when considering the state's transportation needs to include the needs of transit and highway, metro and greater Minnesota to arrive at a viable balance.

Minnesota needs to do more to deal with delays/congestion and safety concerns.

The source of funding is an important matter and changes in fuel sources and vehicle fuel efficiency especially impact revenue from the gas tax. The present bonding approach is strictly dedicated to Trunk Highways. Other sources need to be considered to get balance between county and city needs. Also specifying bonding only for trunk highways does not address transit, and metro legislative support is weighed heavily to transit. For the next session we need to find another approach than what transpired in this year.

#### Summary of John Apitz's comments:

Many passenger rail projects came up at the legislature this year including the Rush Line, Central Corridor, Red Rock, Northstar, and the Northshore rail service to Duluth. There is a need to think more about the role of rail in Minnesota. There were a number of rail-related legislative proposals this year, including the local community rail security act and a maintenance-of-way proposal. The latter proposal was focused on railroad right-of-way "walkway safety" - similar to other measures proposed in other states, to improve walkways along tracks. The proposal goes beyond FRA guidelines and provides no moneys to pay for it. Additional inspectors would be required in Mn/DOT, to be paid for by Class I railroads. These proposals/measures were not included in final policy bills on last day of the session. For the next session the objective is to wrap all rail issues into just a couple of pieces of legislation.

#### Summary of Jeremy Estenson's comments:

MTA does not have a firm position on truck size and weight and is not interested in increases just yet – prefer to watch what feds do and then move to state. Mn/DOT's study findings indicate that larger trucks could be safer. Concerning the Commissioner's Order that limits time at Minnesota rest areas to 6 hours, this conflicts with the Federal requirement that each driver's rest period be a minimum of 10 continuous hours – MTA proposed a 10 hour limit. MTA supports the primary seat belt law and expects it to be heard next year and hopes that it will be part of the final transportation package. MTA opposes administrative fees and other legislation designed to mask safety-related infractions.

The Fuel User Group will start to meet to discuss problems with the 2% biodiesel mandate due to engine performance problems with some diesel blends. MTA supports uniformity on Minnesota roads, especially surrounding truck size and weight regulations having to do with expansion of the 10 ton roadway network. On environmental issues, MTA has been a leader in supporting innovation to reduce emissions from diesel engines through a partnering program with the U.S. Environmental Protection Agency. MTA also has supported incentives and technology to reduce engine idling.

#### Summary of Betsy Parker's comments:

The Governor's veto of the transportation bill pointed to the additional cost of \$340 - \$500 to each family a year. The Governor's veto was not overridden. There were taxes proposed in addition to gas tax increases in the bill. Since Governor Ventura reduced vehicle registration fees, funding for transportation took a hit. Proposals to increase the fuel tax will come up again next year and likely continue until a compromise is reached.

The balance of power between metro and rural is tipping more toward metro. To Mn/DOT it makes sense to spend in metro. The concern is that there needs to be an equitable distribution of funds based on where people live and work. The question that has to be addressed is how do we have equitable distribution and yet meet needs.

Regarding federal funded earmarked projects which require state funding matches, there is a misconception that some federal dollars were left on the table since we did not raise more money. Earmarks for specific projects are not impacted by lack of movement at the state legislature level other than when the money will be available due to matching funds availability. State expenditure for road construction has not decreased. There may be less without the availability of large input from bonding money.

The only Mn/DOT initiative proposed this session had to do with data practices.

There was discussion around clarifying the roles of various agencies regarding accident clearance issues. ATV's were deemed not appropriate/not allowed on Trunk Highways and other roadways.

The Transportation Policy Bill called for 10 studies which were not funded. Mn/DOT had agreed to do some of the studies, with authors designated. A number of proposals restricting how we do work, and other requirements were not enacted. Mn/DOT will conduct a speed limit study in cities and is also considering conducting other studies on its own initiative.

The Legislature earmarked several projects, all of which were removed from the bill. They would have required Mn/DOT to conduct a review of the transportation planning process; consider economic development in its planning; review how the Department decides to spend funds; and how to prioritize when there is not enough money to meet all needs.

Question & Answer Session followed panel presentations.

#### **Chairman's Forum**

Dave Ophoven, Kuehne & Nagel, provided comments on the current intermodal situation in Minnesota.

John Tompkins, Mn/DOT, provided a Briefing on Mn/DOT Truck Parking Study and an Update on Mn/DOT's District 7 Freight Study.

## **Minnesota State Transportation Plan (STP)**

Tim Henkel – Director – Planning, Modal and Data Management Division, Mn/DOT, described the State Transportation Plan (STP) process and reviewed the impact of projected highway revenues on Mn/DOT's investment approach and priorities.

Peggy Reichert – Director – Statewide Planning & Analysis, Mn/DOT, presented a review of Mn/DOT's approach to system investment in the STP.

The emphasis/focus in the new plan will be on pavement preservation using a ride quality index as the primary performance measure. The objective will be to achieve the best quality possible and still get the best bang for our bucks. Performance objectives in most areas are at an acceptable level now, but we need to address getting back on track with our pavement preservation and are projecting meeting that objective by 2010.

The large increase in cost, due in large measure to inflation, reduces our purchasing power. Aging infrastructure will need replacement and we are falling a bit short. Mn/DOT's investment focus will be on metro congestion and interregional corridors. Based on current projections, a "no build" scenario after 2010 will likely mean almost never again having free-flowing freeways.

In summary, revenues are projected as flat; costs will continue to increase due to inflation and other factors; and the plan is for system preservation to take the lion's share of revenue. Even with the prospect of more revenue, primarily from MVST, projections are that we will continue to fall behind. Mn/DOT's approach will be to do what is most cost-effective; concentrate on low cost efforts that have higher payout prospects; emphasize preservation of pavement and bridges; and do more small projects rather than larger expensive projects.

Question & Answer Session followed.

*MFAC is a partnership between government and business to exchange ideas and recommend policy and actions that promote safe, productive, and sustainable freight transportation in Minnesota. MFAC, consists of representatives from Minnesota's shipper and carrier communities, as well as a variety of other interested organizations, and provides advice to the Minnesota Department of Transportation (Mn/DOT) and the Metropolitan Council regarding freight issues and investments. For more information refer to the MFAC web site,*

*<http://www.dot.state.mn.us/ofrw/mfac.html> , or contact John Tompkins, Mn/DOT Office of Freight & Commercial Vehicle Operations at 651-366-3710 e-mail: [john.Tompkins@dot.state.mn.us](mailto:john.Tompkins@dot.state.mn.us) .*