TRIP Releases FUTURE MOBILITY IN MINNESOTA Study

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TRIP’s grassroots reauthorization campaign makes a stop today in House Transportation and Infrastructure Committee Chairman Jim Oberstar’s home state for a news conference to release an “authorization report” for Minnesota. Joining TRIP’s Rocky Moretti at the 10 a.m. CDT news conference at an ARRA project in Brooklyn Park are, Senator Jim Carlson Vice Chairman, Minnesota State Senate Transportation Committee; Commissioner Dennis Berg of the Anoka County Board of Commissioners; and Joseph Strauss, Executive Vice President North Metro Mayors Association.

Minnesota Has Benefitted From Recent Projects To Improve The State’s Transportation System, But Significant Deficiencies Remain; Boost In Federal And State Transportation Funding Needed To Modernize Roads, Bridges, Transit And To Improve Traffic Safety And Provide Congestion Relief

Minnesota’s roads and bridges have significant deterioration, traffic congestion is likely to increase, and the state’s rural roads have a high-rate of fatal traffic crashes. In the past decade, the state has used a combination of federal and state funding to improve its surface transportation network, but many sorely needed transportation projects still remain unfunded, according to a new report released today by TRIP, a Washington, DC based national transportation organization.

The report, “Future Mobility in Minnesota: Meeting the State’s Need for Safe and Efficient Mobility,” finds that 76 percent of the state’s major urban roadways are considered congested during peak travel times – the highest share in the nation – and 32 percent of major roads in the state are in either poor or mediocre condition. In addition to deteriorating road conditions, nine percent of the state’s bridges (20 feet or longer) are structurally deficient and another three percent are functionally obsolete. The report also found that Minnesota’s rural traffic fatality rate of 1.27 fatalities per 100 million miles of travel is nearly two and a half times higher than the fatality rate on all other roads in the state.

Because of these deficiencies, the average Twin Cities motorist loses $1,501 each year in the form of extra vehicle operating costs due to poor road conditions, lost time and fuel caused by traffic congestion, and the cost of traffic crashes. Minnesota roadways that lack desirable safety features have inadequate capacity to meet travel demands or have poor pavement conditions cost the state’s drivers a total of $3.1 billion each year.

“Congestion and accident costs are a shameful waste of our resources” says Joseph Strauss, Executive Vice President of the North Metro Mayors Association. “Our families and businesses would be much more served if additional state and federal funds were invested to correct the problems that are so obvious.”

According to the TRIP report, $65 billion in transportation funding will be needed over the next 20 years to achieve state priorities for safety, mobility and infrastructure preservation. However, the Minnesota Department of Transportation estimates that only $15 billion will be available during that time, leaving a transportation-funding gap of $50 billion. Unless the state is able to close the funding shortfall, many needed projects will be unable to proceed. The TRIP report contains lists of needed roadway repair and capacity expansion projects in the Twin Cities area and statewide that cannot move forward without additional transportation funding. Those projects include the following: the addition of lanes on portions of I-35E, I-494, I-694 and MN 36 in the Twin Cities area, the conversion of a portion of MN 252 in the Twin Cities area to a freeway, the widening of a portion of I-94 in Wright and Stearns Counties from four to six lanes, the conversions of portions of US 169, and US 10 in Sherburne and Benton counties into freeways and the replacement of buses and other fleet vehicles of transit systems in 80 counties. A full list of projects requiring additional funding to proceed is included in the report.

The federal surface transportation program remains a critical source of funding for road and bridge repairs and transit improvements in Minnesota. According to the report, from 1998 to 2008, Minnesota received $5.8 billion in federal funding for road, highway and bridge improvements, and $1.5 billion for public transit, a total of $7.3 billion. Federal funds provide 26 percent of revenues used annually by the Minnesota Department of Transportation to pay for road, highway and bridge construction, repairs and maintenance and 17 percent of the revenue used annually to pay for the operation of and capital improvements to the state’s public transit systems.

This year’s federal American Recovery and Reinvestment Act (ARRA) provides approximately $502 million in stimulus funding for highway and bridge improvements and $94 million for public transit improvements in Minnesota. This funding, however, serves only as a downpayment on needed road, highway, bridge and transit improvements and is not sufficient to allow the state to proceed with numerous projects needed to modernize its surface transportation system.

Recent declines in federal surface transportation revenues, as well as significant increases in the cost of transportation materials, will make it more difficult for Congress to authorize new federal surface transportation legislation that adequately funds needed improvements to the nation’s roads, highways, bridges and public transit systems. The current federal transportation program expires on September 30, 2009, requiring Congress to authorize a new federal surface transportation program or extend the current program to allow federal funds to continue to be provided to Minnesota.

“Minnesota has benefited tremendously from the federal surface transportation program,” said Will Wilkins, executive director of TRIP. “While the state has put this combination of federal and state funds to good use in the past, in the coming years, many additional needed projects will remain stranded on the drawing board because of insufficient funding. It is critical that the state adequately fund its transportation system and that Congress produces a timely and adequately funded federal surface transportation program this year. Thousands of jobs and the state’s economy are riding on it.”

FUTURE MOBILITY IN MINNESOTA: Meeting the State’s Need for Safe and Efficient Mobility, September 2009

Prepared by: TRIP www.tripnet.org
Executive Summary

Minnesota’s extensive system of roads, highways, bridges and public transit provides the state’s residents, visitors and businesses with a high level of mobility. As the backbone that supports the North Star State’s economy, Minnesota’s surface transportation system provides for travel to work and school, visits with family and friends, and trips to tourist and recreation attractions while simultaneously providing businesses with reliable access for customers, suppliers and employees. Minnesota must improve its system of roads, highways, bridges and public transit to foster economic growth, keep business in the state, and ensure the safe, reliable mobility needed to improve the quality of life for all Minnesotans.

As Minnesota looks to rebound from the current economic downturn, the state will need to enhance its surface transportation system by improving the physical condition of its transportation network and enhancing the system’s ability to provide efficient and reliable mobility for residents, visitors and businesses. With unemployment in Minnesota increasing from 4.5 percent in June 2007 to 8.4 percent in June 2009, making needed improvements to the state’s roads, highways, bridges and transit could provide a significant boost to the state’s economy by creating jobs and stimulating long-term economic growth as a result of enhanced mobility and access.

The federal government is an essential source of funding for the ongoing modernization of Minnesota’s roads, highways, bridges and transit. While construction materials costs have stabilized somewhat during the current recession, a 37 percent materials cost increase over the past five years, coupled with declines in federal transportation revenues, has contributed to the difficulty all states face in maintaining and improving their surface transportation systems.

Approved in February 2009, the American Recovery and Reinvestment Act provides approximately $502 million in stimulus funding for highway and bridge improvements and $94 million for public transit improvements in Minnesota. This funding can serve as a down payment on needed road, highway, bridge and transit improvements, but it is not sufficient to allow the state to proceed with numerous projects needed to modernize its surface transportation system. Meeting Minnesota’s need to modernize and maintain its system of roads, highways, bridges and transit will require a significant, long-term boost in transportation funding at the federal, state or local levels.

This fall Congress will deliberate over a long-range federal surface transportation program. The current program, the Safe, Accountable, Flexible, and Efficient Transportation Equity Act – A Legacy for Users (SAFETEA-LU), expires on September 30, 2009. The level of funding and the provisions of a future federal surface transportation program will have a significant impact not only on future highway and bridge conditions and safety but also on the level of transit service in Minnesota, which, in turn, will affect the state’s ability to improve its residents’ quality of life and enhance economic development opportunities.

The federal surface transportation program is an essential source of funding for the construction, maintenance and improvement of Minnesota’s system of roads, highways, bridges and public transit.

- Federal spending levels for highways and public transit are based on the current federal surface transportation program, the Safe, Accountable, Flexible, and Efficient Transportation Equity Act – A Legacy for Users (SAFETEA-LU), which was approved by Congress in 2005. The SAFETEA-LU program expires on September 30, 2009.

- From 1998 to 2008, Minnesota has been able to complete numerous highway, bridge and transit projects that have improved safety and enhanced mobility and economic productivity largely due to federal transportation funds. This report contains lists of projects completed with federal funding statewide and in the Twin Cities area.

- From 1998 to 2008, Minnesota received approximately $5.8 billion in federal funding for road, highway and bridge improvements, and $1.5 billion for public transit, a total of approximately $7.3 billion.

- Federal funds provide 26 percent of revenues used annually by the Minnesota Department of Transportation to pay for road, highway and bridge construction, operations, repairs and maintenance. Federal funds provide approximately 50 percent of the State road construction revenues.

- Federal funds provide 17 percent of the revenue used annually to pay for the operation of and capital improvements to the state’s public transit systems, which includes the purchase and repair of vehicles and the construction of transit facilities.

- While construction materials costs have stabilized somewhat during the current recession, a 37 percent materials cost increase over the past five years, coupled with declines in federal transportation revenues, will make it more difficult for Congress to authorize new federal surface transportation legislation that adequately funds needed improvements to the nation’s roads, highways, bridges and public transit systems.

Without a substantial increase in federal or state highway funding, Minnesota will be unable to complete numerous projects to improve the condition and expand the capacity of roads, highways and public transit, hampering the state’s ability to improve mobility and to enhance economic development opportunities in the state.

- Needed surface transportation projects in Minnesota that would require a significant boost in federal or state funding to proceed include the addition of lanes on portions of I-35E, I-494, I-694 and MN 36 in the Twin Cities area, the conversion of a portion of MN 252 in the Twin Cities area to a freeway, the widening of a portion of I-94 in Wright and Stearns Counties from four to six lanes, the conversions of portions of US 169, and US 10 in Sherburne and Benton counties into freeways and the replacement of buses and other fleet vehicles of transit systems in 80 counties. A full list of needed projects is included in the report.

- To ensure that federal funding for highways and bridges in Minnesota and throughout the nation continues beyond the expiration of SAFETEA-LU, Congress needs to approve a new long-term federal surface transportation program by September 30, 2009.
• The American Recovery and Reinvestment Act provides approximately $502 million in stimulus funding for highway and bridge improvements and $94 million for public transit improvements in Minnesota.

Despite the current economic downturn, population increases and economic growth in the North Star State over the past two decades have resulted in increased demands on the state’s major roads and highways.

• Minnesota’s population reached 5.2 million in 2008, an increase of 19 percent since 1990. The state’s population is expected to grow to 6.1 million by 2025.

• Vehicle travel in Minnesota increased 42 percent from 1990 to 2008 – jumping from 38.9 billion vehicle miles traveled (VMT) in 1990 to 55.3 billion VMT in 2008.

• By 2025, vehicle travel in Minnesota is projected to increase by another 35 percent.

• From 1990 to 2008, Minnesota’s gross domestic product, a measure of the state’s economic output, increased by 59 percent, when adjusted for inflation.

Minnesota faces a significant backlog in funding needed roadway improvements and repairs over the next 20 years. The state’s residents incur a significant cost as a result of roads and highways being congested, deteriorated and lacking some desirable safety features. A failure to eliminate or reduce the state’s transportation funding shortfall will likely increase these costs incurred by Minnesotans.

• Minnesota’s Statewide 20-year Highway Investment Plan 2009-2028 found that the state faces a $50 billion shortfall during this period in funding needed projects to achieve state priorities for safety, mobility and infrastructure preservation. The report found that Minnesota needs to spend $65 billion maintaining and improving its roadway system from 2009 to 2028, but currently anticipates being able to spend only $15 billion.

• TRIP estimates that Minnesota’s roadways that lack desirable safety features, have inadequate capacity to meet travel demands or have poor pavement conditions cost the state’s drivers approximately $3.1 billion annually in the form of traffic crashes, additional vehicle operating costs and congestion-related delays.

• TRIP estimates that roadways that lack some desirable safety features, have inadequate capacity to meet travel demands or have poor pavement conditions, cost the average Twin Cities motorist $1,501 annually.

Traffic congestion levels are rising as a result of population and economic growth.

• In 2007, Minnesota was ranked first in the nation in the share of congested urban Interstates and other highways or freeways, with 76 percent of the state’s urban highways carrying a level of traffic that is likely to result in significant delays during peak travel hours.

• The average rush hour trip in the Twin Cities metropolitan area takes approximately 24 percent longer to complete than during non-rush hour.

• According to a report by the Reason Foundation, by 2030, unless additional highway capacity is added, traffic delays in the Twin Cities area will approximately triple, with the average rush hour trip taking 76 percent longer to complete than during non-rush hour. This level of traffic delay is greater than what is currently experienced in Los Angeles.

• The statewide cost of traffic congestion in lost time and wasted fuel is approximately $1.3 billion annually and $812 annually for the average driver in the Twin Cities area.

In 2007, 32 percent of major state and locally maintained roads in Minnesota were in poor or mediocre condition, providing motorists with a rough ride.

• In 2007, 10 percent of Minnesota’s major state and locally maintained roads were rated in poor condition and 22 percent were rated in mediocre condition. This includes Interstates, highways, connecting urban arterials and key urban streets that are maintained by state, county or municipal governments.

• Roads rated in poor condition may show signs of deterioration, including rutting, cracks and potholes. In some cases, poor roads can be resurfaced, but often are too deteriorated and must be reconstructed. Roads rated in mediocre condition may show signs of significant wear and may also have some visible pavement distress. Most pavements in mediocre condition can be repaired by resurfacing, but some may need more extensive reconstruction to return them to good condition.

• Roads in need of repair cost each Minnesota motorist an average of $347 annually in extra vehicle operating costs – $1.1 billion statewide. Costs include accelerated vehicle depreciation, additional repair costs and increased fuel consumption and tire wear.

• In the Twin Cities metropolitan area, where 22 percent of major roads are rated in poor condition and 30 percent of major roads are rated in mediocre condition, driving on roads in need of repair costs motorists $431 each year in extra vehicle operating costs.

• The functional life of Minnesota’s roads is greatly affected by the state’s ability to perform timely maintenance and upgrades to ensure that structures last as long as possible. It is critical that roads are fixed before they require major repairs because reconstructing roads costs approximately four times more than resurfacing them.

Twelve percent of bridges in Minnesota show significant deterioration or do not meet current design standards. This includes all bridges that are 20 feet or more in length and are maintained by state, local and federal agencies.

• Nine percent of Minnesota’s bridges were structurally deficient in 2008. A bridge is structurally deficient if there is significant deterioration of the bridge deck, supports or other major components. Structurally deficient bridges are often posted for lower weight or closed to traffic, restricting or redirecting large vehicles, including commercial trucks, school buses and emergency services vehicles.

• Three percent of Minnesota’s bridges were functionally obsolete in 2008. Bridges that are functionally obsolete no longer meet current highway design standards, often because of narrow lanes, inadequate clearances or poor alignment.
• The Minnesota Department of Transportation (Mn/DOT) will be replacing 120 structurally deficient and fracture critical bridges, and fully
funding bridge preservation. All performance based bridge preservation needs on state-maintained bridges are scheduled to be completed by 2018.

Minnesota’s rural traffic fatality rate is significantly greater than the fatality rate on all other roads in the state. Improving safety features on Minnesota’s roads and highways would likely result in a decrease in traffic fatalities in the state. Roadway design is a factor in approximately one-third of all fatal and serious traffic accidents.

• Between 2004 and 2008, 2,586 people were killed in traffic accidents in Minnesota, an average of 517 fatalities per year.

• Minnesota’s traffic fatality rate was .83 fatalities per 100 million vehicle miles of travel in 2008.

• The traffic fatality rate in 2008 on Minnesota’s non-Interstate rural roads was 1.27 traffic fatalities per 100 million vehicle miles of travel, which is nearly two and a half times the traffic fatality rate on all other roads and highways in the state (.53).

• Several factors are associated with vehicle accidents that result in fatalities, including driver behavior, vehicle characteristics and roadway design. It is estimated that roadway design is a factor in approximately one-third of fatal traffic accidents.

• Where appropriate, highway improvements can reduce traffic fatalities and accidents while improving traffic flow to help relieve congestion. Such improvements include removing or shielding obstacles; adding or improving medians; adding rumble strips, wider lanes, wider and paved shoulders; upgrading roads from two lanes to four lanes; and better road markings and traffic signals.

• The Federal Highway Administration has found that every $100 million spent on needed highway safety improvements will result in 145 fewer traffic fatalities over a 10-year period.

• The cost of serious traffic crashes in Minnesota in 2008, in which roadway design was a factor, was approximately $810 million or $258 per state driver. The costs of serious crashes include lost productivity, lost earnings, medical costs and emergency services.

Two congressionally appointed commissions and a national organization representing state transportation departments have recommended a broad overhaul of the Federal Surface Transportation Program to improve mobility, safety and the physical condition of the nation’s surface transportation system by significantly boosting funding, consolidating the program into fewer categories, speeding up project delivery and requiring greater accountability in project selection.

• The National Surface Transportation Policy and Revenue Study Commission (NSTPRSC) and the National Surface Transportation Infrastructure Financing Commission (NSTIFC) were created by Congress to examine the current condition and future funding needs of the nation’s surface transportation program, develop a plan to insure the nation’s surface transportation system meets America’s future mobility needs, and to recommend future funding mechanisms to pay for the preservation and improvement of the nation’s roads, highways, bridges and public transit systems.

• The NSTPRSC concluded that it is critical to the future quality of life of Americans that the nation create and sustain the preeminent surface transportation system in the world, one that is well-maintained, safe and reliable.

• The NSTIFC found that the U.S. faces a $2.3 trillion funding shortfall over the next 25 years in maintaining and making needed improvements to the nation’s surface transportation system.

• The NSTIFC found that the use of motor fuel fees is not sustainable as a primary source of funding for the nation’s surface transportation system because of the shift to a variety of fuel sources and more fuel efficient vehicles.

Key recommendations of the Commissions and the American Association of State Highway Transportation Officials (AASHTO) include:

Program format:

• Allocate funding through outcome-based, performance-driven programs supported by cost/benefit evaluations rather than political earmarking (NSTPRSC).

• Consolidate the more than 100 current transportation funding programs into 10 programs focused on key areas of national interest, including congestion relief, preservation of roads and bridges, improved freight transportation, improved roadway safety, improved rural access, improved environmental stewardship, and the development of environmentally-friendly energy sources (NSTPRSC).

• Speed up project development processes to reduce the excessive time required to move projects from initiation to completion by better coordinating the development and review process for transportation projects (NSTPRSC).

• Develop a future federal surface transportation program that would be accountable for results, would make investments based on community needs and would deliver projects on time and on budget (AASHTO).

• Provide a federal surface transportation program that is based on state-driven performance measures and is focused on six objectives of national interest: preservation and renewal, interstate commerce, safety, congestion reduction and connectivity for urban and rural areas, system operations, and environmental protection (AASHTO).

Funding:

• Shift the collection of federal surface transportation revenues from fuel taxes to mileage-based fees, which would charge motorists a fee based on the number of miles driven, with full deployment of a comprehensive system in place by 2020 (NSTIFC).

• Ensure that once implemented, mileage-based fees were indexed to inflation and that they and any other federal transportation charges were set at a rate that would provide enough revenue to provide adequate federal funding to ensure that the nation achieve an integrated national transportation system that is less congested and safer and that promotes increased productivity, stronger national competitiveness, and improved environmental outcomes (NSTIFC).

• Failure to address the immediate funding shortfall and provide adequate long-term funding for surface transportation will lead to unimaginable levels of congestion, reduced safety, costlier goods and services, eroded quality of life and diminished economic competitiveness (NSTIFC).
• In the short term, significantly boost the current federal motor fuel tax and index it to inflation to support increased federal surface transportation investment (NSTIFC).

• Expand the ability to use additional surface transportation funding sources including tolling, state investment banks and public-private partnerships as a supplement to primary sources of funding such as motor fuel fees and eventually a mileage-based fee (NSTIFC).

The efficiency of Minnesota’s transportation system, particularly its highways, is critical to the health of the state’s economy. Businesses are increasingly reliant on an efficient and reliable transportation system to move products and services. Expenditures on highway repairs create a significant number of jobs. Increases in the cost of highway construction materials have boosted the cost of road, highway and bridge repairs.

• The twin cities of Minneapolis and St. Paul are the nation’s third largest trucking center.

• Annually, $166 billion in goods are shipped from sites in Minnesota and another $161 billion in goods are shipped to sites in Minnesota, mostly by trucks.

• Sixty-nine percent of the goods shipped annually from sites in Minnesota are carried by trucks and another 18 percent are carried by courier services, which use trucks for part of the deliveries. Similarly, 72 percent of the goods shipped to sites in Minnesota are carried by trucks and another 17 percent are carried by courier services.

• Commercial trucking in Minnesota is projected to increase 31 percent by 2020.

• A 2007 analysis by the Federal Highway Administration found that every $1 billion invested in highway construction would support approximately 27,800 jobs, including approximately 9,500 in the construction sector, approximately 4,300 jobs in industries supporting the construction sector, and approximately 14,000 other jobs induced in non-construction related sectors of the economy.

• Over the five-year period from May 2004 to May 2009, the average cost of materials used for highway construction – including asphalt, concrete, steel, lumber and diesel – increased by 37 percent.

Sources of information for this report include the Minnesota Department of Transportation (MnDOT), the Federal Highway Administration (FHWA), the Federal Transit Administration (FTA), the National Surface Transportation Policy and Revenue Study Commission (NSTPRSC), the National Surface Transportation Infrastructure Financing Commission (NSTIFC), the U.S. Census The Bureau of Transportation Statistics (BTS), the American Association of State Highway and Transportation Officials (AASHTO), the National Highway Traffic Safety Administration (NHTSA), the Reason Foundation and the Texas Transportation Institute (TTI). All data used in the report is the latest available.