



MEMORANDUM

Date: January 7, 2014

To: The Honorable Chairman and Members
Pima County Board of Supervisors

From: C.H. Huckelberry
County Administrator

A handwritten signature in black ink, appearing to read "CHH", is written over the printed name "C.H. Huckelberry".

Re: **Transportation Funding**

On January 2, 2014, the Arizona Daily Star reprinted a December 27, 2013 Washington Post editorial regarding the gasoline tax that called for a national increase in gasoline tax of 15 cents per gallon. The editorial is attached for your information(Attachment 1).

Recently, six states have enacted big revenue increases in transportation; all related to gas tax increases at the state level. Others are considering gas tax or transportation revenue increases (Attachment 2). It is becoming apparent that transportation revenues are woefully inadequate to meet not only current needs but to provide an economic driver for future expansion.

I appreciate the Board's leadership in requesting the State Legislature end the practice of diverting monies due the highway system to balance the State budget and to increase the State gasoline and/or fuel tax that has not been increased in 23 years.

Our worldwide economic competitiveness depends on efficient and effective transportation systems. This has obviously been recognized by The Washington Post. Hopefully, at the local level, we will begin to understand the relationship between poor roads and a lack of increasing revenues for same in the last 23 years.

CHH/anc

Attachments

c: Martin Willett, Chief Deputy County Administrator
Michael Racy, Racy Associates, Inc.

Proposing a new gasoline tax: 15 cents a gallon

8 HOURS AGO • THE WASHINGTON POST

The following editorial appeared Friday in the Washington Post:

A major federal program is on desperate financial footing. It's too important and popular to cut drastically. But a combination of changing social patterns, technological innovation and bad policy design has thrown its accounts far out of balance, and it has begun to eat into general spending that should go to other national priorities.

The program is the federal Highway Trust Fund, which pays about half the yearly tab to build and maintain the nation's roads, bridges and rails. At the moment, the loudest advocate for fixing it responsibly is a liberal Democrat, Rep. Earl Blumenauer of Oregon. This month Blumenauer proposed two bills meant to refill the fund based on the simple, unassailable principle that those who use the roads should pay for them. The measures are backed by a broad coalition of business and labor groups, and they are sensible. That and \$3.69 will buy you a gallon of gasoline.

Traditionally, Congress filled the fund with revenue from the federal gasoline tax. Because the amount of gasoline used generally corresponded with wear and tear of the roads, lawmakers saw a natural fit, and Republicans and Democrats repeatedly raised the tax as needs arose. Until 1993, that is — the last time Congress raised the 18.4-cent-per-gallon tax.

Since then, inflation has cut away about a third of the value of the revenue that the gas tax generates. Americans also are driving more fuel-efficient cars. The combination of congressional inaction and changing consumer habits has depleted the fund, which will be broke in a couple of years. Lawmakers will have to address that problem when they reauthorize transportation policy next year.

One of Blumenauer's bills would raise the tax by a modest 15 cents over the next three years, and then index it to inflation, which Congress should have done in the first place. That would raise about \$170 billion over a decade, he reckons. If anything, the hike should be higher. In addition to raising needed transportation revenue, a higher gas tax would combat many negative effects of gasoline consumption, such as greenhouse gas emissions and illness-inducing air pollution.

Still, in the era of the hybrid vehicle, a gas tax will become decreasingly useful. It remains the best existing template to shore up the trust fund. But some frequent drivers don't buy much gas. So Blumenauer's second bill would cautiously promote a better but more controversial way to pay for transportation infrastructure: taxes on the number of miles people drive.

A spokesman for the House Transportation Committee told us that lawmakers "will look at all options for addressing our surface transportation infrastructure" in the coming months. Blumenauer has provided two that should top their list.

The Top 13 U.S. Transportation Stories of 2013

BY: [Ryan Holeywell](#) | December 17, 2013

Anthony Foxx Confirmed as Transportation Secretary

After months of speculation, President Obama nominated Anthony Foxx, then the mayor of Charlotte, N.C., to succeed Ray LaHood as transportation secretary. The pick was a surprise: the Washington rumor mill initially assumed then-Los Angeles Mayor Antonio Villaraigosa would be the pick, then the focus turned to U.S. National Transportation Safety Board Chairman Deborah Hersman. In the end, the president went with Foxx, citing his experience leading the push for new street car and light rail lines as well as an airport expansion in his city. In June, the Senate [confirmed](#) him 100 to 0.

Six States Enact Big Revenue Increases

Aware of serious transportation needs and stagnant funding from the feds, half a dozen states -- including Virginia, Maryland, Pennsylvania, Vermont, Wyoming and Massachusetts -- made major overhauls to their transportation taxes that will ensure billions of dollars in new revenue for infrastructure. Many of those states, mindful of the financial hurdles that come with a gas tax that isn't indexed to inflation, enacted reforms to ensure the tax grows over time. That should help prevent them from facing perpetual debates about the tax. Their action may be a signal to the feds, who will have to solve the question of funding in 2014 when the federal highway bill, MAP-21, is set to expire.

New York, Chicago Unroll Bike Share

As bike share programs have gained traction throughout the United States, the absence of major programs in two of the country's most populous cities seemed glaring. This spring, after delays in both cities, the programs finally went [online](#) in New York and Chicago. In New York, the bike stations were greeted by some with grumbles that they were unattractive and obstructed sidewalks. But the programs have proven to be a hit. Since its launch, CitiBike riders in New York have made nearly 5.9 million trips. Meanwhile, the Divvy bike share program in Chicago is slated to become the largest in North America once it opens additional stations in the suburbs next year.

More Setbacks Threaten California High-Speed Rail

Since its inception, the controversial high speed rail program in California has been mired by controversy. Critics have alleged that its leaders use overly optimistic ridership projections, are planning an inefficient route, and don't have a plan in place on how to actually pay for it. Federal regulators recently [rejected](#) a request from rail leaders to exempt part of the project from a lengthy environmental review. Meanwhile, in November, a judge [blocked](#) the sale of \$8 billion in rail bonds that were approved by voters in 2008, pointing out questions about the project's funding plan.

1-5 Skagit River Bridge Collapse

The bridge, about 60 miles north of Seattle, collapsed in May when a truck carrying an oversized load tried to cross it and struck part of its supports. There were no fatalities, but the incident brought attention to the condition of the country's infrastructure, and in particular, the questionable condition of many older bridges, since the crossing was classified as "functionally obsolete." But as [Governing](#) reported at the time, transportation officials had not considered the bridge to be in especially poor shape. Instead, they were more interested knowing how and why the truck tried to follow a route that was inappropriate for its large load.

Public-Private Partnerships Survive Legal Challenges in Virginia

Virginia has long been the U.S. epicenter of the movement toward public-private partnerships to finance transportation infrastructure. So a high-profile lawsuit generated big interest in the transportation community when a judge ruled that tolls on a Norfolk-area project were technically taxes, not user-fees, and the state had illegally deferred its power to tax to a private-sector operator. P3 supporters worried that may have threatened the future of similar projects in the state. But this fall, the state supreme court rejected that line of thinking and [overruled](#) the lower court, ensuring those types of projects will go forward.

Columbia River Crossing on Life Support

The joint mega project between Washington state and Oregon would have replaced the existing bridge between Portland and the suburb of Vancouver, Wash., in addition to rebuilding surrounding highway

exchanges, extending light rail across the river, and improving pedestrians paths. Supporters had touted it as an economic investment, citing the \$40 billion of freight that crosses the existing span annually that's increasingly held up by congestion. The project won approval from Oregon, but this summer, the legislature in Washington **rejected** funding for it, effectively killing the CRC despite years of planning. Some supporters have held out hope that there's a way Oregon can go at it alone, but that may be a challenge.

US Airways and American Airlines Merge

In February, U.S. Airways and American Airlines **announced** an \$11 billion merger to create the world's largest airline. The plan drew criticism from consumer advocates concerned with a shrinking number of players in the airline industry, citing the United-Continental merger in 2010; the Southwest-AirTran merger in 2010; and the Delta-Northwest merger in 2008. The Justice Department initially worked to block the deal, arguing it would mean less competition and thus higher fares for passengers. But the suit was ultimately **settled** in November as part of a deal in which the merged airline gives up space at Washington's Reagan National Airport, which it otherwise would have dominated, as well as several other major airports, in order to make room for other carriers.

Driverless Vehicles Technology Gains Steam

Long thought of as science fiction, driverless vehicles continued to gain traction in 2014. Several automakers suggested they'd have a driverless vehicles available to consumers by the end of the decade; the exploits of Google's driverless vehicles continued to make headlines; and Rep. Bill Shuster (R-Pa.), chairman of the House Transportation & Infrastructure Committee, even took a **spin** in an autonomous car. Policy leaders **say** the states -- and maybe the feds -- will need to answer a slew of questions about liability and traffic enforcement before the technology becomes widespread.

Tunneling Begins on Alaska Way Viaduct

Seattle has spent more than a decade trying to figure out what to do with the Alaskan Way Viaduct, an elevated highway that skirts the edge of downtown. Ultimately, officials opted to embark on a \$3.1 billion project that will ultimately remove the viaduct and replace it with an underground tunnel. The decision of whether or not to tunnel has long been a controversial one in Seattle, but this summer, the 7,000-ton "Bertha" tunnel-boring machine began **digging** underground, finally setting the stage for a projected 2015 completion date.

Construction Starts on Ohio Rivers Bridges Project

The \$2.6 billion project entails rebuilding a highway interchange and completing two new bridges across the Ohio River between Louisville and Southern Indiana. Work on those spans began this summer more than ten years after the project was announced. But the endeavor has been **controversial**, with critics complaining about the project's tolls and its environmental impact. The bridges are slated to open in 2016.

Crash of Asiana Airlines Flight 214

The Boeing 777, en route from South Korea, crashed as it approached San Francisco International Airport in July. Three people died, including one person who reportedly survived the crash but was killed after being struck by a firetruck responding to the scene. That situation prompted **retraining** of airport firefighters. It also sparked debate about whether pilots had become over-reliant on the automated systems that run airplanes, since the pilots had **trouble** landing without the use of a "glideslope indicator" that was out of service and may have misunderstood whether the plane's "auto thrust" was engaged. NTSB officials initially said they didn't find mechanical problems with the plane. But recently, the pilots and the airline have reportedly questioned that notion, suggesting the autothrottle might have **disengaged** on its own.

Metro-North's Derailments in Connecticut, Spuyten Duyvil

In May, a Metro-North commuter train connecting New York City to Connecticut **derailed** and collided with a train traveling in the opposite direction during even rush hour, injuring more than 70 riders. In December, Metro-North would again face tragedy, this time with fatal results, when a Metro-North derailed in the Bronx. That accident killed four and injured more than 70. The train's engineer said he was in a "**daze**" in the moments leading to the accident, when it was reportedly traveling at 82 mph through a curve that had a 30 mph limit. Federal officials have **announced** a massive review of Metro-North's operations and safety culture in the wake of those accidents.