

## New Policy Initiatives and Transportation Intermodal Integration White Paper

There has been a significant amount of progress in the intermodal integration of Michigan's transportation systems since the MI Transportation Plan (MITP) was updated in 2012. As defined in the Integration Technical Report, an integrated transportation system allows users to easily and seamlessly go from one place to another, or move goods from one place to another, using a variety of modes. In order to support Michigan's economic recovery, the Michigan Department of Transportation (MDOT) has encouraged greater modal integration to help reduce costs, improve safety and accessibility, and achieve the greatest benefit for every dollar invested in the system.

In recent years, the Federal Highway Administration (FHWA) has also increased its emphasis on multi-modal planning approaches. FHWA encourages states to consider integration and connectivity of the transportation system and recognize the importance of integrating multiple transportation modes. The 2012 Federal Surface Transportation Reauthorization Bill, known as MAP-21 (Moving Ahead for Progress in the 21st Century), strengthened multi-modal thinking as part of its requirements for the planning process. The 2015 reauthorization bill, known as the FAST Act (Fixing America's Surface Transportation Act), further promotes multi-modal planning. The bill includes a Multi-modal Freight Policy and requires the U.S. Department of Transportation to establish a Multi-modal Freight Network and National Freight Strategic Plan. The plan serves to address the conditions and performance of the multi-modal freight system, identify strategies and best practices to improve intermodal connectivity and performance of the national freight system, and mitigate the impacts of freight movement on communities. These combined efforts will help to better integrate transportation needs across all freight modes and facilities.

As demand on the state's transportation system increases, and the need for intermodal integration continues, it will remain to be a challenge to appropriately address all identified transportation needs. Despite this challenge, MDOT strives to foster an environment that supports greater integration. This paper identifies policies and strategies that support MDOT's integration of modes.

### Intermodal Strategic Planning Efforts

**Statewide Transportation, Distribution and Logistics Strategy:** MDOT and the Michigan Department of Agriculture and Rural Development (MDARD) are part of a statewide effort led by the Michigan Economic Development Corp. (MEDC) to transform Michigan into a Midwestern gateway for global intermodal freight shipments. Michigan has significant assets that allow it to serve global intermodal freight traffic, including two of the country's busiest international border crossings, four Class I railroads, several interstate routes, the St. Lawrence Seaway, several commercial port facilities, and Willow Run and Detroit Metro airports. The state is working to develop a vision for the gateway, help coordinate efforts by the wide variety of

stakeholders, develop plans for implementation, and measure success. This focus on logistics addresses the MITP goals of system improvement, effective and efficient operations, and safety and security.

**Commission for Logistics and Supply Chain Collaboration:** This commission was created by PA 76 of 2013 and signed into law by Gov. Rick Snyder in June 2013. The group is charged with advising appropriate state agencies on methods, proposals, programs and initiatives involving freight transportation and supply chain management in Michigan that can help stimulate the economy and provide additional employment opportunities. Its goal is to improve communication between Michigan, Ontario, and the Canadian federal government, as well as other state, regional, and local governments. These trade stakeholders are working together to help address issues concerning economic development, trade and commerce, transportation, and supply chain management. They will also survey best practices in other states that have used supply chain management capabilities to attract industry.

**Michigan Freight Plan:** The Michigan State Freight Plan was developed in 2013 as a supplement to the 2035 MI Transportation Plan and a requirement of MAP-21. The FAST Act strengthens the requirement for states to have a freight plan in order to receive federal funding. The plan provides a comprehensive overview of Michigan's freight infrastructure assets, needs, and challenges. Major trends outlined in the plan suggest that highway congestion will continue to increase, the private sector will make modal choices, rail intermodal traffic will continue to grow, and ports will continue to handle bulk cargoes. The plan illustrates the importance of the movement of freight to the continued renewal of the state's economy.

**Michigan Rail Plan:** The Michigan Department of Transportation (MDOT) has developed a Michigan State Rail Plan to guide the future development of Michigan's rail system for both passenger and freight rail over the next 20 years. The plan identifies current and future system needs and makes recommendations to encourage ongoing rail investments. The plan meets the requirements established by the federal Passenger Rail Investment and Improvement Act of 2008, which positions the state to receive additional federal funding for rail projects.

**Freight Coordination Group (FCG):** The FCG was established in 2010 to help gain a better understanding of the variety of freight-related activities that are taking place in Michigan. The purpose of the FCG is to provide an opportunity for the exchange of information on the topic of freight activities within the department and other partner agencies, including FHWA, MDARD and MEDC, in order to facilitate coordination among staff on the various projects throughout the state.

**Regional Pedestrian and Bicycle Committees:** These committees were formed in 2013 by the department to help foster stakeholder engagement and encourage discussions between state and local road agencies, roadway users, and groups and organizations affiliated with walking and bicycling.

**Iron Belle Trail:** An initiative of Gov. Snyder to create a hiking and bicycling route between Belle Isle in Detroit and Ironwood in the western Upper Peninsula. The initiative led by the Michigan Department of Natural Resources (MDNR) defines the Iron Belle Trail as Two Routes One Great Trail. For more information on the Iron Belle Trail, see the [Nonmotorized White Paper](#).

**Multi-Modal Development and Delivery (M2D2):** A comprehensive department effort to examine planning, design, construction, maintenance, and the operational needs of all potential modes of travel using highway right of way. Based on that analysis, MDOT will modify its practices, procedures, standards, and guidance to help ensure that all modes are considered as projects are developed, and that they are safely served, where appropriate, based on the context and highway function.

**[Towards Zero Deaths \(TZD\):](#)** A new statewide safety campaign based on the National Strategy on Highway Safety intended to influence driver behavior and improve safety. With more than 35,000 fatalities occurring on U.S. highways each year, roadway safety - including the safety of bicyclists and pedestrians using the roadway - remains one of the most challenging issues facing Michigan and the nation. MDOT and the Michigan State Police (MSP) will be continuing the TZD statewide safety campaign in 2016.

**Older Driver Education and Safe Mobility Planning Strategy (ESMP):** MDOT, in collaboration with public and private-sector partners, has developed and implemented an effective, sustainable statewide safe driving education and intervention strategy for Michigan drivers older than age 60. The Older Driver ESMP Project commenced in September 2013. The Secretary of State introduced a webpage in December 2015 dedicated to the ESMP. Program design, testing and implementation are planned to occur in 2016. Development of the statewide strategy has been facilitated through a contract between MDOT and the University of Michigan Transportation Research Institute (UMTRI). Please see the [Smart Drivers Smart Options](#) website for more information.

**[Pure Michigan Byways Program:](#)** On Dec. 17, 2014, Public Act 445 was signed into law that officially changed the name from Heritage Route to Pure Michigan Byway. This action is part of a rebranding and reinventing of the program to align it with statewide travel and tourism initiatives. The rebranding of the program incorporates elements of the “Pure Michigan” campaign logo and the word “byway,” which is used nationwide in 45 other state programs. The program rebranding includes adding three new intrinsic qualities, an updated nomination form, and a driving guide that will enhance the designation process and ensure a strong state byway program. Three new intrinsic qualities – cultural, natural and archaeological – were added to the program for a total of six (the three existing intrinsic qualities include scenic, historical and recreational). Intrinsic qualities are features along the roadway corridor that contribute to the character of the roadway. Basing the designation on these features will highlight the roads outstanding qualities.

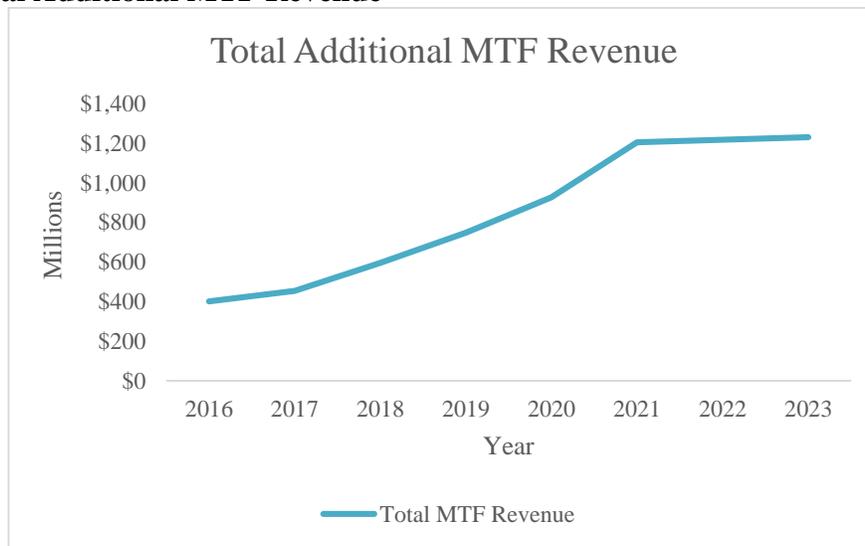
## Legislative Updates

### State Level: State Transportation Funding Package

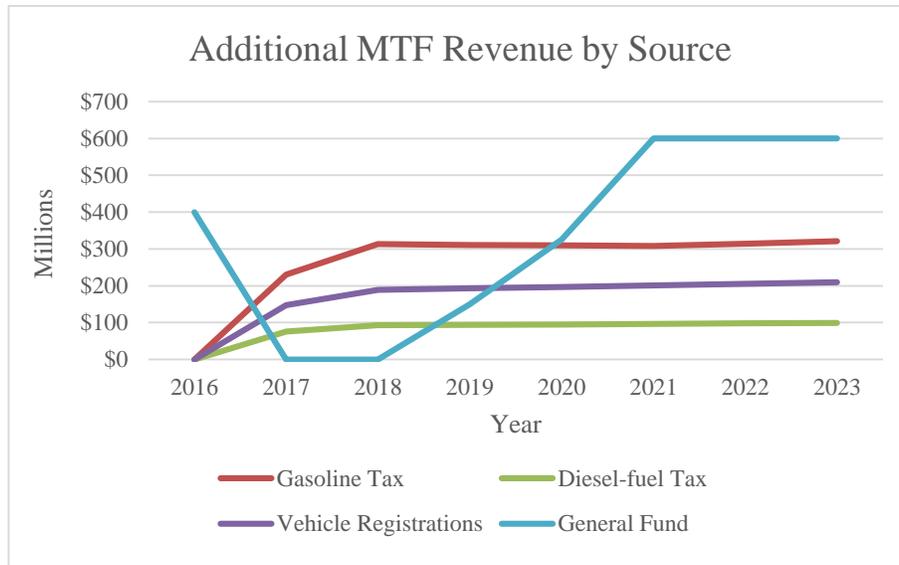
On Nov. 10, 2015, Gov. Snyder signed into law a package of transportation bills approved by the Legislature that represent the largest state investment in transportation in Michigan in the last 50 years. The new revenue will be distributed to MDOT, county road commissions, cities and villages, and the Comprehensive Transportation Fund through the existing Act 51 formula. The planned additional \$1.2 billion in yearly road and transit funding will be phased in over the next five years, beginning in 2017 in order to allow the construction industry time to prepare and avoid a spike in the cost of construction. In the short term, the legislation will:

- Provide \$410 million in additional fuel tax revenues beginning in January 2017. The tax on gasoline and diesel fuel will rise to 26.3 cents at that time, because the legislation also provides for diesel parity.
- Provide \$190 million from a 20 percent increase in vehicle registration fees, also beginning in January 2017.

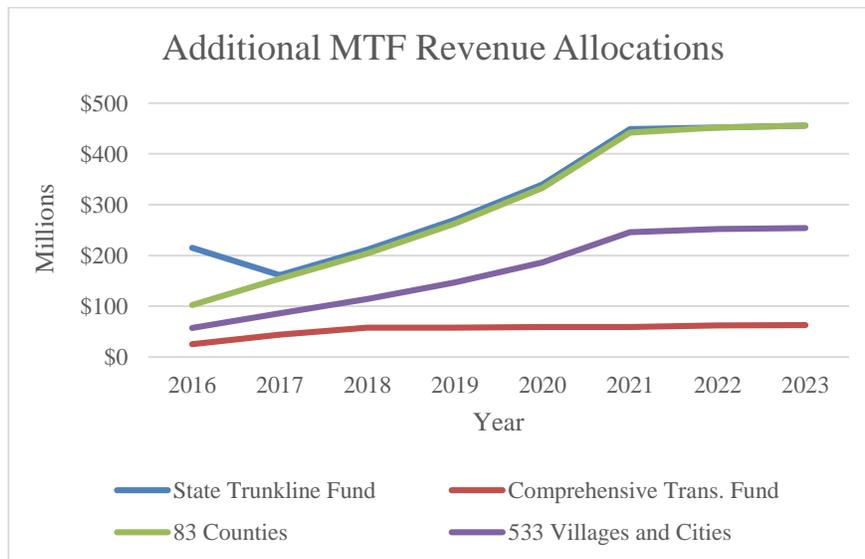
**Figure 1: Total Additional MTF Revenue**



**Figure 2: Additional MTF Revenue by Source**



**Figure 3: Additional MTF Revenue Allocations**



This \$600 million in new revenue will be distributed to MDOT, county road commissions, cities and villages, and the Comprehensive Transportation Fund through the existing Act 51 formula, providing roughly a 30 percent increase for all of them by 2018. Local agencies will receive approximately 60 percent more than their 2015 allocation after full phase-in. In the short-term, the new revenue is expected to generate an average of more than 4,000 jobs per year in the first

two years. It will also help address the need to repair and maintain Michigan's existing transportation systems.

Beginning as soon as 2016, the legislation will add transparency and accountability:

- **Administrative Expenses:** MDOT administrative expenses, previously capped at 10 percent, are now limited to 8 percent of its budget.
- **Pavement Warranties:** Road agencies are required to buy pavement warranties, where appropriate, for projects costing more than \$2 million.
- **Competitive Bidding:** To reduce project costs, all agencies are required to competitively bid out projects costing more than \$100,000. Townships that contribute more than 50 percent of the cost of a county road project can require that the project also be competitively bid.
- **Longer-lived Pavements:** MDOT will be required to prepare a report on the potential for constructing longer-lived pavements and report to the Legislature by June 2016.

In the long term, the legislation will transfer General Funds to transportation to be distributed to MDOT, county road commissions, and cities and villages through the three-way Act 51 formula for road agencies:

- 2019: \$150 million
- 2020: \$325 million
- 2021: \$600 million

Beginning in 2022, the gas tax will be indexed, rising in proportion to increases in the Consumer Price Index, or 5 percent, whichever is less.

### **Federal Level:**

The FAST Act (P.L. 114-94), was signed into law on Dec. 4, 2015, and authorizes funding for Highway, Transit, and Rail programs through fiscal year 2020.

The bill follows closely on the heels of the last surface transportation authorization bill, MAP-21, which was approved in July 2012. MAP-21 made a number of transformative changes to the federal program, many of which have not been fully implemented. This includes transitioning Highway and Transit programs to become performance-oriented and placing new emphasis on studying, planning for, and facilitating the movement of freight.

It is important to note that, with few exceptions, provisions in the FAST Act do not repeal or replace the policy direction of MAP-21. Rather, the FAST Act affirms and improves many of the reforms made by MAP-21. The FAST Act continues the focus on freight by creating two new programs aimed at better directing resources to projects that will enhance the efficient movement of freight along the surface transportation system. It also directs resources to assist and equip states, metropolitan planning organizations (MPOs), and transit agencies in their efforts to adjust to the framework for a national system of performance management.

As the changes in both MAP-21 and the FAST Act continue to be implemented over the months and years ahead, their benefits may begin to be realized. These changes may shape the future direction of this plan. Without full knowledge of how changes will be implemented and what the associated impacts will be, MDOT is unable to include those in this plan update.

## Ongoing Activities to Improve Integration

### Multi-modal Centers

To help meet the demand of increased ridership and to provide more efficient services, several transit agencies have constructed or expanded their transfer centers.

- Intercity transportation centers in Flint, Saginaw, Detroit, Southfield, Bay City, and Benton Harbor have received intercity terminal funding between 2012 and 2015 for facility upgrades.
- The East Lansing Multi-modal Gateway was newly constructed in November 2015 and serves several modes, including public transit, intercity bus, and Amtrak.
- In December 2015, the Blue Water Area Transportation Commission opened a transfer center in downtown Port Huron. The off-street transfer center will allow for more efficient transfers and provide for passenger amenities, such as restrooms, ticket kiosks and a modern security system.
- In August 2015, the Muskegon Area Transit System's (MATS) downtown Herman Ivory Transfer Terminal reopened after an expansion and renovation. This site serves as the local Greyhound ticketing station and the primary MATS bus route connection point.
- The Ann Arbor Area Transportation Authority (AAATA) opened the Blake Transit Center in 2014. The center will serve as AAATA's main downtown hub and will better accommodate riders, embrace new eco-friendly technologies, and enhance the public transit customer experience.
- The state acquired the Norfolk Southern (NS) rail line between Kalamazoo and Dearborn in 2012 and is making improvements in order to provide improved passenger service.

**Intercity Bus and Rail Service:** Increasing ridership shows the need for more intercity public transportation. Some additional intercity bus service has been added since 2012. Megabus has added service along the I-96 corridor with stops in East Lansing and Grand Rapids, and connections to Chicago. Barons Bus Lines now offers service between Detroit and Toledo. Use of Michigan's passenger rail service has increased to point where additional train frequencies are added for holiday travel.

**Transportation Alternatives for Commuters:** In 2010, MDOT initiated the MI Commute website, which offers a cost-to-commute calculator and easily accessible information to help commuters identify alternatives to the single-occupancy vehicle for their drive to work, including biking, walking, public transit, carpooling, and ridesharing.

MDOT is an active partner on three intercity commuter rail routes: Howell to Ann Arbor; Ann Arbor to Detroit; and the M-1 RAIL in Detroit. Other MDOT efforts to encourage alternative

commuting include the release of a series of light-hearted Internet videos on carpooling, transit and bicycling in 2011.

**Carpool Lots:** In 2008, MDOT began working with the Meijer retail chain to offer carpool parking spaces in Meijer parking lots located near the highway. This public-private partnership quickly provided benefits. In one year, it created 300 carpool parking spaces in six locations around the state for just the cost of a few signs. Since then, MDOT and Meijer have continued to work together. In total, approximately 700 spaces have been provided throughout the state. In addition to the partnership with Meijer, MDOT continues its efforts to provide bike racks at carpool lots, and to attract transit service to lots where appropriate. A new carpool lot was constructed in 2015 in association with the reconstruction of Stadium Drive in Kalamazoo, bringing the total number of carpool lots in Michigan to 262 facilities.

**Regional Nonmotorized Plans:** Nonmotorized plans have been developed for six of the seven MDOT regions: Southwest, Superior, North, Metro, University, and Bay. Work on the Grand Region nonmotorized regional plan is scheduled to get under way in 2016, with expected completion in 2016-2017.

**Road Diets:** Lane configurations, or road diets, reduce common types of crashes and create room within a constrained right of way to provide on-road bicycle facilities, such as bike lanes. National studies and guidance have influenced how MDOT now implements road diets. An informal survey of MDOT regional offices conducted in 2015 suggests that the department has reconfigured the lane markings on more than 61 road segments (more than 55 miles of trunkline) in communities across the state.

**U.S. Bicycle Routes:** These are route designations by the American Association of State Highway and Transportation Officials (AASHTO) to help long-distance touring bicyclists navigate their way across a state or region, similar to the Interstate Highway System. Since the reestablishment of the U.S. Bicycle Route system, there are three designated U.S. Bicycle Routes in Michigan: Route 20 is an east/west route between Marine City and Ludington, Route 35 is a north/south route between Sault Ste. Marie and New Buffalo, and Route 10 is an east/west route between St. Ignace and Iron Mountain. Route 20 was designated by AASHTO in spring 2011, Route 35 in spring 2012, and Route 10 in 2014.

**Training:** MDOT continues to work with other state agencies, local units of government, and outside partners to provide training and education that facilitates the creation of a sense-of-place within communities through enhanced walking environments and the development of on-road bicycle facilities. Between 2012 and 2015, MDOT's Intermodal Policy Division partnered with 29 different local agencies to deliver trainings focused on enhancing walking and bicycling in communities across the state. Also during this time, MDOT's Design Division partnered with the Michigan Concrete Association, FHWA, Ingham County Road Department, and Michigan Technological University's Local Technical Assistance Program (LTAP) to offer 10 training sessions on practical application of accessible design in public rights of way. The department also



has assisted in bringing a number of intermodal conferences to the state, including Transportation Bonanza (for three consecutive years), and the Building Healthy Livable Communities and Building Michigan Communities conferences.

**Conclusion**

The desire to improve Michigan’s economy, along with state and federal policy shifts, have furthered MDOT’s efforts to integrate transportation systems since the 2035 MI Transportation Plan update was released in 2012. Those efforts continue and will help bring Michigan closer to meeting the goals of stewardship, system improvement, efficient and effective operations, and safety and security.