

## Funding Action Team

Meeting Notes

May 13, 2005

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**Attendance** B. Blaesing, A. Cooper, A. Frobom, P. Kazmierski, R. Lange, R. Lehman, E. Mullen, T. Petko, T. Timpf, C. Van Deusen, S. Maynard

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**Meeting Overview**  
*(25 words or less)* Theresa opened discussion. Updates on Reauthorization and the MDOT Budget were given along with a presentation by Aarne Frobom on toll roads as related to innovative finance.

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**Meeting Notes** Reauthorization: Michigan's Transportation Team 2005 Washington Fly-In, Tuesday, April 26, was well attended by 44 states. Michigan arranged a donor state meeting with 14 states attending on Wednesday morning.

Rich Lehman encouraged everyone to write "grass roots" letter to their congressional representative.

Team members are encouraged to visit <http://www.fundingfairness.com> for updates.

E-mail or fax should be used for any correspondence to Washington; mailing directly is not recommended, due to the length of time needed for screening.

Update on meetings with Legislature – presentation by Mike Nystrom, Myron Frierson, Theresa Petko and Brian Blaesing to House Standing Committee on Transportation, Tuesday, April 19, was well attended. Presentation went well with many questions raised covering a broad spectrum.

Theresa Petko met with Grand Rapids Chamber of Commerce. Peter Varga, administrator of the interurban partnership, pointed out that in 1997 the gas tax increase did not go to transit and it would be of benefit if we were to continue with the presentation showing loss and buying power for transit. It was suggested to further incorporate other modes into presentation.

Chuck Van Deusen talked with Walt Heinritzi, Michigan Trucking Association, who forwarded the information distributed at the meeting regarding the trucking industry. Truck-trailer life-time (while you own it), non-transferable registration increased to \$300. Transportation/MTF will lose money long-term.

MDOT 2006 Budget Update:

MDOT has a bill from the Senate introduced and passed out of subcommittee and will go to Full Appropriations.

This year's bill was to start with the Senate Appropriations Subcommittee on Transportation and, instead, is going to both houses at the same time (previously would go from one to the other).

Language in 2006 bill introduced with more legislative control over transit agencies, requiring annual legislative approval of federal aid distribution for state/local split (Act 51 states 75 /25 split of federal aid between department and locals is negotiated).

Other proposals include: annual audit by MDOT's Commission Audit of all transit agencies, reclassifying Detroit People Mover so as to not receive money as a transit agency.

A bill was also introduced to the House Transportation Committee requiring legislative approval of MDOT bonding, i.e., how much we could bond, direct what MDOT bonds for, approve project list. STC has this authority now according to Act 51; this would be a second approval over and above the STC.

Education Committee Update: Bill Carley and Debbie Alexander were not in attendance.

Innovative Finance:

Aarne Frobom summarized a new MDOT report describing the uses and restrictions on toll finance. After a lapse of several decades, toll finance is returning in popularity for new suburban commuter freeways and for conversions of HOV lanes to toll express lanes in some cities in the country. Over a dozen states have toll projects under way or under consideration. More projects are in the works in Texas than in the rest of the nation combined. A new 369-mile freeway will be built there by a private concessionaire in the I-69 corridor, costing over \$6 billion. Other large-scale projects are in suburban Maryland and California. A HOT lane conversion of HOV lanes in suburban Minneapolis will feature dynamic congestion pricing. Michigan is now the largest state with no toll-financed road projects under study.

John Stoker has a name of refinery representative and Chris Mann is working on this along with Innovative Finance Subteam.

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**Action Items**

Stay tuned, talk to your representative; locals should be concerned.

Theresa offered to recruit a speaker from Minneapolis to address the subject of toll roads and their recent pilot project to charge fees electronically for use of the HOV lanes.

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**2005  
Meeting  
Dates**

Friday, June 17                      9:30- 12:30 pm  
Aeronautics Auditorium, 2700 East Airport Service Drive, Lansing

Friday, July 15                      9:30- 12:30 pm  
Aeronautics Auditorium, 2700 East Airport Service Drive, Lansing

Friday, August 19                      9:30- 12:30 pm  
Aeronautics Auditorium, 2700 East Airport Service Drive, Lansing

Friday, September 16                      9:30- 12:30 pm  
Aeronautics Auditorium, 2700 East Airport Service Drive, Lansing

Friday, October 21                      9:30- 12:30 pm  
Aeronautics Auditorium, 2700 East Airport Service Drive, Lansing

Friday, November 18                      9:30- 12:30 pm  
Aeronautics Auditorium, 2700 East Airport Service Drive, Lansing

**Funding Action Team  
Meeting Agenda**

**June 17, 2005  
9:30 am – 12:30 pm**

**Aeronautics Auditorium  
2700 East Airport Service Drive, Lansing**

- 1. Reauthorization Update**
- 2. MDOT 2006 Budget Update**
- 3. Education Committee Update**
- 4. Report from Innovative Finance Subteam**
- 5. Refinery Representative**
- 6. Draft Agenda for Next Meeting**
- 7. Post Critique Meeting**