

**NATIONAL ROUND TABLE:
INSTITUTIONS FOR IMPROVING FREIGHT MOVEMENT
IN MULTI-STATE CORRIDORS**

June 18, 2009
Hall of the States
Washington, DC

A Summary of the Discussion

FINAL REPORT

Federal Highway Administration
In Partnership with the
I-95 Corridor Coalition
September 2009



U.S. Department of Transportation
Federal Highway Administration

Foreword

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Table of Contents

BACKGROUND	1
OPENING DISCUSSION	2
URGENCY OF THE ISSUE	2
EXAMPLES OF MULTI-STATE TRANSPORTATION ACTIVITY	3
ASSESSING THE EIGHT INSTITUTIONAL OPTIONS	6
Focus on the Capabilities Needed.....	8
Considering Hybrid Institutions.....	9
CONCLUSION.....	11
APPENDIX A: MEETING AGENDA.....	13
APPENDIX B: ATTENDEES.....	14
APPENDIX C: POWERPOINT PRESENTATION	15

SUMMARY OF ROUNDTABLE DISCUSSION

Considering the Draft Paper Titled
“Multi-State Institutions for Implementing
Improved Freight Movement in the U.S.”

Thursday, June 18, 2009

Washington, DC

BACKGROUND

The purpose of this Roundtable was to obtain advice from a group of national experts about potential multi-state institutional arrangements to improve freight corridor performance. A draft paper describing eight different options for institutional arrangements was sent to the Roundtable invitees before the meeting.

Twenty-three invitees attended the Roundtable. The meeting agenda and list of attendees are attached to this summary.

The background paper described approximately 80 illustrative examples of institutional options, which were grouped into eight types:

- interstate compacts
- joint services agreements
- special districts and authorities
- voluntary coalitions
- non-profit corporations
- commercial companies
- federal corporations
- federal agencies

The paper also described seven capabilities that these institutions might be expected to provide for helping to improve the performance of multi-state freight corridors. They included ability to address:

- multi-state geographic scope of systems and projects
- multi-modal scope
- strategic planning and goal-setting as a matter of public policy
- management of and accountability for broad-scale, modally integrated systems to achieve the measurable “outcomes” set by public policies
- implementation of projects and operational improvements
- financial needs
- reliable organizational effectiveness

Finally, the paper suggested several principles that could be used to determine which institutions might be most appropriate to meet multi-state transportation needs under differing circumstances, and illustrated how these principles might be applied in one sample case. The principles are described later in this meeting summary.

OPENING DISCUSSION

To kick-off the discussion, the paper's author, Dr. Bruce McDowell, summarized the paper using the PowerPoint presentation attached hereto, and answered clarifying questions. In his presentation, Dr. McDowell outlined the key question for the group to address—"Which institutional options do you believe offer the greatest potential for improving the performance of multi-state transportation corridors?" He emphasized that no single institution might provide all the capabilities needed in any given situation. Thus, a combination of institutions might be needed to achieve desired results.

The group raised two additional questions:

- Is there a set of problems that must be addressed between the state and federal levels? If multistate institutions are necessary to fill a void, one needs to know the specific problems and current barriers to addressing them. And the transportation community must be able to answer the question of why we are not already undertaking these efforts more fully.
- How are decisions going to be made regarding multi-state institutions and who is going to make the decisions?

In addition to clarifying questions, the group offered the following general observations:

- Freight corridors and networks may need different organizations than passenger corridors and networks. Although both modes may have some needs and infrastructure elements in common, they also may have significant differences. To ensure the success of both modes, freight and passenger needs should be considered together.
- Four distinct levels of geographic activity are essential to effective performance—metropolitan (regional), state, multi-state, and federal. However, they need to be better coordinated. New national policies may be needed to enable this coordination to be effective.

URGENCY OF THE ISSUE

The first focused topic discussed by the group was urgency of the need to improve the performance of freight corridors. The group agreed that the urgency is high, and enumerated several dimensions of it—as follows.

Long distance freight movements are increasingly important to the nation and its place in the evolving global economy. Goods move from production anywhere in the world to consumption in the United States. U.S consumption is concentrating increasingly in a

dozen or so mega-regions served by relatively few ports of entry. The corridors for moving goods from port of entry to place of consumption need to operate smoothly.

Several factors—such as expanding the Panama Canal to handle larger ships and growing intensity of the energy/global-warming crisis—are likely to modify existing trade routes and require freight corridors within the U.S. to be nimble enough to adapt in a timely manner. However, our current planning and decision-making institutions are ill suited to addressing changes in freight flows that cross state boundaries. The institutional capacity necessary to be responsive, as noted earlier, could take different forms depending on the scope and modal options involved in the altered flows of goods.

Meeting participants cited the following additional critical factors that are raising the level of urgency for strengthening the nation’s ability to respond to this challenge effectively:

- The overall surface transportation program is no longer sustainably funded or properly structured.
- The large and small MPOs in a corridor overlap and lack the means to mesh with an efficient national freight movement strategy.
- Key elements of highway and non-highway transportation modes are in poor condition, have capacity constraints, suffer serious bottlenecks, and lack funds to address their deficiencies.
- Credible needs assessments for setting critical investment priorities are not available—especially for projects that cannot be addressed by a single state.
- Many institutions that serve as conveners for considering problems that spill over traditional political boundaries are too weak to get results.
- The need to address multi-state transportation issues needs to be elevated by more compelling arguments.

Meeting participants affirmed that the current reauthorization debate provides a timely opportunity to present multiple options for addressing these urgent problems. The group appeared to agree that the visibility of freight issues should be elevated in this debate and this reauthorization will likely include an increased emphasis on freight.

FHWA and AASHTO representatives endorsed the need for multi-state approaches to freight issues, and no one appeared to disagree.

EXAMPLES OF MULTI-STATE TRANSPORTATION ACTIVITY

The group was asked to describe examples of multi-state successes based on their own experiences. A number of examples were cited, including several mentioned in the background paper’s analysis. To assist comparisons, a table in the background paper listed examples of each of the eight types of institutions examined, as well as some of their key characteristics. In addition, McDowell’s opening presentation suggested the following five “Key Considerations for Selecting Appropriate Institutional Options,” which he characterized as “institutional design principles:”

- “Form follows function”—be clear about the purposes of the institution and which institutional capabilities are most needed in the corridor
- No single institution may have all the capabilities needed
- Look to existing organizations first to find and utilize needed capabilities
- Tailor multi-state transportation institutions to their time and place—so they will fit comfortably and effectively within the prevailing political culture
- The most important capability sought is “boundary crossing”

The following institutional examples were mentioned by participants to illustrate a number of key elements in implementing a successful multi-state project—based on their own experience:

- **The Appalachian Regional Commission.** It operates effectively across 13 states under joint federal-state leadership, has a federal statutory foundation and long-term financing, and has almost finished implementing a major multi-year, multi-project highway system that supplements the Interstate System within a previously inaccessible region.
- **The I-69 corridor** (a supplement to the Interstate Highway System designed to improve north-south trade connections between Mexico and Canada) is being implemented in some segments, and continues to be promoted along other segments.
- **Exclusive truck toll lanes are being developed on I-70** through four Midwest states. In addition to improving truck movements on I-70, it could divert truck traffic from I-80 and improve passenger vehicle movements on I-70 and I-80.
- **The Woodrow Wilson Bridge replacement** in the Washington, DC metropolitan area was a joint effort of Maryland, DC, Virginia, FHWA, and Congress. It was a mega-project involving a significant National interest—both because of the large federal workforce that depends on it and because it is a central link in the Maine-to-Florida I-95 Corridor.
- **The Heartland Corridor** freight-rail improvement project, involving Virginia, West Virginia, Ohio, and a major private freight railroad, has provided more cost-effective freight movement between the Midwest and the ports of Norfolk and Portsmouth. This multi-state project was railroad-led, but received significant federal funding. Other similar projects are being proposed by other railroads, but they do not appear to be coordinated.
- **The Midwest Interstate Passenger Rail Commission** (an interstate compact representing several state legislatures) has been working for many years, and is one of the first to present its plan for using the new federal Stimulus money designated for high-speed rail. A parallel executive branch organization in the states is providing technical support to the Commission.
- **Improved rail transit access from New Jersey into New York City** is being implemented by a joint project of the Port Authority of New York and New Jersey and New Jersey Transit. This project was proposed originally to include New York’s Metropolitan Transportation Authority and Amtrak, and to provide frequent, inexpensive transit access as far south as Philadelphia. However, MTA, Amtrak, and U.S. DOT did not participate to make that possible. The more

limited project was portrayed as a success, but as having missed an opportunity to be much more successful.

- **The Mid-Atlantic Marine Fisheries Commission** was mentioned as a potentially helpful example of a federal organization that incorporates state representation and might provide some helpful lessons for the transportation community. It has recently had considerable success in restoring stripped bass (rock fish) stocks to commercially viable levels by regulating over-fishing in each of the region's states. The actions this federally chaired and federally staffed commission took were based to a large extent on scientific studies, but they were imposed by means of a federal-state decision process. The federal "arbitrator" role, along with its scientific resources and regulatory clout, facilitated the overall outcome.
- **The National Fish and Wildlife Foundation** example (mentioned in the background paper) was further explained during the Roundtable discussion. It is not just federally chartered, but it also has two other very important features not generally associated with federally chartered non-profit organizations. First, its board of directors is nominated by the Secretary of the Interior, and confirmed by the U.S. Senate. Second, it may receive direct federal appropriations (but may not use such funds to cover its administrative costs). These provisions allow the NFWF to be a more effective project implementer than many other federally sponsored non-profits.
- **The National Air-Space System (NAS)** encompasses the infrastructure network of the airspace, air traffic control, and airports used by a mixture of commercial service and private operators of aircraft. The NAS is managed on a daily basis by the Federal Aviation Administration (FAA), which operates air traffic control (through the FAA's Air Traffic Organization), provides support to the funding and operation of state and local airports, and devises rules for the safe and efficient operation of the commercial and private users of the airspace. The FAA uses the monies available through the Airport and Airway Trust Fund to prioritize investments in personnel, air traffic equipment, and airport capacity that support the overall goals of the NAS.
- **The Federal Food Stamp Program** is funded and governed significantly by the U.S. Department of Agriculture, but it is administered through the states, which may exercise a fair degree of discretionary authority. When the federal government decided to provide an option for electronic food stamps—rather than money-like paper stamps—a massive voluntary effort was mounted to get as much state and retailer buy-in as possible as quickly as possible. The incentive was cost and administrative efficiency. Leading states (early adopters) led the way, and a great deal of adoption of the new practice was achieved within a relatively short time without a mandatory federal requirement.
- **State-Driven Passenger Rail Service Expansion** has occurred in recent years on the West Coast. The states of California, Oregon, and Washington planned and funded the expanded services, and Amtrak worked with the private railroads to arrange for track usage and operates the new service.
- **The Trans-European Transport Networks (TEN-T)** is a European-wide program run by the Directorate-General for Energy and Transport of the European

Commission in Brussels—an organization roughly equivalent to a combination of U.S. DOT and the U.S. Department of Energy. The program is designed to build missing links, remove bottlenecks, unblock major transport routes, and ensure sustainable transport (including major technological projects in the EU transport infrastructure). This Network is considered a key element for competitiveness and employment in Europe. The growth in traffic between Member States (the nations of Europe) is expected to double by 2020 and the investment required to complete and modernize a true trans-European network in the enlarged EU amounts to some EUR 600 billion. Given the scale of this investment, the EU had to prioritize these projects carefully (in consultation with the Member States), concentrating on major projects to complete networks designed and implemented largely by the nation states. The EU identified a series of 30 transnational corridors, on the basis of proposals from the Member States. Criteria for designating these priority corridors included their added value, their contribution to the sustainable development of transport, and their role in integrating the new Member States in Eastern Europe. The EU program is now funding priority projects in the corridors through a process by which the Member States apply for EU grants and loans, which may total 30 percent of the project costs. The Member States are responsible for construction and operation. The overall process is somewhat similar to the U.S. process for establishing the Interstate Highway System—except that it is multimodal and the cost-sharing ratio is different. The EU uses similar programs to improve its energy (TEN-E) and telecommunications (eTEN) networks.

The I-95 Corridor's 2002 Mid-Atlantic Rail Operations Study was cited to illustrate the difficulties of implementing project proposals identified in voluntary multi-state studies. It is not a success story like those cited above, but it does have a lesson to teach. Rebuilding **the Howard Street railroad tunnel** in Baltimore, Maryland was identified in the study as a national-interest project that is too expensive for one state to finance alone. The very old existing tunnel creates a major East Coast freight bottleneck, but no national program is designed to address this challenge. The Maryland and New Jersey state DOTs have negotiated with the private railroads in an attempt to arrange joint public-private funding, but the railroad parties preferred to bypass Baltimore, seeking less expensive routes. So the bottleneck remains unaddressed and there does not appear to be any feasible path to change the situation.

ASSESSING THE EIGHT INSTITUTIONAL OPTIONS

When asked to assess the relative potentials of the eight types of institutions to improve the performance of multi-state corridors, the group had a hard time. The general consensus arrived at was that “it depends.” Choosing institutional options was considered to be very situational and potentially problematic. Several members of the group appeared to believe that the U.S. may already have too many transportation institutions. These institutions often get locked-in to how and why they were set-up in the past, and then are difficult to modify in order to stay relevant and helpful now and in

the future. They themselves may, in fact, become barriers to meeting future multimodal needs. It was suggested that this may be a particular problem with Interstate Compacts because of the need to go back to multiple state legislatures to change them when circumstances change.

The only general consensus favoring a particular institutional option was that the federal government (Option 8)—more particularly the Office of the Secretary of DOT—should be re-structured to provide greater leadership with regard to intermodal coordination, the selection and official designation of multi-state transportation corridors, and system-wide intermodal (network) planning. This federal leadership role should be imbedded in a collaborative framework with the states and other stakeholders. By this means, projects and corridors of national interest could be provided for by the federal government consistent with how this role was exercised at key junctures in the past. Federal financial incentives and initiatives were also welcomed, and federally “induced collaboration” was seen as legitimate and needed.

The group also recognized that no one will let significant amounts of federal money go unclaimed for the want of an institution capable of claiming and using it. Thus, institutions inevitably will be created as necessary to follow the money. The general feeling seemed to be that if the federal government provides the money, the appropriate stakeholders will provide the needed institutions—similar to the way in which MPOs developed during the 1960s and 1970s.

A couple voices favored using options #3 (special districts or authorities) and #4 (voluntary coalitions) as the most feasible ones. AASHTO’s freight policy for this year’s surface transportation reauthorization discussions—summarized in the draft paper being reviewed by the Roundtable—calls on Congress to provide for better definition of freight corridors and funding of multi-state intermodal organizations to serve them. Some Roundtable participants noted that options #3 and #4 tend to separate planning and system-wide decision-making from program and project implementation, but the question of how to improve the institutional capabilities of existing transportation corridor coalitions was raised. Funding the existing coalitions, which is already occurring to some extent, would be consistent with the concept of federally induced collaboration. This topic was not pursued, however, because time was short and the intension in this meeting was not to focus on any specific multi-state structure but to focus on the overall array of options.

All the other options were felt to be too situational to earn a general endorsement from the group. However, some participants were curious to learn more about the potential roles of foundations and non-profit corporations, and the possibilities of creating hybrid organizations.

The group did seem to recognize that there are situations when new institutions are required. These situations might arise if (for example):

- A big long-term infrastructure job or a significant new continuing operations assignment is clearly identified and agreed too (such as the Appalachian Highway System or a major project or system, or a corridor of national interest)
- No existing institution can handle the job
- Solid long-term financing is tied to the task
- Implementation capabilities are required that cannot be segmented into individual projects to be implemented by existing organizations

Some in the group pointed out that state boundaries are historical artifacts of the 18th and 19th centuries, and that consequently states are not always the most effective institutions to deal with the movement of commerce in the 21st century.

The prevailing view appeared to be that any new multi-state transportation institutions that might be created should be nimble, adaptive, or temporary—so they can go away or change their missions as the tasks they were created to achieve are completed or changed.

A wide variety of individual comments were offered during this discussion. They are grouped and captured below under the following two headings: (1) focus on the capabilities needed rather than on the institutional models, and (2) be open to building and modifying hybrid institutions tailored to unique situations as they develop over time.

Focus on the Capabilities Needed

The split between planning and financing was singled out as a very significant factor that impedes the implementation of system-wide transportation improvements. For example, MPOs (and other coalition-type organizations) do a great deal of planning but have relatively little to say about the availability of funding. Recent requirements for “fiscally constrained” planning by MPOs were meant to address the problem of “wish list” plans that had no relationship to available funding. Although this requirement has narrowed the gap between best-case solutions and affordable improvements, it has done little to ensure adequate and reliable funding and prioritization for essential projects.

State DOT planning and financing have a much closer relationship to each other. But multi-state transportation corridor planning has little recognized status. This reality led one participant to wonder: Who can bless such planning and bring the parties together for funding and implementation. Another asked: Who decides or who is empowered to decide what is important in these corridors? Are there coherent plans for these areas? Can we find carrots and sticks to get coherent plans and coherent decisions made? Can we identify catalysts for creating effective public institutions at the multi-state level? Can U.S. DOT rebuild an Intermodal Office in the office of the Secretary to pull together all the rail, highway, and maritime elements required to improve the operation of freight corridors? Could there be some federal intermodal funding to help bridge gaps between the existing programs? One participant suggested having a “desk officer” in U.S. DOT for each multi-state corridor—someone to expedite high priority projects. Others suggested:

- The need for corridor plans to be performance-based
- The need for data-driven investment priorities rather than legislatively-driven priorities

A participant with long and deep experience in the natural resources field remarked how much more the transportation decisions seem to be driven by funding arrangements, and how much less they seem to be driven by scientific analysis. Others asked: How should private sector planning and decision-making—by railroads, truckers, and others—fit into public planning and decision-making at the multi-state level? Another participant suggested: We may need to start with funding structures focused on multi-state corridors, and with greater federal leadership in using these funds. And we may need strong political leadership to go beyond parochial interests.

Some participants showed interest in business corporations and foundations for their special capabilities in implementing projects for which funding is available. Public special districts and authorities also possess this capability as well as the added capability to make public policy. These organizations were noted for their ability to focus funding and action on a limited geographic area where the project boundaries and benefits coincide, so funding responsibilities can be clear.

One federally chartered foundation had unique authority to accept and leverage funding from multiple federal agencies, congressional appropriations, and private foundations to find solutions to natural resources problems that none of the individual project-originating organizations would have been capable of achieving by themselves.

Considering Hybrid Institutions

Looking across these planning, financing, and implementation issues, it seemed clear to many participants that hybrid institutions tailored to meeting the needs of unique situations might make the most sense in many situations. They cited several cases to illustrate the point:

- When it was decided to build a heavy-rail rapid transit system in the Washington, DC metropolitan area, it was clear that no existing organization had the capabilities and legitimacy to do the job. However, it was equally clear that the preferred organization for this multi-state job would be an interstate compact organization, and that it would take several years to develop the necessary political agreements to set it up. Rather than wait, the Administration and Congress set up a temporary federal agency in the 1960s to design the system and begin construction. When the interstate compact organization, the Washington Metropolitan Area Transit Authority, was ready, it took over the ongoing construction and took on permanent responsibility for operating and maintaining the system (including an area-wide public bus system that consolidated and replaced several private bus companies). Because most of the funding for construction came from transfers of 90:10 federal Interstate Highway trust funds, continued financing for operation and maintenance was not built into the Compact

adequately at the beginning. That omission is now being rectified as the aging system is facing heavy financial demands related to refurbishing its facilities and equipment and expanding service some thirty years after the original portions of the system opened.

- Another major multi-state transportation project in the Washington Metropolitan Area—replacement of the very heavily used Woodrow Wilson Bridge over the Potomac River—followed a different path. The bridge is located in DC, Maryland, and Virginia, and is a key link in the Maine-to-Florida I-95 corridor. The bridge’s daily usage was far over capacity and the structure was in imminent danger of collapse. The project to replace it was begun cooperatively by the three state DOTs and the multi-state MPO. Although good progress was made on the technical planning issues, funding and implementation decisions bogged down. Ultimately, FHWA headquarters, several local members of Congress, and the Congress itself had to be involved to break the impasse. Then, the process reverted to the normal state DOT and MPO process for construction and operation.
- The Appalachian Regional Commission was established in 1965 by a specific Act of Congress. It is a joint federal-state institution governed by the governors of 13 states and a federal co-chair, and is housed within the U.S. Department of Commerce. Although its primary purpose is economic development of a very large underdeveloped mountainous region of the nation, its largest program is the Appalachian Development Highway System—which is now nearly complete.
- The contrast between the institutional histories of Amtrak and Conrail is also instructive. Amtrak is a federally-owned corporation that took over passenger train responsibilities from the private railroad companies that were experiencing severe financial losses from their passenger train operations. It is a permanent operating company devoted to delivering service and upgrading the system’s facilities and equipment. The Conrail case, on the other hand, involved a much more complex series of institutions over a period of about 30 years. It began with bankruptcies of the private railroads in the Northeast U.S. To meet this emergency, which could have shut down freight service as well as passenger service, Congress established a quasi-public corporation—the United States Railway Association—to devise a solution to the problem in very short order. The solution settled on was to establish Conrail as a government-owned corporation to receive the assets of all the bankrupt railroads, rework them into a single viable freight railroad, and nurse it back to profitability. Following deregulation of the freight railroad industry, Conrail created an efficient and commercially valuable new railroad that was privatized in the largest IPO in US history. The US government recovered its investment in Conrail from that IPO. After several more years, Conrail was split and sold to two private railroads at a significant profit to its shareholders.

- As the Territory of Alaska was developing, it needed a railroad. However, it did not have the means to build one and business was not sufficient to support a private railroad. So the U.S. Army Corps of Engineers was commissioned to build the railroad. Operation and maintenance was turned over to the Department of the Interior and then to the Department of Transportation, which, after 28 years, sold it to the State of Alaska. Alaska established a state-owned corporation to run it.

These cases illustrated how different situations generate different institutional solutions, and how those solutions changed over time. They also demonstrated that how the purpose of the institution is defined makes a lot of difference to the form of the institution tapped to meet the need, and showed that the ability to be nimble and responsive to the situation is a significant factor in determining the institution's success.

CONCLUSION

Before ending the day, meeting facilitator Frank Blechman posed the following two questions and provided an opportunity for every participant to be heard on them:

- What needs to be done next about this topic?
- Did you hear anything new today?

Highlights of the participants' concluding comments follow.

With respect to what needs to be done next, the key thoughts expressed were:

- Several participants belonged to organizations that had developed proposals for inclusion in the pending Surface Transportation reauthorization legislation. As expected, they were committed to working to get their positions reflected in the new legislation. They were all very concerned about finding a new sustainable financial foundation for the program. Other themes differed among the participants.
- Among the other comments made by individuals were:
 - More money is needed to support collaboration across political boundaries to "induce collaboration"
 - More planning should be done at a mega-region scale
 - Freight planning should be elevated to a larger scale than individual states (because most states are too small to encompass freight flows)
 - The powers and roles of Corridor Coalitions and how they should be designated and incorporated as more formal players need to be defined
 - Greater capacity to support freight analysis and planning should be built
 - More emphasis should be placed on mitigating environmental impacts and achieving positive environmental outcomes
 - Transportation decision-making should be moving more toward being based on performance measures and evidence and less on political prerogatives

- U.S. DOT should be given a stronger leadership role, including a role for port and inland waterway planning within DOT
- An office of intermodalism should be rebuilt within DOT

With respect to new insights heard today, the following were mentioned:

- “Induced collaboration” struck some as a new concept or a unique phrasing of an essential practice.
- The amount of consensus about what should be included in reauthorization seems to be greater this year than in previous reauthorizations. Partly this may be because of the two formal national commissions established by SAFETEA-LU to study the matter. These two official studies spawned several other studies by groups that felt impelled to contribute their own studies to the mix of advice prepared for Congress.
- The extent of the consensus that U.S. DOT should provide greater leadership was surprising to some, since this would reverse a generation-long trend in the other direction. It led to a warning to be careful about how this shift is referred to so it will not cause an unnecessary backlash against big government.
- On financial matters, there was a warning to expect some push back on federal spending in reaction to the stimulus package and other big-ticket spending bills being enacted in this Congress. The current surge in spending may create an unfavorable climate for transportation reauthorization. Couching transportation funding in “private style” terms, rather than in traditional public finance terms, may be wise.
- Although the case for urgent attention to freight corridor improvements is very strong, that message is not getting through. This case needs to be made more compellingly.

The meeting concluded with expressions of thanks to the participants by FHWA representatives.

APPENDIX A: MEETING AGENDA

FHWA “Round Table” on Institutions for Improving Freight Movement in Interstate Corridors

Hall of States, Room 231
Washington, DC

June 18, 2009

Agenda

- 8:30 a.m. Registration and Continental Breakfast
- 9:00 a.m. Welcoming Remarks
- 9:15 a.m. Facilitator’s Introduction
- 9:30 a.m. Eight Options:
What are the choices that have been tried in the past?
- 10:00 a.m. Urgency:
Why is it important to look at new institutional structures to support freight movement and investment?
- 10:30 a.m. Break
- 10:45 a.m. Success Stories
- 12:00 p.m. Lunch (provided)
- 12:45 p.m. Moving Forward:
Which options should get top attention?
- 2:15 p.m. Break
- 2:30 p.m. Moving Forward (continued)
- 3:15 p.m. Conclusions
- 3:50 p.m. FHWA Summary
- 4:00 p.m. Adjourn

APPENDIX B: ATTENDEES

Steve Ditmeyer, Principal, Transportation Technology and Economics and Adjunct Professor, Michigan State University

Steven Gayle, Binghamton Metropolitan Transportation Study, New York

Genevieve Giuliano, Professor-Senior Associate Dean for Research and Technology, University of Southern California

John Horsley, Executive Director, American Association of State Highway and Transportation Officials

Douglas Kenney, Natural Resources Law Center, University of Colorado Law School

Ronald F. Kirby, Director, Department of Transportation Planning, Metropolitan Washington Council of Governments

Jason Myers, Department of Planning and Landscape Architecture, Clemson University

Neil Pedersen, Administrator, Maryland State Highway Administration

Marty Robins, Senior Fellow, Voorhees Transportation Center, Rutgers University

Joshua Schank, Bipartisan Policy Center, Washington, DC

George Schoener, Executive Director, I-95 Corridor Coalition

Mike Slattery, Director, Eastern Policy Office, National Fish and Wildlife Foundation

Thomas H. Stanton, attorney, consultant and fellow of the Center for Study of American Government at Johns Hopkins University

Thomas Till, Transportation Strategies

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- Tony Furst
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- Frank Blechman, Facilitator
- Bruce D. McDowell, President, Intergovernmental Management Associates
- Marygrace Parker, I-95 Corridor Coalition
- Patty Reich, I-95 Corridor Coalition

APPENDIX C: POWERPOINT PRESENTATION

INSITUTIONAL OPTIONS for IMPROVING MULTI-STATE TRANSPORTATION

Summary of Options
Dr. Bruce D. McDowell, FAICP

Presented to
Roundtable of National Experts
Washington, DC
Thursday, June 18, 2009

MAIN PURPOSE OF THE PAPER

Assist in building INSTITUTIONS capable of
improving MULTI-STATE TRANSPORTATION
CORRIDOR PERFORMANCE

WHAT THE PAPER OFFERS

Identification of 7 key capabilities needed to improve performance in multi-state Transportation Corridors

A survey of cross-border institutions

- 8 types of institutional options examined
- Nearly 80 illustrative examples, summarized (transportation and non-transportation)

Considerations for deciding which institutional options might be most helpful in any given multi-state Transportation Corridor

No recommendations

KEY CAPABILITIES

7

Multi-State Scope

6

Multi-Modal Scope

5

Strategic Planning & Goal Setting—Public Policy

4

System Management to Achieve Improved Outcomes

3

Implementation of Projects & Operational Improvements

2

Strong & Reliable Financing

1

Ease of Establishment

INSTITUTIONAL OPTIONS (AND EXAMPLES) EXAMINED

Interstate Compact

- Port Authority of NY & NJ
- Wash. DC Metro
- Midwest Interstate Passenger Rail Commission

Joint Services Agreement

- Alameda Corridor Authority

Special District or Authority

- California High-Speed Rail Authority

Voluntary Coalitions

- Transportation Corridor Coalitions
- MPOs

Non-Profit Corporations

- Fed Chartered:
- TRB
 - National Fish & Wildlife Foundation
- Privately Chartered:
- Intelligent Transportation Society of America
 - North American Electrical Reliability Corporation

Commercial Companies

- Railroads
- Truckers
- Barge Operators
- Shipping & Delivery Companies

Federal Corporations

- Conrail
- Amtrak
- St. Lawrence Seaway

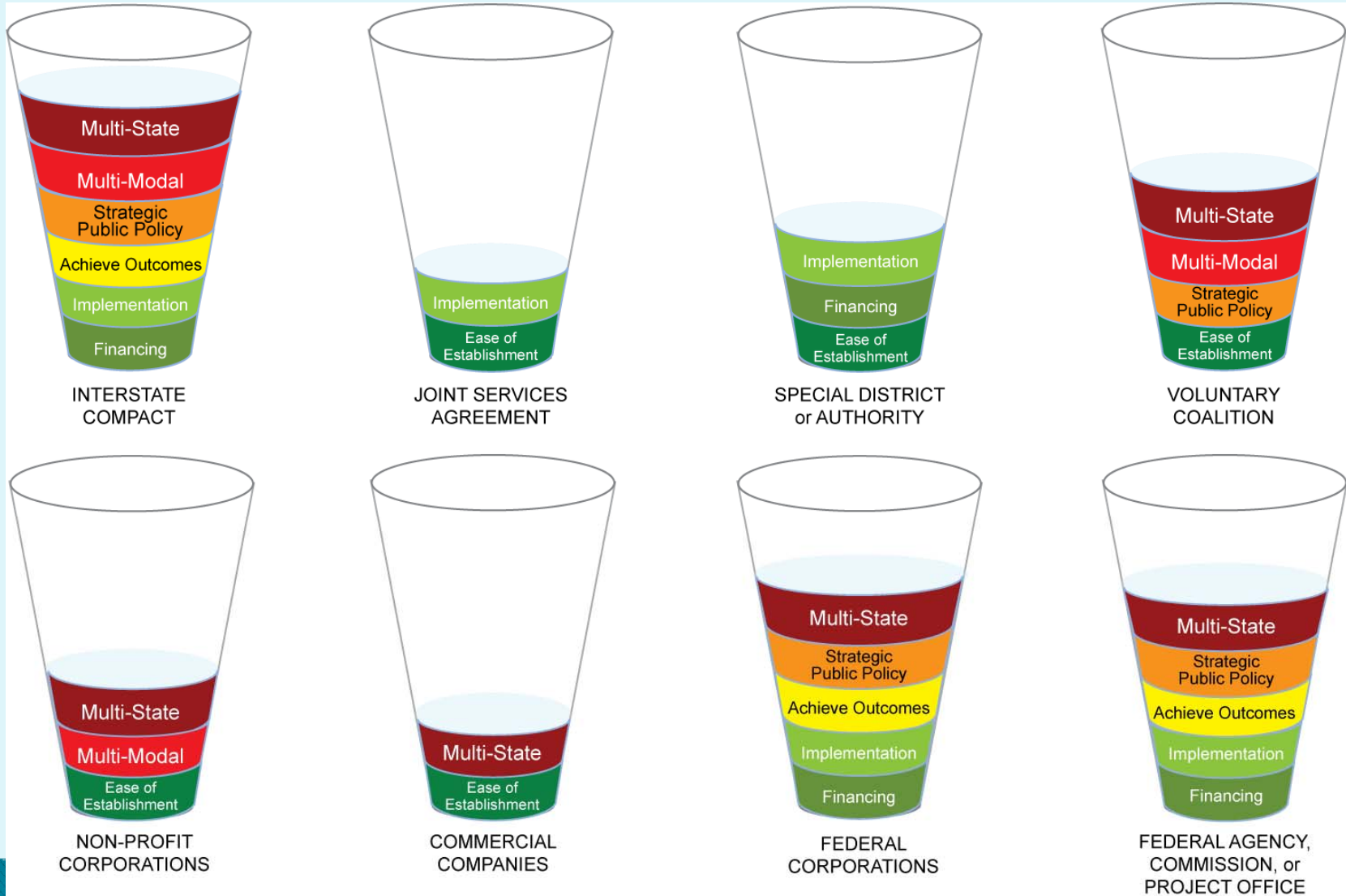
Federal Agency; Commission, or Project Office

- FHWA Office of Freight
- FRA
- Office of High-Speed Ground Transportation
- U.S. Army Corps of Engineers (waterways & ports)
- Appalachian Regional Commission

No single institution may possess all the capabilities needed

But each may have an important contribution to make

COMPARING CAPABILITIES OF INSTITUTIONAL OPTIONS TO IMPROVE MULTI-STATE TRANSPORTATION CORRIDOR PERFORMANCE



LEGEND

 Multi-State Scope	 Strategic Planning & Goal Setting ---Public Policy	 Project & Operational Implementation	 Ease of Establishment & Modification
 Multi-Modal Scope	 System Management ---to Achieve Improved Outcomes	 Strong & Reliable Financing	

THE TASK AHEAD

Select the most appropriate “glasses” for meeting the corridor’s needs

Fill each glass selected as full of capabilities as you can

KEY CONSIDERATIONS FOR SELECTING APPROPRIATE INSTITUTIONAL OPTIONS

- ▶ “Form follows function” (be clear about which institutional CAPABILITIES are needed)
- ▶ No single institution may have all the capabilities needed
- ▶ Look to existing organizations first to find and utilize needed capabilities
- ▶ Tailor MULTI-STATE TRANSPORTATION INSTITUTIONS to their time and place
- ▶ The most important capability sought is “boundary crossing”

Based on your experience:

Which institutional options do you believe offer the greatest potential for improving the performance of multi-state Transportation Corridors?

Institutional Options to Strengthen Multi-state Transportation Corridor Performance

Types of Institution	Examples	When Appropriate		Factors for Evaluating Suitability			
		Lead	Situation	Formation & Modification (Degree of Difficulty)	Governance (Inclusiveness/flexibility)	Financing (Size & reliability)	Public Purpose/ Performance/Powers/ Authority (strength & scope)
1. Interstate Compact	Port Auth. of NY & NJ Delaware River Basin WAMATA Midwest Interstate Pass.Rail Commission	State	Well recognized permanent function of govt.	Difficult politically Time consuming Not easily Modified Requires consensus	State oriented Always interstate	Potentially strong Depends on political consensus when created	Real Power (potentially Probably limited to narrow functions May be viewed as loss of state power
2. Joint Services Agreement	Interstate waste- water treatment at Blue Plains	Local	Economy of scale Voluntary Coord. May not be used	Relatively easy Flexible State laws determine	Contractual agreement Joint Services org. Seldom interstate	Regular public funds pooled by agreement Uncertain/uneven	Powers previously established by law Uncertain/uneven
3. Special District or Authority	Airport & Port Auth. Highway Dist. CA High-Speed Rail Authority	State or Local	Vital function of govt. Service area diff. than local govt.	Fairly easy where political consensus exists Some states regulate formation	Usually narrow functions Seldom interstate	Strong	Strong, but narrow Can be effective bldg.block
4. Voluntary Coalition	Transp. Corridor Coalitions MPO's	Innovators & Fed. incentives	New or uncertain function Large # diverse partners Intergovernmental & public/private	Easy to start May not have full participation May not last	Flexible/potentially inclusive Easily interstate	Usually must beg for \$ Potentially very weak Depends on strong consensus-bldg. skills	Flexible but weak Not dependable Depends on strong consensus-bld. skills
5. Non-Profit Corps. & Foundations	Fed. Chartered TRB, NFWF, NIBS Privately Chartered, ITSA, NAERC, foundations	Special interests	Helpful in many situations	Very Easy Very flexible	Not necessarily inclusive: not representational Easily interstate	Potentially strong Privately decided Dependent on others and on market fluxuations	Self-defined purposes; not publicly or govtly. defined Can be guided by govt. contracts
6. Commercial Companies	Railroads Trucking Cos. Barge Cos. Other shipping & delivery companies	Private	Private market is strong and aligned with public purposes	Contract negotiations Relatively quick & easy	Private decision making Govt. can regulate & contract with Easily interstate	As strong as the market Can grow with the market (big is better) Weak or absent in weak markets, unless subsidized	Strong performers in strong markets Keep up w/ market demand Growth oriented
7. Federal Corporations	TVA Conrail U.S. Railway Assoc. Amtrak St. Lawrence Seaway Authority	Federal	Relatively rare Unique Circumstances	Can be shaped as desired Potentially quick to establish May be viewed as loss of state power	Congress determines May subsidize, or not May be public-private May be backed by federal guarantees Easily interstate	Federally specified; at least in part Market based Opportunity for Congress to adjust support	Strong Wide variation in powers & authority Criticized as "big govt."
8. Federal Govt. Agency, Commission or Project Office	ICC/STB Corps. Of Engineers Appalachian Reg. Commission EPA CBPO Bonneville Power Administration	Federal	Generally requires a crisis Project office is relatively easy; may require only a new appropriation	Congressional discretion for major new ones & for major re-org. Project office may only require administrative discretion May be viewed as loss of state power	Federal only, in general Commission form can bring diversity to governance FACA can provide stakeholder advice (not governance) Can be linked to a diverse non- federal decision-making body Easily interstate	Potentially strong Designated revenue stream (Trust Funds) Federal appropriation not reliable any more Criticized as "big govt."	Potentially powerful & effective <ul style="list-style-type: none"> • Directly • Indirectly thru grants and/or regulations Can be linked to a judicial decision process

Green=Suitable

Yellow=Uncertain

Red=Problematic

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