

Transportation Committee's 2011 Recommendations

Background

The charge of the Oakland County Business Roundtable Transportation Committee is to look at transportation issues and identify actions Oakland County can undertake to resolve or mitigate them. For the last few years, the Committee has focused on developing a long-range, comprehensive strategy to increase funding to address road congestion needs in Oakland County. However, economic times have changed, and now funding for road maintenance and operations has become an increasing issue. The Committee also understands roads represent one component of a fully functioning transportation system, and that resources must be directed to multiple transportation options, thereby making a positive contribution to long term economic viability and job creation in Oakland County.

Funding to Address Road Maintenance

Road funding is declining because the state-collected gas tax and vehicle-registration fees - the two main sources of road funding in Michigan - are generating less revenue each year. This reduced funding is causing reduced road maintenance, including safety-sensitive winter maintenance. In addition, the impact of alternative fuel usage along with increased vehicle fuel efficiency further challenge traditional transportation funding sources by reducing the amount of fuel used, and thus fuel taxes paid. This situation is expected to be exacerbated by the recent changes to the federal Corporate Average Fuel Economy (CAFE) standards

Funding to Address Road Congestion (Businesses for Better Transportation)

The Committee has continued working toward generating additional funding dedicated to reducing traffic congestion through its involvement in an effort known as Businesses for Better Transportation (BBT). The BBT effort, which includes groups from across the state, grew out of the Transportation Committee's desire to create additional funding sources for the more than \$1.5 billion in unmet congestion-reduction needs on Oakland County roads. In 2011, the Transportation Committee, through its representation in the BBT, continued to push the BBT proposal to create local-option transportation funding tools in Michigan. The group continues to work with legislators and others to gain support for the local-option effort in the hopes that the local-option enabling legislation will be introduced. In 2010, the BBT was successful in working with the Michigan legislature when it adopted the Private Investment Infrastructure Funding (PIIF) legislation that the BBT worked with state legislators to introduce. The PIIF provides an additional potential transportation funding source to assist communities and the state in dealing with our transportation funding shortfalls.

Recommendation

Oakland County Executive L. Brooks Patterson should call upon the state legislators representing Oakland County and the Governor to take action to increase Michigan's road funding and to support the BBT efforts and related legislation.

Key Next Steps for the Businesses for Better Transportation:

1. Collaborate with the Michigan Transportation Team to keep abreast of transportation issues in the State of Michigan and to advocate on behalf of increased road funding
2. Pursue the introduction of the BBT enabling legislation in the Michigan Legislature
3. Attempt to ensure that the BBT proposal is a part of any transportation funding solution for Michigan
4. Encourage communities to use the newly adopted PIIF by showing how this legislative tool can assist in the overall funding of a transportation project.

Other Recommendations

In addition to the above, the Transportation Committee has pursued six additional topics this year. The following are the other recommendations the Committee respectfully submits to County Executive L. Brooks Patterson.

New International Trade Crossing

Since Canada is Michigan's largest trade partner and shared over \$62 billion in two-way trade in 2010, providing good access is of paramount importance. Given that the existing Ambassador Bridge is over 80 years old with no direct freeway connection on the Canadian side, a new bridge crossing should be pursued.

Recommendation

Oakland County Executive L. Brooks Patterson should call upon the state legislators representing Oakland County to support the New International Trade Crossing.

Oakland County Transit Plan including Funding for Development and Maintenance

A properly prepared Transit Plan is a cornerstone for continued prosperity for Oakland County. L. Brooks Patterson has supported the Regional Transit Authority (RTA) along with other regional leaders, and it is important for the RTA to move forward as well as an Oakland County Transit Plan.

It has been shown that well planned Transit Plans benefit the communities and regions where they have been constructed. From Charlotte, North Carolina to Portland, Oregon the return on investment has been documented anywhere from 4:1 up to an 8:1 return. Transit has provided good job opportunities, economic development, and more importantly the life style for which young professionals are looking.

A Transit Plan needs money and strong leadership to become a reality. The top 25 municipalities in the United States, on average, spent \$185/capita/year. Currently Southeast Michigan spends \$75/capita/year. In order for a Transit Plan to become a reality in this region, a well thought out funding mechanism will have to be agreed upon.

Recommendations

- **Support the RTA** - Continue to support the Regional Transit Authority (RTA) that promotes regional multi-modal transit.
- **Develop a governance structure** - Through the RTA, develop a governance structure and a funding plan that can be supported region wide. Possible funding sources include: Increased transit millage, Local Options Sales Tax, Issuing Bonds, Private Public Partnership, and PIIF.
- **Develop a county transit plan** - Oakland County should develop, in cooperation with SMART, a transit plan that supplements/complements the RTA. This would include transit oriented development that supports higher density mixed-use around transit facilities and corridors. Communities along these corridors will need to be involved to determine where land use can be changed.
- **Support the Woodward Corridor** - Support a Rapid Transit Plan for the Woodward Corridor that would extend through Oakland County. The development of the Woodward Corridor Transit Plan should be done in stages as described in the Regional Transit Plan.
- **Support the Troy Transit Center** - Support the newly revised Troy Transit Center that will demonstrate the benefits of a Multi-Modal Transit Center on transit oriented development and return on investment.

Shared Services

In these tough economic times, it is even more important for government entities in Oakland County to stretch each tax dollar as far as possible. An important way to do this is to share services. There are many entities in the County that are sharing services to some degree, but not all participate in all phases. Under changes to statutory revenue sharing, communities will have to prepare a plan to share services. This is an area where the County can help position communities to comply with new state requirements. Michigan has a Shared Services Initiative

that is administered locally by Oakland Schools and SEMCOG; both organizations are represented on the Shared Services Subcommittee.

Recommendations

- **Host a Shared Services Summit** - By Oakland County, Oakland Schools, and SEMCOG to bring all parties together and give them a chance to see what their neighbors can provide and likewise, what services they could provide to others, with a focus on transportation related services. Invitees would include mayors, supervisors, and other local officials; school district and college administrators; Road Commission for Oakland County; SMART; DPW personnel; Purchasing staff; and others who influence sourcing decisions.
- **Convene a Summit Planning Committee** - Consisting of representatives from Oakland Schools, the Road Commission for Oakland County, SEMCOG, SMART, Oakland County, and some potential invitees. This committee can define the scope of the summit, determine sessions and speakers (including successful examples of existing collaboration efforts), identify the invitees, location, and other logistics. The desired outcome would be for participants to come away from the summit understanding what services are currently being shared, explore ways to increase sharing, and commit to implement collaboration with the goal of improving service delivery and the efficient use of tax dollars.
- **Program and conduct follow up activities** - After the summit have follow up actions to monitor the progress being made and provide resources for continuing efforts.

Mileage Based User Fees

With the advent of alternative energy vehicles (DTE projects one million electric cars by 2020) and highly efficient high mileage automobiles (Federal CAFÉ standards mandate 54.5 miles per gallon average by 2025); the current system on fuel consumption based fees is not fair. Mileage Based User Fees (MBUF) bring not only fairness but also help in reducing traffic congestion and potentially provide insurance cost savings. A national system can diminish concerns of inter-state driving and also help control vehicle emissions. The 2010 MBUF committee recommendations included positioning Oakland County as a leader in this issue and in the development of the technologies associated with it. The committee advances the following initiatives:

- Help secure federal funding for a major Michigan-based study/test of MBUF technology for implementation in new and used vehicles; and
- Work to position the county as a location for MBUF testing, “alpha” (first stage) research, development and related equipment manufacturing.

Such an effort would be consistent with the job-creating goals of existing Oakland County programs such as Automation Alley and the Emerging Sectors initiative and could also serve as the catalyst for a new growth industry in the county, region, and state.

The committee developed dialogue with Michigan Department of Transportation who indicated their support for the County leading the MBUF testing. If the Michigan Department of Transportation is directed to undertake a study of MBUF application in Michigan, Oakland County should offer to participate in the study and serve as a primary location for MBUF research, demonstration and implementation. The testing could be through volunteer drivers equipped with the smart phones that can provide information on the mileage driven; similar to studies in Oregon, Iowa, Nevada, Texas, and Minnesota; or would also be through technological innovations. The study and research can be technology based. As the world's leading automotive center, automatic remote mileage reporting systems can be integrated within the cars of the future.

One of the ways that MBUF might be implemented is through integration of technology within vehicles with technology within the road infrastructure. Michigan is a leader in the field focusing on this integration, known as IntelliDriveSM (formerly known as vehicle-infrastructure integration or VII). Several advance electronic vendors can be induced to participate in the testing. Existing vendors such as OnStar and e-Plate are the likely interested parties. US DOT test bed for IntelliDrive along Telegraph Road in Southfield could be enhanced to add MBUF testing.

Oakland University School of Engineering has indicated their interest in applying for National Science Foundation (NSF) and Transportation Research Board (TRB) grants to test various technologies. Michigan Economic Development Corporation (MEDC) has indicated their financial support for such efforts.

The pilot studies should include human behavior such as reduced fees and insurance costs if driving on County roads only. The citizen concerns on privacy issues as well as potential benefits due to the ease of obtaining medical records in emergencies should also be studied.

Recommendations

- **Plan an MBUF Summit** - the County should plan a MBUF summit inviting all the stake holders (DTE, OnStar, e-Plate, MDOT, RCOC, MEDC, Automation Alley, Oakland University) to generate high level interest.
- **Develop MBUF research opportunities** – work with Oakland University in seeking grants.
- **Facilitate public private collaboration** through Automation Alley and auto companies and electronic suppliers.

- **Work with an Automation Alley subgroup** to develop the alpha site.

Alternative-Fuel Infrastructure

The Alternative-Fuel Infrastructure subcommittee started its 2011 work by compiling a list of the alternative energy options. The list was divided into two sections – technologies available by the end of 2012 and technologies available in 2013 and beyond. On the first list are E85 Flex Fuel vehicles, electric vehicles, hybrid vehicles, propane vehicles, and compressed natural gas vehicles. The second list has hydrogen fuel cell vehicles.

The subcommittee evaluated technologies on the first list with a focus on the following implementation opportunities:

- Infrastructure to support the above vehicle technologies like electric vehicle charging stations
- Procurement of alternative energy vehicles
- Research and education in the alternative energy areas

Recommendations

- **Consider Propane Fueled Vehicles** - For future purchases of school buses, police cars, and other fleet vehicles, consider vehicles that operate on either propane only or propane and gasoline. For less than 10 percent additional vehicle cost, the fuel cost can be reduced by approximately 50 percent. Icom in New Hudson, Michigan offers the associated hardware to convert vehicles to operate on propane.
- **Promote the installation of Electric Vehicle Charging Stations** – Provide training to local communities on the importance of providing EV charging stations in downtowns, employment centers, and other appropriate locations. PEP Stations is one private sector company that offers electric vehicle charging stations. In fall 2011, the County co-sponsored a training program to help prepare communities for electric drive vehicles; 100 professional planners, local officials, and business representatives attended the workshop.
- **Explore funding opportunities for Alternative Energy Investments** – The State of Michigan has Qualified Energy Conservation Bonds (QECBs) in the amount of \$12.4M available for Oakland County. The two items above are believed to be technologies which qualify. Another funding option is PACE legislation that allows the County to issue revenue bonds for installation, and the cost can be allocated to the property tax bill for ten years. Federal programs also are available and should be researched to determine the limitations and opportunities.

- **Conduct evaluations of alternative energy options** – Consider utilizing NextEnergy to conduct detailed evaluations of the above and other alternative energy options.
- **Become a Vehicle Test site in Conjunction with MDOT** – MDOT has programs in the areas of intelligent highways and hydraulic hybrid vehicles and needs test sites. Oakland County could act as a test site and gain credibility, which could lead to additional activities starting in the County.

Oakland County Troy Airport

Oakland/Troy Airport is the County's 'executive' airport. Business travelers and tourists using private, corporate, and charter aircraft benefit from the airport's convenient proximity to business, recreation, and entertainment facilities. This airport is classified as a general utility airport under Michigan's system, and categorized as a B-1, Small Aircraft facility under the Federal Aviation Administration's rating system. It is strategically situated in the middle of the busiest commercial/industrial area of Southeast Michigan next to the new Troy multi-modal transit center.

With over 30,000 passengers and pilots using the facility annually and more than 120 based aircraft, it has a \$20 million annual economic impact. Like all three Oakland County airports, it operates on own revenues. It is among the busiest of the 216 non-towered airports in Michigan, with transient traffic up 15% for 2010.

Recommendation

The Master Plan for the Oakland/Troy Airport should be updated to develop and maintain this airport to its maximum potential under its existing ratings in order to continue to provide a safe and convenient facility for the traveling public, and a valuable resource and economic tool for the adjacent communities, Oakland County and the Southeast Michigan region as a whole.