



# Transportation Friday

An electronic newsletter concerning regional transportation issues

Friday, October 15<sup>th</sup>, 2021

Volume 40, Number 3

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No new *Funding Opportunities* this week. The shipping crisis is taking over *In The News*, but the Port of Mobile is growing (*so are gas prices*). In *Legislative Updates*, time is running out on what to do about the Infrastructure Bill. This week's *Just For Fun* is the lonely story of a rain drop.

Have a great weekend!

Check out [ALGO Traffic](#) before you travel!

[www.mobilempo.org](http://www.mobilempo.org)



Check us out on FACEBOOK; SARPC Transportation Video, this is what we do [HERE](#)

Want to know what other SARPC departments do?

- [Planning and Community Development](#)
- [Area Agency on Aging](#)
- [Employment and Economic Development](#)

Anthony Johnson, Monica Williamson, Tom Piper, and Kevin Harrison, PTP

## Mobile MPO Updates

### Update on Phase One of the I-10 Mobile River Bridge and Bayway Project

Recently, ALDOT presented to the Mobile MPO and the Eastern Shore MPO an update on Phase One of the I-10 Mobile River Bridge and Bayway Project at Five Rivers Resource Center in Spanish Fort. This meeting was the second of many updates that ALDOT will provide to both MPOs.

When the Mobile MPO and Eastern Shore MPO both met separately on June 2<sup>nd</sup>, 2021, both MPOs amended each Long Range Transportation Plan (LRTP) and Transportation Improvement Program (TIP) to include Phase One of the I-10 Mobile River Bridge and Bayway Project. Both MPOs passed the amendments unanimously. Both the Mobile and Eastern Shore LRTPs included funding for Phase One to be a toll on heavy trucks, with the potential for voluntary vehicular tolls. All legacy routes would remain free.

It was recognized by the Mobile MPO and ESMPO Chairman, that there needed to be more communication between the two MPOs concerning this project, and more transparency from all those involved. The next meeting will likely be in November or early December.

South Alabama Regional Planning Commission has created a web site that will house the Joint MPO updates from ALDOT on the I-10 Mobile River Bridge and Bayway Project [HERE](#)

### Mobile Area Major Road Plan

The Plan is for better integration and connectivity of land use and transportation planning, to ensure existing and future on-system corridors are managed and/or preserved as part of the long-range comprehensive planning efforts and as development occurs. A complete Major Road Plan to include regulatory components, current practices, case studies, and guidance for Mobile County and Municipalities within Mobile County. The Plan will include methods and tools for acquiring and preserving right-of-way in the context of expediting the environmental clearance process and review how corridors are prioritized, designated, and adopted for management or preservation. This will require coordination with all planning jurisdictions in Mobile County.

### Phase One of the I-10 Mobile River Bridge and Bayway project are added to LRTP and TIP

On September 1<sup>st</sup>, 2021, a letter was submitted to ALDOT from both the Eastern Shore MPO and the Mobile MPO, requesting that ALDOT investigate the possibilities of building the project in less than the three phases.

ALDOT has agreed to provide formal updates to both MPO's every two months. The first Update was held July 27<sup>th</sup>, 2021 at Five Rivers, and the second update was on September 20<sup>th</sup>, at Five Rivers at 2:00PM in the Theater. The slide presentation can be found [HERE](#). The Mobile MPO will house all of the slide presentations from these ALDOT Updates at [www.mobilempo.org](http://www.mobilempo.org).

The next step is that ALDOT will authorize the Preliminary Engineering (PE) that was approved as part of the project, and begin a Toll and Revenue Study to further hone in on potential tolling revenues. These tolling revenues will not be from just trucks, but voluntary vehicles willing to pay the toll as well; all legacy routes will remain free.

Moving forward, at a minimum, we have a way to build a bridge. The federal government, federal legislature, and new administration are currently developing numerous bills that potentially may help us move past this "at a minimum" scenario.

[HERE](#) is the Amendment with update Section 1.7 that summarizes the public comments.

[HERE](#) is APPENDIX A with all of the comments we received prior to deadline

[HERE](#) is a National Geographic article on Africatown that was presented as information.

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## 100 % Funding for Resurfacing of Local Roads Through the Mobile MPO with CRRSAA

**LINK TO MAP [HERE](#)**

In accordance with the Highway Infrastructure Program Funds Pursuant to the Coronavirus Response and Relief Supplemental Appropriations Act, 2021 (CRRSAA) dated January 15, 2021 from the Federal Highway Administration, the Mobile Transportation Management Area (TMA) through the Mobile Metropolitan Planning Organization (MPO) is apportioned \$3,193,942 (FY 2021). In consultation with the State of Alabama, it is the intention of the Mobile MPO to use the Mobile TMA apportioned CRRSAA funding (\$3,193,942) for a one time resurfacing program. This funding can be 100% federal funding with no matching requirements; this presents a rare opportunity for the Mobile MPO.

The cities of Creola, Satsuma, Saraland, Chickasaw, Prichard, Semmes and Bayou la Batre have provided a prioritized list of roads that need to be resurfaced within their jurisdiction. The PE projects (design projects) were sent to FHWA for fund authorization.

Neel Shafer received the Notice To Proceed earlier this week on the following seven Projects listed below:

CRSAMB-4921(251)	<b>\$27,420.00</b>
CRSAMB-4921(252)	<b>\$32,285.00</b>
CRSAMB-4921(253)	<b>\$31,456.00</b>
CRSAMB-4921(254)	<b>\$65,000.00</b>
CRSAMB-4921(255)	<b>\$53,492.00</b>
CRSAMB-4921(256)	<b>\$31,124.00</b>
CRSAMB-4921(257)	<b>\$37,828.00</b>

Soon, the cities will begin to see activities in terms of some survey work, geotechnical work, etc.. on the streets proposed for resurfacing. Also, Neel Shafer will soon begin the process of reaching out and working with the cities to provide the necessary documents required for the federal funds to be spent. This include documents such as the ROW certification, encroachment notices, etc...

As of now, due to the scope of these projects, the proposed letting date is sometime late spring/early summer in 2022, assuming no issues with the city certifications, etc.

Please call Kevin Harrison 706-4635 if there are any questions.

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## **[FY 2020-2023 TRANSPORTATION IMPROVEMENT PROGRAM \(TIP\) NOW ONLINE](#)**

The TIP represents a four year program (2020-2023) for improvements in the various transportation systems located within the Mobile study area as identified in the Mobile MPO's Long Range Transportation Plan (LRTP), the twenty-five year plan for the Mobile Urban area. The LRTP establishes the transportation programs that are needed to meet travel demand by the study year and study area. LRTP projects that become funded are moved into the TIP and submitted to the Alabama Department of Transportation (ALDOT), where they are programmed into the State Transportation Improvement Program (STIP). For MPO projects, TIP project selection is based on priorities established by MPO member governments and the availability of funds through the Surface Transportation Attributable program. For other projects, ALDOT has discretion of project funding based on availability of funds from various types of funding categories. Most often, projects in the TIP are derived from the LRTP. The TIP guides ALDOT in its annual allocation of funds for transportation improvements and becomes a part of the STIP.

ArcGIS Online is now being utilized by MPO staff to map all federally funded surface transportation projects within our area. Check it out [HERE](#).

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## **Recent Scheduling Changes This Week for Mobile MPO**

Project : 100073277 ( FM )  
Federal aid number : NH 0013 (623)  
County : MOBILE  
Project Description : RESURFACING ON SR-13 (US-43) FROM JARVIS ROAD TO SHORT STREET  
Old Engineers Estimate : \$1,006,945.00  
New Engineers Estimate : \$703,009.58

Project : 100073277 ( FM )  
Federal aid number : NH 0013 (623)  
County : MOBILE  
Project Description : RESURFACING ON SR-13 (US-43) FROM JARVIS ROAD TO SHORT STREET  
Old Engineers Estimate : \$666,945.00  
New Engineers Estimate : \$1,006,945.16

## **South Alabama RPO Updates**

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The South Alabama Regional Planning Commission (SARPC) met last week using the GoToMeeting app.

One item on the [agenda](#) was to amend the [Fiscal Year 2021 Work Program](#) to include assisting ALDOT by facilitating the public involvement process for ALDOT's draft Public Involvement Plan for Statewide Transportation Planning.

The purpose of the plan is to implement effective ways for ALDOT to gather information from the public about their transportation needs. The plan is available on ALDOT's website. All comments must be received on or before October 4, 2021.

ALDOT's Draft PIP is posted here:

<https://www.dot.state.al.us/news/publicinvolvement.html>.

Other items on the [agenda](#) included:

- Approve the [minutes of the previous RPO meeting](#)
- Review and Adopt the [Fiscal Year 2022 Work Program](#) which includes a new task of assisting ALDOT by hosting public meetings for the Statewide Long Range Transportation Process
- Amend the [RPO's Public Involvement Procedures](#) to include online virtual meetings when necessary
- Amend the [Annual Transportation Plan List of Projects](#)

RPO Staff is working to finalizing the RPO Transportation Plan. We're also building an online interactive map of all of the RPO projects. Once it's complete we will send out a link to all the RPO members and they'll be able to reference it for grant applications and the like.

## Projects in Region Let November 5<sup>th</sup>, 2021

### MOBILE COUNTY

- for constructing the Bridge Replacement (Grading, Drainage, Pavement, and Retaining Walls) on Glenwood Road over SR-42 (US-98) west of Semmes. Length 0.529 mi. The Bracket Estimate on this project is from \$7,788,506 to \$9,519,286
- for constructing the Base and Pave on SR-42 (US-98) (Eastbound Lanes) from the Mississippi State Line to 0.500 mile east of the intersection of Glenwood Road to include the Westbound Lanes to station 187+29.290 west of Semmes. Length 8.654 mi. The Bracket Estimate on this project is from \$25,940,951 to \$31,705,606 .

### BALDWIN COUNTY

None at this time

### ESCAMBIA COUNTY

None at this time

[What's Under Construction? Project Status](#)

## Legislative Updates

### Slow progress on budget package with deadline weeks away

Some lawmakers say Oct. 31 deadline may not be feasible

By Lindsey McPherson

Posted October 8, 2021 at 5:00am

As the Senate headed into a weeklong recess, Democrats showed little sign they were making progress on their economic agenda other than clearing the must-pass measures competing for their time.

Last week's enactment of a government funding stopgap through Dec. 3 and the \$480 billion debt ceiling boost that will punt the deadline for another increase by a few months will allow the Democrat-controlled Congress to spend the remainder of the fall focused on passing President Joe Biden's social and climate spending and tax package.

But as Democratic leaders eye an end-of-month deadline for passing the sweeping package through the filibuster-proof budget reconciliation process, the party has yet to agree on a framework for a scaled-down version of the bill that both moderate and progressive Democrats can support.

"We're working hard, we're making progress, and we're shooting to get it done by Oct. 31," Senate Majority Leader Charles E. Schumer told reporters after a closed-door lunch Thursday at which Democrats discussed the reconciliation package.

Democrats are expecting to cut their original plan for \$3.5 trillion in new spending and tax cuts to around \$2 trillion to accommodate centrist lawmakers' concerns, but they have yet to settle on a new topline.

Senators spent the week dodging questions about what may be cut from the package, and several left Thursday's lunch feeling as though there was consensus to try to keep every major initiative in the bill.

Democrats want the package to fund universal prekindergarten; child care and home health care subsidies; paid family and medical leave; free community college; climate programs and tax incentives; expansions of Medicare and Medicaid; and extensions of more generous tax credits for health insurance and family costs.

"I'd like to see all of the different provisions funded at some level," Hawaii Sen. Mazie Hirono said.

Most Democrats agree with that strategy, saying they would prefer to shorten the duration of programs, allowing them to lapse after a few years, instead of cutting them altogether. But lawmakers are also trying to avoid having too many incongruous start dates and sunsets on programs that they've largely designed to work together to help provide financial stability to low- and middle-income families.

“We’d like to have [them] go long as we can, based upon the resources we have,” Maryland Sen. Benjamin L. Cardin said. “But we recognize that, as a pragmatic need, we’re going to have to shorten it, and we want to show some consistency among the programs.” Fellow Marylander Chris Van Hollen said Democrats may have to “streamline” or “modify” some programs since shortening the duration alone is unlikely to get them to their \$2 trillion target range. Continue [HERE](#)

## Short-term highway bill extension brings anxiety to contractors

States need federal guarantees before starting long-term projects

By Jessica Wehrman

Posted October 13, 2021 at 6:00am

Contractors already stymied by the COVID-19 pandemic and supply chain issues now also face a Congress-created crisis as they deal with a short-term extension of the law authorizing highway and transit spending at the time of the year they traditionally begin planning for next year’s long-term projects.

The current highway law, enacted in 2015, has already been extended twice: once for a year at the end of September 2020 and again on Oct. 2. The second extension, which Congress passed after the House was unable to secure the votes for a bipartisan infrastructure bill that included five-year reauthorization language as well as \$550 billion in new spending, expires Oct. 31.

For contractors, the temporary extension is a letdown. They had hoped that by now Congress would have passed legislation infusing federal dollars into the nation’s roads, bridges and rail. The delay, they say, is disheartening.

Chris Runyan, president of the Ohio Contractors Association, compares the process to a roller coaster. Where once he saw in Congress “the first true glimmer of a noticeable federal interest in the nation’s transportation system,” he now questions whether the bill will get done at all.

Democrats have been in a standoff over that bill and a larger tax and spending measure that includes the rest of President Joe Biden’s economic priorities.

Progressives say they won’t vote for the infrastructure bill until the Senate passes the larger measure, while centrists such as Democratic Sens. Joe Manchin III of West Virginia and Kyrsten Sinema of Arizona say the larger measure is too costly for them to support in its current form.

All 50 members of the Senate Democratic caucus must vote for the larger bill for it to pass under budget reconciliation rules.

Runyan said he fears the longer it drags out, the fewer Republicans will back what was originally pitched as a bipartisan bill. He was mystified when House GOP leadership whipped their members to vote against it.

“It really is very deflating,” he said. “Lord knows you can’t let the other side even appear to have a win.”

But contractors say they have become accustomed to such delays, as Congress has a long history of passing short-term extensions for what were envisioned as five-year reauthorizations.

The 2005 highway law was temporarily extended 10 times — sometimes by days, sometimes by months — as Congress fought for a long-term replacement. The 1998 law received 12 short-term extensions before finally being reauthorized, according to Jeff Davis of the nonpartisan Eno Center for Transportation.

The short-term extensions, said former Secretary of Transportation James H. Burnley IV, “are very disruptive,” particularly for an industry that relies on long-term planning in order to work efficiently.

“States need to have the legal certainty of a stable, dependable stream of federal aid on a multiyear basis to do long-term projects,” Burnley said. “When faced with extensions of weeks, months, sometimes days, they cannot go forward on the contracting side. They cannot make legal commitments in most cases, because they don’t have ... the dependable flow of federal dollars that is a large part of what they are counting on to pay their contractors.”

Higher costs

Though it’s hard to quantify, he said, such disruptions “will inevitably increase costs on some projects.”

“The cumulative impact of that is that it simply takes longer to do major projects,” he said.

Sen. Benjamin L. Cardin, D-Md., chairman of the Senate Environment and Public Works Transportation and Infrastructure Subcommittee, said the short-term extension will be little more than a blip — a temporary inconvenience quickly forgotten when the infrastructure bill and the larger spending bill are approved.

“The bipartisan bill is going to pass,” he said.

But Sen. Shelley Moore Capito, the West Virginia Republican who serves as ranking member on the EPW Committee, said she’s less convinced.

The inability to pass a long-term bill, she said, has been frustrating for her state, which is in a period of heavy repair, maintenance and new construction.

“These short-term stops and starts are not good for state DOTs, and we’re hearing that,” she said.

She said she’s less convinced that the Democratic impasse over the bipartisan bill and the larger bill will be easily resolved.

“I don’t see how they get there from where we are right now,” she said. “But, you know, stranger things have happened.”

# Senator Sinema rejects vote on big Biden package before infrastructure

## -source

10/14/2021 By Jarrett Renshaw and Richard Cowan

WASHINGTON (Reuters) -U.S. Senator Kyrsten Sinema, a key moderate, told fellow Democrats in the House of Representatives this week that she will not vote for a multitrillion-dollar package that is a top priority for President Joe Biden before Congress approves a \$1 trillion infrastructure bill, according to a source briefed on the meeting.

Aides for Sinema, who has the power to stop legislation from advancing in the 50-50 Senate, did not respond to a request for comment. In a previously unreported online meeting on Wednesday, Sinema and fellow moderate Democratic Senator Joe Manchin said they would not abide by any deadlines adopted by leadership to force votes on the package. The meeting was with a group of at least nine moderate House Democrats, the source said.

Congress already faces a pair of critical deadlines around Dec. 3, when the government faces the risk of a shutdown of most agencies and a historic debt default without congressional action. Democrats' razor-thin majorities in the House and Senate are also at stake in next year's midterm elections.

The group of House Democrats suggested putting a November deadline for passing the multi-trillion dollar and moving on with the bipartisan infrastructure bill, but Manchin and Sinema rejected that idea, arguing artificial deadlines are a bad idea, the source said. Sinema and Manchin have balked at the Biden plan's initial \$3.5 trillion price tag for a spending measure to fund social programs and fight climate change. As a result, the president faces a difficult balancing act in trying to bring down the cost but not alienate progressive Democrats who also are essential to passing the legislation.

Following a meeting this month on Capitol Hill with his fellow Democrats, Biden suggested the bill could cost around \$2 trillion over 10 years.

White House press secretary Jen Psaki said the administration is not growing frustrated with the pace of negotiations, but added, "the time for negotiations is not unending."

"We're eager to act. I wouldn't say it's an impatience. I would say it's an interest in moving forward," Psaki said.

## Funding Opportunities

### U.S. Department of Transportation Announces the Availability of \$2.2 Billion in American Rescue Plan Funding to Help Transit Agencies with Additional Service Needs *DEADLINE November 8, 2021*

Tuesday, September 7, 2021

WASHINGTON – The U.S. Department of Transportation's Federal Transit Administration (FTA) today announced a [Notice of Funding Opportunity \(NOFO\)](#) for \$2.2 billion in competitive grant funding for transit systems demonstrating additional pandemic-associated needs. Funding is provided by the American Rescue Plan Act of 2021, which was signed into law by President Biden on March 11, 2021.

[Additional Assistance Funding](#) may be awarded to transit systems demonstrating additional assistance is needed to cover operating expenses related to maintaining day-to-day operations, cleaning and sanitization, combating the spread of pathogens on transit systems and maintaining critical staffing levels.

"As public transit systems continue to recover from the devastating financial and public health impacts of COVID, they must have the resources they need to keep trains and buses running, especially in heavily transit-dependent communities," said U.S. Transportation Deputy Secretary Polly Trottenberg. "The funding opportunity we are announcing today will help connect people to jobs, services and opportunities, while supporting crucial health and safety measures for the traveling public and our nation's dedicated transit workforce."

FTA will review applications based on the level of financial need, including projections of future financial need to maintain service as a percentage of the 2018 operating costs. Funding that is requested by an eligible applicant must not have been replaced by funding made available through the Coronavirus Aid, Relief, and Economic Security (CARES) Act, the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) of 2021, and other ARP funding.

"The Additional Assistance Funding will support transit agencies demonstrating a continuing need for assistance in maintaining daily operations," said FTA Administrator Nuria Fernandez. "Public transportation connects people to jobs, education and vital services, and this program will help transit agencies continue to provide critical transit services in communities that need it most."

The NOFO will be placed on public inspection at the Federal Register on Wednesday, September 8, and published on Thursday, September 9. An unpublished version of [the NOFO can be viewed here](#). Applications must be submitted electronically through the [Grants.gov](#) website by 11:59 PM ET November 8, 2021.

## Opportunity Zones

EDA's Opportunity Zone Web Page

EDA now has an [EDA Opportunity Zone Web page](#) for economic development stakeholders and others to use as a resource to further help foster job creation and attract private investment to support development in economically distressed areas across the United States.

### [Section 5307, 5310, and 5311: Using Non-DOT Funds for Local Match](#)

The Department of Health and Human Services (HHS) [Administration for Community Living](#) (ACL) has worked with the [National Aging and Disability Transportation Center](#) to clarify the ability of grantees to use Older Americans Act Title IIIB Supportive Services Funds to match Federal Transit Administration (FTA) programs. These FTA programs include Urbanized Area Formula Grants (Section 5307), Enhanced Mobility of Seniors and People with Disabilities (Section 5310), and Formula Grants for Rural Areas (Section 5311). This information has been publicized [HERE](#)

To stay up to date on all of the many grants that are available visit [www.grants.gov](#).

### If you want to see a rainbow, you have to put up with the rain.

Water transportation is so important, and the shipping crisis is getting worse as a record number of cargo ships are stuck floating and waiting. The captain and crew of these ships have nothing to do, but stare at the water.



(We don't know what this is a map of ©)

How far can some of these ships travel to inland ports? Where does that water come from? What if I were a rain drop, what body of water would I trickle to? If you have ever asked yourself that last question, you are in luck. <https://river-runner.samlearner.com/> is a web site that shows the drainage flow for the entire US. If you were a rain drop that landed, it shows your trickle path to the major body of water, that these cargo ships are waiting in, that each captain and crew have nothing to do, but stare at the water... Do you self a favor, be a rain drop [HERE](#).



## In the News

### Freight railroads support bottleneck relief at port terminals

Expanding container operations at ports aimed at increasing terminal capacity  
Joanna Marsh Thursday, October 14, 2021

The U.S. freight rail industry is praising public and private measures encouraging supply chain partners to adopt operational practices that are 24 hours a day, seven days a week in order to relieve bottlenecks in the supply chain.

“Railroads have long been 24/7 operations and have remained a resilient, vital part of keeping goods moving across the nation during this challenging time,” said Ian Jefferies, president of the Association of American Railroads.

The ports of Los Angeles and Long Beach, retailers such as Walmart and parcel carriers FedEx and UPS have said they are expanding container operations to help open up capacity and address the bottlenecks at port terminals.

The plans to expand operations come as President Joe Biden discussed transportation challenges with supply chain stakeholders in a virtual meeting on Wednesday.

“While this is a shot in the arm to increase capacity before containers reach rail lines, the industry knows close coordination with its trucking partners is critical to accelerate the movement of goods out of intermodal yards and into warehouses. Collaborative efforts like what was announced today are vital to help ease pain points and smoothly pass goods from one leg of the freight logistics relay to the next,” Jefferies said Wednesday.

To address the supply chain congestion, the freight railroads have taken steps such as increasing coordination across railroads in busy hubs, rerouting traffic, increasing storage capacity to offload containers, working with trucking partners to move shipments from intermodal terminals to warehouses, facilitating on-property chassis pools and offering incentives to customers that can work on the weekends, according to AAR.

AAR said it has cautioned White House administration officials to consider how additional regulations could hinder railroad operations. When pressed by federal regulators earlier this year about how the railroads can relieve supply chain congestion, individual Class I railroads have suggested that port operations run similar hours to the railroads as a way to improve supply chain flows.

The operational changes among the other supply chain stakeholders come as all the member retailers affiliated with the National Retail Federation have been impacted by supply chain disruptions, according to NRF's September member survey on the supply chain. Twenty-two percent of the respondents said they were experiencing intermodal rail delays, while 74% said staffing was the biggest issue impacting warehouses.

All the respondents of the survey also said that their lead times have increased, with 54% saying that at least three weeks have been added to their supply chain.

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## Prices jump at the pump

Posted by Scott Johnson | Oct 12, 2021

This story was updated on Oct. 13, 2021, at 8:45 a.m. to include a recent increase in the state's gas tax.

During last year's pandemic slump in fuel demand, gas prices in Mobile, Daphne, Fairhope and Foley all sat below \$2.00-per-gallon, according to data published by AAA. As of Tuesday, Oct. 12, gas in both Mobile and Baldwin counties averages more than \$3.00.

On Tuesday, Mobile averaged slightly more than the statewide average, with unleaded gas at \$3.04 per gallon; Baldwin County gas stations averaged \$3.08 per gallon on unleaded fuel. Both counties averaged \$3.28 per gallon on diesel. According to Gasbuddy.com, the best gas prices near Mobile were tracked at Y&Z in Semmes at \$2.82. Dodge's Store in Foley was ranked as the cheapest fuel in Baldwin County with regular unleaded being sold at \$2.87.

Alabama's gas tax increased by 2 cents beginning Oct. 1, bumping the state gas tax rate up to 28 cents and completing the final 10-cent gas tax hike implemented in Gov. Kay Ivey's 2019 Rebuild Alabama Act.

Statewide, Alabama's price at the pump for regular unleaded gasoline is currently an average of \$3.01–12 cents more expensive than a week ago and roughly 15 cents higher than a month ago. The cheapest gas averages in the state (\$2.87 to \$2.97) seem to be concentrated in Alabama's northeast region. The most expensive gas in the state is being seen in counties south of Birmingham, where prices range from \$3.09 to \$3.22. Alabama's highest-ever gas prices were marked in September 2008, when gas hit \$4.05 per gallon.

The state is the eighth lowest for average fuel costs and falls significantly below the national average of \$3.27, which is the highest it's been since October 2014. AAA attributes this to surging prices of crude oil.

"The key driver for this recent rise in the price of gas is crude oil, which typically accounts for between 50 percent and 60 percent of the price at the pump," said AAA Spokesperson Andrew Gross. "And last week's decision by OPEC and its oil-producing allies to not increase production further only exacerbated the upward momentum for crude oil prices."

A breach and spill in a key pipeline supplying fuel to parts of the southeastern U.S. led to tightened regional supplies, according to AAA. Kinder Morgan Inc. (KMI) said it expected repairs to its southeastern products pipeline to be completed Oct. 9, with a restart afterward. However, flooding near Birmingham during this time postponed repair efforts. The spill took place on Oct. 1. The pipeline serves various metropolitan areas, including Birmingham, Atlanta, Charlotte, N.C., and Washington, D.C.

California has the highest gas prices, averaging \$4.44 per gallon. In a Oct. 11 press release from AAA, Alabama is shown to have had the sixth highest weekly price hike in the United States of 12 cents—tied with Michigan and Tennessee. Washington D.C. saw the highest price increase of \$17 cents.

Attempts to reach a spokesperson from AAA for more information were not successful.

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## PORT OF MOBILE CONTAINERIZED CARGO GROWTH CONTINUES

MOBILE, ALA – October 12, 2021.

Containerized cargo volumes continue to climb in September due in part to cargo shifts into uncongested gateways servicing key North American markets. Container volume through the Port of Mobile marked its third highest lift in September delivering a 27 percent year to date increase in volume over the same period last year. Refrigerated containers continued its robust pace in September posting the second highest volumes in 2021. Year to date refrigerated cargo at the Port of Mobile has grown by 46.7 percent compared to the same period in 2020 due to the delivery of nearly \$74 million in refrigerated facilities investment at the Port of Mobile to support cold cargo supply chains.

Added vessel calls to support Asia trade, coupled with domestic retail consumption and increasing congestion through traditional west and east coast gateways, contributed to shifts in supply chains as shippers seek both capacity and faster service into Memphis and Chicago via the Port's new container intermodal container transfer facility (ICTF). The ICTF continued its upward volume trajectory posting the terminal's second highest volume since operations began. Year to date 2021 intermodal rail volume grew 223% compare to the same period in 2020. When comparing 2019 year to date growth with 2021, the Port's intermodal rail volume grew by 703%. APM Terminals Mobile operates both the marine and intermodal container transfer facility at Mobile.

The Alabama State Port Authority oversees the deep-water public port facilities at the Port of Mobile. The Port Authority's container, general cargo and bulk facilities have immediate access to two interstate systems, five Class 1 railroads, nearly 15,000 miles of inland waterways and air cargo connections.

Learn more at [www.asdd.com](http://www.asdd.com) or [www.facebook.com/AlabamaStatePortAuth](https://www.facebook.com/AlabamaStatePortAuth)

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## Transportation Research

### The important economic factors rarely mentioned in infrastructure debates

***All large infrastructure projects should be vetted via a rigorous benefit/cost analysis.***

Robert Poole Director of Transportation Policy

October 6, 2021

With the ongoing national focus on infrastructure, one of the best papers I've read in several years is "Economic Perspectives on Infrastructure Investment" by Harvard's Edward Glaeser and Massachusetts Institute of Technology's James Poterba. The economists' report was prepared for the Aspen Economic Strategy Group and released on July 14, 2021. What distinguishes the paper from so much that is being written about the need for increased infrastructure investment in the United States is its comparison of how engineers frame the problem and how economists do so. (And I write this as an MIT-trained engineer who has spent much of his career trying to explain economic reasoning to transportation engineers.)

Glaeser and Poterba explain in some detail that infrastructure "needs" as defined by groups like the American Society of Civil Engineers and a series of reports by McKinsey are lacking in assessing the benefit/cost ratio of proposed investments. Instead, these reports on infrastructure either compile what amount to engineering wish lists or create ratios of infrastructure spending as a fraction of gross domestic product (GDP) which tell us little about whether these are economically worthwhile projects to invest in. They also point out the potential conflict of interest when engineering consulting firms do the preliminary work estimating a project's costs and usage—and then gain lucrative contracts to manage the actual projects. This system often results in huge cost overruns (e.g., the Big Dig in Boston and California's high-speed rail project approved by voters in 2008).

From Glaeser and Poterba's economic analysis perspective, they argue that, at least, all large infrastructure projects should be vetted via a rigorous benefit/cost analysis (BCA) to decide if they are worth being funded or financed. They suggest several possible ways to require this, including having Congress mandate that federally-funded highway and transit projects must pass a benefit/cost analysis screening in order to proceed; requiring state departments of transportation (DOTs) and metropolitan planning organizations (MPOs) to do that for every project, or shifting large projects to a national infrastructure bank subject to a benefit/cost analysis mandate. The problem with each of these is politics. Many elected officials—federal, state, and local—love to select infrastructure projects based largely on their political benefits rather than their benefits exceeding their costs.

Another long-standing problem in U.S. infrastructure is deferred maintenance. And, again, the problem is mostly political. Elected legislators tend to prioritize new projects with ribbon-cutting opportunities over adequate ongoing maintenance, which may be barely visible to voters. The result is that roads and bridges wear out prematurely, need repeated repaving and other unplanned maintenance, and often need to be rebuilt sooner than they would have otherwise. This is penny-wise and pound-foolish. Consequently, and unfortunately, despite lots of talk about "fix it first" provisions in federal or state infrastructure legislation, this hardly ever seems to happen.

The authors also discuss the many cost-increasing provisions of federal law that raise U.S. transportation infrastructure costs above those of other developed countries. These include "Buy American" provisions and other protectionist measures that increase material costs, Davis-Bacon "prevailing wage" laws and other regulations that increase labor costs, and the well-known practice under design-bid-build contracting of bidding low to get the contract and making it up with numerous cost-increasing change orders.

Another key point on which they elaborate is that the United States should make greater use of pricing and user fees for major transportation projects. This is not only a better way to finance most large projects, but if the pricing is allowed to vary in proportion to demand, it can produce greater user benefits and, in some cases, reduce the total number of lanes needed, which would be an important cost-saving.

Glaeser and Poterba discuss transportation public-private partnerships (P3s) as a useful alternative to business as usual, but they don't fully explain how valuable the design/build/finance/operate/maintain approach can be in addressing the seemingly intractable politicization of U.S. transportation funding and management that they discuss.

Here is how P3 projects procured as design/build/finance/operate/maintain (DBFOM) address key problems:

**Deferred maintenance:** Under DBFOM the project is designed to minimize not the initial construction cost but the life-cycle cost because long-term, ongoing maintenance is built into the long-term concession agreement. This amounts to ensuring better long-term stewardship of the expensive and valuable asset.

**Benefit/cost analysis:** Especially under the revenue-risk version of DBFOM, the project cannot be financed unless the projected revenues are enough to service the bonds issued to finance the project and produce a return on the developer/operator's equity investment. For an availability payment DBFOM that does not include toll revenue, the state DOT's willingness to commit to a 35-year stream of payments so the project can be financed means the DOT must complete a benefit/cost analysis to ascertain that the project makes financial sense.

**Willingness to charge users:** In a number of cases, a megaproject (such as the original express toll lanes on the I-495 Beltway in northern Virginia) was developed based on variable tolling as the means of financing, while the state DOT had deferred adding new lanes due to lack of gas-tax funds. This was an early example of what some have called "outsourcing of political will" to implement variable pricing that the state itself was unwilling to do.

**Cost overruns:** DBFOM projects are not immune to cost overruns, but the key question is who bears the risk of this happening. To my dismay, the authors dismiss this by writing, "large public entities are typically better able to bear risks than most private firms." But the large public entity does not bear those cost overruns: taxpayers do, whereas in DBFOM projects the investors willingly take on megaproject cost overrun risks. This premise has been demonstrated by the fact of several bankruptcy filings of toll-financed megaprojects in both Australia and the United States, not mentioned by the authors.

In their summary of the case for (limited) use of long-term P3s, Glaeser and Poterba cite as potential benefits reduced costs, specialized expertise, and improved quality, for all of which there is evidence. But they also state that the case for such public-private partnerships depends on "their being able to borrow at better rates than a city government or bear risk better."

Thanks to the Transportation Infrastructure Finance and Innovation Act (TIFIA) and tax-exempt private-activity bonds, borrowing cost differences are minimal, but the report's authors don't mention those important tools, and as noted above, they devote little attention to the very real risk transfers that are possible (and should be identified in competent value-for-money analyses).

Despite minor shortcomings on P3s, Glaeser and Poterba's overall economic assessment of how poorly the United States addresses major infrastructure is excellent and much-needed. In this brief review, I have only scratched the surface of the valuable insights and examples set forth in their paper.



## State seeks feedback from Alabamians on broadband access

Posted on [September 21, 2021](#)

**MONTGOMERY** – Want to see further improvements in broadband access in Alabama? Here’s is a simple way Alabamians can help. The Alabama Department of Economic and Community Affairs is requesting information about broadband internet access and speed from Alabama residents and businesses.

Alabamians are encouraged to take the speed survey at <https://alabama.speedsurvey.org/> to help the state more precisely locate gaps in broadband service areas. The information gathered will be used for more specific mapping of service gaps and planning efforts to help fill those gaps.

*“The COVID-19 pandemic shined a spotlight on the importance of having access to high-speed internet across the Alabama,” ADECA Director Kenneth Boswell said. “Taking this speed survey will help us gather the data we need to map and plan our efforts to help close those service gaps.”*

ADECA administers the Broadband Alabama program, which includes the Broadband Accessibility Fund created by the Alabama Legislature and signed into law by Gov. Kay Ivey. Since 2018, the fund has assisted broadband providers with extending high-speed internet service for households, businesses and community anchors in unserved areas of the state or in areas lacking minimum threshold service.

Many Alabama homes and businesses receive less than the current federal definition of broadband service, which is 25 megabits per second (Mbps) download speed and three Mbps upload speed. The information gathered from the speed survey will help pinpoint the specific areas that lack this coverage. Your address will not be made public and the information will be used solely for the state’s planning efforts.

*“Broadband is a huge economic driver for recruiting industry and jobs,” Boswell said. “This survey is quick and easy and helps show us precisely where the service gaps are, so we encourage all Alabama residents and businesses to take it and help us continue Gov. Kay Ivey’s efforts to grow Alabama’s economy.”*

A video explaining the survey is available on the [ADECA YouTube channel](#):