

September 2009

Open letter to
Governor Granholm and the Michigan Legislature
regarding Michigan DOT FY 2010 Appropriations Act (SB 254)
from
Michigan Environmental Council
Sierra Club Michigan Chapter
for its SE Michigan Chapter and Sierra Club (US)
Transportation Riders United (Detroit, MI)
Michigan Association of Railroad Passengers, Inc.
with support from
Transport 2000 (Canada)
Transport 2000 (Ontario)
Sierra Club Ontario
Ontario Smart Growth Network
Citizens Environment Alliance (Windsor, ON)

The State of Michigan and Province of Ontario face extraordinarily difficult times.

The government of the State of Michigan this month must decide on a budget for the fiscal year beginning October 1, 2009. The Michigan Legislature and Governor Granholm together must identify and select those actions and programs which meet immediate needs and prepare Michigan for the future.

The Michigan Legislature and Governor also must defer or eliminate programs that are not essential for meeting immediate needs. They must either cancel programs and projects for which the need is debatable or place them in hiatus until the need for them is clear to Michigan's elected officials and to the public at large.

One project which certainly is not essential for meeting immediate needs and whose need for the future is debatable is the Detroit River International Crossing (DRIC) highway project proposed in part by the Michigan Department of Transportation (MDOT). We refer to this project as a highway project rather than a bridge project because the lion's share of the total project cost is for highway and border inspection facilities, not for the bridge.

We have joined together to oppose an investment in MDOT's proposed DRIC highway project both at this time and in the foreseeable future. The reasons are both environmental and financial. Given the cumulative environmental impacts of the DRIC highway project and its connecting highways in Michigan, surrounding states, and Ontario, and given the questionable economics of the project, the Legislature should appropriate zero funds for the project for the fiscal year ending September 30, 2010. It also should direct MDOT to suspend all real estate acquisition, permit acquisition, and design work on the proposed DRIC highway project.

Cost of the Proposed DRIC Highway Project and Who Will Pay for It

The DRIC highway project as proposed by MDOT and the Ontario Ministry of Transportation (OMOT) is essentially a megahighway project whose total length is about 7 to 9 miles and whose investment has been estimated by MDOT and OMOT to be in the order of \$4 billion dollars. The estimated cost of the project should not be taken as certain, inasmuch as **no qualified entity independent of both MDOT and OMOT has audited the project's cost estimates and financial feasibility.**

The Final Environmental Impact Statement for the US part of the project (FEIS) was released during December 2008. The FEIS states that, assuming construction is completed and the project is placed in service during 2013, the US share of the total project cost will be approximately **\$1.81 billion.**

The Southeast Michigan Council of Governments (SEMCOG) some time ago added the DRIC highway project to its Regional Transportation Plan (RTP). Our recollection is that the project's original listing in the SEMCOG RTP stated that 100 percent of the US share of the project cost was to be paid by tolls collected from the users of DRIC.

As of September 13 SEMCOG's RTP website shows the DRIC highway project status to be "pending" and the costs and financing to be as follows¹:

- total cost for the part of the project on the US side of the border is **\$1.858 billion;**
- the federal government's share of the project cost, **\$0.315 billion,** is from the "Coordinated Border Infrastructure Program" (CBIP); and
- balance of the project cost, **\$1.543 billion,** will be paid by State of Michigan General Obligation Bonds (identified in SEMCOG's listing by the code "BOND").

Neither SEMCOG nor MDOT has advised the public of why the US portion of the project cost cannot be financed with Revenue Bonds repaid with bridge tolls.

Reasons Why Proposed DRIC Highway is not Needed in the Foreseeable Future

MDOT states on page ES-62 of the FEIS that it has spent a total of approximately \$33 million on the US portion of the DRIC environmental studies and related public relations undertakings. Notwithstanding the \$33 million outlay in Michigan and probably a similar amount spent by OMOT on its studies, MDOT and OMOT both have not been forthright with the Governor, the Premier, Michigan's and Ontario's legislative bodies, and the general public in disclosing available but unused highway capacity, ignored intermodal rail opportunities, the decline in traffic on cross-border highways in recent years, and the forthcoming decline in solid waste transport across the international border.

(1) The Blue Water Bridge Is grossly underused and is a reasonable alternative.

Our general impression had been that any new border crossing between SE Michigan and SW Ontario should be across the Detroit River. It was a surprise to us when we learned that the quickest route for a truck or auto driver traveling between Toronto and some locations within the city limits of the City of Detroit is via the Blue Water Bridge over the St. Clair River at Port Huron. For example, auto or truck travel between Toronto and the General Motors Detroit/Hamtramck Assembly Plant (which is just east of midtown Detroit and a prospective location for assembly of the Chevrolet Volt) is

quicker via the Port Huron highway border crossing than via either of Detroit's two existing highway border crossings.² Consequently it is reasonable to consider the Blue Water Bridge as a reasonable alternative for accommodation of increased border crossing demand.

A DRIC study report entitled "**Travel Demand Forecasts**" (TDF), dated September 2005, includes a review of the public's border crossing usage tendencies. The report concludes that, even when a cross-border trip is shorter if the Port Huron crossing is used, the public has a bias in favor of using the Detroit border crossings.³ The report also states that if a way could be found to eliminate the bias in favor of using the Detroit crossings, the date the proposed new DRIC highway is required will be postponed by **six years**.

The way to eliminate the bias against using the Port Huron crossing is to educate the public on both sides of the border of its advantages. Appropriate signage along limited access highways into and through Michigan and in SW Ontario, plus advisory brochures made available at Michigan's and Ontario's tourist information centers should help eliminate the bias.

(2) Almost half of the DRIC truck traffic is divertible to intermodal rail.

The TDF report also states that 44% of the Ambassador Bridge truck traffic is divertible to intermodal rail inasmuch as Ambassador Bridge truck traffic which has a Canadian trip end within or east of the Greater Toronto Area accounts for 44% of the truck traffic over the bridge. Presumably the same percentage applies to the forecasted growth in truck traffic. Although the TDF report also gives three reasons why the divertible truck traffic will not shift to intermodal rail, the three reasons are based on the assumption that the railroad companies, with or without government assistance, will never choose to upgrade their physical plant and/or operations to substantially increase their intermodal rail service. The assumption is not reasonable for the following reasons:

- using intermodal rail instead of highway tractors to transport truck trailers reduces fuel consumption, exhaust emissions, and greenhouse gas emissions by a considerable amount, probably by 75 to 90% for each;
- the combined intermodal terminal and railroad infrastructure cost for a more competitive intermodal rail service between the US and at least Toronto in Canada probably is much less than the cost of the DRIC highway project; and
- Canadian Pacific (CP) Railway Limited has proposed construction of a high-clearance single track railroad tunnel adjacent to the existing Detroit River railroad tunnel; CP's new tunnel project is included in SEMCOG's RTP, which as of September 13 stated that the part of the project located in the US will cost \$0.220 billion and that it will be funded entirely with private funds.⁴

(3) Contrary to MDOT's and OMOT's forecasts of great congestion at the border, annual trans-border highway traffic counts have declined during recent years.

Perhaps the most conspicuous reason the DRIC highway project is not needed in the foreseeable future is that the annual trans-border highway traffic count is declining for each of the existing highway crossings of the Detroit River and St. Clair River.

The downturn in Ambassador Bridge traffic counts since 2004 has been abundantly publicized in the Detroit and Windsor media. However the downturn in Blue Water Bridge traffic counts has not been publicized.

United States and Canadian governmental entities agreed during the 1990's to construct a second three-lane span across the St. Clair River at Port Huron. The US portion of each span is owned and operated by MDOT. According to MDOT records, the second span was completed during July 1997. At that time all traffic was rerouted to the new span and the original span underwent a rehabilitation project which was not completed until November 1999. Both spans were then open to traffic.

The Blue Water Bridge car, truck, bus, and total traffic counts for each calendar year during the period 1988 through 2008 have been obtained from MDOT records and are shown in the table on page 8. The table also includes for each year a "passenger car equivalent" (PCE) statistic which we have calculated in the same way the PCE statistic was calculated for the DRIC study, i.e., add the automobile traffic to three times the truck and bus traffic to obtain a measure of the total traffic capacity consumed by all traffic combined. Three points that the table on page 8 makes evident are the following:

- The total number of cars traveling across the Blue Water Bridge during 2008 was less than the total number of cars using that bridge during each of the immediately preceding 20 years.
- The 2008 total traffic count was less than the total traffic count during each of the immediately preceding 18 years.
- Although Blue Water Bridge truck traffic during 2008 was about 150% greater than in 1988, the PCE statistic for 2008 still was only 8,086,574, which is barely above what it was during 1998, the last full year that all traffic was accommodated by one rather than two spans.

As a result, **we effectively have not yet begun to make use of the capacity that was added to the Blue Water Bridge approximately ten years ago.**

If there had been no solid waste truck movements over the Blue Water Bridge during 2008, the value of the 2008 PCE traffic statistic would have been less than it was during 1998. See the next section for more details on cross-border solid waste transport.

In summary, increased use of the Blue Water Bridge is a viable alternative to construction of the DRIC highway project.

(4) Canadian solid waste truck traffic is declining, as agreed in 2006.

The public has been well aware in recent years that Michigan landfills have received an abundance of solid waste from Canada. The Michigan Department of Environmental Quality (MDEQ) recently reported that Canadian solid waste deposited into Michigan landfills during recent fiscal years was as follows⁵:

year ending	30 Sep 1996	2,654,575 cubic yards (cu yds)
	30 Sep 1997	2,504,879 cu yds
	30 Sep 1998	2,548,815 cu yds
	30 Sep 1999	2,342,791 cu yds
	30 Sep 2000	4,216,814 cu yds

30 Sep 2001	5,894,738 cu yds
30 Sep 2002	6,607,856 cu yds
30 Sep 2003	9,433,028 cu yds
30 Sep 2004	11,558,899 cu yds
30 Sep 2005	11,878,091 cu yds
30 Sep 2006	12,084,907 cu yds
30 Sep 2007	10,982,984 cu yds
30 Sep 2008	10,722,164 cu yds

As the result of an agreement entered into during 2006 by Senators Stabenow and Levin and several Toronto-area municipalities, those municipalities will eliminate their solid waste exports to Michigan by December 31, 2010, inasmuch as they have embarked on solid waste reduction programs and are developing new Ontario landfills.

Not surprisingly the amount of solid waste imported from Canada each year is now declining from its peak reached during FY 2006.

The number of Canadian solid waste transporter truck arrivals in Michigan was reviewed by the US Department of Homeland Security's Office of Inspector General in a report dated January 2006.⁶ That report states that during calendar year 2004 municipal solid waste imports into Michigan from Canada were as follows:

<u>Port of Entry</u>	<u>Number of shipments</u>
Port Huron	90,174
Detroit	9,250
Sault Ste. Marie	534

The report does not include counts of non-municipal solid waste truck movements. We conjecture that the municipal and non-municipal solid waste truck traffic counts are approximately equal to each other.

If our conjecture regarding the amount of non-municipal solid waste traffic is correct, it appears that during 2004 a total of about 180,000 solid waste trucks crossed the Blue Water Bridge from Canada into Michigan for the purpose of patronizing a Michigan landfill. The solid waste truck traffic would have accounted for 10% of the total truck traffic on the Blue Water Bridge during 2004. The passenger car equivalent (PCE) of 180,000 solid waste truck movements is 540,000. Had the solid waste traffic from Canada to the US been zero during 2004, the PCE value of all motor vehicle traffic over the Blue Water Bridge that year would have been 8,643,000, which is approximately what it was during 1999.

The conclusions of the immediately preceding paragraph do not take into account the empty solid waste truck return trips to Canada. Assuming the return trips to Canada during 2004 also were via the Blue Water Bridge (although we have heard they often were not), solid waste truck movements across that bridge accounted for 20% of the total truck traffic on the Blue Water Bridge. For this scenario, had there been no solid waste truck trips into the US and no empty return trips during 2004, the total Blue Water Bridge PCE traffic count statistic for 2004 would have been approximately 8,100,000.

Pursuant to the 2006 agreement, approximately half of the annual solid waste truck movements from Canada into Michigan could be eliminated. Even if the anticipated

reduction does not occur, it makes no sense -- environmentally, economically, or politically -- to subsidize the construction of a new border crossing when a significant portion of the existing SW Ontario – SE Michigan truck traffic is garbage trucks.

The Proposed DRIC Highway Project Diverts Funds from Fixing Existing Roads

The proposed DRIC highway project has been touted as a jobs creator. No doubt that claim is true. However, the rehabilitation of Michigan's existing roads, which are in poor shape, also is a jobs creator. The cost to repair our existing roads is much greater than the US share of the cost of the proposed DRIC highway project.

The Michigan Transportation Funding Task Force Report prepared during November 2008 for Governor Granholm and the Michigan Legislature makes clear the dire need for rehabilitation of Michigan's existing road network and the magnitude of that need.

Instead of spending money on the proposed DRIC highway project, MDOT would be well advised to focus its attention on addressing deferred maintenance and repair of the existing highway network. The impact on jobs and economic growth from pursuing such a policy would be greater than that of the proposed DRIC highway project.

We noted above that the SEMCOG RTP suggests that Michigan General Obligation Bonds are to be used to pay \$1.543 billion of the proposed DRIC highway project's cost. The suggestion is egregious, given the absence of any compelling need for the proposed DRIC highway project, given Michigan's economic problems, and given the dire needs for rehabilitation of Michigan's state, county and local roads. Any bond proceeds applied to transportation projects should be restricted to the retention, maintenance, and rehabilitation of Michigan's existing motorized and non-motorized transportation infrastructure and Michigan's existing intercity and intracity public transportation systems.

Specific Suggestions for SB 254

Although we commend the State Senate for inserting Paragraph 384 in the version of SB 254 that it passed on June 11, 2009, we do not believe that the restrictions in that paragraph go far enough. As noted before, we believe that the DRIC highway proposal should be rejected. MDOT should be directed to pursue an objective review of non-highway border crossing options and the best timing for their implementation. In addition, the following actions should be undertaken:

- (A) To help the Legislature make a decision as to if and when the DRIC highway project should be reconsidered in the future, MDOT should be directed to include in annual reports to the Legislature a running tabulation of the annual auto, truck, bus, and total traffic counts, plus the PCE statistic, for each highway crossing of the border between SE Michigan and SW Ontario.
- (B) If the Legislature decides to not terminate the DRIC highway project at this time, it should retain an outside auditor qualified in public works construction cost estimation to review MDOT's cost estimates for the DRIC highway project and to give his or her written estimate of the risks that actual costs of the proposed

DRIC highway project will exceed the estimated costs and the amounts by which actual costs could exceed MDOT's estimates. This step is necessary to help reduce the risk of repeating the "Big Dig" highway project financial catastrophe in Boston, MA. [ref: http://en.wikipedia.org/wiki/Big_Dig]

- (C) Simultaneously, MDOT should be directed to correct the deficiencies in signage and MDOT literature by fully informing the public of all border crossing options. Signage advising of the trip distance and time to Toronto via each border-crossing route should be installed in Detroit, along northbound I-75 and eastbound I-94 on their approaches to Detroit, and along northbound I-69 and eastbound I-94 on their approaches to the I-94/I-69 interchange so that the public is fully informed regarding all available options for crossing the border.
- (D) In addition, MDOT should be directed to develop a real-time border crossing travel delay information system so that travelers know about prospective border crossing delays before they have reached the point where use of an alternative crossing is no longer practical. The displays for the system should be installed at the same locations for the signage indicated in (C) above.
- (E) MDOT should significantly increase its support of railroad company and intermodal freight company efforts to improve and increase cross-border intermodal freight operations.

Endnotes

¹ The SEMCOG RTP number for the DRIC highway project is 4429. View the project's listing at... http://www.semco.org/Data/Apps/tranproj/project.report.cfm?type=RTP&id=4429&j_username=guest&j_password=guest

² GM's Detroit/Hamtramck Assembly Plant is located along Interstate Highway 94, just west of the I-94/I-75 interchange. The street address for the plant is 2500 East Grand Boulevard, Detroit, MI. We arbitrarily choose the Toronto trip end for travel between Toronto and the GM plant as being the Toronto City Hall, which is at 100 Queen Street West, Toronto, ON.

According to Mapquest, as of September 13, 2009 the travel distances and travel times for auto trips from the Toronto City Hall to GM's Detroit/Hamtramck Assembly Plant are as follows:

Shortest time route:	via Blue Water Bridge	241.76 miles	4 hr 46 minn
Shortest distance route:	via Detroit Windsor Tunnel	233.24 miles	5 hr 02 min
2 nd shortest time route:	via Ambassador Bridge	240.48 miles	4 hr 53 min.

³ IBI Group, "Travel Demand Forecasts", DRIC Working Paper dated September 2005. See especially page 124. This report is sometimes referred to herein as "TDF report".

⁴ The SEMCOG RTP number for CP's railroad tunnel project is 4425. Recent press accounts indicate that CP is seeking financial assistance from Canada's federal government for building this tunnel.

⁵ Michigan Department of Environmental Quality, "Report of Solid Waste Landfilled in Michigan October 1, 2007 – September 30, 2008", dated January 30, 2009. See especially Table 1 on page 4.

⁶ US Department of Homeland Security Office of Inspector General, "Audit of Screening of Trucks Carrying Canadian Municipal Solid Waste" (Office of Audits Report OIG-06-21 dated January 2006). This report was prepared at the request of Senators Carl Levin and Debbie Stabenow and Representative John D. Dingell. It was made available to the public through the office of Senator Stabenow. The traffic data quoted above appear in Table 1 on page 3 [pdf page 6] of the report.

BLUE WATER BRIDGE ANNUAL TRAFFIC VOLUMES AND PASSENGER CAR EQUIVALENTS

prepared 11 August 2009 by D. R. Bergmann

<u>Year</u>	<u>Cars</u>	<u>Trucks</u>	<u>Buses</u>	<u>Total</u>	<u>PCE's</u>
1988	3,648,546	605,756	See Note (B)	4,254,302	5,465,814
1989	3,974,452	640,547	See Note (B)	4,614,999	5,896,093
1990	4,840,057	670,063	See Note (B)	5,510,120	6,850,246
1991	5,417,269	721,581	See Note (B)	6,138,850	7,582,012
1992	5,225,861	825,295	See Note (B)	6,051,156	7,701,746
1993	5,107,407	954,685	See Note (B)	6,062,092	7,971,462
1994	4,089,366	1,127,586	See Note (B)	5,216,952	7,472,124
1995	3,820,010	1,159,797	See Note (B)	4,979,807	7,299,401
1996	3,849,713	1,189,932	See Note (B)	5,039,645	7,419,509
1997	3,872,633	1,272,239	6,248	5,151,120	7,708,094
1998	3,841,214	1,350,711	7,043	5,198,968	7,914,476
1999	4,042,502	1,495,325	7,493	5,545,320	8,550,956
2000	4,390,302	1,576,839	9,690	5,976,831	9,149,889 ***
2001	4,122,111	1,556,491	8,957	5,687,559	8,818,455
2002	3,905,330	1,682,645	8,936	5,596,911	8,980,073
2003	3,707,931	1,725,603	7,673	5,441,207	8,907,759
2004	3,761,591	1,799,371	7,883	5,568,845	9,183,353
2005	3,714,729	1,790,673	8,407	5,513,809	9,111,969
2006	3,686,528	1,636,520	8,703	5,331,751	8,622,197
2007	3,424,048	1,613,997	8,655	5,046,700	8,292,004
2008	3,339,644	1,574,428	7,882	4,921,954	8,086,574

CONSTRUCTION AND BRIDGE OPENING DATA:

Source: Michigan Department of Transportation website, at
http://www.michigan.gov/mdot/0,1607,7-151-9618_11070-22062--,00.html

1938	Original span opened (3 lanes wide)
Jun 1995	Construction on second span began
Jul 1997	Construction on second span completed (3 lanes wide)
Jul 1997	All traffic placed on second span
Jul 1997	Rehabilitation work on original span begun
Nov 1999	Both spans in full operation

SOURCES OF TRAFFIC DATA

All traffic data presented above, with the exception of the data in the column entitled "PCE's", are from the following Michigan Department of Transportation (MDOT) records:

Years 1938 through 1998

tabulation entitled "Blue Water Bridge Traffic History" located at...
http://www.michigan.gov/documents/cartruckdetail_16532_7.pdf

Years 1997 through 2008

tabulations received during April 2008 and August 2009, each of which is marked "Blue Water Bridge Authority" (1997 thru 2006) or "Blue Water Bridge Canada" (2006 thru 2008)

NOTES

(A) The MDOT tabulation for the period 1938 through 1998 indicates that prior to 1988 the annual traffic never exceeded 3,600,000 for autos and 600,000 for trucks.

(B) Bus traffic is not shown on the MDOT tabulation covering the period 1938 thru 1996. The above tabulation assumes that buses were counted as trucks through 1996.

(C) The MDOT tabulation for the period 1938 through 1998 and the 1998 tabulation received from MDOT during April 2008 differ from each other. The 1998 traffic counts in the tabulation received during April 2008 are slightly higher than the 1998 data in the other tabulation and are the data shown above.

(D) In the DRIC study the term "Passenger Car Equivalents", or "PCE's" was used. In that study, one truck was assumed to take up the same space on a highway required for three automobiles. On each line of the above tabulation, the entry in the rightmost column is determined by adding the following: car traffic count; truck count multiplied by 3; bus count multiplied by 3.

(E) The US Department of Homeland Security's Office of Audits, in a report dated January 2006, published statistics on the number of Municipal Solid Waste (MSW) trucks entering the US during 2004. The report stated that 90,174 MSW trucks entered the US in Port Huron and that 9,250 entered the US at Detroit. The report may be viewed at <http://stabenow.senate.gov/stoptrash/oigreport0406.pdf>. Trucks transporting industrial and commercial solid wastes are not included in the MSW statistics given in the report.

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