

Chapter 8

Changing Statewide Transportation Planning Process

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Improving the Business of Statewide Planning

As you can see, my presentation is titled “Improving the Business of Statewide Planning.” Let me first ask a question. From the state perspective, what do you see as the Number 1 business objective for your DOT? My flippant answer is, “Meeting the letting schedule,” because if you don’t meet the letting schedule, back to the business of the department, certainly the director has a big problem and whoever reports to the director in that area has a bigger problem.

The second business objective would be, “Spend the federal funds and then try to get some more.” The reason I asked this question is because when we are looking at the business of statewide planning, I think it is very important that we consider it in the context of what is the business of a state DOT.

From my perspective, and just trying to frame it real simply, the business of a state DOT is the operation, maintenance, and development of the transportation system in the state. That is what I think state DOTs do, and they do lots of other things as well.

From the perspective of statewide planning, what is the role of planning in the business activities? How do we ensure that the business of our planning and our procedures is well tied and linked into the business of the department?

I want to talk about that this afternoon. To do that, I have organized my presentation around three topics:

- Looking at what statewide planning is currently performed.
- Recommending some fairly broad business objectives for statewide planning.
- Presenting what my priorities would be, if I were responsible for improving the statewide planning process.

Now, for statewide planning today. When I think about statewide planning, I am also reminded of something somebody once told me when they heard that Dye Management Group, Inc. does policy consulting. They asked “what is policy?” The simple response to that is, policy is what gets done.

In looking at statewide planning, I think if you try to define what statewide planning is in all the different states, one way is what gets done and what is called

statewide planning. My observations in this area are based upon having presented, with Bob Gorman, the FHWA statewide multimodal planning course in some 14 states. We also, in the past year, have convened a series of workshops in which we have heard 46 or 47 states' different perspectives on how they do their planning in the broadest sense. And also from not just the state perspective, but the county, city perspective, regional planning organization perspective and others, what they think of and see as statewide planning.

What I am characterizing as statewide planning (Figure 1) is really based upon what these folks see as statewide planning and not what might be my academic or other categorization of what really is statewide planning.

I would submit to you that, based upon that, all those things you see down the left-hand side of the figure are the types of statewide planning activities, or things that get done under the umbrella of statewide planning.

I think for the policy plans, and for what gets done as part of policy planning, there is a good deal of similarity and consensus on best practice. The conclusions about the work that is being done now (Figure 2) is that there is a well established successful process in many states that does reflect best practice. Many of the states are working on improving their existing processes further.

There is a good deal of work in many states now where they are trying to reengineer, or using other terms for it, improve their statewide process, especially their policy planning process, in which they are including different interests in that process.

Some of them I have highlighted there; I know Tennessee is working on it, Pennsylvania has been doing a good deal of work in this area. I am currently helping Utah think about this. Also Kentucky, New York, and North Carolina are involved in improving their processes.

There are still one or two states—I was real cautious here about whose names I put up—where really even the policy plan has a very limited role. I think it is fair to say that Nevada is one of those. There may be one or two others, but there is, I think, a good consensus on what is best practice in this area.

Where I see another story is in what you call system planning. What I mean by system planning is everything that takes place between the general policy planning framework that different states develop with different levels of specificity and the process that you all go through to put together your STIP or if you have a slightly longer program, a 5-year program. Everything in between that, the planning analysis and the technical analysis, and any of that that is done under the umbrella of statewide planning, I have lumped there as systems planning.

The conclusion that I drew (Figure 3) is that the part of system-level statewide planning analysis still is, for the most part, fairly limited. I think a lot of it is limited to deficiency and needs analysis, specifically around projects that are capacity related projects, or where you have geometric deficiencies.

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<i>Type of Plan</i>	<i>Characteristics</i>
Policy Plan (Multimodal)	<ul style="list-style-type: none"> • Sets policy/strategic direction through participatory process • Includes goal statements • Specifies implementation actions • Specifies desired outcomes
Statewide System Plans (Modal)	<ul style="list-style-type: none"> • Includes system level needs/finance analysis • Some list 20 years of improvements • Few set program level priorities (preservation, safety, capacity)
Sub-state Plans	<ul style="list-style-type: none"> • Typically identify capacity/modernization projects
Corridor Plans (Modal and Multimodal)	<ul style="list-style-type: none"> • Detailed implementing plans • Tied to project development
Long-range (5+ year) Programs	<ul style="list-style-type: none"> • List of projects as pipeline into STIP • Usually capacity/modernization • Frequently over-commits the state

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Figure 1

Statewide Planning Today

Policy Plans - Much Similarity and Consensus on Best Practice

- Well established successful many states reflect best practice
 - Florida, Montana, Oregon, Texas, Washington, others
- Some states reengineering/improving process to reflect best practice
 - Tennessee, Pennsylvania, Utah, Kentucky, New York, North Carolina
- Some states statewide plan has limited role
 - Nevada, others

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Figure 2

Needs analysis in very, very many states and the analysis around that comes up with large, unconstrained lists of needs. It appears that for many states, there really is frequently little tie between a policy and the overall framework and program identification, and programming.

On the plus side, there are some plans that do identify priority corridors and system facility needs, and some of the priorities in those areas.

The other aspect that is worth note is what I think is an emerging best practice in this area. There aren't too many examples of this. Where there is work that is done between a policy framework and programming, it is using needs analysis and other types of system planning to set some system-level priorities, and to establish what I have called performance-based program budgets. It is really using the needs analysis to make some broad programmatic priorities between, say, preservation or

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System Planning - Large Variation in Approach, Role, Effectiveness

- Most planning remains limited to deficiency/needs identification
 - Many have 20 year project lists, Utah, Kentucky, others
- Frequently little tie to prioritization or programming
- Some states use needs identification process as direct input into programming
- Some plans identify priority corridors, system and facility needs but with varying specificity
 - Corridors and facilities then subject to more detailed planning

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Statewide Planning Today

System Planning - Large Variation in Approach, Role, Effectiveness

- Many states, perhaps majority, do not have statewide system plans
- Emerging best practice plans provide policy and analysis to:
 - Set system level priorities
 - Establish performance-based program budgets
 - Set STIP funding targets for program categories (preservation, safety, capacity/mobility)

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Figure 3

safety or capacity modernization needs or other things. Emerging best practice uses the needs analysis to do that, and then provide some tie to the programming and budget process.

Oregon, in their recent update of the highway plan, used that type of approach to set financial targets, based on their needs analysis, which then drives program priorities and programming. I know, from presentations I have heard and seen, the Washington transportation plan worked this way. There are one or two other states that have been doing this as well.

From my perspective, all too few states are very systematically looking at how they bridge that gap between the project level needs identification and the overall policy planning process.

A bright spot, I think, also is the considerable work in many states done through substate plans (Figure 4). Although I have said here that many states don't do them, there are a lot of other states that are doing substate plans, and I think doing a really good job of them. These plans vary in the amount of the program that is addressed by them. By that I mean, some of them are really focused primarily on capacity projects, say, on the NHS. Others are broader than that, looking at overall system needs, whether it is preservation, safety, as well as capacity. Other states have regional plans that are really just used as a mechanism to identify and prioritize projects funded using STP funds.

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Large Sub-state Plans - Identify Capacity/Mobility Improvement Projects

- Many states do no sub-area plans
 - Improvements identified from statewide processes
- Some states do sub-state system plans
 - California, Minnesota, Michigan, Colorado, Kentucky, Alaska - tend to address mobility, capacity needs
 - Plans vary in amount of program (dollars) addressed
- Other states have regional plans for STP funded projects only

Increasingly, I think, it is the corridor planning process that is being used for implementation (Figure 5). Here is where I have seen and am very encouraged to see that we are doing some of the things that I heard other presenters talking about this morning. It is where we are looking at a corridor, not just the mobility and capacity, but really also looking at maintenance, operations, access management, taking an integrated approach to planning for those corridors. There are many examples of that.

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Corridor Plans - Increasingly Used for Implementation

- Detailed implementing plans for addressing mobility/capacity needs identified in system plans
- Point at which plans become real for communities, DOT employees, and others
- Provides specificity about planned level of development
- Ensures planning decisions are made prior to programming

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Figure 5

I think, also, from the perspective of a statewide planner, it is important to realize that this is the point at which many statewide plans and policies become meaningful to communities and also to fellow employees in the DOT. That is important to bear in mind.

They provide some specificity about the planned level of development for corridors and facilities, and provide a good vehicle to make that tie between planning decisions and programming.

Back to the original point that I made; in very many states, the long-range programs are really synonymous with the plan, and not just for the DOT employees, but for the department's partners in the process (Figure 6).

On very many occasions, when we are talking to people who develop rural, regional plans or at the county level or other partners in the planning process, they really see the statewide transportation plan as the process through which specific project needs are identified and programmed.

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Long-range Programs - Synonymous with Plan in Very Many States

- Long-range project lists
 - Missouri - 15 years; New Hampshire - 10 years; Nevada - 10 years;
South Carolina - 10 years; Louisiana - 8 years
- Public process used to select projects is the project level planning process
 - This is the case in many states
- Preservation, bridge, safety, and system level technical analysis managed in the program area
 - The case in most states

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Figure 6

I don't think that is news to any of you, but what I think might be news to you is that that still remains very, very pervasive. For us as planners to think, well, we do the planning and then preprogramming takes place and that there is a clear distinction between the two. I think it is really important to see that, in practice, there really isn't a clear distinction. I think part of our agenda for the future is to look at how we can do a better job of bridging that.

I have a point here at the bottom that might not fit here, but I think it is important for when we think about statewide planning today. That is, a lot of the planning work that is done in DOTs is not done by planning. By that I mean if you look at the total budget for the department that is spent on a highway, for example, on pavements, in many, many cases, the decisions that are made around the pavement preservation, never enter into the statewide planning process.

The same is true for bridges or even the hazard-elimination projects, the planning seems to be, in many, many states, just focused around identifying deficiencies and capacity needs that go through that process.

I did try to draw some conclusions about that and put a little scorecard (Figure 7) that I thought it might liven things up. This is my judgment on where we are today.

I have some observations about the future. I think we do a pretty good job with policy planning. The one that I missed here, which I wish I had actually put up, is the planning process itself. I would give the profession an A-plus.

Statewide Planning Today

Score Card

Policy Planning	<i>A– and improving</i>
System Planning	<i>C–</i>
Sub-Area Plans	<i>B+</i>
Corridor Plans	<i>A and improving</i>
Long-Range Programs/Project Lists	<i>B– and improving</i>

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Figure 7

I think we do a really, really good job of that, and it has improved incredibly since the beginning of this decade. We know how to do good process. We know how to do good policy planning. Where I think that there is lots of room to improve is how we systematically, at the statewide system level, do our needs analysis and set our priorities and use that as a basis to guide where we make the investments.

I think we are doing a good job with corridor plans and subarea plans as well. That is my assessment of where we are today.

Now, where should we be heading in the future and what should some of our objectives be? Going back to what I said at the beginning, I guess my flippant point, and then the more serious one relating to the business of the department.

I do think it is really important that, as we look at what we do as part of statewide planning, we look at how it integrates with and is connected with the business of the department itself.

A tool to do that is to establish, for the different elements of statewide planning, some clear business objectives to focus and guide planning activities.

It is all too easy, under the umbrella of statewide planning, to have the work that is done become fragmented pockets of activity. For example, somebody is involved in conformity analysis, somebody is working with MPOs, and without really relating it back to the business of the department and thinking from that perspective.

I have put up a few of my suggestions about what some of the business objectives might be (Figure 8). I think these are probably, for most of you, self-evident. I think that, for the vast majority of employees within DOTs and some of the partners that we work with, it is not clear that these are the business objectives.

Recommended Business Objectives

Overall

A Good Plan -

- Says what the plan is for the future
- Shows what implementation will look like
- Establishes explicit priorities for implementation

Good Implementation -

- Does what we say we are going to do

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Figure 8

I always try to orient the folks that I work with to think about their planning and really just say, a good plan says what the plan is for the future. We show what the implementation will look like, and we set some explicit priorities. We know what we have to do to implement the plan. Good implementation does what we are going to do.

In Utah, one of the basic statements that they have been working on for many, many years now is making it clear that, in the STIP, they say what they are going to do and they do what they say. That is a clear business plan, and they have been working on that for a long time and they are getting better at doing it.

I think some of the same sort of thinking needs to apply to how we think overall about everything that we do under statewide planning.

I have suggested some business objectives for the statewide policy process (Figure 9). I think most of these are known to you all and have been talked about at prior conferences.

Recommended Business Objectives

Statewide Policy Planning Process

- Set strategic direction for the state
- Provide framework through which policy is set
- Set explicit policy priorities
- Have specificity to guide implementation
- Establish measurable goals and objectives
- Provide broad based representative public involvement
- Specify implementing actions, responsibilities

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Figure 9

I think it is important to emphasize the extent to which we can establish some priorities. Even at the policy level, it provides much better guidance for implementation. Everything can't be a priority.

We can have mutually exclusive or very general policies in high-level policy statements, but we need to, at some point, establish some priorities and, wherever possible, go the next step and make some measurable goal or objective statements, and specify implementing actions and responsibilities.

For system planning, Figure 10 shows what I think some of the objectives should be. From my perspective, I don't think we need to financially constrain them. I think we should be visionary but realistic. We don't know about the future, of course, but we know what is patently unrealistic, and have some flexibility there.

There are two things that I want to highlight under business objectives for system planning that I consider important. First, the system planning should establish some program-level priorities and guide performance-based budgets. The planning process can provide the technical information to support that. If we have a certain level of investment in pavement preservation, then we expect to see this type of payoff from it. If we invest in mobility, then it will have this impact on pavement conditions. To have a systematic

framework through which we can explicitly, at the system level, make some of those choices about the allocation of resources, I think, is a good objective for system planning.

Recommended Business Objectives

System Planning

- Establish visionary but realistic plan for future
- Set measurable performance standards for statewide system
- Provide analysis through which system needs defined and monitored
- Set program level priorities, establish performance based program budgets
- Specify implementing programs and actions
- Specify statewide strategic/major system development projects

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Figure 10

The second objective that I have added there, and I have seen one or two states start to do this is, at the state level, provide some specificity about strategic or major system development projects. It needn't be a commitment, but it could be expanded as these are the strategic investments that we are looking at through our planning process. I think it is important that, if you have a state that has a number of MPOs in it, that the state system plan is more than the sum of all those MPO plans and the investments that they have there. Without such a plan, it is not clear what the strategic investments or the priorities are for the state, or the state leadership in seeing those through. My feeling is that the state system plan should be looking at what are the state's strategic investment priorities. They may be different to some of the MPOs, but from the system perspective at the statewide level, I think it is important that somewhere they are identified. Otherwise, you have something like a balkanized process for making the big investments because, for the most part, the big investments are in the metropolitan areas.

I think it is right that the states should have some priorities. Where you have to go out and generate additional funding for them, be very clear about what those priorities are and provide some leadership for it, especially given the lead times in the project development process.

Figure 11 shows the business objectives for the subarea plans and the corridor plans. I think they are fairly self-evident.

Recommended Business Objectives

Sub-area Plans/Corridor Plans

- Define the level of development/specify planned improvements
- Identify and prioritize project needs
- Make financially feasible project commitments
- Implemented statewide policy/system objectives
- Led by regions/districts with close tie to project development/delivery

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Figure 11

Long-range programs and project lists (Figure 12) are key, and we probably all agree, that they do implement the plan. They should also be achievable and provide some financial constraint to that. They represent an achievable commitment. Many, many of the states that we have heard from in the past year are dealing with a legacy of unachievable over-commitments for lists of projects and programs, whether they are tied to gas tax increases or other commitments. They carry those commitments around for a long, long time, and I think it is important that we don't repeat those mistakes. To do that, the programs need to specify to some degree the type of improvements that are expected, and provide a broad time frame for them.

Finally I would like to give you my viewpoints on improving statewide planning. I have given you my thoughts on what I think statewide planning is doing today, some suggestions for some objectives for it.

Recommended Business Objectives

Long-range Programs/Project Lists

- Implement the plan
- Achievable commitment
- Specifies type of improvement and construction timeframe
- Considers technical and customer priorities

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Figure 12

I am always reticent in having a huge shopping list of things we are working on doing differently. I am all-too-conscious of the fact that, back to the very first objective that I laid out of DOTs, which is meet that letting schedule and spend all the federal funds, the reality of how all of us work is, we have to continue to do what we do.

There is business continuity. We have a lot of constraints on how we change things. I think it is important that we, in making any improvements to our process, focus on what is most important.

That is what I have tried to do here, and give you my recommendations on where to focus. I would focus on that gap between the policy planning, which I think we are doing okay with, and programming, which we know how to program projects, because every state has a STIP and states do a good job getting their federal funds obligated. It is in the middle of that.

The questions that I pose are: first, what is the best future role for what I very loosely called system planning?

The second question is how do we tie these overall statewide policy planning frameworks, with their varying levels of specificity, to implementation?

I think they are two key questions for all of us, that we all deal with probably every day.

These are some of my thoughts on the role at the system level (Figure 13). We do, I believe, need to do system-level needs analyses for a number of reasons. Traditionally, as you know, we have done these needs analyses to show that we have a big revenue gap and to go across the street and ask for additional funds so that we can fix the system and save some money and demonstrate the life-cycle cost benefits of doing that, or to meet

some specific capacity needs, and four-lane every two-lane road between cities over 50,000. There are lots of examples of that.

Improving Statewide Planning

What role for statewide system planning?

- System level needs analysis
- Program level priority setting
- Identify agreed strategic investments
- Analysis to drive performance based budgets

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Figure 13

We have done those types of needs analyses. Or we have done fairly sophisticated deficiency analyses and prioritization to drive programming. I still think we need to do that. We need to do that in a very consistent way throughout the department, so that how we are doing it in planning is using the same assumptions and the same measurements of deficiencies as how we are measuring them through our pavement-management processes and our bridge management and even through the different indices that we use in our project prioritization. If we are measuring a need one way and sufficiency another way, then it should probably be coordinated with how we are measuring it in our needs analysis. When we have done that and we have it sorted, I think we can use this analysis also as an aid to setting our program-level priorities. Then we have a good analytical basis to make some choices between, for example, preservation or safety.

I think that should drive, as the bottom bullet there, our budget process. Until we look at tying the two together, I think the planning is really not empowered and is of less interest to our colleagues who aren't planners elsewhere in the department.

The other one I put up on here, again because this is something I think is important, is that we do need to identify through these processes strategic investments or establish an agenda for dealing with them.

Another reason why I think this is so important is that it just takes so long to make a big strategic investment, both the decision-making process of it and just the nature of the environment in which we do business.

I will pick on Alaska, and if this isn't a good example, someone can tell me. There are, probably, in each of the regions of Alaska, some very big capital projects that have been on the table for a long time. They are still on the table. Unless you narrow down the number of them and start to create a framework through which you can tackle them, they will never get done. I think it is important that we do that and don't shy away from it.

Finally, the other area is tying plans to implementation (Figure 14).

Improving Statewide Planning

How to tie plans to implementation?

- Budget process
- Short-range (5 year) implementation elements
- Corridor planning
- Project delivery/development process
- Performance plans for line managers
- Institutional/cultural change

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Figure 14

I think that one way to approach that is to look at where things get done in the department. Budgets is how things get done. If you don't have a budget, you can't do something.

It is not just the budget process for allocating resources between program areas, but, for example, if an important strategy in the statewide plan is TDM, and we don't

have a budget process that is providing funds for that program in that area, then it is unlikely that we will be implementing our actions in that area.

Some other areas where I think things get done is in the shorter-range elements of our plans, and there it blurs with programs.

If I were doing a modal plan beginning tomorrow and was involved in the discussions around the approach to it, I would strongly encourage anybody to have a short-range element, which is pretty project specific within a five-year period, says what are we going to do to implement the plan, and makes that tie.

I think corridor planning is a point at which that takes place. One illustration of that is the corridor planning program in Kansas. I was very interested to learn how that program is being implemented, and the way in which they are doing some very innovative things, particularly in the area of access management. In the approach to coming up with agreed development in the corridor and to preserve the corridor, the state is actually spending state funds on (I am not sure whether it is county roads or city streets) but off the state system as an agreed collaborative way in which to preserve the capacity and the functional integrity of the corridor by providing some funds and doing some projects off that system.

There are lots of interesting things happening at the corridor level, and that is where a lot of the plans are really being implemented.

Other ideas that you see developing through the policy planning process, like context-sensitive design, and community involvement at that level, the implementation, is at the corridor level, at least from the planning perspective.

I think also looking at the tie between project delivery and project developments and planning is very important.

As you all know, there are often times very big changes in what gets done, what gets designed, versus the original scoping versus the original intent through the planning, and to look at the connection between the two. Finally, there are, of course, very real institutional barriers to strengthening or empowering planning to do some of these things.

There is a lot of institutional and cultural change that is still required within our organizations. I think a lot of that is because the nature of the business is to make sure, as I said in the very beginning, that we are getting projects designed and that we are getting the contracts let, and we are obligating those funds.

I think one of the ways in which you can deal with or approach some of this is to very specifically tie some of the performance plans of some of your line managers to accomplishment of the overall planning objectives, and really institutionalizing it that way.

JOHN HORSLEY, American Association of State Highway and Transportation Officials

Future Challenges in Statewide Transportation Planning

First of all let me thank you and thank TRB for inviting me to come and join you for this fifth conference on statewide planning.

I have seen some of the background of your previous endeavors and the locations. You have good taste as to where to go. You have blown us away with this site. This is a marvelous location and I enjoyed the previous part of the week that I spent down in Juneau and the last two days here and look forward to tomorrow here.

I want to also commend TRB for the good work you have done this year in planning. I was there when you kicked off the conference on thinking about planning into the next century February 7 in Washington, D.C. Dave was with you, and Debbie, were you out there as well, at the conference in Irvine? Let me brag for just a second on how proud I am on the quality of staff that works in this field of planning in AASHTO: Dave Clawson and Debbie Buchacz. They serve us all well, certainly serve me well.

Let me also add how delighted I am that Janet Oakley has joined our staff. She has been on board for three weeks, if you can imagine coming on board the first week with testimony on a bond bill. Then, about the same week, she heard that next Tuesday, I think, she is flying in at midnight and then our president will be speaking in another Senate hearing. So Janet has had her trial by fire, but she has come to us from the Association of Metropolitan Planning Organizations. I think it strengthens us a great deal in AASHTO to have a person with her wealth of knowledge in planning and environmental areas that she has been working in, as the head of AMPO, and also with her background in federal highways and the state of Kentucky. So I am very well served and delighted to have the backup on our staff working in this area.

The issue you gave me to talk about was future challenges in statewide transportation planning. As I look ahead, I think the role this group plays, as statewide planning folks in the state DOTs, you are going to play an increasingly strategically critical role in your states.

I don't think you are going to get the job done without very talented, creative planners on the cutting edge. You hit the nail on the head. The world is getting more complex and we just aren't going to get to the letting without an increasingly sophisticated approach at the planning stage.

A lot of the processes that we used to be able to do on the tail end of a project are getting foreshortened and need to be accelerated and done up front, more so than ever before. I think you are going to increasingly play a strategic role.

There are many, many challenges that I think you face in your profession as we look ahead. Let me name four and take you through why I believe those four, on my list,

rank as some of the top issues and challenges that you are going to deal with in statewide transportation planning.

The first one is smart growth, the second one is environmental streamlining, the third one is freight efficiency, and the fourth is rural transportation.

Let me get into those. I don't know how many of you were at our Boston meeting. Frank Francois, the man whose large shoes I am attempting to fill—and Frank and I have been friends for 20 years—has made an enormous contribution to the field of planning, to the field of technology, to the field of intermodal. There are just so many things that Frank has brought us a long way, and we are all standing on his shoulders.

In his soliloquy that he gave up there in Boston, he took us through three bits of history that I thought were fascinating.

In the last 30 years, the U.S. population grew 30 percent, vehicle miles traveled grew 130 percent, and highway capacity increased 5 percent. You wonder why congestion in many of our major metro areas is the challenge that it is today.

I am living in the D.C. metro area. In some areas we are ranked Number 2 in congestion in the country. I come from the Seattle area; the Seattle metropolitan area is ranked somewhere between fourth and sixth and getting worse. In the political polls it ranks right up there.

If we looked ahead, during the next 30 years, the U.S. population is expected to grow by 60 million, or somewhere in the range of another 30 percent. Vehicle miles traveled, over the last 20 years, doubled from one to two trillion, and over the next 30 years, according to current trend lines, is projected to double again.

That is not sustainable. You can't deal with the challenges we are facing if VMT again doubles, at least in my book.

Now, it may do that anyhow, and let's see what kinds of speeches we are giving 10 years from now. Neil Pierce is a columnist who I think chronicles what is going on in government, especially, at the regional level, on the local level. In an article he wrote about three weeks ago he said the smart growth, antisprawl bandwagon is rolling so fast even Al Gore may have to run to catch up.

What is happening? Jesse Ventura has embraced this. They have a new light rail line they are going to build in the Twin Cities there, and they are doing some other measures to try to encourage in-fill growth and discourage growth and sprawl.

In Colorado, Roy Romer was working on an antisprawl campaign. The thought was, when conservative governor Bill Owens came in, he would cast that aside and move on to aggressive, prodevelopment, damn the torpedoes, full speed ahead. He has embraced and is continuing the controls that Roy Romer tried to put in place.

In Washington, you heard Sid Morrison talk about the growth management act. In Oregon, you have the urban growth boundaries. You have Pennsylvania growing smarter, and Maryland Smart Growth. Tennessee, Utah—you look across the country—nearly every state, in some way, is attempting to grapple with this issue because the citizens are demanding it.

They are sick and tired of being stuck in traffic. I was with Secretary Slater and Vice President Gore in Portland when we kicked off his livability agenda.

Again, I prepared the secretary for the presentation they did in Derry, New Hampshire. In each case, when you do the man-on-the-street polling, what they are saying is the manifestation of livability that people are upset about is not getting home to their families. They are taking so long to get to their destinations. Being stuck in traffic is something people are sick and tired of. They are looking at us in government to craft a solution.

What all of us know is, you can't just build your way out. You have to build your way out, but you can't just build your way out. There are many more facets of the solution that have to be put in place in addition to letting projects that add capacity.

So, in my book, dealing with this issue, I think it is going to increasingly come upon us, and the challenge will be confronting you at the statewide level, in partnership with the MPOs, on how do you craft solutions. I think you are going to have to broaden the array of folks that you talk to.

Let me touch on three things quickly that I think will be involved in that. I think Governor Parris Glendening in Maryland is on the right track. There are only so many dollars that you have to bring to bear each year. What I heard the governor remark, when he gave an address this spring, is what he is going to try to do in Maryland is pick and choose and invest infrastructure where it reinforces what they are trying to achieve in broader community strategies and not invest where it doesn't achieve those objectives. So, smart investment is going to coincide with smart growth.

The other thing I think we are going to have to do increasingly is partner and talk to fellow interests that are part of the coalition that it is going to take to make these decisions.

In AASHTO, we have been engaged this last several months, I am sure this is being replicated at the state level, with the American Public Transportation Association, the National Home Builders, the Metropolitan Planning Organizations, the International Downtown Association, and a design group, the Organization for Public Spaces, and others. The cities and counties are in the room. We are talking with these folks about how do we craft community solutions, of which transportation is an important facet.

But we aren't primarily talking about transportation. We are talking about shaping communities' futures.

The final thing I wanted to mention in this regard is that we aren't going to solve this growing VMT challenge and the livability agenda just by concentrating on moving folks back into old downtowns.

The suburbs are where most people live. They aren't going to go away. I don't think that is going to reverse itself. I think development on the next tier is going to happen. What we are going to have to craft is suburban mobility solutions that work for us just as hub-and-spoke used to work, when downtown was the hub. That is something that we as the MPOs, transit planners, what have you, are going to have to come up with

technology solutions. We are going to have to get labor unions involved because of 13-C, etc.

Suburban mobility is going to be the challenge that you confront for the next decade. That is the first issue.

The second issue, and dealing with the first successfully will help a great deal with the second, is the issue of environmental streamlining. Now, many of you have heard jokes for years about oxymoron, such as rush hour, military intelligence, things like that. Let me put your profession, transportation planner, on the table as an oxymoron; unless we can get past this issue of environmental streamlining.

Now, David Rose, you are talking about getting to the lettings. Governors are talking to DOT secretaries all around the country. Don't leave any money on the table. Let's get the pipeline moving here. What you are running into, what we are all running into, it is taking longer and longer to get project approvals to achieve community objectives.

We are going to have to get more sophisticated and more effective or we will never get to those project lettings. Unless we can get a list of projects that are approved and ready to go into the pipeline, they can't be built.

Let me turn to the compendium that was done, based on the planning conference in Irvine. Let me read a brief paragraph from one of the challenges that you are going to study.

It says, this is the problem. "Traditionally, the transportation planning process has been transportation demand model driven, with the model serving to define what types of improvement should be scheduled for improving the transportation network of the urbanized area. The current process does not fully consider, early in the transportation planning process, environmental, land-use, community value issues, in selecting transportation improvements." It is good that TRB has decided to study that because it is going to be a fundamental tenet of success.

We are very pleased with the conference that Maryland convened a year ago, "Thinking Beyond the Pavement." They had 38 states participate in that seminal discussion of how do you get beyond the good design, good geometrics, to what is the community impact. How are we going to integrate these transportation investments with broader community objectives? In almost every case study, what they showed is that projects that had been on the drawing boards for 30 years and couldn't get anywhere until folks stepped back and said maybe we ought to talk to the communities.

Maybe we ought to look at the community concerns that go beyond moving traffic more efficiently and see what else is involved. In almost every instance, once they did successfully address those community concerns, the projects proceeded.

So, greater involvement with communities. And another issue that you outlined here is better community visualization techniques. I think there is some great technology that is evolving that helps community groups, on a project basis, understand what you are

talking about, give you their feedback. You can internalize their concerns and then put together solutions that meet their objections.

I think, as a starting level, we have got to do better integrating of those environmental and community concerns, communicating more effectively with the community. That is one stage.

Then, the other stage that we are all going to have to work on is a more systematic review and early involvement of our regulatory agency partners, state and federal.

The third thing that I wanted to mention was freight efficiency. One of the roles that I played at USDOT was, I was the intermodal guy for a while. So I went to all sorts of discussions with the freight community. What I heard from the private sectors is a couple things.

Number 1, we don't have a clue what they do in government, at the MPO level or the statewide level. Our issues have generally been ignored or been considered secondary. When you look at the transformation that is taking place in our economy, number one, the United States dependence on global trade has gone from about 12 percent of our gross national product to 24 percent and climbing.

The volume of trade that is moving around the country, freight and international trade, is increasing dramatically, and the speed at which business and citizens depend upon the movement of freight is going up geometrically. Overnight express is growing by 6 to 8 percent per year. International intermodal trade is growing by 6 to 8 percent a year. Just normal bulk freight is increasing 2 percent a year.

So we are getting more and more freight in the American economy that is going to have to be moved. Then you go back to that first part of my discussion about growing congestion. It used to be that, in terms of inventory, businesses could tolerate one month in the warehouse. Then, their inventory had to turn over. They are dependent on it being delivered to the loading dock, with 24 hours' leeway. Now it is 15 minutes. So just-in-time delivery is an increasing imperative of business, whether it is manufacturing or retail, and here we have increasing congestion.

So freight efficiency is something we are going to have to deal with, and let me throw one other issue on the table in that regard.

That is the Internet. It is one of these bell curves. I am not even sure what the shape of the thing is. When Amazon.com began to sell books on the Internet a couple of years ago, it was slow and then took off. Now, what you are seeing in almost every other facet of retail, the Internet is gaining momentum. The question is how do those commodities that are going to increasingly be purchased over the Internet, how are they going to get delivered?

It may very well change the whole dynamic of delivery. Already, what UPS drivers and Fed Ex drivers tell us is, we wouldn't block traffic at peak hours if you planners would build in a loading dock where we could pull over, or a pull-off slot.

So, we have got to get better engaged, more extensively engaged, with our freight partners—the shippers, the truckers, rail, etc.—to come up with an efficient system that

responds to business needs, community needs, individual needs, and changing technology.

The three levels that I would recommend that you, in the statewide planning effort, deal with are:

One, I would call multistate level corridors—you are doing well, I agree with David Rose, on corridor planning internal to your states. I just saw a presentation on the Western Transportation Trade Networks that Wilbur Smith did for the western states. I think, on an increasing basis, we need analysis on a multistate basis, of how to improve the flows of commodities that are going multistate.

From the multistate level I would move down to the metro level. And you, in partnership with the MPOs and the private sector and the rail and trucking industry, and rail and trucking industry, the ports, the airports, need to look at how you are going to do targeted improvements to intermodal connections.

That may be one of your best dollar-to-dollar payoffs, is in improving connections to the system.

The third, I would call, microlevel planning, relating to this change in technology on the Internet, overnight express delivery. I think you need to take a concerted focus on that issue.

Let me wrap up with some of the issues that I see coming your way in the rural area. There is an issue, and I think being up here in Alaska is a good example of this. The Winnebago generation is coming. In fact, it is here.

Those who are entering their fifties, just look at this age cohort, the group from the year 1995 to 2005, the generation in that cohort that are turning 50 will increase by 50 percent during that decade. Then, not too long thereafter, they are going to turn 65. Now this is, Number 1, their peak earning years and their peak leisure years. The number of RVs purchased last year increased 16 percent.

If you look at the cruise ships, the cruise ships out there are increasing 10 percent a year. You look at just about any index; recreation, tourism, travel, it is going to be dramatically increasing.

Now, many of you, a fundamental challenge to any statewide planner is rural. A lot of that, in the past, has been farm to market. If you fly over America, every cultivatable inch of soil is under cultivation, and ag is a fundamental fact of life in rural America.

It is fading as a percentage of our GNP, and it is fading as of what share of our population live in rural America. In a lot of areas in the country and where I come from, timber is a dying industry. Governors all over this country are looking for what is going to succeed agriculture as the driving force in our economy.

What they are increasingly seeing is recreation, tourism, travel is going to be a fundamental component of a state's economic development strategy. In many cases, private industry, the Forest Service, etc., they are way out there. They are doing it. The question is, have our transportation plans caught up with that dynamic?

Now, in Florida, tourism has got to be either one or two. In Colorado, tourism is number one or two. The question is have our statewide transportation plans caught up to the vital role that travel, tourism, recreation have played and are going to play increasingly?

You have an export economy, folks from outside the region, outside the state who, like this convention, come to Alaska. That is one face of it. It is also internal consumption. Those Winnebago drivers are weekenders. A lot of them come from the suburbs and the central city. On Friday, Saturday, Sunday and beyond, they are going to go out to the rural areas and recreate and enjoy the economy.

The question is, are we going to have the capacity, the information systems, etc., to handle them, and to handle them well?

I would commend to you, especially in the West, close collaboration with the National Park Service, Forest Service, and some of these other agencies that are planning economic development strategies, to offset the reduction in timber harvest, for example. Also, take a look at your economic development staffs in your governor's office to see if you are talking closely enough.

The second facet of change in rural areas that I see coming, and I bet many of you do as well, because I was speaking to a public transit group a couple of weeks ago and they tell me, in your state public transit agencies, they clearly see this. That is the graying of the generation that used to be on the farm, on the homestead, wants to stay on the farm, with the independence, as they move into being 85 years old, and in that cohort, but they don't drive any more. Eighteen percent of those over 65 don't drive any more. Then, as they get older, that percentage goes up. They don't want to have to move into an apartment in town or a nursing home. They like to retain their independence. The question is, how do they get the key services?

So the changing dynamics and changing demographics of especially rural America is something that I think you are going to have to pay attention to increasingly and then develop plans that respond to that. I think a lot of that is going to be van service, transit service of some sort, community based, to respond to that changing dynamic.

So those are four issues that I see.