

Part one: America is falling apart

by Jeff Kosseff, *The Oregonian*

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Growing backlog of repairs to roads, sewers and other basics threatens economy, livability

America is falling apart.

Literally.

From highways to bridges to plumbing to telecommunications, we are not keeping up with our national maintenance chores.

Our highways are crumbling. Just maintaining them as they are would cost up to 40 cents a gallon more in gas taxes over the next five years.

And that would do nothing to meet the increased demand; highway travel and hours stuck in traffic have both grown by about 25 percent in the past 10 years.

Remember that bridge that collapsed in Minneapolis last summer? More than one-quarter of U.S. bridges -- including one-quarter of Oregon's -- are structurally deficient or functionally obsolete.

We need to spend \$250 billion to fix our aging water pipes. And our telecommunications system is far slower than the rest of the world's lightning-fast broadband.

"We're basically sliding toward Third World status," said Rep. Peter DeFazio, D-Ore. "It's pathetic."



Olivia Bucks, *The Oregonian*

Water and sewer: A city of Portland truck falls into a sinkhole in Southeast Portland in December 2006 after pipes under the street collapsed. Water and sewer systems nationwide are old and deteriorating.

The aging infrastructure is more than a headache that strands us in traffic and slows our e-mail. It poses a huge threat to our economy.

Our overseas competitors are making huge investments. China is building a 53,000-mile national highway system, along with light rail and other mass transit. Sure, China is playing catch-up. But the United States lags Taiwan, Japan, and 17 other countries in broadband deployment.

Just as relatively low wages in other countries pushed U.S. jobs overseas, so, too, could our deteriorating infrastructure.

Oregon's congressional delegation is in a position to make a difference. DeFazio chairs the House subcommittee on highways and transit. He'll play a key role in drafting a road and transit funding bill next year. Sen. Ron Wyden, D-Ore., is pushing for the government to issue billions of dollars in bonds to pay for highway improvements. Rep. Earl Blumenauer, D-Ore., is pushing for a national transportation plan.

Blumenauer responded to DeFazio's comparison of the United States to Third World countries with a minor correction:

"You're doing a disservice to some Third World countries," Blumenauer

said. "We're losing this battle. We're investing less in infrastructure than at any time in our history."

NATION'S INFRASTRUCTURE IS SHOWING ITS AGE

Highways and bridges

WASHINGTON -- If you drive on a U.S. highway, there is a 33 percent chance it is in poor or mediocre condition.

If you drive on one of Oregon's 7,234 bridges, there is a 25 percent chance that the federal government has deemed it "structurally deficient" or "functionally obsolete."

If you commute on Portland roads, you spend an average of 38 hours a year stuck in traffic.

During the Great Depression, Congress came up with a solution to such problems: Tax gasoline and create a federal highway trust fund to provide money to maintain and expand highways.

Although fuel tax revenues have increased, thanks to increased consumption, the rate -- 18.4 cents a gallon -- hasn't been raised since 1993. And construction costs have soared. The federal government expects the trust fund to run a deficit in the next year.

The need is so dire that a congressionally created commission recently estimated that even modest improvements would require government investments of between \$130 billion and \$240 billion a year in highways through 2020, far greater than the current \$68 billion. To pay for that with the gas tax, the government would have to increase the tax by as much as 40 cents a gallon.

Fat chance.

"Political people talk about family values all the time," said Sen. Ron Wyden, D-Ore., who has proposed issuing \$50 billion in bonds to fix the nation's highways, bridges, public transit and other public works. "It would be nice to get our parents out of traffic jams at night so they could get home to be with their families before 8 o'clock at night."

The maintenance backlog illustrates a simple axiom that's often forgotten: It costs a lot of money to fix big problems.

"There's no magic solution that is free," said Jack L. Schenendorf, a Washington lawyer who was vice chairman of the federal commission. "For a number of decades now, we've been able to have a growing, strong economy with the system we had. That system is now aging. And that system is at capacity in many places. We can't be complacent anymore."

The problem has become more costly every year the government has neglected to address it, said David Mongan, president of the American Society of Civil Engineers.

"The longer you put it off," he said, "that element of infrastructure is simply getting older."

Rep. Peter DeFazio, D-Ore., will lead the quest to determine how to fix the system. Next year, as chairman of the House surface transportation subcommittee, he will oversee reauthorizing the law that governs how the federal government finances highways and transit.

DeFazio agrees with the commission's estimate that the United States spends one-third of what is necessary to modernize the transportation infrastructure.

"We're not going to get there in one five-year period," DeFazio said.

The Bush administration and some states have pushed the idea of public-private partnerships to build highways.

Transportation Secretary Mary Peters, who chaired the federal commission, issued a dissenting report with two other commission members in which she suggested market-based solutions such as private ownership of roads rather than fuel tax increases.

But DeFazio was skeptical of the public benefits, pointing to projects in Illinois and Indiana that resulted in increased tolls.

"They can be a small part of the solution and help in certain areas, but they have to be regulated," he said.

DeFazio says a 40-cent gas tax increase isn't likely to get political support either. He has other ideas to raise money.

"What I'd like to do is grab some of the excess profits from the oil and gas industry and some of the speculative money that's in the cost of gasoline, and put that to public use," DeFazio said. "I may not be able to get a majority viewpoint on that, but I'll be offering ideas like that."

DeFazio said he'd also like to publicize the problem.

"We should post signs on every bridge and let everyone know how bad it is: 'The bridge upon which you will drive, part of the national highway system, is structurally deficient,' " DeFazio said. "That would not make people happy to know that."

Public transit

WASHINGTON -- As population and gas prices continue to climb, public transit is a popular solution to traffic jams on strained highways and the high cost of commuting.

But public transit systems face the same challenge that roads do: the need for more money to maintain and expand their systems.

According to the American Public Transportation Association, ridership nationally is up 32 percent from 1995.

But that carries a cost. Currently, the government spends about \$13 billion a year on transit. A recent report by a federal transportation commission estimated that to maintain the existing system without adding much capacity, government would have to spend between \$14 billion and \$18 billion a year -- every year through 2020. Accommodating new demand, the panel estimated, would require between \$21 billion and \$32 billion a year.

Transit advocates say that the growing concentration of people around large cities necessitates increased investments in rail, buses and other mass transit.

"The concentration of people and economic product in the denser urban areas means that roads can't solve it alone," said Arthur Guzzetti, vice president for policy at the American Public Transportation Association. "Roads will be an important part of the mix, but no doubt transit will be a more important part than it is now."

The Portland area's light-rail, bus and streetcar system has long been the envy of communities nationwide, partly because other systems have experienced years of underinvestment. According to a report prepared for the American Public Transportation Association last year, 16 percent of the buses in the United States and 36 percent of the rail rolling stock "currently exceed their expected life."

Rep. Earl Blumenauer, D-Ore., one of the biggest public transit buffs in Congress, likes to compare a traveler landing at John F. Kennedy International Airport in New York with one landing at Pudong International Airport near Shanghai. The traveler to Shanghai can hop onto the Maglev train, which whisks riders into the city at speeds as fast as 220 mph. The traveler to JFK faces a taxi ride likely to be stalled by big traffic jams in Brooklyn.

"Who's the developing country?" Blumenauer asked. "And who is at the top of their game? Not many people would say we're showcasing the best of America. We're losing this battle."

Internet

WASHINGTON -- Five years ago, telecommunications companies filed for bankruptcy in droves.

They had spent billions of dollars on fiber-optic networks that sat in the ground, unused.

Now a growing number of policymakers are concerned that the nation's telecommunications system hasn't enough capacity to handle Internet traffic. Huge bandwidth demands last year caused Comcast to restrict traffic to a popular peer-to-peer file-sharing service.

What happened?

Internet traffic has skyrocketed since the major telecom investments of the late 1990s.

YouTube alone now consumes more bandwidth than the entire Internet did in 2000, said Scott Cleland, president of the Precursor Group, a technology research firm.

Video, Cleland said, is "like going from bicycles on a path to triple tractor-trailers."

Additionally, much of the late 1990s telecom investment was in "long-haul" fiber, the backbone that runs between cities. The shortage of bandwidth is caused by the lack of capacity at the "last mile," which runs to homes and businesses.

"There's a stunning lack of investment in the last-mile connections," said John Windhausen Jr., who consults on telecommunications for a coalition of 2,000 universities and colleges.

Windhausen's group proposes that the federal government spend \$8 billion a year for four years. That money would go to a matching grant program in which the federal government, state governments and telecom companies would each pay one-third of the cost to expand the networks.

The companies would own the networks, provided that they agree to certain public-interest conditions.

Wyden, Oregon's senator, says he'll look at the universities' proposal but thinks there are other options.

He points to The Dalles as an example of the importance of fiber-optic investment. Wyden secured about \$700,000 in federal money to help build a network in the area. That attracted Google, which Wyden's office says will create about 100 jobs.

"You can see what even a modest amount of money can do," Wyden said.

Water and sewer

WASHINGTON -- The water flowing out of your faucet has become a multibillion-dollar problem for the United States.

The water pipes running underground are decades old. Some date to the 19th century. Some are wooden.

The aging water system has led to increasing reports of burst pipes and contamination. Earlier this year, the Environmental Protection Agency estimated that the nation must invest \$202.5 billion in the next 20 years to upgrade wastewater treatment and collection, sewage and storm water management systems. That's on top of \$276.8 billion that the EPA estimates is needed to upgrade drinking water systems.

"We're underground, so nobody ever thinks about us," said Kylah Hedding, public affairs manager for the American Water Works Association, which represents drinking water utilities. Utilities fix leaks in the decades-old water system, but that's not a permanent solution, Hedding said.

"When you own a car," she said, "you make repairs on your car for so long before you have to buy a new car."

The American Water Works Association is not asking for increased federal spending. Instead, it wants the federal government to increase its loans to local governments for upgrading their systems.

The association representing wastewater utilities, however, says there is a federal role. The National Association of Clean Water Agencies is pushing a federal trust fund of \$10 billion a year. Susie Bruninga, a spokeswoman for the group, said local governments now contribute about 95 percent of costs, and a large part of that is to meet federal regulations.

"We're not saying the federal government should do it all," Bruninga said. "But we think that with increasing federal mandates, the federal government has a role, and it has to be more than the 3 to 5 percent that the federal government spends today."

Those mandates are forcing communities to spend huge sums to get into compliance with clean water regulations. Portland officials estimate that it will cost the city -- and water users -- between \$100 million and \$350 million to treat Portland's drinking water to meet the requirements of the Safe Water Drinking Act.

The expensive requirements also hit hard in small communities such as Sweet Home, which had to build a new treatment plant.

"We keep sending these mandates down to local communities," said Rep. Peter DeFazio, D-Ore. "So they have to build a very expensive new facility in a former mill town that doesn't have a lot of money."

-- Jeff Kosseff; 503-294-7605; jeff.kosseff@newhouse.com