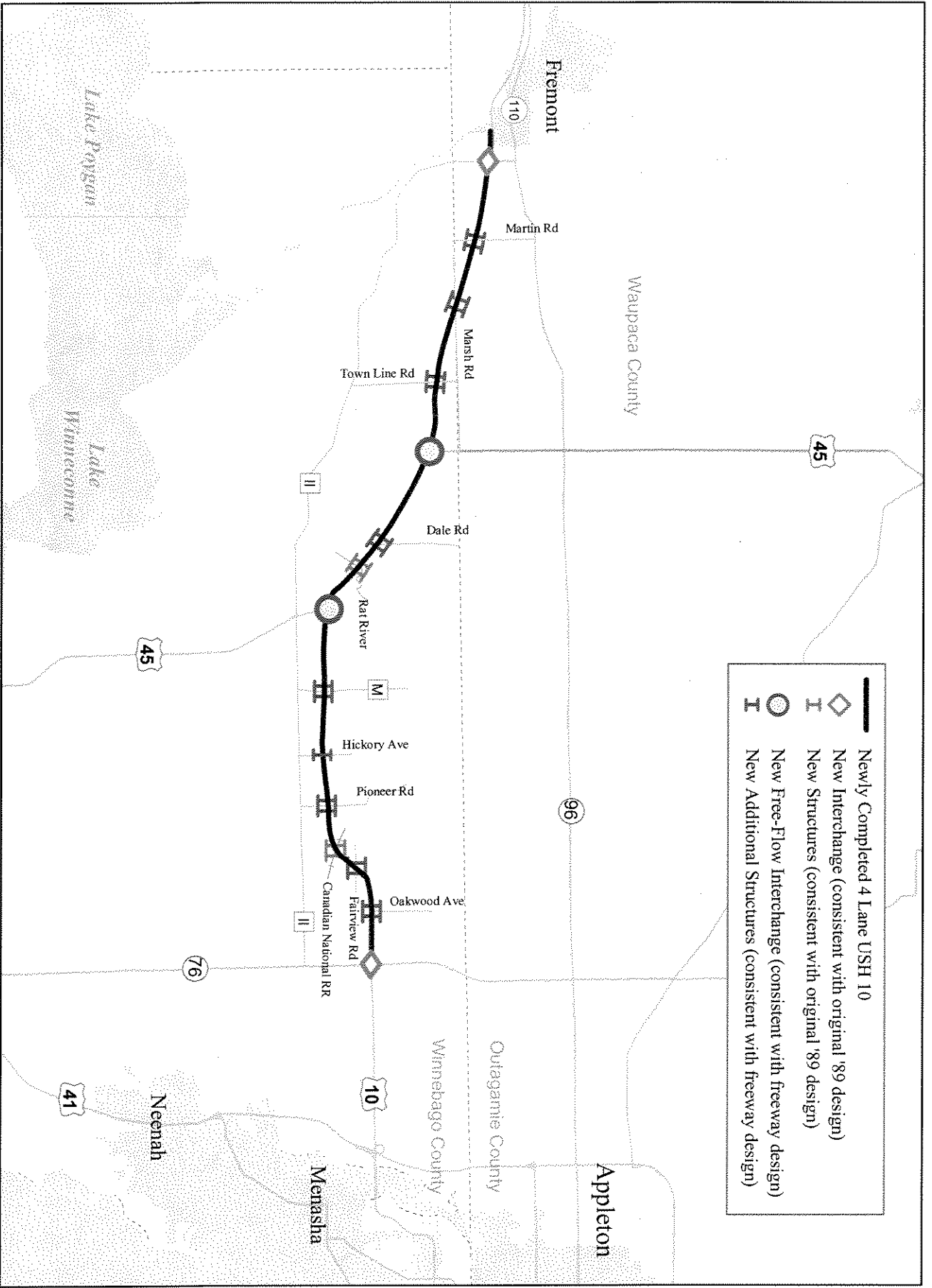
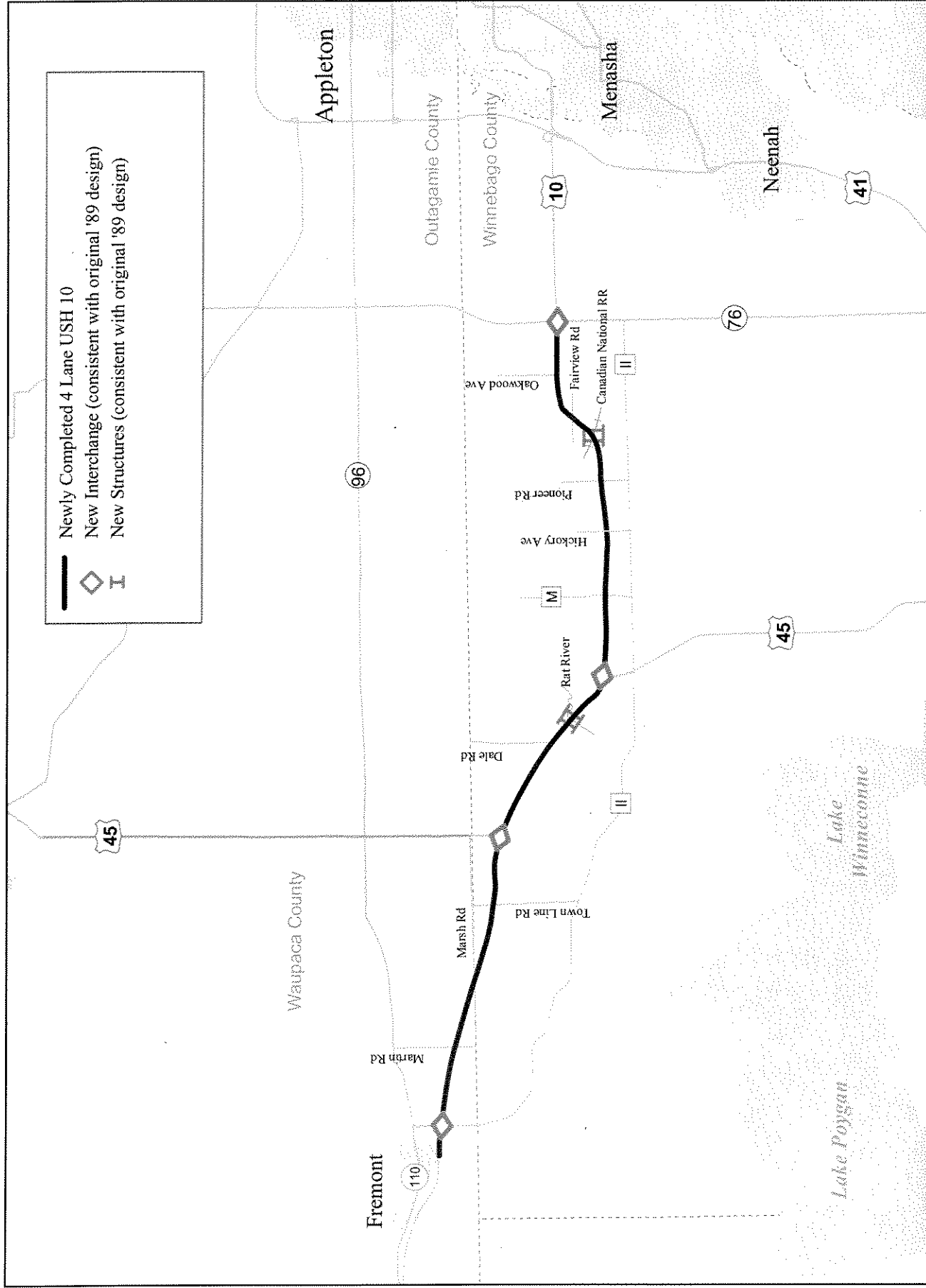


Final Design -- \$ 79 million (in 2003 \$'s)






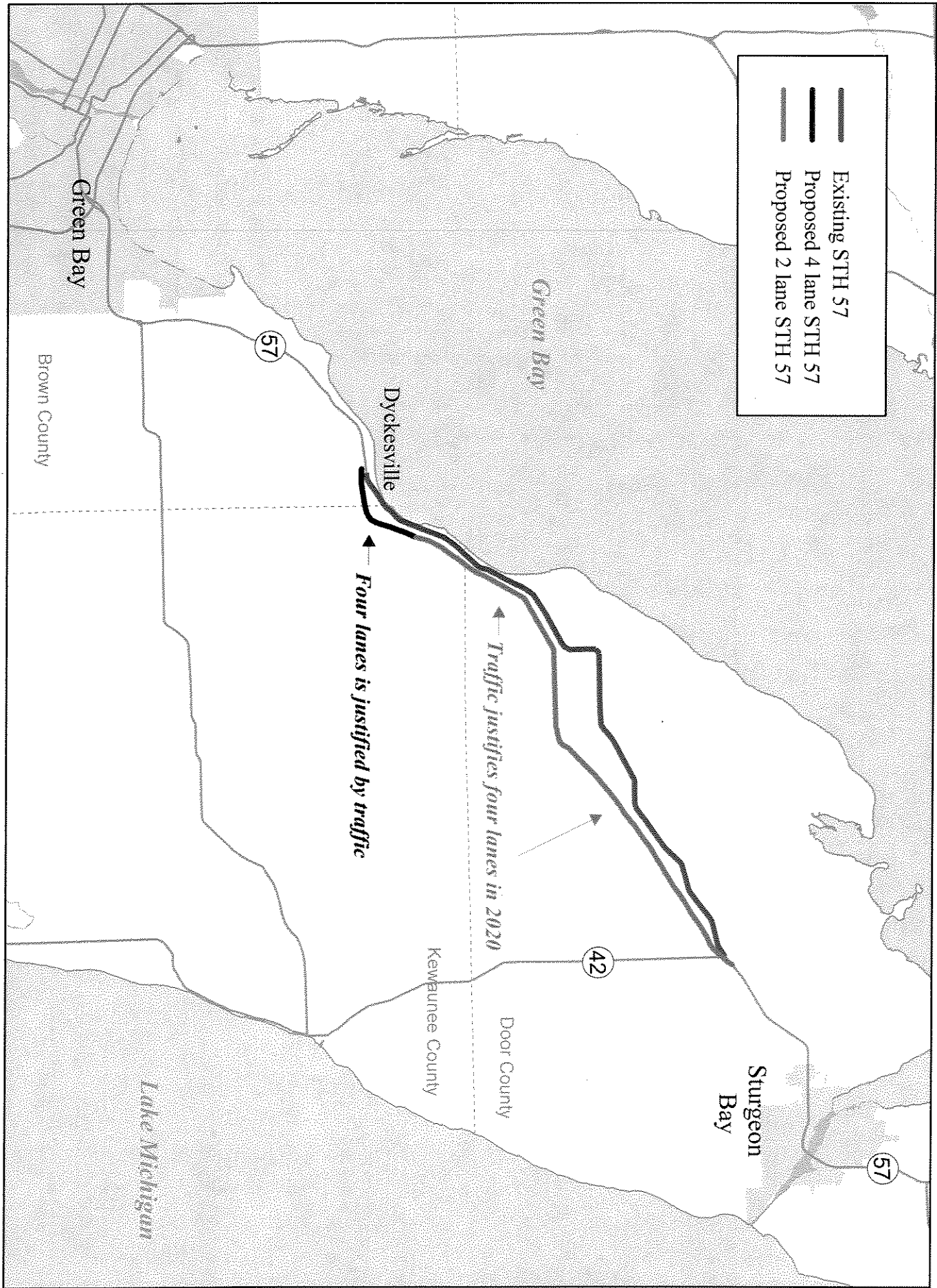
# USH 10 Fremont to Appleton

Original Design -- \$38 million (in 1992 \$'s)

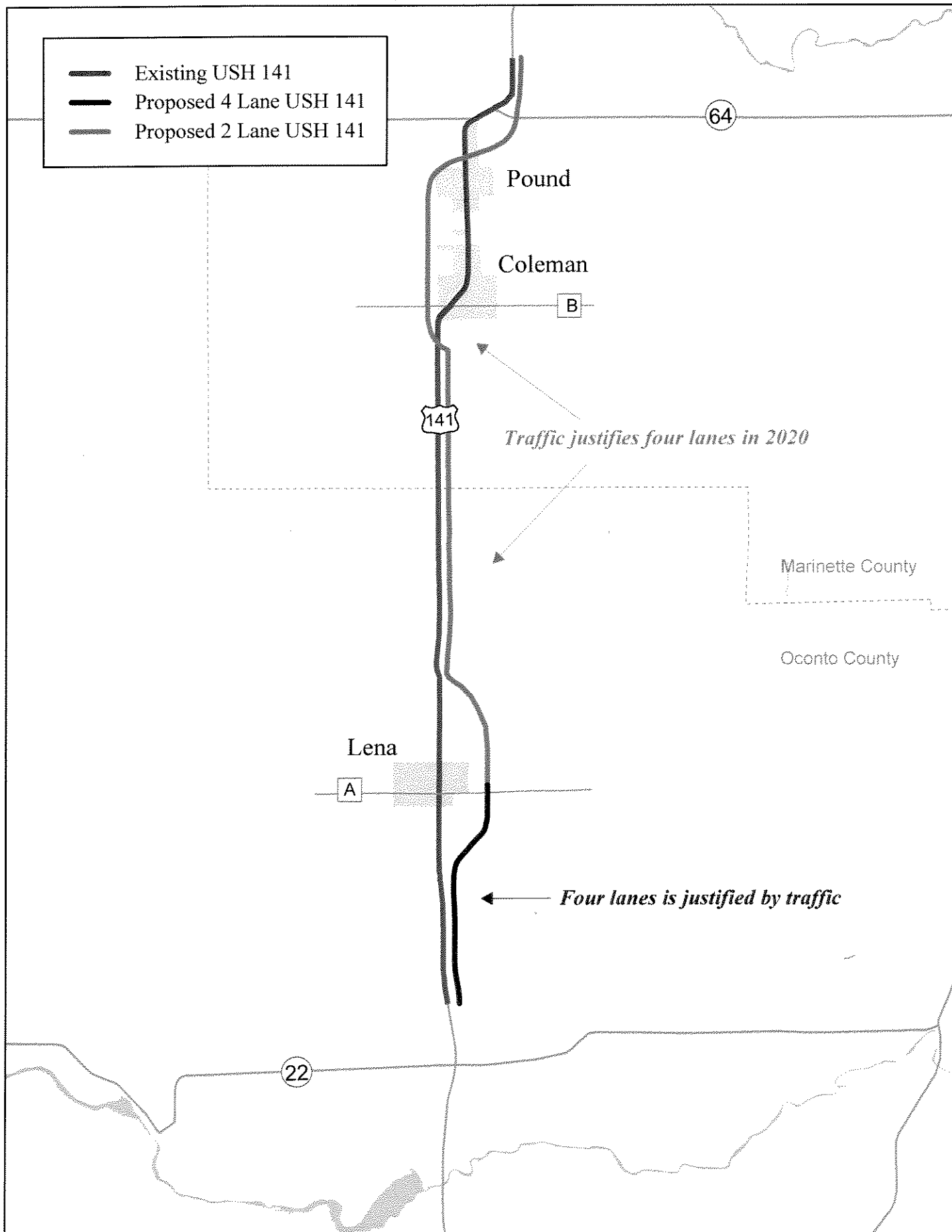


# STH 57 Dyckesville to Sturgeon Bay

	Existing STH 57
	Proposed 4 lane STH 57
	Proposed 2 lane STH 57



# USH 141 STH 22 to STH 64



**Testimony of Bob Cook**  
**Executive Director, Transportation Development Association**  
**Before the Joint Legislative Audit Committee**  
**Monday, January 26, 2004**

Thank you for the opportunity to testify on the findings of the Legislative Audit Bureau audit of the Major Highway Program. The Department of Transportation and others have done an excellent job addressing some of the specific concerns with the audit and suggesting some ideas for reform. I would like to focus my testimony on the importance of the Major Highway Program and why it is necessary to adequately fund these projects at the same time we are ensuring safeguards are in place that will allow us to understand how the money is being spent.

The state highway system makes up less than 10 percent of the lane miles in Wisconsin and carries 60 percent of the traffic and the vast majority of the state's commerce. According to the audit, Wisconsin ranks in the middle of seven Midwestern states and below the national average in overall highway spending. Last year, Wisconsin spent \$243 million on the Major Highway Program which was approximately 10 percent of the total transportation budget.

The Major Highway Program is the primary program for reducing congestion. The projects that have been enumerated will help position Wisconsin to effectively compete in national and world markets as well as provide Wisconsin's highway users safe mobility for many years. A recent study TDA commissioned documented a return of \$3 for every \$1 invested in the state highway system.

A major highway project is defined as costing more than \$5 million and must involve constructing a new highway or relocating a highway 2.5 miles or more in length, adding one lane of 5 miles or more to an existing highway, or improving 10 miles or more of existing highway to freeway standards. These projects are generally the most complex and costly, but they also provide the greatest benefit to the traveling public and the communities they serve.

The audit points out that project costs can increase significantly when WisDoT upgrades a highway from expressway to freeway standards. Expressways typically have at-grade intersections with lower-volume crossroads, while freeways use interchanges to restrict access from intersecting roads. The cost to construct a high-speed interchange is roughly triple the cost of constructing an at-grade intersection.

There are several reasons why it is in the state's long-term interest to make an additional investment upfront to construct a freeway rather than an expressway in some cases. The first is safety since interchanges eliminate cross-traffic they reduce the potential for crashes due to motorist error. The second is improved traffic flow. The continuous movement on freeways helps to prevent traffic tie-ups and rear-end collisions.

The third is that freeway interchanges can better accommodate future traffic patterns where development is likely to occur. Generally, the closer a highway is to a growing urban area, the more improvements to freeway standards can help focus development and prevent sprawl. An expressway design with at-grade intersections often leads to strip development and too many access points that result in safety problems. Fixing these problems later threatens access to existing businesses, requires some of their right-of-way and disrupts surrounding residential neighborhoods. The expense and disruption could require yet another new corridor to bypass the problem area.

A good example is U.S. Highway 18/151 in the city of Madison, where proposals to upgrade Verona Road to freeway standards have met stiff opposition from residents and businesses. In addition, upgrading portions of U.S. Highway 29 west of U.S. Highway 41 to freeway standards after initial construction as an expressway in the 1980s and 1990s will cost the state more in the long run.

It is extremely important to provide adequate oversight and improve communication to ensure the state's transportation funds are invested wisely. In addition, the audit also sites some concerns with the current system providing funds for the Major Highway Program. It details the role of bonding to fund the majors program and the threat that excessive bonding and rising debt service pose to future program investments. Given current WisDoT estimates, debt service payments will exceed proceeds from Transportation Revenue Bonds beginning in FY2009.

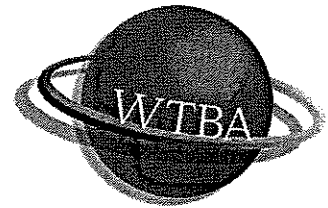
TDA supports the responsible use of bonding for long-term capital improvements such as highway projects, but we have more recently expressed concern about excessive borrowing that pushes increasing costs into the future. Debt service payments will inevitably exceed bond proceeds over time as long as bonding continues to comprise the same percentage of a program's total funding.

It is important to consider that the debt service projection included in the audit assumes that bonding in FY 2005-06 will increase by 20%. This is a worst-case scenario, since future debt service will be less if the level of bonding for major projects in the next budget is not dramatically increased. Given more reasonable assumptions, Wisconsin doesn't face a bonding crisis yet. However, it is best to acknowledge the problem before it becomes a crisis.

TDA recommends a gradual reduction in the 57% bond share of the Major Highway Program. By replacing bonds with cash, the state will spend more on projects and less on debt service. Less debt means more funding for future transportation needs. This reduction should begin with the next biennial budget.

Finally, the audit highlights transportation funding issues that affect all transportation programs. The state's 31.5 cent/gallon gas tax is among the highest in the nation while the vehicle registration fee is one of the lowest at \$55/yr. Wisconsin relies solely on these user fees and bonding to fund all transportation programs. It is the only state in the country that does this. Table 22 on page 59 of the audit compares the revenue options available in other Midwestern states. Technology and alternative fuel vehicles are making the gas tax less viable as a measure of system use and source of revenue. Wisconsin must consider new revenue sources for transportation if are going to provide the transportation infrastructure for economic growth and safe convenient mobility.

# WTBA Comments on LAB Evaluation of Major Highway Program



## PROJECT COST INCREASES

The Legislative Audit Bureau (LAB) reported that the final cost estimates for the 7 Major Highway projects it examined exceeded initial estimates by a cumulative \$381 million. There are 2 primary reasons for the project cost increases:

1. The impact of inflation during the 12 years between enumeration and construction completion.
2. The estimates reflect each project's scope at three dramatically different points in the development process. The **initial estimate** is based on a broad project concept. The **DEIS estimate** is based on completion of a Draft Environmental Impact Statement, which is more accurate but still includes a wide range of costs dependent on final project decisions. A **final estimate** is based on specific project details such as route location, environmental mitigation and community preferences.

**Initial estimate:** This is WisDOT's estimation of costs when the project is still in the concept stage. It is presented to the Transportation Projects Commission when WisDOT seeks approval to proceed to a Draft Environmental Impact Statement (DEIS).

**DEIS estimate:** This is the cost estimate presented to the Legislature at enumeration based on a Draft Environmental Impact Statement (DEIS). At this point, numerous project details are unknown – such as the specific highway corridor, location/type of access to nearby roads and businesses, environmental mitigation (wetlands, endangered species), and amenities and features that make the project a “good neighbor” in the community it serves. It is only after enumeration that WisDOT conducts a Final Environmental Impact Statement (FEIS) and seeks project approval from the Federal Highway Administration.

**Final estimate:** This is a much more accurate cost estimate that emerges from the FEIS and the project's final design that is based on extensive community outreach. What had previously been envisioned as an intersection may now be designed as a grade-separated interchange (at triple the cost) to accommodate local land use or development plans. Final design of the highway may require purchasing and relocating more businesses and/or residents than was anticipated in the Initial or DEIS estimates. Only at this point in the project development process do cost estimates become realistic, although subsequent right-of-way acquisition can cost more than anticipated.

*Comparing these estimates at very different points in the development process is the primary reason for the project cost increases cited in the LAB report.*

WisDOT has been working to develop more accurate cost estimates since 1992, when it agreed to complete the Draft Environmental Impact Statement before making a recommendation to enumerate a project. As shown in the following table, those estimates have become more accurate with each successive biennial budget cycle:



<u>Project</u>	<u>Enumerated</u>	<u>Constant \$ % Cost Increase</u>
12 Whitewater Bypass	1991	169.1%
110 USH 41-STH 116	1991	97.6%
29 Chippewa Falls Bypass	1991	52.8%
64 Houlton-New Richmond	1993	65.2%
12 Sauk City-Middleton	1993	58.9%
53 Eau Claire Bypass	1995	21.2%
39/51 Wausau Beltline	2001	39.7%

WisDOT should be strongly commended for continuous efforts to understand and manage costs, while at the same time being responsive to the needs of the communities a project will impact.

WTBA believes additional cost issues can be understood if the TPC receives annual (*LAB recommended semi-annual*) expenditure information for all Major Projects and is updated more frequently about changes in project design and scope.

### TPC PROJECT ENUMERATION

WTBA believes the best way to provide the Transportation Projects Commission (TPC) and Legislature with more accurate cost estimates to consider in evaluating potential Major Highway Projects is to change the point at which projects are enumerated in statutes.

- ✓ Currently, projects are enumerated after a Draft Environmental Impact Statement is completed, even though many project details – and costs – are unknown at this point.
- ✓ WTBA proposes that, beginning in January 2005, the TPC only consider for enumeration those projects for which there is a completed Final Environmental Impact Statement and FHWA Record of Decision.

WTBA proposes the following process:

- On or before September 15 of every even-numbered year, the Department will provide the TPC with two lists:
  1. Those projects with a completed Draft Environmental Assessment (EA) or Environmental Impact Statement (EIS) that the Department is recommending approval to proceed to a Final EA or EIS, and an FHWA Record of Decision.
  2. Those projects with a completed Final EA or EIS and an FHWA Record of Decision that the Department is recommending for statutory enumeration in the following budget.
- On or before December 15 of every even-numbered year, the Commission will approve from a list of projects that have a completed Draft EA or EIS those projects that may proceed to completion of a Final EA or EIS. (*Note: Currently, the TPC provides non-statutory approval for WisDOT to conduct a Draft EIS on potential major projects.*)

- ☑ On or before December 15 of every even-numbered year, the Commission will approve, reject or modify the list of projects recommended by the Department that have a completed Final EA or EIS, and a Record of Decision from FHWA. The recommendations will be forwarded to the Governor and Legislature.

Changing the point of enumeration will provide the Legislature with more accurate cost estimates since additional project details will be determined through the Final EIS process. This will also allow project construction to occur within the 6-year time frame that already exists in state statute, rather than the 12-year span from enumeration to project completion that results in unrealistic expectations upon legislative enumeration and political frustration.

### COST TRACKING ISSUES

WTBA agrees with LAB recommendations to improve tracking project costs:

- ✓ The industry has expressed its willingness to work with WisDOT to develop a system of tracking overall and per-project environmental costs and supports increased resources for the Department to develop a state-of-the-art accounting system.
- ✓ WTBA looks forward to reviewing new guidelines WisDOT expects to develop by Jan. 1, 2005, to include all project costs in the cost estimates presented in environmental documents.

### FUNDING ISSUES

WTBA agrees with LAB concerns about excessive use of bonding for highway construction and supports reducing the 55% bond share by 5% each biennium until bonding represents 40% of program expenditures. However, WTBA believes LAB's debt service projection assumes an unlikely level of future bonding, and even those projections do not cause the Transportation Fund's revenue-to-debt ratio to fall below the level (2.25-to-1) required of major bond rating firms for the most favorable interest rates.

Despite one of the highest state gas taxes (31.5 cents/gallon, which includes 3 cents/gallon for the Petroleum Environmental Clean-up Fund Award program) in the country – to offset relatively inexpensive vehicle registration fees – the LAB found that **Wisconsin spends below the national average on highways** per licensed driver, per resident and per million vehicle miles of travel.

Every other Midwestern state supplements its highway user fees with other sources of transportation revenue, such as general purpose revenue, tolls, and additional transportation-related sales and excise taxes.

Alvin E. White  
112 E. Appleton  
Glenbulah, WI 53023

TESTIMONY PRESENTED JANUARY 26, 2004 AT THE LEGISLATIVE JOINT  
AUDIT COMMITTEE HEARING STATE CAPITOL BUILDING - MADISON, WI

Let's get specific; WISDOT appears to be an unsupervised and unregulated bureaucracy that functions as if it were a corporate entity which it is not. In response to the bid rigging formal charge, Gov. Doyle is quoted "We have very clear laws in place." There was no explanation of what these laws might be. Is there a law regarding "change orders"? Or as LABR points out, WISDOT's ... "considerable discretion in scheduling and designing major highway projects and may change a project's design to accommodate local officials, concerned citizens and others the project will effect. Such changes can increase project costs significantly" (emphasis added). Are there laws governing this behavior?

The above quote from LABR challenges that existing "laws in place" are effective curbs on WISDOT's apparently insatiable appetite for sharing project cost increases with their corporate beneficiaries.

These laws (if there are any) need immediate review and revamping to bring some real control over WISDOT procedures. If WISDOT has ignored or broken existing laws, it should be held accountable and prosecuted. The squandering of public funds as indicated in the LABR documents beg for action, not palliatives.

If in fact the existing laws and regulations are inadequate, then new legislation is needed NOW to stop the bleeding.

The travesty of trying to get control of WISDOT's excesses is the fact that the 12 or 13 steps (see attached) performed in the name of process, as in the 1999 enumeration of STH 23, are easily circumvented. Despite WISDOT's and the Transportation Commission (TPC)'s rejection of enumerating this project, reportedly three legislators and the then governor did just that. They enumerated a project driven by ... "local officials, concerned citizens and others" (emphasis added). What others? Special interests? Contractors? Manufacturers? Who?

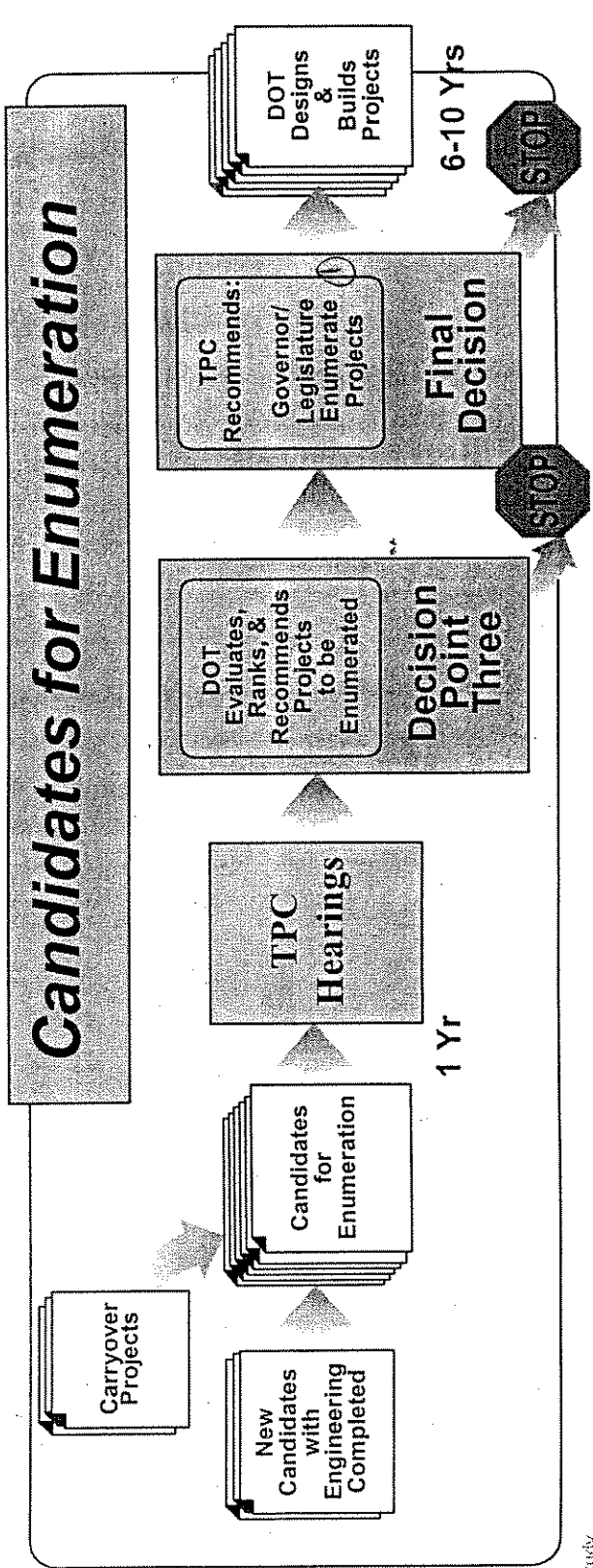
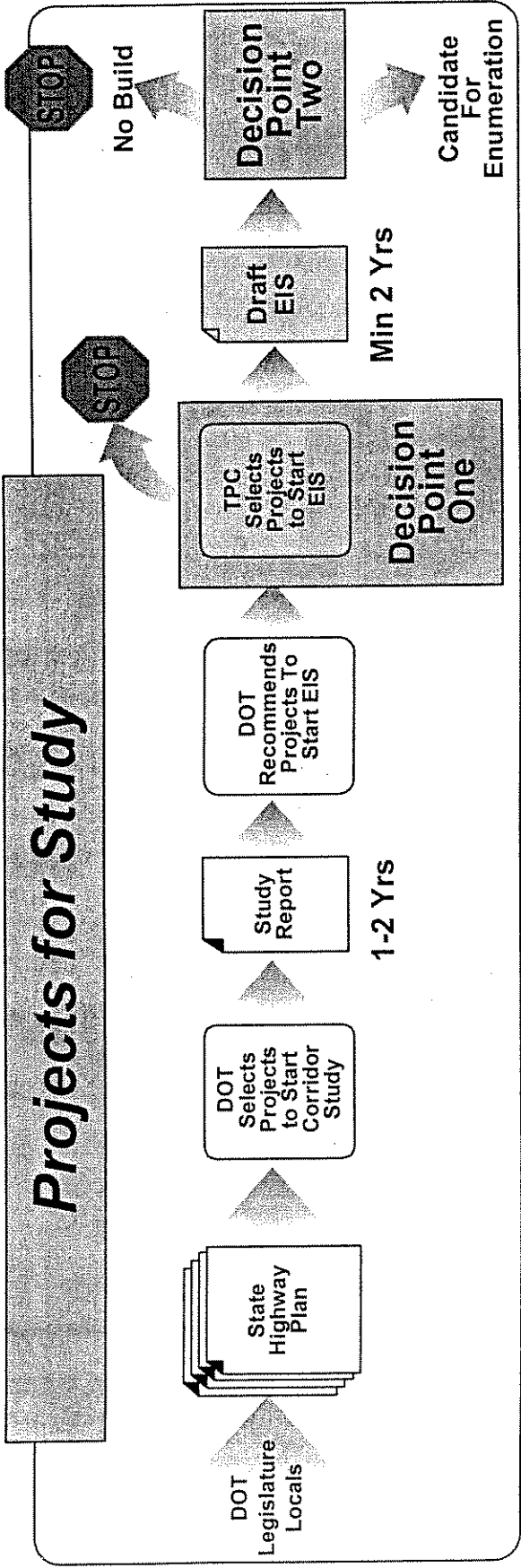
If this travesty is to be corrected, it must be investigated, exposed, and legislatively corrected. Does anyone have the will to pursue this matter and persevere in the name of justice?

Thank you,



A. E. White

P.S. If anyone would like to discern the connection between bid rigging and change orders, I would be happy to discuss how these practices are joined at the hip (or wallet?)



**Date:** January 27, 2004  
**To:** SEN. ROESSLER, REP. JESKEWITZ  
**From:** Senator Cowles  
**Re:** Majors Accountability Bill

---

**DOT Highway Costs Accountability Bill**

The bill adopts several of the Audit Bureau's recommendations:

- Develop comprehensive accounting for environmental expenditures. These costs include administrative, maintenance, right-of-way, real estate, engineering, contingency, plus home or business relocation costs.
- Mandate an annual report on complete expenditure information for all major highway projects to the Transportation Projects Commission and the Legislature.
- Consistently communicate changes in project design and scope, so that all parties understand when project of funding needs expand beyond initial proposals.
- Detail the amount and cost of all real estate the DOT purchases for major highway projects before recommendation to the Transportation Projects Commission.

One new recommendation was added based on public testimony:

- The TPC should only consider for enumeration those projects for which there is a completed Final Impact Statement and FHWA Record of Decision.

We expect to have a draft completed before February.

For further information, please contact Todd Stuart of my staff 266-0484 or Aaron Gary of LRB 261-6926



# ZIGNEGO COMPANY, INC.

W226 N2940 DUPLAINVILLE ROAD • WAUKESHA, WI 53186 • Phone: (262) 547-4700 • FAX: (262) 547-4508

*"Celebrating 50 Years of Quality Concrete!"*

January 27, 2004

JAN 30 2004

Senator Carol Roessler  
P. O. Box 7882  
Madison, WI 53707

Re: Bid Rigging and Resulting Loss of Contractors

Dear Legislator:

Zignego Company, Inc. is a concrete paving contractor located in Waukesha, Wisconsin. I would like to most respectfully comment regarding your fears of contractor scarcity.

For the past four years or so, Wisconsin concrete pavers have seen a collapse in prices due to many factors. Among these factors, too much capacity is evident. Our company could easily pave 800,000 to 1 million square yards a year. Last year Zignego only paved 500,000 square yards, operating at a 50% paving capacity. We actually did not start several crews until August of last year. I'm sure the other remaining companies are similarly underutilized.

I don't know what kind of information you have been given about industry capacity, but I firmly believe the gap will be covered without a substantial price increase. Coupled with this year's 25% decrease in paving work to be let, I do not see a problem at all. Wisconsin's paving industry remains healthy and vibrant, with at least 10 companies remaining with paving capabilities. The "out of state" contractor scare is simply not going to happen, in my opinion. Wisconsin is much too competitive at this time to be attractive to large out of state operations.

If you have any questions, please call or write me at the above offices.

Very truly yours,

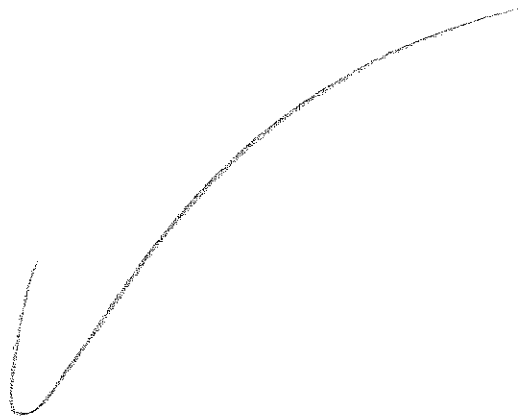
Thomas V. Zignego  
President

TVZ/kp

cc: WI Secretary of Transportation  
Mr. Gary Whited, WI/DOT Assist. Amin.  
Mr. Don Miller, WI/DOT Central Office

FROM KFIZ:  
BID RIGGING

The Highway 151 project in Fond du Lac County is one of the projects two companies accused of bid rigging will be allowed to finish. Wisconsin transportation officials says the Streu and Vinton construction companies have 30 projects under construction right now. Only minor work is still required on most of the projects. The Highway 151 project in Fond du Lac County and Highway 12 in Dane County will need more. The D-O-T says staying with Streu and Vinton will keep the work on schedule and ensures the state will not incur any additional costs for rebidding segments of the projects. Streu Construction Company of Two Rivers and Vinton Construction Company of Manitowoc have been awarded almost \$195 million dollars in state contracts since 1997.



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# THE DAILY REPORTER

## CONSTRUCTION NEWS

January 26, 2004

### Busalacchi: Firms' suspension creates contractor scarcity

WisDOT secretary, lawmakers concerned about hiring out-of-state companies

By *Jeremy Harrell*  
Daily Reporter Staff

The suspension and possible debarment of contractors implicated in an alleged bid-rigging scheme has state officials worried about giving work to out-of-state companies.

"It potentially could affect our delivery," said Frank Busalacchi, secretary of the state Department of Transportation. "These were big contractors that provided a lot of capacity. It could be a problem for us."

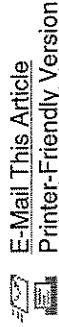
Two weeks ago, the U.S. attorney's office in Milwaukee unsealed an affidavit charging Streu Construction Co., Manitowoc, and Vinton Construction Co., Two Rivers, with rigging bids on more than 30 WisDOT projects valued at least \$100 million. Four principals at the two companies face maximums of 23 years in prison and \$600,000 in fines if convicted.

WisDOT indefinitely suspended the two firms, as well as a third related company, and debarment for the trio could likely follow.

Streu and Vinton are among the six or seven concrete paving companies working in Wisconsin, said Tom Walker, executive director of the Wisconsin Transportation Builders Association.

With Streu and Vinton off that list, the relative scarcity of paving contractors has Busalacchi and state lawmakers concerned that WisDOT will be forced to look out of state to carry out its building program.

"This is a very, very serious issue for the state," Busalacchi said. "What do we say to our people if we have cement trucks coming across state lines?"



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Rep. Dean Kaufert, R-Neenah, said local government officials in his district are also jittery about the prospect of fewer companies bidding on projects, potentially driving up costs for municipal jobs. He also repeated Busalacchi's misgivings about looking out of state for contractors.

"I have some local government officials nervous as hell about losing two big contractors," he said. "I don't want you going out of state for contractors."

## Sentence construction

Sen. Carol Roesler, R-Oshkosh, asked Busalacchi whether it would be possible to modify the penalties to Vinton and Streu to avoid harming in-state building capacity. She suggested that WisDOT could penalize the four principals without sinking their companies.

Busalacchi said his agency is looking into those kinds of alternatives. He added that it's unfair that as many as 800 employees at the three companies could lose their jobs because their bosses allegedly behaved illegally.

"(They are) people who had nothing to do with this stupidity," Busalacchi said. "This is something we're grappling with, and we need to come up with an answer for it quickly."

He also said that WisDOT wants to prove to the public that despite this recent scandal, the project-bidding procedure remains trustworthy. To that end, WisDOT is scheduling what Busalacchi called a "Bidding 101" class in March or April for contractors to learn about ethical procedures, big-rigging and wire fraud.

"We stand firmly by the integrity of the DOT bid process," he said. "I don't condone what these people have allegedly done. I don't want the public painting all these contractors with the same brush."

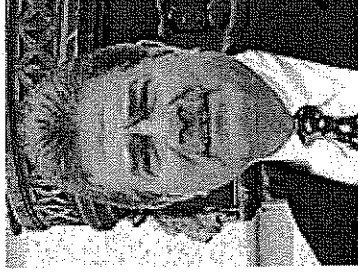
## Major changes

The discussion over bid-rigging arose as the Legislature's Joint Audit Committee reviewed a Legislative Audit Bureau report on WisDOT's Major Highways Program.

The audit concluded that contract costs on major projects rose 67.9 percent since 1994, and real estate costs have nearly quadrupled during the same time.

In 2002, the rising prices forced the Transportation Projects Commission, which approves major projects, to pass up on four scheduled jobs because there wasn't sufficient funding. The Legislature and governor subsequently enumerated the same four projects in the last budget bill.

The Audit Bureau suggested several possible remedies, which the Audit Committee and



"It potentially could affect our delivery. These were big contractors that provided a lot of capacity."

Frank Busalacchi  
WisDOT Secretary

## Busalacchi: Firms' suspension creates contractor scarcity

representatives from the construction industry agreed on. The main suggestion, which Roessler said she would introduce as legislation, would require WisDOT to prepare a more thorough set of project plans and cost estimates before the Transportation Projects Commission could vote to approve a job.

That could potentially narrow the gap between a project's estimated price tag and how much it actually ends up costing to build, Roessler and others said.

Sen. Robert Cowles, R-Green Bay, a member of the Audit Committee, also plans to introduce a bill to mandate improved financial reporting on major projects, another suggestion from the audit.

Jeremy Harrell can be reached at 608-260-8570 or by [email](#).

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LOCAL NEWS

Posted Jan. 27, 2004

# DOT feels heat from lawmakers

## Transportation chief grilled on key issues

Gannett Wisconsin Newspapers

MADISON — Legislators reviewing an audit of Wisconsin's biggest road projects used a hearing Monday to question state officials about cost overruns, winter maintenance dollars and a recent scandal over construction bids.

Members of the Joint Audit Committee also said they look forward to a report due Monday in which the state Department of Transportation will detail the ideas it's taking from a 2002 study that showed some \$382 million in potential savings for 21 enumerated or proposed projects.

The hearing follows a November audit that showed spending on the state's major highways program increased by 69.5 percent over 10 years to \$284.2 million in 2002-03 from \$167.6 million in 1993-94.

State Rep. Suzanne Jeskewitz, R-Menomonee Falls, wondered if more gate-keeping power should be vested in the 15-member Transportation Projects Commission. The panel reviews and recommends major highway projects for future construction.



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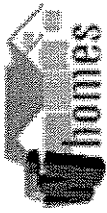
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The audit shows the Legislature recently approved some \$828 million in projects that the commission did not recommend.

DOT Secretary Frank Busalacchi said several steps are under way to address recommendations made in the audit.

To fulfill one of them, the DOT plans to report to the committee no later than Monday what savings it will achieve from the 2002 value engineering study it commissioned for 21 projects.

Busalacchi fielded questions on funding for winter road maintenance, saying the agency and lawmakers need to work out a solution for this and next year.

About \$165 million appropriated for road maintenance and operations this and next fiscal year, reflecting a reduction from recent years, DOT executive assistant Randy Romanski said.

"A lot of depends on the weather, but based on the historical situation, it's likely to be short by the end of winter," said state Sen. Robert Cowles, R-Green Bay, a member of the committee. "How much short I don't know."

Busalacchi also addressed what his agency is doing in response to recent federal bid-rigging allegations against leaders of two lakeshore road construction companies, Vinton Construction of Manitowoc and Streu Construction of Two Rivers.

The firms have been suspended from state and federal highway projects.

However, Busalacchi said excluding them from future road projects could create problems for the DOT because there would be fewer in-state companies available to do projects.

*Filed by the Green Bay Press-Gazette*

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## Handrick, Diane

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**From:** Bob Bowen [rbowen@coredcs.com]  
**Sent:** Tuesday, January 27, 2004 5:58 PM  
**To:** SUZANNE JESKEWITZ; SAMANTHA KERKMAN ; ROBERT COWLES ; MARK POCAN;  
DEAN KAUFERT; DAVID CULLEN ; CAROL ROESSLER; ALBERTA DARLING ; Julie Lassa;  
JEFF PLALE  
**Subject:** PERFORMANCE EVALUATION-LAB HEARING ON MAJOR HIGHWAY PROGRAM

Joint Legislative Audit Committee, Senator Roessler and Representative Jeskewitz Co-Chairs:

Relax. The performance of the Committee and the leadership of Co-Chairs Roessler and Jeskwitz was very impressive. It was apparent that everyone had done their homework and was very well prepared to ask relevant questions of the departments, agencies and individuals that testified. From the personal side, I was probably more concerned about my own performance considering this being my first such appearance before a legislative committee and to be among seasoned professionals who were so well informed and fine tuned.

The hearing was outstanding in terms of information exchange and appeared to establish an objective course on how to proceed with correcting the major problems confronting our transportation department and the troubling details involved in managing the multi-division transportation system. In short, there was plenty of reason to be optimistic about viable solutions being brought forward to re-float "the sinking ship" as stated by one of those who testified.

Auditor Janice Mueller, Director Don Bezruki and LAB staff are deserving of all the complimentary recognition and encouragement they received at the hearing and I trust will come from other sources. They are worth every tax dollar that goes to support their salaries and operational expenses. Their masterful management of the Major Highway Program audit is a shining example of good government at work.

Thank you again for the opportunity to add another voice to the chorus of appeals for reform of the Legislature's policy on project enumeration without Department or TPC recommendations and the chance to share a trench perspective on the USH 10 controversy in Central Wisconsin. It bears repeating that the current JLAC had a great day before the public and as proceedings of the hearing circulates among your legislative associates I am hopeful they will be generous in their praise for your dedicated effort.

Respectfully,

Bob Bowen

Bob and Sherin Bowen  
2139 N. Second Drive  
Stevens Point, WI 54481  
**TELE:** 715-341-1751 **ALT:** 715-345-0773 **CELL:** 715-630-1750

## Asbjornson, Karen

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**From:** Matthews, Pam  
**Sent:** Wednesday, January 28, 2004 3:55 PM  
**To:** Asbjornson, Karen  
**Subject:** Ainsworth letter...

Hi Karen - just wanted to let you know that I have sent copies of Rep. Ainsworth's letter delivered today to Jan, Joe and Pam. Sue wants to ask Busalacchi to address the concerns Ainsworth raises in his letter. We will be drafting a letter to that effect.

I'll keep you posted.

*Pamela B. Matthews  
Research Assistant  
Office of Representative Sue Jeskewitz  
24th Assembly District*

*Office: 608-266-3796  
Toll Free: 888-529-0024  
Pam.Matthews@legis.state.wi.us*



# JOHN AINSWORTH

STATE REPRESENTATIVE • 6<sup>TH</sup> ASSEMBLY DISTRICT

CHAIRMAN:

COMMITTEE ON TRANSPORTATION

January 28, 2004

Representative Suzanne Jeskewitz  
Co-Chair, Joint Audit Committee  
314 North - State Capitol

Senator Carol Roessler  
Co-Chair, Joint Audit Committee  
8 South - State Capitol

Dear Co-Chairs Jeskewitz and Roessler

First of all, I would like to sincerely thank both of you for extending to me the opportunity to participate in the Joint Audit Committee's consideration of the Audit Bureau's Evaluation of the DOT Major Highway Program. As Chairperson of the Assembly Transportation Committee, I found the discussion both informative and valuable, and look forward to following-up on this issue in the future.

Concerns regarding the findings of the Legislative Audit Bureau's Evaluation of the DOT Major Highway Program have been appropriately presented to the Joint Audit Committee. I share these concerns, thus will not reiterate them. However, there were a couple of additional issues that were not addressed by the Legislative Audit Bureau that I wanted to forward for Joint Audit Committee consideration, pursuant to Co-Chair request.

First, I have concerns regarding the length of time devoted to local informational hearings before not only project enumeration - but before there are any specific project plans on paper. How do these discussions originate? Does discussion stem from published traffic counts, accident reports, documented congestion and delays, or just a developer's interest in area land sales? This period of speculation creates uncertainties for adjoining property holders. Area landowners begin questioning, Should I sell my house before my front yard turns into an interchange? Will I retain any access to my "hunting 40"? Will I be compensated appropriately for money spent on improving my home or expanding my business? In the worst cases, people have been told they cannot build on their property because DOT "might" ultimately want to acquire that property sometime in the future.

The second concern involves DOT retaining ownership of excess land. Often, when acquiring right-of-way property, there are situations that involve purchase of more land than is actually required for the proposed highway. After completion of construction, this additional land often remains in the ownership of the DOT. Some surplus parcels remain property of DOT for many, many years.

The construction of a major highway in any community always causes some upheaval. Property is purchased, sometimes against the will of the seller. Owners can become separated from some of their property, houses and businesses are relocated, billboards and buildings become "non-conforming" from a local zoning perspective, and municipalities lose tax base – at least temporarily. The sooner we can return communities to some sense of normalcy, the sooner locals will show acceptance of the highway project, and any future projects likely to occur.

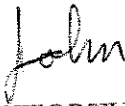
DOT has personnel in place to facilitate the sale of excess property, and some of this land has been sold. As of this date, the DOT holds deed to 1404 parcels, 946 of which are considered "surplus". However, as the stock market improves, investment in land may lose its luster. I feel it is very important to be in a position to act quickly when sales are hot. The state must facilitate quick movement, and be able to quickly adjust the appraised value of property to reflect market conditions.

To aid in this disposal process, we should allow DOT to simply convey the title of property with relatively no market value to accepting/adjacent property owners at no cost. We should also increase the value of property that can be transferred without gubernatorial approval (see 2003 AB 436).

Finally, the state should consider listing surplus/excess properties with a local realtor. Those realtors know local land values, and are up-to-date on the fluctuating market. It would obviously be to the realtor's advantage to move the property at its greatest value. DOT employees could then monitor the success (or failure) of the program, as evaluated by the net number of parcels owned. The DOT could also evaluate whether it has been advantageous to hold on selling property, once market changes and loss of local tax base have been accounted for.

Once again, thank you for the opportunity to share my perspective regarding the Legislative Audit Bureau's Evaluation of the DOT Major Highway Program. I am more than happy to answer any additional questions members may have regarding my concerns.

Sincerely,



JOHN AINSWORTH  
State Representative  
6th Assembly District

JA/khb

cc: Joint Audit Committee Members





# NEWS

## Wisconsin Department of Transportation

Office of Public Affairs, P.O. Box 7910, Madison, WI 53707-7910  
www.dot.wisconsin.gov

608/266-3581 FAX: 608/266-7186

1/30/04 #23

FOR INFORMATION CONTACT: Peg Schmitt, (608)266-6752  
peg.schmitt@dot.state.wi.us

### **STATE RELEASES LISTS OF WORK PENDING FOR SUSPENDED FIRMS Companies will be allowed to complete work that is not finished**

The Wisconsin Department of Transportation (WisDOT) today released lists that identify the work remaining under existing contracts with Streu and Vinton construction companies. Most of the work is substantially complete. Only two projects that had been awarded to Streu Construction prior to the company's suspension involve large segments of work – Highway 12 in Dane County and Highway 151 in Fond du Lac County. Twenty-eight other projects have minor finishing work yet to be completed by the two companies.

WisDOT has decided to allow the improvement work under the existing contracts to continue.

The department said the decision:

- o keeps the work on schedule and ensures continuity in project delivery;
- o ensures the state does not incur additional costs for re-bidding segments of projects;
- o ensures the labor capacity is available for other statewide construction projects;
- o prevents the threat of an immediate job loss for hundreds of workers;
- o will be performed under close scrutiny by the state; and
- o is consistent with past department practices for suspended contractors.

WisDOT suspended Streu Construction Company, Vinton Construction Company, Streu-Gulseth Construction Company and four individuals after the U.S. Attorney's Office charged them with alleged bid rigging activities. The suspension makes them ineligible to receive any future contracts or subcontracts for any state transportation projects for an indefinite period. The Wisconsin Division of the Federal Highway Administration has also recommended suspension of the firms and individuals.

WisDOT Secretary Frank Busalacchi made the following statement: "Serious allegations have been made against these companies. Violations of the law must be prosecuted to maintain public trust in the construction bid process. Allowing work to continue under existing contracts is in the state's best interest. The front line workers affiliated with the companies have provided high quality services in the past and we expect the employees will work hard to fulfill existing obligations."

###

SEE ATTACHED STREU AND VINTON LISTS.

NOTE: This document can be viewed on the Internet at: <http://www.dot.wisconsin.gov/news>



## Wisconsin Department of Transportation

www.dot.wisconsin.gov

Jim Doyle  
Governor

Frank J. Busalacchi  
Secretary

Office of the Secretary  
4802 Sheboygan Ave., Rm. 120B  
P.O. Box 7910  
Madison, WI 53707-7910

Telephone: 608-266-1113  
FAX: 608-266-9912  
E-Mail: sec.exec@dot.state.wi.us

FEB 04 2004

February 2, 2004

The Honorable Carol Roessler  
Wisconsin State Senator  
Co-Chairperson – Joint Committee on Audit  
8 South State Capitol  
Madison, WI 53702

The Honorable Suzanne Jeskewitz  
Wisconsin State Representative  
Co-Chairperson – Joint Committee on Audit  
314 North State Capitol  
Madison, WI 53702

### Report on 2002 Major Projects Value Engineering Study

Dear Senator Roessler and Representative Jeskewitz:

Please find enclosed a summary report of the 2002 Major Projects Value Engineering (VE) Study. This report was recommended by the recently completed audit of the Major Projects Program.

The report is organized by a general category of work related to the VE recommendation. For example, the first section of the report summarizes the recommendations relating to changing the pavement type for a project from concrete to asphalt. The second section summarizes VE recommendations on the use of sub-base material, and so on.

For each project considered by the VE study, I have included:

- The District and highway number
- Project element being considered
- The original Department scope
- The recommended VE scope
- Identified possible VE cost savings by the VE consultant
- The Department's analysis of the possible VE cost savings, and
- A brief comment on why the Department accepted, rejected, or modified the VE recommendation

The Department has identified the cost savings recommended by the consultant which have been accepted at this time. While the Department did not accept every recommendation, let me assure you that the Department will continue to evaluate additional opportunities for cost savings as work on these projects is completed.

The Honorable Carol Roessler  
The Honorable Suzanne Jeskewitz  
February 2, 2004  
Page 2

I hope you will find this information useful in reviewing the Department's use of the 2002 Major Projects Value Engineering Study. If the Department can provide any other information for use by the Committee, please feel free to call me.

Sincerely,



Frank J. Busalacchi  
Secretary

Enclosure

Cc: Committee on Audit Members:  
Senator Robert Cowles, 122 S. State Capitol  
Senator Alberta Darling, 317 E. State Capitol  
Senator Jeffrey Plale, 106 S. State Capitol  
Senator Julie Lassa, 3 S. State Capitol  
Representative Dean Kaufert, 308 E. State Capitol  
Representative Samantha Kerkman, 109 W. State Capitol  
Representative Mark Pocan, 322 W. State Capitol  
Representative David Cullen, 216 N. State Capitol

# Joint Committee on Audit Report

## Major Projects Value Engineering Study

August to November 2002  
(costs in millions of 2004 dollars)

District	Highway Number	Project Element	Original WisDOT Scope	VE Scope	VE Study Identified Possible Savings	District Verified Possible Savings For Accepted VE Recommendation	Comments
<b>Use Asphalt Concrete Pavement Instead of Concrete</b>							
1	STH 26 (Janesville - Watertown)	Pavement	Concrete	Asphalt	\$4.9	\$4.9	Accepted VE recommendation.
1	USH 151 (Dickeyville - Belmont)	Pavement	Concrete	Asphalt	\$1.5	\$0.0	Rejected VE recommendation. The continuity for the corridor would be compromised by switching the pavement type. This area of the state has soils that typically are hard to stabilize and need thick layers of breaker run and base course to support the traffic loads this facility would handle. Concrete pavement is a rigid pavement that will bridge the areas of bad soil better than the flexible asphalt pavement and at a cheaper cost. The life cycle cost for concrete pavement for this area of USH 151 actually is cheaper than the asphalt pavement structure according to the preliminary Pavement Design report.
1	USH 12 (Ski Hi - 190/94)	Pavement	Concrete	Asphalt	\$2.8	\$0.0	Rejected VE recommendation. When pavement design was completed, verified savings became zero. The pavement design will be reviewed again during the design process to check and see if there is a savings in switching to asphalt. If a savings is identified, then the pavement type can be changed.
2	STH 11 (Burlington Bypass)	Pavement	Concrete	Asphalt	\$0.3	\$2.0	Accepted VE recommendation. After further analysis, the district identified a total savings of \$2.0 million. This was \$1.7 million more than what was identified by the VE Study.
2	STH 16 (Economowoc Bypass)	Pavement	Concrete	Asphalt	\$0.4	\$0.0	Rejected VE recommendation. Concrete life cycle cost (LCC) lower than asphalt. The use of asphalt would provide initial cost savings, however, a pavement life cycle cost analysis indicated the long term cost would be less by using concrete rather than asphalt.
2	USH 151 (Waupun - Fond du Lac)	Pavement	Concrete	Asphalt	\$2.6	\$0.0	Rejected VE recommendation. Concrete LCC lower than asphalt. The use of asphalt would provide initial cost savings, however, a pavement life cycle cost analysis indicated the long term cost would be less by using concrete rather than asphalt.
2	USH 151 (Fond du Lac Bypass)	Pavement	Concrete	Asphalt	\$0.8	\$0.0	Rejected VE recommendation. LCC of concrete is 3.1% less than asphalt and part of project is already under construction as concrete. The use of asphalt would provide initial cost savings, however, a pavement life cycle cost analysis indicated the long term cost would be less by using concrete rather than asphalt. Completed segments of this project have been constructed with concrete pavement.

# Major Projects Value Engineering Study

August to November 2002

(costs in millions of 2004 dollars)

District	Highway Number	Project Element	Original WisDOT Scope	VE Scope	VE Study Identified Possible Savings	District Verified Possible Savings For Accepted VE Recommendation	Comments
2	USH 151 (Waupan - Fond du Lac)	16" Breaker Run	16" Breaker Run	Revise Policy	\$2.7	\$0.0	Rejected VE recommendation. The recently adopted policy to use select materials in areas of poorer soils resulted from an in-depth review of subgrade design and construction processes. Their use is based on soil types and is limited to areas with more difficult soils. Although the immediate benefit will be in the construction process, there should be long-term benefits to the pavement structure as well. The project soils report indicated the need for 16" of Breaker Run (crushed rock with a maximum 5" diameter size) for both the constructability of the roadway and the stability of the roadway base. The district will continue to test the soils on this project to determine if there are areas that may not require the breaker run.
<b>Build Cul-de-Sacs or At-Grade Intersections at 5 Locations Instead of Grade Separations</b>							
2	USH 151 (Fond du Lac Bypass)	County Road Y Crossing	Grade Separation	At Grade Intersection	\$1.1	\$0.0	Rejected VE recommendation. Further analysis indicated there was no cost savings by implementing the VE recommendation. The VE Team did not account for additional right of way costs and residential relocations that exceeded \$1 million. In addition, this overpass fits the USH 151 gradeline. This overpass was supported by Fond du Lac County and the Town of Lamartine because CTH Y is a main school bus route for the Oakfield School District (safety issues with the at-grade crossing of school buses across USH 151).
3	USH 41	Hale Road Crossing	Grade Separation	Cul-de-sac Hale Road	\$0.8	\$3.2	Rejected VE recommendation. District re-estimated the cost for the complete project and found \$3.2 million in savings. Without a Hale Road grade separation, motorists would have a very long "detour" route. Emergency services would also have an increase in response time. Since the VE study, WisDOT has counted traffic volumes on Hale Road and has discovered the traffic volumes are approximately double compared to the volumes used in the VE study, further supporting the grade separation. WisDOT has also reduced the cost of the grade separation by lowering the proposed USH 41 roadway elevation.

# Major Projects Value Engineering Study

August to November 2002  
(costs in millions of 2004 dollars)

District	Highway Number	Project Element	Original WisDOT Scope	VE Scope	VE Study Identified Possible Savings	District Verified Possible Savings For Accepted VE Recommendation	Comments
3	STH 57 (Dykesville - Sturgeon Bay)	County S	Grade Separation	Cul-de-Sac CTH S	\$0.8	\$0.0	Rejected VE recommendation. At-grade intersection was judged to be unsafe because of considerable development expected on both sides of the highway, resulting in more traffic movements through the intersection. WisDOT has committed to building the CTH S grade separation as part of a local access control effort. The community of Dykesville requested an access route unimpeded by STH 57 traffic. Emergency services for Dykesville are located east of the STH 57 expressway and would need to use the longer "detour" route to access the community.
5	USH 53 (La Crosse Corridor)	St. Andrew Street Crossing	Grade Separation	At Grade Intersection	\$0.9	\$0.0	Rejected VE recommendation. Elimination of this grade-separation structure would require the purchase of several additional homes, as well as some well-established industrial property in order to construct an at-grade intersection. The originally proposed bridge and grade separation is the safest and cheapest alternative to providing access to this subdivision that would otherwise be totally land-locked from the rest of the LaCrosse community by the USH 53 project.
6	USH 53 (Eau Claire Bypass)	County QQ Crossing	Grade Separation	Cul-de-sac CTH QQ	\$2.8	\$0.5	Rejected VE recommendation due to intense pressure by elected representatives and other local government officials. A primary concern was the extended response time of emergency service providers to the affected area if the grade separation structure was not built. The VE recommendation incorrectly computed estimated savings in eliminating the County QQ grade separation structure. True savings of eliminating the structure would have been approximately \$500,000; the District was able to identify \$468,000 in alternate savings which was approved and subsequently incorporated into the project.
<b>Build At-Grade Intersections at 6 Locations Instead of Interchanges</b>							
1	STH 26 (Janesville - Watertown)	Klug Road Crossing	Diamond Interchange	At Grade Intersection	\$1.9	\$1.0	The District reevaluated access requirements and his intersection will be closed off entirely now. There will be no access to STH 26 from Klug Rd. There will be some cost in providing local road continuity for access to STH 26 through CTH N. This also eliminates the bridge for a grade-separated at this location.

# Major Projects Value Engineering Study

August to November 2002

(costs in millions of 2004 dollars)

District	Highway Number	Project Element	Original WISDOT Scope	VE Scope	VE Study Identified Possible Savings	District Verified Possible Savings For Accepted VE Recommendation	Comments
1	STH 26 (Janesville - Watertown)	Co Rd N Crossing	Diamond	At Grade Intersection	\$1.9		<p>Rejected VE recommendation. CTH N is classified as a principal arterial and has volumes that meet the interchange criteria, especially with the closing of Klug Road. Due to a history of fatal crashes, this intersection is a safety concern. Replacing existing intersection with another at-grade intersection is not desirable. Such a decision would likely draw strong opposition from elected officials and local communities. The potential cost savings will not occur until 2012 &amp; 2013. Not desirable due to volume of through (IH 39-Whitewater) traffic on CTH 'N'</p>
1	USH 12 (Ski Hi - 190/94)	Fern Dell Rd N	Diamond Interchanges	At Grade Intersections	\$4.1		<p>Rejected VE recommendation. VE Team did not take into account the traffic combination of Fern Dell Road, Moon Road and future BUS 12, which will exceed 12,500 AADT at this one point location. The Moon Rd. connection was completely forgotten in the VE recommendation and needs to be tied in with the interchange volumes. Although the roundabout can handle the capacity of the traffic volumes, thru movements of USH 12 would be interrupted having to stop for the roundabouts. Seasonal traffic volumes in the summer months almost double due to the tourist trade of the area.</p>
1	USH 12 (Ski Hi - 190/94)	Reedsburg Rd	Diamond Interchanges	At Grade Intersections	\$0.8		<p>\$0.8 WISDOT is still evaluating an alternative that would construct a separation instead of an interchange or intersection. The Ho Chunk Nation would not likely support this recommendation. The Bureau of Indian Affairs will probably support the Ho Chunk Nation's position. This recommendation is not consistent with the EIS document. To build an at-grade intersection is against WISDOT policy when building new by-passes as freeways.</p>
2	STH 11 (Burlington Bypass)	Highway 142 Interchange	Jug Handle Intersection	At Grade Intersection	\$2.4		<p>Rejected VE recommendation. Further analysis indicated there was no cost savings by implementing the VE recommendation. The VE Team did not identify that an additional 4200 feet of Hwy 142 would need to be reconstructed under the VE recommendation. In addition, the VE Team did not account for additional right of way needed for the VE recommendation that included the purchase of an adjacent gun club. These additional items not accounted for under the VE recommendation exceeded the VE Study identified possible cost savings.</p>



# Major Projects Value Engineering Study

August to November 2002  
(costs in millions of 2004 dollars)

District	Highway Number	Project Element	Original WISDOT Scope	VE Scope	VE Study Identified Possible Savings	District Verified Possible Savings For Accepted VE Recommendation	Comments
2	STH 11 (Burlington Bypass)	County Road A Interchange	Half Jug Handle Intersection	At Grade Intersection	\$1.5	\$0.0	Rejected VE recommendation. Further analysis indicated there was only a \$1 million cost savings by implementing the VE recommendation. The VE Team underestimated the length of CTH A that needed to be reconstructed under the VE recommendation. The VE Team assumed only 300 feet of CTH A reconstruction when in fact the VE recommendation would require 2100 feet to be reconstructed. This reduced the potential savings to approximately \$1.0 million. In addition, the district office had committed to Racine County, City of Burlington, and the Town of Burlington that an interchange would be provided at this location.
6	STH 64 (Houlton - New Richmond)	County V Interchange	Diamond Interchange	At Grade Intersection	\$3.3	\$2.5	Rejected VE recommendation. WISDOT rejected the recommendation due to a need for the interchange and the timing of the VE recommendation. The need for the interchange is real due to the increase in traffic volumes (current and projected) on CTH V; building an at-grade intersection with STH 64 would have been criticized as being short-sighted. St. Croix County has been identified as the fastest growing county in Wisconsin. Also, the VE recommendation was made just prior to the construction project being let to contract; both real estate and design costs had already been incurred.
<b>Modify Interchanges at II Locations</b>							
1	STH 26 (Janessville - Watertown)	Hwy 26/16 Interchange	Direct Connector Interchange	Trumpet & Diamond Interchange	\$15.7	\$14.6	Accepted VE recommendation. A comparable solution to the VE recommendation with a similar cost savings was approved for implementation.
2	STH 11 (Burlington Bypass)	Highway 36/White River Crossing	Jug Handle Interchange	Jug Handle Interchange	\$2.2	\$0.0	Rejected VE recommendation. Further analysis indicated there was no cost savings by implementing the VE recommendation. The VE recommendation would require the acquisition of an additional residential property and a large farm operation that was not included in the VE estimate. The VE recommendation would negate previous DNR agreements and adversely impact a federal protected environmental easement acquired by WISDOT at this location.

# Major Projects Value Engineering Study

August to November 2002

(costs in millions of 2004 dollars)

District	Highway Number	Project Element	Original WisDOT Scope	VE Scope	VE Study Identified Possible Savings	District Verified Possible Savings for Accepted VE Recommendation	Comments
3	USH 41 (Oconto - Peshtigo)	North Peshtigo Interchange	Diamond Interchange	Jug Handle Interchange	\$2.8	\$0.0	Rejected VE recommendation. WisDOT determined that the jug handle interchange ramps would be too short and may cause future operational concerns. The VE study did not include costs to rebuild Schacht Road as part of this proposal. The VE options actually aided the district in reevaluating various interchange options, resulting in the district developing a refined diamond interchange alternative that improves safety at the adjacent railroad crossing, meets the needs of the local units of government and their emergency services and results in a cost-effective design.
4	USH 51 / I 39 (Wausau Bypass)	Highway 29 E Interchange	System to System Interchange	System to System Interchange	\$5.5	\$0.5	Partially accepted VE recommendation with some modifications. Full acceptance of the VE recommendations would have resulted in very tight loop ramps on the interchange which would have 40 mph posted speed limits. The department is convinced that on a system-to-system interchange, the 40 mph speed limits would not be acceptable nor responsible from a safety standpoint. The VE recommendation to allow a left hand exit ramp has been incorporated into the design. This change resulted in approximately \$500,000 in savings.
4	USH 51 / I 39 (Wausau Bypass)	Highway 29W Interchange	Modified System to System Interchange	Eliminate northbound 51 connections	\$21.1	\$14.4	Rejected VE recommendation. The recommendation would have eliminated two of the system-to-system interchange ramps between STH 29 and US 51. The VE recommendation would require traffic between the west leg of STH 29 and the north leg of US 51 to use local interchanges because of the elimination of these ramps. To complete the system-to-system connection between STH 29 and US 51, the ramps need to be built. The department agreed to delay construction of this movement until portions of STH 29 west of this area are converted from a five-lane paved median roadway to a four-lane divided freeway. This decision defers approximately \$14.4 million until a future date.

# Major Projects Value Engineering Study

August to November 2002  
(costs in millions of 2004 dollars)

District	Highway Number	Project Element	Original WisDOT Scope	VE Scope	VE Study Identified Possible Savings	District Verified Possible Savings For Accepted VE Recommendation	Comments
4	USH 51 / 139 (Wausau Bypass)	Bridge Street Interchange	Diamond Interchange	Leave as is	\$4.3	\$0.0	Rejected VE recommendation. The VE recommendation did not address the substandard horizontal and vertical clearances on the Bridge Street overpass, the current 9% grade line on the Bridge Street bridge, or the poor connectivity between the interchange and the local road system west of US 51. If the substandard horizontal and vertical clearances are not corrected, truck traffic on US 51 passing underneath is very restricted and has to be rerouted around the obstructions through the permitting process of oversize loads. If this interchange is not reconstructed it will be the only interchange on I-39/US 51 between I-90/94 (near Portage) and Minocqua, which is substandard. All other deficient bridges or interchanges along this corridor have already been improved, or are programmed to be improved, to eliminate their deficiencies.
5	USH 53 (La Crosse Corridor)	12th St/Co SS Interchange	Interchange with frontage roads	Interchange without frontage roads	\$3.3	\$2.5	Accepted VE recommendation. The cost of frontage roads in this currently undeveloped area should rightfully be borne by the property owner who eventually develops the land. The frontage road feature is not being eliminated - but it is clear that it would be constructed with private or local unit of government funds, and not state funds under the Majors program.
6	USH 53 (Eau Claire Bypass)	Hwy 12/Hwy 93/Hastings Way Interchange	Single Point Urban Interchange at Hwy 12, System to System at Hwy 93 & Diamond at Hastings Way	Diamond at Hastings Way & Single Point Urban Interchange at Hwy 12	\$5.8	\$0.0	Rejected VE recommendation. Removed this recommendation from further consideration because of contrary opinions to the VE recommendation expressed by state and local elected officials, business leaders, and other local officials. Analysis of the interchange (using increased projected traffic volumes) subsequent to the EIS, led to the revised single-point urban interchange design. Both the real estate and the design processes for this single-point urban interchange were far along when the VE recommendation was made; it would have been too costly and time consuming to backtrack. The overall project completion would also have been delayed if the VE recommendation had been implemented.
3	USH 41 (STH 26 - Breezewood)	Highway 110 Interchange	Partial System to System W/Diamond Interchange	Partial System to System Interchange W/Single Point	\$7.1	\$0.0	Rejected VE recommendation. The VE recommendation missed some important cost details, including exclusion of costs for retaining walls and more fill material around the interchange. The VE recommendation allowed one profile to exceed design standards and allowed access within 500 feet of interchange ramps.

# Major Projects Value Engineering Study

August to November 2002  
(costs in millions of 2004 dollars)

District	Highway Number	Project Element	Original WISDOT Scope	VE Scope	VE Study Identified Possible Savings	District Verified Possible Savings For Accepted VE Recommendation	Comments
3	USH 41 (STH 26 - Brezewood)	Highway 21 Interchange	Realign/ Reverse W/Hwy 21 over	Existing alignment & configuration	\$17.8	\$0.0	Rejected VE recommendation. VE proposal costs more due to raising the mainline to span new Hwy. 21 and added length of the south ramps. Does not address real estate acquisition. Also, does not include retaining walls to avoid public golf course property and walls between mainline and ramps on right diamond.
3	USH 41 (CTH F - 143)	Highway 29 Interchange	System to System Interchange	Modified System to System Interchange	\$6.9	\$0.0	Rejected VE recommendation. WISDOT reviewed VE team's proposal and found that their proposal actually increases cost. Their proposal overestimated the amount of savings in structure costs and failed to account for four additional structures and additional earthwork needed in order to implement their proposal. The VE proposal, due to the combination of overestimation of savings and failure to account for additional structures and work, would actually cost approximately \$1 million more than the current District proposal. In April 2003, District 3 did an independent VE study on the US 41/WIS 29 interchange. This independent VE study identified potential savings of \$4 to \$6 million depending upon the combination of VE proposals implemented.
<b>Reduce Median Width</b>							
1	STH 26 (Janesville - Watertown)	Expressway Typical Section	60' Median	50' Median	\$0.5	\$0.0	Rejected VE recommendation. Since STH 26 may have a 65 mph speed limit, the 60-foot median should be maintained. FHWA does not support a change in policy that would reduce the median width without a positive barrier. The national trend is to increase median widths. The savings identified with the VE study is small in comparison to the safety benefits of having a wider median.

# Major Projects Value Engineering Study

August to November 2002

(costs in millions of 2004 dollars)

District	Highway Number	Project Element	Original WisDOT Scope	VE Scope	VE Study Identified Possible Savings	District Verified Possible Savings For Accepted VE Recommendation	Comments
<b>Buy Right-of-Way for 4 Lanes, Build 2 Lanes</b>							
1	USH 151 (Dickeyville - Belmon)	Typical Section	Four Lane Divided	Two Lane w/Four Lane R/W	\$4.9	\$0.0	Rejected VE recommendation. Would result in a 2.46 mile discontinuity in an otherwise 4-lane Backbone route between Madison and Dubuque. This change would require an exception to standards. Longterm expectation of the local residents and legislators of the upcoming 4-lane highway to connect SW Wisconsin. Construction of this bypass in 2 stages would be more costly than construction of all 4 lanes at once. Primary causes are the cost to build, then remove the climbing lane and temporary portions of two ramps, a higher unit cost to blast rock next to pavement that must be protected, a higher per square foot cost of extending the interchange bridge compared to building it full length in one operation, and additional traffic control and mobilization costs. These issues would add \$1 to \$2 million dollars to the eventual cost of the bypass.
2	STH 16 (Oconomowoc Bypass)	Typical Section	Four Lane Divided	Two Lane w/Four Lane R/W	\$6.1	\$0.0	Rejected VE recommendation. TPC and Legislature approved 4 lane project. Building a 4 lane facility supports local economic development and land use plans.
3	USH 141 (STH 22 - STH 64)	Typical Section	Four Lane Divided	Two Lane w/Four Lane R/W	\$19.9	\$0.0	Rejected VE recommendation. The first phase of the project, which includes grading 4 lanes north of CTH A, has already been let to bids and will begin construction this spring. WisDOT had committed to a 4-lane facility during the planning stages, and the public expects 4 lanes to be constructed. Summer weekend traffic volumes are 43% higher than the annual average daily traffic.
3	STH 57 (Dykesville - Sturgeon Bay)	Typical section	Four Lane Divided	Two Lane w/Four Lane R/W	\$39.0	\$0.0	Rejected VE recommendation. STH 57 is a major tourist, commercial and commuter route and has been identified as a corridors 2020 connector route. Local support for the route is high. The previous governor had committed to construct the 4 lanes by 2008. Crashes resulting in fatalities on this route are 3 - 5 times higher than the statewide average for similar facilities. Seasonal factor for traffic volumes is 60% to 75% higher during the summer and fall months.
4	USH 10 (Marshfield - Stevens Point)	Typical Section (13 - 34 S)	Four Lane Expressway	Two Lane w/Four Lane R/W	\$42.6	\$0.0	Rejected VE recommendation. TPC and Legislature approved 4 lane project. Building a 4 lane facility supports local economic development and land use plans.
4	USH 10 (Marshfield - Stevens Point)	Typical Section (34 S - 139)	Four Lane Freeway	Four Lane Expressway	\$10.7	\$0.0	Rejected VE recommendation. TPC and Legislature approved 4 lane project. Building a 4 lane facility supports local economic development and land use plans.

# Major Projects Value Engineering Study

August to November 2002  
(costs in millions of 2004 dollars)

District	Highway Number	Project Element	Original WisDOT Scope	VE Scope	VE Study Identified Possible Savings	District Verified Possible Savings For Accepted VE Recommendation	Comments
5	USH 18 (Prairie du Chien)	Typical section	Four lanes and two lanes	Two Lane w/Four Lane R/W	\$3.8	\$0.0	Rejected VE recommendation. WisDOT will be re-examining the normal 20 year traffic growth projections for the rural portion of the USH 18 project. There will likely be strong local opposition to reducing the rural portion of this project to just two lanes - the expectation of the public (and potentially the TPC*) is that four lanes would be constructed. *Note: The project concept brought forth to the TPC hearing drew significant testimony from the public regarding the safety benefits of four lanes versus two on this portion of the USH 18 project.
<b>Revise Structures at Various Locations</b>							
2	STH 11 (Burlington Bypass)	CP Railroad Crossing	Grade Separation	At Grade with Gates & Lights	\$2.2	\$4.0	Accepted VE recommendation. After further analysis, the district identified a total savings of \$4.0 million. This was \$1.8 million more than what was identified by the VE Study.
2	USH 151 (Maupan - Fond du Lac)	Canadian Railroad/Fond du Lac River Crossing	Highway 151 under railroad & over river	Highway 151 over both the Railroad & River	\$4.1	\$0.0	Rejected VE recommendation. Further analysis indicated there was no cost savings by implementing the VE recommendation. The VE recommendation would have required additional right of way, long stretches of beam guard, longer structures, loss of fill material that will be used on an adjacent project, and the use of sub standard design features. The district has developed a revised alternative that includes the relocation of the Canadian National Railroad to reduce railroad structure costs. No additional cost savings have been identified, however, the new alternative satisfies project purpose and need and meets current national and state design standards without increasing projects costs.
5	USH 53 (La Crosse Corridor)	La Crosse River Bridges	River Crossing & Wetland Crossing	River Crossing	\$5.4	\$0.0	Rejected VE recommendation. The length of the proposed bridge over the La Crosse River is already at the minimum length required to avoid increasing backwater and flooding potential on the La Crosse River within the sensitive urban area marsh. Regulatory agencies such as the Wisconsin DNR, Federal Fish and Wildlife, and the US Army Corps of Engineers would never allow the structure to be shorter.
6	USH 53 (Eau Claire Bypass)	Eau Claire River Bridge	Bridge over River	Shorten Bridge	\$2.3	\$0.0	Rejected VE recommendation, after consultation with the Wisconsin DNR. WisDNR would not approve shortening of the bridge because that would have meant that a substantial amount of fill material would need to be placed in the waterway/floodplain. WisDNR would not approve this partial filling of the existing waterway. At the time of the VE recommendation, all applicable permits from WisDNR to build the proposed bridge had been obtained.



# Major Projects Value Engineering Study

August to November 2002  
(costs in millions of 2004 dollars)

District	Highway Number	Project Element	Original WisDOT Scope	VE Scope	VE Study Identified Possible Savings	District Verified Possible Savings For Accepted VE Recommendation	Comments
6	STH 64 (Houllton - New Richmond)	Wisconsin Central RR Crossing	Grade Separation	Grade Separation	\$1.0	\$0.0	Rejected VE recommendation. After detailed analysis, it was shown that the original design is less costly to construct than what was proposed by the VE team used. When taken into account, the VE recommendation is actually more costly to construct than the District proposal.
6	STH 64 (Houllton - New Richmond)	Marsh Bridge	Bridge	Pav't with Ground Modification	\$0.7	\$0.0	Rejected VE recommendation, after consultation with WisDOT experts. Both the area that needs to be treated and the piling lengths are greater than the VE team used. When taken into account, the VE recommendation is actually more costly to construct than the District proposal.
3	USH 41 (CTH F - 143)	Bridges	Replace all bridges	Widen and/or Jack all Bridges	\$21.1	\$0.0	Rejected VE recommendations. WisDOT reviewed the VE proposal and found that their proposal overestimated the savings since they failed to account for the need to replace the bridge decks as recommended by FHWA and WisDOT's Bureau of Structures. Further guidance from the Bureau of Structures concerning the cost effectiveness of rehabilitation, widening and jacking (RW&J) versus replacement indicates that it is more cost effective to replace a structure when the cost of RW&J exceeds 80% of the cost of replacement. Using the guidance on cost effectiveness and jacking, there are only five structures that are potential candidates for VE's proposal with a potential savings of \$740,000. However, due to their locations (over streams, within a major interchange and in a sensitive noise area) and borderline cost ratios of RW&J to replacement (76.1% to 79.4%), the Department recommends complete replacement of all the structures.

# Major Projects Value Engineering Study

August to November 2002

(costs in millions of 2004 dollars)

District	Highway Number	Project Element	Original WisDOT Scope	VE Scope	VE Study Identified Possible Savings	District Verified Possible Savings For Accepted VE Recommendation	Comments
<b>Other Miscellaneous Recommendations</b>							
5	USH 18 (Prairie du Chien)	Marquette Street	Improve roadway and intersections	Eliminate Marquette improvements	\$8.5	\$7.5	Accepted VE recommendation, but reduced savings by \$1 million to pay jurisdictional transfer costs. Marquette Street is the route currently taken by USH 18 in Prairie du Chien (Pdc). The new USH 18 route through Pdc will be relocated so the only eligible costs under the Majors program on the existing route are those required to transfer ownership of any segments of roadway that would no longer be under state jurisdiction. Marquette Street will remain under state jurisdiction, but portions of Iowa and Wisconsin Street will not be.
1	USH 12 (Ski Hi - 190/94)	Jurisdictional Transfer	New Five Lane Section	Partial Resurface existing Pavement	\$10.6	\$9.0	Accepted VE recommendation. WisDOT recommendation is to resurface the current highway. The savings includes everything over and above all the paving items. WisDOT will follow standard policy for jurisdictionally transferring the existing USH 12 to local control. The existing 2-lane USH 12 will be resurfaced. Any additional negotiations with the local governments on the transfer or other improvements will be handled at a later date.
3	USH 41 (STH 26 - Brezewood)	Lake Butte Des Morts Causeway	Realign, Construct new NB lanes	Use Existing Footprint & Widen Bridges	\$17.1	\$0.0	Rejected VE recommendation. WisDOT rejected the VE recommendation because it did not meet the project requirements. The construction staging as recommended by the VE team, did not provide for traffic staging across structures. The VE recommendation did not address providing a multi-modal trail across the lake, which the public requested and agreed with the district proposal. The district has solicited its own VE study on the causeway to further investigate the issue.
2	USH 151 (Fond du Lac Bypass)	Recreation Trail	Construct grade & bridges to accommodate trail	Transfer R/W to Others for them to Construct	\$0.7	\$0.0	Rejected VE recommendation. Project element not being funded out of Majors Program. No impact on Majors Program. The trail will be constructed on the existing R/W in partnership with Fond du Lac County. The County will use other funding sources to construct the trail. This joint venture with the County was agreed to prior to the VE study.

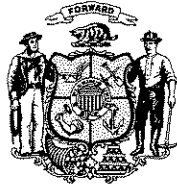


# Major Projects Value Engineering Study

August to November 2002

(costs in millions of 2004 dollars)

District	Highway Number	Project Element	Original WISDOT Scope	VE Scope	VE Study Identified Possible Savings	District Verified Possible Savings For Accepted VE Recommendation	Comments
1	STH 26 (Janesville - Watertown)	Hwy 26/60/16	Diamond Interchange	End at Co Q & keep existing 26/16/60 Interchange	\$5.6	\$0.0	Rejected VE recommendation. FHWA requested logical terminus, which is STH 60. Construction is currently scheduled for 2015 on this segment, due to lower traffic volumes. CTH Q has a low traffic volume and is not a logical terminus north of Watertown to end the four-lane highway. STH 60 farther north has more traffic and the traffic pattern is predominately turning and traveling southbound on STH 26. This traffic from STH 60 would have to travel on a two-lane facility and have potential safety problems with an at-grade intersection on a two-lane highway.
5	USH 53 (La Crosse Corridor)	Flood Plain Mitigation	Purchase Massey Const Plant	Eliminate purchase of Massey Plant	\$2.3	\$0.0	Rejected VE recommendation. The relocation of the Mady asphalt plant located in the La Crosse River Valley is required for floodplain mitigation. Additional low-lying lands must be made available to replace the floodplain areas required for new roadway fills. The Wisconsin DNR has indicated a strong desire to accomplish this replacement mitigation in an area as close to the affected floodplain as possible. The chances of gaining WISDNR concurrence on mitigating floodplain losses elsewhere in the river valley are minimal.
<b>TOTAL</b>					<b>\$382.8</b>	<b>\$69.8</b>	



**Carol Roessler**  
STATE SENATOR

February 3, 2004

Janice Mueller, Director  
Legislative Audit Bureau  
22 E. Mifflin Street, Suite 500  
Madison, WI 53703

Dear Ms. Mueller,

I am writing in order to obtain information regarding the Local Road Improvement Program (LRIP). The intent of the program was to put locally earmarked funds into the hands of the local officials, with as little management by the Department of Transportation as possible. From what I understand, it started out very simply and has gotten progressively more and more difficult to administer. It seems like each cycle, the Department of Transportation attaches more and more rules and requirements to the application process and the use of the funds. In addition, local and state dollars would be saved if changes in the rules governing this program were enacted to make it more streamlined and reduce the amount of administration required.

With this in mind, I particularly would like to know when the program was last audited and I also request a breakdown where the funds are expended in the LRIP. I would appreciate your assistance on this matter and I look forward to your response.

Sincerely,

CAROL ROESSLER  
State Senator  
18th Senate District

CC: Allen Buechel, Fond du Lac County Executive  
Ernest Winters, Fond du Lac County Highway Commissioner

WISCONSIN STATE SENATE



**Carol Roessler**  
STATE SENATOR

February 3, 2004

Janice Mueller, Director  
Legislative Audit Bureau  
22 E. Mifflin Street, Suite 500  
Madison, WI 53703

Dear Ms. Mueller,

A handwritten signature in black ink, appearing to read "Carol", written over the name "Ms. Mueller" in the address block.

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Sincerely,

A large, stylized handwritten signature in black ink, appearing to read "Carol", written below the word "Sincerely,".


CAROL ROESSLER  
State Senator  
18th Senate District

CC: Allen Buechel, Fond du Lac County Executive  
Ernest Winters, Fond du Lac County Highway Commissioner

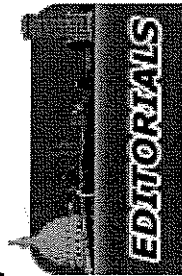


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## Editorial: Transparency on the roads

From the Journal Sentinel

Posted: Feb. 1, 2004

State transportation officials say the two highway construction firms whose executives are charged with bid rigging have been awarded so many contracts that firing the firms outright might disrupt road-building schedules. Many local officials are reportedly concerned that firing or suspending the two firms will delay important road projects in their communities.

What's more, Transportation Secretary Frank Busalacchi says that since officials have no reason to believe that the scandal extends beyond the four indicted executives, firing the firms would unfairly penalize the 800 innocent construction workers employed by the two firms, causing them to lose their jobs.

Those legitimate points certainly need to be weighed by legislators and others. But none of that precludes the state from doing whatever it must to ensure that something like this does not occur again.

Sen. Bob Cowles (R-Green Bay) has come up with what sounds like a

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good way to improve the state's financial oversight of major highway projects - which is important not only because of the bid-rigging allegations but because state auditors last year found cost overruns of at least \$20 million each on seven highway projects.

Cowles' bill would require closer accounting of environmental cleanup costs for each road project; require a new annual report of costs on major road-rebuilding projects; require that costly changes on projects be made public before construction begins; and detail what the state must pay for real estate as it rebuilds highways.

Efforts to tighten up spending controls on highways - and, equally important, to make more information public while the projects are still under way - are more critical now than ever.

From the Feb. 2, 2004 editions of the Milwaukee Journal Sentinel

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 Southeastern Wisconsin's family resource

FEBRUARY COVER 

MAINTENANCE

AdFinder

## Asbjornson, Karen

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**From:** Sen.Cowles  
**Sent:** Thursday, February 05, 2004 2:56 PM  
**To:** \*Legislative Assembly Democrats; \*Legislative Assembly Republicans; \*Legislative Senate Democrats; \*Legislative Senate Republicans  
**Subject:** \*\*\*Short Notice\*\*\*: Co-sponsorship of LRB-4069/1, relating to Major Highway program information

\*\*\*SHORT NOTICE\*\*\*

Date: February 5, 2004  
To: All Legislators  
From: Senators Cowles and Ellis; Representatives Weber, Van Roy and Krawczyk  
Re: Co-sponsorship of LRB-4069/1, relating to Major Highway program information

We are introducing legislation that requires improved financial reporting for major highway projects. This bill is based on recommendations made by the Legislative Audit Bureau and is designed to bring more information and accountability to the Legislature, the Transportation Projects Commission (TPC) and the taxpayer.

The Audit Bureau recently completed a study on the massive cost increases in road building projects. Costs associated with the state's major highway program have exceeded initial estimates by 69.5 percent in the past ten years to \$284.2 million. Seven projects were detailed, and final costs exceeded original estimates ranging from a 45.2 percent increase up to a 262.4 percent increase. Work on a stretch of Highway 41 increased 167 percent to \$41.9 million.

The Audit Bureau made several recommendations to improve the program, including comprehensive and consistent cost information for road building projects. The bill adopts the Audit Bureau's recommendations:

- Develop comprehensive accounting for environmental expenditures. These costs include administrative, maintenance, right-of-way, real estate, engineering, contingency, plus home or business relocation costs.
- Mandate an annual report on complete expenditure information for all major highway projects to the Transportation Projects Commission and the Legislature.
- Consistently communicate changes in project design and scope, so that all parties understand when project of funding needs expand beyond initial proposals.
- Detail the amount and cost of all real estate the DOT purchases for major highway projects before recommendation to the Transportation Projects Commission.

This bill is even more critical in light of developments in the last year and future commitments. The state is looking at billions in expenditures to rebuild the Marquette Interchange and the Southeastern Wisconsin freeway system over the next 20 years. The 2003-2005 state budget transferred \$675 million out of the road account into the general fund. The legislative audit bureau highlighted hundreds of millions in rising costs of the DOT. And finally, four executives were accused of rigging bids for state projects worth more than \$100 million earlier this year.

Please contact Todd Stuart in Senator Cowles' office at 266-0484 if you would like to cosponsor this legislation before 5:00pm Monday, February 9th.

**Citizens  
Allied  
For  
Sane  
Highways**

February 5, 2004

Senator Carol A. Roessler and  
Representative Suzanne Jeskewitz,  
Co-chairpersons  
Joint Legislative Audit Committee  
State Capitol  
Madison, Wisconsin 53702

FEB 12 2004

**Hard copy to follow**

Dear Sen. Roessler and Rep. Jeskewitz,

Robert Trimmier, Co-Chair  
Gretchen Schuldt, Co-Chair

Please accept this letter as Citizens Allied for Sane Highways' testimony regarding the Legislative Audit Bureau's evaluation of the Department of Transportation's (DOT's) major highway program.

P.O. Box 080215  
Milwaukee, WI 53208

Phone: (414) 526-0049

E-mail: noexpansion@yahoo.com

Citizens Allied for Sane Highways is a coalition formed to oppose freeway expansion in Milwaukee. CASH members include Bike the Hoan, Friends of Walkers Point, Historic Concordia Neighborhood Association, Marquette University Students for an Environmentally Active Campus, Martin Drive Neighborhood Association, Merrill Park Neighborhood Association, Milwaukee Alliance, 9 to 5 Poverty Network Initiative, Milwaukee Preservation Alliance, Riverwest Neighborhood Association, Select Milwaukee, Sierra Club - Great Waters Group, Story Hill Neighborhood Association, Washington Heights Neighborhood Association, Water Tower Land Mark Trust, and the West End Vliet St. Business Association.

Phone:  
(414) 331-0724

We are, obviously, a grass roots organization with a fairly narrow scope. The audit's findings, however, carry great implications for highway projects planned or proposed for southeastern Wisconsin and Milwaukee.

We first would like to express our great respect for the Legislative Audit Bureau. We are extremely fortunate to have such a high-caliber organization working on behalf of state taxpayers. We have just one concern about the audit itself. The document says that Wisconsin ranks below the national average in many measures of highway funding; it is just as easy to show the opposite. The General Accounting Office's "Trends in State Capital Investment in Highways," for example, says the state ranks *above* average in many measures of highway funding. When analyses differ so markedly, we believe the LAB has an obligation to point that out.

That aside, there can be no dispute that the LAB report reveals management and fiscal problems within DOT that are hurting both the agency's ability to carry out its mission and residents' ability to pay for it.

Of particular concern to CASH is DOT's "escalate-as-you-go" project planning. It is somewhat distressing to read in the audit that community input counts for just 10% when DOT is ranking major highway projects, but requests from a

# Citizens Allied For Sane Highways

Robert Trimmier, Co-Chair

Gretchen Schuldt, Co-Chair

P.O. Box 080215  
Milwaukee, WI 53208

Phone: (414) 526-0049

E-mail: noexpansion@yahoo.com

Phone:  
(414) 331-0724

few local officials can greatly expand the scope of a project, at the expense of the entire state.

WisDOT, we hope, is the only agency that operates like this – it would be catastrophic for the state budget, for example, if the Department of Public Instruction or the Department of Tourism were able to simply hand out additional millions of dollars in state aids to local school districts or visitors' bureaus at the request of local superintendents or tavern owners without having to explain to or get permission from the Legislature or the governor.

We are also very concerned about DOT's increasing reliance on bonding for revenue. We won't say much about this -- it's obvious that DOT's debt is increasing at an unacceptable rate and must be curtailed before it overwhelms the agency's ability to fund anything but debt service.

The audit also discloses DOT's failure to implement value engineering recommendations made by an outside consultant. WisDOT, as you know, is about to embark on the reconstruction of the Marquette Interchange without having all the funding in place. The agency rejected requests that it submit its Interchange plan for peer review. We understand that there is some urgency in the reconstruction of the Marquette, but we ask that the peer review option be reconsidered, if possible, particularly in light of the consultant's recommendation that DOT scale back the size and design of interchanges. An independent review of the DOT plan could also lead to cost-savings measures that would alleviate some of the financial stresses the project is sure to generate.

WisDOT also is expected to soon begin preliminary engineering in relation to the Southeastern Wisconsin Regional Planning Commission's \$6.2 billion freeway reconstruction and expansion plan. Given the audit's finding, we cannot have any confidence that WisDOT will seek out all available opportunities to control the costs of what is sure to be the most expensive public works history in the state, one that will drain resources from every corner of the state to rebuild freeways in Milwaukee.

CASH endorses all of the Legislative Audit Bureau's recommendations. In addition, CASH believes that the definition of "major highway project" should be amended to include a cost-only criterion so that any highway project with costs exceeding a certain threshold amount – whether that is \$100 million or \$500 million – would be considered a major highway project. CASH also believes that a formal process for approval of project expansions should be established.

Finally, CASH recommends that the votes of Transportation Commission be given more weight, and that a supermajority vote in both houses of the Legislature – either 2/3 or 3/4 of members – be required to override a Transportation Commission vote.

This audit, along with recent allegations of bid-rigging in state highway construction contracts, has raised doubts about the fiscal management and oversight of the State Department of Transportation. CASH asks the DOT and



**Citizens  
Allied  
For  
Sane  
Highways**

Legislature to adopt the recommendations of the Legislative Audit Bureau and take the other steps needed to restore the confidence of the public in this important agency.

Thank you,



Gretchen Schuldt  
Co-chair  
Citizens Allied for Sane Highways



Robert Trimmier  
Co-chair  
Citizens Allied for Sane Highways

Robert Trimmier, Co-Chair

Gretchen Schuldt, Co-Chair

P.O. Box 080215  
Milwaukee, WI 53208

~~Phone: (414) 526-0049~~

E-mail: noexpansion@yahoo.com

Phone:  
(414) 331-0724

Wheeler 2-9-04:

**LEGISLATORS PLAN HIGHWAY COSTS ACCOUNTABILITY BILL**

Five Northeastern Wisconsin legislators are set to introduce a bill codifying many recommendations made in a Legislative Audit Bureau report on the state's major highway program. Sens. Michael Ellis and Rob Cowles and Reps. Becky Weber, Karl Van Roy, and Judy Krawczyk say their proposal is "in response to developments in the last year and large future spending commitments."

Among the items the Audit Bureau report recommended are the following, which the legislators say will be included in their bill:

- Development of a comprehensive accounting for environmental expenditures, including administrative, maintenance, right-of-way, real estate, engineering, contingency, plus home or business relocation costs.
- Mandating an annual report on complete spending information for all major highway projects to the Transportation Projects Commission and Legislature.
- Consistently communicating of changes in project design and scope "so all parties understand when a project of funding needs expand beyond initial proposals."
- Detailing the amount and cost of all real estate the DOT purchases for major highway projects before recommendation to the Transportation Projects Commission.

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