Up to Now—Indiana Toll Road

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Nineteen years ago last January, I spoke to this Road School, using as my subject, “Safety on Our Highways.” I should like for the moment to change the subject assigned to me for today, “Up to Now”, to “From Then, January 1934, to Now.” Events that have transpired since then have a large bearing on our thinking and planning today.

During that interval of a little over 19 years, more than 633,000 people have been killed in this country in motor car accidents and more than 22 million have been injured. It’s pretty big business this highway casualty list, and it is these casualties, plus the desire to get along a little faster on our highways, that is bringing us to the epidemic stage of toll road construction, with at least 28 states now building or contemplating toll roads.

If an economist should examine toll road financing, many interesting phases are presented. For instance, a year and a half ago, at a meeting at French Lick, I said that rather than toll roads, I personally would favor a 2 cent increase in gasoline tax, all to go to the state highway commission, for the sole purpose of constructing the second lane on our most heavily traveled highways.

The suggestion of that increase of 2 cents per gallon gas tax immediately encountered criticism but I want to say that I later received numerous letters from private citizens over the state, endorsing it as a helpful solution to our continuing slaughter on our highways.

Those same people who voiced opposition to an additional two cent gas tax were loud in their endorsement of the toll road. If those same motorists get 16 to 20 miles on a gallon of gas and they pay one cent per mile to drive a toll road, then, in effect, they are paying an additional 16 to 20 cents per gallon gas tax. But they like it. The only conclusion, then, must be that the motorist likes a highway on which there are no stop lights, on which there is no cross traffic and on which the lanes are separated. He is willing to pay liberally for it.

Indiana’s geographic location gives her no choice but to build
a toll road to pick up the traffic from the Ohio Toll Road that will reach our boundary within the next 18 months. The location is at a point east of Angola, a little south of U. S. 20 and north of U. S. 6. It will continue westward south of LaGrange, north of Goshen, south of South Bend, on westward to the Illinois line at a point south of Gary. Illinois is giving special study to the area where the Indiana Toll Road will reach her border.

CREATION OF TOLL ROAD COMMISSION

It was in the legislative session of 1951 that Indiana enacted legislation authorizing Governor Schricker to appoint a Toll Road Commission composed of two Democrats and two Republicans, with the chairman of the State Highway Commission an ex-officio member. The newspapers carried just a few lines that such a law had been passed.

In July of 1951, Governor Schricker asked me to serve on the recently created toll road commission. “It won’t take much time,” he assured me. “Charles B. Enlow, of Evansville, Bruce Short, of Indianapolis and Jim DeLaurier, of Hammond will be the other members, with Sam Hadden of the State Highway commission the ex-officio member,” he said.

Soon thereafter the members met and started at once to take steps to test the constitutionality of the new law. A friendly suit was filed in the Marion County Circuit Court and that body upheld the legislation. An appeal was taken to the Indiana State Supreme Court which also approved the law in mid-November 1952.

The Indiana act provided that the State Highway Commission should advance funds to be repaid later, for preliminary engineering studies to determine the feasibility of a toll road in Indiana. Some delays were occasioned by the recent session of the Indiana State Legislature owing to the possibility that new or additional legislation might be enacted which would require court clarification. During the period between July, 1951, and the present time, many engineering firms presented themselves before the Toll Road Commission. Some sought the preliminary engineering. Others desired to make the traffic and earnings estimates upon which financing is based. In each interview we were impressed by the high calibre of the men who appeared before us.

It was little short of amazing as these firms explained some fabulous project that one or another might be undertaking. One told of the 4-mile long bridge across Chesapeake Bay; another talked of the astounding construction of the New Jersey Turnpike through “the Meadows” that in Indiana would be called swamps; there was the
four hundred million dollar highway being built across or through the mighty Andes Mountains in Bolivia, or the fabulous ten miles of new highway now under construction out from Caracas, in Venezuela, that Chairman Albert Wedeking recently saw.

The Garden State Parkway in New Jersey costing $285,000,000 and the New York Throughway to cost more than $500 million appear only incidental to these brilliant engineering minds, capable of completing whatever they undertake.

Six weeks or more ago, the engineering firm of the J. G. Greiner Co., of Baltimore, Md., was selected to make the preliminary engineering study for the first toll road to be constructed in Indiana. They will select the route subject to approval by Governor Craig. This was a logical choice, as Greiner & Company had been the consultants on all three sections of the Pennsylvania Turnpike and for the toll road across the state of Ohio.

Equally important was the selection of the firm to make the traffic and earning studies. The great financial houses will be guided in their purchase of bonds by their confidence in the report of the estimated earnings of this toll road. Again there were factors that helped in making this selection. Parsons, Brinckerhoff, Hall & MacDonald of New York had made the traffic and earning studies on the three sections of the Pennsylvania turnpike and also for the Ohio Toll Road Commission. An immense amount of data covering origin and destination was already in their hands so that this firm was able to undertake this study for Indiana at a cost far less than any other firm.

Thus, the Indiana preliminary work is being done by the two firms that will have served in the same capacities all the way from New York to the Illinois line. Their reports are to be completed in September.

During these preliminary months, the toll road commission has held a great many conferences with representatives of large financial houses. There is widespread interest in Indiana Toll Road Bonds, first, because this promises to be one of the outstanding toll roads in America, and second, because the state of Indiana has no bonded indebtedness.

FINANCING

The cost of toll roads is astounding. The 241 mile stretch across the state of Ohio is estimated to average $1,250,000 per mile. New Jersey's 118 mile turnpike cost $255,000,000, with the most expensive sections costing up to $12,000,000 per mile or $2,270 per lineal foot for the three lanes on each side. The last 67 mile section of the Pennsylvania Turnpike to the Ohio border averaged $1,169,000 per mile.
What, then, will the toll road cost across Indiana? Up to the present, there is not a very accurate estimate but inasmuch as the distance is about 150 miles, the figure of $150,000,000 has been used. This averages about $1,000,000 per mile with the greatest cost as the highway approaches the Chicago area. We can only hope that it may be built for less. If the figure of $150,000,000 proves correct, at today’s money market, the interest cost would approximate $14,000 per day, so it behooves all concerned to get the toll road open for traffic at the earliest possible date after the bonds are sold.

It is probable that Indiana will run a spur up to the Michigan line for the convenience of Michigan motorists who wish to use the turnpike to the Chicago area. That spur may be near the eastern part of the state so that Indiana would have the benefit of forty or fifty miles more patronage.

The disposal of the Indiana Toll Road Bonds will be quite an undertaking in its own right, but the people of Indiana will look with immense favor on this issue. It will be federally tax-free and the bonds will be on a highway approaching the second largest metropolitan area in the United States. Financial men say the Indiana Toll Road “can’t miss.”

This issue will be the largest ever undertaken in Indiana. It will require nationwide planning for the sale. An immense amount of preliminary work must be done to prepare the market for the best possible price on these bonds.

As the bonds are sold, some bank or banks must be designated as the trustee of the funds. An incredible amount of legal work will be required. During the long period of testing the constitutionality of the Indiana Toll Road law, bonding house counsel both in Indiana and New York was called upon for advice and attorneys will be sitting close to the table as the many intricate legal documents are drawn. Once the bonds are on the market, there must be paying and transfer agents, probably in New York, Chicago and Indianapolis.

PROBLEMS FACED

Many questions of engineering must be resolved. How far between lanes? How much right of way? What shall be the plans for the future? Will other lanes be needed twenty, fifty, or a hundred years hence? Should motels be constructed as a part of the toll road? The argument for that lies in the belief that a motorist may not leave the highway in search of a place to stay that he cannot see, and hence will continue to drive until he falls asleep. The theory is advanced
that motels should be built and leased, just as the filling stations are built and in turn, leased to operators. Ports of entry, restaurants, repair shops, maintenance headquarters, maintenance equipment, toll collectors, police patrols, supervision of filling stations and motels, if such are constructed, public relations, publicity, all have their important part in this project.

One of the very difficult problems will be that of securing the rights of way. One lady in Laporte County wrote Mrs. Adams that they are so happy that the toll road misses their farm but are concerned that it goes right through the middle of Aunt Grace's farm. Another from St. Joseph County recently phoned me that the toll road is going right through the very spot where he is planning to build a house and another in DeKalb County came to me with the story that the road is planned to go right where his house now stands.

While these preliminary fears are starting to spring up, all those who have been connected with the highway industry realize that there will be many heartbreaks before all the right-of-way is obtained. Sam Hadden once aptly expressed it that very early in his highway career, he learned that an improvement that benefits the many may work a dreadful hardship on a few.

The time table for the construction of the Indiana Toll Road, provided no unexpected blocks are thrown in the way, should be as follows: Reports from Greiner & Company on the estimated cost of the project in September; this will include rights of way, engineering, and construction of buildings, bridges and roadway; The traffic and earnings report of Parsons, Brinckerhoff, Hall & MacDonald will also be in by September. Plans should be so thoroughly made that if the money market seems favorable, that the bonds for the toll road should be promptly sold.

When the bonds are sold, it will be imperative that the commission must start immediate acquisition of rights of way. Detailed engineering plans must be broken down into many small contracts to be completed within a comparatively few months. With good progress, the commission should be ready to commence to receive bids not later than March of next year, which will allow for a full construction season. Many of the structures will carry over into 1955, but by the middle of 1955 motorists should be looking toward an early opening of the new toll road.

It will be an immense task for the construction firms to complete this project. In fact, a shortage of construction firms may develop to slow the completion date.
LOOKING AHEAD

Under the Indiana law, after the toll road bonds are all paid off, the roadway reverts to the state as a freeway. Just how long this will take depends upon many factors—the general economic situation, the cost of the project, the interest rate on the bonds, maintenance costs as well as the continued growth in the motor car population of the nation.

The increasing interest in toll roads is not surprising. The motorist has long felt the peril of the highway, which, for the most part, has merely been the adaptation of the type Julius Caesar built two thousand years ago for slow moving vehicles to pass at close interval.

In this age of the motor car, there is no room for thoughts and plans for the future in a mind overburdened with memories of the past. We are in a new age and our engineers are striking out on new horizons. What was regarded as adequate yesterday is outmoded today.

Emerson once wrote: "Why should you keep your head over your shoulder? Why drag about this corpse of your memory? Suppose you should contradict yourself; what then? Speak what you think today in words as hard as cannon balls, and tomorrow speak what tomorrow thinks in hard words again, though it contradict everything you said today."

The highway industry is taking steps it never dreamed of a few years ago. In thinking of your problem of parking here on the campus, I am willing to hazard that before the next fifty years have passed that you will have constructed spacious underground parking areas. The motorist will gladly pay a small parking charge that he may land nearer to his objective.

Yes, this is an age for the dreamer, for who knows what dreams may come true. Magnificent cathedrals of Europe required centuries to complete while generation after generation lived and died. To the American of today, highways and transportation are his cathedrals. The incredible conveniences in the American home are in sharp contrast with the inconveniences of driving or parking, but you engineers are are thinking in bigger and bigger concepts and the American is the sort of individual who will gripe as he pays—but he will pay for the thing he wants. He wants more adequate highways and he wants more adequate parking facilities.

Turning again to my subject, "Up to Now", I may say, that up to now association on the Indiana Toll Road Commission has been most interesting for all of us. It is an incredible time consumer and it will get worse instead of better.
To the younger engineer I should like to add that he has a field before him of ever increasing importance and the American way of life is inexorably tied in with transportation. It has been a pleasure to have presented a few of the many problems which confront the toll road commission and we most humbly ask your guidance and help.