

# InfrastructureUSA

## Guest on THE INFRA BLOG

**Larry Ehl, Founder and Publisher, Transportation Issues Daily**

**Conversation with Steve Anderson, Managing Director, InfrastructureUSA**

**Larry Ehl:**

### **Transportation Issues Daily: Non-Partisan and Positive**

The bottom line for me is I'm a pro-transportation advocate and I'm a firm believer that we need all modes for people and businesses in the country to succeed and thrive and grow. I think we need highway, we need rail, we need transit, we need bike and pedestrian facilities for a variety of reasons, including making our communities nicer places to live in. And so what I really try to do is highlight all the various modes. I am non-partisan; people who are looking for bashing of a particular mode or particular party, there are plenty of websites to go and find that. I also try to focus on the positive things that are occurring in transportation, and in particular the good work that public agencies and their private sector partners are accomplishing. When a public agency gets it wrong, when they mess up on a project, everybody writes about that. It's not hard to learn about that. But when a public agency does something right, again with a private sector partner, when they build a road and open it several months ahead of schedule that comes in under budget; when a private sector company has a great safety track record on a project and comes up with some innovative construction method that going to save tax payers a lot of money--those are the stories that we don't hear about very much. So in my own little way I try to highlight those instances of good work and achievement. And I hope that I can maybe build a little bit more confidence among the public for public agencies and all they're capable of doing and that ultimately might lead to increased investment that we need in all modes of transportation.

### **Talking More About Infra**

If we want to take the glass-half-full approach at least we are talking about it. And whenever somebody comes up with a proposal to eliminate bike funding, or sharply reduce transit funding, or sharply increase road funding, and the critics of those proposals come out, I actually think that's a good thing because it gets transportation in the news. It gives all of us an opportunity to talk about how the transportation at work impacts our live, impacts the economy, and so I think that's a good thing. You know Congress has not made much progress on transportation in the last handful of years. I think a large part of that is the funding challenge. President Obama as a candidate came out very strongly against the gas tax increase and the gas tax provides 90-95% of federal transportation funding, and so if a gas tax increase is off the table it really limits what Congress can do in

terms of funding transportation and getting a bill passed. Of course, Congress no longer earmarks transportation projects, so that makes it difficult to secure an affirmative vote from a wavering member of Congress. I think in addition to funding, there's one other really big issue on the federal level and that is that federal transportation is sort of at a crossroads, no pun intended, transportation interests are struggling with what should the federal government's role be in transportation. Ten, twenty, thirty years ago the role was very clear: build out the interstate. Today the interstate is built out; although in many places it's old enough that we have some very expensive maintenance and preservation needs. But people are struggling with what should the federal role be? And there are a lot of different ideas about that. And so that's prevented Congress from coming to an agreement about what that vision is and how it will be funded.

### **Public-Private Partnerships**

One thing we should remember is at the local level, there is a fair amount of good things happening in transportation. I think local transit tax measures, the passage rate of those over the last handful of years is something like 70-80%; I mean, it's very high. There are a number of states that are passing, or are about to pass transportation investment packages. So there is some good news around the country in terms of elected officials acting and the public being engaged and supporting it. You mentioned, sort of touched on the private sector. Last week, Bolt Bus, which is a very popular private bus service on the east coast and a little bit in the Midwest, just started service in Seattle, where I live, down to Portland, Oregon. And I tried it for the first time and there's a lot of talk about how it might compete with our Amtrak service here in the northwest corridor. Of course the private sector is involved in tolling and public-private partnerships around the country to a much lesser degree than they are in other countries. But again, this is an area where elected officials, particularly at the federal level, but also at the local level and the general public are really divided on whether or not the private sector should be more involved in transportation, particularly in terms of public-private partnerships and tolling. I think the record of public-private partnerships and private sector involvement in tolling on balance is positive. There are instances where it hasn't worked out well. But I would say the instances where it hasn't worked out well, shouldn't be used as a reason to no longer pursue that. I think we can look back at those instances and use them, extract lessons learned and figure out how the next public-private partnership, the next tolling project could be constructed or formatted in a way that protects the public interest but also improves the transportation that works and we're headed in that direction. It's just going a lot more slowly than a lot of people would like to see.

### **A Better Explanation of the Benefits of Investment**

It's difficult for us to see how investing today benefits us in the future. Most transportation investment is geared towards future benefits. There are instances where if we add a lane to a road or if we put some more buses on a road, or add

a roundtrip train or add a new transit or commuter rail, light rail/commuter rail, we can see some benefits right away but that construction period lasts so long that people just don't quite see it. And then there's just uncertainty. People aren't quite sure if adding that lane is going to make a difference, so I think that's a part of it. I think, honestly, transportation stakeholders, and I'll include myself in this indictment, have not done a good job of explaining the benefits, the value of transportation investment to the public. We haven't done a very good job, or as good a job as we could do, explaining the cost of not investing. If I remember right, investing a dollar in a road that is starting to age now, saves you something like \$7-8 if you wait a handful of years longer because the road's in even worse shape and you have to do more. It's sort of like maintenance on your house or on your roof, you know if you replace that roof before it gets too bad, it's going to cost you less than if you wait until it's really falling apart. And I think we have a hard time explaining that. I think the public has a hard time understanding it.

And the other connection I think we don't explain very well, is we pay one way or the other. And what I mean by that is we can pay today through an increased gas tax or we can pay tomorrow because we have to do extra maintenance on our car because of rough roads or we have to replace our tires more often than usual or we pay more for the goods that we buy, from food in the grocery store to Costco or Wal-Mart or Sears or JCPenney or whatever. The cost of those goods is higher because the cost of transporting those goods is higher. And so the longer it takes to get goods from a ship or a truck to a warehouse and get those goods to a store, those increased costs are going to be reflected in the cost of goods. So we pay more one way or the other and it'd be nice if we could invest a little bit more in transportation and get the benefit of saving ourselves some time and having better roads in addition to inhibiting the cost of goods as well.

### **Government Agencies and Private Companies: Not So Different**

I don't mind being characterized as a defender. Look, public agencies I believe are not altogether different from private companies. If you look at the largest companies, private companies, in our country, Boeing, Microsoft, the auto manufactures, Intel, General Electric all of those companies have made mistakes at one time or another and all of those companies have had employees who chose to do something wrong and fraudulent. The same is true in public agencies. Most of the employees are wonderful, dedicated people, they're doing the right thing but every once in a while you come across somebody who isn't. But as a country we don't view the private sector and government agencies the same. And so when a government agency does something wrong, we tend to think they're doing something wrong all the time and that all employees are bad. And so what I really try to do is focus on the 99% or whatever of public agencies and public employees that are getting it right and are doing the right things. And you know again, we benefit from government agencies that do the right things in ways that we don't even think about anymore. You look at aviation safety in our

country compared to other countries, all of the rules and regulations that truckers have to comply with, and again the degree of safety on our roads and across the whole transportation network. It's a pretty well functioning system in large part because of the government rules and regulations and laws we have in place and in large part because of the way that government employees and public agencies implement those rules. Many people would say we're overregulated; we have too many rules. And there's an argument to be made for that, but there are a lot of benefits as well from what public agencies and their employees do.

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