

InfrastructureUSA

Guest on THE INFRA BLOG

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Conversation with Steve Anderson, Managing Director, InfrastructureUSA

The Good News About the FAST Act...

First of all, I think it was a very good bill, and to have the first long-term surface transportation bill since 2005 certainly benefits the country. The FAST Act fully funds a five-year authorization period for federal transit programs with revenues for the mass transit account and the Highway Trust Fund. And what we're seeing is there's a nearly 18% increase in funding over the five years of the bill, which certainly is going to provide public transportation systems with a predictable and a growing federal funding program, but they need to plan and to carry out the long-term needs for capital investment and major projects. The other thing that's very beneficial is that we've got an increased investment in bus and bus facilities; that's something that was cut under the MAP21 bill. And we've got new discretionary funding within the bus and bus facilities, which was also recommended by APTA. And we're increasing funding for urban and rural programs, for State of Good Repair, and for New Starts.

...and the Bad News

Certainly the overall funding was less than APTA had sought, and it's unlikely to provide sufficient resources to fully address the one-time, \$87-billion backlog in State of Good Repair, which we all know is so critical—to have safe, reliable, dependable service year-in, year-out. And the lack of a sustainable funding mechanism certainly is a challenge. We'd like to see funding continue beyond the life of this bill and that's something that's lacking. And of course the bus and bus facilities' funding was not restored to the pre-MAP21 levels, so we're going to continue to see shortfalls there and at the end of the five-year bill we'll be about 82% of where we were before MAP21, and our small systems in particular are really hurting in that area. I think the last kind of challenge area had to do with an increase in the Buy America componentry. While it all sounds very good to increase the content of Buy America; it may actually in fact have the opposite intended impact simply because the marketplace has become very small. The US market, particularly for busses and in many ways for rail cars, is a fairly small international market if you look at the global market space. And so as a result there are things like we only have one engine supplier for busses in the industry and the amount of engines we buy is a very, very small amount of the engines they produce, and so it becomes challenging as we increase the content requirement to influence the supply base to help us meet that. But again, overall: a good bill; always going to be challenges and we're up for it, and we appreciate the congress moving this bill forward.

Our Infra Systems Are Fragile

We have a lot of legacy systems. Let's not forget that systems like New York, Boston, Philadelphia, Chicago—we're running some of these systems over 100 years old. There are components on there that are much older than the people that are working on them,

and the companies that supplied them no longer exist. And as we've seen in things like Superstorm Sandy or the big snow storm in Boston last year, our systems are very fragile and as we push them to the limit, as we look at things like resiliency to tolerate storms or other major influxes of impact on our systems, they simply don't have that capacity because they are strained to the limits. And that's why it's so important that we make these investments in State of Good Repair. When you think about the fact that Superstorm Sandy shut down 40% of the commerce—literally all the service underground stopped and people had to come up and walk across the bridges, you really showed the impact that public transit has.

We Need Choices

As a kid growing up you had a binary choice: you were either a bus kid or you were a car kid. You were one of the two. And you look at today's environment and it's a multi-modal environment. We have evolved as a society to understand that now it's about mobility choices. And it is very common to take a shared-use car, a bike, a rental car, a trolley, a streetcar, a subway, all in the same week. And people are looking for choices, and it's more about what's the best mobility choice for a given trip than just taking a car everywhere, or just taking a bus or a subway or whatever it is. So as we look at what are the best utilizations of our scarce resources in a community, people are looking at the full assortment of choices, and as we look at the unbelievable growth that's going to come in the population set of this nation we've found that paving our way to a solution is not the best choice. We've got to have an array of choices, and some of those are cars, some are transit, and some are biking and walking and other things like that. So looking at it in a holistic way has become a much smarter way to use our scarce resources.

High Speed Rail Could Transform the United States

We're a big believer in high speed rail as one of the modal choices for this nation. We're not talking about a train that takes you from New York to LA at 300 miles an hour; that's not the choice. High speed rail really fits very nicely in the sweet spot of 300 to 500 miles. We have the Acela that in some small segments does 150 miles an hour. My gosh, if you could actually run that speed the full length from Boston to DC, think about how transformative it would be along that corridor. We're certainly seeing investment in California, and also private investments out to Las Vegas and Texas and Florida. There's a real need for that space, and I think we've all found, and certainly look at the mode split in the Northeast Corridor, that for those trips where the flights are an hour or less, having a rail option where you can just get on the train and go is a better choice. So there are certainly real options out there, and that's all we're looking at is this whole idea of mobility choices. There are certain corridors that make sense. A Detroit-Chicago corridor makes a lot of sense. And there are other parts of the country where it's not the right choice, but it's giving us those options. There are a multitude of nations around the world that for as long as 50 years have been operating high speed rail very effectively. It's an area that we need to do some catch-up in order to give our communities a better array of choices. You go to Spain and you look at communities that are 150 miles away are literally just a suburb because they're able to go to Valencia from Madrid and they're a quick train ride, an hour away. When you look at how that changes the landscape and

the utilization of the resources for the community it's transformative. It transforms people's lives. And it really can make a huge difference.

APTA: Ready for the Future of Transit

APTA's actually been around since 1882, back when the jitneys were drawn by horses. And so if we look at the future here, as I remind my staff often, there was a time at one of our board meetings where somebody said, "you know, I think this engine thing might take off, and so we've got to adapt our association for the replacement of horses." And we're in another one of those pivotal times now as we look at the influx of shared mobility and new technologies coming into our space, and I think APTA is going to be strong and a good player in that for many years to come. We're seeing a tremendous growth in ridership. We have many systems around the nation that are seeing record ridership, and if we want to continue the economic growth, if we want to continue to be a vital player in the global space of global competitiveness, having good transportation options that can meet those needs are so important. And when you look at how our cities are changing, we are repopulating our downtowns. Our cities are being repopulated with both ends of the genealogical spectrum: we've got baby boomers that are coming into downtowns and we've got millennials. It's really changing the needs of our services, so we have to invest not only in State of Good Repair but also in growth of our systems.

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