



NEW YORK STATE SENATOR

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NYS DOT wastes millions in taxpayer money

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Recently the Senate's Task Force on Government Efficiency, of which I am a member, released an investigative report citing \$60 million dollars in potential cost-savings at the NYS Department of Transportation (DOT), and more than \$200 million in funds the Department has already wasted. The report is the third in a series of investigations into state agency spending by the Task Force.

It's clearly the time to get smart about spending and stop throwing money out the window. DOT should know they have an obligation to ensure safety, but that doesn't necessarily mean a right to excessive spending. We need to grab the reins and get things moving in the right direction so that we can ensure that taxpayer dollars are being put to good use for years to come.

In our latest report, the Task Force uncovered close to \$60 million in potential cost-saving measures at DOT, ranging from moving some of its contracted services in-house (\$46.5 million) to speeding up its typical contract close-out time frame (\$10 million) to decreasing overtime spending (\$3.5 million) or cutting back on night work (\$360,000).

This is a painful budget year and, more than ever, the spending of every taxpayer dollar needs to be scrutinized. Considering the economic situation we are in, there is simply no excuse for the DOT to force contractors to replace millions of signs across New York State, thus passing on \$27 million in costs to our taxpayers. The only new sign we need is a big, red stop sign to end this wasteful policy. The Task Force report also outlined more than \$210 million in wasted funds that have already been spent, including \$150 million on contract management and further rising contract costs associated with changes in DOT specifications. In 2006, DOT revised its specifications for the type of reflective sheeting used on orange construction signs, requiring full compliance by January 2009. Although DOT claimed this change would come at no cost to the state, contractors statewide had to pay nearly \$27 million to replace the 2.7 million existing signs, a cost they are now passing onto the state in the form of higher contract prices.

The report found that DOT has implemented the same wasteful practice by recently revising specifications for temporary concrete barriers used at construction sites. In February 2007, DOT released revised specifications for the manufacturing of these commonplace barriers, requiring that they be replaced with barriers meeting a new set of standards by 2015. At an average cost of \$36 per foot, per barrier, it is going to cost the construction industry statewide an estimated \$33.5 million to meet this benchmark, a cost that once again contractors are passing onto the state in higher contract prices.

We have a responsibility to every taxpaying New Yorker to ensure that their tax dollars are being used in the absolute most efficient way possible. When we find the kind of waste in state agency services that we

are uncovering now in the Department of Transportation, it is imperative that we address this problem immediately. Every New Yorker should have the confidence that their tax dollars are serving a real purpose for the good of our state and of our local communities.