



**2013 Joint Budget Hearing  
Transportation  
Testimony  
January 31, 2013**

My name is Jay Simson and I am President of The American Council of Engineering Companies of New York (ACEC New York). ACEC New York is the state's premier organization for consulting engineering firms, representing 280 companies and over 20,000 employees in New York. We appreciate the opportunity to provide testimony to the committee as the budget process unfolds.

The benefits of a solid and fully funded infrastructure program will come as no surprise to anyone. It creates and maintains jobs, boosts the economy and allows for the easy mobility of goods and services. Investment in our infrastructure will help solve many economic problems and also help the state address other critical issues. A \$5 billion investment will create nearly 150,000 jobs that will generate income by expanding the income tax base, save money by reducing unemployment and generate billions more in specific local economic activity right here in New York. Governor Cuomo has proven that he understands how important investment is through NY Works and the Regional Economic Development Councils. This is one way to make sure that investments are made throughout the state with local input. Additional investments will even further promote jobs, economic development and improve our quality of life.

Our infrastructure needs to be considered and valued for what it is – an asset. An asset that allows us to go to work and school, our goods to be delivered, our family and friends to visit with each other and, essentially, that allows our society to exist as it does today. We saw the devastation Superstorm Sandy and Hurricane Irene wreaked on our infrastructure over the past couple of years. The lack of appropriate and equitable investment in infrastructure across New York State will cost us jobs, reduce our quality of life and threaten our ability to live and compete in today's world – not to mention falling behind on our ability to compete in the future.

Infrastructure has a face that we need to remember. Roads and Bridges allow goods and services to be delivered more easily and efficiently. They also allows for mom and dad to get to work more quickly so they have more time to spend with their families. They allow grandma and grandpa to safely drive to see soccer games, ballet recitals and much more. With congestion at an all-time high, personal and business productivity are at great risk. This applies to our transit systems, airports, rail and all areas of transportation.

The call for investment is not easily answered when facing difficult economic times, however. Utilizing alternative delivery methods like design build and public-private partnerships, in certain circumstances, may be a way to get more projects delivered or delivered more efficiently. ACEC New York supported the implementation of design build in New York State in late 2011 and supports the expansion of this tool as proposed in the Governor's Executive Proposal. Design Build is an integrated approach that provides the owner with design and construction services under one contract with a

single source of project responsibility. When implemented correctly, design build can save money and move projects through the pipeline more quickly and efficiently.

The traditional method of financing and developing transportation infrastructure projects was created to protect the public interest by providing substantial public sector oversight of public funds.

However, by providing access to alternative financing sources like public-private partnerships, the state can facilitate the construction of projects that might otherwise have been delayed or not built at all. By infusing private capital, the State can offer vital transportation services without committing capital resources.

While PPP means different things to different people, the public and private sectors already work together to maximize the limited resources we have. Most, if not all, of the infrastructure related agencies in transportation, water, environment, buildings, education and others work with private sector design and construction companies to identify the best ways to deliver the development and services that we need. Cooperation is important and it helps us be more effective and efficient.

Another way to not only save money, but also ensure the highest safety and quality in transportation projects is to use Qualifications Based Selections in procuring a design professional firm. Projects that use QBS as a procurement method resulted in lower costs and reduced schedules. There are fewer change orders and projects are completed more quickly. Using QBS is a smart and efficient way to ensure the best possible outcome for a project. Overall costs will be lower over the initial project and the expected lifetime of the project.

Finally, using private design firms to help deliver state projects is the most efficient way to deliver these programs. Using private design firms allows government to get their work done cost effectively and on-time, while allowing agencies to focus on managing programs that provide safe and reliable roads, bridges and mass transit. An independent 2011 report by Polytechnic Institute of New York University showed the cost savings from using private design firms to be at least 15% when compared to public sector design staff. By coordinating the efforts between high quality government design managers and private design firms, government agencies can be more flexible and efficient in meeting the changing demands of the future.

In conclusion, ACEC New York understands the growing infrastructure needs in New York along with the demands of smaller budgets and traditional funding opportunities. Rethinking how infrastructure projects are delivered and funded is a step in the right direction in order to ensure New Yorker's have safe and reliable roads, bridges and transit. Additionally, as Governor Cuomo has stated, New York does not just need to build, it needs to build smartly as damaging weather events have become more and more frequent. ACEC New York and our member firms are ready and able to help New York State do this and we look forward to being partners with you as we address these future challenges.