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State Responses to Obama Infrastructure Opportunity

Over the weekend, President-elect Obama reiterated his plan for investing in roads, bridges and other components of the nation's infrastructure as part of an economic recovery package to be passed by Congress and signed into law when he takes office in January. He said it would be the "single largest new investment in our national infrastructure since the creation of the federal highway system in the 1950s."

Congressional leaders are discussing legislation that would total approximately \$500-\$700 billion, made up of infrastructure funding as well as other economic and social measures. The size of the infrastructure component is currently being influenced by state proposals of "ready to go" projects.

States that are on top of this situation have submitted a broad range of projects through their DOT heads and other agency officials. Those that have their projects identified and systems in place to handle the additional investment on an expedited basis will not only affect the overall size of the Obama stimulus program but will be well-positioned to hit the ground running when the funds are allocated.

Therefore, it is critical for ACEC state organizations to underscore with their state governments the historic opportunity to address critical infrastructure needs. While many of you are already in regular communication with your government agencies, we urge you to continue to press upon them the following four key points:

- First, states should be bold in requesting support for all infrastructure needs that can be identified, fully documented, and ready to take off the shelf for implementation on a fast-track basis:
 - Road and bridge repair/expansions;
 - Transit, light rail, high-speed rail projects;
 - Airports and ports projects;
 - Energy infrastructure, including "green" energy;
 - Water and wastewater projects;
 - Schools and other public buildings development;
 - Modern communication systems;
 - Security and safety-related facilities;
 - Other facilities that are state-funded and require additional support.

- Second, states should ensure that they have the procurement resources needed to issue contracts in a timely manner, including drawing on the services of A/E firms and other providers in helping to manage the programs. The lack of procurement staff should not be used as an excuse to limit the size of infrastructure investment. Neither should the lack of current "final

design” be used as an excuse for not putting forward project funding requests. Final design can be undertaken on an expedited basis using either a traditional or alternative delivery system methodology.

- Third, once the current pipeline of construction projects is unclogged, infrastructure development and economic revitalization must be sustained. Therefore, design work must be initiated for those projects that are critical to sustained development; these, too, should be presented by state governments in order to give a complete picture of real need and as part of a complete program of expedited work. This is a historic opportunity and states should not allow themselves to be left behind.
- Fourth, states should understand that the stimulus package is not intended to grow the size of government, but rather to jump-start and sustain the economy. Therefore, as we have made clear in our discussions in Washington, D.C., the funds should not be used to hire more government employees when there is a healthy engineering/construction community ready and able to undertake the programs. This is a stimulus program for the nation’s economy – not government growth.

We have had the opportunity to communicate and meet with key transition team personnel concerning our views, and we will continue to keep you advised as new information becomes available. At the same time, it is extremely important at this stage that the engineering industry in the states assists state personnel in identifying projects and programs that are “ready to go” for rapid funding and implementation.

Please let me know if you have any questions.

Dave

The American Council of Engineering Companies (ACEC) is the business association of America’s engineering industry, representing approximately 5,700 independent engineering companies throughout the United States engaged in the development of America’s transportation, environmental, industrial, and other infrastructure. Founded in 1909 and headquartered in Washington, D.C., ACEC is a national federation of 51 state and regional organizations.