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**Remarks before Northern Virginia Transportation Alliance**  
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Thank you for inviting me here today. I always enjoy the opportunity to talk transportation with this group. You have been relentless in your pursuit of transportation solutions and I congratulate you for that.

Unfortunately, about all we've able to do over the years is *talk* about transportation.

I was asked to share some thoughts with you. Straight talk. Without regard to insinuation or the whim of political favor.

But before I dig in, I want to be clear on two points. In spite of anything you hear me say today, I firmly believe that we must find a way to increase and sustain reliable sources of revenue for transportation. I have not wavered from that belief. Secondly, I don't care if Virginia Governors are Democrats or Republicans. I just want them to be good at what they do. I don't really care what they say. I judge them by what they do.

Let's review some of the genuinely good things that happened over the past 8 years. In terms of running a business, there's no question that we're better off today than we were in 2002.

- Six-Year Program state revenues are regularly evaluated and official Federal Highway Revenue estimates are used to project federal revenues. As a result the Six-Year Program is no longer bloated and unrealistic. In short, we're no longer enticing Virginians with false hopes.
- The plague of the \$900 million worth of project deficits is over. All of those deficits have been repaid and no longer drag down the construction program.
- A modern cost-estimating system is used across the Commonwealth, and as long as that system is kept current, we should never again face the prospect of cost estimates that are on average about 200% too low.

Unfortunately what hasn't changed is that:

- Construction continues to be drained to fund maintenance.
- The value of a flat, static gas tax continues to be seriously eroded.
- The fact is that we would now need to double the gas tax to regain the buying power of the 1987 dollar.

Let's take a look at another picture going back to 2002.

Imagine for a moment a group of 10 representative Virginia taxpayers and voters sitting around a table with us in this room. And let's count in whole numbers.

- In 2002, in Northern Virginia, 6 of the 10 voted "no" on the transportation referendum.
- In Hampton Roads, 7 of the 10 said "no."
- In November of this year, 7 of the 10 voted to support a clear no-tax platform over a not-so-certain potential tax increase agenda.
- And in early December just days after USDOT Secretary LaHood mentioned the possibility of an increase in the federal gas tax, 9 out of 10 at our sample table said "no" to that idea in a national poll.

We need to face up to the truth of where we are in this debate. If transportation continues to be a political argument, then transportation continues to lose. Mobility loses. And all of us continue to suffer.

I enjoy the challenge as much as you do. Trust me. But I don't want to argue. I want to win.

I spent the better part of the past two years talking to people about transportation. Not just business groups or Chambers of Commerce or transportation associations. And not just to people here in Virginia. But people whose only agenda is just making it through another day.

I've done that little math exercise 1,000 times. The one where we show people how little they pay in gas tax and how a modest increase in the gas tax is less than they pay for a daily cup of coffee.

Most of the people I talked to are completely unmoved by that demonstration. They are not swayed one bit. Here's what they tell me.

They make the choice to buy the coffee. They smell it, see it, touch the cup and drink the coffee as soon as they pay for it. While it's still hot. They trust what's in that cup of coffee.

And no one tells them that they're paying \$3.00 for coffee now so their children and grandchildren can enjoy more coffee in the future.

We're standing on the same ball field with the same bases and foul lines in place. The home run fence is still out there. The question is how do we play the game differently?

There are several pieces of this puzzle that we could discuss today. We could talk about preserving corridors for future transportation development. The State is working to establish Corridors of Statewide Significance. That is important work and it should continue because it will help us preserve future corridors.

We could talk about shifting trips to other modes of transportation. There are some who would say that changing modes - whether through incentives or punishments - is the only long-term answer.

I acknowledge that corridor preservation and productive behavioral shifts are critical elements of supporting sustainable development and mobility. The General Assembly has done much to better connect land use to transportation and we are going to benefit from those wise choices in the future.

But as important as those matters might be for our future, we have to do something *right now*.

We need to build new roads and bridges. We need to add new capacity to move people and goods.

While the general condition of our pavement could be better statewide, the overall condition of our 60,000 miles of highways and bridges in Virginia is,

frankly, not that bad. The crisis we face is not the condition of pavement and bridges.

The crisis staring us in the face is that there is not enough pavement; too few bridges.

There is not enough roadway capacity in our major urban centers to accommodate all the people who rely on their cars and trucks on a daily basis for mobility, and who have a right to expect - and deserve - better service than what they're getting today.

What we need right now are not just Corridors of Statewide Significance, but ***Projects of Immediate Relief***. Projects that can move to construction in short order. The most immediately deliverable projects that will provide the most immediate congestion relief no matter where those projects are located geographically.

Projects that are like that cup of coffee. People need to see them, smell them and use them. Now.

How can we do that?

Here are some thoughts. None are silver bullets.

1. For the next four years move \$250 million from maintenance back to construction. Putting some of the dollars back to where they came from in the first place. I understand the seriousness of what I'm saying. And I know that most - maybe all - of my former colleagues may view me as a traitor. But we need money. We have some. More than just a little actually. We should use it for construction.
2. Quickly establish a shortlist of projects that provide additional capacity in the most congested areas, that can quickly move to construction. Both characteristics are important. These projects must be ones that will provide relief and can start soon.

3. Quickly determine which projects may be of interest to the private sector as possible public-private partnerships and quickly request, evaluate and approve reasonable proposals. Get through this process inside of a year.
4. Use the Design-Build method of project delivery for all other priority projects, substantially reducing the time and cost of design, and shifting the risk of preliminary engineering to the contractor where that risk can be better controlled.
5. Put members of the General Assembly on every MPO across Virginia.
6. For projects that are going to move forward, slash the permitting time.
7. Modernize the duties of the Commonwealth Transportation Board.  
Unlock the potential contribution that this body can bring to a true long-range planning effort in Virginia.
8. If an audit of VDOT is going to happen, do the audit. Do it quickly.

9. Keep local projects in local control.

10. The Governor - Elect offered specific thoughts for increasing transportation revenues. Find parts of that plan that you can support and support them passionately. Push, push, push for the acceptance and implementation of something.

How can we possibly think about moving \$1 billion over the next four years out of maintenance?

In spite of all the money that's been cut from the Six-Year Improvement Program, the next Governor is going to have about \$15 billion to spend on transportation over the next four years. Right now during those same four years, about \$2 billion is programmed for construction. About \$7 billion is programmed for maintenance and operations.

If we reduce maintenance and operations by \$250 million a year for the next 4 years, then we would have a \$3 billion construction program and a \$6 billion maintenance and operations budget. A substantial increase in

construction and a reduction in maintenance that can be carefully managed.

By moving projects to construction sooner, we will in a very real sense leverage each dollar by beating the number one enemy of every project.

Time.

Consider this.

If we move the most important congestion relief projects forward, we'll keep the cost of those projects from escalating at a rate of about 8% a year.

One \$1 billion dollar worth of construction delivered four years sooner saves about \$360 million. That's real money that can either be applied to more construction or placed back into maintenance if that's the right thing to do.

At the same time we make this bold move from maintenance back to construction, we should direct the Virginia Transportation Research Council

to deliver a report outlining current materials, methods and means that will improve the effectiveness of the maintenance dollars we do spend to equal or exceed the value of the \$250 million annual shift.

Every \$1 we invest in the Research Council returns a benefit of \$6.

Thrown the challenge, these folks will unleash a bevy of practical and implementable ideas that will work. We need to pay attention to maintenance and operations. But we must not allow ourselves to become comfortable with an annual drain from construction.

How can we be sure we pick the projects that provide the most immediate need and that can be quickly moved to construction?

Ask VDOT. They have the tools to provide objective answers to this question.

In late 2005 VDOT finished the development of a planning tool that can analyze congested roadways and determine how many additional lanes of capacity are necessary to return the road to an acceptable level of service.

Let's use it. The tool doesn't evaluate bicycle paths, pedestrian walkways or passenger rail. It doesn't distribute solutions geographically by District. The tool simply looks at a failing road and says how many new lanes of capacity you need to fix it.

I know that the use of a single-mode tool will face criticism. But if you want to know what the top 10 failing roads are statewide, and you want to know what you can do to improve them, VDOT can tell you.

How can we know which projects potentially make good public-private partnerships?

There are two sources of answers. Again, start with VDOT. They have a Division that for 6 years now has studied the qualities of good PPPs across the country and across the globe. Let's let them use their knowledge and abilities to cull from the list of priority projects the ones that have the characteristics of good PPPs. Then, ask the private sector if they're interested. If they are, move those projects forward as PPPs. And

remember that any project that qualifies as a PPP presents the opportunity to further leverage state dollars and offer additional cost savings.

Any projects that are not going forward as PPPs, should be moved to VDOT's Design-Build program. Thanks to the General Assembly there are no longer any restrictions on VDOT's use of the Design-Build method of project delivery. VDOT has made good use of that authority and must be encouraged to continue to do so.

Why should we mix local planning functions with statewide legislative functions? Nowhere does the impact of congestion get more discussion than around the table in our MPOs. Let's bring the people who have the power to fund transportation directly into the discussion about what the money is going to be used for. The criticism here is that doing so will politicize the project selection process. Let's be honest with ourselves. What's worse? A process that is politicized without involvement? Or one where the political process is at the table with local leaders and planners?

Can we reduce permitting time and still protect the environment? The answer is an unqualified “yes.” The environmental regulations themselves are not the problem. We have simply become too accustomed to taking too much time to administer them. Objective permitting becomes clouded with subjective thoughts and opinion. And frankly, too often it is the opinion that gets in the way. I would never suggest that we abdicate our environmental responsibilities. But let’s get to “yes” or “no” quickly, based on the data that really matters.

Why restructure the CTB? Because their legislative duties are stale and date back to a time that simply doesn’t exist any longer. We should let professionals determine the location of routes and award construction contracts. A part-time board meeting a few hours a month doesn’t need to do that.

But we are missing a opportunity to meaningfully involve the CTB with an important oversight function regarding long-range planning . Every MPO in Virginia is required by law to produce a fiscally constrained long-range transportation plan. And, only those projects included in these long-range

plan are eligible for federal funds. It is this long-range planning effort where true mode choices can be made and where priorities can be established on a statewide basis. The CTB's primary work, in my opinion, should be to review and ask hard questions about these long-range plans.

VDOT has been audited numerous times in past years, why do another one? True, VDOT has been the subject of several audits. So what? Every public corporation is subject to annual audits. If one good idea comes out of an audit, then that's one step in the right direction. But do it quickly. Don't make it a "gotcha" exercise. Audits are a healthy part of any business. Treat them that way and get on with it.

Several years ago we started signing agreements with localities to let local governments manage local projects. We should continue to pursue this approach. But when a locality signs on, give them the authority, accountability and risk that goes along with project control. Localities can certify that they are operating within state guidelines, just like the state certifies it's process to the federal government. We don't need to spend money looking over the shoulders of local governments.

Bob McDonnell offered a plan for transportation. He won. He is going to be our next Governor. Find something about his plan that you can endorse. And don't let go of it.

If we want to fulfill our dream of sustainable revenue for transportation, let's yank our thinking caps firmly on our heads, and let's take some risk with the money we do have.

When it comes to transportation I'm afraid that we've only widened the gap between Democrats and Republicans. That's to no one's advantage.

The dollar has further eroded.

Costs have continued to increase.

And we fall further behind.

Trust me. There is a point where it's too late. Where we risk losing the ability to even make things a bit better. Not perfect.

Just better.