

# News Release

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## **Governor Baker, Public Officials, Business Leaders and Policy Experts join MTF to Confer on Future of Commonwealth's Transportation Needs**

*MTF Report frames issues; proposes initial solutions*

BOSTON, MA, June 16, 2016 – Governor Charlie Baker today joined Massachusetts Taxpayers Foundation President Eileen McAnneny in leading a half-day summit with public officials, business leaders and policy experts to evaluate current progress and assess future needs of the Commonwealth's transportation infrastructure. To help inform three panel discussions during the morning event held in Boston, MTF released *The Future of Transportation: Paving the Path to Progress*, an in-depth report on issues across the transportation spectrum, detailing recent progress and offering recommendations to continue to move the Commonwealth forward.

"As a Commonwealth, our transportation system is the primary engine that will move us forward or leave us behind," said MTF president Eileen McAnneny. "Creating a reliable infrastructure that matches those of other states and nations will provide the safety and dependability that our taxpaying commuters and employers need and deserve. The state's economy and vibrancy depend on it."

Each weekday, nearly five million vehicles travel 150 million miles on roads and bridges across the Commonwealth and another half-million people take over 1.3 million trips on the state's public transit system

The MTF report concludes that, in addition to keen fiscal planning, three areas – talent, leadership, and improving data and systems – should be the next focus for officials or further erosion of the infrastructure will ensue. Specifically, the report offers the following insight:

- The capital needs of both MassDOT and the MBTA are expansive and yet current figures may underestimate the true cost of fixing them because they could be based on inaccurate or incomplete information.
- The challenges to adequately address transportation capital needs are numerous. They include the inferior quality of data in the asset management systems, the inability to properly manage projects or leverage capital investments and a lack of accountability regarding how the money is spent.

- While the MBTA and MassDOT have had recent successes in delivering projects on budget and on time, they must learn how to replicate this on a broad scale.
- Gathering and disseminating accurate and credible data regarding the condition of the state’s transportation infrastructure is a critical next step. MassDOT and the T should develop and employ consistent methodologies to measure all aspects of their performance. Metrics for the total replacement value of assets, the state-of-good-repair (SGR) backlog data, and inflation adjusted costs to maintain and eliminate these SGR backlogs should be established.
- Both MassDOT and the T must aggressively update or replace the myriad of antiquated data tracking and reporting systems that mask project activity and accountability across the organizations. These include capital management, procurement, human resources, and project management systems, all of which should be reviewed against best practices in other states.
- The Secretary of Transportation, the re-constituted MassDOT board of directors, the Fiscal and Management Control Board members, and key new MBTA leadership hires have made great strides and their impact in such a short time is notable. Yet the T successes will be fleeting unless it can garner more talent throughout the agency and change the T’s work culture.
- MBTA employee compensation packages must better align with other major transit systems in order to more effectively recruit talent at all management levels.
- MassDOT is challenged with providing the requisite level of management and project throughput after losing hundreds of personnel over the past couple of years, but hiring is stymied by revenue shortfalls and constrained spending.
- The MBTA must establish a clear and permanent governance structure to attract topnotch senior leaders. Without a defined chain of command, qualified candidates will be hesitant to accept positions.

“Without these changes, the Commonwealth’s transportation assets will further deteriorate and its ability to make necessary improvements will continue to erode,” added McAnney. “Perhaps, most importantly, the public’s may lose trust in policymakers’ ability to manage these vital assets and to spend the state’s capital funds wisely.

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The Massachusetts Taxpayers Foundation is a nationally recognized, independent, nonprofit research organization whose purpose is to promote the most effective use of tax dollars, improve the operations of state and local governments, and foster positive economic policies. Over the past 15 years the Foundation has won 16 national awards for its work on health care access and costs, transportation reform, business costs, capital spending, state finances, MBTA restructuring, state government reform, and municipal health reform