

October 8, 2019

Senator Joseph Boncore, Senate Chair Joint Committee on Transportation State House, Room 112 Boston, MA 02133 Representative William Straus, House Chair Joint Committee on Transportation State House, Room 134 Boston, MA 02133

Dear Chairman Boncore and Chairman Straus,

The Greater Boston Chamber of Commerce supports *H 4002 An Act Authorizing and Accelerating Transportation Investment*. In addition to authorizing billions of dollars in much-needed transportation investments over the next 10 years, the bill also includes important changes to expand capacity and improve project delivery at both MassDOT and the MBTA.

The state is at a critical juncture with its transportation system. Driven by economic and population surges, congestion plagues the entire region as noted in the <u>Congestion in the Commonwealth report</u>, released in summer 2019. Importantly, that report notes that congestion is not limited just to greater Boston, but that most areas of the state are feeling the impacts of congestion. Every day, thousands of residents face unpredictable rides as they commute to work. Employers and businesses feel the effects, too, from lost productivity and a frustrated workforce.

And, at the same time that congestion is worsening, the MBTA is also facing challenges. Despite more than four years of focused attention and oversight, aging equipment and infrastructure, combined with many years of underinvestment, have created a system plagued by delays and unreliable service. Daily delays on the MBTA and commuter rail due to equipment or mechanical problems impact tens of thousands of riders who are travelling to work, schools, and medical appointments. Like congestion, this erodes productivity and impacts the choices employees make about where to work.

The residents and businesses of Boston and Massachusetts not only deserve better, they need better.

This legislation is a first step to creating a transportation system that meets the needs of Massachusetts residents. This legislation would give both the MBTA and MassDOT tools to increase their project delivery capacity, a vital factor in solving our transportation challenges. These tools include using alternative procurement methods, opening up public-private partnerships, adding flexibility to contracting, and creating new positions at MassDOT.

By expanding the use of alternative procurement methods, this bill would potentially allow the state to execute a greater number of projects and to do so more rapidly. The bond bill eliminates the \$5 million minimum project cost for using design build contracts. A design build contract is one in which the same entity executes both the design and build functions. The bill also would change state law to allow a single contractor for the full process or any combination of the following project components: engineering; designing; building; financing operation; and maintenance of infrastructure, technology, and services. In both cases, these methods can drive more efficient project execution.

This bill would lay the groundwork to open up new opportunities for public-private partnerships, or P3s, to allow the state to leverage private investment for transportation. Commonly used in the transportation sector in the U.S., this legislation would allow the state to expand its use of P3s which is one way MassDOT and the MBTA can speed up infrastructure investments without having to expand internal capacity. Importantly, the legislation would also broaden the use of Owners' Project Managers (OPMs) so that the state and taxpayers can be assured there is accountability and oversight for major investments.

The bill would give MassDOT and the MBTA more flexibility in contracting, including allowing the agencies to consider "best value" when awarding contracts instead of requiring low-cost awards and allowing MassDOT and the MBTA to use a cost-plus-time procurement method for projects. The bill would also open the door for job order contracts that will allow the MBTA to issue bulk job orders, for costs less than \$500,000, to perform maintenance and other tasks.

MassDOT needs to build internal capacity both to execute projects and to manage contracts, and this bill would help increase that capacity by creating new positions, and the accompanying job descriptions, for highway maintenance, facilities maintenance, and special projects.

In addition to the project delivery changes, the spending this bill authorizes is critical to our future transportation system. And, more investment will be needed to address the state's long list of unfunded needs like climate resiliency, the Allston interchange, and numerous other projects discussed in the public domain.

This legislation is a first step. More work and greater investments will be necessary to address the many issues but by building the project delivery and internal capacity at both MassDOT and the MBTA, this bill would set an important foundation.

Sincerely,

James E. Rooney President & CEO

cc: Member of the Joint Committee on Transportation

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