

Darienite

News for Darien

<http://darienite.com>

Public Private Partnerships: Care Needed, or the Public Gets Snookered: Cameron on Transportation

Author : David Gurliacci

Categories : [Transportation](#)

Tagged as : [Cameron on Transportation](#), [Cameron on Transportation 2017](#), [Jim Cameron 2017](#)[Jim Cameron's Transportation Column](#)

Date : July 1, 2017

Overshadowed by the James Comey commotion, President Donald Trump has finally released his plans for a trillion-dollar infrastructure initiative. And it's as disappointing as it is confusing.

There is no doubt the nation needs to spend to repair its roads, bridges, airports and railways. But where is the money? With a Republican-dominated Congress reluctant to spend any new funds, there are few options for the government to find the money.

The answer may come in an acronym — P3, which stands for Public-Private Partnerships. The president proposes leveraging \$200 billion in federal money with \$800 billion from the private sector.

This is not outright privatization of public resources like toll bridges and highways. That was already attempted and backfired.

Consider in 2008 when cash-strapped Chicago sold control of its 36,000 parking meters to an LLC for \$1.15 billion. The 75-year deal was rushed through in just one day, giving lawmakers little chance to consider its long-term implications. Chicago's own inspector general later estimated the city under-priced the deal by \$1 billion.

Almost immediately, the new owners jacked up parking rates, made the parking spaces smaller and reduced the number of handicap spots. Not only were motorists and citizens outraged, but the reduced availability of parking had a profound effect on business.

Even partnering with private companies on infrastructure deals is fraught with peril as we have seen in Connecticut. The state Department of Transportation got snookered in a P3 to build the Fairfield Metro train station when its developer partner couldn't get financing. The DOT got left holding the bag, paying to finish the station, which still has no waiting room.

Or consider the horrible experience at the Stamford rail station garage where it took the DOT more than three years to abandon a deal it could never close with a developer who had financial ties to Gov. Dannel Malloy's re-election.

Most government agencies aren't as smart as private businesses when it comes to analyzing infrastructure for investment. When government owns the assets, they are held for the public's benefit. When businesses come on board, their only concern is their bottom line.

Even the \$200 billion Trump proposes the government will spend will only go to states that can match federal money with their own. And we know how little money is left in most state coffers, like our own, to spend on road repairs.

Even Democrats, like U.S. Rep Jim Himes, who were anxious to partner with Trump on infrastructure were disappointed by the president's plan since it lacked details.

The one privatization the president did detail was a plan to takeover the nation's air traffic control system, now costing \$10 billion a year. The concept has worked in Canada and several European Union countries and our airways could certainly benefit from a tech upgrade to GPS from old radar-based systems.

But upgrading any of these crucial infrastructures is like changing a fan-belt on a moving car. Human lives are at stake and these systems are mission critical. There is zero margin of error, especially for our impatient president.

More of Jim Cameron's Columns

- [Cruising — Dreamy Boats & Garbage Dumping](#) (Jan. 6)
- [Testifying on a Bill in Hartford: 'Not Any More. It's a Waste of Time.'](#) (Feb. 16)
- [Less Driving, More Walking — Better Downtown Economies](#) (March 16)
- [The Enormous, Beautiful, Amazing George Washington Bridge](#) (March 23)
- [State Should Regulate Uber, Lyft, Limo Services & Taxis Uniformly](#) (March 31)
- [The Great 10-Hour, New York-to-Chicago Railroad That Never Was](#) (April 21)
- [Cramming Passengers on Planes Is Not Just Uncomfortable, It's Also Unsafe](#) (May 19)

Jim Cameron has been a Darien resident for 25 years. He is the founder of the Commuter Action Group and also serves on the Darien RTM and as program director for Darien TV79. The opinions expressed in this column are only his own. You can reach him at CommuterActionGroup@gmail.com

Republished with permission of Hearst CT Media.