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MTA projects report shows big cost overruns

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As the Metropolitan Transportation Authority plans to spend billions on new capital projects, a Citizens Budget Commission report found spending on past projects exceeded estimates by as much as 90 percent.

The government watchdog group's report examines MTA capital projects from January 2005 to December 2007, including 798 projects costing \$18.6 billion.

The cost of the Fulton Street Transit Center is nearly 90 percent above the initial estimate, and the South Ferry terminal is 24 percent more; the other mega-projects are running from 6 percent to 15 percent above initial estimates, according to the report.

"The MTA should do a better job of managing its capital plans and be more realistic in what it promises to accomplish," said Charles Brecher, research director of the Citizens Budget Commission.

"Now is the time to make improvements, so that the next plan is one on which the MTA can actually deliver," Brecher said.

A \$28.1 billion plan being developed for 2010-14 is 24 percent more than the 2005-09 plan.

MTA spokesman Aaron Donovan did not address the cost overruns, but said the authority is implementing means of better communicating with the public about projects.

"Today, the MTA previewed an online dashboard that will provide the public with clear, updated information about all of the projects in the upcoming capital program," Donovan said. "For the first time, you'll be able to search by project type, line or station to find out exactly where construction stands, why the work is necessary and whether it is on budget. The dashboard will be available online by the end of the year."

Also according to the report, the MTA does not provide the public, or even collect for itself, sufficient information to determine whether projects are progressing in accordance with the plan.

The limited information available for the projects indicates the MTA encounters significant delays in work of all types, with major problems in the mega-projects and signal and communication projects, but also in less complex work.
