

The title "Infrastructure Funding: Design Now—Be Ready" is written in a white, bold, sans-serif font on a solid orange rectangular background.

**Infrastructure Funding:
Design Now—Be Ready**

Engineering investment will reap economic dividends for New York State

- Infrastructure is critical to economic growth. Smart investments create short and long-term job opportunities, enhance the state’s competitiveness and desirability as a place to live, work and do business.
- For every billion dollars spent on construction projects in New York, an estimated 10,106 direct and indirect jobs are created according to the Congressional Research Service’s Report, “Job Loss and Infrastructure Job Creation Spending during the Recession,” October 2, 2009.
- More specifically by segment, the American Council of Engineering Companies’ (ACEC) sources indicate that:
 - for transportation spending, the job creation rate is higher, at 34,000 jobs per billion dollars spent.
 - for water and waste water infrastructure spending, the job creation rate is approximately 23,500 per billion dollars spent.
- To be ‘shovel-ready,’ projects need to be completed through the planning and design process. The engineering phase can take from several months to several years depending on the size and complexity of the project. (If projects are delayed too long, redesign and updated regulatory permits may be required, which could increase overall project costs.)
- Engineering design accounts for roughly 6 percent of total construction project costs. A relatively small investment in design services translates to large payout.
- Based on the 6 percent figure, for every 60 million dollars invested in design services, between 10,000 and 34,000 jobs will ultimately be created if the projects are constructed.
- New York State needs inventory of designed “shovel-ready” projects on the shelf to compete for stimulus funding. Investment made in the engineering phase today will pay dividends in the future.

Construction-ready projects get funded!

- *Case Study #1:* The **Osaga River Bridge** in Tuscumbia, Missouri, was the country's first stimulus-financed project. In the months before the ARRA bill was enacted, the Missouri Department of Transportation workers laid the groundwork for the \$8.5 million, 1,084-ft. bridge, completing design, obtaining environmental approvals, getting bids from bridge contractors and identifying the low bidder. MoDOT estimates construction of the new bridge will support an incremental 250 direct and indirect jobs.
- *Case Study #2:* New Jersey Department of Transportation recently leveraged \$70 million in ARRA funds to proceed with the second phase of a major replacement project on the **Route 52**

causeway near Atlantic City, which will include replacement of two existing lift bridges with fixed spans, improve approach roads and eventually create a visitors center, multi-use sidewalks and fishing piers. The \$251 million project will create 500 new construction jobs through its three-year duration.

- *Case Study #3:* An upgraded **Wastewater Treatment Plant** project in Live Oak, California, was designed and went to bid in 2007, but the city needed state grants in order to keep utility bills down for residents in the struggling city so construction was put on hold. When the stimulus program was announced, the city shifted its efforts to federal funding, receiving a \$16 million ARRA award.

Design Now—Be Ready

Founded in 1921, American Council of Engineering Companies of New York is one of the oldest organizations of professional consulting engineering firms in the U.S. A statewide association, its members represent all major engineering disciplines and range from highly specialized solo practitioners to multidiscipline firms employing thousands with branch offices worldwide.

ACEC *New York*

American Council of Engineering Companies of New York

Albany

6 Airline Drive
Albany, NY 12205
518 452-8611
518-452-1710 (fax)

New York City

60 East 42 Street, Ste. 1742
New York, NY 10165
212 682-6336
212-818-0286 (fax)

www.acecny.org