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## Editorial: No Turnpike Lease

### A better way

Among the supposed wonders of leasing the Pennsylvania Turnpike to a private operator will be the installation of fiber-optic sensors to detect when there's a pile-up along the 532 miles of highway.

- > Are the sensors for the days when no other driver has a cell phone to call 911 and report the accident?
- > That's pretty much how it goes with the public-relations offensive being mounted by the U.S.-Spanish consortium offering the state a one-time payment of \$12.8 billion in exchange for being able to pocket turnpike tolls for the next 75 years.
- > While the upfront cash sounds enticing at first blush, the lease benefits are underwhelming and the downside risk is very high.
- > Under a bid proposal approved by Gov. Rendell, an already well-maintained highway would be leased at the low end of its estimated value, and the state's major transportation artery would be put under private control.
- > House and Senate members returning to Harrisburg next week shouldn't be in any rush to approve the turnpike lease.
- > In fact, they've already mapped a better route to reaching the governor's worthy goal of creating a billion-dollar fund for critically needed mass transit and highway projects. And that's to raise turnpike tolls and add tolls to Interstate 80 - a workable proposal with the added virtue of sharing the burden for transportation projects across the state.
- > Securing the required federal approval for the I-80 tolls should be tops on the Rendell administration's to-do list, not the turnpike lease.
- > Salesmanship by the consortium of Abertis Infraestructuras of Barcelona and Citi Infrastructure Investors of New York hasn't won over legislators. Given their widespread skepticism, the House transportation committee chair, Rep. Joseph Markosek (D., Monroeville), says there's no point even in bringing the deal to a vote.
- > Consortium officials say they can win hearts and minds if given the chance to air their lease proposal fully, but they should be careful what they wish. More debate might open up more potholes in their proposal.

> Among the existing concerns:

> With a for-profit company involved, it's inevitable that capital costs will be higher since the consortium cannot borrow funds at the discounted tax-free rate afforded the Pennsylvania Turnpike Commission. Aren't those costs reflected in a lower return for the state?

> Leasing the turnpike might result in dropping plans to toll I-80, yet there has been no study whether that would disadvantage Philadelphia port traffic in favor of New York. At the risk of hurting the Philadelphia-area economy - key to state prosperity - wouldn't it be good to gauge the impact on the port?

> What confidence is there that Harrisburg could enforce the terms of a turnpike lease? Consortium officials refuse to rule out the likelihood they'll dole out campaign funds in a state that imposes no fund-raising limits.

> That could test the willingness of elected officials to hold the private turnpike operator accountable if it falls down on the job.

> What about the fact that Wall Street firms are salivating in the belief that the Pennsylvania deal could trigger other leases of roads, bridges and the like? While investors see a business opportunity, citizens have to ask whether tax-averse public officials inadvertently are creating a buyers' market where critical public assets might be leased at discount prices.

> Finally, why is the lease being sold as the best means to reform the turnpike commission, long a patronage haven? There's nothing to prevent state officials from cleaning up the commission on their own, or even scrapping it and transferring turnpike operations to PennDot, as State Senate Majority Whip Jane Orié (R., Allegheny) has proposed.

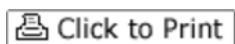
> These and other unanswered questions show that the turnpike lease isn't the best answer to funding Pennsylvania's transportation needs.

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