"The man who views the world at 50 the same as he did at 20 has wasted 30 years of his life."

- Muhammad Ali

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LEPATNER REPORT

CONSTRUCTION COST CERTAINTY

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Is There a Dangerous Bridge in Your Town? A New Interactive Map May Give You the Answer By Barry LePatner

It's been five years since the collapse of the I-35W Bridge. Remembering that infrastructure disaster may lead you to wonder, Could it happen again, this time in my community? It's very possible—and my new Save Our Bridges Interactive Map just might provide the answer.

On August 1, 2007, the I-35W Bridge in Minneapolis collapsed, killing 13 people and injuring 145 others. While the government treated the I-35W Bridge collapse as a "one-off," the reality is that this bridge collapse could have been avoided, and many other similar bridges create a peril for the U.S. traveling public.

In fact, as recently as September 8, 2011, inspectors closed the I-64 Sherman Minton Bridge carrying six lanes of traffic across the Ohio River between Louisville, Kentucky, and New Albany, Indiana. This bridge, like the I-35W Bridge, was designed as fracture critical, meaning a bridge's design lacks support to hold up the bridge if a single component fails, and had been rated "poor" or structurally deficient. It, too, would have collapsed had serious cracks in the bridge not been discovered in time to avoid further tragedy.

Sounding the Alarm: Collapsing Infrastructure Can't Wait

Speech given by Barry B. LePatner at Mobility 21's 11th Annual Southern California Transportation Summit Anaheim, CA September 28, 2012

I could not help thinking about the coincidence of holding a conference on the future of transportation so soon after the passing of Neil Armstrong. It was Armstrong, after all, who punctuated a decade of excitement and adventure with his walk on the moon in 1969. His journey was triggered fifty years ago this month by President John F. Kennedy's famous "We choose to go to the moon" speech.

Speaking in 1962, President Kennedy, with the full support of *both* political parties, committed our nation to putting a man on the moon by the end of the 1960s. It was a move that epitomized the courage and long-term vision that this nation's leaders and everyday citizens knew as the American way.

In that speech, President Kennedy said, "This country...was not built by those who waited and rested and wished to look behind them. This country was conquered by those who moved forward..."

I am struck, fifty years later, by how far removed we are from President Kennedy's vision of the nation.

The America that launched Armstrong was an America that had embarked on a great and inspiring journey—one that spawned breakthroughs in science, medicine, computing, and physics...outgrowths in an investment that made our country, and the world, a better place.

The trajectory from Armstrong's first steps on the moon to today is startling: We can't even achieve the basics of maintaining our critical infrastructure. We have 4,000 dams that could fail and destroy millions who live nearby. We have crumbling airports. Of the top ten deep water ports in the world, not one is located in the U.S. Road disrepair and congestion have crippled parts of our economy. And that's why we're here today.

In the words of one commentator, "We are driving now without a bumper, without a spare tire, and with the gas gauge nearly on empty."

The strength of our nation is built, in large part, on our infrastructure. Those of you attending this conference fully understand how much of our social, political, and economic well-being is dependent on our ability to move goods and people seamlessly across our cities and states; how important it is that we can distribute what we manufacture to our coastal and inland ports and airports and from there to markets all across the globe.

▶ Is There a Dangerous Bridge in Your Town?

Federal and state governments are hiding the true state of disrepair of America's infrastructure.

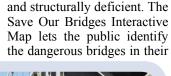
I, along with many other infrastructure leaders in the U.S., thought the I-35W collapse would be a wake-up call to the nation's leaders. But it quickly became clear that the policymakers and government agencies in charge of infrastructure were content to sweep it under the rug and move on.

To bring attention to the dangerous state of the nation's bridges, I created www.SaveOurBridges.com, a site educating the public on the dangerous bridges in their communities.

How severe is the problem? There are 600,000 bridges in the U.S. According to data presented by the Federal Highway Administration in 2009, 72,000 U.S. bridges are listed as structurally deficient. In the National Bridge Inventory, 18,000 bridges are listed as fracture critical. Prior to its collapse, the Until now, there hasn't been an easy-to-understand source showing the 7,980 U.S. bridges that are both fracture critical



own communities and others to which they may travel. In other words, you can find out if your children's school bus crosses any of these





bridges and whether you cross one of them on your way to work, church, or any other location.



People have a right to know if they're driving over dangerous bridges and why they've gone unrepaired. It's simply not true that there is no money for infrastructure investment. The truth is, states aren't required

to spend the federal funds they're given on bridge repairs. They can, and do, allocate half of that money to other projects. Over the years, politicians have used these funds to build new projects that lead to ribbon-cutting ceremonies, publicity, and

votes. Bridge repairs just aren't sexy enough.

Despite this poor decision making from state leaders and the slow economy, U.S. bridges can be repaired without impacting the deficit. Repairing the top 2,000 bridges would cost an estimated \$30-60 billion and would employ 1.2 million construction workers. These workers, many of whom would be coming off of unemployment, would pay back 30 percent of their money earned in income taxes, and much of the rest would be pumped back

I-35W Bridge was both structurally deficient and fracture critical. There are 7,980 bridges, an average of 160 per state, still in use today that also fall into both categories.

If we don't wake up and start treating America's crumbling infrastructure as an urgent priority, similar collapses can and will happen.

Understand this. When a bridge receives a structurally deficient rating, it is "posted," meaning a portion of the lanes on the bridge must be closed to traffic, or other weight limitations are imposed, such as preventing 18-wheel trucks from driving across the bridge. When a bridge is



posted, engineers consider that bridge to have already *failed* since it can no longer carry the full load intended when the bridge was initially designed. When a posted bridge is also fracture critical, the dangers it poses increase. We simply can no longer allow bridges that are both structurally deficient *and* fracture critical to go unrepaired. into the economy through their consumer spending.

The difficult truth revealed by the Save Our Bridges Map is that the nation's leaders can't wait any longer to provide the needed funding to make our bridges safe. They must act *now*. Concrete, steel, and money aren't the only things at stake. Lives are at stake. Nothing is more important than that. The generations who came before us made certain that this country was not constrained by a failure to think big. We built the Erie Canal, and as we expanded west, the Transcontinental Railroad. Undaunted by these challenges, we built the TVA, the Hoover Dam, and the nation's Interstate Highway System. Our nation built boldly, then built and invested even more.

But we have failed to maintain what we built. In fact, a listing of our infrastructure deficiencies is nothing short of depressing. Without immediate repair, nearly 8,000 bridges could collapse at any time. Just as the I-35W Bridge failed in Minneapolis in 2007. Just as the Mianus River Bridge failed in Connecticut in 1983. Just as the Sherman Minton Bridge across the Ohio River last year nearly collapsed before it was saved at the very last minute avoiding certain tragedy. These, unfortunately, are not isolated incidents. During the last two decades, nearly 600 bridges have failed.

And we have fallen far behind other developed nations. China invests 9 percent of its GDP in infrastructure development. In Western Europe it's 5 percent. While the U.S. spends a paltry 2 percent on infrastructure.

Meanwhile, our roads have become a major cause of wasted economics for our nation. According to the Urban Mobility Report of 2010, massive congestion costs truckers \$33 billion a year, expenses that result in more expensive goods for consumers. According to the American Society of Civil Engineers' 2011 "Failure to Act" study on surface transportation, by 2020, merely retaining the current levels of funding will add \$430 billion in increased transportation costs for busi-nesses. The ensuing impact on the efficiency of transportation systems will cause American export values to fall by \$28 billion, according to the report.

LePatner at Work

LePatner is closing out construction on a major luxury jeweler's new store in SoHo. From the outset of the project last summer, LePatner was hired by the retailer to provide construction counsel and project management services. Facing unique zoning, existing building, landlord, and design procurement and coordination challenges, all while operating in a landmark district, LePatner utilized its C³ project management methodology to help the client, the design team, and the construction team open the store to the public on budget and as scheduled in September.

An owner in one of Central Park South's most notable residential buildings recently retained LePatner to provide project management and legal counsel for the gut renovation of its full-floor apartment. LePatner is overseeing the work of the design team, managing the budget and schedule, and coordinating closely with building management to abide by the strict work rules that govern construction in the building.

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LePatner has been retained as construction counsel to draft its proprietary C³ agreements for the design and construction of a 33-story hotel in New York City for the Simon Development Group. The hotel, which will be managed by the Thompson Hotel Group, will include 253 rooms and full amenities including a rooftop bar, lounge, and sundeck. Today we need more from our politicians who merely pay lip service to our increasingly dire infrastructure needs. Our politicians have, in the words of Thomas Friedman of the *New York Times*, become inhibitors, not enablers. They are entrenched in a system that makes them beholden to lobbyist funding so necessary for their short-term goals of reelection. Going forward we are going to need more than commissioned reports on our failing airports, power grid, ports, roads, dams, and bridges—we are going to need the political will, backed by powerful political leadership with vision, to make the changes that will strengthen today's shortcomings.

In conjunction with the fifth anniversary of the tragic collapse of the I-35W Bridge in Minneapolis on August 1, 2007, I inaugurated a new website, www.SaveOurBridges.com. This new website identifies nearly 8,000 bridges that, just as the I-35W, are both structurally deficient—bridges that, for lack of maintenance, have been rated "poor" and can no longer carry the amount of traffic they were once designed to hold—and fracture-critical—meaning those that lack redundancy, a term that connotes that if one critical member fails, the bridge goes straight down, just as the I-35W did, killing 13 and injuring 145 people.

With the new website, any citizen or politician or transportation agency can quickly identify if there are bridges in their area that are dangerous to the traveling public; whether their children are crossing these bridges on their way to schools each day or if their families are using them to go to churches and synagogues, mosques or shopping centers. More importantly, the map is intended to start a national dialogue to enable citizens to make informed decisions about their public safety and the politicians charged with their protection.

In Southern California, residents and truckers by the millions cross 16 bridges that are both structurally deficient and fracture-critical. Right in Anaheim, the bridge at Tustin Ave. & Route 91, built in 1967, carries on average 221,000 vehicles per day. Without immediate attention, this bridge could fail just as the I-35W Bridge did in Minneapolis five years ago.

We can no longer sit idly by and wait for future disasters. The likelihood of the federal government allocating sufficient funding to fix our roads and bridges in the near future is minimal, at best. At the same time, states such as California, New York, and Illinois face gaps in meeting unfunded liabilities for retiring citizens that approach \$3 trillion. Former governor of Pennsylvania Ed Rendell has said that deferring action on fixing our infrastructure represents a clear hazard to our nation: "The longer we wait the more expensive it will be...This is as urgent an imperative as healthcare."

It is now time for our politicians to find the funds to address these shortcomings. It is time for federal, state, and local political leadership to step up. This is where our former quest to "land a man on the moon" must convert in the 21st century to a new challenge to "make our infrastructure the strongest of any nation on the planet."

Towards that end, here is a list of seven recommendations to lead us toward ensuring the rebirth of our nation's infrastructure by the year 2020.

1. We must review existing regulatory schemes to speed up the building process. We will need to use advanced technology to design, build, and maintain our facilities. And we will need many more engineers and scientists to bring their full attention to the task of addressing these needs.

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2. We are going to need a new cabinet position, a secretary of infrastructure, appointed by the president with the advice and consent of the Senate, to serve as the national overseer for this work.

We need a modern-day equivalent of New York City's master planner of the 20th century, Robert Moses. We need a true general to muster our national leadership. That is why President Dwight D. Eisenhower appointed General Lucius Clay when he proposed the creation of the Interstate Highway System.

3. We are going to have to plan for large-scale projects such as future ports, highways, and airports on a regional, rather than a county or state, basis. The impact of these projects affects not just the immediate locations in which they are built but also commercial users and the traveling public across multi-state areas.

4. We need to identify and fund advanced technology to monitor our roads and bridges and ensure they are all connected via a web of seamless information that can be analyzed and used to save hundreds of millions of dollars in maintenance each year. These tools are readily available and we need to give our transportation agencies the authority to put them in place and the funding to make those savings possible.

5. Changing the way we fund our infrastructure and build new roads and bridges is a complex process. We must demand that the construction industry bring greater efficiency to this process so that our nation will no longer be faced with tens of billions a year in unwarranted cost overruns. Contractors must be required to sign contracts where they accept the risk of completing each project on time and on budget. If they finish ahead of schedule, let's pay them a performance bonus.

6. We must explore creative ways to attract funding from the private sector through public/private partnerships. To date, many public/private partnerships in the U.S. have been quickly quashed by a combination of lobby interests and government concern that the deals will unfairly favor the private sector.

For example, in 2008, the Pennsylvania legislature derailed efforts by a consortium of private investors to pay the state \$12.8 billion for a 75-year lease to manage the Pennsylvania Turnpike. A report by the Pew Center on that failed transaction found that causes ranged from a lack of coordination between the executive and legislative branches of state government, overly optimistic financial assumptions, and the lack of a "clearly articulated plan for how the proceeds would have been invested and spent." We need to develop P3 formulas that ensure a fair payment for turning over an important infrastructure asset to a private entity, protect the public interest in a long-term lease, yet permit risk takers to make a fair profit.

7. We need a "grassroots" demand from outraged citizens imploring our nation's leaders to vote for meaningful funding before future tragedies occur. My hope is that concerned citizens can use the information provided on www.SaveOurBridges.com to back up their calls for action when they approach their local officials. With the help of the website, the public can contact their local, state, and federal officials in this election year and demand the needed financing for remediating local infrastructure.

Our citizens are looking for honest solutions to the problems I have outlined this morning. They are no longer content to listen to a battle of sound bites that comes forth from Washington each day. They no longer wish to see a Congress pulled in every direction that money can buy.

Our nation must accept the fact that we can no longer spend irresponsibly. But that only means that if we don't make the right choices—and spending on our nation's infrastructure is one of those right choices—we will be sabotaging our future and that of generations to come. Upgrading our roads and bridges and ports must be the pillars of our future success. It will be the key to rebuilding our economy and the key to once again ensuring that the United States remains the global leader for the balance of the 21st century and beyond.

Thank you.

EIRM NEWS

Launched on the 5th anniversary of the tragic I-35W Bridge collapse in Minneapolis, www.SaveOurBridges.com received 70,000 hits in its first 60 days. As a result, the site has received tons of great feedback from citizens all over the U.S. Check out some of the great comments the site has received **here**.

Since its August 1st unveiling, SaveOurBridges.com has gotten the attention of high-level media. Barry LePatner was recently interviewed on *CBS This Morning* with Charlie Rose and Gayle King for a long segment on the rising need to repair the nation's bridges. Watch it **here**. LePatner also took part in an hour-long infrastructure discussion on NPR's *Science Friday* with host Ira Flatow. Listen to it **here**.

On September 28th, Barry LePatner was the keynote speaker at the 11th Annual Southern California Transportation Summit, hosted by Mobility 21 in Anaheim, CA. His presentation, "Sounding the Alarm: Collapsing Infrastructure Can't Wait," explained what must be done to bring the nation's infrastructure into the 21st century and was very well received by the 1,000-member audience of government and transportation officials. LePatner presented alongside other prominent speakers, such as Hon. Bill Shuster (R-PA), Congressman, U.S. House of Representatives; Hon. Barbara Boxer (D-CA), Senator, U.S. Senate; and Hon. Antonio Villaraigosa, Mayor, Los Angeles. The transcript of LePatner's speech is featured in this issue. Listen to LePatner's pre-presentation interview here.

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