

Project On Government Oversight

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July 24, 2008

The Honorable Calvin L. Scovel
Inspector General
U.S. Department of Transportation
1200 New Jersey Ave. S.E., 7th Floor
Washington, DC 20590

Dear Inspector General Scovel:

The Project On Government Oversight (POGO) is pleased that your office is conducting an audit of the Federal Highway Administration (FHWA) Transportation Technology Innovation and Demonstration (TTID) program at the request of Senator Orrin Hatch and Representative Anthony Weiner. You might be aware that POGO wrote to Transportation Secretary Peters on October 15, 2007, to encourage her to request an investigation into this program.

We urge you to conduct a comprehensive audit of this program back to its original authorization in Transportation Equity Act for the 21st Century (TEA-21), rather than a more limited audit into whether or not some narrow aspect of the statutory language may have been satisfied. The underpinning for Traffic.com's contract was in place during the early years of the program and resulted in congressional efforts to open up this program to competition in the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU).

In particular, POGO urges you to examine:

1. Whether the original Intelligent Transportation Infrastructure Program (ITIP) award for Philadelphia and Pittsburgh was truly the result of a full and open competitive contracting process.
2. Whether the June 2002 Task Order between FHWA and Traffic.com and the later agreements between Traffic.com and state/local agencies followed the exact terms of the earlier contracts/agreements for Philadelphia and Pittsburgh, as was required in the FY 2002 Defense Appropriations bill (Pub. Law 107-117, Sec. 1101) that provided \$50 million in additional funds for the program.
3. Why the normal 20% local agency cash match required to access earmarked Intelligent Transportation System (ITS) funds was replaced by a "non-Federal match" provision. This provision waived the cost for local agencies to participate in the program.

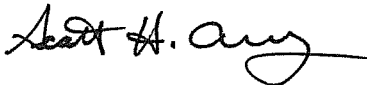
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4. Whether there have been any concerns about this program raised by the management within the Federal Highway Administration's Office of Operations. If so, were adverse actions taken against any individuals?

Answering these and other questions about how the DOT is managing this traffic information contract is essential to provide a comprehensive audit report. Thank you for your time and consideration. Please contact me at (202) 347-1122 if you have any questions.

Sincerely,



Scott H. Amey
General Counsel
scott@pogo.org

cc: Senator Orrin Hatch

Representative Anthony Weiner

Representative James L. Oberstar, Chairman, U.S. House Transportation and Infrastructure Committee

Representative John L. Mica, Ranking Member, U.S. House Transportation and Infrastructure Committee

Representative Peter DeFazio, Chairman, Subcommittee on Highways and Transit, U.S. House Transportation and Infrastructure Committee

Representative John J. Duncan, Jr., Ranking Member, Subcommittee on Highways and Transit, U.S. House Transportation and Infrastructure Committee

Senator Daniel K. Inouye, Chairman, U.S. Senate Committee on Commerce, Science, and Transportation

Senator Ted Stevens, Ranking Member, U.S. Senate Committee on Commerce, Science, and Transportation

Senator Frank L. Lautenberg, Chairman, Surface Transportation and Merchant Marine Infrastructure, Safety and Security Subcommittee, U.S. Senate Committee on Commerce, Science, and Transportation

Senator Gordon Smith, Ranking Member, Surface Transportation and Merchant Marine Infrastructure, Safety and Security Subcommittee, U.S. Senate Committee on Commerce, Science, and Transportation

Representative Henry Waxman, Chairman, U.S. House Committee on Oversight and Government Reform

Representative Thomas M. Davis II, Ranking Member, U.S. House Committee on Oversight and Government Reform