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COMMONWEALTH OF PENNSYLVANIA
HOUSE OF REPRESENTATIVES
HOUSE TRANSPORTATION COMMITTEE

GATEWAY HIGH SCHOOL AUDITORIUM
3000 GATEWAY CAMPUS BOULEVARD
MONROEVILLE, PENNSYLVANIA

FRIDAY, JUNE 18, 2010

PUBLIC HEARING - TRANSPORTATION FUNDING:
ISSUES AFFECTING THE SOUTHWEST REGION

BEFORE:

- Representative Joseph Markosek, Majority Chairman
- Representative Richard Geist, Minority Chairman
- Representative Mike Carroll
- Representative Paul Costa
- Representative Joseph Petrarca
- Representative Stan Saylor
- Representative Randy Vulakovich
- Representative Jeffrey Pyle
- Representative Dom Costa
- Representative Chris Sainato
- Representative Anthony DeLuca
- Representative William Kortz
- Representative Mark Longietti

Reported by: Lisa Ann Bauer, RPR, CRR, CMRS

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1 P R O C E E D I N G S

2 (11:17 o'clock a.m.)

3 CHAIRMAN MARKOSEK: Good morning,
4 everybody. Please take your seats. Welcome. The
5 first order of business will be to have the
6 co-chairman of the Pennsylvania House Transportation
7 Committee, Chairman Geist, lead us in the Pledge of
8 Allegiance.

9 (Pledge of Allegiance recited.)

10 CHAIRMAN MARKOSEK: Thank you for
11 attending today. This is a hearing sponsored by the
12 Pennsylvania House of Representatives Transportation
13 Committee, along with the committees of -- the
14 Policies Committees of both the House Democrats and
15 the Republicans. This is a bipartisan hearing.

16 The purpose is all because of the Governor's
17 calling a special session on the very difficult
18 transportation funding problem that faces all of us
19 here in Pennsylvania, and we decided that we'd take
20 the committee around statewide, seven different areas
21 of the state.

22 We'll try to get the sound system corrected.
23 But we decided to bring the committee around the state
24 to all the regions of the state, seven regions of the
25 state. This is our seventh, the southwest, and we're

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1 happy to be here at Gateway High School, and I want to
2 first thank the folks here at Gateway for their
3 wonderful hospitality in allowing us to attend here
4 today.

5 The first thing I want to do is introduce my
6 fellow colleagues who are here, members who are here.
7 We have, to my far right, Representative Joseph
8 Petrarca of Westmoreland County, Representative Paul
9 Costa of Allegheny County, Representative Mike
10 Carroll, Luzerne County, Chairman Rick Geist is Blair
11 County. We have the chair of the Republican Policies
12 Committee, Chairman Stan Saylor of York County, Randy
13 Vulakovich of Allegheny County, Representative Jeff
14 Pyle of Armstrong County, Representative Dom Costa of
15 Allegheny County, Representative Chris Sainato of
16 Lawrence County, and my good friend Representative
17 Tony DeLuca from Penn Hills, Allegheny County, and we
18 have Bill Kortz, on my far right, from Allegheny
19 County, who has also joined us here today, and there
20 will be some members, I'm sure, coming and going as we
21 move forward.

22 Before I get started here, I'd like to offer
23 either Chairman Geist or Chairman Saylor any opening
24 remarks.

25 REP. GEIST: Thank you very much.

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1 It's certainly a pleasure for us to travel the
2 length and breadth of this state listening to these
3 that we have on both the structures and highways and
4 transportation and the amount of (inaudible) the
5 General Assembly.

6 I want to thank everybody who has participated
7 today. I want to thank the staffs that worked very
8 hard to make this happen. Joe's staff and my staff
9 and Stan's and Mike's, they have gone really out of
10 their way. (Inaudible.) Chairman Joe Markosek has
11 done a fabulous job as chairman of the Transportation
12 Committee and (inaudible).

13 CHAIRMAN MARKOSEK: Representative Stan
14 Saylor.

15 REP. SAYLOR: I'm pleased to be here in
16 Pittsburgh today, or Monroeville, as such. I want to
17 compliment Chairman Markosek and Chairman Geist for
18 putting these hearings together and their staff for
19 doing a wonderful job.

20 It's so critical for Pennsylvania to come up
21 with a unified plan, both Republicans and Democrats,
22 and it's important basically because our highways in
23 Pennsylvania doesn't serve just Republicans or just
24 Democrats. We need to have an infrastructure that
25 supports our business community and job growth, so I'm

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1 pleased to be here and hopefully hear some solutions
2 today as we go forward to try and solve the
3 infrastructure problems here in Pennsylvania.

4 Thank you, Chairman Markosek.

5 CHAIRMAN MARKOSEK: Thank you, Stan. A
6 couple of notes here. When we call a testifier -- by
7 the way, this is a hearing of the committee. We have
8 an agenda of testifiers. They are being called up
9 individually and given a certain amount of time, and
10 when they come up, we would like everybody to come up
11 these steps over here and testify and then move off
12 that way so we can kind of get a free flow going here.

13 We have a very long agenda today. These
14 hearings have been averaging about five hours each,
15 and so we would like, as far as public comments --
16 people have said, hey, I'd like to say something --
17 you have to wait until the end, assuming we have time.
18 I do understand they have another event here, so if we
19 have time, we'll have people that are not on the
20 agenda and we'll give them one minute apiece.

21 We have a timer here, and you might be able to
22 see it, but we set the time for the allotted time for
23 each testifier. There is a green light that's on that
24 turns into a yellow light with one minute left to sum
25 up, and the red light comes on when time is up, and it

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1 beeps so everybody knows when their time is up. And
2 we would ask the testifiers to please move forward and
3 sum up immediately when they hear the beep.

4 There is no food or drink allowed in the
5 auditorium part of the auditorium here where the
6 audience is sitting, and so I would caution you about
7 that. I want to thank the Concrete Association here
8 today that supplied some goodies for us that are
9 located in the back area here.

10 So with that, just one last thing. I would
11 ask the members who are here when they ask questions
12 to make them short, too, and try to stay away from
13 speeches, which we get in the habit of doing once in a
14 while, and just ask your questions so we can move
15 things forward.

16 We have Representative Mark Longietti who has
17 also joined us from Mercer County as well.

18 So without any further adieu, I'm going to go
19 right to the agenda, and the first folks up are our
20 friends from PennDOT District 11 and District 12. We
21 have District 11 Executive Dan Cessna and District 12
22 Executive Joe Szczur, both friends with all of us here
23 who have worked very hard on behalf of PennDOT. And I
24 guess, Dan, you're going to start and give an overview
25 of the state transportation funding issues and each of

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1 you can talk about your district. You may proceed.
2 You each have 20 minutes.

3 MR. CESSNA: Thank you. It's good to be
4 here. It's a little awkward setup with the PowerPoint
5 presentation displayed in the back, and it might be
6 helpful if you could turn and look to the back to --
7 these pictures help illustrate what we're going to
8 discuss.

9 The first slide that I show you are just -- I
10 want to say first, I am speaking on behalf of the
11 Secretary. And these first few pictures demonstrate
12 bridge needs of structurally deficient bridges that
13 are currently not scheduled to be repaired. So this
14 just shows the diary of the issue across the state,
15 considering that we have a large bridge program and we
16 still have bridges that look like this that are not
17 programmed and being addressed.

18 Similarly, we have state highways that are in
19 need of resurfacing, maintenance deficiencies that
20 just currently cannot be addressed or repaired due to
21 funding constraints.

22 I want to talk, certainly, around the region,
23 around the state, several lines on this graph, I want
24 to draw attention to. The green line is called the
25 bid price index, the red line is the consumer price

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1 index, and the final line, blue, is the construction
2 cost index. What's dramatic here, you can see two of
3 the lines seem to follow inflation pretty well over
4 time. However, the bid price index, which indicates
5 the bids that Pennsylvania uses to build our projects,
6 has escalated at a dramatic rate in comparison to
7 overall inflation. The result of this is a loss of
8 buying power of about \$1.6 billion since 2002, and
9 that's the impact just in stable funding of what the
10 dollar doesn't buy today that it did eight years ago.

11 Currently, in Pennsylvania, 74 percent of the
12 motor license fund's highway and bridge operating
13 budget is spent on contracts with private industry.
14 We want to emphasize that, because a lot of people
15 don't realize that most of the work that PennDOT does
16 is completed, whether it's design or construction, by
17 private industry, and it has a major impact on our
18 state and local economies.

19 Across Pennsylvania, because of inadequate
20 funding for transportation, we really had to refocus
21 our program. In 2001 and 2004 TIP, about 25 percent
22 of PennDOT's resources were spent improving and adding
23 capacity to our highway system. You can see over the
24 last five TIP cycles, each time PennDOT has had to
25 reduce that dramatically and redirect the funds to

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1 maintain our existing system. The current TIP has
2 5 percent, only 5 percent of our money going to
3 improve, meaning adding capacity to our existing
4 system, and that number will likely continue to
5 decline moving forward as we redirect dollars to the
6 maintenance of the existing 40,000 miles of highway
7 and 25,000 state bridges.

8 Act 44, which was enacted in 2007, presented a
9 new funding source for PennDOT. It generated,
10 basically, \$950 million per year, but the advantage
11 was it also increased with inflation over time. This
12 funding was provided by the Pennsylvania Turnpike
13 Commission and it required approval of the federal
14 government to toll Interstate 80. Unfortunately, as
15 everyone knows, I80 is not going to be tolled. The
16 federal government rejected the application, and
17 because of that, Act 44 required that the funding
18 level would drop to \$450 million per year, rather than
19 950 and growing, and that would remain constant for
20 the next 46 years.

21 Across Pennsylvania, dramatic improvements
22 have been happening to our transportation system
23 conditions, despite the funding challenges. Over the
24 past two decades, we focused on paving and resurfacing
25 our highways and have seen a decrease from 1996 of

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1 18,000 miles of highway in poor condition to about a
2 little over 8,000 today, so that's a significant
3 increase over time. I want to draw your attention,
4 though, to the difference between 2008 and 2009.
5 Unfortunately, that trend has turned in the opposite
6 direction and we ticked up a little bit and actually
7 added more poor miles of road than we removed from the
8 system, and if the funding condition continues, that
9 will likely get more dramatic and worse.

10 Similarly, for structurally deficient bridges,
11 we've had improvement over the last number of years,
12 but what I do want to draw your attention to is that
13 from 2002 until 2008, we actually increased the number
14 of structurally deficient bridges because we were not
15 investing enough money removing structurally deficient
16 bridges from the system quicker than older bridges
17 were becoming structurally deficient.

18 With the increases in funding from Act 44,
19 some additional bond revenues and other investments,
20 PennDOT adopted our accelerated bridge program, and
21 that number peaked at 6,000 in 2008, and now we've
22 reduced it to 5600 beginning this year, and that
23 number should continue to decrease under the current
24 bridges under construction.

25 I want to draw your attention, though, that

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1 because of Act 44 failing or not providing the funds
2 that we expected, we have 441 unfunded highway and
3 bridge projects across the state that are at risk of
4 not being funded.

5 Additionally, we showed the good that can
6 happen with increased investment in bridges. This
7 graph has two lines on it, a green and a yellow. The
8 green indicates what we had expected to do with Act 44
9 funds and other bridges through a heavy investment
10 bridge program in driving our number of structurally
11 deficient bridges to 12 percent of the national --
12 12 percent versus the national average of 8 percent by
13 2033. We would still have about 3,000 structurally
14 deficient bridges, but it would be a significant
15 improvement over today.

16 Unfortunately, the yellow line indicates what
17 we expect to happen now without the funding of Act 44.
18 That trend will continue to show an improvement, but
19 then we'll continue to worsen as the bridges age and
20 deteriorate. Currently, Pennsylvania has more
21 structurally deficient bridges than any state in the
22 nation.

23 In 2006, the Transportation Funding and Reform
24 Commission, which was a bipartisan commission that was
25 developed and commissioned by Governor Rendell to

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1 estimate transportation needs across the state,
2 released a report that said we had \$1.7 billion in
3 unfunded annual needs. If you recall, Act 44 followed
4 that and provided about half of that. Today, the
5 transportation funding study that was completed
6 earlier this year by the Transportation Advisory
7 Committee issued a final report that said that that
8 dollar need increase has increased to about
9 3.5 billion per year statewide, and that's broken down
10 very quickly here from highway and bridge, 2.5; public
11 transportation, about 500; and local governments, 432.

12 Further breaking down the highway in
13 pavements, bridges, congestion management, safety, and
14 capacity -- because we've looked at this. This report
15 was very thorough and indicated that additional
16 investment needs to be made in your system to ensure a
17 good economy moving forward. We need to get back to
18 doing some system enhancements that support regional
19 growth.

20 Now I want to talk very briefly about the
21 regional impact to District 11. Around the region,
22 similarly, we have some pavement needs and bridge
23 needs that are not able to be addressed and some that
24 unfortunately blew up during this very tough winter,
25 and we addressed them under an emergency basis, and

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1 for far too long we've had to react because the system
2 is in a very delicate nature.

3 Across our district, we have 565 structurally
4 deficient bridges. That's significant. Out of 1800,
5 it's about one-third of our bridges are structurally
6 deficient. What we're doing to fix the bridges --
7 this slide indicates what we had intended to do.
8 Under the current funding shown in blue, if Act 44 was
9 able to be restored, we would hopefully be able to
10 drive improvement according to the red line, and the
11 green line shows our goal that we established at the
12 beginning of the accelerated bridge program in July
13 of 2008. Around the region, we do have 38 posted
14 bridges that are impacted by this and we also have
15 four bridges that are closed.

16 Talking now about highways, we have 554 miles
17 of poor ridability roadways throughout the district.
18 And if you see those red lines, that indicates a poor
19 section, and it's really not segregated to any one
20 area. It's across all networks, but certainly and
21 most dramatically on the lowest-level networks. Our
22 interstates and our higher-level networks, they are
23 smoother than the lower-level networks.

24 Because of Act 44 and the money that was not
25 available or won't be available come July 1st, we

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1 have about 84 unfunded projects that we had
2 anticipated including in our program, for a value of
3 about \$216 million.

4 Overall, with bridge and pavement needs, we
5 estimate that our regional need is \$469 million
6 annually, and our current funding level allows us to
7 invest around 295 million for a shortfall of about
8 50 percent, 174 million. It's very dramatic in
9 reality, and, unfortunately, as time goes on with that
10 deferred maintenance and underinvestment, that
11 challenge becomes greater.

12 Just breaking it down very briefly around the
13 region, we just wanted to hit on the fact that we have
14 the transit agencies, Port Authority, Beaver County
15 Transit, and New Castle Area Transit in our district
16 and just showing what their ridership is and their
17 state operating assistance, which certainly is
18 impacted by funding decisions that are made.

19 In the near term, certainly for PennDOT, the
20 ability to generate new revenue and stabilize our
21 transportation system and address the 500 million
22 funding gap and then, certainly, we need a phased
23 long-term strategy, because honestly, the best
24 decisions can't be made on transportation investment
25 when you do not know what next year's budget is going

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1 to be. And a longer-term investment need
2 establishing, certainly, a new transportation funding
3 framework to ensure sustainable mobility. Predictable
4 and sustainable funding resources so that we can do
5 that good planning. And then major elements, you
6 know, that could be considered there would be possibly
7 a direct user pay system, whether it's based on
8 vehicle mile traveled fee, tolling options.
9 Certainly, there might be a component for
10 public/private partnerships, strategic borrowing
11 that's done with a long-term approach in mind and
12 local option taxes. And I do say carefully on
13 strategic borrowing, because a number of our
14 neighboring states are suffering the consequences of
15 not having strategic borrowing and have sapped all of
16 their available resources for maintenance projects,
17 which Pennsylvania fortunately has not done.

18 This is just a slide of some additional
19 information, and that concludes my presentation.

20 CHAIRMAN MARKOSEK: Thank you. Next we
21 have -- you can stay there for questions, but we'll
22 have Joseph Szczur from District 12, who will give a
23 presentation on District 12.

24 Joe?

25 MR. SZCZUR: Thank you, Mr. Chairman.

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1 Good morning, everybody. I'll briefly go through some
2 of the same information that Dan had with regard to
3 funding needs in our area. Similar slides. You saw
4 some of the depictions earlier of some of the roadway
5 and transportation and bridge needs. We have been
6 dealing with this for many, many years now.

7 From a structurally deficient standpoint in
8 our neck of the woods, in our four-county area of
9 Washington, Westmoreland, Fayette, and Greene
10 Counties, we currently have 648 structurally deficient
11 bridges. Now, this is down from a high of 725 back
12 in 2008. We had changed our investment strategies and
13 broken our program down, especially when it looks at
14 bridges, into a specific strategy on our major
15 bridges, our smaller bridges, and then everything in
16 between.

17 We currently have -- out of the 648
18 structurally deficient bridges, 32 of those are on
19 interstate, 19 on the national highway system, and the
20 remainder on the lower priority networks. We have
21 about 2360 bridges in our four-county area to go along
22 with our nearly 3900 miles of transportation highway
23 that we're responsible for. Nine of our bridges are
24 closed; 158 of our bridges are posted, three of which
25 are posted at 3 tons.

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1 With regard to fixing our structurally
2 deficient bridges, I had mentioned we are at a high of
3 725 structurally deficient bridges. Nearly one out of
4 every three of our bridges percentage-wise was
5 structurally deficient, and we have a long way to go
6 with regard to trying to drive our program down to get
7 near the national average of 10 percent. However, we
8 have changed our investment strategies along the way
9 to do that.

10 Nearly 70 percent of our transportation funds
11 in our four-county area through the last
12 transportation improvement plan cycle, for the next
13 cycle, and indefinite future is going to be dedicated
14 towards structures, both replacements,
15 rehabilitations, and preservation work. We currently
16 have 43 projects under construction, 24 of those
17 replacement and 19 are rehabilitation and
18 preservation-type work.

19 We have 40 bridges, also, that have been bid
20 that are in the design phase of the design/build/
21 contracting process. We have really taken advantage
22 of that bidding technique to try to help expedite the
23 project delivery. Us, along with the consulting and
24 contracting community, have really championed that
25 effort and it has been proven very successful.

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1 You can see, similar to what Dan had
2 explained, both statewide and region in District 11,
3 our trends are the same. We are making some progress,
4 but, again, with the shortfalls that we anticipate
5 occurring, actually occurring with Act 44 going away
6 on us, we're going to be able to continue to make some
7 improvements for the next year, and then we're going
8 to see both of those curves go up.

9 Similarly, with regard to our highway system,
10 we have 655 miles of poor road. Three of those are on
11 our interstates, seven are on our national highway
12 system, the remainder of which is on our secondary
13 systems and lower priority traffic routes. The
14 concern here is that as funding level -- we will have
15 to maintain our -- 65 to 70 percent of our
16 transportation funds into bridges is the impact that
17 that's going to have on us being able to maintain some
18 semblance of a pavement management cycle, pavement
19 management strategies, both on the interstates, on the
20 national highway system, and on the remaining portion
21 of our network.

22 The impact of the loss of the potential
23 revenue that could have been generated by Act 44 in
24 our region, in our four-county areas, was 412 million,
25 resulting in 25 unfunded projects currently, a large

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1 mixture, a large portion of which were bridges. And,
2 again, in our four-county area, our estimated regional
3 need is 335 million. Current funding level is
4 200 million, so we are at a shortfall in our neck of
5 the woods of 135 million.

6 Then again, with the transit agencies that we
7 are working with and that are in our four-county area,
8 Fayette Area Coordinated Transportation, the City of
9 Washington, Mid Mon Valley Transit, and the
10 Westmoreland County Authority, you can see from their
11 annual ridership and their operating revenues and also
12 how that is broken down and also where it is not
13 nearly where it needs to be with regard to helping
14 transportation needs in our region.

15 That is a brief overview of the particular
16 statistics from the District 12 region. I think that
17 concludes both Dan and I's presentation, so,
18 Mr. Chairman, we'll throw it back to you.

19 CHAIRMAN MARKOSEK: Okay. Thank you.

20 Chairman Rick Geist?

21 REP. GEIST: For both of you fellows,
22 throughout the state we have seen a lot of bridges
23 that are either closed or weight limited to 3-, up to
24 10,000 pounds, and along with each of those, there are
25 detours for trucks that can't use those facilities.

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1 Could you elaborate a little on that,
2 especially down in the area where you guys haul coal
3 and things like that? There is a real cost to that.

4 MR. SZCZUR: Yes, Representative. In our
5 neck of the woods, in our four-county area, out of the
6 43 projects that we currently have under construction,
7 we have -- 13 of those are under detour, and combined,
8 it's about 104 miles' worth of detour that traffic has
9 to navigate to get around the closed detour -- closed
10 bridge.

11 MR. CESSNA: Similar in District 11. We
12 have 81 bridges under construction this year.
13 Fourteen of them have detours and we estimate about
14 200 miles' worth of detours that folks are on. Some
15 of those vary in length from six months to a year.

16 REP. GEIST: To elaborate on the
17 question, how many of those bridges that you have
18 weight limited, say, from 10 tons down where trucks
19 must detour because they can't cross it, have you
20 analyzed what the detours are and what the costs are?
21 We've had the trucking industry testify at two
22 different hearings about the large cost to them,
23 especially on deliveries.

24 MR. SZCZUR: We have not analyzed that,
25 but we can imagine that the impact is significant.

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1 MEMBER OF THE AUDIENCE: Louder, please.

2 MR. SZCZUR: Just to repeat the answer to
3 Representative Geist's question, with regard to the
4 detour routes the trucking industry has to negotiate
5 as a result of our posting, we don't have that
6 statistic, but it is phenomenal. It is phenomenal.
7 Anytime you affect commerce, you're also affecting
8 local services, school bus, emergency services. It is
9 a significant, significant impact.

10 MR. CESSNA: The four bridges that have
11 closures or restrictions of 3 and 10 tons in District
12 11 are on low commercial routes. I don't think the
13 impact is quite as great for commercial travel, but
14 certainly the other 34 that are restricted are
15 impacting travel.

16 REP. GEIST: One last question on the
17 same vein. I know that local government has a real
18 problem. You do a great job of analyzing the
19 structures on the state system and staying up to speed
20 with it. We're trying to ascertain in either of your
21 districts, have you done a planometric analysis of
22 bridges, in municipalities, that are 20 feet and
23 under, and have you helped them in any way, especially
24 the municipalities that don't have engineers, inspect
25 any of those structures?

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1 We keep getting feedback about how many are
2 old, old structures and are part of the state that are
3 in very bad shape in municipalities. Have the
4 districts done anything at all to help local
5 government out in doing that inventory and finding out
6 where they are?

7 MR. CESSNA: I'll go first and say that
8 we have dealt with those on a case-by-case basis when
9 issues arise. We certainly don't have the resources
10 or the staff to endeavor upon doing that wholesale
11 across the region. We did, however, just identify --
12 currently statewide, PennDOT is developing the
13 linking, planning, and need effort as part of our
14 smart transportation, and, working with the 23
15 planning regions across the state, have identified
16 that as a need, as something we need to address in the
17 next several years as part of the work programs that
18 the regions are developing.

19 So we haven't determined yet how we're going
20 to do that or the resources required, but it is
21 something we know needs addressed.

22 MR. SZCZUR: To build upon that, we are
23 also limited in manpower and resources; however, where
24 we do lend a helping hand to the municipalities is
25 especially with structures of 20 feet and less. A lot

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1 of those bridges don't need to be bridges anymore.
2 Build a box culvert and pipe system and they can be
3 replaced easily, and so we have done that. We have
4 put that in place in our maintenance organizations.

5 And we actually have a small bridge pilot
6 initiative that's going on right now in Westmoreland
7 County. We have three contracts side by side of seven
8 bridges each. We've listened to the contracting
9 industry and tried to take advantage of some of their
10 needs and the economies of scale, and so as we're
11 going through this process, we are learning daily
12 about how to correct issues like that and we pass that
13 expertise on to municipalities, particularly through
14 our outreach and our municipal services unit.

15 Same deal when we're dealing with any roadway
16 issues or slide issues, how to fix those pretty
17 readily at a low cost so we can try to at least have
18 them maintain a handle on their local transportation
19 issues, but we do empathize with the local
20 municipalities. Their challenges are greater than
21 ours.

22 CHAIRMAN MARKOSEK: Representative Costa?

23 REP. PAUL COSTA: Thank you,
24 Mr. Chairman.

25 Gentlemen, I want to thank you for testifying

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1 today. Particularly, I want to thank Dan, not only
2 because he's in our district, but he's one of my
3 constituents. You guys have a difficult task with
4 limited money.

5 One of the questions I have for you, when you
6 determine what we're going to do with roads, what
7 difference does it make between if you cement or
8 asphalt?

9 MR. CESSNA: How did we make that
10 determination? Oftentimes we look at the existing
11 highway. If it's an asphalt road, generally we're
12 looking at whether it can simply be milled and
13 resurfaced, whether it needs to be reconstructed. If
14 it needs to be reconstructed, then we would make a
15 determination on what pavement type it should be,
16 whether it be a life cycle cost analysis or looking at
17 things like constructability.

18 In the Pittsburgh urban region, oftentimes our
19 pavement decisions are based on the impact of how long
20 we can actually close or restrict a lane or a section
21 of highway to get the construction done.

22 REP. PAUL COSTA: Thank you. Speaking of
23 lane closure, we have a lot of that in this region,
24 and I appreciate that you consider events that are
25 going on in the city when shutting down the roads. I

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1 think it makes a big difference.

2 Again, I think you do a great job. I think
3 the only mistake you ever made was giving me your cell
4 phone, because I can call you on Saturdays and
5 Sundays, but I want to personally thank you. You've
6 always been very responsible whenever I've called.
7 Thank you and your staff.

8 MR. CESSNA: No problem. Thank you.

9 CHAIRMAN MARKOSEK: Representative Jeff
10 Pyle.

11 REP. PYLE: Thank you, Mr. Chairman.
12 Joe, good to see you again.

13 Mr. Chairman, before I ask my question, I want
14 to give my thanks to Mr. Szczur. I understand we just
15 had a very good outcome on bids to replace the 356
16 bridge, and I'm sure your office's due diligence has
17 had a lot to do with that, and I appreciate that.

18 MR. SZCZUR: Thank you.

19 REP. PYLE: You had mentioned in your
20 funding scheme the needs of mass transit for
21 additional funding. My question for you is, given
22 what appears to be a very tough decision, roads,
23 bridges, or buses, have you ever analyzed what the
24 local county shares are for maintaining the various
25 mass transit agencies? I've read studies where states

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1 range from Minnesota, where the state picks up nearly
2 the entire tab for mass transit, to states that drive
3 out significantly less funding than Pennsylvania does
4 for mass transit.

5 What I'm looking for here, gentlemen, is some
6 type of assessment that will give us a report card of
7 sorts as to whether local governments are doing their
8 shares to maintain the mass transit system.

9 MR. SZCZUR: We would need to coordinate
10 that with the experts when it comes to transit.

11 REP. PYLE: I'm sorry to interrupt, but
12 the one question that jumped up off the screen at me
13 when I looked at that is how much we are currently
14 putting in to them. I'm curious as to what the big
15 number is. How much are they actually putting into
16 themselves?

17 MR. SZCZUR: That's a very fair question,
18 and we can do some follow-up research on that and get
19 you that information.

20 REP. PYLE: Much appreciated. Thank you
21 very much, Mr. Chairman.

22 CHAIRMAN MARKOSEK: Thank you.
23 Representative Mike Carroll.

24 REP. CARROLL: Thank you, Mr. Chairman,
25 and thank you both for your testimony. You two

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1 gentlemen, more than any other folks, are familiar
2 intimately with the highway/bridge needs in your
3 districts, and in Harrisburg and throughout the state
4 there are really two schools of thought with respect
5 to how we proceed here. The one school of thought is
6 that we need to do something right away this year and
7 the other school is that we can wait.

8 And so my question for each of you,
9 considering the funding gap that's created by the loss
10 of funds from Act 44, do you believe we need to act
11 this year or do you believe we can wait?

12 MR. CESSNA: I'll address that first. I
13 think we need a solution immediately, and there is a
14 couple reasons why:

15 First and foremost, we're driving to put as
16 many transportation projects on the street right now
17 due to the dire conditions of the pavements and the
18 bridges, and what's happening right now is an
19 underinvestment in future projects. Our engineering
20 resources, we're not investing in engineering right
21 now to prepare projects to be ready for construction
22 in two to three years, and you can't develop those
23 projects in six months. It takes a year in many
24 cases, sometimes three to four. So the lack of funds
25 for engineering right now is creating a real potential

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1 problems for us two years out.

2 MR. SZCZUR: To build on that comment
3 that Dan made, it does need to be immediate, both
4 within the state and nationwide, from a transportation
5 funding standpoint. You reach a point, whether it's
6 bridge or a roadway and it gets to the point where
7 it's structurally deficient or in a condition like
8 your roadways are, that the deterioration goes in an
9 exponential rate. It goes beyond what we can do from
10 a preservation standpoint, and when that happens, all
11 that results in is additional costs with regard to how
12 much it is going to take to either fix that road,
13 replace that bridge, or fix that bridge, and so it
14 cannot happen soon enough.

15 Our transportation plans right now, all we end
16 up doing, both Dan and myself and our other
17 counterparts across the state, is we make decisions
18 what lousy bridge or what crumbling road we can't get
19 to over the next four years or two years. Even from a
20 maintenance standpoint with the way our maintenance
21 budgets have been cut over the last three years, it's
22 really starting to put strain on keeping our roadways
23 not only in a decent state or condition, but also in a
24 safe state or condition.

25 REP. CARROLL: I share your view. The

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1 best evidence of that is the slides you had with
2 respect to projects that will be not funded with
3 regard to the loss of funds from Act 44. Those
4 sentiments were echoed at all the hearings we had
5 throughout the state, and it really highlights the
6 need to backfill that level of funding, if not go
7 beyond that, so I thank you for your testimony.

8 CHAIRMAN MARKOSEK: Thank you, gentlemen.

9 I just want to point out the slide that you
10 had the map with all the deficient bridges marked as
11 red dots, I've been calling that the measles map
12 around the state, because if you look at it, it looks
13 like the map has measles, but those are all the many,
14 many, just hundreds and thousands, in some cases,
15 deficient bridges that we have in our regions here.

16 So, very good testimony. Appreciate it very
17 much, and thank you for coming today.

18 MR. CESSNA: Thank you.

19 MR. SZCZUR: Thank you.

20 CHAIRMAN MARKOSEK: The Chair would like
21 to recognize Heidi Tappe and Nick Demicheli, who are
22 here representing Representative Chelsea Wagner from
23 the South Side. They are in the audience. And also
24 Dericka from Representative Frankel's office from
25 Squirrel Hill of Pittsburgh in Allegheny County.

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1 Welcome.

2 Next, I'd like to bring a couple of the next
3 several groups of folks up here. The Pennsylvania
4 Motor Truck Association, Ron Uriah, my good friend
5 from high school, my high school buddy. Is Ron here
6 today? Oh, there he is. He's coming.

7 I'd also like to have Mr. Jeff Pope, who is
8 representing the Plum Senior Community Center Advisory
9 Council, and also the Monroeville Chamber of Commerce
10 representative, Mr. Chad Amond, who is the president,
11 and with him is Joe Kirk, the Expressway Partnership
12 Initiatives.

13 So if we could have all four of those people.
14 There are four seats here. You'll all get your time,
15 but we've found out when we're up on a stage like
16 this, if we bring up three or four at a time, it saves
17 from folks walking up. In a long day, if we can save
18 five minutes here and there, it makes a difference.

19 Ron, how are you? Good to see you. Ron and I
20 were classmates at Chartiers Valley High School, and
21 he made all the money. I ended up here, but that's
22 good. We both did okay. Ron is representing the
23 Pennsylvania Motor Truck Association. Five minutes,
24 Ron, and you may proceed.

25 MR. URIAH: Thank you, Joe. Good to see

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1 you.

2 Good morning, gentlemen. My name is Ron
3 Uriah, Vice President of Safety and Risk Management,
4 Pitt Ohio Express, headquartered in Pittsburgh,
5 Pennsylvania. Pitt Ohio is an LTL trucking company
6 with seven terminal locations within the state of
7 Pennsylvania, employing approximately 1100 employees
8 throughout the Commonwealth. Chairman Markosek and
9 Chairman Geist, I appreciate the opportunity to speak
10 before the committee on behalf of Pitt Ohio Express
11 and the trucking industry within the state of
12 Pennsylvania.

13 I agree there is a need to provide funding for
14 safe and efficient transportation infrastructure
15 throughout the Commonwealth. Because of the unique
16 geography of Pennsylvania and the seasonal impact of
17 the weather conditions, there is a dire need to repair
18 and maintain the highway systems, bridges, and tunnels
19 that are used to provide for the efficient and
20 effective delivery of our essential products to
21 businesses that support our communities.

22 Many of our fellow citizens do not realize the
23 importance of maintaining the transportation and
24 highway system or the need to provide appropriate and
25 consistent funding for its expansion and constant

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1 upkeep. We respectfully ask that any funding system
2 considered be applied in a fair manner. We would
3 support an increase in some specific areas, including
4 registration fees and fuel tax, to provide revenue
5 critical for highway maintenance and improvement
6 projects.

7 We also respectfully ask for you to consider
8 that such increases be directed only to those projects
9 and not diverted to discretionary projects which are
10 outside specifically identified transportation
11 improvement projects.

12 Pitt Ohio Express currently travels an average
13 of 25 million miles a year on Pennsylvania highways.
14 It pays approximately 38 cents a gallon in state tax
15 on diesel fuel to Pennsylvania, in addition to about
16 24 and a half cents a gallon in federal tax, which is
17 apportioned back to the states based on the number of
18 miles traveled in each state.

19 Truck transportation is and will continue to
20 be essential to the Pennsylvania economy and the
21 people and commerce of this great state. Our drivers
22 in Pennsylvania provide an average of 2900 deliveries
23 a day to all types of businesses, including
24 government, factories, hospitals, and retail stores of
25 all types of products from raw materials to finished

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1 goods, using around 95,000 gallons of diesel fuel a
2 week to provide the essential transportation service
3 to our fellow citizens.

4 The trucking industry operates on low profit
5 margins, coupled with intense recapitalization costs
6 for legislative compliance for equipment and mandates
7 for engine emission standards. An increase of fuel
8 tax, registration fees, or the lifting of the cap on
9 the wholesale fuel would increase expenses to our
10 organization and our customers. Expense
11 notwithstanding, it is still the most equitable
12 solution to apportion such daunting expenses fairly so
13 that reasonable revenues will be provided for
14 everybody for the proper repair and maintenance of our
15 highways and roads and keep them in appropriate
16 condition moving forward.

17 I would also suggest that any such increase
18 considered would be indexed for inflation to maintain
19 the same level of annual funding and eliminate the
20 task of constantly looking for revenue sources.

21 Thank you for the opportunity to share our
22 thoughts today and for your consideration in those
23 matters as you continue to develop and form your
24 strategy to resolve this challenging issue. As
25 always, we remain available to you at any time to

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1 engage in further discussion on this topic.

2 CHAIRMAN MARKOSEK: Thank you, Ron.

3 Representative Mike Carroll.

4 REP. CARROLL: Thank you very much,
5 Mr. Chairman.

6 Thank you for your testimony. I know it can't
7 be an easy proposition for somebody in the trucking
8 industry to sit at a microphone like that and advocate
9 for a fuel tax increase, so I suspect that your
10 business and others throughout the state have provided
11 testimony and made a calculation that the need is just
12 so great, there really are no other choices.

13 So I appreciate your taking the time to be
14 here today. It really does highlight the need, the
15 urgent need, and folks like Pennsylvania Motor
16 Trucking Association and Pitt Ohio wouldn't make a
17 decision like that without careful analysis. So I
18 appreciate that analysis and that result. Thank you.

19 MR. URIAH: Thank you, sir.

20 CHAIRMAN MARKOSEK: All right, Ron.
21 Thank you.

22 Our next speaker is Mr. Chad Amond, who is the
23 president of the Monroeville Area Chamber of Commerce,
24 of which I am a happy member. Five minutes. And also
25 with him is Joe Kirk from the Mon Valley Partnership

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1 Initiatives. And, Chad, you may proceed.

2 MR. AMOND: Mr. Chairman, thank you very
3 much for the opportunity to speak. First, let me, in
4 the unique position of being president of the
5 Monroeville Area Chamber of Commerce, welcome you all
6 to Monroeville. I think it's particularly fitting
7 that we're having one of the seven transportation
8 hearings here in Monroeville, because this community
9 understands very well the importance of transportation
10 projects. Our growth is attributed very much to the
11 transportation for the interchange of the Turnpike
12 here that is the Pittsburgh interchange and the
13 Parkway East, and we are challenged by our lack of
14 adequate transportation in and out of the city and to
15 the airport. So we understand the importance of
16 transportation projects all too well.

17 I did submit seven pages of testimony that I
18 would prefer to sum up so you have an opportunity to
19 ask us a few questions. I'm sure that would probably
20 not be something that you would have a problem with.

21 In a nutshell, we say that investment in
22 transportation infrastructure provides for a direct
23 and measurable positive impact on economic growth,
24 which is certainly not surprising to you. Typically,
25 I stand in front of committee hearings like this and

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1 ask for your help in providing funding for expansion
2 projects, most namely the Mon-Fayette Expressway,
3 which my organization still is supportive of, but I'm
4 today asking for expanded funding for transportation
5 projects across the Commonwealth, while at the same
6 time, asking you to set in motion a plan that is
7 working towards expanding and enhancing the
8 Commonwealth's woefully inadequate overall
9 transportation system.

10 Our folks from PennDOT had laid out all too
11 well the challenges that are before us with 3 and a
12 half billion dollars' worth of funding shortfall each
13 year. Those are well documented. I'm not going to go
14 into that, but perhaps maybe it's summarized by saying
15 that one of the most fundamental purposes of state
16 government is to provide adequate transportation and
17 infrastructure, and we seem to be failing miserably at
18 that.

19 The Chamber of Commerce here in Monroeville
20 applauds the move to call for a special session of the
21 legislature, and we hope that you will find new and
22 improved funding strategies, funding strategies that
23 provide for not just maintenance of the crumbling
24 roadways, bridges, and mass transit, but also for
25 expansion of the current system. Now is really a time

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1 not just to provide for making us average, but a time
2 for vision so that we can bring the Commonwealth of
3 Pennsylvania not up to a state that is providing
4 average transportation but as a leader across the
5 states.

6 How would we do that? There are three areas
7 that my organization would support: One, we believe
8 that an increase in the oil company franchise tax is a
9 very viable option. We believe that also increasing
10 the vehicle registration fee -- in Pennsylvania, the
11 vehicle registration fee is one of the lowest in the
12 entire union -- is an opportunity for increased
13 funding. And then, finally, we would support the
14 resubmission of the provision within Act 44 to toll
15 Interstate 80. In his letter, Secretary LaHood's
16 denial circulated around the transfer of funds to mass
17 transit. If those funds were rededicated to only
18 upgrading I80, it would free up resources, we believe,
19 across the rest of the transportation system.

20 Finally, just in summary, at the core,
21 transportation projects are aimed at rebuilding and
22 revitalizing communities. You all know that very
23 well. They can't happen without you. You have the
24 ability to provide funding. That funding directly
25 impacts jobs. For every billion dollars spent on a

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1 highway project equals 30,000 jobs. I can't imagine
2 in any district across this Commonwealth someone who
3 wouldn't like to go back and say, hey, we are able to
4 provide 30,000 jobs for every billion dollars that's
5 spent.

6 Thank you very much for your time. Thank you,
7 Mr. Chairman.

8 CHAIRMAN MARKOSEK: Thank you, Chad.

9 Mr. Joe Kirk.

10 MR. KIRK: Thank you, Mr. Chairman. I
11 will summarize a couple remarks from my testimony.
12 First, we all recognize it as a \$3.5 billion deficit
13 that we face and requires comprehensive solutions
14 regarding both highways, bridges, and transit.

15 Let me focus on two of the recommendations we
16 have. One, that we suggest adjusting the oil
17 franchise tax to adjust for inflation and bring that
18 up to that level so that it reflects what the cost of
19 oil is right now; and, secondly, I also want to say
20 that we really do need to revisit the tolling of I80
21 and resubmit the application that reserves all funds
22 for I80. That, we feel, will return back to the
23 Commonwealth of Pennsylvania somewhere in the range of
24 100- to \$200 million.

25 Thank you very much.

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1 CHAIRMAN MARKOSEK: Thank you very much,
2 Joe.

3 Before I recognize Representative Pyle and
4 Representative Carroll, just so folks know, the
5 tolling of any other interstate highway would require
6 federal approval all over again, which would not
7 necessarily be as quick as -- even if it was approved
8 in our favor, which is in doubt, of course, it would
9 be quite awhile before we would see any funds from
10 that.

11 Representative Pyle?

12 REP. PYLE: Thank you, Mr. Chairman.

13 Mr. Amond, I'm also a Chamber member in a
14 couple of counties. Thank you for your testimony.

15 This woefully inadequate transportation system
16 you identified, I have questions about that. I
17 believe Westmoreland County just completed their
18 Route 22 project. It's not inadequate. It works.
19 I'm asking.

20 MR. AMOND: Yes, sir.

21 REP. CARROLL: I believe your PennDOT
22 district engineers have pointed out in the last panel
23 that Mr. Szczur has just tackled a \$9 million bridge
24 replacement, that was left to go for 20 years,
25 crossing the Allegheny in Freeport from Allegheny

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1 Township, Westmoreland. I believe that came in
2 7 million under speculation.

3 Here is my question to you: Given the choice
4 between transit or bridges, where do we put the money?
5 There is only so much.

6 MR. AMOND: I think that's the Sophie's
7 Choice question that's before the House, Senate, and
8 state government.

9 REP. PYLE: That's an easy decision for
10 me. We don't rely on transit. I would pose the same
11 question: What is the local share for transit? I'd
12 rather build bridges. That's just me.

13 MR. AMOND: I'm having an incredibly
14 difficult time hearing you, sir. I'm hearing an echo.
15 I'm not hearing the question.

16 REP. PYLE: I just wanted to know if
17 you've done an analysis of local share to maintain
18 transit. If given my druthers, I would rather put the
19 money into bridges. I'm just curious. If there is
20 only so much in the pot, where do we direct it?

21 MR. AMOND: I think we need to make the
22 pot bigger. I think we need to make the pot bigger.

23 If you look at the recent report card that
24 come out from the American Society of Civil Engineers,
25 across this Commonwealth, the grade was a D-minus for

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1 roads, a C for bridges, a D-minus for mass transit, a
2 C-minus for dams and levees, and navigable waterways
3 was a D-plus. I don't think there is anything in that
4 report that this Commonwealth can be proud of, so I
5 think that the answer is we need to make the pot
6 bigger.

7 REP. PYLE: That's very good. I have not
8 noticed whether or not the Monroeville Chamber has a
9 position on public/private partnerships.

10 MR. AMOND: We do. We believe that it is
11 not the sole answer to the problems across the
12 Commonwealth, but we have advocated for some period of
13 time that the Commonwealth needs to be more
14 straightforward with its position on P3s in a way that
15 provides a clear picture to the private sector firms
16 that are interested in investing in this state.

17 REP. PYLE: Very good. I appreciate your
18 input on tolling 80. What's your input on leasing the
19 Turnpike?

20 MR. AMOND: We have no formal position on
21 tolling the Turnpike, the main line of the Turnpike,
22 although I think that there is a strong argument to be
23 made for some of the expansion projects of the
24 Turnpike that might be ripe for leasing or becoming
25 part of other private public/private partnership

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1 ventures here, certainly in the southwestern part of
2 the state.

3 REP. PYLE: Super. Thank you very much.
4 Thank you, Mr. Chairman.

5 CHAIRMAN MARKOSEK: Representative Mike
6 Carroll.

7 REP. CARROLL: Thank you, Mr. Chairman.

8 Chad, in your testimony -- you didn't mention
9 orally, but in your written testimony I noticed you
10 talked about capacity-adding projects for roads and
11 bridges. I share your view that if we're going to be
12 serious about solving transportation needs of the
13 state, we're going to have to think about
14 capacity-adding projects. We've heard testimony in
15 other regions of the state, growing regions, that
16 maintenance of bridges and roads is not enough and we
17 need to think about additional capacity, so I applaud
18 you for that provision of your testimony.

19 Secondly, I applaud the Chamber for sharing
20 the position taken by the Pennsylvania Chamber in
21 support of increase in funds for the fuel tax. And,
22 again, as I mentioned to the Pennsylvania Motor Truck
23 Association, that position, I'm sure, wasn't arrived
24 at lightly, and so for the Pennsylvania Chamber or the
25 Monroeville Chamber of Commerce to sit at a podium and

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1 advocate for additional funds is noteworthy and
2 compelling. So I thank you for that.

3 MR. AMOND: Can I make a comment? I
4 thank you very much for recognizing that it is not
5 easy for a business association to say, yeah, please
6 increase fees and taxes that we're going to see. Our
7 support is very clear that we would love to see
8 additional transportation funding, but to the point
9 that you made that is also in my testimony, we'd like
10 to see that increase in transportation funding tied
11 directly to expansion projects as well, so we can't
12 just kick the can down the road and aspire to be
13 average. We need to have a larger vision.

14 CHAIRMAN MARKOSEK: Okay. Well said.
15 Thank you, gentlemen, all three of you, Ron, Chad,
16 Joe.

17 Is Mr. Jeff Pope here? I called his name
18 before. I thought maybe he might have stepped out,
19 from the Plum Community Center. Jeff Pope?

20 Lynn DeLorenzo from NAIOP, as well as Mike
21 Welsh from the carpenters. Would they come forward,
22 please?

23 Good afternoon Lynn and Mike. Lynn, you may
24 proceed. You have five minutes, please.

25 MS. DeLORENZO: Thank you. Good

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1 afternoon, Chairman Markosek and Geist and members of
2 the House Transportation Committee. My name is Lynn
3 DeLorenzo. I am president-elect of the Pittsburgh
4 Chapter of NAIOP, which is a commercial real estate
5 development association. And for clarification, we
6 were formerly known, along with the acronym, as the
7 National Association of Industrial and Office
8 Properties.

9 NAIOP is the leading trade portion for
10 developers, owners, and related professionals in
11 office, industrial, and mixed-use development. NAIOP
12 advocates for effective legislation on behalf of its
13 members and advances responsible, sustainable
14 development that creates jobs and benefits the
15 communities in which we live. We welcome the
16 opportunity today to provide testimony on the
17 transportation crisis facing the Commonwealth of
18 Pennsylvania.

19 Transportation is the driver of economic
20 development. Without an effective transportation
21 system, be it highways, bridges, waterways, or public
22 transit, we cannot provide a competitive environment
23 in which to grow our communities and regions, the
24 importance of which should not be understated. With
25 the reduction of Act 44 revenue, the Transportation

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1 Action Committee study recommends an immediate need
2 for new funding sources totaling more than 3 billion
3 annually for highways and transit from federal, state,
4 and local resources. Given the crisis, short-term
5 fixes and the Band-Aid approach no longer works.

6 We need to think not only about the problems
7 of today, but the future of the Keystone State. Where
8 do we need to be in 20 years? How can we be
9 competitive in the growing economy? What will our
10 children require and then their children? How will we
11 grow our population with antiquated transportation
12 systems?

13 We are now positioned in between two of the
14 fastest growing commerce centers in the country, the
15 Midwest and the Northeast. The Keystone State can
16 play an important role in the distribution,
17 transportation, and warehousing of goods between these
18 two areas, and, most importantly, to our own internal
19 economies. We will become more familiar with the
20 terms logistics centers, intermodal transportation
21 hubs, intermodal rail/truck transportation terminals.
22 A renewed focus on our waterways and expansion of our
23 ports to reduce congestion on highways is also
24 necessary. We have to be prepared to find the funding
25 sources to complete the transportation networks

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1 already begun within our regions in order to maintain
2 a competitive advantage in growing global commerce.

3 Also, as stewards of sustainability, we should
4 prepare for the ongoing shift from the automobile to
5 public transit occurring all over the country and the
6 world and welcome it. Our communities cannot grow
7 into strong regions without good public transit, the
8 key to connecting people to jobs. Public transit
9 equals less reliance on automobiles and, therefore,
10 less congestion. The growth of our urban office and
11 mixed-use centers will continue to demand strong
12 public transportation systems.

13 NAIOP supports a dedicated funding source for
14 the long-term expansion of mass transit in Allegheny
15 County. It is critical that we create a structured
16 transportation funding that is also sustainable.
17 Newer options must be considered, such as
18 public/private partnerships. We need to establish the
19 legislation necessary to bring private investment into
20 transportation.

21 The current level of crisis demands new
22 thinking, strategies, and funding sources. However,
23 all of the ideas put forward today and throughout the
24 special session hearings cannot be molded into
25 solutions without effective leadership. The future

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1 growth and development of the Commonwealth are
2 dependent upon critical decisions that must be made to
3 fix the entire problem and not just a portion of it.
4 Truman called it the ability to get people to do what
5 they ought to know to do without being told.

6 Thank you for your time.

7 CHAIRMAN MARKOSEK: Thank you very much,
8 Lynn. Any questions from the members?

9 (No response.)

10 CHAIRMAN MARKOSEK: Lynn, thank you.

11 Mike? Five minutes, please.

12 MR. WELSH: Thank you, Joe. Glad to see
13 the House here in support. Wish the Senate was here,
14 but that's a little bit beyond your control, so I'll
15 take what we can get.

16 I'll speak on a couple issues here today. As
17 far as the infrastructure, I think you got a good
18 report from District 11 and District 12, and I know
19 this isn't your last meeting on the hearings and you
20 know the dire need of improvement on the
21 infrastructures and transit. I was unaware that it
22 was one in three. I thought we were doing a little
23 bit better than that on the bridges. It's kind of
24 scary to think about one of three. I'm sort of
25 wondering who is responsible. Is it PennDOT that is

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1 responsible or is it the legislators or is it the
2 general public? We've had a bridge fall in
3 Pennsylvania. We've had one fall in other parts of
4 the United States, too. It's just a matter of time
5 before some more fall. Hopefully, nobody gets hurt.

6 There is responsibility that we owe the
7 public. As far as the need, it's there. The
8 infrastructures, I don't think there is any question
9 from the panel today about the need for the
10 infrastructure.

11 I'm here with the carpenters union. We create
12 a lot of jobs -- or you create a lot of jobs when you
13 do transportation projects. We have over 1,000 people
14 that work just on bridges alone in 60 counties in
15 Pennsylvania. On our commercial divisions, we have
16 14,000 other carpenters, and with the goose that laid
17 the golden egg when we got the reinvestment money, the
18 stimulus money, a lot of people said are you going to
19 be able to do it? Are you going to be able to take
20 another billion dollars and put it on the street?
21 Hats off to PennDOT. They did it. Our people, it
22 created a lot of jobs. A lot of jobs. We ran out of
23 people. We used people that were in the commercial
24 side.

25 Ourselves, we invested in the new training

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1 center over in Campbells Run, state-of-the-art
2 training center for carpenters that was done jointly
3 with our contractors and the union. It was their
4 money and ours. Also, there is a training center in
5 Lebanon, there is one in Gallitzin. We got one
6 throughout the state. We are investing not in jobs,
7 but in careers for our people. Our guys come in, they
8 start building bridges, they retire after 30 years.
9 So we're very interested in trying to get a fix.

10 How do we fix it? I mean, we know the work
11 needs done. We know we need to create jobs. Where
12 does the money come from? That's going to be a tough
13 vote. Can you do a two-cent semi-annually, two cents
14 in January and two cents in June, and factor that in
15 there? I wouldn't see two cents at the pump, that's
16 for sure, especially the way things been lately, but I
17 know it's a tough vote.

18 It doesn't matter if you vote for one penny or
19 if you vote for 15 cents. You're still going to get
20 labeled as voting for a gas tax increase. It's a user
21 fee. The work needs done and it's going to create
22 jobs. Thank you for your time. If you have any
23 questions, I'd be glad to take it.

24 CHAIRMAN MARKOSEK: Okay, Mr. Welsh. Any
25 questions? Thank you both. Very good. Very good

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1 testimony. Thank you.

2 I see we've got Joyce Driben is ready to
3 testify. She has to catch an ACCESS bus, I believe,
4 so we moved her up a little bit here on the program.
5 She is with the Blind Outdoor Leisure Development
6 group.

7 MS. DRIBEN: Good afternoon and thank you
8 for giving me the opportunity to testify.

9 CHAIRMAN MARKOSEK: Joyce, before we
10 start, we saw Dan came up here. Who is your other
11 friend?

12 MS. DRIBEN: Oh, okay. This is Tudor,
13 T-u-d-o-r. Did everyone get a look at him who wanted
14 to?

15 CHAIRMAN MARKOSEK: We saw him when you
16 came up on the stage.

17 MS. DRIBEN: He is not exactly tiny. In
18 fact, I had talked to somebody that, in fact, he is
19 the biggest dog I ever had.

20 Can I be heard on the mics so far?

21 CHAIRMAN MARKOSEK: I think you can if
22 you sit down.

23 MS. DRIBEN: All right. And I have
24 submitted written testimony, which I hope was
25 received, so I'm going to make just some summary

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1 comments.

2 I am Joyce Driben, and I live in the City of
3 Pittsburgh and have been a resident of Pittsburgh
4 since 1963. One of the reasons I have stayed in
5 Pittsburgh is the transportation. Quite obviously, I
6 don't drive a car. Frankly, nor do you really want me
7 to even try. I'm a retired clinical social worker,
8 and both for work and community meetings,
9 entertainment, shopping, and many other activities,
10 the transportation, both public transit and the
11 paratransit have been invaluable. Without that, I
12 could not be in the city.

13 By the way, Blind Outdoor Leisure Development,
14 I am president of the group currently. We are a
15 recreational group. About two-thirds of our members
16 are blind, so it's about 75 people who are blind that
17 participate in local recreational activities and rely
18 on transportation. If it were not for that, they
19 could not get out, many of them, and participate.

20 Just in case you're curious, we hike. Many
21 members have met using buses for hiking. Some people
22 take buses to Mt. Lebanon to do some ice skating.
23 Some of us participate in a walking group. In fact,
24 thank you very much, Chamber of Commerce people. We
25 really do enjoy Monroeville Mall, which is accessible

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1 by bus and paratransit, and if it were not for that,
2 we would not be here.

3 Just very quickly, the transportation means
4 freedom, choice, and independence. Freedom to go
5 where you want to go when you want to go, choice about
6 how you get there, and independence so we're not
7 always needing to rely on other folks.

8 I'm going to leave it at that. I think the
9 rest of the testimony you should have and I'd be open
10 for any questions.

11 CHAIRMAN MARKOSEK: Thank you. Any
12 questions, anybody?

13 (No response.)

14 CHAIRMAN MARKOSEK: Joyce, thank you very
15 much, and take care of Tudor there, as well as Dan.

16 Speaking of the Port Authority, we have Steve
17 Bland, who is the chief executive officer. Steve?

18 Good morning, Steve.

19 MR. BLAND: Good morning.

20 CHAIRMAN MARKOSEK: Five minutes, please.

21 MR. BLAND: Thank you. Good morning,
22 Mr. Chairman and members. My name is Steve Bland.
23 I'm the CEO of Port Authority of Allegheny County, and
24 I wanted to assess the statewide transportation
25 funding crisis, but also specially how it affects us

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1 here in the Pittsburgh region. Frankly, nowhere else
2 in the state is the crisis so imminent and potentially
3 so damaging.

4 As you might know, the Port Authority of
5 Allegheny County is the public transportation system
6 for Pittsburgh and the surrounding area. We carry
7 roughly 230,000 riders each day on bus, light rail,
8 paratransit, and incline. The Port Authority serves
9 both Pittsburgh's urban core, including downtown and
10 Oakland, the Commonwealth's second and third busiest
11 commercial centers, as well as the region's sprawling
12 suburbs. And any of you who are familiar with
13 Pittsburgh know that our topography is unique, so a
14 straight line does not necessarily connect two points
15 here in Pittsburgh.

16 Our system is extensive, spanning 730 square
17 miles, about 15,000 stops, 62 park-and-ride lots,
18 nearly 20 miles of dedicated busway, 26 miles of light
19 rail, including our downtown subway, 23 busway
20 stations, 26 light rail stations, the Mon incline, and
21 more than 80 bridges. What you may not know --
22 although I know Representative Kortz is aware of
23 this -- is that while most our bridges are located on
24 our transit system, our rail system, and our busways,
25 11 of our bridges are highway bridges that we're

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1 responsible for, so we are in the same boat as PennDOT
2 in that regard.

3 The Port Authority's operations aren't
4 perfect, but the agency has certainly come a long way
5 in the last few years. We embraced Act 44 in 2007 and
6 stood behind all of you when you took a bold step
7 forward for Pennsylvania in trying to find a dedicated
8 and reliable stream of funding for transportation and
9 the transportation network. We also embraced the
10 reform and efficiency recommendations spelled out in
11 Governor Rendell's Transportation Funding and Reform
12 Commission report.

13 In 2006, the TFRC report asked transit
14 agencies statewide to cut out waste and find
15 efficiencies. The Commission believed the state's
16 transit systems could accomplish \$60 million in annual
17 savings. Since that time, Port Authority alone has
18 found \$52 million in annual operating budget savings.
19 This has been achieved by eliminating more than 400
20 positions, cutting unproductive service, restructuring
21 the remaining service to be more efficient, achieving
22 landmark concessions in our collective bargaining
23 agreements, and sharply reducing benefits for our
24 non-represented employees. In addition, the Authority
25 has generated \$14 million in new revenue annually by

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1 increase in fares in 2008 and 2010 and achieving
2 almost a doubling of our institution contract income
3 over the past four years, as well as engaging in some
4 joint development real estate activities.

5 So we've answered the Commission's call, we've
6 answered the legislature's call for reform and
7 efficiencies. So have our riders. So have our
8 employees. Now, frankly, it's time for the state to
9 live up to its end of the bargain.

10 It's unfortunate that Act 44 did not live up
11 to its expectations. The inability to toll Interstate
12 80 was certainly a major setback. However, the law
13 also fell short in achieving an equitable distribution
14 of public transportation funding statewide. As I've
15 said publicly over the past several months, the
16 collapse of Act 44 is not the legislature's fault,
17 but, unfortunately for you, that problem to solve now
18 rests squarely on your shoulders. I'm here to pledge
19 the support of the Port Authority of Allegheny County
20 in helping you find acceptable solutions.

21 Immediately after the passage of Act 44, Port
22 Authority saw a 1.9 percent decrease in state
23 operating funding when you compare the last fiscal
24 year prior to Act 44's adoption to the first year
25 after passage. Since the passage of Act 44, we've

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1 seen an average annual increase of 0.25 percent, while
2 in the upcoming year, we'll face 30 percent increases
3 in fuel prices, 10 percent increases in health
4 insurance. Without the state's help, we'll have
5 little choice but to make further drastic changes.

6 Today we face a \$50 million operating deficit,
7 not to mention ongoing capital struggles that I won't
8 expound upon today, but they are included in my
9 written testimony. I'm here to tell you that without
10 action by the state to remedy the collapse of Act 44,
11 we'll be forced to solve those fiscal shortfalls by
12 ourselves, and we will do that as we have in the past.
13 However, to do so will be devastating to many lives
14 and it will damage, perhaps permanently, the economic
15 competitiveness of our region and the Commonwealth.

16 Our board will consider cutting service by 25
17 or more percent, significantly increasing fares, and
18 eliminating hundreds of jobs. Our board will also
19 grapple with the possibility of having to take money
20 out of protected accounts for our long-term success in
21 trying to bridge short-term problems. We don't want
22 to do those things. We not only understand the impact
23 those changes would have on people's lives, but we
24 also fear it will be another regional loss at a time
25 when the region is trying to thrive.

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1 The time to act is now. You've heard several
2 users very eloquently speak on the need for the
3 system, and we are here to work with you on solutions
4 to adequately fund that system. Every thriving
5 metropolitan region in the world has a solid public
6 transportation system. That's not a coincidence. The
7 Pittsburgh region can only thrive if we are
8 successful, and that includes our surrounding areas,
9 including the outlying counties.

10 Anyone who doesn't think public transportation
11 benefits them will find out very quickly how much a
12 role it plays in their lives, and, in fact, I hear
13 from them daily: A baby boomer who drives to work but
14 whose retired mother relies on the bus to get to the
15 doctor; suburbanites who also drive to work but whose
16 children get to school on a Port Authority bus; the
17 business executive who has never ridden a bus or train
18 in Pittsburgh in his life but only found out after
19 service had to be cut that quite a few of his
20 employees do.

21 Members of the committee, frankly, I think
22 it's more important that you hear from these folks
23 than that you hear from me, but I stand ready to
24 answer any questions and work with you on an ultimate
25 solution.

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1 CHAIRMAN MARKOSEK: Thank you, Steve. I
2 think, under the circumstances, you've done a pretty
3 darned good job, considering resources have really not
4 been there or where you would like them.

5 Paratransit, ACCESS program, roughly how many
6 rides do you think? Do you have that off the top of
7 your head, say, in a month, year?

8 MR. BLAND: Sure. The Port Authority
9 fixed system ridership, bus and rail, is about 69, 70
10 million rides a year, and ACCESS is up about a million
11 and a quarter, million and a half rides per year. So
12 on a daily basis, between 10- and 15,000 trips are
13 taken on ACCESS, and as you heard from our previous
14 person, it's absolutely life critical.

15 CHAIRMAN MARKOSEK: Representative
16 Chairman Stan Saylor.

17 REP. SAYLOR: Steve, it's good to see you
18 again. I'm glad to see that you brought some of your
19 York County fiscal responsibility back to the Port
20 Authority.

21 MR. BLAND: We haven't painted the buses
22 red and put rabbits on them here yet.

23 REP. SAYLOR: I understand. They tried
24 to get me to wear a rabbit costume in York, and I
25 wouldn't do it.

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1 One of the things I guess I would ask you for
2 is where -- you made a lot of reform here in
3 Pittsburgh, but I also read in the news clippings and
4 everything that people are calling for additional
5 reform. Could you outline some of the things that
6 some of the people -- or what you are working on
7 beyond what you've already done to try to improve,
8 because not only your agency, but SEPTA has come under
9 sharp criticism for mismanagement and so forth, and I
10 know you're trying to do the best you can.

11 MR. BLAND: Sure. Well, the first thing
12 I'd point out is agencies like SETPA and ourselves and
13 certainly PennDOT always come under the microscope
14 because the dollars and the numbers are just so huge.

15 The biggest thing that we're working on now is
16 our complete system redesign. A major focus is
17 improving service efficiency, generating greater
18 productivity, but also improving the quality of
19 service in key markets. The biggest gain that we made
20 in our last collective bargaining agreement, frankly,
21 is not one we'll see for some years, and that is
22 really reining in the cost of post-employment benefits
23 through restructuring those benefits in the last
24 collective bargaining agreement. On an annual basis,
25 we recognized an immediate reduction of about

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1 \$23 million in future expense. So, unfortunately,
2 they are not dollars we're saving today, but five, ten
3 fifteen years out there are reduced expenses.

4 So those are some of the key areas. There are
5 probably literally hundreds, if not thousands, of
6 individual actions taken. Some of the major elements
7 of cost increase lay beyond our control. As I
8 mentioned, fuel prices up 30 percent next year. We
9 are engaged in the whole national healthcare debate.
10 Health insurance is a huge part of our budget, and
11 those costs continue to well exceed inflation. Over
12 the last ten years, if you took out pension and health
13 insurance, pension due to the market collapse of a
14 couple years ago, the average rate of increase in our
15 expenses has been about 1.8 percent. So if Act 44
16 could have carried through on its promise to grow,
17 essentially, with the economy, we'd be in pretty good
18 shape.

19 REP. SAYLOR: Last question. I know
20 State College Transit System runs on natural gas.
21 Have you looked at it and would it be any kind of cost
22 savings for the Port Authority?

23 MR. BLAND: We have looked at it. We are
24 looking at it. We're working closely, actually, with
25 the gas carriers here to look at it. The biggest

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1 impediment for us, as it would be for any other system
2 that isn't using it now, is the tremendous up-front
3 capital expense to retrofit facilities and put in
4 fueling stations. We've estimated that -- we have
5 five bus operating divisions, plus an overhaul shop,
6 so to do it system-wide -- you could obviously do it
7 on a smaller scale -- we've estimated about
8 \$70 million in up-front capital.

9 Probably the main advantage -- it's really
10 hard to predict over a period of years whether it
11 might save money, but, frankly, one of the biggest
12 advantages is reducing volatility. Volatility in
13 natural gas pricing has been much less than what we're
14 seeing in the petroleum markets, number one, and,
15 obviously, reducing reliance on overseas sources would
16 be a key issue.

17 CHAIRMAN MARKOSEK: Representative Chris
18 Sainato.

19 REP. SAINATO: Thank you, Mr. Chairman.
20 Thank you, Mr. Bland. I just have a quick question.

21 What are the cost of fares in Port Authority
22 and how does that compare to fares throughout the
23 country?

24 MR. BLAND: Sure. Our base fare, which
25 is what most people would compare, is currently \$2.

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1 It's relatively high. We look at about 31 peers
2 around the country when we do all sorts of different
3 benchmarking, and I believe there are probably about
4 four systems around the country that have a higher
5 base fare, quite a few with us at \$2, including SEPTA
6 in Philadelphia, and then quite a number below. So
7 we're not the highest, but we're in the upper end of
8 that spectrum.

9 REP. SAINATO: Thank you.

10 CHAIRMAN MARKOSEK: Representative Paul
11 Costa.

12 REP. PAUL COSTA: Thank you,
13 Mr. Chairman. Steve, thank you very much. Hopefully,
14 we can do this very brief.

15 We know there is a lot of controversy about
16 the North Shore Connector. Can you explain to the
17 people the difference between capital budget and
18 operating budget and why we really couldn't pass up
19 that opportunity?

20 MR. BLAND: Sure. A couple of issues --
21 and Representative Costa touched on it. Our operating
22 budgets -- and this is due to state program policy, as
23 well as the federal program policy. There are unique
24 pots of money for both sides, operating assistance as
25 well as capital assistance. The North Shore Connector

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1 falls well into that capital assistance program
2 category.

3 The challenge with especially large-scale
4 capital projects really is something that should be
5 addressed in any final packages. Those types of
6 projects takes years, not only to build, but to
7 conceive, plan, and get through federal and state
8 process. The North Shore Connector, which will open
9 in March of 2012, started out in 1995, so a long-term
10 planning process.

11 Frankly, at the point in time when our
12 decision was made to move forward on it, a much rosier
13 picture at both the federal and state level. Because
14 those projects take so many years to develop, it's
15 really hard to deal with a very volatile funding
16 stream. The Connector itself -- and watching
17 Mr. Cessna's presentation on the highway side, we got
18 hit with the same bid price index challenges that
19 PennDOT did. We saw a huge increase in costs due to
20 bid pricing.

21 Since that time, we've actually been able to
22 remove quite a bit of cost from that project. We are
23 now currently 72 percent complete, and the change
24 orders on the project have actually been a net
25 reduction in cost of about \$2 million. So we intend

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1 to have that facility help us improve our service
2 productivity. Certainly, the urban vitality of
3 Pittsburgh, anyone who has seen the booming
4 construction on the North Shore, it will connect
5 Station Square, the Golden Triangle, and the North
6 Shore.

7 And, frankly, speaking to the Regional Council
8 of Carpenters testimony, it brought in well over
9 \$300 million of federal money that would not have been
10 available for bridges, would not have been available
11 for road construction, that would have gone to places
12 like Denver and Phoenix to employ, at the peak of
13 construction, 3,000 construction people and
14 construction-related industries all over the
15 Commonwealth, not just in Pittsburgh. Ironically, the
16 steel that we used to put up the bridge was not made
17 in Pittsburgh. It was actually made in Williamsport,
18 for example.

19 REP. PAUL COSTA: Thank you.

20 CHAIRMAN MARKOSEK: Representative Mark
21 Longietti.

22 REP. LONGIETTI: Thank you, Mr. Chairman.

23 Question: You mentioned approximately 230,000
24 riders a day between all the different modes of
25 transportation. Do you have any estimate on what

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1 percentage are commuters going back and forth to work?

2 MR. BLAND: I don't have it off the top
3 of my head. It is certainly more than half. That's
4 information, certainly, that we could get to you,
5 Representative. I wouldn't want to venture a guess
6 right now, but virtually over half. We are very much
7 a commuter-oriented system from places like here in
8 Monroeville.

9 REP. LONGIETTI: Also in your testimony,
10 you mentioned that actually after the -- immediately
11 after the passage of Act 44, there was a little bit of
12 decrease in your state operating funds and now you're
13 getting a little bit of an increase, not much, and I
14 think it touches on Representative Costa's comment to
15 you. Is that because the bulk of the money that
16 you're getting through Act 44 is for capital needs and
17 is there significant dollars that are coming there for
18 capital?

19 MR. BLAND: I would tell you that in the
20 capital elements of Act 44, certainly we would say
21 that the funding that PennDOT -- particularly, the
22 funding that was discretionary that PennDOT basically
23 was choosing among projects, they've certainly been
24 very fair to Allegheny County. They've allocated
25 quite a number of funds, certainly not approaching the

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1 180 million or so that we get in operating assistance.

2 The challenge on the operating side was Act
3 44 -- and we all think appropriately so -- moved to a
4 performance funding formula, and the particular
5 measures by which that funding is divided up frankly
6 don't really do well for Allegheny County, in large
7 part due to the City of Pittsburgh is half the
8 population of, let's say, 40, 50 years ago. Even
9 though our system is still very robust -- between 40
10 and 50 percent of our downtown workforce uses transit
11 to commute to work -- those numbers are still down
12 compared to what they were 30 or 40 years ago compared
13 to, for instance, Representative Saylor referenced
14 State College, which has seen enormous growth and
15 expansion in ridership in those years.

16 So that's really been more the driving force
17 on that particular issue.

18 REP. LONGIETTI: Last question: You
19 mentioned a 31 transit system peer group to compare
20 your base fare to and there are four systems that are
21 higher than the \$2 base fare that you have.

22 Do you know what those four systems charge or
23 what the range is?

24 MR. BLAND: I had a feeling the question
25 might come up. The highest in the peer group is

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1 Sacramento. They were 2.50. And then there were
2 three -- I know Cleveland was one of them -- at 2.25,
3 and now I can't find it. Cleveland and Sacramento
4 were two. In fact, I'll probably be able to find it
5 before I leave today.

6 REP. LONGIETTI: Was Denver in that
7 group?

8 MR. BLAND: Their base is actually two.
9 They are down with us. Obviously, all systems sort of
10 have premium pricing. You know, we have a zone fare
11 system, as certainly does SEPTA and many of the other
12 systems, but Denver is in the peer group that we look
13 at.

14 REP. LONGIETTI: Thank you, Mr. Chairman.

15 CHAIRMAN MARKOSEK: Representative Randy
16 Vulakovich.

17 REP. VULAKOVICH: Thank you. Hi,
18 Mr. Bland.

19 MR. BLAND: Good morning.

20 REP. VULAKOVICH: Quick question: The 11
21 bridges that -- I had this discussion with you some
22 time ago. The 11 highway bridges that you have that
23 you must maintain --

24 MR. BLAND: Right.

25 REP. VULAKOVICH: -- how did you get

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1 those bridges?

2 MR. BLAND: Well, we got them the same
3 way we got many of the challenges that we work on a
4 day-to-day basis. Port Authority was formed by state
5 legislation in 1959, and, essentially, it was when 33
6 former private, for-profit carriers were going
7 bankrupt and out of business. So the Port Authority
8 ended up assuming, you know, really all the assets and
9 liabilities of those operators, and some of them
10 operated trolley service all over the region. So the
11 11 highway bridges largely are old trolley bridges
12 that, when the trolley tracks were taken up and
13 streets were put down, we, for, whatever reason,
14 retained ownership and responsibility for the bridges.

15 Now, our 11 highway bridges we get -- quite
16 frankly, we cooperate on a lot of projects with
17 PennDOT District 11 and get terrific support from
18 their staff. PennDOT is responsible for the
19 inspection of the bridges. We reimburse for it, but
20 then if there is a finding, we are responsible for
21 dealing with the bridge. In fact, just a couple
22 months ago, the Center Avenue bridge in Emsworth,
23 which is a roadway bridge, had to be weight restricted
24 down to 5 tons. So the irony of that bridge is we own
25 it, we're responsible for it, we pay to maintain it,

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1 but as of this moment, we're not allowed to operate
2 any service over it.

3 REP. VULAKOVICH: Do you have any annual
4 cost figures to maintain these bridges?

5 MR. BLAND: Yeah. And it's thought --
6 the main annual maintenance expense is the inspection
7 program, and it's in the half million dollar range.

8 REP. VULAKOVICH: That's probably not a
9 fair question, because a bridge can be in good shape
10 and then in bad shape.

11 Are there any bridges that have to be totally
12 replaced by you?

13 MR. BLAND: Well, the couple now that we
14 have primary concern with, one is a transit-related
15 bridge. We have a pedestrian bridge at our Negley
16 Avenue station on our East Busway, one of our busiest
17 stations on our busiest facility. That pedestrian
18 bridge had to be fully closed about three years ago.
19 It really has no prospect of being reopened. It's
20 just not something we've been able to move up to the
21 top. And then most recently the Center Avenue bridge
22 has been weight restricted. That's purely a highway
23 bridge, for the lack of a better word.

24 REP. VULAKOVICH: Thank you.

25 CHAIRMAN MARKOSEK: Thank you. Steve,

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1 thank you very much.

2 MR. BLAND: Thank you all. Welcome to
3 Pittsburgh and Monroeville. The 67A gets you into
4 town, for anyone who is...

5 CHAIRMAN MARKOSEK: The bus driver is
6 next, I guess, Pat McMahon, who is the president of
7 Amalgamated Transit Union, Local 85. Pat, welcome.

8 Is Rick Bloomingdale here today?

9 MR. McMAHON: I didn't see him, to be
10 honest with you.

11 CHAIRMAN MARKOSEK: Come on down, Rick.

12 MR. McMAHON: He is here.

13 CHAIRMAN MARKOSEK: Rick is the new
14 president of the Pennsylvania AFL-CIO. So,
15 congratulations.

16 You don't mind if Rick sits up there with you?

17 MR. McMAHON: Not at all. I'd be
18 honored.

19 CHAIRMAN MARKOSEK: Mr. President,
20 welcome.

21 MR. BLOOMINGDALE: Thank you,
22 Mr. Chairman.

23 CHAIRMAN MARKOSEK: Pat, five minutes,
24 sir.

25 MR. McMAHON: Thank you. First, I want

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1 to thank everybody on the panel for giving me the
2 opportunity to come here today and speak on this very
3 important issue of transportation in our Commonwealth.

4 My name is Patrick McMahon. I'm the president
5 and business agent of Local 85 of the Amalgamated
6 Transit Unit. In that capacity, I represent all the
7 transit workers who work for the Port Authority of
8 Allegheny County. I also chair the Pennsylvania Joint
9 Conference Board of the Amalgamated Transit Union,
10 which, in that capacity, I represent and speak for 17
11 other communities across the Commonwealth that are
12 also represented by the Amalgamated Transit Union.
13 So, again, I'd like to thank you for your efforts here
14 and the opportunity to speak.

15 As we all know, currently in the Commonwealth
16 we are facing a \$1.7 billion a year shortfall that the
17 state needs just to maintain Pennsylvania's existing
18 highway, bridge, and public transit systems.
19 Adequate, efficient transportation systems are
20 critical for the citizens and employers of the
21 Commonwealth. Failing to deal with the existing
22 crisis will significantly reduce the quality of life
23 across this Commonwealth.

24 As we know, transportation funding shortfalls
25 is not a new issue in our Commonwealth, and

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1 particularly in public transit. We have never had a
2 reliable dedicated funding resource. A few years
3 back, our Governor, Ed Rendell, put together a
4 Transportation Funding and Reform Commission and
5 charged them with finding solutions to our
6 transportation problems.

7 In 2007, the product of the hard work of that
8 committee and our legislators at the time was the
9 passage of Act 44, which was an historic day in
10 Pennsylvania. For the first time, mass transit had a
11 predictable, dedicated revenue source that it could
12 depend on.

13 I'd like to point out that during that
14 process, many legislators have approached our union
15 and myself promising that the state would do its part,
16 but they expected the transit workers to do their
17 part, and we did exactly that. As the chief executive
18 officer of the Port Authority of Allegheny County
19 pointed out in his comments in the Post-Gazette on
20 Monday, June 14th, our last collective bargaining
21 agreement that was negotiated with the Amalgamated
22 Transit Union Local 85 in 2008 saved the Port
23 Authority of Allegheny County an estimated \$93 million
24 in retirement benefits over the next four years. It
25 raised contributions to our health care and pensions.

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1 In the words of Mr. Bland, the contract produced one
2 of the largest gains in the history of public transit
3 and the Port Authority of Allegheny County.

4 And although we know, as the president of the
5 union, those sacrifices we made were painful, we
6 believe that they had to be done in order to show that
7 we -- to show the Commonwealth that we, as the
8 workers, are participants in helping in public transit
9 and we definitely have a stake in the game.

10 But as we all know, the law passed in 2007
11 relied heavily on toll revenue from Interstate 80 and
12 we appreciated to this day and still appreciate what
13 the legislature did in enacting Act 44. But,
14 unfortunately, the promise of funds from Act 44 has
15 evaporated with the Federal Highway Administration
16 refusing to allow the tolling of Interstate 80. As a
17 result, the fixed promise by the legislature no longer
18 exists.

19 Due to the current shortfall of funding in
20 transit, transit agencies throughout the state have
21 already been forced to raise fares, cut services, and
22 now are planning additional fare increases and
23 employee layoffs. The citizens most affected by these
24 cuts in service are the people who need public transit
25 the most. These are the people who depend on public

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1 transit to survive. The majority of the transit
2 riders are college students, people who do not own
3 private vehicles, the handicapped and disabled
4 community, senior citizens, and the average and lower
5 income workers who must depend on transit to travel to
6 and from work. For these people, public transit is
7 their only means of transportation. If the proposed
8 cuts were to go through, these people would be
9 disconnected from life.

10 It is very important for everyone to recognize
11 that transit is the lifeblood of the citizens of any
12 community. All citizens benefit from mass transit,
13 not just those who use it. Some examples is transit
14 reduces the number of vehicles on our roadways, which
15 helps with congestion, traffic congestion. The
16 environment, there are fewer cars on the road, which
17 results in less exhaust fumes and cleaner air. It
18 helps lessen our dependence on foreign oil. Public
19 transit plays a vital role in the economic development
20 of any region.

21 So what do we do now? We need solutions and
22 it's not easy, and we all know that. Simply put, we
23 must find new revenues to fund transportation, and
24 there are a myriad of revenue sources out there that
25 other states have used, gas tax, oil franchise tax,

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1 real estate transfer tax, and there are many, many
2 other tax resources that could be considered for
3 additional revenues, but I believe that that is
4 something that our legislators, it's your job -- our
5 job to help you, but your job to figure that out, what
6 best fits our Commonwealth.

7 One thing that concerns labor is, from time to
8 time, we hear comments that transportation be turned
9 over to the public enterprise through private/public
10 partnerships. With respect to transit labor, our
11 primary efforts have focused on promoting unbiased
12 decision making in order to avoid artificially imposed
13 cost models and antilabor motivations. We have sought
14 to bargain against job losses and ensure the delivery
15 of safe and efficient transit services consistent with
16 local policies and agreements.

17 We believe that before the Commonwealth enacts
18 any mandates on transit privatization, it must ensure
19 that any potential cost savings are properly measured
20 and weighed against potential adverse effects on
21 safety and service. Based on our experience within
22 the ATU across the country with privatization in the
23 transit industry, we urge our legislators to be very
24 careful in this area.

25 CHAIRMAN MARKOSEK: Sum up.

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1 MR. McMAHON: In conclusion, we know this
2 is a very difficult problem, but the reality is if we
3 want a viable transportation system, we must pay for
4 it. And I know, especially in an election year, it is
5 very difficult for an elected official to raise taxes,
6 but the alternative to do nothing is an even more
7 difficult choice to make, because it would be
8 devastating to our Commonwealth. As an elected
9 official myself, I understand the difficulty in the
10 task our legislators are faced with. It was not easy
11 for me to take a concessionary contract back to my
12 members, but we knew that it was the right thing to do
13 and we did that to help out and do our part.

14 On behalf of all the transit workers in the
15 Commonwealth of Pennsylvania, I thank you for your
16 time here today, and we also pledge our support to all
17 legislators who have the political will to do the
18 right thing in supporting a solution for
19 transportation in our Commonwealth.

20 And I thank you again and I would be more than
21 willing to try to answer any questions, if anyone
22 would have any for me.

23 CHAIRMAN MARKOSEK: Thank you, Pat. I
24 think we're okay for now, so I'd recognize President
25 Bloomingdale.

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1 MR. BLOOMINGDALE: Thank you and good
2 afternoon, Chairman Markosek and Chairman Geist and
3 members and staff of the committees, various
4 committees that make up this joint commission. Thank
5 you for conducting these hearings to address our
6 Commonwealth's grave transportation crisis.

7 I'm Richard Bloomingdale, president of the
8 Pennsylvania AFL-CIO, and by the way, this is the
9 first hearing I'm using that title at. The
10 Pennsylvania AFL-CIO represents more than 950,000
11 workers in Pennsylvania. All of them depend on
12 transportation to house, feed, clothe, educate, and
13 access healthcare for their families, to share leisure
14 time with their families, and other members of their
15 communities, not to mention getting to work.

16 Of the nearly 6 and a half million workers in
17 Pennsylvania, thousands of the workers that we
18 represent construct, maintain, operate the various
19 transportation modes. For them, our Commonwealth's
20 transportation crisis started several years ago. For
21 them and millions of our workers, our nation's
22 recession started about three years ago. They are the
23 front-line casualties of stalled transportation and
24 neglected funding, as many other speakers have
25 mentioned, through no fault of the legislature. You

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1 all took the responsible actions of passing Act 44,
2 and, unfortunately, key pieces of it were denied by
3 representatives of the federal government from both
4 political parties. We know from firsthand experience
5 that we cannot revitalize our economy until we
6 revitalize our transportation infrastructure.

7 Personal testimonies and preponderance of
8 testimony at these hearings sends the same urgent
9 message: Pennsylvania's transportation infrastructure
10 requires comprehensive revitalization and long-term
11 sustainable funding. Legislative inaction is not
12 acceptable. Instead, legislation to generate
13 long-term sustainable funding for transportation
14 revitalization must be enacted now or the crisis will
15 get progressively worse.

16 The Pennsylvania AFL-CIO advocates a level of
17 sustainable transportation funding that enables
18 Pennsylvania workers to restore, maintain, and enhance
19 our transportation infrastructure so our Commonwealth
20 can propel itself into prosperity once again.

21 Testimony rendered at these hearings has
22 proffered many revenue sources that can be invoked
23 individually and collectively to accomplish this goal.
24 Pennsylvania AFL-CIO will support funding proposals
25 that equitably share responsibility and benefits among

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1 all stakeholders. Let me emphasize equitably share
2 and equitably benefit. Most of the funding will come
3 from Pennsylvanians; therefore, all benefits of the
4 funding should go to Pennsylvanians, especially jobs.

5 The Pennsylvania AFL suggests a mix of these
6 revenue sources presents the most equitable formula
7 for procuring sustainable transportation funding.
8 Such a mixture would spare any one group of
9 stakeholders from bearing an inordinate share of the
10 responsibility for funding. Such a mixture,
11 therefore, would not include what are normally called
12 P3, privatization or private/public partnerships.

13 Pennsylvania AFL-CIO opposes privatization.
14 We disbelieve that private/public partnerships are
15 viable responses to this crisis. Privatization and
16 P3s do not eliminate nor reduce our taxes, fees, and
17 tolls. Alleged savings from privatization and P3s
18 frequently are based on unfounded and sometimes false
19 assumptions, skewed cost factors, and faulty
20 calculations. The reason is simple: Partners have
21 conflicting goals. The public partner, government,
22 strives or should strive to provide safe, dependable,
23 comfortable transportation for all persons. Private
24 partners, as private companies do, strive to maximize
25 profits. P3s seek only public service opportunities

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1 that are most profitable to them. The private
2 companies and P3s have been associated with cutting
3 jobs and services, risking public safety, and hiking
4 their tolls to protect their profits. Privatization
5 and P3s are not substitutes for responsible
6 government.

7 Fortunately, the government uses these
8 hearings to state our case for responsible government.
9 These hearings have helped illuminate the distinction
10 between fiction and fact and the difference between
11 talking points and reality.

12 This is rather long. I'm going to skip ahead
13 here, because I see that my time is running out, but I
14 did want to mention that one of the basic needs of
15 business is move their goods to markets, and one of
16 the basic needs of businesses is to have workers show
17 up for work. You can only do that through a good
18 transportation system, and as I said earlier, we
19 support the need to fund an adequate transportation
20 system, good infrastructure. Obviously, we want
21 Pennsylvania workers, union workers, to do those jobs
22 and to build those roads, drive the buses, make sure
23 that we have good, middle-class incomes for our
24 workers in the state and a good transportation system
25 for our businesses to deliver the goods to their

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1 markets.

2 Thank you for your time, and I'd be happy to
3 answer any questions.

4 CHAIRMAN MARKOSEK: Okay, President
5 Bloomingdale and Pat, President Pat. Any questions?

6 (No response.)

7 CHAIRMAN MARKOSEK: Gentlemen, thank you
8 very much. Well said. Well spoken. Thank you.

9 Slight change in the schedule. We have some
10 folks that have to catch an ACCESS transportation, so
11 Lucy Spruill. Lucy, she is with the United Cerebral
12 Palsy of Pittsburgh/Community Living and Support
13 Services.

14 MS. SPRUILL: Thank you, Chairman
15 Markosek, members of the Transportation Committee, and
16 everyone gathered here this afternoon to address the
17 important issue of transportation in the Commonwealth
18 of Pennsylvania. Thank you for the opportunity to
19 testify this morning.

20 UCP/CLASS, formerly United Cerebral Palsy of
21 Pittsburgh, is the third-largest nonprofit
22 organization serving people with disabilities in
23 Western Pennsylvania. We serve approximately 3,000
24 people with disabilities daily in Allegheny County
25 alone, most of them receiving daily living support in

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1 their own homes. We have approximately 600 employees
2 who provide assistance of all kinds to our
3 participants.

4 Most of our participants, and, in fact, most
5 people with disabilities in Pennsylvania, rely solely
6 on public transportation for all of their
7 transportation needs. In addition, many senior
8 citizens in our Commonwealth who can no longer drive
9 also rely on public transportation for at least some
10 of their transportation needs. This is a substantial
11 number of citizens, because we have the second oldest
12 population in the country and people over 65 are the
13 fastest growing sector of our population in
14 Pennsylvania and across the nation.

15 In Allegheny County alone, at least 4,000
16 people with disabilities and over 98,000 senior
17 citizens rely on public transportation for a
18 substantial part of their transportation needs. In
19 addition, over half of our employees rely on public
20 transportation to get to the homes of the people they
21 assist. Without public transportation, our ability to
22 assist people with disabilities to get to work or
23 school or to receive long-term care in their own homes
24 would be severely compromised.

25 UCP/CLASS strongly supports the creation of a

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1 predictable, dedicated, and growable funding source
2 for public transportation in Pennsylvania, knowing
3 full well that creation of such dedicated funding will
4 involve raising specific taxes or fees for specific
5 services and thus imposing a cost on the citizens of
6 Pennsylvania. We will support legislators who vote
7 for these increased revenues.

8 At this time, we have efficient,
9 cost-effective, and well-used public transportation
10 throughout Pennsylvania. Public transportation is
11 also environmentally sound and achieves the goal of
12 reducing our use of imported and American carbon
13 fuels. Public transportation can be either
14 paratransit, which is door to door, shared ride,
15 advanced reservation, accessible vehicle service, or
16 accessible fixed route service.

17 As the saying goes, there is no free lunch.
18 We can either commit funding to maintain this valuable
19 resource or we will have to commit additional state
20 funding to unemployment compensation, medical
21 assistance, and other forms of relief for low-paid
22 workers and disabled individuals who can no longer get
23 to work without public transportation, to increase
24 medical assistance costs for nursing home care for
25 senior citizens and people with disabilities who can't

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1 stay in their own homes because we can't get services
2 to them, and to cleaning up the environmental
3 consequences of thousands more automobiles on our
4 streets and highways.

5 This year marks the 20th anniversary of the
6 passage of the ADA, federal civil rights legislation
7 which guarantees fair access to employment, public
8 accommodations, government services, public
9 transportation, and communication for people with
10 disabilities. Accessible public transportation is the
11 engine that drives this entire landmark law. Without
12 public transportation, we citizens with disabilities
13 have no way to get to job training and higher
14 education, places of employment, public
15 accommodations, and government programs and services.

16 If public transportation is reduced below the
17 level that meets real needs or is priced out of reach
18 of most citizens, people with disabilities will again
19 become invisible members of our society.

20 Thank you for your consideration.

21 CHAIRMAN MARKOSEK: Thank you,
22 Ms. Spruill. Very good. Very good testimony. Any
23 questions by the members?

24 (No response.)

25 CHAIRMAN MARKOSEK: No? Thank you very

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1 much, and we can exit this way (indicating).

2 Next is John Tague from the Pennsylvania
3 Transportation Alliance. Mr. Tague, you may proceed,
4 when you're ready, for five minutes.

5 MR. TAGUE: Good afternoon, Chairman
6 Markosek and Chairman Geist.

7 Coming out here today, it cost me \$9 and it
8 will cost me \$9 going back using the ACCESS system, so
9 it's a system that's not inexpensive. Somebody had
10 mentioned shared ride before, so I wanted to throw
11 that out.

12 As I said, good afternoon. I am John Tague,
13 Jr. I'm here today representing the Pennsylvania
14 Transportation Alliance, a nonprofit advocacy group
15 that, for the past 15 years, has advocated for
16 accessible transportation. The Alliance was the
17 advocacy voice behind the rural shared ride program
18 for people with disabilities, a program that provides
19 rides for Pennsylvanians with disabilities.
20 Forty-five percent of those trips are to go to work.

21 I've been an advocate for public transit for
22 over a decade. I was president of the Allegheny
23 County Transit Council, a legislatively mandated
24 advisory committee to the Port Authority. I'm
25 currently a member of the leadership team of the

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1 Committee for Accessible Transportation, an advisory
2 committee to the Port Authority and ACCESS primarily
3 on disability issues. I regularly attend Port
4 Authority board committee meetings. In fact, Chairman
5 Markosek, I remember when you served on the Port
6 Authority board. Chairman Geist, I was part of the
7 Pennsylvania Transportation Alliance team that made a
8 presentation to the Transportation Funding and Reform
9 Commission in Harrisburg on the importance of public
10 transit to the disability community. We also knew we
11 had a strong supporter in Jim Roddey, who was a member
12 at that time, who has always been a friend of the
13 disability community. The late senator Jim Rhoads was
14 a key part of the Alliance in advocating for a shared
15 ride program for people with disabilities in every
16 county in the Commonwealth. Secretary Beihler, when
17 he was at the Port Authority, was a strong supporter
18 of our ACCESS system. To us in the disability
19 community, transportation has always been clearly a
20 nonpartisan issue.

21 I spoke primarily to the Commission about the
22 importance of local transit, over-the-road buses,
23 trains, to Pennsylvanians with disabilities. Other
24 Alliance members spoke on the importance of the shared
25 ride program for people with disabilities. One of the

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1 Commission's recommendations was to see that every
2 rural county in Pennsylvania had a shared ride for
3 people with disabilities, and it was incorporated into
4 Act 44. I am happy to report that shared ride program
5 is active in all but one rural county. Chairman
6 Markosek, that's Westmoreland County. And I saw Larry
7 Morris here earlier.

8 The funding for this program comes from
9 programs of statewide significance. It is our hope
10 that this committee will continue to support funding
11 for the rural shared ride program for people with
12 disabilities.

13 Even though I am an advocate for public
14 transit, I recognize that without sufficient revenues
15 for roads and bridges, we will continue to see
16 deterioration of our roads and bridges, the same roads
17 and bridges that the Port Authority buses, ACCESS
18 vehicles, and Greyhound buses use. We will continue
19 to see more structurally deficient bridges, more
20 weight-restricted bridges, and more bridges closed.
21 The Port Authority owns at least one bridge they
22 cannot use. We will continue -- will we continue down
23 this path until we see a Pennsylvania bridge collapse
24 on CNN?

25 Transit-oriented development is a value-added

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1 proposition which we support. Public/private
2 partnerships, an example, a local partnership between
3 Classy Cabs and the Southwestern Planning Commission
4 in the purchase of accessible taxicabs. The use of
5 technology is a means of improving efficiency and
6 reduces costs. The smart card technology captures
7 fares that we know are being lost through antiquated
8 collection systems and broken fare boxes. The use of
9 E-ZPass on the Pennsylvania Turnpike keeps vehicles
10 moving and reduces backup and wasted fuel. I wonder
11 why we do not have smart card going through the toll
12 stations on the Turnpike.

13 ACCESS, our local paratransit provider, uses
14 an e-purse to eliminate the need for cumbersome paper
15 tickets. ACCESS now uses a GPS system to track
16 vehicles to provide drivers with the best routes to
17 transport our passengers. These are lessons that can
18 be used statewide.

19 When I started traveling to Harrisburg in the
20 late '90s, I used Amtrak since, other than flying, it
21 was the only accessible public transportation to
22 Harrisburg. After Greyhound began putting lifts on
23 buses per an agreement with the Justice Department, I
24 started to use Greyhound. It gave me more choices and
25 better on-time performance than Amtrak. I will

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1 continue to use the train mostly to go to DC, but I
2 do -- now, over the past five years -- and I'll be
3 closing out -- I've rented a van, so I do recognize
4 the importance of good roads and bridges.

5 So thank you for your time and your attention.
6 Are there any questions?

7 CHAIRMAN MARKOSEK: Thank you. Very good
8 job. Thank you, sir, and if you could exit that way
9 (indicating).

10 Next we have our old friend Jonathan Robison.
11 Jonathan, good to see you again. Jonathan is with the
12 Allegheny County Transit Council. Jonathan, welcome.
13 You have five minutes, sir.

14 MR. ROBISON: Be less than three.

15 Good day, ladies and gentlemen. I am here to
16 ask Representative Joseph Markosek and Representative
17 Richard Geist for leadership in solving the
18 transportation funding crisis. I am Jonathan Robison
19 154 North Bellefield Avenue, Pittsburgh 15213. I am
20 president of the Allegheny County Transit Council,
21 ACTC, the legislatively mandated citizens advisory
22 body for the Port Authority of Allegheny County.

23 You are well aware, I trust, how vital public
24 transportation is to the environment, energy
25 conservation, the economy, the region, and ordinary

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1 people's lives. Others are sharing specifics on these
2 needs. You know that the problems of the Port
3 Authority, PAT, are shared by all 38 transit operators
4 in the state. You know that PennDOT lacks necessary
5 funds to maintain and repair our roads and bridges.

6 You have heard at length about all the changes
7 that PAT has made to make the transit system more
8 efficient and effective. PAT will continue to make
9 improvements and ACTC will continue to support these
10 efforts, but simple arithmetic will tell you that all
11 possible improvements cannot resolve the \$50 million
12 hole in the PAT budget.

13 I don't have a simple solution in my pocket.
14 As I say, I am here to ask you for leadership in
15 solving our transportation funding crisis. I have
16 heard perhaps 15 solutions, and I am sure you have
17 heard more. What is needed is leadership to negotiate
18 a consensus around one measure or a package of
19 measures and put together the votes for legislative
20 enactment. Support by citizens and community groups
21 will, of course, be needed, and there we must provide
22 the leadership, and the ACTC is already trying to
23 help, distributing these cards that some people have
24 seen asking people to call their legislators. I have
25 more cards available, if anyone wants to distribute

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1 some.

2 Why do I ask you for this legislative
3 leadership? I believe -- and I'm thinking especially,
4 not exclusively, of course, to Representative Markosek
5 and Representative Geist. I believe that you have the
6 knowledge, the understanding of the situation, the
7 vision, and the connections to assemble a solution and
8 get it enacted. And, we're here together. Please
9 start here and now.

10 Thank you.

11 CHAIRMAN MARKOSEK: Thank you. Very
12 good. Good testimony. Thank you very much. That was
13 wonderful and you sum it up just perfect. Thank you,
14 Jonathan. If you could go out that way, please
15 (indicating).

16 I'd like to get back to the regular agenda
17 here. Mr. Andrew Boni, board member, Pennsylvania
18 Association of Township Supervisors. Dave Sanko is
19 with him as well.

20 Also, the Allegheny Conference on Community
21 Development, Mr. Ken Zapinski. Ken, are you here?

22 Mr. Dan Friedman is my constituent, so
23 welcome.

24 Mr. Boni and Mr. Sanko, you may proceed when
25 ready, sir. Five minutes.

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1 MR. BONI: Thank you, Chairman, members
2 of the House Transportation Committee and the House
3 Democratic and Republican Policy Committee.

4 Good afternoon. My name is Andrew J. Boni.
5 I'm the township supervisor of Perry Township in
6 Fayette County, and I'm also on the executive board
7 for the Pennsylvania State Association of Township
8 Supervisors. Thank you for the opportunity to appear
9 before you today. With me to my right is David M.
10 Sanko, our executive director.

11 My township was forced to close a bridge that
12 requires emergency responders to take a
13 four-and-half-mile detour, delaying response by eight
14 to twelve minutes. The closure created problems also
15 with snow removal because the bridge is located at the
16 bottom of a steep slope and several homes are located
17 along that portion of the roadway. We evaluated our
18 options, and repair would cost \$1.3 million. To
19 rebuild the bridge would cost over 3 million. Since
20 the bridge is not located over any water, we
21 determined the bridge can be collapsed and the road
22 rebuilt for \$550,000. I just want to remind you that
23 our budget for Perry Township is \$550,000.

24 The Association believes that local roads,
25 state highways, and mass transit which provides ride

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1 share programs across most of Pennsylvania that allow
2 people to get needed medical care comprise a single
3 transportation network for the Commonwealth's
4 traveling public.

5 Pennsylvania has more than 117,000 total road
6 miles. Two-thirds of these are owned and maintained
7 by local government, including those in District 11
8 and 12. Local government also maintains more than
9 6400 local bridges over 20 feet and a thousand more
10 bridges that are less than 20 feet. These local roads
11 and bridges are a vital link in our transportation
12 network and provide children with safe transportation
13 to schools, workers with reliable access to jobs,
14 patients with transportation to doctors, and farmers
15 with a means to move their food commerce across the
16 state and country. As such, the Association believes
17 local government is essential partners with the state
18 in maintaining our transportation system.

19 In 2008, municipalities in District 11 spent
20 165.8 million on local roads and bridges, yet only
21 received 34.5 million in liquid fuels funds. District
22 11 has 509 local bridges, of which 27 percent are
23 currently posted with weight limits. Of all local
24 bridges in District 11, 8 percent, 42, are posted with
25 10 tons or less and another 2 percent, 12, are

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1 currently closed.

2 Pine Township, Allegheny County, has attempted
3 to secure funding for an intersection upgrade at State
4 Route 910 and Pearce Mill Road, two state-owned
5 roadways within the township. In 1991, Pine appointed
6 an Impact Fee Advisory Committee, which allows
7 municipalities to assess transportation impact fees on
8 new developments to partly defray the costs of
9 addressing transportation issues created by additional
10 traffic.

11 In the 1991 study, the Route 910/Pearce Mill
12 intersection was designated as one of the highest
13 priority projects and funds were reserved. Under Act
14 209, only up to 50 percent of the total project cost
15 may be paid using impact fee dollars, and the township
16 had a great difficulty securing state share of funding
17 for this project. The township is now attempting to
18 have the project combined with a planned culvert
19 bridge replacement that are adjoining to the
20 intersection which should provide an opportunity for
21 the township the use impact fees to complete this
22 project.

23 Also in 2008, municipalities in District 12
24 spent 92.2 million on local roads and bridges, yet
25 only received 24.2 million in liquid fuels funds.

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1 Direct 12 has 507 local bridges, of which 58 percent
2 are currently posted with a weight limit. All local
3 bridges in District 12, 28 percent, 142, are posted at
4 10 tons or less, and another 6 percent, 32, are
5 currently closed.

6 Morgan Township, Greene County, has only
7 \$80,000 to buy road materials for the rest of the year
8 for its 50 miles of road. This includes everything
9 from salt and cinders to patch, stone, and Superpave.
10 The bad winter was particularly difficult on the
11 township, and in a recent bid, the cost of emulsions
12 alone came in at \$60,000. This does not include
13 stone. Clearly, the township will not be able to
14 undertake the tar and chip projects that it was
15 planning to do this year. Additional examples of
16 transportation needs in District 10 and 11 are
17 included in our printed testimony.

18 The Association believes the local roads,
19 state highways, and mass transit comprise a single
20 transportation system and that the Commonwealth must
21 maintain the predictable and reliable fund methods for
22 this system. PSATS has gone on record supporting a
23 gas tax, realigning the cap on the oil franchise tax,
24 tying Pennsylvania's registration fee structure to the
25 consumer price index, and the use of public/private

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1 partnerships. Any solution should include at least a
2 20 percent share for local government, use of a
3 restricted account, and linking any fees to the
4 consumer price index.

5 And at this time, I'd like to thank you for
6 testifying in front of you today and would be more
7 than willing to attempt to answer any questions.

8 CHAIRMAN MARKOSEK: Thank you, Mr. Boni.
9 I have said at other hearings that I feel that any
10 solution that we do have has to include local sector
11 municipalities, counties, cities. We mention about
12 all those statistics about deficient roads, bridges,
13 transit, et cetera. Those are mostly PennDOT, but we
14 have almost an equal number of local bridges and roads
15 that are in dire need of repair and replacement.

16 I'm going to just ask you, as an elected
17 official -- I've asked this before, too -- are you
18 willing, and other elected officials in your
19 organization, to publicly support legislators who
20 represent you in Harrisburg or senators with their
21 very difficult votes that they may have to do in order
22 to raise this kind of money in order to help you?

23 MR. BONI: We most certainly would. You
24 know for sure, Joe, that Deberah Kula, she walks on
25 water in that county. She is great for us, and

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1 Senator Kasunic, also. So whatever we can do to help
2 you, if you help us, we'll greatly appreciate that.

3 CHAIRMAN MARKOSEK: Thank you. All
4 right.

5 Next we have Tim Zapinski. He's with
6 Allegheny Conference on Community Development. They
7 just had a group in Harrisburg this week from the
8 Allegheny Conference.

9 Sir, five minutes. You may proceed.

10 MR. ZAPINSKI: I appreciate the
11 opportunity to speak today and I appreciate your
12 dedication to this important issue. And it's clear
13 that people on this panel, the representatives here
14 today, really understand the scope of the problem.

15 I'm Ken Zapinski, senior vice president for
16 the Allegheny Conference on Community Development. On
17 behalf of the conference and the more than 300
18 employers across Southwestern Pennsylvania that make
19 up our Regional Investors Council, we urge the entire
20 legislature and the Rendell administration to grapple
21 with the state's transportation problem in a serious
22 and creative way. Election year "business as usual"
23 is no longer good enough.

24 The Allegheny Conference and its affiliate,
25 the Greater Pittsburgh Chamber of Commerce, are

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1 prepared to seriously consider any proposed package
2 that, one, addresses the problem, and, two, has
3 committed legislative champions willing to bring it to
4 a vote.

5 Any solution set has to include changes that
6 gives the state and counties and cities additional
7 tools that they can use to be more efficient in how
8 they provide transportation solutions. One such tool
9 is public/private partnership legislation that permits
10 more flexibility in building, designing, financing,
11 and operating transportation facilities to get work
12 done more quickly, more efficiently, or for less
13 money. P3s are not a solution for everything, but it
14 makes no sense to tie our hands and not have all the
15 tools possible at our disposal.

16 There may be other ways to change the
17 structure and process of how we provide transportation
18 services in the state that will save money and/or make
19 things more efficient, and everything should be on the
20 table for consideration.

21 Finally, any proposed solution has to address
22 transit funding in a way that maintains the viability
23 of the Port Authority of the Allegheny County. Act 44
24 did not do that. The Port Authority was alone among
25 transit agencies in seeing its state aid decline under

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1 Act 44 compared to the state aid authorized the
2 previous year. Since that time, the Port Authority's
3 state allotment has been flat, while other agencies
4 have seen their funding increase.

5 Often in the past, the Port Authority's dire
6 financial conditions were largely self-inflicted,
7 stemming from a well-meaning lack of managerial
8 discipline to live within its means. It simply wanted
9 to provide more transit service than the community
10 could support. That is no longer the case. Over the
11 last four years, the Port Authority has undergone more
12 radical improvements than any other big city transit
13 agency in the country, bringing its expenses and its
14 operations in line with reality.

15 And every part of the community has
16 contributed something to that painful, yet necessary
17 process. Passengers have paid the fares as fares have
18 been adjusted to keep pace with inflation and as
19 inefficient routes were cut from the system. Port
20 Authority workers have seen layoffs, wage freezes, and
21 its transit union bravely passed a groundbreaking
22 contract which helped turn the corner on long-term
23 labor costs. Port Authority management has reassessed
24 its entire network and is in the process of wholesale
25 changes that will respond better to the needs of the

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1 community, and Allegheny County has rallied behind the
2 changes, supporting the local poured-drink tax and
3 rental car tax to provide its own dedicated transit
4 finance.

5 Even with all that, because of the problems
6 with state transit funding, the Port Authority is
7 falling farther behind and is now contemplating a
8 30 percent service cut that would be devastating to
9 the region's economy and some of its most vulnerable
10 residents. Transit must be addressed and the Port
11 Authority needs to be treated fairly compared to the
12 rest of the state.

13 Thank you, and I'd be happy to answer any
14 questions you might have.

15 CHAIRMAN MARKOSEK: Thank you.
16 Representative Mike Carroll.

17 REP. CARROLL: Thank you, Ken, for your
18 testimony, and I share your view that public/private
19 partnerships need to be a component as part of the
20 comprehensive solution.

21 I'm wondering if the Allegheny Conference has
22 contemplated or considered the position taken by the
23 Pennsylvania Chamber with respect to supporting a fuel
24 tax increase.

25 MR. ZAPINSKI: We have discussed

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1 internally a number of options. We're waiting to see
2 what sort of package can get presented to us. I can
3 say, historically, the Allegheny Conference and the
4 Chamber, when the need for a fuels tax increase has
5 been made and linked to specific improvements in the
6 transportation system, historically the Conference and
7 Chamber have supported increases of gasoline tax.

8 REP. CARROLL: Seems to me the
9 Pennsylvania Chamber has made that linkage already, so
10 I urge your group to take a close look at that.

11 CHAIRMAN MARKOSEK: No other questions?

12 (No response.)

13 CHAIRMAN MARKOSEK: Thank you.

14 Dan? Mr. Dan Friedman, who is a group rental
15 manager, Enterprise Rent-A-Car.

16 MR. FRIEDMAN: Thank you very much,
17 Chairman Geist, Chairman Markosek. I appreciate the
18 opportunity and I appreciate you hosting these
19 hearings so that we can discuss the issues in depth.

20 My name is Dan Friedman. I'm the group rental
21 manager for Enterprise Rent-A-Car's Western
22 Pennsylvania operations. Enterprise Rent-A-Car -- or
23 Enterprise Holdings, which includes Enterprise,
24 National, Alamo, is Pennsylvania's largest rental car
25 company. We employ 2300 people in the Commonwealth

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1 and have 245 locations. We provide service to
2 1.1 million people annually in Pennsylvania. Our
3 customers are primarily residents, residents of the
4 state who rent from our network of neighborhood
5 locations. Many do so because they need a temporary
6 replacement vehicle while theirs are in the shop.
7 Those who utilize public transportation rely on our
8 network of home city locations in places like
9 Wilkinsburg, Oakland, and Monroeville, and local
10 businesses rent as an affordable alternative to air
11 travel. Regardless of their reasons for renting, they
12 all share one thing in common. They pay a \$2 a day
13 tax towards the public transportation assistance fund.

14 In 2007, the legislature and county council
15 spent months debating and designing a solution to the
16 Port Authority's fiscal issues. Ultimately, this led
17 to another \$2 a day tax on the residents of Allegheny
18 County. As a result, taxes now comprise an average of
19 23 percent of an individual's rental car bill in the
20 county, the highest rate in the Commonwealth.

21 Despite this enormous investment of time,
22 energy, and resources, not to mention tens of millions
23 of dollars in additional dedicated revenue, we've
24 heard there is now a \$50 million deficit. And
25 actually just to correct a couple of the other things

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1 that have been mentioned here today, going off my
2 script a little bit, the Port Authority actually was
3 given the opportunity to raise an additional
4 \$45 million. So the discussion about not getting
5 extra money or getting a decrease in funding is not
6 true. Those two taxes that Mr. Zapinski mentioned
7 raise \$45 million annually. \$28 million of that is
8 transferred to the Port Authority. 17 million of it
9 is moved away from it to the general fund or wherever
10 it's used as part of the county budget. There is
11 \$17 million in dedicated funding that you passed as a
12 part of Act 44 that could and should be used for the
13 Port Authority. That 50 million deficit is about a
14 \$33 million deficit that is ballooned to 50 as a
15 result of those funds being used in a way other than
16 you have all told me they were intended to be used.

17 The goal of these hearings is find out how the
18 current transportation funding crisis is affecting
19 residents and businesses in Pennsylvania. I'm
20 speaking on behalf of the millions of Pennsylvanians
21 and Pennsylvania businesses who have spent tens of
22 millions of dollars on taxes designed to support
23 public transportation or a public transportation
24 system that appears to be out of money anyway. The
25 current situation proves that taxing individual

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1 industries, and especially unrelated ones, is both
2 ineffective and unfair.

3 I encourage everyone here to consider
4 scrapping these regressive and stagnant taxes in favor
5 of broad-based solutions with long-term potential for
6 success and revenue growth. Enterprise is committed
7 to working with the General Assembly on this issue and
8 we ask that you use us as a resource in your
9 discussions. We commend the legislature for convening
10 these meetings and for its commitment to finding a
11 viable solution to Pennsylvania's transportation
12 funding issues and would be happy to answer any
13 questions.

14 CHAIRMAN MARKOSEK: Thank you. Thank
15 you, Dan. You had mentioned in your testimony about
16 working with us for some broad-based solutions to our
17 transportation problem, and would you like to
18 elaborate on what some of those may be?

19 MR. FRIEDMAN: No. I would be happy to
20 work with you on discussions, which was an opportunity
21 we were denied when these previous two taxes were
22 passed that have proven to be failures and have been
23 sort of misused, frankly, and we'd be happy to be a
24 participant in those conversations, but we were
25 excluded before, and the conversations that took place

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1 after the fact, the feedback that we received from
2 elected members, including people on this council, are
3 largely that had they had more background information
4 in 2007, they would not have approved the rental car
5 tax as one of the proposed solutions.

6 So I would simply say that we would be willing
7 and happy to work with whomever is interested in
8 spending some time with us, but as it pertains to
9 specific solutions, not at this time.

10 CHAIRMAN MARKOSEK: Okay. That's fair
11 enough. Thank you. Gentlemen, thank you.

12 American Concrete Pavement Association.
13 Charlie Niederriter is the chief operating officer of
14 Golden Triangle Construction.

15 MR. NIEDERRITER: Chairman Markosek,
16 Chairman Geist, and members of the Transportation
17 Committee, good afternoon. My name is Chuck
18 Niederriter. I'm the COO of Golden Triangle and serve
19 on the board of directors of the Pennsylvania chapter
20 of the ACPA. I'll keep this brief. It's almost happy
21 hour on Friday afternoon.

22 Golden Triangle has been in business for over
23 50 years. During the peak of the construction season,
24 we employ about 300 salary and hourly craft workers
25 who build highways, airports, and utility projects in

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1 Pennsylvania. One of the largest segments of our work
2 has historically been the concrete paving work that we
3 do. Unfortunately, we are facing a time of reduced
4 funding for roadway construction and repairs, in
5 general, and making this worse for our company is the
6 fact that a lesser proportion of those funds goes to
7 concrete paving.

8 Our company has built many miles of concrete
9 paving, including a section of I79 that has required
10 zero maintenance in over 20 years. Today, the primary
11 projects keeping our company working, our paving
12 division working, are the Mon-Fayette projects and the
13 first major concrete overlay of a highway in recent
14 Pennsylvania history. We thank Joe Szczur and the
15 staff at District 12 for taking the initiative to look
16 at other states to develop new solutions to our
17 infrastructure problems. If not for these projects,
18 many of our employees would be looking elsewhere for
19 the limited work available. Without action soon, the
20 concrete paving industry, along with the cement
21 industry and equipment manufacturing industry, steel
22 industry, and all the related industries will be
23 forced to lay people off and have difficulty
24 supporting their families.

25 Over the past several weeks, you've heard a

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1 lot of members of our industry. Pennsylvania has had
2 a long and successful history of using concrete
3 pavements. We have a product that is derived from
4 materials mined and manufactured right here in
5 Pennsylvania, a product that is sustainable, cost
6 competitive on a first-cost basis, and a product that
7 meets and exceeds one of the most stringent ride
8 quality specifications in the nation. Our product is
9 durable and long lasting and can be restored to
10 like-new condition when needed.

11 When you include all the contractors, concrete
12 product manufacturers, and the cement industry, we are
13 an industry that collectively employs over 39,000
14 hard-working Pennsylvanians. Prior to this recession,
15 we collectively generated over \$6 billion annually in
16 economic activity for Pennsylvania, contributing
17 \$300 million in sales tax and 400 million in federal,
18 state, and local income taxes. The concrete paving
19 industry, as members of the Transportation
20 Construction Industry and the Keystone Transportation
21 Funding Coalition, is in full support of a
22 \$4.8 billion annual transportation program to address
23 these unmet infrastructure needs. We will support
24 traditional and innovative methods for reaching this
25 ambitious but much-needed level of investment.

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1 It's probably said that this type of funding
2 is somewhat self-serving for our industry, as well as
3 others in the construction industry. Perhaps this is
4 true to some extent, but it's also true that we care
5 about the employees and families that work in these
6 industries. A long-time commitment -- a long-term
7 commitment to the infrastructure will keep
8 Pennsylvania citizens, union and nonunion alike,
9 working with good-paying jobs and benefits and keep
10 them out of the unemployment lines.

11 With this type of investment in our
12 infrastructure and in our people, we will be able to
13 build viable transportation products that will be
14 enjoyed by our children and grandchildren. We would,
15 for example, be able to complete the entire
16 Mon-Fayette southern beltway corridor, spurring
17 development of old mill sites and thereby also
18 creating good jobs for thousands of Pennsylvanians who
19 do not directly work for our industry. A long-term
20 investment in our infrastructure will make our system
21 safer and less congested and it will help the economy
22 of the Commonwealth recover and once again prosper.

23 On behalf of our concrete paving industry, we
24 sincerely appreciate having this opportunity to
25 testify before you for these past several weeks. I

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1 will be happy to answer any questions that you may
2 have.

3 CHAIRMAN MARKOSEK: Thank you. First of
4 all, I know the Concrete Association has been at all
5 of our hearings, and we really appreciate that.
6 You've been wonderful as far as supporting -- trying
7 to support what we're trying to do. You've been front
8 and center and we certainly appreciate all you've
9 done.

10 We had the committee, in fact, up at Essroc
11 Cement in Lehigh Valley a month, two months ago,
12 Nazareth, PA, so we've become very familiar and we've
13 worked a lot with John Becker in Harrisburg. So we
14 really appreciate that.

15 Any questions?

16 (No response.)

17 CHAIRMAN MARKOSEK: No. Thank you,
18 gentlemen.

19 MR. NIEDERRITER: Thanks. Thanks a lot.

20 CHAIRMAN MARKOSEK: Lynn Manion from the
21 Airport Corridor and also Mr. Bill Newland, who is the
22 chair of the Committee for Accessible Transportation.

23 Hi, Lynn. Good to see you again. Hold on,
24 please. Mr. Newland is coming up.

25 Ms. Manion, when you're prepared, you may

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1 begin, please. Five minutes.

2 MS. MANION: Thank you. My name is Lynn
3 Manion. I'm the executive director of the Airport
4 Corridor Transportation Association, ACTA. We are a
5 transportation management association, a nonprofit
6 membership group representing private businesses and
7 public entities with an interest in transportation
8 issues in the airport corridor, western suburbs of
9 Pittsburgh. Our mission is to reduce traffic
10 congestion and improve air quality in our area.

11 Over the past several years, we've worked with
12 the Port Authority to create a system that gets
13 workers to their jobs, students to school, and
14 shoppers to the retail areas. With the transit hub at
15 IKEA in Robinson Town Centre and our on-demand
16 RideACTA shuttle service that provides last mile
17 shuttle service between the bus stop and hundreds of
18 local job sites, we are on our way to a model suburban
19 shared ride system, one that is unique in the
20 Pittsburgh region. Over the past year, we have seen
21 our ridership increase well over 200 percent.

22 The anticipated cuts in service and increases
23 in fares that will occur if a sustainable funding
24 solution is not found for Pennsylvania transit
25 agencies will devastate the model that we've tried to

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1 create.

2 These are a few of the reverberating
3 consequences of the elimination or reduction of
4 service for people who live and work in the airport
5 corridor: Cleaning crews who work overnight in
6 offices and at the Mall at Robinson, many of whom are
7 dependent on public transit, will not be able to get
8 to work. Retail and restaurant workers in the
9 Robinson/North Fayette retail center, many of whom
10 also work nontraditional hours, will not have a way to
11 get home. RideACTA shuttles for employees at Penn
12 Center West Office Park that meet up with Port
13 Authority service to take entry-level workers to their
14 jobs will have to be discontinued. The impact extends
15 beyond bus riders. With more people using their cars
16 to commute, travel time on the Parkway West will
17 increase definitely. And, of course, ACTA's future
18 plans to build our suburban model and on-demand
19 service will be put on hold.

20 ACTA is committed to working with the Port
21 Authority and all our regional transit agencies until
22 a dedicated source of funding is found. We ask our
23 state legislators to make the same commitment, to make
24 funding for transit and an overall sustainable
25 transportation system in Pennsylvania their first

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1 priority.

2 In closing, I would like to submit the
3 following statement from some of ACTA's members and
4 friends. The statement is this: We, the undersigned
5 friends and members of the Airport Corridor
6 Transportation Association, are writing to express our
7 support for a sustainable funding solution for the
8 Port Authority of Allegheny County. Many of us have
9 employees who depend on the bus to get to work. We
10 recognize the importance of adequate bus service to
11 maintain the economic vitality of the airport
12 corridor.

13 And the signers are Allegheny County Airport
14 Authority, Armstrong Telephone Company, Giant Eagle
15 Market District, Johnson, Mirmiran & Thompson, Robert
16 Kimball & Associates, Mackin Engineering, Maguire
17 Group, Mainstay Suites by Choice Pittsburgh Airport,
18 the Mall at Robinson, NCO Group, Pittsburgh Technical
19 Institute, Smokey Bones Restaurant, and Vital Signs.
20 That's it. And the Township of Moon. I'm sorry.

21 CHAIRMAN MARKOSEK: The Smokey Bones
22 Restaurant stood out in my mind. I don't see any
23 questions, so thanks very much. I know I spoke to
24 your group out at the country club, South Hills
25 Country Club lunch that you had. It was, I thought,

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1 very good, very informative. You laughed at my jokes,
2 stuff like that. But thank you.

3 MS. MANION: Thank you.

4 CHAIRMAN MARKOSEK: Mr. Bill Newland.

5 MR. NEWLAND: Thank you.

6 CHAIRMAN MARKOSEK: And you have a guest
7 with you.

8 MR. NEWLAND: Charles Hitt, who is also a
9 member of the Committee for Accessible Transportation.
10 And I, as chair of the committee, would like to, first
11 of all, thank the committee for the opportunity to
12 express our concerns.

13 And the Committee for Accessible
14 Transportation has worked with the Port Authority, as
15 well as ACCESS. We've done this over the past several
16 years to ensure that those who are disabled are able
17 to use both modes of transportation.

18 I submitted the testimony, so I'm going to
19 give you the abridged version. And our concerns
20 are -- and many of these have been mentioned
21 already -- the employment situation. Those who are
22 disabled, many use public transportation, such as
23 buses and the rail system, in order to get to work,
24 and many of these individuals have low-paying jobs.
25 So the Port Authority bus and rail transit has been --

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1 it's made it important for them to afford to get to
2 and from work. And in addition, we need public
3 transportation in order for a number of us to get to
4 appointments, as well as other activities.

5 Now, it's been suggested to me that one way
6 that I could -- that we could solve this problem,
7 should there be a reduction in bus and rail service,
8 is to use ACCESS. And while that may sound like a
9 good idea, this obviously would put a burden on the
10 ACCESS system and, unfortunately, the disabled
11 individual would have much more difficulty getting to
12 and from his or her activity, or, for that matter,
13 their jobs.

14 Also, reduction in service, in addition to
15 causing the difficulty in getting to and from work for
16 the disabled person, we also realize that this would
17 cause severe congestion in traffic, because those
18 people -- just the people, in general, who use public
19 transportation would have to obviously resort to using
20 their private vehicle.

21 We do support whatever measures might be taken
22 within reason to get dedicated funding, which is what
23 we're looking for, dedicated funding for public
24 transportation. We've also encouraged both members of
25 the Committee for Accessible Transportation, as well

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1 as our Golden Triangle Council of the Blind, to let
2 their legislator know of the need for dedicated
3 funding for public transportation.

4 Again, thank you very much. And if you have
5 any questions or if there is additional information
6 you'd like us to provide, I have indicated on my
7 written testimony that my past testimony is available.
8 Thank you again.

9 CHAIRMAN MARKOSEK: Okay. Thank you,
10 Mr. Newland and also the gentleman with you. And
11 Representative Paul Costa has a question.

12 REP. PAUL COSTA: Thank you,
13 Mr. Chairman.

14 Actually, my question is, I was watching you
15 read. Was that bullet points or was that actually
16 written out that way?

17 MR. NEWLAND: Actually, it was my own
18 notes, and thank goodness most people can't read
19 Braille.

20 REP. PAUL COSTA: I was just commenting
21 to Representative Carroll that it was just amazing to
22 watch you do that. God bless you. Thank you for
23 coming today.

24 CHAIRMAN MARKOSEK: Thank you, gentlemen
25 and Ms. Manning.

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1 The Pennsylvania Public Transportation
2 Association, PPTA. I know Mary Jo Morandini, general
3 manager of the Beaver County Transit Authority, and
4 you have some guests with you. I don't see Dennis
5 LaRusse. You know Dennis, right?

6 MS. MORANDINI: Oh, yes, we know Dennis
7 very, very well.

8 CHAIRMAN MARKOSEK: And Rich Farr, some
9 of those guys.

10 MS. MORANDINI: Both our colleagues.

11 Thank you for the opportunity to testify at
12 today's important hearing on public transportation
13 funding needs. My name is Mary Jo Morandini, and I'm
14 the general manager of the Beaver County Transit
15 Authority. I'm here today representing the nine
16 counties in Southwest Pennsylvania outside of
17 Pittsburgh and Allegheny County whose members comprise
18 the Transit Operators Committee of the Southwest
19 Pennsylvania Commission.

20 The transit systems in the region include
21 small urban and rural, fixed route and shared ride
22 transportation providers including Allied Human
23 Services in Lawrence County, the Beaver County Transit
24 Authority, Butler Transit Authority, Butler Community
25 Action and Development, Fayette Coordinated

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1 Transportation, GG&C Bus Company, Indiana County
2 Transit Authority, Mid-County Transit Authority, Mid
3 Mon Valley Transit Authority, New Castle Area Transit
4 Authority, Washington County Transit Authority, and
5 the Westmoreland County Transit Authority.

6 These transit systems combined provided nearly
7 4.6 million rides annually in the Southwest
8 Pennsylvania region. Of this total, over 3.6 million
9 rides are provided annually on fixed route services
10 and nearly 1 million on the shared ride systems.
11 Nearly 1 million commuters travel in to Pittsburgh
12 from five outlying counties every year.

13 There is rich diversity in ridership in the
14 region and a strong transit-dependent population.
15 Since the passage of Act 44, the fixed route providers
16 have achieved an average 20 percent ridership gain,
17 with a nearly 40 percent gain in Pittsburgh-based
18 commuter services, even though the population in our
19 region has been on a decline.

20 The anxiously awaited, predictable, dedicated
21 funding provided under the Act 44 framework allowed
22 agencies to advance their vision of transportation
23 services in their own unique way and finally position
24 them to meet the growing demand for transportation
25 services. Rural Fayette County was able to begin

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1 commuter services to Pittsburgh. The small city of
2 New Castle transported over 1 million riders last
3 year. Butler Transit recognized significant rider
4 gains this year and created a service plan for rapidly
5 growing Cranberry Township. Beaver County is
6 anticipating its eighth consecutive record ridership
7 year and also lowered its cost per trip in each of
8 those eight years. Indiana County partnered with the
9 university to make service accessible to the student
10 population. Mid Mon Valley, Washington, and
11 Westmoreland County Transit Authorities were finally
12 able to meet the ever-growing needs for commuter
13 services to Pittsburgh.

14 In addition, facilities have been constructed
15 or renovated, new buses have been placed in service,
16 transit-oriented development projects are being
17 undertaken by several transit authorities,
18 coordination of human service transportation is more
19 prevalent, and the regional transit agencies are
20 working together to make the transportation network
21 more seamless and easier to use. Performance
22 standards are being established to ensure the most
23 productive and cost-effective services.

24 The loss of Act 44 funds exacerbated by the
25 prorated 3.7 percent decrease in state operating

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1 assistance will lead to service cuts, layoffs, and
2 fare increases, reverse ridership gains, and prevent
3 agencies from keeping buses and facilities in a good
4 state of repair. Low-income riders will not be able
5 to get to their jobs, human services clients will not
6 be able to get to the services they need, and seniors
7 and disabled people could very well become isolated in
8 their communities.

9 The timetable will vary by agency. However, I
10 can note that in approximately one year, our agency
11 will likely implement a 25-cent fare increase for
12 fixed route service and a dollar increase for shared
13 ride services and our cumulative deficit will still
14 reach \$4.1 million by 2018 and 4.8 million the
15 following year. This large deficit is in spite of an
16 excellent safety record that results in a 33 percent
17 reduction in fleet insurance premiums over the last
18 five years, \$100,000 earned dividends in workers'
19 compensation, and a nearly \$290,000 reduction in
20 administrative and operating costs since 2008 achieved
21 through the advancement of the new technologies and
22 employee attrition.

23 Public transit is a very labor- and
24 capital-intensive business. Unfortunately, the need
25 to maintain facilities and buses, coupled with

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1 uncontrollable increases in other operating costs,
2 including fuel and health insurance, can often negate
3 most cost-reduction efforts in our industry.

4 It's also extremely important to note that the
5 loss of Act 44 has even greater ramifications if state
6 capital funds are not available to match federal
7 formula and potential discretionary funds that flow
8 into our region. Without the required 16 and
9 two-thirds percent state share, our nine counties
10 stand to lose millions of dollars in federal aid.
11 These federal dollars would flow into other regions
12 across the country that place great emphasis on public
13 transportation infrastructure and are willing to
14 provide the required matching funds. The impact on
15 our transit systems would, of course, be devastating.
16 The Beaver County deficit situation becomes even
17 graver if state matching dollars are not available.

18 I brought numerous quotes from bus riders to
19 share with you. They appear as an attachment to this
20 testimony. I won't read all of them. However, they
21 are considered an important part of this testimony.
22 Let me emphasize that these are riders from all walks
23 of life who rely on public transportation more than
24 ever. Their fears expressed in these quotes are
25 understandably real. Two of these quotes I do want to

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1 share with you.

2 Kathy: "Not only am I saving money for
3 myself. I am also saving money for the state and my
4 country because I am not putting one more set of tires
5 onto an already depleted highway system." And
6 Therese: "My mother and I do not drive. We need this
7 service very badly. Please do not take it away."

8 I do have to admit being surprised at the
9 number of riders who rode the bus for the
10 environmental benefits to the region. I am not so
11 surprised by the number of people in BCTA public
12 hearings who tell us that they have chosen a place to
13 live because it's on the bus line.

14 It's more important than ever that we all
15 recognize the important role of public transportation
16 in rebuilding our distressed communities and reducing
17 our reliance on foreign oil, creating an
18 environmentally friendly alternative to the
19 automobile, and providing a way for families to save
20 their hard-earned dollars in this economic downturn.
21 Therefore, we recommend funding levels consistent with
22 the Pennsylvania Funding and Reform Commission.

23 On behalf of the small urban and rural systems
24 in the Southwest Pennsylvania region, I would again
25 like to thank you for this opportunity and sincerely

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1 hope that you can find a viable solution to the
2 current funding crisis for highways, bridges, and the
3 preservation of our public transportation systems.

4 Thank you.

5 CHAIRMAN MARKOSEK: Thank you,
6 Ms. Morandini. Would you, for the record, introduce
7 your fellow guests there with you?

8 MS. MORANDINI: This is Valerie Kissell,
9 to my left, from the Mid Mon Valley Transit Authority,
10 Larry Morris from the Westmoreland County Transit
11 Authority, and Sheila Gombita from the Washington
12 County Transit Authority.

13 CHAIRMAN MARKOSEK: Thank you.

14 Representative Mike Carroll.

15 REP. CARROLL: Thank you very much,
16 Mr. Chairman, and I appreciate you being here today.

17 I represent an area in the northeastern part
18 of the state, Scranton, Wilkes-Barre, and part of the
19 Poconos, and I think we all have to do a better job so
20 that people in the government and in the community
21 understand the needs of local transit agencies that
22 aren't SEPTA and Port Authority. The fact of the
23 matter is that there are real transit needs in other
24 regions of this state besides just Pittsburgh and
25 Philadelphia, and I would urge you to please work with

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1 your local legislators, both in the Senate and House,
2 to make sure they are aware of the collective needs in
3 all your various counties.

4 The fact of the matter is that transit is not
5 just a Pittsburgh and Philadelphia matter. It really
6 is important in all regions of the state, and so I
7 hope that you'll reach out individually to House and
8 Senate members so they are aware of the transit needs
9 in your regions.

10 CHAIRMAN MARKOSEK: Representative Geist.

11 REP. GEIST: Thank you. Just a quick
12 question. We've asked some of the smaller groups like
13 yours in shared ride, how many trips a year are made
14 in your organizations -- you can answer one or
15 together or however you want to -- are made for
16 hospital and medical trips on your shared ride. I
17 know that number just knocked our socks off in
18 Crawford County.

19 MS. GOMBITA: Speaking for Washington
20 County, our annual shared ride trips are about 280,000
21 a year and about 25 to 30 percent of those would be
22 for medical.

23 MR. MORRIS: Westmoreland County Transit
24 does not directly operate the shared ride, but we do
25 operate a couple of paratransit programs. One is a

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1 medical assistance transportation program, and that is
2 all hospital and medical related. And in shared ride
3 alone, there is 125,000 of those folks a year in
4 Westmoreland County that are using a taxi service in
5 the shared ride network.

6 MS. KISSELL: The Mid Mon Valley transit
7 authority operates a very small paratransit service,
8 but I would venture to tell you that probably 80 to
9 90 percent of those rides are medical.

10 MS. MORANDINI: The BCTA paratransit
11 system carries about 100,000 riders a year. I don't
12 know the percentage of those riders that are medical,
13 but I do know that it's a pretty substantial figure.

14 CHAIRMAN MARKOSEK: Representative
15 Vulakovich.

16 REP. VULAKOVICH: Thank you,
17 Mr. Chairman.

18 Ms. Morandini, in your statement on the first
19 page you have "Since the passage of Act 44, the fixed
20 route providers have achieved an average 20 percent
21 ridership gain with a nearly 40 percent gain in
22 Pittsburgh-based commuter services, even though the
23 population" is dropping.

24 What did Act 44 do for you specifically that
25 brought a 20 percent ridership gain?

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1 MS. MORANDINI: In addition to providing
2 additional funding for transit agencies, Act 44 gave
3 each transit agency a better sense of stability. It
4 provided predictability and a dedicated funding for
5 transit that really enabled transit agencies to think
6 about the bigger vision of the organization and act on
7 that.

8 When funding is not predictable and stable, a
9 transit agency can become somewhat paralyzed, because
10 it doesn't know from year to year the level of funding
11 that's going to be available. That was the beauty of
12 Act 44 that we really didn't have in any prior
13 legislation, that sense of predictability that there
14 was a dedicated source of funding through the I8 toll
15 revenues, the 4.55 percent share of the sales tax, of
16 course, at the time we thought was very predictable,
17 although there has been a slight decline in that in
18 the fiscal year and probably for the next couple of
19 years.

20 It's very important that agencies who often
21 have a hard time trying to figure out the expense side
22 in terms of the number of volatile line items there
23 are in the budget, like fuel and healthcare and
24 utilities and fleet insurance and sometimes pension
25 plans, to not know the level of funding that's going

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1 to be available just makes our challenges so much
2 greater, and the beauty of Act 44 provided that sense
3 of stability.

4 REP. VULAKOVICH: I agree with all of
5 that, but you had to do something different to get a
6 20 percent increase in your ridership. Did you do a
7 new park-and-ride where people could come to so that
8 more people would use the bus, or did you do better
9 advertising where all of a sudden somebody says, I'm
10 going to ride the bus now, or did you provide more
11 services so that more people were coming to
12 Pittsburgh? What did you really gain from Act 44 that
13 specifically allowed you to say, in your opinion, hey,
14 20 percent ridership, I know why that increased,
15 because of this.

16 MS. MORANDINI: Well, the first thing I
17 can say is it kept the service affordable. While I
18 believe that every transit agency should periodically
19 increase fares -- the price of any product and
20 services increases periodically -- it allowed us to
21 keep the service affordable. We really increased
22 service modestly. I think we added an extra express
23 run to Pittsburgh. Gasoline prices also came into
24 play, and when gasoline prices began to fall, we were
25 actually able to sustain the increase that we had

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1 achieved when gasoline prices were at their peak.

2 In addition, Act 44 provided technical
3 assistance to a number of transit agencies, and I
4 think including some of the ones here, that provided
5 technical assistance to restructure services to make
6 them more efficient and cost effective and more
7 appealing to the rider.

8 So I think it's a combination of factors, but
9 I think keeping the service affordable is certainly
10 pretty high on my list. I can't speak for the others,
11 but I think they should address your question.

12 MR. MORRIS: I'd like the opportunity.
13 Westmoreland Transit had seen double-digit increases
14 in the last three years. This year has been kind of
15 even. We added a significant amount of service, and
16 Act 44 allowed us to do that. And it cost a little
17 bit up front, but as we started to fill those buses up
18 and as we started to develop enough choices for people
19 that they felt comfortable trying transit, we found
20 that those services begin to sustain themselves, at
21 least at significant (inaudible) fares. But that took
22 some time and it took the ability to make the
23 investment in the service and not be in a position
24 where, well, we can fund it for six months, but beyond
25 that, we're unknown.

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1 Act 44 revenue gave us the ability to make
2 those investments that have paid off immensely. And I
3 have to be honest, the price of fuel helped us, but
4 when the price of fuel went down, we didn't lose those
5 riders. They are still riding on buses. We lost very
6 few. And even as we speak today, I will have a trip
7 or two leaving the city to Westmoreland County that
8 will have people standing on commuter buses because we
9 have developed this kind of synergy. And it takes
10 some time and effort.

11 Yes, we did some marketing. Yes, we did some
12 park-and-ride, but I think the key was frequent enough
13 service operating so people felt comfortable that they
14 weren't going to get left. You can't run one trip in
15 and one trip back out and expect transit to be
16 successful. It has to be frequent enough that people
17 feel comfortable and know they have options, and
18 that's been the key for us, and they have to be
19 willing to subsidize that more up front so a year or
20 two or three down the road, it starts to pay off. And
21 we're seeing that now.

22 MS. GOMBITA: From the perspective of the
23 Mid Mon Valley Transit Authority, Act 44 enabled us to
24 keep our fares at their current level. We didn't have
25 to raise our fares. Not only that, but we were able

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1 to take a look at our system, which is a very old
2 system operating for 25 years, and able to invest in
3 some new ideas to attract riders of choice. Much like
4 Westmoreland, we're at a double-digit increase for
5 this year, also.

6 REP. VULAKOVICH: Thank you. One other
7 question, Ms. Morandini. On your second page, you
8 have "Low income riders will not be able to get to
9 their jobs, human service clients will not be able to
10 get to the services they need, and seniors and
11 disabled people could very well become isolated within
12 their communities."

13 Now, in the next paragraph, we talked about
14 deficits, and you say in 2018, you'll reach a deficit
15 of 4.1 million. Do you have a deficit this year? You
16 say "our agency," so I think that's the one you
17 represent.

18 MS. MORANDINI: Well, that depends on the
19 level of funding that's available this year, but what
20 happens to build that deficit is that we have peaks
21 and valleys in our capital replacement program. So
22 all of the fixed route buses, the coach buses and the
23 40-foot transit buses, come up for replacement about
24 the same time, so our transit agency has to start
25 reserving funds for that critical year when those

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1 buses come up for replacement. Otherwise, we would
2 never be able to come up with capital funding for 25
3 fixed buses that average about \$450,000 each.

4 So we have to carry our capital plan out ten
5 years to make absolutely certain that when we reach
6 that critical point that the funding is available, or
7 we're going to be at a point of no return. So what
8 happens is we take federal funding, and if the
9 operating funding isn't there, if there is a decline
10 in state funding, we have to start spending some
11 federal money on operating funds through a special
12 provision in the FTA regulations. And then we are
13 spending those capital dollars for operations, and
14 when we get to that critical point, the funding is not
15 available for the fleet replacement needs.

16 And that's exactly what happened a few years
17 ago when the MPO flexed a million and a half dollars
18 to BCTA and also a significant amount to the Port
19 Authority. We had reached that peak where we were
20 kind of robbing Peter to pay Paul and we needed that
21 large influx of funding in that given year to balance
22 our budget.

23 REP. VULAKOVICH: Thank you.

24 CHAIRMAN MARKOSEK: Thank you, all. Very
25 good. Great.

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1 Mr. Mike Edwards, Pittsburgh Downtown
2 Partnership. Jack Machek, 10,000 Friends, and also
3 Commissioner Trisha Kirkpatrick from Armstrong County
4 Board of Commissioners. Is Mr. Machek here from
5 10,000 friends? No? It's 10,000 less people.

6 Mr. Edwards, five minutes, sir.

7 MR. EDWARDS: Thank you very much,
8 Representative Markosek, Representative Geist, members
9 of the House Majority and Minority Public Policy
10 Committee. Welcome to Pittsburgh and thank you for
11 holding the statewide hearings on such a critical
12 issue as transportation. I am the president and CEO
13 of the Pittsburgh Downtown Partnership that represents
14 the interest of 350 property owners and 4500
15 businesses, along with 5,000 housing units that make
16 up the downtown central business district.

17 Transportation may not typically energize the
18 public to inundate their legislators with e-mails and
19 letters calling for action, but we and you, our
20 elected officials, know this issue is important and we
21 cannot afford to wait until after the November
22 elections to solve the transportation funding crisis.
23 The consequences of postponing decision making are too
24 dire for the state's roads, bridges, and public
25 transit systems. We encourage the legislature to act

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1 now.

2 The organization I lead, the Pittsburgh
3 Downtown Partnership, is a not-for-profit organization
4 which provides a consistent voice on issues relating
5 to the vitality of downtown Pittsburgh, one of the
6 most important of which is downtown's continued
7 economic well being.

8 In 2009, despite the deepest recession since
9 the great depression, downtown Pittsburgh continues to
10 have success in its evolution into a 21st century
11 city. Today, downtown Pittsburgh makes up 21 percent
12 of the city's total property tax base and is critical
13 to the ongoing health and well being of our entire
14 city. Anything that negatively impacts the central
15 business district would have a ripple effect that
16 would negatively impact the City of Pittsburgh as a
17 whole.

18 Today, downtown is home to over 8100 residents
19 and the workplace to over 140,000 daily commuters. We
20 are the second-largest employment center in the state
21 of Pennsylvania, and Oakland, a neighborhood within
22 the city limits, is the third-largest employment
23 center. Most of our downtown commuters live within a
24 10-mile radius of downtown, and as a result, we have
25 the fourth-largest day surge into downtown in the

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1 country, comparable to Denver, Colorado.

2 We know from research we conducted in 2003
3 that public transit is the key to this job and
4 residential density. We also know from research we
5 are conducting now that the number of downtown
6 employees using public transit has increased 10
7 percent since 2003 and that more people, approximately
8 11 percent, are commuting with fellow commuters in
9 their cars and no longer driving alone.

10 At this point in time, public transit takes
11 approximately 45 percent, or 60,000 people a day, into
12 our downtown corridor. If the Port Authority
13 implements their proposed 30 percent service cuts,
14 many employees who are using public transit now will
15 be forced to take their cars to work or to find
16 another job closer to home and likely outside of the
17 downtown corridor. In a short period of time, you
18 will have serious traffic congestion downtown due to
19 increased commuter trips, plus employers who depend on
20 employees who use public transit face the loss of
21 those employees and need to look outside of downtown
22 for suitable workplaces, further decreasing property
23 values and property taxes.

24 Several years ago, Act 44 appeared to have
25 solved the funding problems identified by the

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1 Transportation Funding and Reform Commission.
2 Unfortunately, we know better now. Increased costs
3 and the reliance on tolling I80 as a revenue source
4 have resulted in even larger budget deficits than
5 originally thought. Now the legislature must do the
6 hard work of identifying the revenue sources to meet
7 the needs of our entire statewide transportation
8 system.

9 We urge the legislators to sit down and work
10 together on a bipartisan basis to solve this issue.
11 We have too much to lose to let this issue drift until
12 after the November elections.

13 Thank you.

14 CHAIRMAN MARKOSEK: Thank you very much.
15 Thank you.

16 Commissioner?

17 MS. KIRKPATRICK: Good afternoon,
18 Chairman Markosek and members of the Pennsylvania
19 House of Representatives Transportation Committee. My
20 name is Patricia Kirkpatrick, and I am chairman of the
21 Armstrong County Board of Commissions.

22 Armstrong County is a part of PennDOT District
23 10; however, I was unable to be at yesterday's hearing
24 in Clarion due to a scheduling conflict with the
25 commissioners' public meeting. Armstrong County is

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1 also a member of the Southwestern Pennsylvania
2 Commission, and I appreciate the opportunity to offer
3 comments at today's hearing.

4 In the guidelines for providing testimony, the
5 first question posed was, do you believe that our
6 public transportation and state highway and bridge
7 systems are in a financial crisis? One only has to
8 look as far as the recently released 2010 Report Card
9 for Pennsylvania's Infrastructure, the State
10 Transportation Advisory Committee's transportation
11 funding study, or the Infrastructure Status and Needs
12 in Southwestern Pennsylvania report compiled by the
13 University of Pittsburgh Institute of Politics
14 Infrastructure Committee, which I co-chair with
15 Representative Paul Costa -- nice to see you, Paul --
16 to answer that question with a resounding yes.

17 Our bridges received a C grade, while our
18 roads and transit infrastructure each received
19 D-minus. Nearly one in five Pennsylvania bridges are
20 deemed functionally obsolete and over one in four are
21 structurally deficient. We have made some strides in
22 reducing the number of deficient bridges, but the
23 special emphasis on bridges through the Accelerated
24 Bridge Program, though absolutely necessary, has meant
25 that fewer dollars have been programmed for

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1 maintaining and upgrading our road network.

2 The current Armstrong County TIP has
3 133 million of program projects. Of this amount, only
4 about 23 million was able to be programmed for highway
5 improvements. While 107 million was programmed for
6 bridges, only 6.1 million of this was for county
7 bridges and none was for local bridges. That means
8 that only 6.1 million was programmed over a four-year
9 period to address the needs of 67 county and local
10 bridges. And the picture only worsens in the draft
11 TIP that will be accepted by SPC later this month. In
12 the draft TIP, that 6.1 million is reduced by 200,000.

13 Doing nothing is not an option as we consider
14 solutions to this crisis. The failure to find ways to
15 maintain and upgrade our transportation system will
16 have dire impacts on the safety of our citizens and
17 our ability to remain economically competitive.

18 A study released last year by the Pacific
19 Institute for Research and Evaluation illustrates how
20 the cost and severity of accidents caused by roadway
21 conditions far exceeds those caused by alcohol,
22 speeding, and unsafe driving habits. The study
23 estimates that roadway-related accidents cost
24 Pennsylvanians 874 million in medical costs and
25 2.3 billion in productivity lost annually, placing us

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1 among the highest in the nation.

2 We must clearly find solutions to this
3 mounting financial crisis and those solutions must
4 address the growing needs of county and local
5 governments. There are over 77,000 miles of local
6 roads and 6,400 local bridges in Pennsylvania. The
7 Armstrong County Commissioners support the position of
8 the County Commissioners Association of Pennsylvania,
9 which calls for revenue allocation to counties based
10 upon each county's relative bridge responsibilities.
11 We also suggest that funding solutions include more
12 than simply considering tax increases. Other options,
13 such as tolling that is equitable in all regions of
14 the state and increased use of public/private
15 partnerships, should be explored in greater detail.

16 I will leave you with the impact of limited
17 financial resources. Route 422 is the major east-west
18 artery through central Western Pennsylvania. For many
19 years, we have been working with Indiana County
20 officials, as well as the Pennsylvania Department of
21 Transportation, in an effort to upgrade the Route 422
22 corridor between Indiana and Kittanning. In 2003, the
23 SPC completed a study of the corridor. It revealed
24 that there were 14 segments where the crash rates are
25 higher than the statewide averages, and this is over

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1 just a 25-mile section. The entire corridor section
2 had higher-than-average truck volumes and numerous
3 areas where the horizontal and vertical geometry does
4 not meet current design standards.

5 For the past seven years, we have been working
6 diligently to fix this corridor. Through the
7 extraordinary efforts of our fellow commissioners in
8 Indiana County, Senator Don White, Representative Jeff
9 Pyle, and the work of SPC and PennDOT, work will soon
10 begin on the first segment of this highway. It will
11 be ten years between the time the projects were
12 identified until just one of them is completed.

13 So while that segment will be improved, the
14 others will continue to be unsafe to the traveling
15 public. Not for lack of effort, not for lack of
16 community support, not for the lack of cooperation
17 from PennDOT. It is simply the lack of funds.

18 I'd like to close by recognizing the
19 extraordinary work done by PennDOT. We work closely
20 with District 10 Executive Joe Dubovi and his staff,
21 and I can tell you firsthand that they have raised
22 doing more with less to an art form.

23 And I thank you very much for the opportunity
24 to offer these comments to you today.

25 CHAIRMAN MARKOSEK: Thank you very much.

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1 We had Joe Dubovi at our hearing yesterday up in
2 Clarion, and he did a very good job there, too. All
3 the district executives I think have been doing a
4 really wonderful job.

5 I'm going to ask you the elected official
6 question that I ask every elected official. Since
7 we're fellow elected officials, we know what the
8 caldron is like out there and we all need the funding,
9 and it's no fun, especially in this economy and this
10 political environment, et cetera. Are you willing, as
11 an elected official and perhaps with your Board of
12 Commissioners, to publicly back your -- you mentioned
13 Representative Pyle and Senator White, et cetera -- if
14 they have to make some of these tough funding votes?

15 I know and you've testified that we need to
16 think of things other than the gas tax, and we don't
17 disagree with that, but the lift is so heavy that it's
18 probably going to have to include some things that
19 we'd normally not like to include.

20 So I guess my question to you is, as an
21 elected official, will you support those kinds of
22 fundraisers, if you will, for lack of a better term,
23 and support your elected officials in putting up those
24 votes?

25 MS. KIRKPATRICK: Representative, we work

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1 closely with our senators and our representatives in
2 Armstrong County. We have five representatives in
3 Armstrong County that cover the entire county. I
4 cannot speak for my fellow Board of Commissioners. I
5 can speak for myself that, yes, I would stand unified
6 with my senators, with my representatives. Every day,
7 county government must make executive-level decisions
8 on funding all the county operations. The
9 transportation, bridges, roads are one segment of
10 that. County commissioners stand up every day and
11 make funding decisions across our general fund budget.
12 So, yes, we would.

13 MR. EDWARDS: As a voter in Pennsylvania,
14 I would support the increase in gas tax.

15 CHAIRMAN MARKOSEK: Thank you. Thank you
16 both.

17 Pittsburgh Community Reinvestment Group,
18 Mr. Chris Sandvig, project manager, and Genevieve
19 Barbee, community organizer here. I'd also like to
20 call up Bike Pittsburgh, Mr. Scott Bricker, who is the
21 executive director, and Mr. Phil Ameris from the
22 Laborers International Union. Is Phil not here?

23 Mr. Sandvig and Ms. Barbee.

24 MR. SANDVIG: Well, Representatives,
25 thank you, first off, for holding these hearings. I

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1 can tell we're getting very close to happy hour,
2 because we've lost a few along the way.

3 CHAIRMAN MARKOSEK: We've been here a lot
4 longer. Some of these other ones have gone a lot
5 longer.

6 MR. SANDVIG: I've been reading the news,
7 which is also very interesting. So, yes, I appreciate
8 that. It's great to see you continuing to deal with
9 this very important issue.

10 I had submitted some testimony that I'm not
11 going to read to you from. I trust the intelligence
12 of the people who are in this room. They understand
13 that there is an issue here and there is inquiring
14 minds that want to know. I am going to hit some of
15 the high points of this, because I think it's very
16 important that we have that in consideration, and I do
17 have the PowerPoint behind me. Again, we're going to
18 go through things pretty quickly here, because it's
19 important to see some stuff, but at the same time,
20 keep things moving around.

21 One of the things that you've heard today is
22 that transit affects a lot of people that we don't
23 necessarily think about on a daily basis. We often
24 talk about bridges and roads and public
25 transportation. This is the SPC region of our

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1 metropolitan planning organization. As you can see,
2 there is transit in just about every single county,
3 which our gentlemen from Armstrong and Butler Counties
4 or Armstrong and Indiana are still here to see that.
5 It's not just within Southwestern PA. It's across the
6 state.

7 The counties in blue have some form of public
8 transportation beyond ACCESS, so, clearly, this is a
9 statewide issue. But it has an economic side, that I
10 don't think people quite realize, that we've been
11 talking about today. First off, let me say that
12 Mr. Zapinski, I echo every single one of his comments
13 with regards to what the Port Authority has done and
14 that needs to be supported, because we've certainly
15 taken a lot of work into account in Allegheny County
16 to make this happen.

17 In Allegheny County, we spend \$8100 a year
18 more per person to drive somewhere than to take the
19 bus. We have a system that the vast majority of our
20 riders use to get to and from work. Those are
21 taxpayers, those are voters who use the system to get
22 to and from their work, including places like
23 Monroeville, which has a very transit-rich
24 environment.

25 One of the things that was on the first slide

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1 that I had failed to mention, we have a lot higher
2 ridership in this region than regions of the same
3 size. We are 23rd in metro, 17th in ridership.
4 That's very important to keep in mind.

5 This \$8100, though, is crucial for a number of
6 reasons, not the least of which is the fact that if
7 you take that and you consider we are going to lose at
8 least 55,000 of our riders through transit cuts, that
9 increases the cost to taxpayers in Allegheny County by
10 \$420 million. Now, the question I have is, how is
11 saving \$50 million in running a system worth costing
12 taxpayers \$420 million over the course of a year?

13 This is a capacity issue as well, because as
14 you have heard, all of our jobs are in downtown and
15 Oakland. We have 130,000 jobs in those two areas
16 alone. The city alone has 60 percent of the jobs
17 within Allegheny County. Downtown Oakland alone have
18 more jobs than all the suburban centers combined.
19 When you consider that 40,000 of the people who work
20 downtown take the bus or the trolley to get to work,
21 that's huge. That also means that when it comes to
22 getting people to jobs and having jobs remain in the
23 region, the likelihood goes down because we have a
24 hub-and-spoke system. Everything goes in.

25 What is also important about this, though, is

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1 that additional money we are spending does not stay in
2 Southwestern Pennsylvania. It leaves. It goes to
3 companies like British Petroleum, it goes to places
4 like Saudi Arabia, it goes to automotive companies.
5 It does not stay here. It does not improve jobs.

6 So while we're talking about 50,000 riders,
7 the thing we should also keep in mind is there is
8 roughly 40,000 jobs that are always at risk because,
9 as a region, we do not traverse the region. We have
10 one of the highest job concentrations in the country.

11 Seniors are another part of this that we often
12 neglect when we talk about this, but they are highly
13 reliant on transit to continue their lives. Isolation
14 is a huge issue within the senior community. AARP has
15 come out on a number of occasions for a robust transit
16 system to support seniors. When we get into
17 situations of home isolation, we get into problems of
18 dementia, we get into problems of medical problems
19 within the homes that people can't get to. You can't
20 get people who have medical problems to the doctors in
21 a timely manner. It's a cascading effect. As you can
22 see from the yellow here, we have a lot of seniors.

23 I would just close by saying that it's very
24 important that we look at this from the economic
25 perspective. Is it really worth costing Allegheny

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1 County half a billion dollars in order to save
2 \$50 million? Do we really need to add two more lanes
3 to our Parkway so that we don't have traffic from
4 Monroeville taking an hour and a half to get to work?
5 And where is the \$2 billion for that going to come
6 from?

7 Thank you.

8 CHAIRMAN MARKOSEK: That's why we're
9 here, I guess. It's great testimony. Thank you.
10 Very good. Very well done. We need to get those
11 numbers.

12 Any questions?

13 REP. GEIST: Can we revise that in a way
14 that our guys would all understand?

15 MR. SANDVIG: I'm sorry?

16 CHAIRMAN MARKOSEK: The Chairman
17 mentioned that we need to put the numbers in a way
18 that our members can understand. The ones that are
19 here understand.

20 MR. SANDVIG: Yes, yes. We definitely
21 have the people who get it in the room. I'm happy to
22 work with Representative Geist and Representative
23 Markosek to do that. My contact information is on the
24 presentation.

25 CHAIRMAN MARKOSEK: Very good.

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1 Mr. Bricker. Oh, I'm sorry, ma'am. I thought
2 you two were together.

3 MS. BARBEE: No. My name is Genevieve
4 Barbee, and I'm from Community Human Services, which
5 is based out of South Oakland in Pittsburgh.

6 What I think has been interesting today -- and
7 I've submitted my testimony, but I'm just going to
8 briefly speak about it and not from it -- is that
9 getting here, we took a car. Taking a bus is pretty
10 unrealistic, to be completely honest, from where my
11 office is located. Getting around the city is very
12 difficult for me, an able-bodied, 24-year-old woman,
13 so I just need to kind of put that out there.

14 The system we have in place is a good system.
15 It's one of the reasons why I stayed here in
16 Pittsburgh. But the reality it's also broken and
17 there is a lot of people that are suffering because of
18 it, so I'm here to represent those people.

19 In my testimony, I have comments from people
20 in our programs and also people that receive our
21 services. One comment -- the first three comments I
22 have are actually from our homemakers. "The changes
23 in the routes, the times on those routes and the names
24 of the buses themselves changing make it very
25 difficult to get to appointments with my clients on

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1 time."

2 "Bus changes prevent me from getting to
3 certain clients on time or at all. I don't feel
4 everything was taken into consideration when they made
5 rider changes. This could directly impact my job
6 security as a homemaker if I'm continually late."

7 "The changes in the buses are crazy. It takes
8 two buses now to get to where I need to go where
9 before there was a direct route. This makes it
10 incredibly difficult to get where I need to go on
11 time. This impacts the amount of time that I spend
12 with each of my clients."

13 What I've noticed in talking to the people
14 that I work with and the people that I serve is that
15 they aren't aware of meetings like this. They are not
16 aware of the issues. They don't know what Act 44 is.
17 I had to research it before I came. That's a problem.
18 That's why I came. I came because I'm a community
19 organizer and I feel it's my responsibility to talk to
20 you guys and express what's going on where I'm from,
21 but also for you to tell me what I should be telling
22 the people that I work with every day and the people
23 that I serve.

24 So, really, I guess I'm here to ask you what
25 can I tell them? What can I go back and say as far as

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1 how are we going to fix this? What does all of this
2 mean?

3 CHAIRMAN MARKOSEK: Well, I think the
4 whole reason we're here is to answer that question,
5 but I can just sum it up real easy for you, if you
6 want a nice sound bite.

7 I've said many times publicly there is a word
8 in the English language that really shouldn't be there
9 because it has no meaning, and that word is "freeway."
10 Everything has cost to it, particularly in
11 transportation. There is just no simply free way, and
12 that's a nice, simple thing for you. Maybe you can
13 take that.

14 Obviously, it's more complicated than that,
15 and that's why we're here. And this is our seventh
16 hearing and averaging four to five hours each, so
17 that's the complicated part and that's what the public
18 doesn't see, either, but that's our job. We represent
19 them. It's our job to show up at hearings and get all
20 this information. So I help that helps.

21 MS. BARBEE: It does, but I think what is
22 also very important is that these funding issues, they
23 are very complicated, right? Again, like the people I
24 work with every day, they don't necessarily understand
25 as far as paying more in some tax. So I guess what

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1 I'm asking is, is there a better way to kind of
2 package that? Is there a better way of explaining to
3 the public as far as if you raise taxes, this is how
4 it will impact that. Because I feel like when you say
5 raise taxes, people do get upset, and that's because
6 they don't understand that it does fund these very
7 important issues. So I guess is there a better way
8 that I can do my job as far as explaining that to
9 people?

10 CHAIRMAN MARKOSEK: Well, we struggle
11 with that problem all the time, not just for
12 transportation.

13 MS. BARBEE: I'm aware of that, but I
14 figured I'd just ask.

15 CHAIRMAN MARKOSEK: Right. I think the
16 fact that you're here today helps us, and that's part
17 of why we're here, to hear from you, too, for these
18 kinds of things. We're open to new ideas. Rick and I
19 have got 30 years plus each in legislature, so we're
20 not new to dealing with the public. And you're right,
21 there are often closed ears until they say, oh, my
22 goodness, my taxes are going up and what is that all
23 about. It is a problem and we try to deal with it
24 every day, but you're testimony has helped me, I know.

25 Are there any questions or anything?

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1 (No response.)

2 CHAIRMAN MARKOSEK: It helped, so thank
3 you.

4 Mr. Bricker.

5 MR. BRICKER: Sure. Good afternoon. My
6 name is Scott Bricker. I'm the executive director of
7 Bike Pittsburgh, a 1300-member-strong bicycle advocacy
8 organization. I'll also a board member of
9 Pennsylvania Walks and Bikes, a growing statewide
10 bike/ped advocacy organization. I'm also on the board
11 of national organization called The Alliance for
12 Biking and Walking.

13 I want to thank you for providing me the
14 opportunity to speak today. It's great to see
15 Chairman Geist here, also, who is know is very
16 supportive of bicycling issues and is a member of the
17 PEPC Committee at the state level. So thank you very
18 much. It's great to see you.

19 Bike Pittsburgh and PA Walks and Bikes both
20 work to develop policies and infrastructure that will
21 make more transportation choices available to our
22 citizens and make our communities more liveable. We
23 aim to create a transportation system that integrates
24 all modes, one which ensures that Pittsburghers and
25 Pennsylvanians alike can safely travel on foot,

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1 bicycle, and by public transit. I'm here today to
2 speak up for these underrepresented modes of
3 transportation and the many Pennsylvania citizens who
4 either currently walk and ride or would like to walk
5 and ride, if only conditions were safer to do so.

6 As we all know, Pennsylvania is suffering from
7 deteriorating road and bridge infrastructure, but let
8 me add that we are also suffering from poor air
9 quality in our urban areas, obesity, and a down
10 economy. Investment in liveable communities and
11 walking, bicycling, and transit will not only over
12 time save million of dollars on infrastructure wear
13 and tear, but also will get our citizens active and
14 healthy, better our air quality, and help us all save
15 money.

16 Americans across the board want safer bicycle
17 and pedestrian infrastructure. Time and time again
18 when polled, people say they would ride a bike to work
19 or walk more often if the conditions were safer and
20 state that they are willing to pay for it. However,
21 in Pennsylvania, these modes are often scaled back,
22 cut, or not even thought of in the first place when it
23 comes to our transportation projects.

24 Currently, Pennsylvania spends less than
25 2 percent of its transportation funds on biking and

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1 walking infrastructure, even though biking and walking
2 comprise approximately 12 percent of all trips in the
3 state of Pennsylvania. The time has come to stop
4 treating these modes as afterthoughts and proactively
5 invest in them. Millions of Pennsylvanians from all
6 backgrounds walk or bike as part of their regular
7 transportation and recreation choice, and the walkers
8 and bikers among us are disproportionately the more
9 vulnerable members of our society: Our children, the
10 elderly, and the poor, in short, people who cannot
11 drive or cannot afford to drive but who still need
12 safe, viable transportation choices.

13 We need to make sure that funding is always
14 available for these integral parts to our
15 transportation system and not treated merely as
16 add-ons. I want to commend PennDOT for mandating the
17 use of its bike/ped checklist and for issuing its
18 Smart Transportation guidelines and one time funding
19 stream. But more needs to be done to ensure that
20 these modes are not only just fit into a
21 transportation project when they can be, but actually
22 planned for and invested in as necessary components of
23 a complete system.

24 One way to build our bike and pedestrian
25 infrastructure is to spend the funding that is already

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1 available for these projects, the recent extension of
2 SAFETEA-LU-ensured funding through December 2010 and
3 restored rescissions enacted in 2009. Funding
4 dedicated to Pennsylvania for Safe Routes to School
5 projects was included in this extension. While many
6 states have moved ahead with a call for applications,
7 PennDOT has indicated that they do not plan to
8 allocate Pennsylvania Safe Routes to School money at
9 this time. Part of the solution to Pennsylvania's
10 transportation problem must start with the funds that
11 are available today.

12 As you discuss the future of our
13 transportation funding and a vision of what
14 transportation looks like in our state, I strongly
15 urge you to consider bicycle and pedestrian
16 infrastructure as a cost-effective and integral part
17 to a complete transportation system. Bicycling and
18 walking are good for our health, our environment, our
19 economy, and our communities, and bicycling and
20 walking are good for Pennsylvania.

21 Thank you.

22 CHAIRMAN MARKOSEK: Thank you. Thanks.
23 Thanks to all of you. Good luck. Thank you. Very
24 good testimony. Hopefully, we gave you some good
25 information.

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1 Bob Cronauer of Westmoreland County
2 Conservation District. Southwest Pennsylvania
3 Commission, Commissioner Charlie Camp. I see Jim
4 Hassinger there, too. Hi, Jim.

5 Mr. Court Gould, executive director of
6 Sustainable Pittsburgh. And Mr. Michael Alexander, is
7 he here, Council of Representatives of the National
8 Association of Railroad Passengers.

9 Mr. Cronauer of the Westmoreland County
10 Conservation District, five minutes, sir.

11 MR. CRONAUER: Thank you very much for
12 your time here today. I have two talking points and I
13 have submitted written testimony.

14 The first one is with the state's Dirt and
15 Gravel Road Program. You might not be familiar with
16 it, so I'll talk about a couple of the high points
17 here.

18 The Dirt and Gravel Road Program was
19 established in 1997, and, basically, it's a little bit
20 of the exact opposite of what PennDOT does. The
21 question was asked earlier what they do with asphalt
22 or concrete roads. Well, we do not deal with either
23 of those. Our roads are all dirt and gravel roads,
24 and we implement environmentally sound maintenance
25 practices on those publicly owned unpaved roads in the

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1 state.

2 Each year since 1997, we've received
3 \$5 million in annual non-lapsing allocation, and that
4 is part of the reason why I'm here today is to ask for
5 an increase in that \$5 million, as it's lost its
6 buying power over the past 13 years.

7 The Dirt and Gravel Road Program is not run by
8 road experts; rather, by erosion experts, which I
9 guess I am one of those. The program is important
10 because it's active in 64 of our 67 Pennsylvania
11 counties. One of the guiding principles of the
12 program is local control. I heard the question asked
13 earlier what is PennDOT doing to work with the local
14 municipalities, and I guess I'm part of that answer,
15 as the Dirt and Gravel Road Program specifically works
16 with rural municipalities to handle the dirt and
17 gravel roads.

18 I'd like to take a minute to talk about how
19 the program actually works in Westmoreland County. In
20 Westmoreland County, we're allocated \$25,000 annually
21 for construction of the program, and we have 134 miles
22 of dirt and gravel roads in Westmoreland County. As
23 you can imagine, \$25,000 does not stretch very far
24 over 134 miles that we have.

25 We have completed, although, with that small

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1 allocation in the past 13 years, 12 miles of road
2 stabilized, which includes 27 work sites. These work
3 sites are chosen through a database of 137 sites we
4 have in Westmoreland County. The actual work on the
5 ground is much different than what PennDOT might
6 employ. We employ a drainage disconnection. What I
7 mean by this is that we try to reverse the traditional
8 urban stormwater where PennDOT might handle the water
9 within the road right-of-way. We actually try to get
10 the water off of the road, because the water is
11 erosive on the road surface, which then washes the
12 sediment into our local waterways.

13 The program is different because it is
14 extremely efficient. I have the pleasure of working
15 with a lot of state and federal grant programs, and by
16 far, this is the one that is most efficient and easy
17 to work with. In Westmoreland County specifically, it
18 is 93 percent efficient. Ninety-three percent of the
19 funds we get go directly on on-the-ground projects in
20 Westmoreland County.

21 It gets even better than 93 percent when you
22 consider in-kind contributions. In-kind contributions
23 are equipment, materials, and labor that the
24 municipality contributes but receives no reimbursement
25 for. Westmoreland County far outweighs the state

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1 average. We have 117 percent in-kind contributions
2 from municipalities. When you put that together with
3 the \$27,000 we get in Westmoreland County, that's
4 \$54,000 per year on the ground that we get in the form
5 of materials and labor.

6 So why am I here? I'm here because the Dirt
7 and Gravel Road Program is in danger of being
8 marginalized as the value of its \$5 million allocation
9 continues to erode. The program's annual \$5 million
10 allocation began in 1997 and only today has buying
11 power of 3.7 million. I'm here to ask you to consider
12 additional funding for the program. An increase in
13 the program funding of \$5 million would ensure we
14 could probably get most of our work done by 2036.

15 The program benefits rural municipalities. In
16 addition to on-the-ground projects, municipal
17 officials gain knowledge of practices that produce
18 environmental concerns and maintenance costs.

19 I see I'm getting short on time, so I'll jump
20 to my last point. That is the Conservation District's
21 role with transportation as a whole. Working within
22 the private sector, the Conservation District
23 regularly meets with developers and local engineers to
24 discuss topics relating to minimizing roadway impacts
25 to water quality and quantity. Typically, we are able

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1 to justify some of our time and recoup some of our
2 costs there through the permitting fees that these
3 agencies typically submit to us. That is not such the
4 case when working with the public sector. Much like
5 in the private sector, we offer a lot of technical
6 assistance. Whereas the District is able to recoup
7 some of those costs with a private sector, when
8 working with PennDOT, they are exempt from some of our
9 state fees with permitting.

10 It was mentioned earlier about the Route 22
11 construction projects. Construction projects like
12 that we put a lot of time in but aren't able to recoup
13 our costs with permitting fees.

14 Thank you.

15 CHAIRMAN MARKOSEK: Chairman Geist.

16 REP. GEIST: Thank you very much for your
17 testimony. We've had a tremendous what we call the
18 Dirt Road Program, and it started with Senator Korman
19 and myself and perhaps you all know Kevin Abbey, who
20 did the evangelistic work for Penn State, along with
21 the designs.

22 These roads are not what you commonly would
23 envision as dirt roads. These are wonderful pieces of
24 work, and as long as I'm around, and others, we really
25 need to grow that program, especially to educate

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1 township supervisors and others in rural areas to the
2 benefit of the programs. And on roads that are even
3 fairly heavily traveled, you can disperse heavy loads
4 and do it much better than you can with a paved road
5 and break it all up.

6 I'm a real advocate of what you've been doing.
7 You have other advocates and we'll make sure that we
8 try to keep that program going and growing.

9 MR. CRONAUER: Thank you very much.

10 CHAIRMAN MARKOSEK: We heard real good
11 testimony on this last night in Clarion as well. Very
12 interesting. Okay. Thank you.

13 Commissioner Camp, welcome.

14 MR. CAMP: Thank you.

15 CHAIRMAN MARKOSEK: Good to see you
16 again. Five minutes, please.

17 MR. CAMP: I also am on the board of
18 directors for the Conservation District of Beaver
19 County. Along with being a commissioner now for 10
20 years and the SPC chair, I followed Dan Onorato as his
21 chair when he was my chairman. I built 12 bridges
22 with Act 26 money. I want to thank you all for that,
23 and I have four bridges under construction for this
24 year, too. So we've been very active in bridge
25 replacement in Beaver County.

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1 The backlog of deficiencies started in the
2 1960s and continues to grow. The transportation
3 revenue has been static or declining for many years
4 now and has lost ground to inflation. The consumer
5 bid index increased by 80 percent from 2003 to 2008
6 and flat revenues eroded by inflation translated to
7 about half the projects or maintenance money that's
8 being provided.

9 The current funding levels on paper, at least,
10 have the capacity to adequately fund our preservation
11 programs, the work that is needed to keep our roadways
12 and bridges in good condition. However, the next two
13 funding areas are not being met: Replacing roads and
14 bridges when they reach their old age and fixing the
15 accumulated backlog of deficient bridges and
16 facilities.

17 When the preservation is shortchanged, roads
18 and bridges deteriorate sooner than their design life.
19 Roads and bridges that are patched instead of replaced
20 accumulate a growing backlog of deficient roads and
21 bridges. State estimates for fixing the backlog now
22 take the form of reaching our national average of bad
23 bridges over a period of 20 years with current
24 resources. And I'm a father of three, and if my
25 children told me that by the time they graduate from

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1 high school or college they'd hit the average, I'd be
2 a happy father on Sunday for Father's Day.

3 The realities of this transportation system
4 draw attention to the needs for construction to
5 address growing congestion, like Freedom Road project,
6 Cranberry, safety improvements like Route 28, local
7 roads and bridges, like the Veterans Bridge in Beaver
8 County, and traffic signal upgrades such that are
9 needed on Ohio River Boulevard.

10 We need to be mindful to not look to blame the
11 state but that the federal government has not done
12 anything about revenues in 20 years. The burdensome
13 federal regulations cause pointless delays while
14 adding little or no value to many projects and the
15 ecosystem they are trying to protect. I have a small
16 bridge going up now for about a million dollars. To
17 acquire some right-of-way property, the landowner was
18 happy with the appraisal of \$1600. The appraisal
19 system cost almost \$17,000 to buy \$1600 worth of
20 property.

21 We recognize that hand in hand with raising
22 revenues, there is a need to change the current system
23 to one that uses more common sense and local trust,
24 rather than triple federal review and oversight.
25 Monitoring and grading systems need to be developed to

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1 demonstrate accountability for the funding being
2 provided. The collection, distribution, and use of
3 this money must be transparent to the taxpayer so they
4 can see what their dollars are buying.

5 We need to show the public that the projects
6 that are being built are the best projects, that the
7 projects are moving efficiently from planning to
8 construction, and demonstrating on an ongoing basis
9 that maintenance and replacement programs are using
10 best practices and are cost effective. In short, we
11 need to add performance measurements to show that
12 money is being well spent.

13 The SPC is developing such a TIP monitoring
14 system under my chairmanship. And Representative
15 Geist, I heard your comment earlier about bridges with
16 a span of under 20 feet. Chairman Markosek came to my
17 class -- I'm finishing my graduate program at Pitt
18 right now -- and spoke to us, and for that class I
19 wrote an issue brief on replacing bridges with new,
20 cost-effective methods, specifically on bridges with a
21 span of under 20 feet. And I'll e-mail that issue
22 brief to you.

23 But I want to thank you all for your time. I
24 know it's a lot of hearing and a lot of testimony.
25 It's not an easy job that lays in front of you, but

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1 I'm sure the state is up for the challenge that has
2 been occurring for quite a long time. Thank you on
3 behalf of SPC and all the Western Pennsylvania
4 counties.

5 REP. GEIST: Thank you very much and
6 thanks for supporting what we're doing.

7 REP. CARROLL: Since the Chairman is
8 back, I'll let him ask his own question. I'll just
9 point out we've heard testimony from others -- and I
10 know it to be true -- that the saving grace from
11 Washington is not likely to be on the horizon this
12 year. From what I understand from others that have
13 testified, the reallocation of the federal
14 transportation bill is unlikely in the near future.
15 We're probably into next session of Congress before
16 there is even a chance we can get some relief, and I
17 think that just heightens the need to address the
18 problems here in Pennsylvania, and I thank you for
19 your partnership in that effort.

20 CHAIRMAN MARKOSEK: Thank you, Mike.

21 Commissioner, I always ask the elected
22 official question here, if you were here earlier.

23 MR. CAMP: I remember it.

24 CHAIRMAN MARKOSEK: So...?

25 MR. CAMP: I'll support what decisions

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1 you make. The money comes. You guys fill the
2 checkbook up. The MPOs write out the checks to
3 approve the projects. Whatever conclusion you-all
4 come to I will personally support. I think there are
5 opportunities right now, though, to change the current
6 system of how we deliver projects with some more
7 commonsense solutions that will be some low-hanging
8 fruit, some real savings, like the small bridges that
9 Representative Geist and I were talking about, which
10 is using concrete, precast products, and culvert pipes
11 and things like that, packaging them up in a package
12 and sending them out right away.

13 The federal government, the problem there is
14 the environmental review process. It takes years and
15 years to go through there. And down where I live
16 right beside Beaver Falls, there is bald eagles, there
17 is otters in the river, there is native trout in the
18 river. We don't have a water pollution problem. We
19 have an economic job loss problem and a population
20 loss problem.

21 CHAIRMAN MARKOSEK: Okay. Thank you.

22 MR. CAMP: Thank you, sir.

23 CHAIRMAN MARKOSEK: Mr. Court Gould,
24 executive director of Sustainable Pittsburgh.

25 Mr. Gould, welcome. Five minutes, please.

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1 MR. GOULD: Thank you very much. It's a
2 pleasure to be here.

3 Sustainable Pittsburgh is a nonprofit
4 organization that works collaboratively to accelerate
5 the policy and practice of sustainable development
6 within the ten-county region of Southwestern
7 Pennsylvania. I'm pleased to have an opportunity and
8 appreciate your time today, although I'm sure we're
9 all a little sorry that we're back here again so soon
10 after the last time that the transportation funding
11 crisis reared its head as recent as 2005.

12 We really applaud you and the Governor and the
13 whole legislature for convening a special session to
14 address, again, this planning crisis, and we really
15 agree with the Governor on the need for a
16 comprehensive package to fund transportation for at
17 least the next decade. Our deficient bridges and
18 roadways and our failing and ailing public
19 transportation systems are a statewide economic
20 problem whose time is long overdue for a long-term
21 solution.

22 A long-term, reliable source of funding surely
23 needs to be in step with current mobility trends. As
24 Pennsylvanians are driving less and demand more
25 fuel-efficient vehicles, it's increasingly important

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1 that the state find a new way other than the gas tax
2 to finance our transportation system. It's time, I
3 think, to start the transition from reliance on
4 per-gallon tax on motor fuels to taxing drivers per
5 miles driven. Traditional revenue tied to gallons at
6 the pump are and will be going down -- happily, I
7 might add -- as people drive less and switch to public
8 transportation, as vehicle fuel efficiency is on the
9 rise, and as greater use of alternative fuel and
10 electric vehicles is sure to rise as well.

11 Other states and metropolitan regions around
12 the country are further ahead in having already
13 deployed pilot programs for pay-as-you-travel
14 programs. And if not vehicle-miles based, at least I
15 think we should be indexing the motor fuels tax to
16 increasing costs and inflation.

17 Other innovations to be considered include
18 making public transportation reliable and affordable
19 to those who depend on it every day, as we've heard
20 here today, as well as attracting more and more riders
21 out of their cars to switch to public transportation.
22 Strategies to include increase public transportation
23 ridership and decrease regional vehicle miles traveled
24 necessarily entail hastening the pace of smart growth
25 planning and programming to stem the tide of suburban

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1 sprawl and the dual pernicious trend of urban decline.

2 This can be done by linking land use with
3 investments in public economic development to focus
4 growth on our existing communities.

5 Transit is a very effective means to attract
6 and to channel growth and development to appropriate
7 places, contributing to resource efficiency. Thus, as
8 advocated by the 2006 report of the Governor's
9 Transportation Funding and Reform Commission, more
10 incentive-based funding programs are needed to
11 coordinate land use development with the
12 transportation system.

13 In striving to address this crisis, it's
14 recommended that transportation funding solutions be
15 conditioned upon and leveraged to ensure state and
16 regional commitment to -- and I'll give a list of some
17 candidate principles. One, predictability and
18 reliability, including automatic inflation adjustment
19 of funding for public transportation and all forms of
20 transportation in urban, suburban, and rural areas.

21 Secondly, equity as a major criteria in
22 identification of transit funding sources, recognizing
23 particularly that transit systems provide a major
24 public service benefit that cannot and should not be
25 supported by user fees.

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1 Increased public transportation system
2 operations and efficiencies, avoiding solutions that
3 would negatively impact systems currently operating
4 efficiently and effectively. And as we heard earlier
5 today, of note we really applaud the transit agencies
6 in our region, and, in particular, the Port Authority
7 of Allegheny County for its remarkable gains in
8 efficiency and cost containment that are measured to
9 the tune of \$52 million annually.

10 Another criteria would be mitigating
11 congestion through added revenues gained by tolling,
12 other market mechanisms, and investment in smart
13 transportation technologies.

14 We'd be supportive of applying new resources
15 such as tax credits to stimulate development around
16 transit centers and provide increased latitude to
17 local governments to raise local revenues for public
18 transportation while not displacing their payment of
19 their share of mass dollars for federal and state
20 funds.

21 So thank you very much for the opportunity.

22 CHAIRMAN MARKOSEK: Thank you. No
23 questions?

24 (No response.)

25 CHAIRMAN MARKOSEK: Thank you.

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1 Mr. Michael Alexander, Council of
2 Representatives of the National Association of
3 Railroad Passengers. Mr. Alexander, welcome. Thank
4 you and you may proceed, sir. Five minutes.

5 MR. ALEXANDER: Thank you, Mr. Chairman.
6 I'm testifying today on my own behalf as a citizen in
7 favor of increased funding for public transit in
8 Allegheny County. As you all know, the Port Authority
9 is facing an operating deficit of about \$50 million in
10 the upcoming fiscal year, and if it does not get
11 increased funding, our fares will be raised and our
12 service will be cut again. And this at a time when we
13 should be talking about how best to direct increased
14 investment towards mass transit, not what cuts we can
15 manage to live with. Of course, I recognize that
16 transit is just one of the transportation needs facing
17 the Commonwealth.

18 I live in PennDOT District 11 in Pittsburgh in
19 the Squirrel Hill neighborhood, an area well served by
20 buses. I'm 63 years old, recently retired, and my
21 wife works at Carnegie Mellon University. We have one
22 car and I have an annual subscription to the Port
23 Authority monthly pass. I use my pass almost every
24 day. If Pittsburgh ceases to have fairly frequent bus
25 service, my ability to get around would be much less,

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1 for example, to attend this hearing, to which I've
2 traveled on Port Authority buses.

3 Passengers do ride Pittsburgh buses. Port
4 Authority buses are almost always well patronized,
5 often overcrowded, in fact. This passenger base is
6 one of the assets that Pittsburgh, unlike a lot of
7 other cities of similar size, can be proud of. Here,
8 all sorts of passengers of all ages and economic
9 groups choose to take the bus, not just people with no
10 other option. But if service is cut and potential
11 passengers find there is no bus to take them to and
12 from their destination at the right times, they will
13 lose their transit orientation and it will be very
14 hard to get them back as riders. And, of course, if
15 service is cut, there will be people who will simply
16 not be able to access needed services, and, most
17 importantly, will not be able to get to work.

18 I think that Port Authority has been making a
19 solid effort to employ its resources more effectively
20 through reorganization of existing bus routes. A
21 modernized fare collection system with some sort of
22 smart card is being planned and will be a major
23 improvement in terms of faster and more convenient
24 operation that will benefit passengers.

25 So where can we find the revenue to fill the

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1 \$50 million hole, plus invest in needed capital
2 improvement like an improved fare collection system?
3 Certainly, if any areas of waste can be found, savings
4 should be achieved by attacking that waste, but the
5 Port Authority has already been on a diet for a long
6 time. It is now facing a starvation diet. We need to
7 look at increasing revenue, either by increasing fees,
8 possibly the low \$36 annual auto registration fee,
9 and/or raising taxes.

10 Yes, raise my taxes. I say this not because I
11 am so flush or so generous. In the long run, paying a
12 little more taxes for public transit makes good
13 economic sense for me, because without good transit,
14 my standard of living and my property value are going
15 to go down, and under certain circumstances, my wife
16 and I might need to think about taking on the added
17 expense of a second car.

18 If you want me to suggest the way to increase
19 tax revenue, here is one: Collect sales tax on
20 out-of-state internet purchases. I commend committee
21 Chairman Markosek and Republican Chair Geist and the
22 other members of the committee for their bipartisan
23 effort to confront our transportation crisis by
24 holding these hearings throughout the state and giving
25 us voters a chance to have our say. I hope their

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1 colleagues in Harrisburg will resist the temptation to
2 kick the can down the road until after the next
3 election.

4 I know a minority of citizens will raise a
5 reflexive howl of protest against raising taxes or
6 fees or both, but I really believe that most voters
7 will accept the necessity of increasing revenue, as
8 long as they see that this revenue is actually
9 bringing them safer and more efficient transportation.

10 In this situation, good government really is
11 good politics. Keep Pennsylvania moving and, in
12 particular, keep the Port Authority going with
13 adequate funds for operations and needed capital
14 investment. Thank you.

15 CHAIRMAN MARKOSEK: Okay. Thank you.
16 Can't say it much more plain than you've said it, so
17 thank you for that. All of you, really. I don't see
18 any other questions, so you all did a great job.
19 Thank you very much.

20 Don Dunlevy. Is Don here? Is there anybody
21 that was on the agenda that got passed over or wasn't
22 here when we called them? Because if not, Don is the
23 last agenda speaker, and after that, we will -- I see
24 the mics in the back. Any other citizen that would
25 like to give us their one or two minutes, we'll allow

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1 them to do that.

2 But anyway, Don, you are the big-time cleanup
3 hitter.

4 MR. DUNLEVY: On the tail end again.
5 Mr. Chairman, Mr. Chairman, I want to thank you. I
6 comment on your op ed piece today. You put it right
7 on the table. I appreciate that and having the candor
8 to stand up and tell people what our problems are and
9 what they need to do.

10 Frankly, after talking to our own members, I
11 think the more you do that, the more they understand
12 it, too. They don't need to be called. They just
13 need to be told the truth, and that's the way we lay
14 it to them. So I appreciate what you did. That's
15 evidenced in my printed remarks.

16 I want to talk about passenger rail service in
17 Pennsylvania. Pennsylvania has two extremes of
18 operation here. The Keystone Corridor on the Keystone
19 service to Harrisburg to Philadelphia line, we are the
20 beneficiary of old infrastructure that was done very
21 well and very expensively years and years ago. It was
22 first electrified in 1910 and completed in 1930. In
23 recent years, we've put 145 million extra dollars to
24 upgrade it. It's now 110-mile an hour service, going
25 to 125. In the last five years, we increased

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1 ridership from 640,000 to 1.2 million a year. SEPTA
2 adds another 6-point-some million between Paoli and
3 Philadelphia. That's over 7 million people that would
4 otherwise be on a highway.

5 Unless people think that that's a big cesspool
6 or dumping hole for money, I want to point out, too,
7 that the procurements for that piece of right-of-way
8 from Harrisburg to Philadelphia, Amtrak spends over
9 \$110 million a year in Pennsylvania in procurements
10 and employs 2700 people with over \$140 million in
11 wages. There is a great benefit there to the people
12 and to the Commonwealth and our economy, as well as to
13 the lifestyle.

14 However, on the other side of the state, we go
15 west of Harrisburg. We have one train on each way
16 every day, takes five and half hours from Harrisburg
17 to Pittsburgh. The terrain is difficult. This
18 right-of-way was built 150 years ago when there was no
19 interest in high speed. In fact, five and a half
20 hours was pretty impressive at that time.

21 So with that, we need the look ahead to the
22 future. And recently the federal government's push
23 towards -- policy towards high-speed rail makes that
24 an opportunity for us. While many of the
25 opportunities and programs around the country are

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1 so-called incremental, where they want to go 79 and
2 110 miles an hour, I think it's our opportunity to go
3 for true high-speed rail, more than 150, more than
4 200, 250 or better, and we've been working on a Maglev
5 in Pennsylvania for 20-some years. I can say that in
6 the past week, we received the final environmental
7 impact statement. It's been published in the Federal
8 Register, approved by the FRA. It's out for
9 publication and comment, and our next step is to go
10 for a record and decision.

11 I'd also point out one of the other problems
12 with the incremental approach. Over the years, the
13 freight railroads got rid of passenger service. They
14 first created Amtrak in the '70s, gave them their
15 equipment to get rid of it. It's an interference to
16 their freight operation. We have the best freight
17 railroad system in the world, but they are not
18 compatible, high-speed rail and heavy freight. It's
19 kind of like taking a Mack truck and Lamborghini. The
20 Mack truck ain't going to go too well on a grand prix
21 course and the Lamborghini ain't going to make it in
22 the tar pit. They are not compatible.

23 And we need to look to the future. We do
24 this. With the federal government's approach now,
25 they pay 80 percent of the cost. That's an

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1 opportunity for us to create infrastructure, just as
2 the Pennsylvania Railroad did back in 1910. Its life
3 cycle was 80 years. There is no annual maintenance
4 cost for it because there is no moving parts in the
5 construction. I attached to this a short commentary
6 on why that is. There is also a pro forma chart that
7 will show you that there is actually a positive cash
8 flow, that there is a billion dollars in about 25
9 years that will enable us to add further to the
10 system.

11 What we need to do in the end, three things:
12 There is \$28 million of money, federal money, in
13 Washington for this project that requires a \$7 million
14 match. It's four to one. That's 3 and a half million
15 a year for two years to match that 28. That gets us
16 to a record of decision.

17 The other thing I think we need to do in
18 Pennsylvania is create a high-speed rail passenger
19 authority to focus on moving the project to
20 completion, seeing the expansion of this service. The
21 three states that garnered all the money, California,
22 Florida, and the midwest central states, all had a
23 commission or authority that worked aggressively to
24 get that money, and they each got in the range of
25 \$2 billion apiece. We are the most advanced project

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1 in the United States, and we didn't get zip. That
2 needs to be corrected.

3 The other thing is we need to do work at all
4 levels of state and local government in concert with
5 our congressional delegation, move this project
6 forward, and put some pressure on the Department of
7 Transportation and the federal government
8 administration.

9 I'd be happy to answer any questions.

10 CHAIRMAN MARKOSEK: Representative Paul
11 Costa.

12 REP. PAUL COSTA: Thank you,
13 Mr. Chairman.

14 Bob, good seeing you. I've taken that train
15 from Harrisburg to Pittsburgh twice. It's not worth
16 it to drive an extra two hours on a train. We do need
17 some route.

18 I'm just shocked that after September 11th,
19 2001, when all of our airplanes were grounded that we
20 didn't come to the realization then that we need
21 another form of rapid transportation to get people and
22 move them from place to place. I thought that that
23 was the defining moment for Maglev. I'm a big
24 supporter. I'm praying that one day I can ride that
25 thing to Harrisburg, so keep on fighting the fight.

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1 MR. DUNLEVY: Thank you.

2 CHAIRMAN MARKOSEK: Okay, thanks. Don,
3 you cleaned it up real great here. I couldn't think
4 of a better guy.

5 MR. DUNLEVY: Can you imagine I stayed
6 within five minutes?

7 CHAIRMAN MARKOSEK: It was worth waiting
8 for.

9 MR. DUNLEVY: Thank you.

10 CHAIRMAN MARKOSEK: Thank you, Don.

11 Okay, anybody from the public now? Timekeeper
12 will do two minutes.

13 Would you identify yourself, sir? Two
14 minutes, please.

15 MR. ENGLISH: Yes, Representative
16 Markosek. I was actually on the agenda before, so I
17 expect some latitude with the time. My name is Gary
18 English from Penn Hills. Representative DeLuca is my
19 state rep.

20 I realize that there are infrastructure needs,
21 but there has been no accountability of past policy.
22 I believe that the legislature has created the
23 transportation mess on five counts.

24 First, the legislature siphoned off \$718
25 million in general highway funds in 1992 for the

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1 Mon-Fayette Expressway. Those monies should have gone
2 for the repairing of our roads and bridges and not for
3 the funding and construction of a toll road.

4 Second, the legislature thwarted the will of
5 the voters on stadiums in 1997 and spent over \$1
6 million on unwanted, unneeded stadiums, two in
7 Pittsburgh, two in Philadelphia, one in Altoona, and
8 upgrades to the Harrisburg Senators stadium, raising
9 the state's debt ceiling. That money should have gone
10 for needed public infrastructure improvements, and now
11 we have the Consol Energy Center. Bread and circuses,
12 gentlemen.

13 Third, the legislature uses highway funds for
14 the State Police salaries. This state agency should
15 have been paid out of the state's general fund, not
16 the highway funds.

17 Fourth was the passage of Act 44 to toll
18 Interstate 80 with the hope of making it a cash cow
19 for road and bridge repairs, as well as mass transit
20 funding. This was the second illegal attempt, as the
21 Federal Highway Administration guidelines mandate that
22 tolls must be dedicated for the repair or maintenance
23 of highways being tolled.

24 Fifth, \$74 million in matching state funds
25 went to the Port Authority of Allegheny County to

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1 construct the boondoggle known as the North Shore
2 Connector. Original estimates started out costing
3 393 million, and it now stands at 528.8 million. The
4 project will primarily serve sports spectators for the
5 two stadiums. This will keep fans from walking the
6 1.2 mile trek while they sit for three hours watching
7 sporting events and stuffing themselves with nachos
8 and beers. That certainly does not speak highly on
9 the President's Council on Physical Fitness.

10 The Port Authority has the highest paid
11 transit drivers in the nation, along with generous
12 pension packages that combine 44 percent of their
13 budget. So now the citizens are burdened with the
14 Allegheny County drink tax and increased car rental
15 taxes that help the Port Authority.

16 The Port Authority is set in not raising the
17 basic fare of \$2 and has used scare tactics by
18 mentioning a \$7 fare. Yesterday's Post-Gazette
19 editorial mentions the \$50 million budget deficit and
20 their daily ridership of 220,000 people. So let's
21 crunch some numbers. 220,000 daily transit riders
22 with 52 weeks, five days a week. That's 266 business
23 days. Take 260 times the 220,000 transit riders.
24 That's 57,200,000 annual riders. Increased fares by
25 just \$1 would generate \$57.2 million, in excess of

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1 their budget deficit. Any ridership on Saturday and
2 Sunday would generate extra revenue. The Enterprise
3 testimony today talks about \$17 million of the drink
4 tax that's not being used for mass transportation.

5 As for the bridge and highway funding, do it
6 without tax increases. It's time to cut the cost of
7 government. Representative Markosek and
8 Representative Geist, your editorial in today's
9 Harrisburg Patriot News advocates five tax increases
10 and offered no cutting, no cost-cutting measures.

11 We need to reduce the bloated legislature and
12 staffing. Go back to a part-time lawmaking and
13 part-time pay, eliminating walking-around money known
14 as RAMS in the state funding in the DCED. One DCED
15 grant alone this year was for \$59.7 million.

16 Consolidate PennDOT and the Pennsylvania
17 Turnpike Commission. Return the \$718 million from the
18 Mon-Fayette Expressway project and issue government
19 bonds for this project. The generation of new tolls
20 will go to pay back the bonds.

21 And in closing, I believe that Act 44 was
22 lousy legislation, but so were the illegal pay raises
23 of 1995 and 2005. It's time to cut government waste
24 and bloat.

25 Thank you very much for your time and your

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1 consideration.

2 CHAIRMAN MARKOSEK: Thank you. Next?

3 MR. SMITH: I am John Smith from the
4 Banksville section, 20th Ward of Pittsburgh. Thank
5 you, Mr. Markosek, Mr. Geist, and people I can almost
6 see down there, but I think you're there. I'll try to
7 be brief because I know you're eager to go.

8 I think you ought to raise gas tax tomorrow by
9 a quarter. I think you ought perhaps to consider
10 raising the vehicle registration -- that is, for the
11 number plate -- on a sliding scale perhaps to the
12 value of the vehicle, the weight, or the newness of
13 the vehicle. They did it years ago in New Mexico and
14 I was there. It seemed to work pretty well.

15 My main interest is transit. My first job, I
16 walked a mile to Homewood from Point Breeze and picked
17 up 110 newspapers and hopped in the shuttle bus and
18 took them to the top of the route and started
19 downhill. I've been a rider of transit for 60 years
20 since. For the last 15 years since I've been retired
21 on disability, I've been a constant attender, perhaps
22 an annoyer or harasser of the Port Authority and the
23 SPC, particularly on matters pertaining to transit.

24 And I've come to be very fond of especially
25 the Port Authority, and I think of them essentially as

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1 a very well-run agency. Nobody is perfect, but
2 compared to the other parts of the government agencies
3 that I've seen and worked with, I am very favorably
4 impressed by them, both Paul Skatellas and his
5 operations man and Henry Nutbrown, the builder, who
6 got a bad rap for policy decisions that were not
7 really theirs. And I think the current man, Steve
8 Bland, is an excellent man, as is his operations man,
9 Bill Miller. It's easy to put one bus on one street
10 corner in the morning, but to put 800 buses on 8,000
11 street corners and keep them running and running
12 properly is a tough job.

13 The answer to funding is more local funding,
14 which is not popular with the current county
15 officials, but early on in the Port Authority's
16 operation, it was thought that the fare box would pick
17 up a third, the state would pick up a third, and the
18 county would pick up a third, and the agencies across
19 the country that seem to be successful have more local
20 funding than we have here in Pennsylvania.

21 Since you're still as eager to go home as I
22 am, I'll leave it at that, but I certainly hope you'll
23 consider the transit funding and the extension of it.

24 CHAIRMAN MARKOSEK: Thank you, Mr. Smith.
25 Very good.

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1 Okay. Wow. I think that's it, not only for
2 today, seven hearings that are ending today. I don't
3 know how many hours. About a hundred hours, it seems.
4 And I know my colleagues up here have done their duty
5 and hopefully now we can take this information and do
6 something with it that's positive.

7 So I want to thank, first of all, the Gateway
8 School folks here. Thanks, guys. Great, beautiful
9 facility here and you did a good job today. Thank
10 you.

11 I'd like to thank all the staff, certainly the
12 members, the folks who testified, the folks that sat
13 through it. And, you know, I traditionally ended
14 these by saying when the next hearing is, and I don't
15 have to say that now. So I guess the last thing I
16 should say is meeting adjourned.

17 Thank you.

18 (Hearing adjourned at 3:24 o'clock p.m.)

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