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Deputy Secretary for Planning

Jim is the Deputy Secretary for Planning at the Pennsylvania Department of Transportation. He directs the activities associated with the Center for Program Development and Management, the Bureau of Municipal Services, and the Bureau of Planning and Research. In this role, he is responsible for overseeing Pennsylvania's planning and programming functions, such as the Mobility Plan (PennDOT's long range plan), Twelve Year Program development, the Statewide Transportation Improvement Program (STIP), and managing approximately \$1.6 billion federal each year.

Prior to his present assignment, Jim served as the Director of the Center for Program Development and Management, the Chief Design Services Engineer in the Bureau of Design, the Construction Project Manager for the I-99/US 220 Corridor in Engineering District 2-0, Special Assistant to the Deputy Secretary for Highway Administration, as well as several other assignments in his 23 years with the Pennsylvania Department of Transportation.

Jim received a Bachelor of Science Degree in Civil Engineering from Geneva College.

Jim, his wife (Tambra), and daughters Hannah (15), and Elisabeth (10) reside in Juniata County.

House Transportation Committee

Informational Briefing on Economic Recovery

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Testimony of the

Pennsylvania Department of Transportation

**James D. Ritzman, P.E.
Deputy Secretary for Planning**

Greetings

Mr. Chairman and members of the House Transportation Committee, thank you for the opportunity to speak about Pennsylvania's economic recovery preparations.

Background

PennDOT works diligently with our Metropolitan Planning Organizations and Rural Planning Organizations (MPOs/RPOs) to make critical and often tough decisions that support a system preservation approach to properly manage nearly 40,000 miles of roads and 25,000 bridges on the state-maintained system. This business is conducted publicly amidst a great deal of financial uncertainty.

Today, PennDOT, just as virtually every other state DOT, is dealing with unprecedented cost increases. In fact, PennDOT has seen the overall cost of construction increase by 80 percent during the past five years. A variety of factors contributed to this dramatic inflation, including the spike in worldwide fuel prices and soaring demand for concrete and steel by fast growing economies in China, India and Middle East.

Despite the higher costs, PennDOT was able to deliver 747 projects last year into construction totaling \$1.97 billion.

Significant transportation financing uncertainties exist at both the state and federal levels (Motor License Fund Revenues, Act 44 implications of not having I-80 tolled, FFY 2009 Appropriations and rescission, Highway Trust Fund solvency, re-Authorization of SAFETEA-LU).

With a road and bridge network as large as Pennsylvania's, there will always be more projects than there are available dollars. In 2007, PennDOT estimated the unmet bridge needs alone totaled in excess of \$11 billion.

American Recovery and Reinvestment Act of 2009

U.S. House of Representatives

Status: Bill passed on January 28, 2009. Key provisions include:

- \$46.1 billion in transportation investment (\$30 billion for highways and bridges, \$12 billion for transit, \$3 billion for airports, and \$1.1 billion for Amtrak and intercity passenger rail).
- A "use it or lose it" provision that requires 50% to be obligated within 90 days.
- A "maintenance of effort" provision that stimulus/recovery money cannot supplant existing State funds.

U.S. Senate

Status: Bill currently being debated. Key provisions include:

- \$45.3 billion in transportation investment (\$27.6 billion for highways and bridges, \$5.5 billion for a competitive grants program, \$8.4 billion for transit, \$3.1 billion for Amtrak and intercity passenger rail).
- A “use it or lose it” provision that requires 50% to be obligated within 180 days.

Congressional leaders expect that a single recovery package will be passed by both houses and sent to the White House by President’s Day.

Economic Recovery Plan

We have been preparing diligently to be successful responding to potential economic stimulus legislation. There are huge unknowns as we prepare. Not known is the size of the initiative, distribution methodology, special requirements that may be attached or how quickly projects must be advanced.

Our focus has been to develop a candidate list of projects consistent with our ongoing emphasis on system preservation that would be deliverable within six months of the signing of the legislation. This response will create jobs for Pennsylvanians and achieve meaningful improvement to our infrastructure. Our goal is to have \$1.5 billion worth of projects available to advance.

The selection process emphasized candidate projects that address Pennsylvania’s bridge deficiencies, pavement needs and safety concerns. These projects would be delivered in addition to the \$1.8 billion in projects already identified to be bid in CY2009 almost doubling the current program. We looked first to advance projects that were already on the Transportation Improvement Plan (TIP) in the second, third or fourth years. Where there were not enough candidate projects that could be advanced on the current TIP, additional projects were identified that could be delivered in the anticipated time frames. Almost ½ of the candidate projects are existing TIP projects.

Pennsylvania’s approach to the potential economic stimulus legislation, candidate list development, and the candidate list was shared with the House and Senate Transportation Chairs in advance of its public release.

In order to have fair distribution across the state, similar financial guidance used in the preparation of the FFY2009 TIP was applied to identify targets for each Metropolitan Planning Organization (MPO)/Rural Planning Organization (RPO). While we did not meet each target specifically, the candidate list reflects a good faith effort to do so.

During this effort, process meetings were held with the Associated Pennsylvania Constructors (APC) and also the American Council of Engineering Companies (ACEC)

to understand their concerns and potential limitations. We have also worked closely with the Pennsylvania Division office of the Federal Highway Administration.

With these candidate road and bridge projects, PennDOT would be able to repair 428 bridges, including 125 that are structurally deficient. The remaining 303 bridges will each receive some level of preservation to keep them from being added to the structurally deficient list prematurely. In addition to improving aging bridges, projects have been identified to repave 872 miles of roadway across the state

PennDOT was careful to select projects that can advance quickly, anticipating a 180-day bid opening (let) requirement.

Conclusion

PennDOT continues to work closely with FHWA and AASHTO to obtain the latest Recovery Bill information to ensure that Pennsylvania is ready to act swiftly to meet whatever Recovery Bill requirements surface.

PennDOT will work quickly to understand and communicate the ultimate “rules of engagement”. We are also aware of considerable interest in advancing local projects that would be eligible for Federal funding. It is our recommendation that the MPOs/RPOs work with us to identify and prioritize locally advocated projects which meet the stimulus criteria and which would be their preference to be included.

Thank you for the opportunity to speak about Pennsylvania’s economic recovery preparations, and to assure you that PennDOT is committed to work with our partners in successfully responding to economic stimulus legislation and that we are well positioned to be successful.