

COMMONWEALTH OF PENNSYLVANIA

HOUSE OF REPRESENTATIVES

TRANSPORTATION COMMITTEE

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PUBLIC HEARING IN RE: TRANSPORTATION FUNDING

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BEFORE: JOSEPH MARKOSEK, Chairman
Mark Longietti, Mike Carroll, Paul Costa,
Timothy Solobay, Jake Wheatley, Mike
Sturla, Richard Geist, Mike Hanna,
Members

HEARING: Tuesday, June 1, 2010
Commencing at 2:10 p.m.

LOCATION: Lock Haven University
Price Performance Center
20 Glenn Road
Lock Haven, PA 17745

WITNESSES: Tim Horner, Elam Herr, John McCaskie,
Cynthia Zerbe, Jeff Stover, Keri Albright, Sam
Lansberry, Michael Hawbaker, Ben Landon, Dan Harger,
Peter Lopes, Kevin Kline, Dan Klees, Jim Saylor, Amy
Kessler, Sandra Tosca, Mark Murawski, Rick Biery

Reporter: Rhonda K. Thorpe

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I N D E X

1
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14
15
16
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18
19
20
21
22
23
24
25

OPENING REMARKS

By Chairman Markosek 3 - 4

STATEMENT

By Mr. Geist 4 - 5

TESTIMONY

By Mr. Horner 6 - 12

By Elam Herr 12 - 13

By Mr. McCaskie 13 - 23

By Ms. Zerbe 24 - 34

By Mr. Stover 35 - 40

By Ms. Albright 40 - 46

By Mr. Lansberry 46 - 57

By Mr. Hawbaker 58 - 64

By Mr. Landon 64 - 70

By Mr. Harger & Mr. Lopes 71 - 86

By Mr. Kline 87 - 103

By Mr. Klees 103 - 109

By Ms. Kessler & Mr. Saylor 109 - 125

By Ms. Tosca 125 - 137

By Mr. Murawski 137 - 147

By Mr. Biery 147 - 158

DISCUSSION AMONG PARTIES 158 - 159

P R O C E E D I N G S

1
2
3
4
5
6
7
8
9
10
11
12
13
14
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CHAIRMAN:

Good afternoon, everybody. The first order of business, I'd like to call on Representative Tim Solobay to administer the pledge of allegiance.

REPRESENTATIVE SOLOBAY:

Thank you, Mr. Chairman. It's in the far left corner.

PLEDGE OF ALLEGIANCE

CHAIRMAN:

Okay. Thank you very much for attending here today, our second of five scheduled hearings sponsored by the Pennsylvania House Transportation Committee, as well as CP Policy Committee for both the House Republicans and House Democrats. And the purpose of these hearings is in conjunction with the Governor's special session on transportation. As we all know there's a very serious transportation funding infrastructure problem in Pennsylvania and there are no easy solutions. The problem is vast and expensive to solve and so I'm here and we felt that by having the Committee tour the state, for all the regions of the state, and there's

1 seven of them, that we could educate --- help educate
2 the public and our fellow legislators in those areas
3 to the problem and some of the solutions that will be
4 required. With that, I'd like to introduce my co-
5 chairman, Representative Rick Geist.

6 REPRESENTATIVE GEIST:

7 Thank you very much, Joe. It's
8 a pleasure to be once again back on the campus of Lock
9 Haven University. My sister graduated from here and
10 I've gone for a few wrestling matches ---. Spent many
11 hours assessing how to make small towns happy. So it
12 brings back a lot of memories for me from many years
13 ago. Now, as we do this road show across the state, I
14 think it's pretty unprecedented for the House of
15 Representatives to be doing this in a building that
16 has been known in the last few years for its
17 unbelievable partisan politics, to have the House
18 Transportation Republican and Democrat members to go
19 on tour along with the Policy Committees of each
20 office. This is something that a lot of people are
21 having a hard time getting their arms around, but it's
22 for real.

23 We recognize the problem. We
24 recognize how difficult the problem is to solve. We
25 recognize how many different tentacles are on the

1 beast and we know that we have some awfully good
2 expert people here today to testify, to help us make a
3 case and help us bring votes as a result of this
4 problem in the House and Senate with the Governor. I
5 want to thank you very, very much for coming out
6 today. We're looking forward to hearing what you have
7 to say.

8 CHAIRMAN:

9 Thank you, Rick. Also I want to
10 take this opportunity to thank the folks of Lock Haven
11 for providing us with this wonderful facility and all
12 their hospitality here today. We couldn't do this
13 without you, so thank you, Lock Haven. I'd like to
14 introduce the other Committee members who are here.
15 Representative Mark Longietti from Mercer County.
16 Representative Mike Carroll from Luzerne County. To
17 my far left, Representative Paul Costa from Allegheny
18 County. We already had before mentioned
19 Representative Tim Solobay, Washington County. And of
20 course Chairman Rick Geist, and I'm Representative Joe
21 Markosek.

22 I'd like to call our first
23 person to testify, from the Pennsylvania Public
24 Transportation Association, Cynthia Zerbe,
25 Union/Snyder Transportation Alliance.

1 MS. ZERBE:

2 Mr. Chairman, may I ask for a
3 deference? Mike Palo is not here just yet and if we
4 could move down the agenda. Do you mind? I
5 apologize.

6 CHAIRMAN:

7 Okay. We'll go next then to the
8 Pennsylvania State Association of Township Supervisor,
9 Mr. Tim Horner, Second Vice President. Mr. Horner?
10 And I see you have Mr. Elam Herr, a good friend, from
11 PSATS. And we have our five-minute timer here in
12 front of the speakers. We've allotted five minutes
13 for most of the speakers. We have technology to
14 enforce it. All right. Actually, it's just more of a
15 reminder. So Mr. Horner, you may proceed.

16 MR. HORNER:

17 Chairman Markosek and members of
18 the House Transportation Committee and the House
19 Democratic and Republican Policy Committees.

20 CHAIRMAN:

21 Get a little closer.

22 MR. HORNER:

23 You got me okay?

24 CHAIRMAN:

25 You've got to get pretty close.

1 MR. HORNER:

2 Good afternoon. My name is Tim
3 Horner, township supervisor for Chapman Township,
4 Clinton County and the Second Vice President of the
5 Pennsylvania State Association of Township
6 Supervisors. Thank you for the opportunity to appear
7 before you today. With me is Elam M. Herr, Assistant
8 Executive Director of the Association.

9 Today we will provide examples of
10 local transportation needs in PennDOT District Two and
11 Three. We provided the Committee with a statewide
12 perspective at the May 27th hearing. Should anyone
13 need a copy, we would be happy to provide it.

14 PennDOT District Two. In 2008,
15 municipalities in District Two spent \$53.9 million on
16 local roads and bridges, yet only received \$15.5 (sic)
17 million in liquid fuels funds. Many municipalities in
18 this region are dealing with significant amounts of
19 heavy truck traffic associated with Marcellus drilling
20 activities.

21 My township, Chapman Township,
22 Clinton County, has a bridge that provides access over
23 a railroad to the local high school and elementary
24 school. This bridge has wearing surface problems and
25 needs joint repair and guiderail replacement. Under

1 current conditions, it is nearly impossible for the
2 township to raise the \$100,000 needed to properly
3 complete this project. However, the issues with the
4 bridge need to be addressed before the situation
5 worsens.

6 Chapman Township also has a road that
7 runs from the township building to the top of a
8 mountain called Somers (phonetic) Mountain Road. Due
9 to its location, the road has been hit hard by the
10 winter and logging trucks traveling this road. To
11 properly repair the road would cost about \$300,000,
12 which the township doesn't have, so the road will
13 continue to deteriorate.

14 Patton Township, Centre County is a
15 growth area and a retail destination in the Centre
16 Region. However, the township's roadways are
17 currently operating at full capacity. Waddle Road
18 serves as a connector route between Toftrees
19 development and North Atherton Street, the main
20 business route into State College. The Waddle Road
21 interchange at Exit 71 of US 322 and I-99 cannot
22 safely or effectively handle projected traffic volumes
23 and the bridge is classified as functionally obsolete.

24 The township has undertaken a \$16.9
25 million project to replace the current bridge with a

1 wider structure containing four lanes and a dedicated
2 turning lane for highway access. Also, additional
3 lanes will be constructed on US 322/I-99 to eliminate
4 traffic stacking.

5 Patton Township is aggressively
6 working to obtain a combination of federal, state and
7 local funding sources, including a public/private
8 partnership with the Patton Township Development
9 Authority --- or Development Company. This is the
10 highest priority project not on the Centre County
11 MPO's four-year TIP.

12 PennDOT District Three. In 2008,
13 municipalities in PennDOT District Three spent nearly
14 \$65 million to maintain their roadways, yet received
15 only \$21.1 million in liquid fuels funds. The
16 municipalities in this district are particularly hard
17 hit by the natural gas drilling activities within the
18 Marcellus Shale region.

19 Athens Township, Bradford County has
20 a one-lane bridge that provides access to the rail
21 yards, which have the potential for industrial
22 development and the hospital's shuttle parking
23 facilities. The bridge is used by truck traffic to
24 bypass downtown Sayre Borough. This year the township
25 is replacing purlins under a portion of the steel deck

1 through an Agility agreement with PennDOT and is
2 attempting to replace the bridge on the TIP program.
3 Without funding, the township may be forced to close
4 the bridge.

5 The township has the Valley Business
6 Park Project C --- the Road C Project for which the
7 township has already raised about \$3.5 million from
8 federal, state and ARC funds. The business park is
9 located at Interstate 86/New York Route 17 and
10 Pennsylvania Route 220 and houses two manufacturing
11 facilities as well as a training facility for a
12 natural gas company. About half of the park is
13 available for development but has lost potential
14 business because it lacks the connector road. The
15 township needs \$2.5 million or the project will not be
16 able to move forward.

17 In closing, transportation funding
18 for highways and mass transit needs to be carefully
19 examined and acted on now. The Association can
20 support a grant for transportation revenue
21 enhancements and we urge that all solutions include at
22 least a 20 percent local share into a restricted use
23 accounting, linking any tax or fees to the consumer
24 price index, reducing state mandates as recommended
25 under prior testimony which stretch our transportation

1 dollars.

2 Unless action is taken soon, our
3 transportation system will crumble, driving economic
4 opportunities from those areas that kept --- will be
5 employed to make the investment needed. Thank you for
6 this opportunity to testify before the committee
7 today. We will now attempt to answer any questions
8 you may have.

9 CHAIRMAN:

10 Q. Thank you, Mr. Horner. I've got
11 one question. And I think you did a very good job
12 selling us on the local needs. And we all know that
13 the local folks have every bit of a problem with
14 infrastructure as the state system of infrastructure.
15 My question to you, sir, and my understanding in
16 looking at your résumé, we're both elected officials.
17 What type of revenue enhancements do you see your
18 township or some of your colleagues or township folks
19 in general supporting? You know, you often hear about
20 the vast needs, but we're talking off about what
21 people, you know, want us to do relative to raising
22 funds with respect to things and what they would or
23 would not support. I guess that's the general
24 question I would have for you.

25 MR. HORNER:

1 A. Well, I think, you know, as
2 we've looked at this over the years, our depletion ---
3 our liquid fuels money has continually been depleted
4 and has not been kept in tune with the cost of doing
5 --- doing these repairs. And I think we would be
6 supportive of anything along the lines of increasing
7 those funds as long as we get a fair share of that.

8 CHAIRMAN:

9 That's understandable. Any
10 other ---?

11 MR. HERR:

12 Mr. Chairman, if I could ---
13 just a real quick comment?

14 CHAIRMAN:

15 Yes, Mr. Herr?

16 MR. HERR:

17 The Association has already gone
18 on record of supporting an increase to the gas tax.
19 Of course nobody likes to pay any taxes, but the gas
20 tax is a user fee. We have also looked at raising the
21 cap on the oil franchise fee and we're willing to look
22 at other issues without going into a lot of detail and
23 taking up time. But as long as like Mr. Horner said
24 locals get their fair share so they can also provide
25 their part of the transportation system.

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CHAIRMAN:

Okay. We have another one of our stakeholders Francis J. Palo, and Mr. Michael Palo, Chief Executive Officer. Mr. Palo here? Okay. The American Concrete Pavement Association, Mr. John McCaskie. And Mr. John Becker is here as well. You're always welcome gentlemen. Mr. McCaskie is with Swank Associated and is a contractor. And Mr. Becker is with the Association. John and John, good to see you again and you may proceed. You get five minutes.

MR. MCCASKIE:

Good afternoon. I'm John McCaskie, Chief Engineer of Swank Associated Companies, and a member of the Pennsylvania Chapter of the American Concrete Pavement Association. Although we are based in Westmoreland County, we currently work in this part of the state. Swank provides Pennsylvanians with more than 300 good paying jobs as skilled equipment operators, truck drivers, mechanics and more. Our business is to maintain and preserve highway and airport concrete pavement and bridge decks through restoration and safety improvement processes such as saw-cut grooving, patching and joint sealing.

The effects of the recession on citizens of the Commonwealth and the concrete paving

1 industry have been dramatic. Stimulus spending over
2 the past has allowed some in the bridge building and
3 road preservation segments of our industry to hold on
4 to their jobs and benefits. Many others, however,
5 have not been as fortunate. Furthermore, with much of
6 the stimulus work now behind us and with great
7 uncertainty as to the future of transportation funding
8 at both the state and national levels, our industry
9 faces a crisis that may include massive layoffs and
10 deferred capital investments which will in turn
11 further slow Pennsylvania's economic recovery. Lack
12 of certainty directly affects our ability to operate
13 with confidence and assure our workers as well as the
14 companies that we do business with of a future that
15 they can count on.

16 What we need is a reliable, dedicated
17 stream of funding for transportation infrastructure
18 investments. Lack of reliable or even predictable
19 transportation funding results in a market where in
20 slow economic times, contractors cannot justify making
21 investments in equipment and personnel that will allow
22 them to be competitive and responsive to agency needs
23 when bursts of funding like the stimulus package are
24 released.

25 As you know, the current gap between

1 transportation infrastructure needs and available
2 funds has been estimated at \$3.5 billion. It's
3 essential to Pennsylvania's economic development, both
4 now and in the future, this gap be closed immediately.

5 Swank joins many others in the concrete paving and
6 repair industries in calling for the development and
7 implementation of a long-term solution that will close
8 this \$3.5 billion funding gap, and we will actively
9 support any strategy that includes sound and permanent
10 funding mechanisms to do so. Possible mechanisms
11 include but are certainly not limited to increases in
12 user fees and registration fees, the use of public-
13 private partnerships and any other funding mechanism
14 --- mechanisms that are equitable and will provide
15 reliable and sufficient funding to support the
16 necessary long-term investments in our transportation
17 infrastructure.

18 I have worked as an engineer in the
19 Pennsylvania highway construction industry over 40
20 years and have witnessed many changes over this
21 period. Amid budget cutbacks, I have become more and
22 more aware of the difficulties that the Commonwealth
23 faces in developing and implementing newer, but
24 proven, technologies. With a reliable solution to our
25 long-term transportation funding crisis, Pennsylvania

1 can again become a leader in this field and again be
2 in a much better position to take advantage of newer,
3 more cost-effective paving technologies such as thin,
4 medium and thick concrete overlays, permeable
5 concrete, and full-depth reclamation and roller
6 compacted concrete.

7 I appreciate having the opportunity
8 to speak with you and welcome any questions that you
9 may have now or at any time in the future.

10 CHAIRMAN:

11 Okay. Thank you very much. We
12 appreciate you attending here, John, and also
13 appreciate your support. Representative Tim Solobay.

14 REPRESENTATIVE SOLOBAY:

15 Q. Thank you, Mr. Chairman. Mr.
16 McCaskie, first off I think a debt of gratitude for
17 your company's ability to do some great, quick work
18 out of Western PA a couple of years ago along
19 Interstate 70. We had a bridge collapse and a couple
20 other things needed to be done. The timeliness and
21 the efficiency that they did to rectify that problem
22 was very much appreciated by many of those in
23 Washington County and folks that travel Interstate 70.

24 MR. MCCASKIE:

25 Thank you.

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25REPRESENTATIVE SOLOBAY:

Q. With that, briefly a question. I brought this up last week in Hershey. You had made a comment about technology and effective and more efficient ways of dealing with especially concrete construction. There are some sections out that way that you guys had nothing to do with, by the way. Over the past 15 years there were some complete rehab --- not rehab, complete rebuild of sections of Interstate 70 and Interstate 79 in the Washington County area that did not really withstand the level it should. We were given a number of years of about 40 years to do a complete rebuild that we should anticipate that rebuild lasting --- the concrete construction lasting a good 40 years, with minimal maintenance through the course of that time frame. But for a complete rebuild, tear it all out, new base, the whole works, frame should give you 40 years with nowadays technology.

We've got, unfortunately, sections of the roads where in a matter of 15 years, there may have been sections of complete rebuilds over that time frame, two or three different times. Our problem is, as you stated, with \$3.5 billion of needed bridge and roadway repairs to the state system, we

1 need to find either accountability or working with the
2 industry to find ways to make sure that that does not
3 continue to be the fact. I mean, if we're rebuilding
4 things in a third of the time that it should be
5 lasting, even if it's just sections, there are costs
6 that are going to be associated with that that's going
7 to eliminate the opportunity to do a lot of other ---
8 a lot of other needed work that should be done.

9 So my question to you I guess
10 is, are we seeing or hearing or you know of situations
11 unlike this one where this seems to be going on either
12 within the state, with maybe particular companies,
13 particular suppliers? I mean, is there anything that
14 we need to do to watch out for and a better sense to
15 make sure that this doesn't happen? Because, again,
16 3.5 just to rebuild what's out there, we don't need to
17 be doing it two or three times over the lifespan of
18 what should be, you know, 40 years from now.

19 MR. MCCASKIE:

20 A. I agree with you completely.
21 And I look back on my 40 plus years and there have
22 been just incredible changes. And let me go back a
23 little bit further even. For instance, one of
24 Pennsylvania's premier roads the Pennsylvania Turnpike
25 was originally built in lickety split time. It had no

1 foundation whatsoever, put under concrete pavement.
2 And Pennsylvania Turnpike has had to live with that.
3 Starting very shortly after they finished, new
4 technologies, new design standards all lead to and
5 continue to lead to an improvement in longevity.

6 The real issue that I come to have a
7 concern for is that many occasions we continue to work
8 with economical design standards. Much of your
9 concrete pavement failure is the result of a lack of
10 preparatory foundation. I've heard the people that
11 come back from Europe where the Autobahn is premier.
12 Well, that Autobahn foundation is probably twice what
13 we provide in what I refer to as the pavements that
14 we're buying at K-Mart. It's unfortunate. But that's
15 the situation we're in. We keep trying to spread the
16 dollars. And just like everything else, the thinner
17 coat just doesn't seem to hold up.

18 REPRESENTATIVE SOLOBAY:

19 Q. And that raises my comment, what
20 are we going to save if we're going to rebuild
21 something three times in a third of the amount of time
22 that it actually should've lasted? So I think we can
23 all look at that, Mr. Chairman, from our aspect and
24 also where we would ---. I mean, you guys are the
25 professionals as far as a saying how we should be.

1 And if we're not allowing for it to be right the first
2 time, you know, we're just throwing good money after
3 bad if we continue to operate in that manner.

4 MR. MCCASKIE:

5 A. Over the course of the, you
6 know, 40, 50, 60 years, we've got some superb,
7 exceptionally performing concrete pavements. We've
8 got some exceptionally performing bituminous
9 pavements. The other side, we have had some pavements
10 both on the bituminous side as well on the concrete
11 side that have not performed the way they should. And
12 a pavement lasting one third of the time that it was
13 designed for is, quite frankly, unacceptable. At the
14 hearing that you had raised the issue at the last
15 meeting, we are taking a look at what specifically
16 were the causes that have led to the failure of
17 premature or lack of, I would call it, acceptable
18 performance on that section of roadway.

19 I've personally not been out
20 there since then, but we are going to look into that
21 and to address whether it's through specification
22 changes or through some other forensic analysis come
23 to an assessment to determine what the root cause on
24 that was. Because I agree wholeheartedly with you. A
25 pavement that was designed to last 40 years should

1 last 40 and not 15 or 20.

2 REPRESENTATIVE SOLOBAY:

3 Thank you.

4 CHAIRMAN:

5 Representative Mark Longietti?

6 REPRESENTATIVE LONGIETTI:

7 Q. Thank you, Mr. Chairman, and
8 thank you for your testimony this afternoon. Just to
9 kind of further elaborate, I hear your testimony that
10 a lack of adequate funding as perhaps it's already
11 been stretching dollars and therefore the design
12 standards aren't where they should be and, therefore,
13 we're not taking advantage of the better concrete and
14 longer-lasting options. I just want to clarify,
15 though, also from your testimony, you talked a little
16 bit in the testimony about the inability to invest in
17 equipment and is the lack of --- perhaps significantly
18 higher crime resulting in contractors not investing in
19 equipment that could also bring perhaps greater
20 efficiency or more bang for the buck. Is that what
21 you're saying as well or not? Just so I can narrow
22 that down.

23 MR. MCCASKIE:

24 A. Absolutely. A contractor can't
25 go out and purchase new equipment that he doesn't feel

1 very confident he can put to work immediately. It's
2 just a poor investment policy. And it's the same with
3 personnel.

4 REPRESENTATIVE LONGIETTI:

5 Q. But is that new equipment that's
6 not being purchased, is that like a next generation
7 type equipment, or is it just replacement of what's
8 already there, or is it to produce greater efficiency
9 or have different capabilities?

10 MR. MCCASKIE:

11 A. I'd say it's a combination of
12 both. And there are --- there are very legitimate
13 concerns as it relates to air quality and what's going
14 on with diesel restrictions' potential. Yes. That
15 may well be deterring the investment of new
16 technology.

17 REPRESENTATIVE LONGIETTI:

18 Q. So if I hear you, then, it's a
19 situation where not only your company but your
20 counterparts out there, everybody's kind of in the
21 same boat because transportation funding is here, it's
22 not here. Then when the Commonwealth goes out to bid,
23 the contractors simply don't have perhaps the latest
24 technology that they could have if they have the
25 volume of work that they would have if the

1 transportation funding was higher? Is that
2 essentially what you're saying?

3 MR. MCCASKIE:

4 A. We really do need a hundred
5 percent increase in the level of funding, in
6 Pennsylvania and across the country. We have sent or
7 watched our investments on the interstate and other
8 highways from the '50s through the '80s. I guess in
9 automobiles we'd call it depreciation or wear. It's
10 gone. And we haven't even been changing the oil in
11 many cases because of the lack of funding.

12 REPRESENTATIVE LONGIETTI:

13 Thank you, Mr. Chairman.

14 CHAIRMAN:

15 Okay. Thank you. Gentlemen,
16 thank you very much. We appreciate it. The
17 Pennsylvania Public Transportation Association
18 representative Cynthia Zerbe, who's the Union-Snyder
19 County Transportation Alliance ---. You're going to
20 start?

21 MS. SHEADER:

22 Yes, I am. Thank you.

23 CHAIRMAN:

24 Now, let's introduce you for the
25 Committee as well as the stenographer.

1 MS. SHEADER:
2 Jacqueline Sheader, from the
3 Centre Area Transportation Authority in State College.

4 CHAIRMAN:
5 You need to bring it pretty
6 close.

7 MS. SHEADER:
8 I'm sorry. Jacqueline Sheader,
9 from the Centre Area Transportation Authority in State
10 College.

11 CHAIRMAN:
12 Welcome.

13 MS. SHEADER:
14 Thank you.

15 CHAIRMAN:
16 Thank you. You may proceed, Ms.
17 Zerbe.

18 MS. ZERBE:
19 Thank you for hosting this
20 hearing today. My name is Cynthia Zerbe and I am
21 administrator of USTA, the Union-Snyder Transportation
22 Alliance. I am a board member of the Pennsylvania
23 Public Transportation Association and I am offering
24 remarks on behalf of the 13 transportation providers
25 who serve the 18 predominantly rural counties in

1 PennDOT's Districts 2 and 3. Public transportation is
2 offered in each of the 67 counties in Pennsylvania.
3 Many of our citizens depend upon the mobility services
4 we provide to allow them the freedom to be employed,
5 attend school, access medical care, shop in our retail
6 centers and enjoy the quality of life each of your
7 constituents deserves.

8 From the fixed route services
9 provided by River Valley Transit in Williamsport and
10 CATA in State College, to the Area Transportation
11 Authority of North Central Pennsylvania, with a
12 service area encompassing six rural counties, to the
13 other rural providers of DuFAST, Endless Mountains and
14 Mount Carmel Transit to the shared ride programs of
15 Centre, Montour and Northumberland Counties, STEP in
16 Lycoming County, Call-a-Ride in Mifflin and Juniata
17 Counties and USTA, we carry more than eight million
18 riders each year and employ more than 500 people.

19 Community Transportation, also known
20 as Shared --- Class 5 Shared-Ride Transportation, is a
21 vital service in the rural communities of
22 Pennsylvania, providing service for a very dependent
23 population. It is a lifeline to services and often
24 the difference between a person continuing to live in
25 their home or moving to a nursing home, being on

1 disability or gainfully employed.

2 In Montour County, Melissa Wilson, a
3 27 year old mother of three was paralyzed in a motor-
4 vehicle accident. She relies upon the shared-ride
5 program to allow her the mobility she needs for
6 medical appointments. The transit system also
7 informed her of other county services that would help
8 her through this challenging life change. DuFAST and
9 ATA transport 20 percent of the employees of Goodwill
10 Industries of North Central Pennsylvania. With more
11 than 425 workers, Goodwill and their employees know
12 the value of public transportation. STEP in Lycoming
13 County consistently hears that their riders would be
14 forced into assisted living and lose their
15 independence if it wasn't for the service they
16 provide. Stories like these can be told by every
17 transportation provider in the Commonwealth. We need
18 our legislators to understand the benefits of public
19 transportation and how vital it is in all parts of our
20 state.

21 As noted in the Transportation and
22 Reform Commission's Executive Summary, Community
23 Transportation Shared-Ride has its own patchwork quilt
24 of funding and program requirements. Open to the
25 general public, full-fare rates are so prohibitive

1 that virtually no individual can afford a trip without
2 qualifying for specific program sponsorship.
3 Commonwealth programs, such as the Shared-Ride Program
4 for Older Adults and Persons with Disabilities and the
5 Medical Assistance Transportation Program support
6 access to transportation to those who meet program
7 criteria.

8 As fares increase, many other
9 programs operating on fixed budgets can afford fewer
10 trips for clients, resulting in a lack of access to
11 services --- but is the only alternative for Shared-
12 Ridge providers because there is no source of fixed
13 operating revenue available. When there are
14 unexpected changes in ridership, revenue takes an
15 immediate dive but fixed expenses remain the same.
16 When operating costs increase because of spikes in
17 fuel or insurance costs, our revenue cannot meet
18 expenses. Agencies live on a shoestring, trying hard
19 to keep fares affordable to riders and local agencies.
20 All providers have limited reserves on which to fall
21 back upon when unexpected spikes in costs occur.

22 The Commission recommended that the
23 Commonwealth evaluate community transportation to
24 improve efficiency and productivity, to expand the
25 service for programs of statewide significance and to

1 create a service stabilization program for community
2 transportation. With the implementation of Act 44,
3 the Shared-Ride Program for Persons with Disabilities
4 has expanded to every county in the state. Union and
5 Snyder Counties have seen demand for this program
6 expand and PwD ridership now accounts for ten percent
7 of our total trips, 50 percent of which are employment
8 related. USTA rider Gary Jarrett, blind since his
9 teens, travels daily to reach his --- to reach his
10 job. His neighbor had been transporting him for
11 several years, but became unemployed due to layoffs at
12 the factory at which she worked. USTA stepped in and
13 gave him the opportunity to remain gainfully employed.

14 Because of Act 44, we've had the
15 opportunity to apply for Service Stabilization funds
16 which have been used in various ways. Many systems
17 were able to use funds to stabilize budgets when gas
18 prices skyrocketed. Some used the funds to upgrade
19 their technology to improve efficiency with the
20 purchase of GPS tracking units, software or
21 communication systems. Some replaced vehicles to
22 increase the safety of their fleets and reduce the
23 amount of maintenance required. All of these things
24 have had a positive impact on system operations. To
25 continue the Service Stabilization Program, providers

1 need a form of fixed revenue, similar to asset
2 maintenance dollars that fixed route transit providers
3 receive. We must assure that the safety and
4 efficiency of public transportation continues to
5 improve and does not deteriorate.

6 The reason people come to work for
7 Community Transportation providers is because they
8 like what they do, which is to help people. The work
9 is meaningful but the pay is low. In many systems,
10 employer paid health insurance is the only --- is only
11 available to full-time employees and usually not to
12 their families. In some counties, directors of the
13 systems are called upon to drive the bus or even
14 change a tire. Management is often involved in the
15 day-to-day front line operations, leaving little
16 opportunity for planning, outreach to the community or
17 developing partnerships. Continuation of Service
18 Stabilization funding is needed to assist providers
19 with strategic planning so that providers can look at
20 ways in which to improve services and efficiencies,
21 cover operational expenses due to loss of ridership
22 during harsh winters and allow the providers to hold
23 the line on fares that are becoming a burden to our
24 riders and local agencies.

25 While my comments have focused on

1 community transportation, our state's fixed route
2 providers also face challenges. Many are planning
3 fare increases and evaluating service reductions.
4 CATA in State College will raise fares on August 1st,
5 and even though their community bus service has been
6 growing nearly ten percent annually, they are unable
7 to meet the service demands. If they must begin
8 service reductions, their busiest corridors will
9 experience even more overcrowding, to the point of
10 passing riders because the bus is filled to capacity.

11 With adequate funding, CATA could
12 operate fewer crush capacity buses by increasing the
13 number of runs on their busiest corridors. They could
14 extend their service to meet the demands in the ever-
15 developing areas at the periphery of the community.
16 And with additional capital funding they could expand
17 their severely overcrowded maintenance facility,
18 advance their transit technology initiative and
19 complete their bus fleet restoration program. This is
20 just one example of the needs, but more importantly
21 the opportunities confronting many of our transit
22 systems. I'm done. Thank you very much.

23 CHAIRMAN:

24 Thank you. We have questions
25 from Representative Geist.

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REPRESENTATIVE GEIST:

Q. I have a question about Shared Riding. I think it's probably the most misunderstood by the legislators of any of the programs that have been going on for the last several years. A lot of us are learning more about it and hope it keeps working as well as it does. One of the solutions that one of the Republican representatives had, and I'm not going to give any names, but is to put a Bill in to take all the money away from all transit and put it into highways. Little does he realize how much the list he has was done really early. And I would hope that your organization and ours would work very, very hard to educate the members of the General Assembly about these programs, how they work and what a necessity they are. And any way that you can do that, we would really appreciate it.

MS. ZERBE:

A. And we will be trying to do that. We have been trying to do that. That's one thing our association has really been trying real hard to do. I think sometimes it's unless you're sitting right there or you have a person in your family that has this need, sometimes it just looks like the little buses that are floating around the county and nobody

1 knows quite what they do and I agree with you. One of
2 the issues is that honestly we don't have money to
3 market, to reach out to our communities like we
4 should. But you're right, we should be doing a better
5 job with our legislators.

6 CHAIRMAN:

7 The Chair would like to
8 introduce Chairman Mike Sturla who's Chairman of the
9 Democratic Policy Committee. Chairman Sturla,
10 welcome.

11 REPRESENTATIVE STURLA:

12 Q. Thank you. I want to talk a
13 little bit about what Chairman Geist talked about. I
14 got that same email this morning, where somebody
15 wanted to just eliminate all funding for mass transit
16 so that we could fund roads and bridges. I think
17 maybe they were putting it to Philadelphia and
18 Pittsburgh, getting bridges done in their district. I
19 saw a report recently that talked about mass transit
20 and the State of Pennsylvania. And as you point out
21 in your testimony, all 67 counties have a mass transit
22 system, although only about three counties understand
23 that they actually have it.

24 And what I found striking in
25 that report was they talked about the subsidy per

1 rider. And much to my astonishment, because all these
2 years I've been told that Philadelphia had this
3 great sucking sound ---. We subsidize riders in
4 Philadelphia in the SEPTA system, which is the
5 southeastern part of the state, about \$2 per rider.
6 When you get into the more rural areas of the state,
7 it's about \$15 per rider. And yet I've always been
8 told that the southeastern part of the state was
9 taking all the money, now granted there's a lot of
10 riders, but that all the money was going there and
11 none of the money was going to the rural areas. Can
12 you, you know, help persuade us of that a little bit?

13 MS. ZERBE:

14 A. Well, you're right. Shared Ride
15 is possibly --- we're all covering long ---. We have
16 bigger areas to cover with --- bigger areas to cover
17 with fewer people. We don't have the numbers that a
18 city would have. What I view as the challenge is that
19 we do have some resources, we have buses. We don't
20 have the operating systems, our funding is slightly
21 different, so the regular person off the street
22 doesn't have the ability to afford rides so that maybe
23 we could build up other ridership. Our program, the
24 Shared Ride program is suited --- it's affordable to
25 people who fit under certain criteria.

1 My personal opinion is that we tell
2 them how to use the program some way. Because we have
3 resources out there, we have buses, and many people
4 will say they aren't as filled as they should be. And
5 I would agree with that. So there is money coming to
6 our county, there's no question about that. It's just
7 that it's directed to people that fall under certain
8 criteria. Elderly, disabled, low income. And so
9 there are other people out there that need that ride.
10 And as the gentleman in our county who is blind who
11 used his neighbor to go to work and now he rides the
12 bus because his neighbor lost her job.

13 So the cost per person is
14 definitely higher than that in urban areas. But there
15 is not money available for the general public in a
16 rural county. That's what I would say the difference
17 is.

18 REPRESENTATIVE STURLA:

19 Okay. Thank you.

20 CHAIRMAN:

21 Thank you. We appreciate it.

22 Did Mr. Palo arrive? Then we'll move on to the
23 Susquehanna Economic Development Association - Council
24 of Governments, Joint Rail Authority, Mr. Jeff Stover.
25 I'll ask you to talk to --- pull the mic up very close

1 and talk right into it, sir. Thank you.

2 MR. STOVER:

3 Thank you, Chairman Markosek,
4 Chairman Geist, Chairman Sturla, members of the
5 Committee. I'm Jeff Stover, Executive Director of the
6 SEDA-COG Joint Rail Authority and I'm here to talk
7 about actually our mode of transportation is doing
8 quite well, which is rail transport, but also how it
9 could mitigate the need for highway investments that
10 you're wrestling with. For those who are not aware of
11 what the Joint Rail Authority is, SEDA-COG Joint Rail
12 Authority consists of eight counties. It's a multi-
13 county authority of one of the counties you're sitting
14 in here, Clinton County. We own 200 miles of track.
15 So the municipal authority owns the rail structure and
16 it's operated by a private concern, five operating
17 companies. Last year about 25,000 car loads were
18 moved down the lines and about 75 customers that
19 employed 10,000 jobs. Most of the communities in our
20 area, which stretches from Berwick (phonetic) on the
21 east and Tyrone on the west, those jobs are usually
22 among the best of those communities.

23 I don't think I have to tell the
24 Committee that Pennsylvania for many years has been
25 the leader in investing in rail infrastructure. In

1 the current budget year, about \$9.5 million for the
2 Rail Freight Assistance Program and \$30 million in the
3 rail capital budget or the TAP, Transportation
4 Assistance Program. I think that it's been pretty
5 well documented that the pay back to the Commonwealth
6 for those fairly modest investments have been pretty
7 stellar and I think it shows up in the report card,
8 which we'll talk about in a moment.

9 What's interesting is although
10 Pennsylvania has been a leader ---. And I would put
11 up both those programs up against any other economic
12 development program the Commonwealth has, whether it's
13 DCD or Transportation, that I think money is coming
14 back to the Commonwealth. What's interesting, if you
15 look at the TIGER I grants this last year, the feds
16 have finally got it and over \$200 million is going
17 into CSX and NS as well as some short lines, so I
18 think that's pretty significant.

19 If you look at the report card, which
20 I know you all have seen, rail got a B and highways a
21 D-. I'm not here to say since rail's doing so well,
22 you shift some of the rail money to highways. To the
23 contrary. In fact, if you look at the little table on
24 my testimony there, you can see what the impacts over
25 the last two years in Pennsylvania's investment in

1 rail structures, in terms of additional monies
2 leveraged, jobs and highways --- trucks off the
3 highways. That's really important because what rail
4 freight does, it takes a load off the highway.

5 What I mean by load is, literally in
6 terms of tonnage and dollars. My message today is
7 pretty darn simple and I think as the budget shows us,
8 at least the part that I've seen, is that if you keep
9 rail funding where it is at a minimum, I think you can
10 make a solid case, actually increase it, and that
11 clues you enough --- you can see that, but I think
12 that in recent year rail freight has done very well as
13 far as funding.

14 Also up here in central Pennsylvania,
15 rail's playing a pretty big role in Marcellus Shale
16 gas in terms of the ---. I learned a new word
17 recently, it's called proppants, P-R-O-P-P-A-N-T-S.
18 And that's what we used to call a frack site. Various
19 particles are put in fracking, they're called
20 proppants and that's what really we're carrying quite
21 a bit of, as well as pipe and other chemicals. And as
22 we speak, about three railroad sites are being
23 constructed on our system.

24 I'd let the rest of my testimony
25 stand on its own, but I, you know, believe that rail

1 freight really is part of the balanced system. I
2 think that probably the rank and file we need to be
3 talking --- because I think the Committee pretty well
4 is aware, but it's mitigating what the needs are to be
5 on the highway side.

6 CHAIRMAN:

7 Q. Thank you, Mr. Stover. And I
8 agree with you that rail has done very well and
9 deserves the high rate that it got. The other thing
10 is a lot of the private freight rail folks put a lot
11 of their own money into their structure as well. Does
12 your organization have any kind of formal
13 pronouncements that would support the kinds of things
14 that we're trying to do here on the state level
15 relative to the increase in user fees, for lack of a
16 better, you know, softer word to attach to the fees?
17 Does your organization have any kind of formal support
18 for that? And also does your organization have
19 anything to say about the potential of a Marcellus use
20 tax there since that is a big source of, you know, a
21 lot of your new business, but it has also been a
22 source of a lot of the road and bridge maintenance
23 problems and could very well grow into that as well?
24 Any comments relative to those matters?

25 MR. STOVER:

1 A. I know the railway has not ---
2 has commented on the financial needs on the
3 transportation side because they're pretty narrow in
4 its focus. Nevertheless, SEDA Council of
5 Governments, which covers our 11-county area, which is
6 more broad-based as what --- part of its opposition to
7 the tolling of I-80, did say it passed two resolutions
8 that spoke to an equitable system. And I'm speaking
9 personally as a transportation professional. And I
10 looked at Chairman Geist's proposal recently of the
11 various --- some unique --- I think that everything's
12 on the table. At the end of the day, I think that the
13 gas tax has to be looked at and nobody wants to do
14 that. But probably we're going to have to look at it.
15 And I'm sure I'm not telling you something you don't
16 know.

17 CHAIRMAN:

18 Q. Well, nobody will have a tougher
19 decision than us, relative to that, but we certainly
20 appreciate any support we can get from your
21 organization. Chairman Geist?

22 REPRESENTATIVE GEIST:

23 Q. Thank you very much. I thought
24 I'd make a little announcement here because when
25 you're talking about rail, a good friend of mine who's

1 one of the investors in EMD, the support they brought
2 out by the highway is certainly --- they added over
3 \$25 million through EMD, and its straight cash deal.
4 So I think that that's an indication of the kind of
5 investments being made on the rail and highway
6 transportation future.

7 CHAIRMAN:

8 Thank you very much. We
9 appreciate it. Okay. Next is the North Central
10 Pennsylvania Public Transportation Taskforce, Mr. ---
11 excuse me, Ms. Keri Albright, president and chief
12 executive officer of the Greater Susquehanna Valley
13 United Way. Ms. Albright? Welcome.

14 MS. ALBRIGHT:

15 Thank you.

16 CHAIRMAN:

17 Pull the mic closer. That's
18 very good. You have five minutes to make your
19 statement.

20 MS. ALBRIGHT:

21 All right. Thank you. I'm Keri
22 Albright and I'm here to offer comments on behalf of
23 both the County of Northumberland and a relatively new
24 collaborative group called the North Central
25 Pennsylvania Public Transportation Taskforce. Before

1 I speak regarding the interests of the taskforce, I
2 would like to share a few comments on behalf of the
3 Commissioners of Northumberland County.

4 The Commissioners, of course, do
5 believe that a financial crisis is looming for the
6 state's public transportation and state highway and
7 bridge systems. They believe the steady decrease in
8 funding available under Act 44 is negatively impacting
9 their ability to improve the transportation systems in
10 the county. A pressing example of this is the
11 difficulty experienced in moving forward the Central
12 Susquehanna Valley Freeway project, of which I'm sure
13 you're all familiar. Although funding was committed
14 for the design completion of the northern section, the
15 need to identify a substantial portion of the 500
16 million remaining and required to complete the project
17 still persists. We feel inaction here is not
18 acceptable. In three decades, the prominence of this
19 issue has not diminished, but increased in urgency.

20 A second example is the continuing
21 need to maintain local bridges. Design policies would
22 currently favor full replacement over rehabilitation
23 or repair of existing bridges. The further inclusion
24 of usage, context and land use in these decisions to
25 allow wider use of rehabilitation without the county

1 to stretch scarce transportation dollars ---. This
2 would also serve to relieve some of the pressure on
3 the ebbing flow of liquid fuels funding, which presses
4 the county even further in funding local and regional
5 transportation needs.

6 In summary, the county would ask for
7 greater flexibility in how funding is allocated to
8 include rehabilitation of bridges as well.

9 Switching gears now, I'm also here to
10 speak on behalf of North Central Pennsylvania Public
11 Transportation Taskforce, whose work focuses on six
12 counties, including Snyder, Lycoming, Montour, Union,
13 Northumberland and Columbia. This group was born two
14 years ago out of research performed in Snyder and
15 Northumberland Counties. One of several major areas
16 of concern in our region was the lack of accessible,
17 efficient and affordable means of public
18 transportation for everyone. The Shared Ride program,
19 for example, Welfare to Work and Persons with
20 Disabilities provide reduced fares to consumers who
21 qualify for these programs as Ms. Zerbe said.
22 However, for many residents who don't qualify, the
23 fares are not affordable, the services don't extend to
24 a set schedule where people can ride anywhere they
25 desire within our six-county region.

1 Our taskforce seeks to put in place a
2 regional public transportation system that complements
3 the Shared Ride services currently provided by
4 counties individually. This system would serve those
5 who spoke up in the research, the teens who would like
6 the freedom who live in very rural areas to go
7 shopping or attend recreational or cultural
8 activities, seniors who continue to pursue independent
9 lifestyles, employees without driver's licenses who
10 need to continue to work or they risk becoming a
11 greater burden in our communities, employees who have
12 set work schedules who could use public transportation
13 to stretch their household budget or simply the low-
14 income family who cannot practically afford their own
15 transportation.

16 The needs voiced in this research
17 speak to a crisis in our public transportation where
18 we provide a system for everyone but then burden it
19 with costs, regulations and requirements; where places
20 out of reach, its use just beyond --- I'm sorry, where
21 places using the public transportation currently in
22 existence is far out of reach --- as far out of reach
23 as the car that it seeks to be an alternative to.
24 Part of the infrastructure also includes obstacles
25 placed between, providing trying to work together to

1 meet those needs in a more accessible way.

2 Our group feels strongly that we need
3 to take action, and that's why we're working
4 regionally across six counties --- I know that this is
5 rare in Pennsylvania --- with service providers,
6 government organizations, education and healthcare
7 providers and community service groups to create a
8 system where residents can better access employment,
9 educational, medical and social service needs in a
10 cost-effective and efficient manner.

11 Recently the Taskforce charged a
12 professional consultant to do a guideline feasibility
13 assessment to identify additional areas of needed
14 services, pockets of potential ridership, destinations
15 that are not yet known to us, ways that our current
16 structures can currently work together regionally and
17 ultimately to determine if all of this can be rolled
18 up under one regional transportation system that is
19 financially sustainable. We ask for your support in
20 making sure that public transportation is as
21 meaningful and lasting for our rural residents as it
22 is in our urban areas. Thank you.

23 CHAIRMAN:

24 Q. Okay. Thank you very much, and
25 we agree that --- well, most of us agree, anyway, that

1 public transportation is very important, as has been
2 mentioned here. Sometimes the rural folks don't
3 understand how important mass transit or public
4 transportation is to them too. It seems an urban
5 area, Philadelphia/Pittsburgh, kind of a thing. What
6 you mentioned here in getting together the region
7 here, does that include putting some pressure on the
8 regional legislators and state senators? Because in a
9 word, we're here trying to really convince somebody
10 and educate the public as to the vast needs of
11 transportation that we have, not only the mass transit
12 but also for roads and bridges, just local government
13 transportation use. What activities or do you have
14 any activities planned to approach your delegation, to
15 the House and Senate that represent those counties,
16 with the idea?

17 MS. ALBRIGHT:

18 A. Right. We're relatively young,
19 as I've said, and the feasibility study just got under
20 way in April. I've got two of my co-Taskforce members
21 here, Mark Murawski and Tim Saylor --- actually, Cindy
22 Zerbe as well in the audience. The feasibility study
23 will bring forth the need and sustainability, the
24 feasibility of a transportation system. With that
25 information, we'll do whatever we need to do to try to

1 make it happen regionally.

2 CHAIRMAN:

3 Q. That's great. We need all the
4 help we can get. We're not the majority of votes
5 here, so we need folks particularly in rural areas in
6 the legislative system, those who feel strongly about
7 the mass transit and public transportation. I don't
8 see any other questions, so thank you very much.

9 MS. ALBRIGHT:

10 Thank you very much.

11 CHAIRMAN:

12 Okay. The Pennsylvania Motor
13 Truck Association, Sam Lansberry. Is Sam here? Yes.
14 Sam, welcome. Good to see you again.

15 MR. LANSBERRY:

16 Thank you. Good to see you
17 again.

18 CHAIRMAN:

19 You have five minutes, sir, and
20 you may proceed.

21 MR. LANSBERRY:

22 Good afternoon, gentlemen. My
23 name is Samuel Lansberry. I'm President of Samuel J.
24 Lansberry, Incorporated, a hauler of dry bulk
25 commodities located in Woodland, Pennsylvania. My

1 company operates approximately 75 to 100 dump trucks
2 and dump and pneumatic trailers at various times of
3 the year. We travel throughout the Commonwealth and
4 surrounding states. The need for a well-built and
5 well-maintained transportation system throughout the
6 Commonwealth is critical for the safe, efficient and
7 economical movement of goods and property. Crumbling
8 roads and bridges create unsafe conditions for our
9 drivers, necessitate additional repairs to our trucks
10 and trailers and shorten the life of trucks,
11 especially tires and suspension parts. The other
12 effects of bad roads are accidents, delays, detours
13 and congestion.

14 I and my fellow truckers recognize
15 the funding crisis that presently exists to repair and
16 replace our roads and bridges. We have always
17 advocated a fair and equitable source of additional
18 funding for PennDOT for these purposes; however, this
19 additional funding must be paid by all users of our
20 highway system, not just a few in a selected area.
21 This additional funding should only be used for the
22 repair, rebuilding and replacement of roads and
23 bridges or for building new roads and bridges. We
24 oppose the tolling of existing highways, especially
25 those already built with our tax money. The act of

1 tolling an existing highway has so much expense and
2 time delay associated with it that it would take
3 several years to begin a positive cash flow toward its
4 initial purpose.

5 For the past two or three years,
6 we've been engaged in an exercise of musical chairs
7 consisting of lease the Turnpike, toll I-80 for the
8 Turnpike, again lease the Turnpike and toll I-80 for
9 the Turnpike, all to no avail. In the meantime, the
10 issue of the \$460 million annually the Governor needs
11 in additional funds has gone unresolved. Well over \$1
12 billion, possibly \$1.5 billion, could have already
13 been collected had the legislature increased the fuel
14 tax ten cents per gallon when this all started.

15 The most practical way to raise
16 revenue is with an across-the-board fuel tax increase.
17 It can be done quickly, is fair to all motorists and
18 it does not require any additional expense of
19 collection. The change of fuel tax rate for
20 collection and reporting will be a one-time
21 administrative change for both state and for the
22 companies, much less complicated than the almost daily
23 price fluctuations for fuel and gas we have
24 experienced the past several years.

25 Trucks from all states and

1 Canadian provinces will pay their fair share because
2 they must be registered under the International Fuel
3 Tax Agreement, known as IFTA. If they don't buy fuel
4 in Pennsylvania, Pennsylvania will still receive the
5 proper amount of tax from their home state every
6 quarter. For the past three years, Pennsylvania has
7 received \$118 million from other states for IFTA fuel
8 tax just on fuel not bought in Pennsylvania. For the
9 same period of time, Pennsylvania collected \$1.3
10 billion for fuel franchise tax and over \$3.6 billion
11 liquid fuels tax.

12 I would like to point out that a fuel
13 tax increase is a daily expense that can be built into
14 a carrier's rates and budget. It is equal for all
15 carriers using Pennsylvania roads. A fuel tax
16 increase will not divert traffic from Interstate
17 highways to secondary roads as would tolls. Traffic
18 will continue to use Interstate highways and multi-
19 lane freeways insuring no increase in damage and
20 congestion to secondary roads and small towns which
21 would happen if any Interstate highways were to be
22 tolled.

23 In considering other ways to increase
24 revenue, I would urge you not to increase registration
25 fees because registration time is a real crisis for

1 most carriers, and that is the time when many
2 companies either elect to downsize or quit. As far as
3 a ton-mile tax is concerned, implementation would take
4 a lot of time and be difficult. Plus, another
5 complete set of reports would need to be completed and
6 administered. This tax is ill advised.

7 Therefore, I believe the answer to
8 the funding crisis is to increase the fuel tax by
9 \$0.10 per gallon for all highway fuels. This is the
10 least expensive to collect, it is the fastest to
11 implement; it shares the burden most evenly and is the
12 least painful to highway users.

13 Thank you for your time and attention
14 and for allowing me to express my thoughts. And if
15 you have any questions, ---.

16 CHAIRMAN:

17 Thank you very much. You had a
18 question, Representative Chairman Mike Sturla?

19 REPRESENTATIVE STURLA:

20 Q. Thank you. You say your
21 association doesn't support tolling Interstate roads.
22 Do you support moving a toll on the Turnpike?

23 MR. LANSBERRY:

24 A. The Association doesn't have an
25 opinion on that, but my personal opinion is the

1 Pennsylvania Turnpike should be taken over and
2 operated by the Pennsylvania Department of
3 Transportation.

4 REPRESENTATIVE STURLA:

5 Q. Okay. The way I look at the
6 situation right now, and I agree with you that we need
7 to figure out some way to increase revenues to get us
8 back more than what we have. But short of increasing
9 the revenue, the only other thing I could do is not
10 repair some roads. From your perspective and your
11 association's perspective, which roads should I not
12 repair? Should I not repair the Interstate? Should I
13 not repair the roads that are getting 10,000 miles a
14 day? Or should I not repair the back roads?

15 MR. LANSBERRY:

16 A. Sir, as I testified, I think you
17 should put \$0.10 fuel tax on it; it'll make you \$450
18 to \$600 million a year. And you should fix all the
19 roads according to the expertise of your county or
20 district superintendents. That's not something I
21 could really answer. I travel all kinds of roads. My
22 fellow truckers, we travel on all types of roads. I
23 don't see that we are adequate to make that decision.

24 REPRESENTATIVE STURLA:

25 Q. Okay. Even if we only do a gas

1 tax that creates \$450 billion, we're still about \$1
2 billion shy.

3 MR. LANSBERRY:

4 A. That's every year.

5 REPRESENTATIVE STURLA:

6 Q. Yeah.

7 MR. LANSBERRY:

8 A. That's in addition to the \$1.3
9 billion you're getting every year now.

10 REPRESENTATIVE STURLA:

11 Q. Right. And still I'm trying to
12 figure this. You're still giving me something that I
13 don't repair, about \$1 billion worth of stuff every
14 year that I don't repair. So what I'm trying to get
15 at --- I'm not picking on you. I'm going to ask a lot
16 of other people this same question. Given the fact
17 that we'd be \$1 billion shy, what don't we repair?
18 Because I know what I wouldn't repair. I wouldn't
19 repair the back roads. Some people say that's not
20 where you should go. I think for most people you are
21 going to get potholes on the road that gets 20,000
22 cars a day versus one that gets 200 cars a day. So I
23 know which roads I'd repair first. But I want to hear
24 that from other people also.

25 MR. LANSBERRY:

1 A. I can't answer that.

2 REPRESENTATIVE STURLA:

3 Okay. Thank you.

4 CHAIRMAN:

5 Thank you very much.

6 Representative Mike Carroll.

7 REPRESENTATIVE CARROLL:

8 Q. Thank you, Mr. Chairman. Thank
9 you, Mr. Lansberry for your testimony. You know,
10 referring to the tax history before us here, we head
11 in the direction of approaching the day for political
12 support of a bill to impose a gas tax increase. And I
13 can understand concerns with respect to if everyone
14 will pay the --- I think it was a fuel tax increase,
15 you had said. My first question is, do you believe
16 that the majority of the industry shared the ability
17 to --- but the people like you with trucking
18 companies, do they understand the need to increase
19 generally, the actual \$0.10 a gallon when bringing up
20 the concept of a fuel tax increase?

21 MR. LANSBERRY:

22 A. Yes.

23 REPRESENTATIVE CARROLL:

24 Q. They can understand the
25 importance to preserve or advance other

1 transportation?

2 MR. LANSBERRY:

3 A. That's right.

4 REPRESENTATIVE CARROLL:

5 Q. Okay. And the testimony like
6 yours was striking, in my opinion, because --- not to
7 minimize your testimony, but there are all sorts of
8 plans that are involved there and this involves --- or
9 you could predict what the revenue could be, but to
10 hear it from someone like you, naturally, I'm
11 breathless. To hear someone calling for a tax
12 increase, revenue increase for fuel taxes is striking
13 because it speaks right to the question of whether or
14 not the Commonwealth essentially at this stage is
15 ready to accept our new policy. And up until now, I
16 think it's fair to say that the state's residents have
17 not been willing to embrace that policy. And
18 hopefully this exercise and your testimony will help
19 leaders in understanding the need for an increase in
20 the fuel tax. So I thank you for being here today.
21 It's really important.

22 MR. LANSBERRY:

23 A. Thank you.

24 CHAIRMAN:

25 Representative Paul Costa.

1 REPRESENTATIVE COSTA:

2 Q. Thank you, Mr. Chairman. Mr.
3 Lansberry, I would thank you and echo what Mr. Carroll
4 said. You're one of the very few people that actually
5 have encouraged us to do a gas tax. Hopefully we can
6 encourage some of our colleagues. I'm willing to look
7 at that. The part I disagree with you would be the
8 tolling part. But I agree that this needs to be
9 shared by everybody and I think it should be in the
10 industry. People like you are driving the most.
11 Still, coming from a trucking company, you probably
12 buy a lot of gas in our state and support this
13 fundraiser. So I want to thank you for making it,
14 sir.

15 MR. LANSBERRY:

16 Yes, sir, I do. I would like to
17 mention that the \$0.10 a gallon and the truck
18 averaging five miles per gallon is \$0.02 per mile for
19 us to operate the truck. We're getting probably \$1.25
20 a mile to pay to operate the trucks, so \$0.02 a mile
21 is not bad. And we know where we're at, we can budget
22 for it, we charge our tariffs accordingly. And you
23 know, it will all work out for us as opposed to
24 tolling where some people are going to have to pay a
25 lot more than other people. And registration would be

1 the same.

2 REPRESENTATIVE COSTA:

3 Q. I think you can help us by
4 echoing this to other members of the General Assembly.
5 But if it's coming from the trucking organizations
6 asking for an increase, I think that would go a long
7 way with the other members that are reluctant to want
8 an increase. Thank you.

9 MR. LANSBERRY:

10 A. Thank you.

11 CHAIRMAN:

12 Representative Carroll for a
13 follow-up.

14 REPRESENTATIVE CARROLL:

15 Q. Thank you. Mr. Lansberry, if
16 you could just clarify something in your testimony
17 that you were asking for the tax increase instead of a
18 registration fee increase, because you said that
19 registration time is a real crisis. What do you mean
20 by that?

21 MR. LANSBERRY:

22 A. Well, this year in particular,
23 May the 31st was registration day. \$1,800 a truck at
24 75 trucks is \$135,000. In the last two years with the
25 economy the way it's been and the banks are reluctant

1 to advance a lot of customers more money, it's a real
2 strain. I know companies that downsized by 100
3 trucks, went from 250 to 150. One company went ---
4 and this is also because of the economy. The work was
5 not there, so they didn't license. There's probably
6 in your county some friends of mine that have licensed
7 1,000 less trucks this year. And this is all over the
8 state.

9 REPRESENTATIVE CARROLL:

10 Q. So it's because registration
11 occurs at exactly the same time?

12 MR. LANSBERRY:

13 A. It's May 31st and you put it
14 off, and of course it used to be in the old days we
15 could write a bad check to the Commonwealth and you
16 had a couple weeks before they caught you, but today
17 it's a certified check and it's that day.

18 REPRESENTATIVE CARROLL:

19 Thank you.

20 CHAIRMAN:

21 Okay. Thank you. Just for the
22 information of everybody here, an increase in the
23 gasoline tax, it'll bring in about \$61 million. So
24 \$0.10 would be about \$600 million. We've had the
25 Transportation Advisory Commission report that said

1 that we need about \$230 billion each year. If we use
2 that figure, it's like \$0.50 per gallon gas tax. So
3 depending on where we need to go, if we need to change
4 it and go to the higher number at this time, it might
5 be more severe than just \$0.10. So just for
6 everybody's --- just trying to give you an idea as to
7 some of the problems that those of us in the
8 legislature face this year with the transportation
9 infrastructure issue. With that, we actually have the
10 Associated Pennsylvania Constructors, Mr. Michael
11 Hawbaker. It looks like Mike is here from Glenn O.
12 Hawbaker, Incorporated, State College, PA. You have
13 five minutes, sir. You may proceed.

14 MR. HAWBAKER:

15 I thank you very much, Mr.
16 Chairman. I appreciate your audience today. I'm here
17 on behalf of the transportation industry.
18 Construction Industries appreciate that also. On
19 behalf of Glenn O. Hawbaker, Incorporated, our 1,200
20 dedicated employees and roughly 2,000 some odd vendors
21 that are --- the majority are vendors within the
22 Commonwealth that help support our company and provide
23 materials and infrastructure services that go out
24 throughout Pennsylvania. We're a local firm, heavy
25 highway construction, providing jobs for mechanics,

1 truck drivers, very much what Mr. McCaskie related to
2 you earlier, an awful lot like what Mr. Lansberry said
3 with a truck fleet of over 200. Our people are local,
4 our company is local and the money gets pumped back
5 into that local economy.

6 One of the things we need to take a
7 look at for infrastructure, for the fact that it's
8 part of the American hallmark; it's part of freedom.
9 And right now we've got an encroachment on that. The
10 fact is, it was said earlier, there are no easy
11 solutions and I've got to agree because that's what
12 got us here. And that's what we need to change. I
13 think the township manager pointed out those bridges.
14 It's come under discussion that we're going to be
15 making hard choices, necessities versus amenities.
16 And that's where we've got to move this discussion
17 off.

18 I think the stimulus bill that
19 PennDOT, I think, executed in just fine form, roughly
20 \$1 billion of the \$14 billion that was allocated to
21 Pennsylvania was put out and in other companies
22 fortunate enough to be the low bid contractor through
23 the competitive bidding system at PennDOT, around \$50
24 million. That helped bring us --- coming out of 2008
25 in absolutely a disaster here, laying off over 600

1 people and then being able to come back and bring our
2 payroll back up and actually increasing it by about 80
3 during the 2009 season and also having the productive
4 carryover into 2010 here, it's been a great boost.
5 But that was a one-time deal. And we have yet to
6 prepare ourselves for anything yet in moving forward.

7 Solutions? Well, let's wait and see
8 what Congress does. That's absolutely the wrong
9 answer. If we're here for the benefit of the
10 Commonwealth --- I've got three kids. We discussed
11 earlier that we've kind of been sitting on our
12 laurels, resting on its --- whether it's my parent's
13 back or if I'm resting on my grandparent's back who
14 helped do things like the Turnpike, like Interstate
15 80. It's time we make change because we've got to
16 grow. If we don't grow this economy, if we do not
17 grow the tax base, this discussion is going to get
18 even worse. And that's where you've got to change.
19 Waiting for Washington, not an outcome.

20 Some of the things we're discussing,
21 thrown out on efficiencies. That's fine. Maybe
22 there's some efficiencies we can bring out, but I
23 think it should be a going concern of --- whether
24 PennDOT or any part of state government. In business,
25 you just don't stop a business for two or three weeks

1 and say, I'm going to fix everything. Like anybody
2 here in business would tell you, we're going to be out
3 of business if we just quit doing work. It's part of
4 a going concern/philosophy that's got to take place.
5 And hey, I would happily admit to any one of you that,
6 yes, we continually refine our business every day. I
7 so too would expect government to do the exact same in
8 getting better at what we do every day.

9 Last item would really be, can we do
10 this in an election year? We just talked about the
11 gas tax. Our company would be for that. A little bit
12 of hypocrisy about being for the gas tax would be if I
13 had not gotten a raise since either 1994 or '97,
14 whichever one was the state gas tax --- one was
15 federal, one was state. If I had not gotten a raise
16 since that point in time, I wonder how my family would
17 look upon me. If there's been no inflationary factor
18 for the gas tax or any further fees out there to
19 maintain the infrastructure, how can you go back and
20 legitimately ask for the same levels of service? How
21 can you do that with a straight face? I think that's
22 awful stuff to do.

23 I know one thing was asked on behalf
24 of the construction industry when PennDOT came up with
25 the \$2.9 billion letting year in 2009. It was a

1 stimulus again. Will the industry be ready? That
2 question was asked by the Secretary. We responded
3 yes, I believe the industry as a whole responded to
4 the call. And we do have the ability and we do have
5 the people. But if we look forward at the end of the
6 season 2010 and if we march into the calendar year
7 '11, we do see a great abyss. There is no forward
8 plan.

9 It was mentioned earlier by Mr.
10 McCaskie, how do we make future investments? I know
11 maybe in Harrisburg and D.C. and places, we don't do
12 much of anything without spending six figures, and a
13 lot of times our budget's got to start at seven
14 figures. They may be small dollars for Harrisburg and
15 D.C., but they're big dollars for us because the
16 bottom line is we know we aren't in it for bailouts.
17 So we've got to plan right, fiscally sound and move
18 our company, our employees and also our vendors
19 forward. I thank you for your time.

20 CHAIRMAN:

21 Okay. Thank you. First of all,
22 the Chairman would like to recognize several members
23 that arrived. Representative Jake Wheatley from
24 Allegheny County, welcome. And also our host
25 legislator, Representative Mike Hanna. It's great to

1 be here in Clinton County. Mike, welcome.

2 Mr. Hawbaker, you hit the nail
3 on the head. We collectively, as members of the
4 legislature, really want to put the finances to the
5 infrastructure, the current infrastructure problem
6 like we should. We made an attempt at that before.
7 For obvious reasons, that didn't work. But now here
8 we are in a very tough year, a very tough year
9 politically and economically to be going around the
10 state trying to drum up interest and support or asking
11 for people, in Pennsylvania especially, to come to
12 their legislators to make some pretty tough decisions.

13 So I appreciate your testimony
14 and your activity with your own legislators, senators
15 and your organization which remains very active in
16 that regard. So I want to say thank you on behalf of
17 all of us. It's really important to try to do
18 something about this problem and not just let it go.
19 Representative Hanna?

20 REPRESENTATIVE HANNA:

21 Thank you, Mr. Chairman. I just
22 want to take a moment to apologize for not being here
23 at the outset of the hearing. I had another
24 obligation I had to attend. I want to apologize to
25 those who testified earlier and I missed your

1 testimony, but I'll certainly check it with the other
2 representatives. I appreciate that and I appreciate
3 your testimony as well. Thank you, Mr. Chairman.

4 CHAIRMAN:

5 Thank you. I appreciate it.
6 Okay. The Pennsylvania Association of Boroughs,
7 Benjamin Landon, Borough Councilman of South
8 Williamsport, Pennsylvania? Five minutes. Thank you.
9 And you may proceed.

10 MR. LANDON:

11 Mr. Chairman, Members of the
12 Committee, thank you for the opportunity to testify
13 before you today on this very important issue. My
14 name is Ben Landon; I'm here on behalf of the
15 Pennsylvania State Association of Boroughs.

16 It's no secret that for many years we
17 have not been devoting adequate funding to the
18 Commonwealth's transportation needs. Roads and
19 bridges are aging and we have not devoted sufficient
20 resources to maintaining, improving and reconstructing
21 our infrastructure. In my experience, you cannot take
22 a casual drive through the countryside without seeing
23 infrastructure that is in need of repair or
24 replacement.

25 The condition of our transportation

1 infrastructure is tied directly to our economy. When
2 our infrastructure fails, our economy fails. Central
3 Pennsylvania already has economic challenges, and a
4 crumbling infrastructure exacerbates these problems.

5 Like many problems, our
6 infrastructure needs can be addressed through
7 increased funding, but since we're improving our
8 infrastructure to improve our economy, revenue-raising
9 plans should be viewed in the context of their effects
10 on our economy. For example, the Commonwealth's
11 recent plan to toll Interstate 80 was opposed almost
12 unanimously by residents of the northern part of
13 Pennsylvania. Why? Because we realized that the
14 tolling plan would harm our already shaky economy by
15 substantially increasing the cost to live and do
16 business here. Although the target of tolling was
17 claimed to be interstate traffic, the burden would
18 have fallen heavily on local traffic.

19 As residents of Pennsylvania, we
20 expect to pay a share of the cost of transportation
21 improvements, but we should not bear an unfair burden.
22 We urge the Committee to work toward statewide funding
23 solutions to pay for improvements to state highways
24 because state highways benefit the entire state.

25 Also, local government has

1 substantial transportation infrastructure of its own,
2 which is often every bit as important from an economic
3 perspective. We do receive a share of liquid fuels
4 money and other outside funding, but I can tell you
5 from experience that it is never enough to complete
6 all of the projects that ought to be done. Therefore,
7 we would like to have the option to raise additional
8 transportation-specific revenue to meet local
9 transportation needs.

10 From what I've been led to
11 understand, the cost of necessary maintenance of our
12 roads and bridges will stretch our resources greatly
13 over the next 20 years or so. While meeting
14 transportation needs may not be as politically popular
15 as some other programs, we need to emphasize
16 transportation spending, at the cost of other programs
17 if necessary. Government spending that brings
18 economic benefits is more important in the long term
19 than spending such as transfer payments that does not
20 do so. An improved economy makes it possible to
21 undertake programs in the future. We urge the
22 Commonwealth to make transportation funding a
23 priority.

24 Finally, the Committee should
25 consider ways to stretch existing resources so that

1 more can be done with what we already have. Perhaps
2 trucks could be restricted to using certain roads and
3 bridges only with a permit, which could lengthen time
4 between repairs for some portions of our
5 infrastructure. Also, bridges and highways could be
6 engineered with reference to their intended uses
7 rather than employing a one-size-fits-all approach
8 that makes even the smallest bridge in the least
9 utilized township road all but unaffordable.

10 In conclusion, we urge the
11 Commonwealth to look for equitable means of raising
12 additional revenues on a statewide basis, to authorize
13 municipalities to raise revenue to meet local
14 transportation needs, and to consider means for
15 stretching existing transportation dollars further.
16 Thank you.

17 CHAIRMAN:

18 Q. Okay. Thank you very much.
19 We're going to take it to the Board and get you to
20 help us raise funding statewide. And as an elected
21 official, we would ask you the same question. Are you
22 willing to support us and are you willing to tell
23 those who represent you that you're willing to support
24 fundraising for something like this?

25 MR. LANDON:

1 A. Well, that's always the problem,
2 isn't it? Speaking purely for myself, certainly I
3 think the gas tax is an equitable and evenly
4 distributed means for doing that. Although on a
5 personal level, again I hear a lot of concerns that
6 that money not be used for other purposes. And
7 perhaps that's just cynicism, but ---.

8 CHAIRMAN:

9 Q. Well, the gas tax is
10 constitutionally prohibited from using it for other
11 purposes.

12 MR. LANDON:

13 A. I'm aware of that, but the
14 concerns I hear from people on the street are, well,
15 you use that to offset funding increases elsewhere.
16 And again I don't know that there's any truth to that,
17 I simply report that that's what I hear.

18 CHAIRMAN:

19 Q. Part of the idea of these
20 hearings is to help us stop some of that, and
21 certainly we would appreciate you taking a proactive
22 role in stopping some of that when you hear it.
23 Representative Mike Sturla?

24 REPRESENTATIVE STURLA:

25 Q. Thank you. You talked about the

1 ability to raise levies all the way for
2 transportation. How would you see that happening?
3 Tolling local roads, or how would you impose a tax
4 that only applies locally?

5 MR. LANDON:

6 A. I think it would be very
7 difficult to toll local roads. But I think increased
8 options for perhaps a dedicated tax that would be ---
9 whether it be an income tax or a property tax or
10 whatever, that could be dedicated specifically to
11 transportation needs. I think as a practical matter
12 that may be about the only way we could do that. But
13 I think that communities --- it would be beneficial to
14 local communities if we had that option.

15 REPRESENTATIVE STURLA:

16 Q. You are prohibited from doing
17 that now.

18 MR. LANDON:

19 A. Well, we can designate portions
20 of our taxes for various things, but we still run into
21 our limits and all those other issues.

22 REPRESENTATIVE STURLA:

23 All right. Thank you.

24 CHAIRMAN:

25 Representative Carroll?

1 REPRESENTATIVE CARROLL:

2 Q. Thank you, Mr. Chairman. Does
3 the Association support a gas tax increase?

4 MR. LANDON:

5 A. I'm not speaking for the
6 Association as a whole on this one.

7 REPRESENTATIVE CARROLL:

8 Q. I understand that. Though
9 you're a member of the Association of Boroughs, you're
10 not speaking for the Association of Boroughs?

11 MR. LANDON:

12 A. Yes.

13 REPRESENTATIVE CARROLL:

14 Q. And the Pennsylvania State
15 Association of Boroughs, you're not aware of the
16 position they take on gas tax increase?

17 MR. LANDON:

18 A. I'm not aware of that, no.

19 REPRESENTATIVE CARROLL:

20 Okay. Thank you.

21 CHAIRMAN:

22 All right. Thank you.

23 MR. LANDON:

24 Thank you.

25 CHAIRMAN:

1 The Clinton County
2 Transportation Commission, Mr. Dan Harger. We have
3 Peter Lopes, also of Clinton County Chamber of
4 Commerce. We allow five minutes for each, so if you
5 want to ---.

6 MR. HARGER:

7 We'll make it real quick. We
8 don't normally get cut off. Just to be loud and
9 clear, though, what the Clinton County Economic
10 Partnership is, over the years CCEP represents us and
11 we have taken the position that we still should keep
12 involved in highway transportation matters because we
13 feel we know pretty much what has to happen in our
14 county. We're talking strictly our county. Some of
15 the things that we want, and we work real close with
16 our legislators, is that we looked at road projects
17 that were for safety, road projects and highways and
18 bridges that will bring the economy to our county,
19 where we were 18.5 percent unemployment at one time
20 and right now we're probably as strong as you could be
21 at nine percent because of some of the things that
22 we've done.

23 We've been creating. We work with
24 our maintenance people very closely, so in my opinion
25 it does take care of a lot of complaints. And we've

1 put our workers on rural roads. We have hundreds of
2 them. And what we've done, we've not asked for things
3 that are not within reach. That's one thing I think a
4 lot of counties do. Seriously, when you see some of
5 the wish lists that are out there right now --- I hear
6 it when we go to the Transportation hearings. I'm the
7 secretary of the Appalachian Thruway, which doesn't
8 mean a whole lot to me; I don't have to keep records
9 or anything. But we have the I-99 exit here. And
10 what we did years ago, it was \$175 million, we saw
11 that that was not going to happen, so we planned for
12 the engineering. So we downsized our own ideas.

13 What I saw when you came here, you
14 legislators, you keep asking us do we have the guts to
15 ask you? Do you have the guts to do what we ask you
16 to do in some of these in regards to funding for
17 highways? This is important to us because you're from
18 all over the country. You're representing
19 Philadelphia, and I heard the testimony given about
20 SEPTA. Most of those people go to work and use that
21 to go to work. The lady that testified for Shared
22 Rides is for things that are really needed in our
23 rural counties. And also in Philadelphia and if you
24 split that difference and you could find all your
25 funding, you need funding for the Shared Rides.

1 Now I think we should go back to the
2 years when you did raise a gas tax, and most of your
3 representatives weren't there. You started to pick
4 off items out of the gas tax once you've got your
5 hands on that money. The \$0.10 that Mr. Lansberry
6 talked about will happen the very same way. You need
7 to be very vigilant that when you get that ten
8 percent, that you spend it in the very reasons that
9 you have to spend it. That's important.

10 You heard Mr. Horner about the
11 township. What about the per-family rate? You people
12 have in your power right now to do the right thing
13 with prevailing rates. \$25,000 doesn't buy you this
14 table in the townships for small projects. And I'm
15 not talking about paying somebody \$7.50 an hour,
16 because I've been in the business for 40 years. The
17 prevailing rate right now for an operator to run a
18 piece of equipment is over \$40 an hour, plus 23
19 percent, 28 percent to everybody that has hired first.
20 That becomes very hard for you to do a project without
21 a heck of a lot of money that you don't have.

22 What about the street skates
23 (phonetic) that came online years ago? We need to fix
24 highways and bridges. Street skates might have to go
25 away for a while. The welcome centers might have to

1 be privatized. Welcome centers. Beautification by
2 volunteers, we do that in our county. Go out and see
3 the ten-year certificates that people have taken by
4 keeping care of our highways.

5 Back to the basics, we need to get
6 back to the basics on highways and bridges. Some of
7 these bridges are over-designed for some of these
8 small, rural roads, very much so. We just right-sized
9 a road with our district engineer, Franksville Road.
10 It was a \$15 million project taking big side hills
11 down, things of that effect. That brought it back to
12 a \$9 million project. Those are some of the things
13 that we really need to do.

14 And we need to streamline the great
15 relations of what we're doing to build these bridges
16 and highways. Get these people together so it doesn't
17 take our local people a year just to find out whether
18 or not they're going to do that project. If that
19 funding's in place, let's build it. And those are
20 some of the things that I've seen over the years. But
21 then ask them some questions about that, because you
22 know people are strapped. If you drive the car, it's
23 a \$300, \$500 payment. Motor vehicle registration and
24 your gas. Not just the tax, but the cost of gas.
25 People are about at their limit, so we have to be very

1 careful with that in costs. Fuel is \$3.26, \$3.28 in a
2 given day. That's a lot of money, so you have to be
3 careful of that, and I understand that you're going to
4 have to make a hard decision on that.

5 There are some ways to get some
6 funding, but it's going to be in a different corridor.
7 It's going to be rural versus urban areas. So look at
8 different things. Be creative. And maintenance is
9 very important, and you have good maintenance people
10 and that helps you immensely. So that's my testimony.

11 CHAIRMAN:

12 Thank you, Mr. Harger.

13 MR. LOPES:

14 I'll be very brief and I'll try
15 not to cover the same things that Dan did. I would
16 just like to say that we do represent the Economic
17 Partnership in Clinton County as the Industrial
18 Development Agency, Chamber of Commerce and the
19 Visitors Bureau. And our purpose is to promote the
20 economic welfare of the entire Clinton County
21 community.

22 But I do need to echo the point of
23 that we do oppose the tolling of Interstate 80. The
24 additional fees that that would've placed on our local
25 manufacturers and our employee base, the commuters to

1 their jobs, for just one industry alone it would've
2 added millions of dollars inbound freight. And when
3 they're competitively bidding on a product that ---.

4 CHAIRMAN:

5 That was said earlier. That's a
6 dead issue now. Let's move on.

7 MR. LOPES:

8 I will. I guess we've tried to
9 look at the state budget and tried to understand some
10 of the line items that are on there. We're not
11 professionals at that. We certainly look to you to be
12 the professionals. We would like to have seen if
13 there is some way of going back to see when the last
14 fuel tax was increased for the State of Pennsylvania,
15 how much money that generated and how that was used
16 over the course since it was enacted. I think in that
17 case, we would all have a better understanding of the
18 amount of money that has come in and the amount of
19 money and where it was spent. No one wants to pay
20 additional taxes or the weekly filling up the gas
21 tank.

22 But if we understand that
23 there's the need for road and bridge projects here in
24 Clinton County, we do work with our local PennDOT
25 office and our district office to right-size projects,

1 to work with them, to compromise. And I think that we
2 all need to do that. And from our standpoint, I think
3 we're looking to you to see if you could give us
4 better information on how the money is being spent and
5 then we'll work with you and try and right-size
6 projects.

7 CHAIRMAN:

8 Q. Okay. Thank you. For the
9 information of everyone here, the last gas tax in
10 Pennsylvania was 1997 at three and a half cents. Of
11 course with inflation, which is probably over 100
12 percent, especially in that industry's inflation, it's
13 possible that a road is 13, 14, 15 years old. So it's
14 a problem to raise those revenues, but the need is
15 great. A quick question for you is the State Chamber
16 has said that they will support a reasonable increase
17 in the fuel tax for transportation infrastructure.
18 How does your local Chamber feel about that?

19 MR. LOPES:

20 A. We haven't approached our local
21 Chamber. I think I can speak from our behalf. I
22 think if it's a case of we can actually see what money
23 has come in for fuel tax and how it's been spent since
24 it was enacted the last time it was raised, I think
25 then we would have a better understanding if, all of a

1 sudden, there's millions of dollars available that
2 they aren't being used for other resources saying oh,
3 we need to plug this hole as opposed to fixing the
4 roads and bridges and airports and the rail.

5 CHAIRMAN:

6 Q. So if it's for transportation
7 infrastructure, including local infrastructure, you
8 feel your local chamber will support it?

9 MR. HARGER:

10 A. We only have one other comment.
11 We've discussed this with our local representatives.
12 I mean this thing needs to go back to the general
13 budget. That's \$565 million. And I think that's the
14 most important thing you can do on top --- to help you
15 this year, but let's see you try to do that next year.
16 And it's not that we don't want the state police, but
17 that money does need to come out of transportation
18 money.

19 CHAIRMAN:

20 Q. I think most all of us can agree
21 with that. In fact, Representative Costa has a bill
22 or will have a bill in to legalize video poker for the
23 state police, in order to get them funding for that.
24 We also have little townships that these state police
25 cover where normally there aren't police departments.

1 At least in my area, my local community spends
2 something about \$6 million a year on local police.
3 And in those communities that have more folks in it
4 spent zero and get --- you know, are supported by the
5 state police. So we're following that particular
6 issue.

7 MR. HARGER:

8 A. That's kind of what we were
9 really looking at. We just need to be more creative
10 instead of --- I mean we go through rural Pennsylvania
11 water tax, sewer tax; oh, it's only \$45, reassessment
12 taxes again. You know, it's pretty tough. Let's face
13 it, I mean people are working very hard to make ends
14 meet.

15 CHAIRMAN:

16 Representative Mike Carroll?

17 REPRESENTATIVE CARROLL:

18 Q. Thank you, Mr. Chairman. The
19 Pennsylvania Chamber of Business and Industry has
20 asked generally for a sort of organization that sits
21 at a hearing and testifies in support of
22 effectiveness. And so I'll ask you fellows to make
23 sure this message gets back to your members that the
24 Pennsylvania Chamber, I believe, would have done an
25 analysis that you're asking for before they took the

1 time to testify at the hearings over a gas tax
2 increase. And so the merits of the increase compared
3 to what happened with the three cents a gallon in '97,
4 I think it's been calculated in '07 by the
5 Pennsylvania Chamber of Business and Industry, is an
6 example of anything that's inclusive for increases in
7 living.

8 MR. HARGER:

9 A. I think one of the things that
10 you misinterpret sometimes is it's easy to raise a tax
11 and it's easy for people to misunderstand what you're
12 going to spend that money for. I think there's a
13 disregard sometimes for the money once we get it. And
14 I think it has to be strongly shunned. It's easy to
15 say let's just get it, but I think it's more important
16 right now in our country and our state that when we
17 get it, let's do the right thing with it.

18 And I think that's what we
19 represent here in rural Pennsylvania. We need to be
20 stronger here. We fought the 80 thing and you said
21 that's part of the jam. I'm not so sure of that. And
22 we will continue to be vigilant against that kind of
23 thing. But those are very easy for you. You have 50-
24 some --- how many legislators do you have in
25 Philadelphia alone?

1 REPRESENTATIVE CARROLL:

2 Q. Sir, I don't represent
3 Philadelphia.

4 MR. HARGER:

5 A. Well, that's fine. And I think
6 you should very strongly, with their ideas, as we will
7 in rural Pennsylvania, think of our ideas here and
8 that's why we're here to testify.

9 REPRESENTATIVE CARROLL:

10 Q. I will simply say that the
11 Pennsylvania Representatives can't just process a ---
12 nor can we just do that now. I'd like to state that
13 the given calculation may set a precedent for all the
14 members, not just the obvious members. I don't think
15 there's a number like that in Philadelphia, sir. So
16 that's what everyone has to realize; this is not an
17 easy conversation, quite frankly. At the end of the
18 day, if there's road work needed in Clinton County and
19 we're not hearing any support from the district
20 Representative, then at the end of the day, we need to
21 be able to take a position based on need.

22 MR. HARGER:

23 A. You gave us a list before we
24 came that there was \$2 million, I think it was, that
25 we would lose because of 44.

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CHAIRMAN:

Representative Geist?

REPRESENTATIVE GEIST:

Going back to a couple of things you had to say about this. I had a regular serving on the reform branch. There were two local to us, Jim Lily (phonetic) and Chris Lurgovitz (phonetic). We thought the report was so well done, we issued it with our report. I strongly suggest that you others who believe that you're making up for the deficiencies, the deficiencies are all throughout that report. The whole of Pennsylvania is so huge that it's almost impossible to address. But when we see the number of deficient roads and the miles of deficient roads --- you know, the deficient roads, a lot of it we don't pay to fix up, we rebuild. Now, you're hearing that once. So every one of these neighborhoods, not necessarily in Clinton County, will observe even about ---. We don't believe in saving it all in the next couple years. So it's incumbent upon us to keep Pennsylvanians' houses warm. But when we've got deficient roads that would stretch the whole way across the United States several times, when we hear the words deficient roads in Pennsylvania and we hear I want --- we need a new road --- none of them seem to

1 be doing anything but talking and talking and talking.
2 But I will tell you, as a person who sees the legality
3 of this, let every one of the people who are opposed
4 say that we try another way.

5 Immediately upon the last
6 summit, there was offered a comprehensive plan to do
7 that. The approval of a comprehensive plan in the
8 General Assembly is involving both the Senate and the
9 government. And I called a special session involving
10 various policy committees. And the letter I sent at
11 the very beginning, this is starting a process where
12 you're going to see us do this. It hasn't been done
13 in years. I watched over it over the last 20 years.
14 It was meant to take four and a half and it took 20
15 years. This isn't something that's going to happen
16 overnight; this is cumulative. And we're prepared to
17 make this the business of the House. And that's what
18 we're here today to do. We're not going to overlook
19 deficiencies. Thank you.

20 MR. HARGER:

21 Just one comment to give, Mr.
22 Geist? I understand you're very qualified in
23 business. But does that mean the deficiencies you're
24 going to overlook that are in the --- I mean, you said
25 you're not going to deal with deficiencies and we

1 didn't say that they're not against funding.

2 REPRESENTATIVE GEIST:

3 Let me correct that. What I
4 said was dealing with a deficiency, you can't do it.
5 The deficiencies that were built into the Deficiency
6 Reform Plan, a lot of those have already been dealt
7 with by the Department. You're looking at about \$3.5
8 billion on the whole, just to maintain the system.

9 MR. HARGER:

10 So the state police, is that
11 a ---?

12 REPRESENTATIVE GEIST:

13 State police isn't going to have
14 the option.

15 MR. HARGER:

16 But that hasn't been done yet;
17 right?

18 REPRESENTATIVE GEIST:

19 None of this has been done yet.

20 CHAIRMAN:

21 Representative Wheatley?

22 REPRESENTATIVE WHEATLEY:

23 Q. Thank you, Mr. Chairman.

24 Representative Geist pretty much said what I was going
25 to say. I think he's summed it up pretty well. I'd

1 be curious to see what the last increase funded. Is
2 the concern that you have that some of the projects on
3 roads will exceed that number? If it was misused or
4 ---? Help me understand from your perspective what
5 this will do for you, seeing as you still --- no
6 matter what you do with that, you'll still face
7 another \$3 billion hole in the current structure right
8 now. What do you think would help that?

9 MR. HARGER:

10 A. Well, the \$3 billion we're
11 talking about also includes mass transit, so that's
12 the overall issue. So there are some things we can do
13 there. There's no doubt about that. And there are
14 also some things that we can do with our roads and
15 bridges which we didn't probably do and that we can
16 continue to do with the money that we have. But no,
17 it's not that they were not used properly. Some of
18 the things, we started putting out little areas --- I
19 just heard about how the governor had a committee of
20 30 people that had been done away with quite
21 mysteriously this week, that all these were people who
22 were associated with you people to tell you about
23 funding sources in your area. Am I right or am I
24 wrong? Thirty (30) people. Now, you take those 30
25 people --- that's just a small sample; that's how

1 people get to some of the issues. But the 30 people
2 times the cost of salaries plus the time spent times
3 the retirement fund and all the cars and everything
4 that go with that, ---.

5 Those are some of the things
6 that I'm talking about with the increase in gas tax,
7 and we've got to be very vigilant that we use that
8 money with the efficiencies that Mr. Geist talked
9 about and make that money go the way we need it to go
10 at this point. It's very costly for people to drive
11 on the highway. You talk about --- the price of gas
12 is not cheap and cars are not cheap, so it's getting
13 very expensive. All we're doing is trying to protect
14 the interests of the people that we represent.

15 REPRESENTATIVE WHEATLEY:

16 Thank you.

17 CHAIRMAN:

18 Okay, thank you, gentlemen. I
19 think we'll take a five-minute break now before our
20 next panel. From PennDOT Transportation District Two,
21 Mr. Kevin Kline will be next when we get back.

22 SHORT BREAK TAKEN

23 CHAIRMAN:

24 While we're waiting for the
25 members, I'd like to introduce Representative Kerry

1 Benninghoff. Kerry, you're welcome to come forward if
2 you'd like. I'd also like to recognize my State
3 Transportation Commission colleague George Khoury.
4 Welcome.

5 Okay. I think we have every
6 member that will trickle in here. Kevin Kline,
7 executive for PennDOT District Two, and we can be
8 generous with time. I think you have 15 minutes. You
9 do have a lengthier presentation, I believe; is that
10 right?

11 MR. KLINE:

12 Yes. The Secretary has asked us
13 to present the statewide position first for PennDOT
14 and then get into the regional position, so I would
15 like to get into the statewide position first on
16 behalf of the Secretary. First, just a couple general
17 slides. I'm actually talking about what we've been
18 discussing all day, deterioration of roads and
19 bridges. A couple roads around the state, different
20 corners of the area that are showing deterioration.

21 CHAIRMAN:

22 Excuse me, Mr. Kline. Aren't
23 there some outside concerts? Why don't you go ahead?

24 MR. KLINE:

25 Okay. Congestion also provides

1 a major issue for the traveling public, as noted in
2 the slide, as well as the public transportation.
3 There are many issues in funding needs for our transit
4 agencies as well.

5 One of the major issues in
6 addressing or going against our industry right now is
7 the big price versus the construction price index and
8 the construction cost index. As you can see, the bid
9 pricing is probably inflated by 80 percent since 2003.
10 Leading into the statewide highway maintenance
11 funding, while some buying power at \$1.6 billion in
12 federal fiscal year '08-'09, which in essence really
13 loosens the whole construction season for us. That
14 amount of money would've covered that program for a
15 year. What can, in number two, offset some of these
16 cost savings?

17 First order of business is to
18 stretch our dollar. You can see in 1973 we started
19 with over 20,000 employees, all the way up to the
20 present day, 2010, with 11,800 employees. The private
21 sector at 74 percent shown up there is 74 percent of
22 the motor license fund for highway and some bridge
23 operating budgets; it's spent on contracts within
24 private industry. This supports our local governing
25 as well as statewide economies.

1 Other PennDOT reductions, we've
2 reduced our personal fleet vehicles by 30 percent.
3 Another cost savings you can see up on the board, \$8.5
4 million driver licensing, \$20 million in the
5 maintenance and efficiency areas, \$59 million in
6 license plate re-issuances. \$327 million in valuable
7 engineering savings, \$114 million in construction
8 worksite changes and implementing some of the smart
9 transportation places has reduced the Route 202
10 project by \$200 million and \$70 million on the
11 Marshall's Creek Bypass.

12 Naturally with the loss of
13 revenue, propensity of adding projects have reduced
14 over the last several years. You can see in '09 we're
15 down to five percent overall for capacity-adding
16 projects versus the 25 percent we were back in 2001.

17 What have we been doing or what
18 have been the funding discussions? The Transportation
19 and Reform Commission as noted earlier was
20 commissioned in 2006 and provided the study with the
21 net annual of a \$1.7 billion need per year for the
22 Department. Act 44 was initiated and, as you can see,
23 there would have been the projections for what Act 44
24 would have produced or provided both for highway,
25 bridge and public transit if it would've stayed in its

1 concession, so it was \$900 million. The one shot arm
2 that we got last year was the American Recovery and
3 Reinvestment Act or ARRA. A little over \$1 billion
4 for roads and bridges around the state, \$347 million
5 for public transportation.

6 I think it's well to note that
7 transit agencies are using ARRA funds to accomplish
8 136 projects throughout Pennsylvania. Transit
9 projects also include the purchase of 176 vehicles to
10 replace vehicles that have reached their useful life.
11 PennDOT, on the other hand, where it's critical to get
12 our money out on the street, has provided an
13 additional 293 highway and bridge projects around
14 Pennsylvania. PA has been one of the most successful
15 states in the nation in getting our projects out.

16 Just a general slide with the
17 public transportation funding and ridership noted.
18 That Act 44 boost came in about the '06-'07 or '07-'08
19 year, up to 400 million riders annually.

20 Improving our road system.
21 PennDOT is really striving to reduce our roughness
22 around the state. You can see in 1996 we had 18,000
23 miles of roadway that were in poor shape as compared
24 to 2009 where we're down around a little over 6,000
25 miles marked.

1 Structurally deficient bridges.
2 We've gone through many iterations of trying to fix
3 our bridges around the state. We did get a spike in
4 the 2006-2007 years, and we did change our criteria
5 somewhat to be more stringent based on the Route 70 or
6 I-70 collapse, which did increase our SD number. But
7 as you can see, we've been working the past several
8 years to bring that structurally-deficient bridge
9 count down.

10 A picture's worth a thousand
11 words. We still have a long way to go. 5,600 bridges
12 left, 7,000 miles of poor highway around the
13 Commonwealth. Act 44, without tolling of Interstate
14 80, without the tolling the funding drops
15 dramatically; thus, the conversations we're having now
16 would reduce it to about \$450 million per year from
17 the current Act 44 situation, and \$2 billion have been
18 funded over the past four years.

19 The next slide is a 441 unfunded
20 highway bridge projects. That is the result or the
21 loss of projects that the Department had planned based
22 on Act 44 being fully funded. So when we're talking
23 about that \$500 million range of monies that will be
24 lost from this fiscal year on, that's what PennDOT
25 would've been working on if that money would've

1 stayed.

2 The accelerated highway and
3 bridge program, you can see we did use bond monies to
4 make a surge into that program as well as our TIP
5 money for bridges. But we also used a lot of Act 44
6 money to help. The goal of PennDOT is to get within
7 the national average by the year 2033. As you see,
8 that would take us down to about 3,000 structurally
9 deficient bridges. With the loss of Act 44 revenue,
10 that's projected to stay up around the 4,800, 4,900
11 range. Naturally it went over here where you see the
12 split. We're going to be losing ground versus
13 gaining.

14 Investing in our future. As we
15 discussed earlier, there's a 2006 report from the
16 Transportation Advisory Committee. Again, that's
17 updated now and it was updated in May of 2010. The
18 combined net needs from the Transportation Advisory
19 Committee report is almost \$3.5 billion. As you can
20 see, \$2.5 is in highway, bridge. And when you break
21 that down further into the highway/bridge area, it
22 shows you the breakout between the pavements, bridges,
23 congestion, safety and capacity and other projects.

24 Recommendations. Near term,
25 generate new revenue to stabilize Pennsylvania's

1 transportation system. A \$500 million funding gap is
2 noted from the Act 44 change and begin a phase of
3 long-term, efficient strategy. Recommendations on the
4 long-term, establish a new transportation funding
5 framework that ensures sustainable mobility,
6 predictable and sustainable major elements including
7 more direct user pay systems, VMT, vehicle miles
8 traveled, tolling options, public/private
9 partnerships, strategic borrowing, local options for
10 taxes. I know you're all looking at those different
11 options.

12 One other note. The Association
13 of Civil Engineers produced a report just recently and
14 labeled it as Keystone in Crisis. They graded
15 Pennsylvania's bridges as earning a C and our roadways
16 as a D. And that's generally the statewide
17 presentation that the Secretary did provide last week.
18 But thank you for your time on that and letting our
19 local people see that report.

20 I'd like to go into the regional
21 impact, if you'd like.

22 CHAIRMAN:
23 Representative Geist has a
24 question.

25 REPRESENTATIVE GEIST:

1 Q. I know there's a green map which
2 shows all the bridges. Are you going to launch that
3 so that each district --- or by each municipality?

4 MR. KLINE:

5 A. Yes, we can do that.

6 REPRESENTATIVE GEIST:

7 Q. That could be a useful tool,
8 especially for local revenue. And then there were
9 projects that were knocked off. There's an awful lot
10 of people, a lot of people who testified and worked
11 several years for those projects?

12 MR. KLINE:

13 A. Yes, sir.

14 REPRESENTATIVE GEIST:

15 Q. I know there's an awful lot of
16 those people who were put back on the projects?

17 MR. KLINE:

18 A. Our District, and I'm sure
19 District Three as well as the other districts around
20 the state use those maps in our planning. In our
21 everyday work actually, both our MPOs and our RPOs
22 when we're sitting down to look at the new TIPS of
23 what we want to prioritize from a bridge need and from
24 a roadway need also.

25 REPRESENTATIVE GEIST:

1 Thank you.

2 CHAIRMAN:

3 Representative Mike Hanna?

4 REPRESENTATIVE HANNA:

5 Q. Thank you, Mr. Chairman. Kevin,
6 I think it was your sixth slide on the 20-year
7 history?

8 MR. KLINE:

9 A. Yes.

10 REPRESENTATIVE HANNA:

11 Q. If you could go over that again
12 for me, what the three different figures are and why
13 there's tremendous disparity there?

14 MR. KLINE:

15 A. The big price index is the large
16 increase and it basically shows the variables that
17 have been included with the cost of steel, concrete,
18 aggregates, asphalt, et cetera. There were some
19 shortages around the nation at one point with concrete
20 and with steel and with some of the other work going
21 on overseas and being exports. So the bid costing
22 indexes were actually higher than what the consumer
23 price indexes were, so that gave us the 40-percent
24 difference between maybe what we would assume to be
25 seeing versus what we actually had to pay for bids.

1 REPRESENTATIVE HANNA:

2 Q. Then later in your statewide
3 presentation you had a slide entitled public
4 transportation funding and ridership. And if I'm
5 reading that right, as it's been backtracked, it would
6 increase the cost for --- if I'm reading that slide
7 right, you're showing that the ridership went up?

8 MR. KLINE:

9 A. Yeah, ridership has increased.

10 REPRESENTATIVE HANNA:

11 Q. Same thing with the rates went
12 up?

13 MR. KLINE:

14 A. Right. The funding that Act 44
15 boosted was in about 2007, so the funding for the
16 transportation or the transit had increased where they
17 were able to stabilize some more of their services,
18 provide more equipment, more buses, actually produced
19 an increase of ridership up to that 400 million mark.

20 REPRESENTATIVE HANNA:

21 Thank you, Mr. Chairman.

22 CHAIRMAN:

23 If I might add to it, that also
24 coincided with the rise in gasoline costs. The price
25 of gas went over \$4 and ridership went up.

1 MR. KLINE:

2 A. Yeah. I think some of our local
3 operators can tell you that, especially with CATA
4 getting from the Clearfield area over to State College
5 and the van riderships that spiked through their area
6 to provided Shared Rides to the State College area.

7 CHAIRMAN:

8 Okay.

9 MR. KLINE:

10 If there's nothing further, I'd
11 like to go to the regional impacts. And again, just
12 some of our unmet needs. You're looking at three
13 bridges that are unfunded within our three program
14 areas, as well as some pictures of 219 in the Northern
15 Tier. There's District Two's list of structurally-
16 deficient bridges. We've got 670 of them currently.
17 Our status to date, you can see in 2009 we were at
18 about the 30 percent mark and we're dropping that
19 steadily. The year 2040, our projections would've
20 taken us down to about a 24 percent structurally-
21 deficient bridge mark within the District. Within Act
22 44 funding or being fully funded or restored to that
23 \$450 million statewide gets us back up into the 26,
24 almost 27 percent range.

25 There's 298 miles of poor roads

1 within the District. We're trying to upgrade those as
2 best we can. The alarming slide right here is 787
3 miles of out-of-cycle pavement. If you compare that
4 with the slide previously, that's a concern because
5 without adequate funding to address these roads,
6 they'll eventually fall into that poor category.

7 7,500 funded and unfunded
8 projects equaling \$54 million in District Two. That
9 was our loss from the Act 44 loss of revenue. So when
10 you look at it in the District Two area, our current
11 funding level is \$150 million. Our estimated regional
12 need is \$335 million. We've got a shortfall of \$185
13 million.

14 Just a quick slide for our
15 transit agencies in the area and their ridership. You
16 can see our ATA in the north central area with the
17 annual ridership of 647,000, operating states just a
18 budget of \$3.2 million. Center region is seven
19 million, that's a lot of ridership in the State
20 College/Centre region area for \$3.4 million operating
21 and the Dubois, Falls Creek, Sandy Joint Authority at
22 64,000 annual riders with a \$448,000 annual operating
23 budget.

24 And with that, that's my local
25 presentation for District Two. I thank you for your

1 time. Any additional questions?

2 CHAIRMAN:

3 Q. Yeah, I have a question. You
4 had a slide which showed the maps that had all those
5 dots or stars or whatever they are indicating the
6 roads and bridges. Those are just PennDOT-owned roads
7 and bridges?

8 MR. KLINE:

9 A. Yes, that's correct.

10 CHAIRMAN:

11 Q. Okay. So if we added the
12 local ---?

13 MR. KLINE:

14 A. There's a huge local need on top
15 of that. But those slides were just on the state
16 system.

17 CHAIRMAN:

18 Q. Because we had several slides
19 that had the total ---.

20 MR. KLINE:

21 A. It would be a lot more colorful.

22 CHAIRMAN:

23 I think that just about sums up
24 where we are with this vast and sobering
25 infrastructure problem. I think it is what we have to

1 do. Representative Geist?

2 REPRESENTATIVE GEIST:

3 Q. Yes, but that Committee, in
4 their report, showed that there's a local need. And
5 then they're going to start the next case and then
6 suddenly try to move it. What rural participation do
7 you gather that they need?

8 MR. KLINE:

9 A. Well, I think we need to be
10 active in that role, Representative. Just as an
11 oversight as much as anything is a lot of local
12 municipalities don't have the knowledge or the
13 background or they're trying to figure it out
14 themselves, looking to us for assistance in that
15 matter. So our regional engineer and his staff have
16 been working with the locals and trying to assess
17 those roads.

18 REPRESENTATIVE GEIST:

19 Q. Is there any way that the needs
20 and the operative contracts that these folks are ---
21 I'm really concerned about the extent of the problem.

22 MR. KLINE:

23 A. I don't know that we've delved
24 into it that deeply with the open-ended discussions.
25 It's something that we could certainly look at. And

1 again, those open-ended consultant contracts right now
2 are to capacity for our own needs with the statewide
3 level also. It's something we could certainly look
4 at.

5 CHAIRMAN:

6 Representative Tim Solobay?

7 REPRESENTATIVE SOLOBAY:

8 Q. Thank you, Mr. Chairman. Has
9 there ever been a need, especially on the smaller
10 bridges, to convert from a stand-type bridge to a
11 different type of reconstruction on some of these?

12 MR. KLINE:

13 A. Yes. Absolutely. District Two,
14 we've gotten back into the box culvert business last
15 year. They did nine separate installations either
16 with box culverts or plants. We have a Cameron
17 Regional Repair Facility here that's now making plant
18 beams that our maintenance forces can place instead of
19 contracting that work out.

20 REPRESENTATIVE SOLOBAY:

21 Q. What's the difference in the
22 cost for a bridge versus a --- depending on how
23 it's ---?

24 MR. KLINE:

25 A. For the nine projects we did, I

1 believe our average was about \$200,000 in general for
2 those nine projects versus contracting out. I believe
3 we were saving in the neighborhood of \$3 million.

4 REPRESENTATIVE SOLOBAY:

5 Thank you.

6 CHAIRMAN:

7 Representative Mike Carroll?

8 REPRESENTATIVE CARROLL:

9 Q. Thank you, Mr. Chairman. Kevin,
10 I appreciate your testimony. The slide for District
11 Two that talks about current funding level of \$150
12 million, an estimated regional need of \$335 million.
13 There's no way that we could stretch the dollars to
14 get to that regional need. I have to believe that
15 people of this region make a calculation as to what
16 the needs are for roads and bridges and grants and
17 that that \$335 million is an accurate number. And so
18 for those that believe that we can get the
19 deficiencies and change them, there is not a
20 possibility that I see that you go up \$150 allocated
21 to get to \$335. And so I'm hopeful that other leaders
22 will see the need and the absence of the funds,
23 because you and the other county commissioners can
24 meet that need. Because I have to believe it's so.

25 MR. KLINE:

1 A. Yes, it is, and I thank you for
2 that point. This number came from the tax study. And
3 I think when you see our MPO and RPO people come up
4 next, they've done a similar analysis with our
5 District staff, and that's an internal number and it's
6 comparable to what this \$185 million shortfall is. So
7 I'm pretty confident with that number based on our own
8 independent assessment versus what the tax report is
9 also.

10 CHAIRMAN:

11 Okay, thank you, Mr. Kline.
12 Appreciate it. Next we have the Centre County
13 Metropolitan Planning Organization with Dan Klees, who
14 is chairman. Mr. Klees?

15 MR. KLEES:

16 Thank you.

17 CHAIRMAN:

18 And you have ten minutes.

19 MR. KLEES:

20 We have slide show. First I
21 want to thank the various chairmen and members of the
22 committees for being here today to listen to our
23 testimony. I want to apologize; my voice is not its
24 usual self. I had one of those spring/summer cold
25 things that I'm trying to deal with, but I wanted to

1 improvements to rolling stock (phonetic), its
2 maintenance facility and technology initiative. In
3 addition, PennDOT's annual maintenance budget for road
4 paving for next year has been reduced by 50 percent
5 and all of the 40 miles to be paved will be done by
6 seal coat, a less costly option typically --- that
7 typically has a shorter life cycle.

8 Our MPO has stated that inaction
9 is not acceptable, so how much funding do we need?
10 Setting aside one of our highest priorities, the \$108
11 million needed for the new interchangers connecting
12 Interstates 99 and 80, here is what we need just for
13 safety and bridge projects that are not fully funded
14 on our new TIP. At least \$2.1 million in funding for
15 safety improvements on Route 322 in Harris and Potter
16 Townships. These safety improvements are in lieu of
17 another long-term, high-cost project. And \$2 million
18 for the Route 26 Pine Grove Mountain truck escape ramp
19 in Ferguson Township. \$2.9 million to design safety
20 improvements on Route 26 in Marion Township. And
21 undersize two-lane roads which connect the new
22 Interstate 99 and I-80 interchanges. \$10.9 million to
23 work on 23 bridges. For 16 of these bridges, the
24 costs are only for design. Additional funding will be
25 needed for construction.

1 Two bridges that are scheduled
2 for preservation work carry Interstate 80 traffic over
3 Route 26 at the Bellefonte interchange. These
4 structures are badly in need of replacement. However,
5 without funding for the new interchanges, PennDOT must
6 continue to band-aid these structures to extend their
7 service life. This creates a situation where we are
8 spending money to fix an existing structure that will
9 be replaced as part of another project. Not wise use
10 of what you have funded.

11 Additional improvements could be
12 accomplished if more funding was available. On our
13 new long-range transportation plan, we have two major
14 roadway improvements that could be ready for
15 construction before 2018 but because of the funding
16 shortfall will be delayed from 5 to 15 years to
17 sometime between 2023 and 2030. One project which you
18 did hear about earlier is the reconstruction of the
19 Waddle Road interchange in Patton Township needed to
20 eliminate problems with vehicles backing up onto
21 Interstate 99.

22 The second is the widening of
23 Park Avenue in College Township which has critical
24 safety benefits for emergency vehicles accessing the
25 Mount Nittany Medical Center, our county's only

1 hospital. And it's also the main access from I-99 and
2 Route 322 to our largest employer, Penn State
3 University. Collectively, these two projects will
4 cost over \$60 million, but would cost millions less if
5 funds were available earlier.

6 Fifteen (15) other safety projects
7 must wait over 20 years until funding is available for
8 design and construction, including six more projects
9 with Route 322 and five projects on Route 350 in Rush
10 Township. The efforts to advance long-term solutions
11 to safety problems in these two corridors were
12 cancelled in 2004 because of the funding shortage. An
13 additional 16 candidate projects with an estimated
14 total cost of over \$96 million will not even make the
15 long-range transportation plan because of fiscal
16 constraints. We also anticipate a growing number of
17 needs related to the impacts on roads of Marcellus
18 Shale drilling in northern portions of Centre County.
19 We hope that these examples from our county emphasize
20 the scope of the problem and the need for action.

21 In our discussions, MPO members
22 have identified several possible revenue sources to
23 address this shortfall, such as increasing and
24 indexing fuel taxes across all motor fuel sectors.
25 For example, petroleum, natural gas, electric,

1 whatever the fuel sources of the future might be.
2 Increasing vehicle registration fees, tolling of all
3 interstate highways, surcharges to the Marcellus Shale
4 extraction industry, streamlining regulations for the
5 designing, bidding and implementation of projects and
6 leasing the Pennsylvania Turnpike facilities. As
7 local elected officials, we are also interested in
8 strategies that will help municipalities address
9 growing needs and increasing costs. A local share of
10 revenue provided from municipalities needs to be
11 increased and indexed. Raising the prevailing wage
12 threshold would help us stretch our dollars further
13 for low-cost projects. And the need for funding to
14 repair these local bridges must be considered.
15 Overall the key is to establish transportation funding
16 levels and sources of revenue that keep pace with
17 inflation and transportation needs in the future.

18 In closing, let me say that our
19 MPO --- and a note that's on my testimony is that 15
20 of our 19 MPO members are elected officials. And I'm
21 sure other MPOs and RPOs across the state are willing
22 to work with you to develop long-term solutions that
23 serve the citizens of Pennsylvania. We urge you to
24 give careful consideration to all of the testimony
25 that you will hear in the next few weeks. Thank you

1 for your time and attention.

2 CHAIRMAN:

3 Thank you. No questions, so
4 thank you, sir.

5 MR. KLEES:

6 Thank you very much.

7 CHAIRMAN:

8 Appreciate it. Okay. Mr. Tom
9 Zilla, Centre Regional Planning Agency, Mr. Jim
10 Saylor, SEDA-Council, Director of Regional
11 Transportation Planning Organization and Ms. Amy
12 Kessler, Regional Planning Director of the North
13 Central Pennsylvania Regional Planning and
14 Development. Thank you for being here. Ms. Kessler
15 and Mr. Saylor, have a seat. And Tom is ---?

16 MS. KESSLER:

17 He's the man behind the
18 projector.

19 CHAIRMAN:

20 Oh, okay. Let the record show
21 he's the important guy running the projector. You
22 have five to ten minutes for your presentation.

23 MS. KESSLER:

24 Thank you, Mr. Chairman,
25 Committee members. I'm going to breeze through a

1 couple of these early slides for the convenience of
2 time. We decided to do a continuing joint
3 presentation between the SEDA-COG, North Central and
4 Centre County MPOs and RPOs. You can see by this map
5 the geography that we cover. It's about 21 percent of
6 the total geography, about six percent of the
7 population. We have a massive, massive system as you
8 can see from Kevin's previous slides. Over 5,000
9 state and local bridges, 653 miles of interstate
10 highways and also, Mr. Geist, your comment on local
11 bridges a little bit later on because we have that
12 inventory that's pretty telling.

13 Our focus from the MPOs and RPOs
14 has been maintaining our existing infrastructure. It
15 has been for several years and we're just not getting
16 ahead of that curve. You can see that there's been
17 maintenance on our bridges, IRI, improving pavement
18 conditions and on safety.

19 So here today we're going to try
20 to answer as best we can from each of our perspectives
21 where we stand with the funding needs. Those who will
22 argue that there is not an emergency, we will beg to
23 differ. And I think that our slides will showcase
24 that.

25 Age of our bridges. The most

1 telling number on this slide right now is the 70 and
2 older. You can see 735 structures. Thirty (30)
3 percent of those bridges are structurally deficient
4 and we are not getting to those structures. We don't
5 have the resources and even more telling is those in
6 the 31 to 40 and 41 to 50 are not going to make the
7 life expectancy that we originally signed them for.
8 So those are telling. For those of you on the Verizon
9 network, this chart may look familiar to you. It
10 shows what we're doing. We've made a concerted effort
11 to maintain our core system, our interstate and our
12 NHS and as a result of that, the secondaries and the
13 less-traveled roadways are not keeping pace. And you
14 can see where we're letting those fail.

15 Bridges, structurally-deficient
16 percentages. We've thrown everything in the kitchen
17 sink to maintaining our bridges and it's a small
18 improvement that we've made. And actually two of our
19 counties, Mifflin and Elk Counties, are showing
20 increases even with our best efforts to improve their
21 structurally-deficient deck areas.

22 Bridge conditions, weight
23 restricted and closed. The locals certainly outweigh
24 the state when it comes to locals. But we did do an
25 inventory. We went out and did an intersect operation

1 of all the roads and streams, we threw out the ones
2 that were state-owned over eight feet, local-owned
3 over 20 that's required to be inspected, working with
4 municipal services in District Two and Ten. And we
5 identified 865 locally-owned bridges under 20 feet in
6 length that no one's talking about. One of our
7 largest townships with full-time staff was
8 progressive. They weren't anything. They thought
9 they had seven bridges; they ended up with 16. So
10 that's just one example of many. And if you average
11 \$500,000 per bridge times 865, you're looking at over
12 \$400 million just in local bridges and that does not
13 address the local match that this County is going to
14 struggle to come up with. So it certainly is a big
15 issue that we are not talking about and we're going to
16 get to real soon.

17 On program bridge needs, what
18 you see in the white, as you can see, are the amounts
19 needed of projects already started on the current TIP.
20 You're looking at about \$180 million. In our region
21 alone, the North Central is \$101. We get about \$20
22 million a year on bridges. You add the blue columns
23 up, you're looking over \$2 billion in need for what we
24 know right now in bridges. And that does not include
25 the locals that I just talked about. So the need is

1 there and we're going to do everything we can to get
2 that message out. But on the flip-side, we will
3 prioritize what we need to do given the resources that
4 are available. In fact, I think it goes on to Jim to
5 talk a little bit about the roadway network.

6 MR. SAYLOR:

7 All right. Along with the ---.

8 CHAIRMAN:

9 Hold on a second. There's a
10 question from Chairman Geist.

11 REPRESENTATIVE GEIST:

12 Q. That presentation, that's the
13 best that I've seen in ten years. On the local
14 disputed bridges, how many bridges in your region are
15 PVC exterior bridges or enjoying ownership or shared
16 ownership with ---?

17 MS. KESSLER:

18 A. I could not even begin to answer
19 that question. I don't know.

20 REPRESENTATIVE GEIST:

21 Q. There's a lot of these older
22 bridges that have been built by the municipalities.
23 It'd be interesting. I don't know if they keep those
24 kinds of stats anymore.

25 MS. KESSLER:

1 A. I could just see that from the
2 data right now. It's a match between who owns it, the
3 state or the locals. There's really no clear cut, so
4 we just followed what --- neither of us are going to
5 do a thing about it.

6 REPRESENTATIVE GEIST:

7 Q. You could at least fix the ones
8 that ---.

9 MS. KESSLER:

10 A. Exactly.

11 REPRESENTATIVE GEIST:

12 Q. I just wanted to throw that out.

13 MS. KESSLER:

14 A. I do not know that answer, but
15 we'll certainly look into it with the District's
16 assistance.

17 MR. SAYLOR:

18 All right. Picking up and
19 running with that. For the ten-county area we're
20 talking about, mostly within District Two, along with
21 the bridges, it includes 4,000 miles of state-owned
22 roadways and they're divided into high and low-level
23 networks. A little bit earlier Mr. Kline was talking
24 about the life cycle approach to roadway maintenance.
25 That means if it's a high-level roadway, they're

1 trying to resurface the road every 12 years. And if
2 it's a low-level road, they'll try to go 20 years
3 between resurfacing it, but they'll still have to seal
4 coat it every four to seven years in between. So with
5 this approach you make smaller, less expensive
6 treatments at shorter intervals and it lowers the
7 overall cost of keeping the road in good condition.
8 Now this slide shows a little bit about how that
9 treatment's been working. If you look over the last
10 couple years, based on the measurement of surface
11 roughness, we're seeing improvements. We've seen a
12 decrease in the portion of the network that's listed
13 in the poorest category.

14 The conditions shown here are
15 from measurements taken in 2008. And it would be very
16 hard for us to project a continued improvement. The
17 funding source for many of these types of projects is
18 the district maintenance allocation. And over the two
19 years since this data was collected for this area,
20 that allocation has been decreased by ten percent, or
21 about \$8 million.

22 Again, for the ten counties
23 we're looking at, we have to pave about 275 miles a
24 year to keep the roads within the life cycle. And in
25 2009 we didn't make it. It was a pretty good year,

1 groups working within the region about transit. I'd
2 still like to give you another brief overview from the
3 regional perspective of the systems we support. Our
4 regions are mostly rural or small urban, but we're
5 still hauling the four fixed-route transit systems.
6 In addition to this, as you've heard, every county
7 provides or co-operates a para-transit system.

8 All told, our providers fill the
9 fleet of over 350 vehicles that have to be maintained
10 and replaced on a regular basis. In addition to that,
11 several of our providers are also pursuing building
12 projects, some of them since the houses and spaces
13 they have long since outgrown and others to include
14 features recommended in studies commissioned by the
15 Bureau of Public Transportation to improve service and
16 to bring down costs.

17 There are some exceptions.
18 Drawing from the previous annual report, you see an
19 increase in the ridership in all three regions. And
20 that's something to keep in mind as we talk about
21 reducing funding to these same providers, especially
22 since, as Ms. Zerbe mentioned earlier, the funding
23 support under Act 44 was much clearer for fixed-route
24 systems than for the para-transit providers. Now that
25 you have an idea of the condition of the system, I'm

1 going to turn back over to Amy and she's going to talk
2 to you about the funding to maintain it.

3 MS. KESSLER:

4 Thank you, Jim. With this
5 chart, what you're seeing is what our known required
6 funding levels are for both bridges and the highways.
7 And Kevin in his slide talked about the state
8 perspective from the tap. There's a slight difference
9 in variation, but we're in the ballpark as far as
10 where we're at. Close to \$172 million is what we're
11 going to be needing in our region for maintaining our
12 bridges and our highways. And you can see that the
13 Act 44 is already reduced to reflect the tolling, and
14 even with the tolling we still weren't going to be at
15 that required number of really what's needed. So it's
16 just a slide to help show the real impact of where our
17 resources are not meeting our needs.

18 So what are some of the things
19 we're doing? We're trying to band-aid, or we call it
20 --- Jim and I were talking about transportation
21 triage. We're trying to save everything we can.
22 We're trying to prevent the emergencies that are out
23 there. We have bridge preservation line items. The
24 districts and central office have a bridge assessment
25 tool again for the state bridges, and we're working

1 with them to try to have that tool for the local
2 systems as well. Just maybe a local bridge task
3 force. Again, Mr. Geist, to answer your question on
4 those local bridges, that is an effort that is looking
5 to be carried on, I believe, in Centre County and here
6 in SEDA-COG and I believe the Northern Tier will be
7 taking that on again --- so we're starting to roll
8 this out across the state --- and then bond funding
9 and the stimulus funding that was there.

10 Act 44 obviously is a very
11 delicate balancing act. We can't throw everything at
12 bridges and let our highways fail. So we've got to be
13 able to find those resources in that balancing act
14 between the highway maintenance and the bridge
15 maintenance. The types of treatment though we're
16 looking at, a lot more skilled labor and then the
17 pavement recycling is all tools in our tool belt that
18 we're using to help maintain our system. So here's
19 the consequences of doing nothing (indicating).

20 MR. SAYLOR:

21 In looking at that, PennDOT for
22 the area that includes our regions as identified, \$150
23 million in projects that they cannot currently pursue.
24 And as Amy mentioned, our colleagues in PennDOT have
25 gotten a lot practice in the past decade of practicing

1 transportation triage. There hasn't been enough
2 funding to keep all the system in a desirable
3 condition and as the earlier slide showed, we've done
4 very well focusing the funding on the most urgently
5 needed facilities. But that's sometimes at the
6 expense of all others.

7 It would be unfair to say that
8 we won't continue to do that regardless of the level
9 of funding that's available. But the level of funding
10 has forced us to make some difficult choices about
11 what we do maintain.

12 This is an example to bring it
13 back to a local level. PennDOT evaluates the load-
14 carrying abilities of local bridges as part of the bi-
15 annual inspections. And as the structures
16 deteriorate, the bridge will be posted with a weight
17 limit. And as it continues to deteriorate, that
18 weight limit can be lowered down to a limit of three
19 tons. Once the limit falls below three tons, the
20 bridge will have to be closed. Already there are 24
21 local bridges in the ten counties we're talking about
22 that have been closed. That's not the whole story.
23 There's another 17 a half step away from that with a
24 weight limit of three tons and there's 15 more posted
25 at six tons or less. If we can't provide sufficient

1 funding, this adds up to one out of every eight local
2 bridges in danger of closure. And this doesn't
3 include the bridges less than 20 feet.

4 This is a similar example for
5 pavement conditions. I talked a little bit earlier
6 about the overall conditions of the roads getting
7 better. But what this slide shows is that the
8 improvements haven't been uniform. Since we've been
9 focusing on the roads with the most traffic, we've had
10 to forego making the same kind of improvements on the
11 secondary road system. And as we mentioned, the
12 budget for this type of work has declined by ten
13 percent in the previous two years. Without an
14 equitable, sustainable funding solution, we expect the
15 divide between the primary and secondary road systems
16 to get bigger and we may lose ground on both.

17 We also mentioned that the
18 condition data came from measurements taken in 2008.
19 We know that the situation in regions affected by
20 Marcellus Shale activities is changing rapidly. And
21 that hasn't shown up in the data yet. These pictures
22 show sections of damage caused by gas-related
23 activities. In some cases, the roads were paved by
24 laying a thin layer of asphalt over an existing gravel
25 road. When the road's functional enough to provide

1 access to the lower parts of the region, but they were
2 never intended to stand up to the sustained truck
3 traffic necessary to support the gas activities,
4 especially in Pennsylvania where we lead the country
5 in the number of freeze and thaw cycles.

6 Our planned maintenance and
7 reconstruction for the coming years to keep these
8 roads within cycles falls far short of what the roads
9 will actually need to keep them in service. And due
10 to the nature of the process, we've been playing catch
11 up instead of being able to plan ahead for where the
12 trucks will head next. We expect this type of damage
13 to start showing up in our pavement data and we know
14 from the experience of our colleagues to the north
15 that this is only the tip of the iceberg. The
16 Marcellus Shale represents a terrific opportunity to
17 transform the economy in parts of our state that have
18 traditionally been a fly-over zone for economic
19 prosperity. But to make that vision a reality, we
20 have to plan for and fund the infrastructure needed to
21 support these activities in the most beneficial and
22 efficient way possible.

23 And finally, what could be
24 accomplished with sufficient funding? I'd say let's
25 start with the basics and let's correct the problems

1 bridges; 24 closed, 17 posted as three tons, 15 four
2 to six tons. What we have in these kinds of --- these
3 are mostly in a rural area. What kind of detours
4 time-wise are we talking about? I'm thinking of
5 Pittsburgh. There's one bridge after another. If one
6 closes, it seems to me that there's less of a problem.
7 What's the experience there if we have some that are a
8 couple hour detours in some cases or school buses
9 can't get through or EMS?

10 MR. SAYLOR:

11 A. I think Amy will be able to
12 provide an example in a minute of a fairly extensive
13 detour. But our experience in SEDA-COG has been that
14 the detours vary anywhere from a few hundred yards to
15 eight miles.

16 MS. KESSLER:

17 A. We had one that was over --- the
18 official detour of the Department was over seven
19 miles. You had kids leaving for school at 4:00 in the
20 morning, if you get there. There's just no easy way
21 in and out in some of these communities with these
22 bridges. Some of these smaller bridges carry more
23 traffic in some cases than our state systems. So it
24 is certainly a challenge and the geography makes it
25 even more so.

1 CHAIRMAN:

2 Q. So you have what, a half hour,
3 40 minute detours?

4 MS. KESSLER:

5 A. I'm guessing in some cases it
6 could be up to an hour detour, especially in the
7 wintertime.

8 CHAIRMAN:

9 Okay. I don't see any other
10 questions. Thank you. Thank you very much.
11 Appreciate it. Okay. Panel Three, our last panel, is
12 PennDOT Engineering District Three. And we have Sandy
13 Tosca, who is the District Executive. Sandy, welcome.

14 MS. TOSCA:

15 Thank you.

16 CHAIRMAN:

17 Sure. You may proceed.

18 MS. TOSCA:

19 I'm Sandra Tosca, the District
20 Executive for PennDOT Engineering District Three. We
21 cover a nine-county area in the north central portion
22 of Pennsylvania. It's just over 2,900 state-owned
23 bridges and just over 4,500 miles of state highway in
24 District Three. This slide represents some of the
25 projects that are now unfunded with the reduction of

1 Act 44. This represents about \$7.3 million worth of
2 projects that we can no longer proceed with. And I'd
3 like to talk about these briefly.

4 On the left-hand side are some
5 of the resurfacing projects. These projects were last
6 resurfaced in the time frame of 1997-1998. Those were
7 the years we had some spikes in resurfacing as a
8 result of the gas tax and license fee increases. And
9 we actually have a large volume of those that are now
10 coming due for resurfacing. Traffic Route 304 was
11 resurfaced in 1997. It sat 13 years. It should've
12 been resurfaced actually last year and we're starting
13 to see deterioration, as you can see here; rutting,
14 base failures and cracking. This is a \$1.1 million
15 project, 3.1 miles long.

16 The longest track is Route 6 in
17 Bradford County. This was last resurfaced in 1998.
18 We actually did a micro-surfacing in 2006, recognizing
19 we may not have funding to resurface it when it is
20 needed, which would've been this year, hoping to
21 extend the pavement life. However, it is still
22 cracking and we're experiencing some real challenges
23 in our Northern Tier area with the gas drilling
24 exploration.

25 This route at one time --- well,

1 structurally deficient. Again it services an area in
2 Duboistown in Lycoming County, another bridge we're
3 not able to proceed with at this time.

4 Of the 2,900 bridges we have in
5 District Three, 321 of those are structurally
6 deficient. And one advantage we do have in
7 Engineering District Three, over the past 30 years we
8 aggressively tackled our river crossings. Susquehanna
9 River really goes through many counties in our
10 District and we have a large volume of river
11 crossings. In the past 30 years, we've replaced all
12 of those. And actually this year, except for the one
13 we just let in April, will be our last structural
14 deficient river crossing. Now we do have a different
15 problem with our smaller span bridges and that's
16 really our area of focus, as well as preservation.

17 This slide represents --- the
18 green line on the slide is the goal that was
19 established for each Engineering District by PennDOT
20 as a whole. Remember when the accelerated bridge
21 program was kicked off, there was a 40 percent
22 reduction goal statewide between 2008 and 2018 and
23 each district was assigned a goal. That green line is
24 the goal for Engineering District Three. In 2008 it
25 was 13.4 percent and it hits just about ten percent in

1 2014. Engineering District Three, the black portional
2 line are our actual percent of structurally-deficient
3 bridges we have so far.

4 In 2007, we were at 13.8 percent
5 of our bridges being structurally deficient. We have
6 reduced that to 11 percent, which is below our goal.
7 And without the Act 44 funding, we will hit six
8 percent of our bridges being structurally deficient in
9 2014, whereas if we had Act 44 funds we'd be able to
10 reduce that even further. And even though we are
11 below that line, we still have a need to invest in
12 preservation activities.

13 We were able to get a jump start
14 in reducing the number of our structurally-deficient
15 bridges because they are shorter span bridges and we
16 also aggressively use our department forces every
17 year.

18 To do our shorter span bridges,
19 they cast channel beams during winter months, plank
20 beams during the winter months and we've aggressively
21 used pre-cast box culverts really over the past ten
22 years in our engineering district. So that has helped
23 us, and actually that is more buying power by using
24 our department forces where just this year alone by
25 increasing our department force bridge program from

1 typically eight bridges a year, we bumped that up to
2 18 in terms of replacement, rehabilitation. We saw
3 savings of \$1.5 million by doing that.

4 However, on the other spectrum,
5 on our regular side, we're not doing very well. And
6 with limited resources, you make those decisions. And
7 we have seen the increase in the number of core roads.
8 That means they have a rough riding surface. About
9 1,098 of our roads are rated as having a poor
10 ridability. That is 25 percent of our network, which
11 is not something I am proud of and it has been a
12 challenge to maintain.

13 Another indicator, as many have
14 discussed, is the out-of-cycle pavements. Well, my
15 out-of-cycle pavements are even worse. We have 1,445
16 miles out of cycle. That doesn't mean they're not
17 receiving any treatment, that we're doing seal coat
18 after seal coat after seal coat where they need some
19 type of hot mix to restore the cross section to them.
20 With the gas drilling industry, it's actually more
21 critical now that some of these roads receive the
22 appropriate treatment at the right cycle. That
23 represents 32 percent of our roadway network.

24 As I mentioned with the
25 reduction of Act 44, we're losing 31 projects in

1 District Three. That totals \$51 million. Those 31
2 projects represent 16 bridge rehabilitation,
3 preservation, replacement type projects. It also
4 includes 14 resurfacing projects. That's 58 miles we
5 are not going to be able to resurface with the
6 reduction to Act 44. That puts our backlog further in
7 the hole compared to what it is now.

8 And we also have one overhead
9 sign structure that we need to replace on traffic
10 Route 220 that was installed during the original
11 construction that's actually in need of replacement at
12 this time. In terms of our annual funding shortfall,
13 the estimated regional needs are calculated by looking
14 at what our bridge needs are. We assume that ten
15 bridges will be structurally deficient annually.

16 What we need to invest in
17 preservation on the roadway side, we look at our
18 backlog of needs both on the out-of-cycle pavements as
19 well as the need to reconstruct some of our pavements
20 such as on the interstate system, reconstruction life
21 of 40 years. We have 20 miles that exceed that right
22 now. On our national highway system, we have about
23 250 miles that have an original construction 40 years,
24 and I would say in some cases 70 years and greater,
25 which we need to tackle. As well as bringing our

1 standard pavement treatments up to cycle and standard
2 maintenance cycles.

3 So that estimated regional need
4 is \$287 million. The current funding level which is
5 using the TIP, the current Act 44 that we're at, the
6 bond money, our maintenance allocation, what we spend
7 on roadways and bridges in District Three is \$182
8 million. That leaves a shortfall of \$105 million.

9 Just to put a perspective on how
10 that \$105 million shortfall is split, \$89 million is
11 on the roadway side in our district and \$16 million is
12 on the bridge side due to the condition that we have
13 with our bridges right now. But we still do have a
14 backlog of needs to maintain our infrastructure.

15 These don't include all the
16 transit agencies in our district, but just several
17 that put in perspective it is important to rural
18 areas, transit. The services that provide individuals
19 do not have access any other way to get to doctors'
20 appointments, to jobs, pick up prescriptions and to
21 have a normal way of life. Just to put into
22 perspective, I have a friend who was talking to me
23 about --- their daughter actually takes the
24 Williamsport/River Valley Transit after school every
25 day to get to her after-school job so she can earn

1 money for her college tuition when she graduates high
2 school. I mean there's a lot of services that transit
3 provides people to help them better their life. And I
4 think it should not be under-funded and needs to be
5 considered in the entire transportation package. Any
6 questions?

7 CHAIRMAN:

8 Q. Okay, thank you. Thank you very
9 much. I have one brief one. The slide that depicted
10 the amounts of poor roads, how is the Marcellus
11 affecting your relatively rural area?

12 MS. TOSCA:

13 A. It's significantly impacting us.
14 We actually had about 40 miles after this winter that
15 were paved surfaces that have now eroded to dirt and
16 gravel. We actually have pretty much told the gas
17 companies they need to return those to some type of
18 paved surface. I mean granted, yes, they were what we
19 call a pie crust road, thin layers of bituminous on
20 dirt and gravel. But they were a solid pavement
21 surface for at that time the 200 vehicles they served.
22 One road, for example, that had 200 ADT now receives
23 700 trucks a day alone. Typically the water trucks.
24 They have water ponding areas, holding areas on those
25 roads, several drill pads. And it is impacting the

1 condition of our low-volume network as well as our
2 high-volume network. We have seen some accelerated
3 deterioration on routes like traffic Route 6 and 220
4 in our Northern Tier areas.

5 CHAIRMAN:

6 Q. What kind of upgrade can we
7 expect from the district itself --- and I mean, it is
8 sufficient to repair all the ---?

9 MS. TOSCA:

10 A. Right now the roads that they
11 know they're going to be on the next ten years, they
12 are going to upgrade. At least one of the gas
13 companies has committed to upgrading. Another one is
14 starting to work with us. But we have essentially
15 told them that if they don't provide us plans on how
16 they're going to maintain the roads over the winter,
17 they will not be hauling during our freeze/thaw
18 cycles. The one other side of that, though, that I
19 think needs to be considered is not just the road
20 repair.

21 There is a significant
22 administration cost. We have to do weekly inspections
23 on our posted roads. We have to install a large
24 number of signs as we're posting more roads, just the
25 processing of that. And the base fees for that do not

1 actually cover it. I've estimated in my district that
2 we're going to spend probably three quarters of a
3 million dollars between inspection, following up with
4 the gas companies, the administrative costs, sign
5 installations. That comes directly out of maintenance
6 allocation assigned to each of those counties. With
7 no reimbursement.

8 CHAIRMAN:

9 Representatives? Okay.

10 Representative Solobay?

11 REPRESENTATIVE SOLOBAY:

12 Q. Thank you, Chairman. You've had
13 the opportunity to develop a relationship with these
14 companies to make sure they are keeping their end of
15 the bargain? The relationship they develop with the
16 districts has been very good, when they are coming in
17 and --- as a matter of fact, the one company that I
18 saw paving crews that were out there taking care of
19 things, and they actually help a lot of the
20 communities out even prior to the activities. A
21 formal report is --- a point where people are
22 complaining now that the roads have been improved so
23 well that they believe there's speeding going on on
24 the roads because they've been improved so well. But
25 what they've found out is that the road's entirety of

1 the gas companies putting their vehicle on it in such
2 shape that people can now travel the roads, but now
3 that they're sharing in that, that the number of folks
4 traveling it looks like it's speeding, but they're
5 just traveling the recommended speed that's posted on
6 that particular roadway.

7 But the point I'm trying to make
8 is that developing these relationships seems to have
9 worked, at least down in the southwest corner, and I
10 would just suggest also that we have not really ---
11 we're making it relative to the sections and the
12 permit fees, and that's something we always need to
13 look at, the effect of the ability of people to
14 increase their speeds. It seems to be working that
15 way throughout some of the state also.

16 MS. TOSCA:

17 A. Yes. Actually we have had
18 meetings. We have 16 active gas companies in
19 Engineering District Three right now. And we had
20 meetings with them, and from the March time frame
21 we've been bringing them in one at a time, meeting
22 with them on their plans. We've outlined our
23 expectations. For the most part, they are moving
24 forward, probably not quick enough with the extent of
25 damage that we have right now. And I know actually at

1 one point we had 23 active contractors doing repairs
2 on the roads after the spring thaw last season.

3 The explosion we've seen of gas
4 drilling, especially in Bradford County, I think folks
5 --- you have to actually go up there and drive around
6 and see the volume because I talked to my counterparts
7 in the southwestern part of the state and they did not
8 have the volume of gas drilling accelerates as we have
9 right now. So we are establishing relationships. I
10 don't want it to be perceived that they're not
11 cooperative. But it's probably a little slower than I
12 would like to see right now.

13 CHAIRMAN:

14 Okay. Thank you.

15 MS. TOSCA:

16 Thank you.

17 CHAIRMAN:

18 All right. The Lycoming County
19 Board of Commissioners, represented by Mr. Mark
20 Murawski, Chief County Transportation Planner. Mr.
21 Murawski, whenever you're ready to start.

22 MR. MURAWSKI:

23 Thank you. First of all, on
24 behalf of Lycoming County Commissioners I want to
25 thank you for this opportunity to testify. And

1 looking at how everybody did their presentation here
2 today, I think I'm going to actually do the opposite
3 of what most people are presenting. They're coming to
4 you and basically telling you what kind of needs they
5 have and I think everybody will agree here, after
6 sitting through three hours of testimony, there are
7 enormous needs. Then they might tell you that they'll
8 support in the way of funding or whatever to meet
9 those needs. They could divulge that by themselves or
10 you probe it out of them. What I'm going to do is I'm
11 going to tell you right up front what we support. And
12 then I'm going to get my back presentation on what the
13 needs are.

14 I had a chat with the Lycoming
15 County Commissioners last week when we got the letter
16 and I said, I don't want to waste my time driving from
17 Williamsport to Lock Haven and the gas that it takes
18 if I don't have anything to say as far as how we solve
19 the funding crisis in Pennsylvania and think bigger
20 than our current. And I was very pleasantly surprised
21 by the answer I got from them. And they basically
22 said to me, Mark, we recognize there's a funding
23 problem, we recognize we have needs. And what I want
24 you to tell them is that we're going to be there with
25 you in solving this problem. And we traditionally

1 have --- over the years in Pennsylvania, the gas tax
2 is what we rely on.

3 So probably at the end of the
4 day a political solution to this is going to involve
5 some way, shape or form a gas tax increase. We're
6 pretty confident with that. And we looked at the
7 report the State Transportation Advisory Committee
8 did. Excellent report, well done, concise and it
9 gives about 16 ideas of how to raise money, and of
10 course the gas tax is part of that mix.

11 Because the tolling 80 revenue
12 didn't come through --- and you looked at basically
13 what money you will not get because of that, in the
14 neighborhood of close to \$500 million annually --- if
15 you raise the gas tax about eight cents a gallon, that
16 would make up for the tolling 80 shortfall,
17 recognizing about \$3.5 billion in need, so you don't
18 get the whole revenue with the eight cents, but it's a
19 start. And at least it could deal with the emergency
20 problem that we have before us right at the moment.

21 So the Commissioners would support an eight cent
22 increase in the gasoline tax unequivocally. And they
23 would support also indexing that tax for future years.

24 We think it's a big mistake to
25 pass any increase and not keep up with inflation like

1 what happened in '97. So they support whatever the
2 appropriate indexing would be to keep up with
3 inflation, one or two cents or whatever per year, make
4 a little bit back.

5 As far as the other rates of
6 proposals on the table, we're not going to dictate to
7 you what we think the magic bullet is for the funding
8 mix. But what we do want you to know is we believe
9 there needs to be an appropriate mix to deal with the
10 \$3 billion number after the gas tax increase if we did
11 eight cents. And they won't beat you up. They will
12 not beat you up for taking a tough vote.

13 And there's one thing, and I
14 told them this, I'm on the board of the Pennsylvania
15 Highway Information Association and there was a
16 conference last month and you folks were at that
17 testifying. There was something Senator Stout said
18 that I thought was absolutely very important that I
19 got out of that. And he said, you know, there's never
20 a good year to raise a transportation revenue
21 increase. And I've been here 24 years and he's
22 absolutely right. But we know we can't let a bridge
23 fall down. We know we can't do that. And he doesn't
24 want to see us react to this problem because a bridge
25 fell down. Then it's an easy vote; right? Because we

1 get out there and we'll save the next bridge. We need
2 to be proactive and get ahead of this now and be
3 politically bold about doing it. So that's why we're
4 not going to beat you up with whatever you come up
5 with to meet the \$3 billion need.

6 Now Lycoming County, we have
7 about \$1 billion worth of needs over the next 20 years
8 in our long-range transportation plan. That's a
9 daunting number, and I'd say 60 percent of that is
10 basic maintenance/preservation. The other 40 percent
11 is we'd like to see Interstate 99 completed. We've
12 made a heavy investment here. For 20 years now
13 fighting to see Route 15 north of Williamsport
14 finished --- and hats off to PennDOT; we're just about
15 there. And that, unfortunately, is a rare slide down
16 base in Pennsylvania to see a groundbreaking on a
17 major \$60 million highway project. And those days
18 just seem to be over. We don't feel it's a problem.

19 So that's where we're at on
20 this. We need probably another \$300 to \$400 million
21 to finish I-99 just in Lycoming County to deal with
22 the 220 corridor between Williamsport and Jersey
23 Shore. And I know in Clinton County we've been
24 supporting their efforts to get their piece from 80 to
25 Salona upgraded. And I don't know what the new number

1 is, but I know the old one would be around \$100
2 million. And we supported Centre County to get their
3 belt on the interchange done. So we're with you on
4 I-99.

5 Now briefly on our presentation,
6 if we can just go ahead ---. We agree with PennDOT,
7 maintenance first, delivery of projects sometime
8 within budget and safety, our top three priorities
9 that govern everything we do in our planning process
10 and money is tight. Now we get one percent in
11 Lycoming County in the statewide pot. One percent.
12 So in the last two years when we had the
13 transportation hearings two years ago, what have we
14 done? We've looked at every mode of transportation
15 and completed a major project in that mode.

16 We just completed an \$82 million
17 Market Street Bridge replacement. That was our
18 biggest bridge in Lycoming County and it is now giving
19 us the first direct interchange connection with
20 Interstate 180 that we've never had before. So that
21 was a team effort everybody worked on, got behind and
22 that project just got done two years ago.

23 At the airport, we've extended
24 our main runway by 350 feet to the west, and that's
25 going to help us lower our minimum visibility

1 requirements. Because right now, the U.S. Airways
2 system of 168 cities they serve, we are the worst
3 visibility requirements of the whole U.S. Airways
4 system. We feel in order to attract the airlines,
5 keep corporate aircraft --- and the Marcellus Shale is
6 critical for this --- we're seeing 1/4 of our planes
7 just on Marcellus Shale traffic. And 60 percent of
8 our corporate aircraft is now Marcellus Shale
9 corporate aircraft based on airport. That runway
10 project got done last fall.

11 Finishing Route 15. The Steam
12 Valley Mountain section on the southbound lanes are
13 now open to traffic and they're finishing up the
14 northbound lane, working the interchange there. By
15 this fall, another \$60 million investment to get us up
16 to New York. And New York has been great. They have
17 met us at the corridor, as you see. Their people and
18 our people are all there at the river. And they
19 finished the Painted Post interchange with I-86 and
20 I-99, and now all they have is a little five-mile
21 piece of two-lane road across the border that they've
22 got to get done and they're working on it. They don't
23 have all the money to finish it, but they're under
24 construction.

25 Central Susquehanna Valley

1 Thruway. Now that's extremely important to us. That
2 would be the last major Route 15 project that will get
3 us basically a four-lane highway through Pennsylvania.
4 And there's tremendous bottleneck, safety issues. We
5 were very happy to see Governor Rendell reinstate the
6 engineering design process to at least get this to a
7 bid. We need over \$500 million to finish it, and we
8 support Appalachian designation to make that happen.

9 Arch Street Bridge. This is
10 just an open bid for construction. The construction
11 will start later this summer. This is the last major
12 bridge in Lycoming County over the River that we'll
13 have done once it's finished in 2012. We just
14 finished the bulk transfer facility at the Newberry
15 rail yard. This is going to be a big boon also for
16 the natural gas industry, for rail. You heard Jeff
17 Stover talk about how important rail is to the
18 industry. Well, the Newberry yard is the epicenter,
19 we believe, for rail serving shale.

20 And the Susquehanna Riverwalk.
21 This was our biggest transportation enhancement
22 project we've finished. It has regional impact. It's
23 a four and a half mile river walk on a levee system in
24 Williamsport and South Williamsport. We had our grand
25 opening celebration on May the 15th, a \$2.5 million

1 project, and we got hundreds of people using it every
2 day. So transportation can be fun, too, not just
3 getting us from point A to point B.

4 And our transit system. We've
5 got over a \$20 million investment in capital projects
6 to do our transit system like the new Church Street
7 Transportation Center starting under construction next
8 month and the Trade and Transit Center expansion
9 project which we hope to have under construction next
10 year.

11 Now as far as the funding needs,
12 when you look at our highway system, our state roads,
13 we're resurfacing about 42 miles a year. We need to
14 get up to about 52 miles. And we need another \$3.6
15 million to do that. And that's just to keep up with
16 the life cycle pavement that's due that we see on our
17 formal allocations. And we need another \$15.7 million
18 to address highway system preservation needs in
19 general.

20 On bridges, we're in pretty good
21 shape. As Sandy said, we're about half of the
22 national average in terms of structure deficient
23 bridges. Our state bridges are about 13 percent where
24 nationally we're 24, 25 percent. So we have just
25 under 70 bridges that are structurally deficient on

1 the state system. We're trying to cut that number
2 down in half to about 35 bridges over the next two
3 years. But local bridges we've heard about before.

4 The one comment I want to make
5 on local bridges is Lycoming County was the final
6 county in Pennsylvania to do the local bridge
7 inventory, looking at bridges eight to 20 feet long.
8 We discovered 83 of them in our process and 70 percent
9 of those bridges were fair to poor condition. So I
10 believe even though Pennsylvania has the worst bridge
11 problem in the United States, we're understating it,
12 no doubt about it. This problem is bigger than we
13 thought.

14 Safety, you can see some of the
15 things we've been doing, strategies there. And a big
16 problem that we have is to put a median barrier over
17 the mountain on Route 15 because we've got a lot of
18 head-on collisions. Because of the money, it's going
19 to take only until 2019 to get that job done, which is
20 very unfortunate.

21 And we're also putting in a
22 major TIGER II application to do an intermodal project
23 with shale rail sidings in the whole region here of
24 SEDA-COG and also to construct the airport access road
25 which has been under design for many years. And we

1 have a project with the Williamsport Hospital for a
2 \$150 million expansion to build a new streetscape to
3 the main entrance to the hospital. We're getting
4 earmarks on that.

5 So that's basically the crux of
6 our transportation. We have needs, but we're going to
7 stand here and we're going to tell you that our yellow
8 brick roads in Pennsylvania are getting worn.
9 Harrisburg is not the only city. We all need to be
10 part of this funding solution. There's no great
11 wizard that's going to solve this problem. We'll be
12 there behind you with courage to get this job done.
13 So when you take a tough load, you know we're standing
14 behind you. Thank you very much.

15 CHAIRMAN:

16 Thank you very much. I need you
17 to come back to my district. Just so you know, but I
18 really appreciate that. Thank you. Commissioners?
19 No. We appreciate your testimony. Thank you, sir.

20 Okay. Northern Tier Regional
21 Planning and Development Commission, Mr. Rick Biery.

22 MR. BIERY:

23 That is a very tough act to
24 follow.

25 CHAIRMAN:

1 And you have ten minutes.

2 MR. BIERY:

3 Thank you. What more can I say?

4 With all the discussion we've had here today, it's
5 going to be very difficult for me to give my little
6 two cents worth in for five counties in the Northern
7 Tier.

8 Good afternoon, everybody.

9 Chairman Markosek, Chairman Geist and members of the
10 Pennsylvania House Transportation and Policy
11 Committees, thank you for this opportunity to present
12 testimony today.

13 My name is Rick Biery and I'm
14 the Regional Planning Program Manager for the Northern
15 Tier Regional Planning and Development Commission. We
16 represent five counties. We are a rural planning
17 organization. The Northern Tier is comprised of
18 Bradford, Sullivan, Tioga Counties in Engineering
19 District Three and also Susquehanna and Wyoming
20 Counties in Engineering District Four.

21 I'm going to preface my remarks
22 today and I'm going to give you brief answers to the
23 five questions that were in the announcement for this
24 joint hearing.

25 The first question is, do you

1 crust roads.

2 So we are in desperate need of a
3 significant amount of influx of money to deal with our
4 secondary road system. Our number of SD state
5 bridges, we have about 1,787 bridges in our region;
6 350 of them are SD. That's 19.6 percent. Our local
7 SD bridges greater than 20 feet, we have 337; 135 of
8 those are SD. That's 40 percent. And those numbers
9 continue to climb even though we are investing very
10 heavily in that infrastructure.

11 Local bridges. I know
12 Representative Geist asked the question, are we just
13 undertaking inventories. And we just completed all
14 the municipalities in Tioga County except for seven,
15 and we found 80 bridges between eight and 20 feet in
16 length. And we know we're going to find more as we
17 get into Bradford because there's more water
18 intersections with the highways, more in Susquehanna
19 County because Susquehanna County has a lot more water
20 than the other two counties combined. And in Sullivan
21 and Wyoming Counties, they're going to give us some
22 problems also.

23 Detour routes. Some of our
24 detour routes on those local bridges, there are no
25 detour routes because it's a one-lane bridge going

1 back to a dead-end road. If that bridge isn't there,
2 those people don't get back to their properties.

3 Affordable transit is very, very
4 important to our rural region. It's imperative to our
5 aging population. Our EMTA Board of Directors, which
6 I had previously said I was a member, are committed to
7 keeping their 150,000 fixed route passengers riding
8 the buses and continue to make the hard decisions.
9 And when they do ask for a fare increase, PennDOT
10 usually says please don't do that because you have the
11 highest fares already, but we want to keep those
12 people on the buses. And our ridership continues to
13 increase.

14 A wild card in this whole talk
15 that we've had today, and you've heard about it, is
16 the Marcellus Shale. We are seeing truck --- as Sam
17 stated, we are seeing truck percentages on our
18 highways that we never saw before. We've had local
19 roads and state roads that, within a nine-hour period,
20 went from pavement to four foot mud ruts. It's just a
21 phenomenal impact that's taking place. And we're
22 trying to deal with these issues. It remains an
23 unknown factor what this whole Marcellus Shale is
24 going to be. It's going to be positive, it's going to
25 be negative, but it brings a lot of challenges to our

1 transportation planning system, our programming
2 delivery and our project delivery process.

3 Question number three, is
4 inaction acceptable? No, inaction is unacceptable.
5 We have to do something.

6 Question four, if inaction is
7 not acceptable, what level of additional funding is
8 necessary for the improvements you are advocating?
9 Well, the state highway and bridge system alone
10 requires an additional \$50 million in our five-county
11 region just to maintain the system as it sits today.

12 Our municipal liquid fuels funds
13 for our locals, they have 166 municipalities, are at
14 low levels. The amounts of funding are not coming in
15 from the liquid fuels sales. Their highway system is
16 imperative to our region, along with their bridges.

17 Endless Mountains Transportation
18 Authority could use an additional \$300,000 annually
19 just to maintain the fixture systems they have today.
20 That's not expanding it with the amount of transit
21 ridership that we're seeing.

22 Question five, what additional
23 improvements could be accomplished in our region,
24 safety, congestion, et cetera? I would just say all
25 of the above. We have numerous amounts of unfunded

1 projects that we need to deal with, and there's a
2 couple of them listed there. But we have a large
3 transportation plan that covers a vast number, a whole
4 bunch of things.

5 What more can I say, gentlemen?
6 It's a daunting task. When you get down to the issues
7 of funding, our rural transportation advising
8 committee is split. They know something needs to be
9 done, but the aspects are --- I think they're
10 interested in a mix of user fees that would need to be
11 included to get us to where we need to be.

12 CHAIRMAN:

13 Mr. Biery, thank you very much.
14 Representative Mike Carroll?

15 REPRESENTATIVE CARROLL:

16 Q. Thank you, Mr. Chairman. Has
17 the RPO come up with an endorsement of the funding
18 package that will satisfy what you need?

19 MR. BIERY:

20 A. Our RPO has discussed this ad
21 nauseam, believe me. And the aspects are --- they
22 feel that a mix of what I'm calling users' fees need
23 to be looked at. You need to look at gasoline tax,
24 you need to look at registrations, you need to look at
25 a vast mix of those and not just do the quick and easy

1 thing.

2 REPRESENTATIVE CARROLL:

3 Q. What's the quick and easy thing?

4 MR. BIERY:

5 A. Raise gasoline taxes ten cents
6 or whatever. There's got to be a mix of things to
7 bring it up to a level that is deemed to maintain the
8 system that we have.

9 REPRESENTATIVE CARROLL:

10 Q. I suggest you share with us what
11 that could mean. It's neither quick nor easy.

12 MR. BIERY:

13 A. I agree. But the aspects are
14 that it's all one item instead of looking at a vast
15 number of items.

16 REPRESENTATIVE CARROLL:

17 Q. I appreciate that. We really
18 need the RPOs around the state to come and testify
19 with the needs that they have. But the fact of the
20 matter is that we have to all be part of the solution.
21 It will not be good enough for the RPOs to come up
22 with decisions that work for your county and send them
23 to us. That's not a solution to the problem. If
24 we're going to talk about funding, it needs to include
25 participation from all.

1 MR. BIERY:

2 A. And I agree with that whole-
3 heartedly and if you talk about the gas severance tax,
4 the opposite has to occur also.

5 REPRESENTATIVE CARROLL:

6 Q. Agreed.

7 MR. BIERY:

8 A. Thank you.

9 CHAIRMAN:

10 Representative Tim Solobay?

11 REPRESENTATIVE SOLOBAY:

12 Q. Thank you, Mr. Chairman. We're
13 here to welcome you back, so all the questions we've
14 had have been answered. To hear all the concerns that
15 there's a deficit of half a billion a year has kind of
16 turned away the folks here when we have folks in other
17 areas of the state who are already paying tolls to
18 utilize roadways and haven't seen the development
19 recession or the side road usage that some of the
20 concerns were brought up from folks in this area have.

21 But what do you have for us that is a
22 suggestion to tell those folks in these other portions
23 of the state that, okay, there's going to be a gas tax
24 and user fees because they're going to get all that,
25 plus they're also paying tolls and increased tolls

1 that we increased a couple years ago. They're
2 spending a good amount which should be spread out,
3 making the fact not true is that the majority of the
4 interstate travel, just like on the Turnpike travel,
5 is not Pennsylvania residents who have been bearing
6 the costs of that half a billion dollars. Now I'm not
7 sure what the exact percentages are. I've heard
8 different numbers that have come in.

9 We get a tax from the other
10 states that have tolling, either as a gateway or on
11 certain things coming into our state, yet it would be
12 something terrible for us to do in Pennsylvania what
13 we did in Northern Tier in tolling. So again, a
14 suggestion also for the RPOs to help with us is to go
15 slow, because we're dealing with tolling already,
16 dealing with gas tax and registration. If you
17 increase all of those and then get to the tolling,
18 they're going to kick back, push back and that's
19 probably about the same way as the folks did up here.
20 So just a consideration on that end. It's very easy
21 to say it's a quick thing on the gas tax. There's
22 also the ramifications that are doubled in other
23 areas.

24 MR. BIERY:

25 A. Agreed. The aspect is that when

1 it comes to the I-80 tolling, our group did not take a
2 stance either way. The aspect is that ---.

3 REPRESENTATIVE SOLOBAY:

4 Q. That's all right because we
5 heard it loud and clear everywhere else.

6 MR. BIERY:

7 A. No, if you want to talk to my
8 constituent counties' commissioners, that's a
9 different story. But our RPO did not take a stance
10 either way with respect to the tolling of Interstate
11 80 just for the simple fact that we do use Interstate
12 80, but a lot of us it's recreational travel, but we
13 do receive a lot of services and goods off of the
14 interstate system. And my reason, we looked in New
15 York State with the interstate system of I-86 that
16 brings a lot of the truck traffic into our region, and
17 Interstate 81 in the Susquehanna County area. So we
18 do have some influence, but the vast majority of
19 influence that we receive is coming from the New York
20 State area into our region.

21 CHAIRMAN:

22 Q. I have one short question for
23 you. I don't know how many state council members or
24 state senators are in your RPO region, but hopefully
25 you have a pretty good relationship with them. I

1 guess I would ask, if you haven't already, could you
2 sit down with them, the same way you did with us? I
3 feel it's needed because they have to --- they have to
4 have a way to restore this kind of --- if it comes to
5 that, you know, from a local place, at home, so ---.

6 MR. BIERY:

7 A. Chairman Markosek, we have
8 representatives normally at every one of our RPO
9 meetings and we met on a monthly basis, from not only
10 the House side but also all of our Senators and our
11 Congressmen. So they're very well in tune with where
12 our RPO is coming from.

13 CHAIRMAN:

14 I'd like to thank you. Thank
15 you very much. Appreciate it. Closing remarks,
16 Representative Geist?

17 REPRESENTATIVE GEIST:

18 Thank you very much. I thank
19 the District Engineers that did a nice job with their
20 presentation. I think the immensity of the problem
21 that we would address now is --- well, over the past
22 seven years has grown along the way. A lot of people
23 have testified to that.

24 CHAIRMAN:

25 Okay. I would like to thank the

1 members for attending, as well as all the folks who
2 testified and came to listen. I'd like to thank the
3 staff of not only the Transportation Committee but
4 also the Policy Committee staff who do excellent work.
5 I'd like to thank the stenographer and PCN. And last
6 but not least, I'd like to thank the folks here at
7 Lock Haven again for this wonderful opportunity and
8 the wonderful hospitality here in this venue. With
9 that, I'll say that our next hearing is scheduled for
10 Thursday at DeSales University --- in Butler (sic), I
11 believe it is, at two o'clock p.m. It's in Center
12 Valley, PA. Sorry. It's DeSales University at one
13 o'clock. So sorry. But I want to thank everybody for
14 attending. Meeting adjourned.

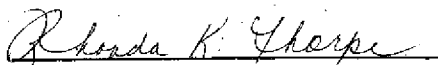
15 * * * * *

16 HEARING CONCLUDED AT 5:50 P.M.

17 * * * * *

18 CERTIFICATE

19
20 I hereby certify, as the stenographic
21 reporter, that the foregoing proceedings were taken
22 stenographically by me, and thereafter reduced to
23 typewriting by me or under my direction; and that this
24 transcript is a true and accurate record to the best
25 of my ability.


Court Reporter