

COMMONWEALTH OF PA
HOUSE OF REPRESENTATIVES
TRANSPORTATION COMMITTEE

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PUBLIC HEARING IN RE: TRANSPORTATION FUNDING

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BEFORE: JOSEPH MARKOSEK, Chairman
Mike Carroll, John Siptroth, Mark Longietti,
Richard Geist, Mike Sturla, Dante Santoni, Tim
Seip, Jerry Knowles, Karen Beyer, Joseph Brennan,
Steve Samuelson, Members

HEARING: Thursday, June 3, 2010
Commencing at 2:13 p.m.

LOCATION: DeSales University Center
2755 Station Avenue
Center Valley, PA 18034

WITNESSES: Michael Rebert, Armando Greco, Michael Micko,
Margaret Howarth, Dennis Louwerse, Tom Bohner,
Gregg Potter, Lester Houck, David Sanko, Jeffrey
Box, Michael Colella, Marilyn Wood, Bruce Davis,
Steven Bliss, Peter Terry, Michelle Young, Karlynn
Kerney, Bob Rockmaker, Josh Karns, John Shubert,
Joe Stafford, Kim Snyder, Alan Piper, Joe Gurinko

Reporter: Joshua Lee Hess

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P R O C E E D I N G S

CHAIRMAN:

Good afternoon, everybody. Thank you and welcome to the Joint House Transportation Committee, House Policy Committee's hearing today on transportation funding. We always start off the meeting with the Pledge of Allegiance and I'd like Father Bernard O'Connor, the president of DeSales University, our host, to lead us in the Pledge of Allegiance. Father?

PLEDGE OF ALLEGIANCE

CHAIRMAN:

Thank you, Father. And thank you for your wonderful hospitality here today. This is a beautiful setting. And I have a son who's going to be a senior in high school and I've got the DeSales University brochures here. It wouldn't be a bad choice for him, certainly. But I want to welcome everybody here, as I like to tell the Chamber, to the Mike and Ike Valley here, the home of Peeps and Mike and Ike and all those things. So we're glad to be here and I want to especially thank the Chairmen here with me today, Chairman Rick Geist of course is co-Chairman of the Transportation Committee as well as Chairman Mike Sturla of the House Policy Committee and I don't see him, but Chairman Sam Saylor of the Republican House Policy Committee.

1 And the whole purpose of these hearings of
2 course is what I've been kind of labeling our tough love
3 hearings. We're going around the state and trying to garner
4 support and educate not only the public but our own members in
5 some cases to the severe, problematic need for funding for the
6 transportation infrastructure brought on by, of course, the
7 decision by the Feds not to toll Interstate 80. And the
8 governor has called a special session.

9 So in reaction to that we decided to go
10 around the Commonwealth. This is our third of seven planned
11 hearings. And I know Rick and I have also been meeting with
12 Editorial Board folks trying to get the word out as well.
13 Your help here as stakeholders and others who are interested
14 in transportation and transportation funding is certainly
15 very, very helpful. With that, I'll let Chairman Geist have
16 some remarks.

17 MR. GEIST:

18 Thank you very much, Joe. After
19 those remarks about your son and this school, Notre Dame and
20 the alumni society is going to be calling you. It's really a
21 pleasure for me to be able to do this and travel in the state
22 and hearing what we're hearing. What we're doing is probably
23 unprecedented. I don't ever remember it happening ever before
24 that we had joint hearings like this with the Republican and
25 Democrat Transportation Committee as well as both Policy

1 Committees. And I think that's an idea that will tell you how
2 bad the problem that we face really is in transportation.

3 And we can't look to Washington for the
4 solutions. They aren't going to be coming. And it's up to us
5 in PA to take care of our own House. And I'm just really
6 pleased that the governor called a special session and I think
7 that we have a great opportunity in front of us to put a
8 package of legislation together to widely solve the problem
9 and give us predictable based funding for the next 20 years.
10 So thank you all very much for coming.

11 CHAIRMAN:

12 Okay. Thank you, Rick. Chairman
13 Sturla?

14 MR. STURLA:

15 Thank you. I want to applaud both
16 the Chairmen of the Transportation Committee for doing this in
17 a bipartisan manner, and then to let the Policy Chairs to come
18 together also on this issue. This is something that affects
19 everyone in the state regardless of their political
20 affiliation and there are a lot of questions that need to be
21 answered. And I think we'll be asking some of those questions
22 today also as we're obviously looking for support in terms of
23 the direction we ought to be headed some places. And in the
24 past two hearings, we've had people suggest ways to solve this
25 problem, and it solves about ten percent of the problem. And

1 I think we hope to get support for 100 percent of this
2 problem, to solve 100 percent of the problem, not just ten
3 percent. So hopefully there'll be some good questions and
4 some good information exchanged here today. Thank you.

5 CHAIRMAN:

6 Okay. Before we get started, I'd
7 like to just at least recognize the panel up here. First of
8 all, our hostess legislator, Karen Beyer, is here. This is
9 her district. And what a beautiful district, Karen, and thank
10 you for your hospitality here today. Rep. Tim Seip from
11 Schuylkill County is here. Rep. Mark Longietti from Mercer
12 County. Rep. Mike Carroll from Luzerne County. Of course,
13 you've met Rep. Sturla and Rep. Geist. Rep. Dante Santoni
14 from Berks County. Rep. Jerry Knowles from Schuylkill and
15 Berks; right? And Rep. John Siptroth from the great
16 Northeast, Monroe County. So I want to thank all of them for
17 attending.

18 Without further ado, to change the
19 batting order just slightly, Mike Rebert from --- the district
20 executive of Penn DOT District Five up first. And just for
21 everybody's information here, we have our hardcore guillotine
22 timing machines up here just so we can get people to stay on
23 time. Mike is awarded 15 minutes, but most of the speakers
24 will have 5. And there will be a green light during those 15
25 minutes until we hit 1 minute, then it goes to a yellow which

1 means sum it up and then a red, at which point in time we send
2 Rep. Geist over to rough you up. Because I'm too nice. See,
3 I won't do it. But anyway, Mike Rebert, you may proceed, sir.

4 MR. REBERT:

5 Thank you very much, Chairman
6 Markosek, Chairman Sturla, Chairman Geist, for having us here
7 today, and all representatives for allowing me to speak in
8 front of you and testify on the part of the Department of
9 Transportation and Secretary Biehler. I will do my best to
10 put that in the back of my head and make sure my slide matches
11 with what I'm saying. I'm here to talk about the state
12 infrastructure in PA and in particular Engineering District
13 Five.

14 Engineering District Five encompasses
15 Lehigh, Berks, Carbon, Monroe, Schuylkill and Northampton
16 Counties. Here's a few pictures of bridges throughout the
17 state. You can see some are in District Nine, District Three.
18 If you told me they were all in District Five, unfortunately I
19 wouldn't be surprised. You can see these bridges all have
20 exposed steel. You see a bridge in District Eight that is
21 shimmed up with wood. We have a few bridges like that here in
22 Lehigh Valley, some very high profile bridges that are in the
23 same state.

24 Here are some roadways, numbered
25 traffic routes for the most part. Some of them are here in

1 District Five. Route 946 up in the northern tier of
2 Northampton County. This just goes to show the state of
3 disrepair of some of our numbered traffic routes. These roads
4 carry the better part of 20,000 cars a day. And as you'll see
5 as we go through the presentation, we just don't have the
6 funds to address these roads with maintenance or our capital
7 dollars in this point in time.

8 Here are some regional needs. One of
9 the biggest bridges we have in the District, the Tilghman
10 Street Bridge that leads into Allentown. It impacts the east
11 side of Allentown and the west side of Allentown. We have
12 preliminary engineering for this bridge project at this point
13 in time, but we don't have funding in place once we get
14 through the preliminary engineering. That is a \$20 million
15 rehabilitation, that bridge. And that is one of the two main
16 arteries into the City of Allentown.

17 Route 329, interesting story on this
18 bridge. Over the winter, we had --- this bridge is posted, it
19 won't carry the 40 ton limit but it will carry tractor
20 trailers and tri-axles. And that's a good thing because there
21 are a number of cement plants up in the area and quarries.
22 Over the winter we had to restrict this bridge down to about
23 25 tons. We were able to secure some funding, the better part
24 of a half a million dollars, to do some temporary repairs to
25 this bridge. It's a major river crossing over the Lehigh

1 River. And in the short-term, it was a month, month and a
2 half, we had to restrict truck traffic. And at this point in
3 time the only other way for trucks to get across the Lehigh
4 River is to use Route 22 or go north approximately 15 miles to
5 another bridge crossing. So there are probably four or five
6 bridge crossings in the area that are all restricted. The
7 only two that are viable when this one went to weight
8 restricted were Route 22 and another one that's a significant
9 detour.

10 Again, there's a couple roadway
11 projects that are shown there. Roads in disrepair that we
12 just don't have the funds to do to work on at this point in
13 time. This is a picture of I-95 in Philadelphia, but it very
14 well could be one of three roads in our district that look
15 very similar at times. Route 22 in the Lehigh Valley, Route
16 222 and 422 around Reading, the City of Reading in Mercer
17 County, and Interstate 80 in East Stroudsburg and Stroudsburg.
18 Each one of these roads, the local planning partners would
19 very much like to do widening or major upgrades for capacity
20 purposes. But again, for instance Route 22, we have a project
21 that we were planning to do on Route 22 that is the better
22 part of \$100 million. That is strictly to address safety and
23 bridge keys (phonetic) out on Route 22. It would take another
24 \$100 million to improve Route 22, which is --- if you talk to
25 anybody in here that rides Route 22, that is very much indeed

1 the Lehigh Valley, Route 22. But at this point in time, as
2 we'll see a little bit later, in the capacity of the projects,
3 there just isn't any funding for it.

4 Public transportation. I'm sure
5 we'll hear from each of our partners on public transportation
6 today about the funding needs they have, not just
7 operationally but facility wise. There are many needs that
8 will go unmet unless we have additional funding.

9 Here's a chart that we've seen for a
10 number of years now where we have --- the bid price index is
11 the green, I believe. And since 2003, that is on the percent.
12 Typically, that blue is in line with the other two, the
13 consumer price index and the construction cost index. But
14 that bid price that they're bidding is indicative of the bids
15 that we see on our projects. It's a reflection of asphalt and
16 steel prices. As that went up 80 percent since 2003, so have
17 the costs of the work that we do. The prices of asphalt and
18 steel are deciding factors in the big prices we see on the
19 projects that we put out to bid.

20 Sometimes we lose track of the
21 maintenance side of things. We talk about our needs on the
22 bridges and roadway side on the capital projects that we
23 produce, but buying power that gets lost in the way of
24 maintenance has been huge since the last gas tax increase.
25 There is a loss of buying power of \$1.6 billion. But we have

1 lost buying power on the maintenance side. And we can't keep
2 up on the maintenance side from what our county maintenance
3 forces can do. We have to then look towards our bigger
4 capital projects and if the money is in either place we're
5 just going to continue to fall further and further behind.

6 Here are some cost saving initiatives
7 that Penn DOT has undertaken over a number of years in order
8 to get the best bang for our dollar and best utilize our funds
9 to be efficient, trying to run Penn DOT like a business. The
10 employees since 1973 have almost dropped in half. We are now
11 at 11,800, a little over that in employees. And as I look
12 around, I feel that in District Five I can't imagine doing the
13 work that we do with any less. We have a lot of consultants
14 working for us, doing day to day operations that we need to do
15 just to do deliver projects. And any less employees, I just
16 don't know how we would be able to function.

17 And a lot of times you'll hear that
18 Penn DOT needs to maybe privatize or even looked at
19 privatized. Well as you can see with the number 74 there, 74
20 percent. Seventy-four (74) percent of the motor license funds
21 that come into the Department are put out to bid and utilized
22 by either contractors or consultants performing whether it's
23 the construction projects that we bid or they do the design
24 work for us that do ultimately deliver the projects. We
25 really take a good look at the work we do do in house and on

1 the maintenance side we do ensure that if we're going to
2 undertake some major construction work that we can meet the
3 contractors prices that they give us. So we're always looking
4 at that to make sure we are being as efficient as possible.
5 Our fleet of vehicles has been reduced 30 percent, ultimately
6 driving down some of the costs associated with that.

7 Some other things. I'll move quickly
8 as my time elapses. \$8.5 million in efficiencies to driver
9 (phonetic) vehicle services. \$20 million in aid to the cities
10 (phonetic). \$59 million we saved just by not re-issuing
11 license plates when they may have --- legally need (phonetic)
12 to be for (phonetic) active legislation. We're always looking
13 at reducing costs of our projects. We just had a meeting this
14 morning talking about Route 22 and what we need to do to shave
15 \$50,000 off of that project just by doing value engineering.
16 The projects in District Five, Marshall's Creek and Marshall's
17 Creek bypass, near to Rep. Siptroth's ---. That was going to
18 be a \$200 million project and we just put that out to bid and
19 it came out at about \$18, \$19 million. So we do look at all
20 of our projects to ensure that we are utilizing our funds as
21 efficiently as possible.

22 I'll talk a little bit about capacity
23 adding projects. And as you can see, we've gradually declined
24 to the point we're at five percent of all the money that Penn
25 DOT gets goes towards capacity projects. We just aren't

1 looking at that direction anymore. We're just preserving what
2 we have.

3 The Transportation Funding and Reform
4 Commission worked together in 2006 and in the end came up with
5 the recommendation that we needed \$1.725 billion every year to
6 meet the needs that we have on roads, bridges and transit.
7 And as you are well aware, Act 44 was going to get us a
8 portion of that. It was going to get us approximately \$950
9 million per year for both bridges and public transportation.
10 We would've been up \$525 million this year on the road/bridge
11 side.

12 ARRA, the American Recovery and
13 Reinvestment Act, brought to the Department a little over \$1
14 billion and \$347 million for public transportation. That was
15 a nice shot in the arm but it was a one shot, a one time shot
16 in the arm. So we also had another call today about the ARRA
17 funds and how we utilized them. And every project that we
18 needed bid and has been bid utilized those funds.

19 Public transit ridership. Since they
20 have received the funds that they have, our ridership has gone
21 up. With the decrease in funds, the worry is that ridership
22 would go down.

23 Improving poor roads. Over the past
24 two decades, we've really focused on paving and resurfacing
25 our roads in PA. And you can see that we've driven our

1 numbers down from almost 18,000 miles of poor roads and we are
2 at this point in time down right around 7,000 miles of poor
3 roads in the state.

4 Structurally deficient bridges. You
5 can see we've turned the corner. We do lead the nation in the
6 amount of structurally deficient bridges. At one point we
7 were at over 6,000. We are driving those numbers down. We
8 continue to look to bid between 400 and 500 bridges a year to
9 replace and rehabilitate structurally deficient bridges and
10 continue to drive that number down.

11 Here's a pretty telling picture.
12 When you look at all the green dots on that map, it shows you
13 where they all are. You can't drive very far without running
14 across a structurally deficient bridge. And then here we are
15 in District Five, 502 structurally deficient bridges.

16 This is the map of poor roadways and
17 there is a significant amount of red lines on that map. And
18 625 miles of poor road in District Five.

19 Pavement miles have a cycle. This
20 one may be a little bit different than what you've seen
21 before. When we talk about it at a cycle, the roads have a
22 cycle, if we're not able to pave it every seven years or do
23 some kind of resurfacing, if it's a lesser traveled road every
24 15 years. What this reflects is these roads may not poor at
25 this point in time, but since they are out of the cycle they

1 could turn poor very quickly. A lot of traffic on roads that
2 haven't been serviced properly the way they should have over
3 the years.

4 And here's where we are today. Since
5 I-80 was not tolled, we will see a significant drop with this
6 coming fiscal year in our funding. The Department of
7 Transportation will see \$200 million while the transit side
8 will see \$250 million which leaves us with a half a billion
9 dollar shortfall. It equates to \$2 billion over the next four
10 years as we put together our tasks. We're looking at \$2
11 billion in lapse, in projects that we could deliver. 441
12 unfunded highway and bridge projects across the state.

13 And here in District Five, there's 25
14 unfunded projects for \$132 million. There's a couple
15 significant interstate projects, Interstate 81 and Interstate
16 78. And a number of bridges that are on that list of projects
17 we won't be able to deliver.

18 And here's a chart that shows where
19 we were going to be with our structurally deficient bridges
20 and the progress we could've made over the next 20 years and
21 where we will end up if we don't see an increase in funding.
22 It's a difference of almost 2,000 bridges that we'll see turn
23 structurally deficient.

24 And here's a shot of District Five's
25 statistics. As we start to make that curve down, it will last

1 for a year or so. A couple years actually. And then we'll
2 see a significant increase if there isn't an increase in
3 funding towards our road and bridge projects. And that annual
4 shortfall each year, \$233 million.

5 Our transit partners have seen
6 significant funds come in with Act 44 and of course, these
7 will be in jeopardy also. I'm running short on time. I know
8 we do have some speakers that will talk about the
9 transportation funding study that was just completed. That
10 actually requests that there is going to be a \$3.5 billion
11 shortfall each year due to inflation and taking a good look at
12 the local side of bridges and roadways because that is one
13 thing that we didn't look at back in 2006. There are
14 significant shortfalls on the local side of all that. And
15 with that, I would entertain any questions if you have them.

16 CHAIRMAN:

17 Okay. Thank you very much, Mike.
18 Rep. Rick Geist?

19 MR. GEIST:

20 Some of the things that came out at
21 the Lock Haven hearing that was really good for us to hear was
22 how many bridges do you have under your command that are
23 posted at three tons and how many are posted at 12 and how
24 many are going to be posted? That'd be a good number for us
25 to hear.

1 MR. REBERT:

2 At this point in time, closed
3 bridges, we have slightly less than 10 bridges that are closed
4 in the District. Three ton, I don't have the specific numbers
5 of all that are posted. I know each and every day we see the
6 type of inspection that we do are really taking a good, hard
7 look at our bridges to ensure they are safely maintained. I
8 think once a week I sign a request to post a bridge for under
9 the legal limit. I just signed one this morning up in Monroe
10 County on Route 715 that's going to have a significant impact
11 to that area. It's right off Interstate 80 on Route 715. And
12 tractor trailers and tri-axle trucks won't be able to run that
13 road. They're going to have to find an alternate route. But
14 I can definitely get that information.

15 CHAIRMAN:

16 Okay, thank you. Rep. Mike Sturla?

17 MR. STURLA:

18 Thank you. When your boss, Secretary
19 Biehler, testified in Hershey, one of the things that I asked
20 him about was the types of roads that you have. I mean you
21 talk about the 7,033 miles of poor roads and pavement miles
22 out of cycle. And I was actually interested in that because
23 in my District, I only have 19 miles of state roads, all of
24 which get about 20,000 cars a day. And if I could get them
25 paved once every 15 years, I'd be happy. But I guess the

1 concern I have is I see a list of structurally deficient
2 bridges and there's no distinction made between is it a bridge
3 that gets five cars a day that's structurally deficient, or is
4 it a bridge that gets 50,000 cars a day? And my sense is, and
5 I'm not blaming Penn DOT because I understand you're trying to
6 beat numbers, but if somebody says let's fix 100 bridges this
7 year, it's easier for you to fix the 100 least expensive
8 bridges than it is to fix the 100 most traveled bridges. And
9 so we have a tendency to look at how many bridges or how many
10 miles of roads we pave versus how many cars actually travel on
11 those bridges or how many cars actually travel on those roads.

12 Can you give us a breakdown for
13 District Five of which structurally deficient bridges are in
14 certain categories or which roads are in certain categories?
15 Because if we're just paving roads that get less than 2,000
16 cars a day, we can pave a lot of miles of road but we haven't
17 really accomplished much. Do you have a breakdown for your
18 District that does that breakdown?

19 MR. REBERT:

20 I can gather the information fairly
21 quickly as to --- we can break it down to ADT, average daily
22 traffic, and give you the number of bridges that fall under
23 each category. That shouldn't be a problem. I can tell you
24 we do look at the amount of traffic that is on each road.
25 You're right. From a traffic control standpoint, you can

1 detour a road that gets 1,000 cars a day and not have much of
2 an impact. And we get out on the road where you have 20,000
3 cars a day, you can't detour that road. And so that escalates
4 your cost dramatically because now you're building a passing
5 on a bridge just to handle traffic that when it's all said and
6 done will not be used. But we can gather that information
7 pretty quickly. It shouldn't be a problem.

8 MR. STURLA:

9 Okay. If you could. Because I mean
10 ultimately unless we have a solution that gives us all the
11 funding we need, and I'm not sure anybody's going to raise the
12 gas tax 50 cents a gallon, unless we have that money, we're
13 still going to have to make choices as to which bridge gets
14 done and which road gets paved. And our hope is that we make
15 it based on vehicle miles versus just what's expedient for us
16 and what drives our total numbers down. Because if I'm left
17 with 1,000 structurally deficient bridges and they're all the
18 ones that carry the most cars in this state, I haven't really
19 accomplished much.

20 MR. REBERT:

21 Right. We did take a good look at
22 the limited access interstates to make sure we're addressing
23 those first and foremost and try to work our way down.

24 CHAIRMAN:

25 Thank you. Rep. Mike Carroll and

1 Rep. John Siptroth.

2 MR. CARROLL:

3 Thank you, Mr. Chairman and thank
4 you, Mike, for your testimony and your fine leadership as the
5 DE down here in District Five. I really appreciate it
6 personally. In my view, there are certain districts in this
7 state that if we're going to be serious about solving
8 transportation problems, we have to think about adding
9 capacity. I think District Five falls into that category. Is
10 it fair to say that maintenance only but not any additional
11 capacity for District Five would be setting the bar far too
12 low and really wouldn't solve the problems?

13 MR. REBERT:

14 I would agree with that. Right now
15 that's all we're looking at. We have a project on Route 22
16 that there's a lot of opposition to not widening. We just
17 don't have the funds to do it. So yes, I would agree with
18 that. Up in Monroe and Carbon area, Interstate 80. You go
19 through the Stroudsburg and East Stroudsburg areas, it is
20 bumper to bumper, very short on and off ramps. And we start
21 looking at the numbers and what it would cost to make the
22 improvements we would need to do to meet federal standards and
23 it's staggering. Right away we would need to take bridges on
24 the Interstate, we would need to replace or widen. The costs
25 are --- they're astronomical costs. But I would agree that

1 without looking towards capacity adding, we probably are being
2 a little short-sighted.

3 MR. CARROLL:

4 And I'm thankful for that because I
5 really do believe that it's just not enough to go out there
6 and try to preserve the roads and bridges that we have. We do
7 need to do that. But we absolutely have to have more capacity
8 in certain areas of the state and I think District Five is a
9 prime example of where we need to add capacity. It's just not
10 enough to rely on the number that we have to serve the added
11 population in counties like Monroe. Monroe County now has a
12 population that compared to ten years ago is near double what
13 it was. And the fact of the matter is that it's just not
14 enough to say we're going to be relying on the network that we
15 have. Adding capacity is a must. And it seems to me that if
16 we are going to be serious in the General Assembly about
17 solving transportation problems in this state, we have to add
18 capacity in certain regions. And I think that District Five
19 is a prime example. So thank you for your testimony.

20 MR. REBERT:

21 Thank you.

22 CHAIRMAN:

23 Thank you. Rep. Siptroth?

24 MR. SIPTROTH:

25 Thank you, Mr. Chairman. And Mike,

1 also, I want to echo Rep. Carroll's sentiments that we do
2 thank you for your leadership in District Five. Just for the
3 record, I need to correct something regarding the Marshall's
4 Creek bypass. When we mentioned the \$200 million figure, the
5 new bid that was recently awarded is, in fact, a downsized
6 version of the original highway that was going to be built.
7 But it certainly will, in my feeling and I think in Penn Dot's
8 feeling as well, mitigate the traffic congestion around that
9 particular bridge. I just wanted to correct the record on
10 that.

11 CHAIRMAN:

12 Okay. Thank you, John. And the
13 Chair would like to recognize Rep. Joe Brennan who's here
14 today from Northampton and Lehigh Counties. Okay. Rep. Tim
15 Seip.

16 MR. SEIP:

17 Thank you, Mr. Chairman. I just
18 wanted to take a quick moment here to thank Mike for all his
19 efforts in District Five. And I know Chairman Sturla and
20 Chairman Markosek remember being at the hearing we had in my
21 District up in Sacramento regarding Route 25 and getting that
22 resurfaced. And it was because of those efficiencies that
23 Mike alluded to in his testimony that we were able to find
24 money to resurface that road. I certainly appreciate your
25 efforts and the efforts of the county manager, Frank Barone

1 (phonetic), in getting that done. I just want to ask you very
2 quickly. Over the life of Act 44 and not seeing that fully
3 funded, I've heard numbers of about \$60 billion that won't go
4 to projects across the state. I'm just wondering if you have
5 a breakdown at all of what District Five won't see over the
6 life of Act 44?

7 MR. REBERT:

8 Typically District Five gets ten
9 percent of the statewide total. So you said \$60 billion? You
10 would be in the range of \$6 billion is what we would say, I
11 guess. A lot of roads to be paved, a lot of bridges to be
12 replaced. Again, that would be the number.

13 MR. SEIP:

14 Thank you again and thank you, Mr.
15 Chairman.

16 CHAIRMAN:

17 Okay. Mike, thank you very much.
18 Appreciate it, very good job and keep up the good work.

19 MR. REBERT:

20 Thank you. Thank you for having me.

21 CHAIRMAN:

22 Our next panel of stakeholders is Mr.
23 Armando Greco, Executive Director of the Lehigh and
24 Northampton Transportation Authority, LANTA; Mr. Dennis
25 Louwerse, Executive Director of Berks Area Transportation

1 Authority; and Ms. Margaret Howarth, Executive Director of
2 Monroe County Transportation Authority; and Mike Micko, Vice
3 President for Public Transportation Services for Schuylkill
4 Transportation Systems. And the panel has ten minutes total
5 so you may proceed when you're ready.

6 MR. GRECO:

7 Thank you. The Committee in general
8 as well as our local members in Lehigh County are very strong
9 supporters of transportation in our region. We will do our
10 best to keep within the ten minutes and maybe even get done a
11 little sooner so we have more questions. Each of the agencies
12 that you talked about, we all service District Five. We'll
13 take a look at tolling (phonetic) and what the impact of this
14 will be in the District. From LANTA's perspective I
15 distributed a manila envelope with lots of stuff in it, in
16 case you have trouble sleeping tonight. There's reports and
17 --- but it is good reading. More importantly, it's good
18 planning. And I don't think we have to spend a lot of time
19 talking about whether we have a crisis. We have a crisis. We
20 know that. It's short-term and it's long-term. Certainly the
21 effort to pass Act 44 addressed these same questions and made
22 a considerable step towards us solving the long-range issues
23 that we now face. We do recognize that there may be some
24 immediate solutions but we still have to look at the long-term
25 as well.

1 Within the context of a statewide
2 crisis, LANTA has a story that is an important example.
3 Beginning by making sure you know that the needs that are in
4 public transportation in PA outside of SEPTA and the Port
5 Authority regions. And we're growing. We need more frequent
6 and expanded services. Let me talk about two key statistics
7 in the LANTA system. Since 1997, ridership on the LANTA fixed
8 route system has grown by 70 percent. Last year we topped 5.5
9 million rides on that system, the highest level ever in our
10 history since the creation of the Authority in 1972. And this
11 year we're on pace to top that number again. So the growth is
12 even at the time in our economy is most difficult.

13 The Lehigh Valley and I'd like to say
14 District Five in general is among the fastest growing areas in
15 the State of PA, both in population and jobs. We're one of
16 the key economic engines here in the state and I believe
17 that's very important to recognize that that's what is driving
18 growth in ridership on our transit system.

19 Based on this and the promise of
20 additional funding on Act 44, the Authority did proceed with
21 the development of a new strategic plan. You've got copies of
22 that plan in front of you. It's a growth plan. It's built
23 around the goals of the Lehigh Valley. It's a regional
24 comprehensive plan and it is designed to make the system
25 larger over the next 12 years. The plan builds on the

1 Authority's efforts to operate a cost effective system, again,
2 that being in the reform program that was set forth in 2007.
3 We cannot implement the elements of this plan without at least
4 filling the holes created by the I-80 decision and hopefully
5 even grow that amount, permit us to move to the next level ---
6 plan as set forth. We also believe very strongly that --- the
7 Lehigh and Northampton Transportation Authority believes very
8 strongly that you can't implement the long-range elements of
9 this plan without supporting land use and development
10 policies. To this end LANTA has created a formal partnership
11 with the Lehigh Valley Planning Commission and this program is
12 designed to promote transit friendly land use development
13 policies throughout Lehigh and Northampton Counties.

14 I gave you all the detail and
15 background. But at this time really more importantly let me
16 tell you a little bit about what we think are elements that
17 could make up the future of the funding package that we're
18 talking about. We certainly are supportive of a comprehensive
19 approach. But there are some elements that we think are out
20 that should be pursued. Increases in vehicle registration
21 fees and oil franchise taxes should be part of a short-range
22 component or part of a short-range fix. We believe that the
23 tolling of interstate highways, I-80 and others, should remain
24 part of the plan. The Commonwealth needs to support the
25 development of language in a new federal legislation that will

1 permit interstate tolling around the state in appropriate
2 locations. We believe that moving the state police and other
3 non-highway construction items out is essential to this plan.
4 And finally we suggest that providing local tax options to
5 counties will be assembled in eventually building the highway
6 and transit programs that are needed locally.

7 The Commonwealth's transportation
8 infrastructure cannot continue to be underfunded. If we
9 expect our Commonwealth to develop a robust and competitive
10 economy that supports the needs of our residents, we have to
11 find the answer. Thank you. And we'll turn it over to Mike.

12 CHAIRMAN:

13 Thank you.

14 MR. MICKO:

15 Getting to work, going to the store,
16 visiting friends, getting to the doctor's office are just a
17 few things that are all part of a normal day in most people's
18 lives. This, too, can be true for those dependent on public
19 transportation when you have a system that people can depend
20 on. Those who depend on public transit are faced with more
21 obstacles to get to and from where they have to go, but they
22 brave these barriers so they can lead a productive life. They
23 are a unique group of individuals who do not have the option
24 to start up their car and go. Their dependence on public
25 transportation allows them to become part of and help support

1 the local community. There's no option to get out of the
2 house at any time, during any time of day to get a magazine or
3 quart of milk or just hang out with some friends. This must
4 be planned ahead as part of the daily trip that is made
5 possible by public transit.

6 To many, this may mean nothing, but
7 to those that depend on public transit, it is their lifeline.
8 Without it, their standard of living would be traumatized.
9 Some things should not be reduced or taken away. Public
10 transit is one of them. Although not as big as LANTA,
11 Schuylkill County's ridership has remained steady over the
12 past several years. We, too, would suffer greatly with any
13 cut backs in operational funding and our capital project would
14 truly be hurt. To continue this is necessary for a lot of the
15 residents of Schuylkill County. Thank you.

16 MS. HOWARTH:

17 Good afternoon. Thank you, Mr.
18 Chairman and members of the Committee. My name is Peggy
19 Howarth and I serve Monroe County in the capacity of Executive
20 Director of their public transportation system. I put
21 together a memo that's actually in all of your packets and
22 hopefully you'll take the time to read that in a little more
23 detail. But as to the information that pertains to my county,
24 I'd just like to tell you a few things.

25 Monroe County is over 600 miles

1 square in size and with that we have 165,000 in population in
2 our county. That's an increase of 20 percent since the year
3 2000. With that growth, that's placed an increased demand on
4 our highways, bridges and, of course, public transportation.
5 Some of the statistics in our system are the following.
6 Ridership of our system has increased 53 percent overall since
7 2000. Our bus service no longer relies on 35 buses. We
8 actually now are at 54 buses and we are in the process of
9 obtaining four additional buses. That's almost double in
10 size. Last year we provided almost 400,000 trips in our
11 community for the people that rely on it.

12 Let me put a face on some of those
13 riders. 63,000 of the trips were provided to senior citizens
14 in our county last year. They rely on that not just for
15 recreation and social events at the senior centers, they go to
16 medical providers. We also now provide transportation to the
17 south, the Lehigh Valley areas and municipal regions. We also
18 provide transportation to the north, Wilkes-Barre and
19 Scranton. Some of our people rely on that transportation to
20 get to VA medical centers, hospitals, that sort of thing that
21 we don't have in our rural community.

22 5,000 of those trips were in one
23 particular program, our Worker's Express Program. This is for
24 individuals on low incomes that are trying to get a job, get
25 back into the workforce and day care. This year we have

1 already exceeded 7,000 trips for Persons with Disabilities
2 that rely on the service. Without that, they would not have
3 means to get to and from different things, whether it be
4 medical, employment, recreation.

5 Funding for public transportation in
6 Monroe County does the following. It reduces congestion on
7 three of our primary roadways, Route 209, 611 and 196. It
8 safely provides mobility for more than 1,000 riders daily
9 relying on public transit and allows us to coordinate group
10 riders from various human service agencies, reducing costs.
11 And I'm just here to put that in for our riders. Thank you.

12 MR. LOUWERSE:

13 I only have a minute. I'll have to
14 beg the Chairman for more time. I will try to make this
15 relatively quick. I have previously submitted written
16 testimony so I don't need to go over that. I just want to
17 emphasize a couple of points. I'm not here to talk about the
18 need. The needs are pretty obvious. It doesn't take a rocket
19 scientist to figure out that we have a transportation crisis.
20 But I really wanted to talk about why it is important that we
21 have a solution. To give you an example, BARTA is more than a
22 ride. We are the economic engine that drives Berks County and
23 PA. Each year we spend millions of dollars to PA businesses.
24 Example, FY '04-'05, we spent \$11.4 million to PA businesses;
25 '05-'06, \$4.6 million; '06-'07, \$6.7 million; '07-'08, \$6.6

1 million; and '08-'09, \$6.1 million. That's just one transit
2 authority. Over PA, there are hundreds of millions of dollars
3 spent by transit systems with PA businesses. We are an
4 economic engine.

5 I have also attached to my testimony,
6 as I'm sure you can read, a document which is called the
7 attachment which identifies all the benefits of public
8 transportation in the Commonwealth of PA. Finally it is my
9 position that the PA transportation system is in financial
10 crisis. Two quotes that were in the Reform Commission
11 document will tell you why we need a comprehensive solution.
12 The one was from Mr. Ed Eckman who was the site manager from
13 Cabela's, Berks County. Have you ever been to Cabela's to
14 breakfast on your way home on 78 or going back to Harrisburg?
15 Make sure you stop in. He said our decision to locate
16 Cabela's in Hamburg was driven by the highway infrastructure
17 improvements that we have. Also, we note that we have a major
18 bus service to Cabela's. Ninety (90) percent of those trips
19 are for work purposes.

20 Then I have another gentleman, Mr.
21 Robert Harrop, vice president of East Penn Manufacturing
22 Company, the largest employer in Berks County. East Penn
23 believes that BARTA's public transportation services in
24 Reading are essential for our company's future growth.
25 Obviously we need a comprehensive solution. Simply put, good

1 transportation is like going to heaven. Everybody wants it,
2 but nobody wants to pay the price. The economy of PA and a
3 whole host of other good reasons demand a comprehensive
4 solution for our funding crisis.

5 I would just ask for one more minute
6 because at the hearing in Hershey, Chairman Geist asked me a
7 question regarding Shared Ride, Paratransit service, human
8 service transportation. So he gave me a homework assignment
9 and I did the assignment. So let me tell you this. In fiscal
10 year 2008-2009, across PA and the Shared Ride program
11 including MATT, PWD, MH/MR, there were 8.5 million door to
12 door trips provided in the Commonwealth of PA. If you add in
13 ADA trips and other contracted services, it went over 10
14 million human service transportation trips in the Commonwealth
15 of PA, 4.8 million of which went for senior citizens. Now, in
16 Penn DOT District Five, Berks provides 227,493; Carbon 76,365;
17 Lehigh, Northampton 434,136; Monroe 63,498; Schuylkill
18 117,129. With the ADA trips, that's over a million trips door
19 to door annually in District Five alone. And I thought I
20 might set a couple other examples. Blair County, Mike knows
21 Blair County very well. 155,299 door to door trips.
22 Allegheny County, some of you might know that county.
23 1,507,024. North Central PA, 317,538. Crawford County,
24 39,000. Mercer County, somebody here, 94,799. Luzerne and
25 Wyoming Counties, 280,266. I thank you for the time and I

1 just want to say to you that transportation is, in fact, the
2 key to the Keystone State. I fully support a comprehensive
3 solution, and on the capacity issue as a member of the State
4 Transportation Commission, we have been able to approve zero
5 dollars for years as related to the capacity of projects not
6 only of highways, but also on the transit. Thank you very
7 much.

8 CHAIRMAN:

9 Okay, Denny. You need to be a little
10 more enthusiastic.

11 MR. LOUWERSE:

12 I know.

13 CHAIRMAN:

14 Thank you very much. Rep. Mark
15 Longietti from Mercer County?

16 MR. LONGIETTI:

17 Thank you for those Mercer County
18 numbers also. Certainly I appreciate the services that you
19 provide and the needs that you described. I just want to get
20 an understanding if I can just a little bit about your bare
21 structures for Shared Ride, what percentage that constitutes
22 of your overall support and whether or not in the context of a
23 comprehensive solution whether you see fare growth percentage
24 turns as part of that solution?

25 MR. GRECO:

1 Well LANTA is in the process of
2 reducing its fares. This is prior to the I-80 solution. That
3 was one of the recommendations that came out of the Reform
4 Commission, to gradually grow those fares. With those
5 modifications and the lottery program, our fares determine if
6 you may somewhere in the neighborhood of 20 to 30 percent
7 across the state. That's because they removed the lottery
8 drawings out of the program. I think everyone has embraced
9 the concept that we have to grow back as part of the solution.

10 MR. LOUWERSE:

11 I would say that BARTA is in the
12 process of raising its fares as well. We have a goal
13 established by the Board of Directors as to the balance fiscal
14 responsibility to public service and to also balance public
15 funding with fares. With removal of the lottery funds, we are
16 probably at about 45 percent cost recovery. Obviously with a
17 lack of well over 50 percent of our cost coming through the
18 fares. We are, we believe, supported in Act 44 that there
19 needs to be routine fare increases by transit systems. Keep
20 in mind that it is a public service, that there are
21 significant numbers of folks who are elderly, who start having
22 a problem with certain amounts of fare increases or people who
23 are less financially well off. So I think it's a balance and
24 we do support a balance between fares and public subsidies.
25 The other thing you have to recognize is that there is no one

1 size fits all. Places like LANTA and BARTA who are much
2 bigger who have more capacity in terms of numbers of our
3 ridership is different than Monroe County and Schuylkill
4 County. Their population is smaller. There's other factors
5 that go in. So what I think what we have to say is there has
6 to be a good balance. We have to recognize that your size of
7 your system will impact that balance.

8 MS. HOWARTH:

9 If I could also just address on it
10 from a rural county. And I can tell you that we operate two
11 programs, the fixed route program is a regular timetable
12 schedules, fares average \$1.25. The Shared Ride system,
13 Paratransit system that operates from our county, we have a
14 fare structure that most of the riders, I'd say in excess of
15 95 percent, are subsidized in one point or another. So those
16 that are seniors and those that are persons with disabilities,
17 85 percent of their fares are recovered through the lottery
18 program in the state. The other individuals are with the
19 Department of Public Welfare program and things of that
20 nature. Combined, we have a \$5 million budget to run both
21 programs, and of that \$5 million about \$1.5 million comes
22 directly from the state and the rest is made up based on
23 ridership.

24 CHAIRMAN:

25 Just one quick question maybe you can

1 help me with. I've seen it, probably not in some of your
2 areas, but I've seen in some areas where there are large costs
3 of use, they virtually are empty it seems like most of the
4 time. Obviously that's not what I'm hearing here from some of
5 your systems, but is there some requirement with federal
6 dollars to buy large buses and the fixed route programs as
7 opposed to perhaps using something that consumes less fuel and
8 also costs less on a capital basis.

9 MR. LOUWERSE:

10 Two things in response to your
11 question. One is that most as in the majority probably look
12 at the capacity needs that they have. For example at BARTA
13 and I know at LANTA, we've actually had to go to larger sized
14 buses. Our average passenger per vehicle hour on the bus is
15 close to 30. We have some routes where we have standing loads
16 every trip. Some of the smaller routes are now moving to ---
17 there was enough for example, a smaller, heavy-duty fixed
18 route bus that can --- a smaller size. Now you can buy 29
19 foot fixed route buses. And more and more smaller systems are
20 now moving for that.

21 The other thing I would say with all due
22 respect to your question is if you would go along major
23 highways --- I could ask this question of my folks --- at
24 three o'clock in the morning, you're saying why are we
25 spending billions of dollars building this highway? Except

1 for like the turnpikes and rail trucks. Well it's the same
2 thing for transportation. When did you see that bus? Did you
3 see it at the end of the line or at the beginning of the line
4 when it's just starting out and it's going to pick up all of
5 those folks? Because each system does keep a statistic on
6 passengers per vehicle hours. And hopefully they're all
7 making sure that the bus size equals the capacity they need.
8 And I'm sure that more of them as they replace buses will buy
9 the right size.

10 MR. GRECO:

11 The federal government does not
12 require us to buy any particular size bus.

13 CHAIRMAN:

14 Rep. Tim Seip?

15 MR. SEIP:

16 Thank you, Mr. Chairman. Dennis,
17 you're so knowledgeable. You started answering questions
18 before I even had a chance to ask it.

19 MR. LOUWERSE:

20 Sorry about that.

21 MR. SEIP:

22 No, it's wonderful. It is important
23 and we recognize how important transportation is in our
24 healthcare delivery system and our human service delivery
25 system. The numbers that you would put out for Berks County

1 and Schuylkill County was 227,000 and 117,000. Did that
2 encompass all the medical, doctor visits, trips home from the
3 hospital, along with the mental health needs?

4 MR. LOUWERSE:

5 Those included all the trips that
6 were provided under the Shared Ride fare structure. There
7 were also some, for example, ADA trips which could be to the
8 doctor, are not provided in that number. They do provide
9 MH/MR trips. And I'll give you a good example. If you look
10 at page two of my testimony, it gives you ideas what we're
11 trying for. Medical which is 45 percent. I think between 40
12 and 60 percent is indicative of most Shared Ride programs and
13 those medical trips. We do a considerable number of work
14 trips and workshop trips for folks who are going to shop or
15 work except that people are trying to earn a living. But
16 those are --- and there may be contracted services that Mike
17 does in Schuylkill County they give contractors that aren't
18 included in that number. So it is a big program that meets a
19 lot of needs.

20 MR. SEIP:

21 It's very important. If you're 27
22 miles from a treatment site somewhere in Schuylkill County
23 maybe and you can't get there and you forego your treatment
24 and you decompensate and you have a physical ailment that has
25 you return to the hospital and then subsequently to the

1 nursing home at \$200 or so a day, we really miss an
2 opportunity to save some money for a patient in a setting
3 they'd rather be in anyhow probably. I just have one last
4 question if I may, Mr. Chairman. I'm very interested in
5 biofuel and alternative energies and I'm just curious if you
6 guys have incorporated that at all into your transportation
7 systems. I know at Bloomsburg University, they're using one
8 of their buses that runs on biofuel as an alternative in
9 trying to reduce costs that way.

10 MR. LOUWERSE:

11 Well, all of us or most of us are
12 already using two percent bio with our diesel. I know LANTA
13 and BARTA, we have moved to hybrid vehicles which are
14 substantial savings on the use of fuel and also benefits. I
15 just met recently with a gentleman, I think you know him, from
16 out near Hamburg who was actually in the biofuel business. So
17 we're actually looking at that. And I know Rep. Kessler
18 contacted me and invited me to be here today. He's actually a
19 clean coal to methane fuel for vehicles that we all are very
20 interested in alternative energy.

21 MR. SEIP:

22 Thank you, Mr. Chairman.

23 CHAIRMAN:

24 Chairman Mike Sturla?

25 MR. STURLA:

1 Thank you. One quick question I was
2 reminded of by one of my colleagues. As we've been having
3 this discussion via e-mail the last few days here, one of my
4 colleagues from a more rural part of the state suggested that
5 really it's only the urban areas that use mass transit and
6 there really wasn't much of a need to fund mass transit in the
7 rural areas. And I pointed out that last time I looked there
8 was a document that Penn DOT had put out that showed that
9 SEPTA gets subsidized about \$2.00 per rider for their riders
10 and in most of the rural transit systems, they're getting
11 subsidized about \$15 a rider. So really they weren't getting
12 shortchanged all that much. And then, of course, they came
13 back and said, well, they don't have too many riders so we
14 don't get too much money. Would you all care to reflect on
15 the importance of an independent system throughout this state
16 so we don't just isolate people to say the only place you can
17 actually find a bus or public transportation is in highly
18 densely populated areas? And I understand that it costs more
19 and I'm willing to pay more, but there seems to be this notion
20 that no one in rural PA needs or uses it and it doesn't cost
21 anything and they would never pay a dime for it.

22 MS. HOWARTH:

23 In Monroe County I can tell you that
24 our 50-preferred riders were provided more than 300,000 trips
25 last year. I can tell you that our morning buses coming down

1 and out of Pocono into Stroudsburg or East Stroudsburg are
2 standing room only in those mornings. We have quarter
3 services that go up 611 particularly to a pharmaceutical firm
4 and further out to a Johnson & Johnson provider. And I can
5 tell you we have standing room only on buses. We operate in
6 certain short periods of time. We don't run them all day for
7 the very reasons that people were mentioning is they'll empty
8 in the middle of the afternoon. So I can tell you we also
9 take a look at what we --- the subsidies that we receive. It
10 fluctuates a little bit based on our expenses and revenues,
11 but we average between \$12.53 up to about \$17.00.

12 MR. LOUWERSE:

13 I would repeat an answer to a
14 question that Rep. Geist asked me in Hershey. I know you had
15 to leave. It was very simple. I said a ride in North Central
16 PA or Forest County or anywhere is just as important as a ride
17 in Philadelphia. And as a matter of fact it may be more
18 important. In the rural areas you have an isolation factor
19 that you don't have in many urban areas. In rural areas,
20 there are many people, their only way to get to the doctor, to
21 get some groceries is for them to have the Shared Ride
22 program. Now, absent that, you would take these people who
23 currently live in their house and many of them are elderly and
24 they have a hard enough time paying their property taxes and
25 they would have to build you a home. Now, I would suggest

1 that the cost of providing these people mobility through
2 Shared Ride will be a lot more inexpensive to the state than
3 to --- something that Rep. Seip said, that it would cost to
4 have those folks in a home especially if they don't really
5 need to be in a home. So I think the whole argument about
6 fighting isolation, people's ability to have mobility to lead
7 their life makes that argument to rule legislators, they
8 really need to wake up to that argument. Thank you.

9 CHAIRMAN:

10 Okay. Thank you. Peggy, gentlemen,
11 thank you. Appreciate it very much. Very interesting,
12 enlightening testimony. Thank you. Next, we have Mr. Tom
13 Bohner who's the president of the Amalgamated Transit Union,
14 ATU, Local 956. Tom? And the Chair would also like to
15 recognize Rep. Steve Samuelson who's here, Lehigh Valley
16 resident of Lehigh, Northampton County. Steve, welcome. Tom,
17 welcome. You have five minutes. You may proceed.

18 MR. BOHNER:

19 Only five minutes? I would ask the
20 Chairman if I could do a joint presentation with the Chairman
21 of the Lehigh Valley Labor Council to facilitate the meeting
22 quicker.

23 CHAIRMAN:

24 Sure. Mr. Gregg Potter; is that
25 correct?

1 MR. POTTER:

2 Yes.

3 CHAIRMAN:

4 Okay. So we have Mr. Bohner and Mr.
5 Potter. Gentlemen, five minutes each so you may proceed then.

6 MR. BOHNER:

7 Thank you, Mr. Chairman, members of
8 the Committee. As stated, I'm Tom Bohner. I'm president of
9 Amalgamated Transit Union 956. I'm a mechanic by trade. I'm
10 not a full time officer as many of our locals are. Right now
11 if I wasn't here I'd be working on one of our buses for LANTA.
12 My union represents the mechanics and bus operators of LANTA
13 and each year we provide transportation to approximately 5.5
14 million people. Many of these people depend on us for their
15 sole transportation. Approximately half of our riders depend
16 on us to take them to their places of employment. We also
17 transport our riders to school, shopping and medical
18 appointments. Needless to say, we deliver a vital service for
19 our community. Our current funding for this vital
20 transportation is in crisis due to lack of funding and
21 increased demand. We need to find ways to encourage the use
22 of public transportation and make it more convenient for the
23 use of the commuters. Everyone has been talking about the
24 need to encourage green jobs and habits. There's not much
25 more of a green job than working for a transportation agency

1 or much more of a green habit than utilizing public transit.
2 We should be thinking about increases in transit on a regional
3 manner such as Easton, Allentown, Reading and Harrisburg.

4 My community is directly impacted by
5 public transportation by taking some of your congestion off
6 our streets and highways. Our highways and roads and bridges
7 are not actively engineered to carry the amount of traffic
8 that we currently have. Our bridges in my community are
9 considered some of the worst in this state. Recently two
10 bridges joined my home township of Whitehall and our
11 neighboring community of Catasauqua, had to be closed for
12 repairs. We forced all traffic onto one bridge. The people
13 using the one remaining bridge had at least a one hour delay
14 in their commute. Money for transportation, highways and
15 bridges needs to be expanded so that we not only absolutely
16 care for the existing structure, but can expand on what we
17 currently have. Our region has seen enormous growth over the
18 last decade and has more potential due to our close proximity
19 to major cities such as Philadelphia and New York.

20 The question is, how do we fund this?
21 I've heard many suggestions, but I don't think you can rely on
22 only one funding source for our needs. They should be a
23 combination of increased county sales taxes, revenues,
24 licensing passes, gasoline tax, tolls on our interstates, not
25 just I-80, and taxing our natural resources. Also, all

1 reconstruction throughout our state should be subject to
2 transportation fees.

3 In closing, I hope that our state
4 takes the necessary steps to reach out and get funding for our
5 transportation system and highways and bridges and that our
6 elected officials can come together and reach an agreement so
7 that people of our Commonwealth are provided safe highways,
8 bridges and transportation. Thank you.

9 CHAIRMAN:

10 Thank you. Mr. Potter?

11 MR. POTTER:

12 Thank you, very much. I'd like to
13 thank you for having this important forum that impacts
14 everyone in Lehigh Valley and the State of PA. My name is
15 Gregg Potter and I serve as president of the Lehigh Valley
16 Labor Counsel, representing over 40,000 members. Many of our
17 members as well as numerous other workers utilize LANTA to get
18 to and from the workplace as well as utilizing public roads,
19 sometimes at their own risk and peril.

20 As the jobs migrate to western Lehigh
21 County and places like Forks Township in Northampton County,
22 many workers find they are reliant upon LANTA for basic
23 transportation. It's imperative that routes not be cut if we
24 want to remain competitive in the workplace. New employers
25 will come to Lehigh Valley for various reasons and reliable

1 workforce is a huge selling point to attract new businesses,
2 which in turn increase our tax base, which favors the position
3 we are discussing today.

4 Our public transportation, state highway
5 and bridge systems are deplorable and perhaps in the worst
6 condition of all time. As recently as 2007, Penn DOT released
7 ratings of 25,000 bridges in the state. The study concluded
8 that 6000 of those bridges, nearly a quarter of them, are
9 structurally deficient. That was three years ago and things
10 have not gotten better. They've only gotten worse.

11 At the time of that writing Lehigh
12 County had two bridges closed and 31 posted for weight
13 limitations. Northampton County had one closed and 46 posted
14 for similar weight restrictions. Only a year ago Penn DOT
15 officials publicly stated in District Five, which of course
16 includes Lehigh and Mifflin Counties, had the third worst
17 maintained roads in the Commonwealth. At that time Lehigh
18 Valley had 124 structurally deficient roads and the current
19 plan is to rehabilitate or replace 49 state owned bridges,
20 most of which are deficient structurally over the next three
21 years. The problem is the money is no longer there to fund
22 those projects and there lies the Catch-22.

23 The deficient PA infrastructure has
24 forced many residents, including myself, to travel roads like
25 Route 22 in order to travel to and from work. Roads like

1 Hanover Avenue and Union Boulevard, the only two arteries that
2 go east to west in Lehigh, Allentown and Bethlehem, bear far
3 too much traffic than they were designed to hold. However,
4 they are the only arteries that travel east to west unless you
5 opt for Route 22 and Route 78 ---. Yesterday it took me 57
6 minutes to go from Airport Road to South 24th Street in
7 Allentown, not a record but aggravating nonetheless.

8 In addition in West Allentown where I
9 reside, there are very few arteries, two to be exact, that
10 allow for traffic to travel north and south to Western
11 Allentown, due to the park system which is a jewel and
12 Muhlenberg Hollow, which is a jewel, I guess. I'm into sales,
13 obviously. Work is finally being done on important arteries
14 and bridges that should have been spaced out over time and
15 done over the last 10 to 15 years, not all at once which
16 cripples the area and also hurts small businesses.

17 Inaction on rebuilding our
18 infrastructure is just not acceptable. As inconvenient as it
19 travel the Lehigh Valley the alternative is unacceptable.
20 Although our local bridges are not designed in the same
21 fashion as some of those that ended in disasters like
22 Minneapolis, many are still an accident waiting to happen. As
23 Tom just mentioned by traveling over any bridge heading to
24 Northampton you do so at your own peril. The Hokendauqua
25 Bridge is still a nightmare and one that I avoid whenever

1 possible. I do not believe that we can put a price on human
2 life. Unlike BP who seems quite content to bury 11 workers
3 with nary a parting good bye, I believe the Commonwealth
4 should display proper judgment, due diligence, and puts safety
5 first regardless of the cost. Obviously we need funding
6 solutions. Here are some solutions.

7 Number one, close the Delaware
8 loophole. More than 70 percent of corporations do not pay any
9 state income tax. Big businesses that operate in many states
10 can hide income that they earn in PA to avoid paying taxes.
11 The Department of Revenue estimates that closing this loophole
12 would generate \$660 million per year. Number two, eliminate
13 the sales tax vendor discount. In 1953, PA added a provision
14 to the tax code to encourage businesses to file sales tax
15 payments on time. I think it's their responsibility. They
16 think otherwise. This may have made sense before the advent
17 of computers, calculators and electronic filing but it doesn't
18 make sense anymore. Today 90 percent plus of companies file
19 their sales tax electronically yet this out of date provision
20 is still on the books and benefits very few big companies.
21 Ten companies who report more than a billion dollars in sales
22 annually receive a discount of approximately \$1 million from
23 the state for paying taxes on time.

24 Number three, enact the natural gas
25 extraction tax. PA is the only mineral rich state without a

1 tax on natural resource extraction. This tax will not make PA
2 less competitive as the rate being proposed is the same as in
3 neighboring West Virginia. Lastly, PA is the only state that
4 does not tax smokeless tobacco. And one of only two states
5 that does not tax cigar sales. I would not want to see us
6 lose cigar business locally, but I think smokeless tobacco,
7 which has huge health related ramifications, is certainly an
8 item that should be considered for tax.

9 I believe these suggestions provide
10 some reasonable options of how to take money towards our
11 current mass transit service and to also repair our decaying
12 infrastructure. And I thank you for your time.

13 CHAIRMAN:

14 Thank you, Mr. Potter. Rep. Mike
15 Carroll.

16 MR. CARROLL:

17 Thank you. Mr. Potter, considering
18 the solutions that you laid out I have a feeling that we'll
19 look for you to take a general portion of this up in
20 Harrisburg this year. I'd ask the Counsel to take a look at
21 the PA Chamber and the PA Motor Truck Association as a
22 solution to this problem. And that is an increase to gasoline
23 and fuel tax. And maybe it's a scenario where the PA Chamber
24 and the Labor Council can come together on a subject and
25 direct those funds directly to the proper place.

1 MR. POTTER:

2 That would not be a first, believe it
3 or not. That's a good idea.

4 MR. CARROLL:

5 Because I know it's difficult for
6 people to sit at a table like that and embrace an increase in
7 the fuel tax. But let me ask the question this way. Do you
8 oppose an increase in the motor fuel tax?

9 MR. POTTER:

10 It would really be dependent on a
11 number of things because unfortunately a flat tax, an increase
12 on gas, will also impact the ones who can least afford to pay
13 anymore. There are folks now with new jobs in this county
14 that are going to be making, you know, \$10, \$11 an hour.
15 That's not a life sustaining salary. And to add another gas
16 tax upon that, I'm not sure they could sustain it to tell you
17 the truth. And this is a matter of them not going out and
18 buying --- trying to get to work. So I'm not so sure. I have
19 different thoughts on that. I have personal thoughts and
20 there's also the thoughts of the AFL-CIO so I don't think I
21 want to speak on their behalf on that subject.

22 MR. CARROLL:

23 Okay, that's fine. I would at least
24 like you to take a look and have the Council ---.

25 MR. POTTER:

1 I'll look at anything.

2 MR. CARROLL:

3 Have the Council take a look at the
4 some of the suggestions offered in the suggestion by the PA
5 Motor Truck Association and the PA Chamber, among others to be
6 fair --- is to take a look at the fuel tax, so I'd ask you to
7 do that.

8 CHAIRMAN:

9 Okay. Thank you very much. The PA
10 State Association of Township Supervisors, Mr. Lester Houck,
11 first Vice President, Salisbury Township Supervisors. And Mr.
12 Sanko, who is with him as well. Thank you. Gentlemen,
13 welcome. And you have five minutes.

14 MR. HOUCK:

15 Thank you. And thank you to the
16 Chair for this opportunity. And we appreciate it. My name is
17 as you mentioned is Les Houck, the township supervisor for
18 Salisbury Township and I also serve as the first vice
19 president of the PA State Association of Township Supervisors.
20 Mr. Chairman, you referred to a guest that's with me today
21 who most of you know very well and we're very excited to have
22 Dave Sanko. You have our written comment. I'm going to be
23 brief and just give a summary and hopefully leave some time
24 for questions.

25 The Association believes that the

1 local government is an essential partner with the state
2 maintaining our transportation system and that local roads,
3 state highways, mass transit, all comprise a single
4 transportation network. As you'll see in the following
5 examples from District 5, townships takes the partnership to
6 heart and work to ensure the safety of all roadways within
7 their jurisdiction. Examples of these are Amity Township in
8 Berks County working on relocation of a tollgate road. A
9 curve in SR 662 that causes sight issues and resulted in
10 numerous accidents. The whole project is expected to cost
11 \$1.4 million. The township plans to relocate the state road
12 without state or federal assistance. This project will
13 benefit the township because the intersection will be safer
14 and will make surrounding light industrial/office zoned
15 properties more attractive for investment. Upper Saucon
16 Township in Lehigh County like many other municipalities has a
17 very tight budget for 2010, so road projects have not
18 proceeded to construction as a result.

19 Route 309 is heavily traveled. The
20 state highway runs north and south through the township has
21 very significant pass through traffic. Congestion in this
22 area is increasing. The township is making design
23 improvements to the 309, 370 intersection in order to
24 reconstruct the existing shoulders, the median on Route 378
25 and to create additional lanes to alleviate the traffic and

1 the congestion. The expected cost is around \$300,000. The
2 township also has funded the design of Route 309 at the Arthur
3 (phonetic) Road intersection to alleviate the current traffic
4 congestion and to facilitate access to local schools. This is
5 projected to cost of \$2.9 million. The township's planned
6 improvements to Taylor Drive, a township road with significant
7 traffic between Route 412 and Route 309, is expected to cost
8 \$2.5 million. All three projects are designed but in need of
9 construction funding. Upper Saucon has received about
10 \$322,000 in liquid fuels funds in 2008.

11 Stroud Township, Monroe County,
12 conducted a comprehensive traffic study in April of 1998 which
13 identified 38 intersections in the township that needed
14 improvements. Only four of these involved township roads.
15 The township has made improvements to seven of the
16 intersections and state roads. However, the remaining
17 projects on the state roads need to be funded.
18 Stroud Township owns eight bridges, one of which was replaced
19 in 2002. Five are structurally deficient and the township
20 does not have the funding to replace them. In addition, there
21 are six Penn DOT bridges in Stroud Township that need to be
22 replaced including a bridge that was closed ten years ago.
23 The township estimates that the sum of \$50,000 is needed to
24 improve the signal lights at the three intersections on SR 447
25 and \$2.3 million to replace three state bridges. Stroud

1 Township receives \$380,000 annually.

2 That's just three examples of
3 hundreds across the state, a partnership of local municipality
4 work. We believe that the general assembly should take action
5 to reduce the number of state mandates that would increase the
6 cost of maintaining our transportation structure including
7 providing relief from the Prevailing Wage Act for paying
8 similar maintenance activities. We also --- our position ---
9 flipped one sheet too fast here. The Association's position
10 is that local government is --- sorry, I apologize for that.

11 The association believes that the
12 local roads, state highways and mass transit comprise a single
13 transportation system and that the Commonwealth must maintain
14 a predictable and reliable funding method for this.
15 We ask support for the realigning cap on the oil franchise
16 tax, tying PA's registration fee structure to the consumer
17 price index, adjusting the gas tax, increase the use of public
18 and private partnerships. Any solution should include at
19 least a 20 percent local share use of the restricted account
20 which is very important in linking any tax or fees to the
21 consumer price index.

22 In closing, transportation funding
23 for state and local highways and mass transit needs to be
24 carefully examined and acted on now. Unless action is taken
25 soon our transportation system will crumble. And driving

1 economic opportunities as well. Thank you for the time and
2 I'd ask for questions.

3 CHAIRMAN:

4 Okay. Thank you. As I said before,
5 in some of these other hearings, we've had some of your
6 colleagues from East Addison, Ingelberg (phonetic), et cetera
7 --- and Dave and the people within my office. And I said we
8 can't do any funding for transportation unless we include
9 local governments. There's a major problem there as well.
10 It's not just Penn DOT. Having said that --- and you know, I
11 know you testified here. You're an elected official as we
12 are, and it's a tough year politically and economically and
13 all those kinds of things. So I guess to what extent are you
14 willing to support your local legislators and senators in some
15 of the fundraising activities that we may have to engage in as
16 we move forward?

17 MR. HOUCK:

18 I think we have to. I think working
19 together everybody has their own little niche, but this is a
20 crisis to the point that we have to come together and we have
21 to understand the importance of it. Whether it's locally or
22 state no one likes new tax dollars, but we are at that point
23 because we have to do something.

24 MR. SANKA:

25 Every single one of your districts

1 has more miles of local roads than state roads, and that's not
2 to pit one against --- the state against the locals or against
3 mass transit. I mean, we've heard a lot of great stories
4 about the need for bus services and unless those buses are
5 converted to hovercrafts --- you just can't get to the schools
6 or the doctors or the hospital using the local system so ---
7 it's a comprehensive system.

8 CHAIRMAN:

9 Okay. Rep. Santoni.

10 MR. SANTONI:

11 Thank you, Mr. Chairman. Just one
12 question. Page six of your testimony you talk about the
13 mandates. One of you mentioned four mandates. Can you give
14 us maybe an annual figure of what that would save? Do you
15 have that information?

16 MR. HOUCK:

17 We can get that. I don't have that
18 right here.

19 MR. SANTONI:

20 I would appreciate that. Thank you.

21 MR. HOUCK:

22 Thank you, Mr. Chairman.

23 CHAIRMAN:

24 Chairman Mike Sturla?

25 MR. STURLA:

1 Thank you. Les, I'm not going to ask
2 you the questions you think I'm going to ask.

3 MR. HOUCK:

4 Thank you.

5 MR. STURLA:

6 I want to follow up on something that
7 Mr. Sanko said and then also get your opinions on this if
8 you're allowed to give them. You know, Mr. Sanko said most
9 people have more local roads in their district --- and I'm a
10 great example of that. I think I have 19 miles of state roads
11 and more than a hundred miles of local roads in my district.
12 The ratio is 4 or 5 to one. But I also have more than 40
13 miles of private roads in my district, those being the alleys
14 that service every block in my city. Recently, there's been a
15 furor about not being able to drive farm implements on roads
16 that the state has because of federal regulations about
17 permits on state roads and not allowing 16-year-olds to drive
18 pieces of heavy equipment and things like that.

19 We've also heard from Secretary
20 Biehler at Hershey that about half of the state's inventory of
21 40,000 miles of roads, about 20,000 miles of roads, get less
22 than 2000 cars a day. And when I talked to Secretary Biehler
23 about that, I said, in any other state those would be local
24 roads; correct? And he said absolutely. If the state says,
25 you know what? We only have enough money to maintain roads

1 that should be maintained by the state, the 20,000 that get
2 more than a few thousand a day, and we give 20,000 miles of
3 roads back to the townships, and you in turn are able to give
4 some back to the private citizens ---.

5 I had this discussion with another
6 legislature the other day. He said when he was a township
7 supervisor they identified ten miles of roads that were
8 township roads that only connected two farms. Basically, we
9 were paving --- he was driving me to work and he said they did
10 not have a mechanism to give those roads back to the private
11 property owners. To just say here, this is yours. We're not
12 paving your driveway anymore. If we were able to provide that
13 ability for you to give roads back to people that roughly get
14 ten cars a day and said this is yours. If you want it, keep
15 it. If you don't we'll shut it down. And we were able to say
16 we're going to give you 20,000 miles of roads. Do you think
17 we could work out some deal here?

18 MR. HOUCK:

19 Interestingly enough, in our township
20 within the last probably 25 years, we have given that or made
21 an agreement with landowners to take those back that were
22 small. Some owners, they actually wanted them back because
23 they knew we would have to widen it because of the safety
24 liability requirements. Now all the landowners have to agree
25 to take them back, so it's an unusual thing. It would be nice

1 to have some type of legislation that would help to say, yes,
2 one out of ten disagrees. In Lancaster city though, what
3 happens is there's a problem. I would not want to be Mayor
4 Gray. I really wouldn't. I love being a township supervisor,
5 but being a mayor ---. We have those problems, too. We have
6 a 116 mile road, we have a groove down the center of the road,
7 so we have a problem that requires a whole lot more
8 maintenance dollar wise than the average road.

9 As far as turn back --- back in '84,
10 we took 24 miles of state road back. We didn't make any money
11 on it. It cost us a lot of money but we thought it was the
12 right thing to do because locally to maintain much more miles
13 of road and less dollar cost. Unfortunately, we're a township
14 where we have mostly trucks that haul ag lime and stone down
15 into the Delaware/Maryland States that go right through our
16 township. And the truck drivers, they don't know the
17 difference between a state road and a local road. They go
18 right through us. We have to keep them to Penn DOT specs. I
19 think what you're saying is cooperation. That's what we're
20 going to have to do. We don't have a choice. We're going to
21 have to accept the things that we don't like and you're going
22 to have to give us some things maybe you wouldn't want to give
23 us. It's a two way street.

24 CHAIRMAN:

25 Excellent comment. Gentlemen, thank

1 you very much. Okay. The Northeastern PA Alliance. Mr.
2 Jeffrey Box, who is the president and CEO. Five minutes, sir.
3 Would you like to introduce your guest there also?

4 MR. BOX:

5 Thank you, Mr. Chairman. Again, my
6 name is Jeffrey Box. I'm the president and CEO of
7 Northeastern PA Alliance. And with me today is Allen Moranski
8 (phonetic). Allen serves as our vice president of the union
9 and governing services of the PA Alliance and manages the RPO
10 on a day to day basis through our agency. So Chairman
11 Markosek, Chairman Geist, Chairman Sturla and new members,
12 thank you all for the opportunity to be here this afternoon
13 for this very important topic. As I stated my name is Jeff
14 Box, president and CEO of the Alliance and we serve as the
15 local development district for seven counties in Northeastern
16 PA. We also are the facilitating agency for federal dollars
17 that come to our region for the economic development through
18 the economic development administration and also the
19 Appalachian regional commission. But we also serve as your
20 planning partner for the Northeastern PA RPO for the five
21 counties of Carbon, Monroe, Pike, Schuylkill and Wayne, which
22 also encompasses two Penn DOT districts, 4-0 and 5-0.

23 Our RPO region includes 151
24 municipalities and a population of over 440,000 people. Total
25 land area of over 3000 square miles including 6000 miles of

1 roadways and over 1900 bridges. Our RPO is very active in
2 Northeastern PA on a monthly basis. And as was mentioned
3 earlier in other testimony, in the Northeast we have three of
4 the fastest growing counties in PA. Clearly, that is an issue
5 when it comes to good transportation funding. District
6 Executive Reeper alluded to that and the Interstate 80 issues
7 in Monroe County and also some of the transit issues that were
8 raised.

9 We will provide to you the copy of
10 the testimony that we prepared for today's hearing and for all
11 the committee members. And certainly the statistics that we
12 have in our prepared remarks, you've heard them all before.
13 Clearly we would just be redundant to state this all again.
14 We all know that there is a huge, huge need out there. So one
15 of the things I want to emphasize if I may is that we, as a
16 local development district, do small business lending. As I
17 mentioned we facilitate economic development dollars from the
18 federal agencies. We have our finger on the pulse in the
19 partnerships and various chambers and other economic
20 development groups through the Northeast of what's happening
21 from an economic development perspective.

22 What I want to emphasize is that
23 economic development and transportation are linked. Without a
24 doubt transportation shortfalls were seen and the well
25 documented problems with the transportation system are clearly

1 an economic developmental issue. The Northeast is also home
2 to numerous expansion of trucking centers and also
3 distribution centers, all of which were marketed through the
4 Northeast as having a solid economic development and
5 transportation foothold.

6 So the point being we need to look at
7 this, the whole transportation funding problem, as an economic
8 development issue as well as a transportation and safety issue
9 that you all are well aware of. Rep. Geist raised the issue
10 was raised earlier about the problems with capacity and we
11 certainly have an advocate that was well versed in the
12 problems with Interstate 80 --- we're here about Interstate 81
13 next week but we want to raise that as an issue.

14 I know that the whole issue of
15 funding is certainly an issue. I represent a very diverse
16 board of 51 members from all over the seven counties that have
17 very diverse backgrounds including many in the private sector
18 who deal with these issues of transportation on a day to day
19 basis. I guess I could sum it up by saying that we all need
20 to work together to find a solution for this crisis, whether
21 it is economic development, it is transportation, it is
22 safety. Thank you for allowing us to be here as your planning
23 partner.

24 CHAIRMAN:

25 Thank you very much. Rep. Mike

1 Carroll.

2 MR. CARROLL:

3 Thank you. Thanks, Jeff, for your
4 leadership at NEPA and for the work you do with the RPO. You
5 and I had this conversation earlier so I won't go down that
6 path. But let me ask a question of you this way. You seem
7 certain of the transportation needs in the counties that you
8 serve, that the roads, bridges and transit, that the need is
9 there to solve this problem. Do you think that the people in
10 the communities in those counties understand the need?

11 MR. BOX:

12 No, quite honestly. Mr. Carroll, I
13 don't think the message is out there as clearly as it should
14 be. I think there's a misconception out there that Penn DOT
15 can handle all of these issues and somehow it's not being
16 done. That's just a grass roots personal opinion.

17 MR. CARROLL:

18 I think you're probably right because
19 I think the average person has a false sense of security
20 because the ARRA are out there now. I think the average
21 person in any of the counties has the false sense that
22 everything is just fine with Penn DOT and this is an
23 unnecessary exercise. And I think it's incumbent upon all of
24 us, you and me both and to everyone else, to make sure that
25 the average person in any of those counties knows that we are

1 at a cliff when it comes to Penn DOT funding. And if we don't
2 do something right away there really is no parachute because
3 the ARRA funds are going to be gone and the Act 44 funds are
4 going to evaporate. And we're going to have a gigantic
5 problem on our hands. So I'd ask you to join me in doing our
6 very best to educate the folks in the counties that we
7 mutually serve to try and get that message out there. So
8 thank you.

9 CHAIRMAN:

10 Gentlemen, thank you very much. I
11 appreciate it.

12 Mr. BOX:

13 Thank you, Mr. Chairman.

14 CHAIRMAN:

15 Okay. Thank you. The American
16 Concrete Pavement Association and our friend Mike Colella, who
17 is the senior vice president of sales and marketing for Essroc
18 (phonetic) Cement Corporation --- we had the committee up at
19 Essroc about a month or so ago. Great tour, saw the longest
20 ever conveyor belt in the world I think at Essroc. And I see
21 John Becker from the Concrete Association, from PA Concrete
22 Association. So Mike and John a total of five, you may
23 proceed.

24 MR. COLELLA:

25 Mr. Chairman and members of the House

1 Transportation Committee. Thank you for the opportunity to
2 speak to you today about our transportation funding needs.
3 My name is Mike Colella. I am the senior vice president of
4 marketing and sales for Essroc Cement. I serve on the Board
5 of the Transportation Construction Industry and the PA chapter
6 of the American Concrete Pavement Association. I'm here today
7 to speak on behalf of concrete paving and the cement industry.
8 Lehigh Valley is the birthplace of our nation of the cement
9 manufacturing industry.

10 Essroc's original ancestor, Coplay Cement, is credited with
11 production over 140 years ago on the first Portland cement in
12 the United States. Since then cement companies from this
13 valley have supplied the base component that is used to make
14 concrete. What a wonderful product it is. Concrete is used
15 to build works of historic proportions, highways, streets,
16 bridges, airports, mass transit, commercial buildings, dams
17 and much, much more. Our homes rest on concrete foundations.
18 Yes, you could say civilization was built on concrete.

19 Essroc has almost 200 people with
20 good paying jobs manufacturing cement in two plants within the
21 Commonwealth and employ about 150 people at distribution
22 points across the Commonwealth. The collective concrete and
23 cement industry is a major employer of the Commonwealth. If
24 you consider Pennsylvanians to be employed at the plants,
25 concrete products industries as well as concrete contractors,

1 the cement and concrete industry provides more than 39,000
2 good paying jobs for our fellow Pennsylvanians.

3 The industry collectively contributes
4 approximately six billion dollars annually in economic
5 activity in other states. Just prior to the current
6 recession, the combined industry contributed an estimated \$300
7 million in sales taxes and over \$400 million in Federal, State
8 and local income tax revenue. These taxes have funded
9 investments in our schools, police, infrastructure and many
10 more important programs. And the benefit of concrete pavement
11 made with home grown PA manufactured materials are numerous.
12 Concrete pavements are long-lasting and safe. Less energy is
13 needed to keep a concrete street brightly lit at night.
14 Furthermore, unlike other construction materials, concrete
15 materials have not been subject to volatile and fluctuating
16 increases in costs. According to the U.S. Department of
17 Labor, Bureau of Labor statistics concrete products have
18 increased on average only 2.1 percent annually over the past
19 four years, and less than five percent on average since 2002.
20 It's been one of the reasons why we increasingly see concrete
21 pavement across the country costing less on first cost.

22 Despite all the great benefits of the
23 use of concrete, we face challenges and we need your help.
24 Public works projects have historically been the most
25 significant consumer of Portland cement. However with the

1 downturn in virtually all segments of the economy, cement
2 consumption in PA has declined 33 percent over the last three
3 years. Two cement plants, one being our Bessemer, PA plant in
4 Western PA have ceased operation. Other plants have curtailed
5 operations. The decline has resulted in numerous job losses.

6 We are faced with continuing layoffs in not only cement
7 manufacturing industry, but also among concrete suppliers,
8 contractors, and the immediate affected communities. We need
9 a long term funding solution for our infrastructure. A long
10 term plan for funding will have a lasting sustainable positive
11 impact on our communities.

12 We support closing the 3.5 million
13 dollar gap as identified by the transportation advisory group.
14 It will put people back to work. It will generate tax
15 revenues that can be used to invest in our communities and to
16 restore the economic vitality of the Commonwealth. I thank
17 you for your time and appreciate the opportunity to speak with
18 you today.

19 CHAIRMAN:

20 Okay. Thank you, Mike. I think
21 we're in good shape, thank you. Thanks for your support.
22 Thanks for your membership of the Keystone Coalition, et
23 cetera. We've heard a lot from you and you've gone a long way
24 to helping us to do our job.

25 MR. COLELLA:

1 Thank you. Thank you very much.

2 CHAIRMAN:

3 Okay. 10,000 Friends of PA. They
4 don't get five minutes each. Five minutes total. Marilyn
5 Wood, Director of Regional Initiatives Statewide Campaigns for
6 the 10,000 Friends of PA. Marilyn welcome, five minutes
7 please. And you may proceed.

8 MS. WOOD:

9 Thank you. Good afternoon, Chairman
10 Markosek, Geist and Sturla and Representatives. Thank you for
11 your time in addressing this important topic. 10,000 Friends
12 of PA is an organization that's dedicated to improving all of
13 PA's communities, including cities, towns and rural areas. We
14 pursue state policies to help these communities to remain
15 vibrant and economically healthy. We believe in a strong
16 transportation infrastructure including a transit system that
17 meets the needs of a 21st century economy is vital to the
18 community, especially to the economic revitalization of older
19 cities and towns across the state, both urban and rural. I'm
20 sorry. I'm not using the mic right. Is that working out?
21 Okay.

22 We definitely support a comprehensive
23 solution to our current transportation crises that includes
24 funding to fix our crumbling roads and bridges with full
25 funding for public transportation, enough to bring our aging

1 transit infrastructure up to the state of good repair, as well
2 as to make some carefully selected strategic investments and
3 in system expansion. We have an authoritative, new report
4 produced by Penn Dot's transportation advisory committee as
5 you know, that quantifies how much it will take to meet the
6 needs of PA's transit system. Their number is \$484 million
7 annually, increasing through time.

8 Without this funding our transit
9 capital stock will continue to deteriorate resulting in a loss
10 of service throughout the state. In fact, this is already
11 starting to happen. This \$484 million for transit must be
12 added to the \$3 billion that was identified for roads and
13 bridges. A mixture of revenue sources is the only way to
14 address this problem. The Rendell Administration has proposed
15 a menu of revenue options, as has Rep. Geist and several other
16 legislators; and all those alternatives that have been
17 mentioned are plausible and we would support them and we would
18 also support some that aren't included. Especially the right
19 for regions to raise revenue for infrastructure at the county
20 or regional levels to meet their own needs above and beyond
21 what the state can provide. We at 10,000 Friends stand ready
22 to support and advocate for a mix that addresses those funds
23 and a comprehensive solution.

24 We have two caveats, however. The
25 first one is that since gas taxes and other potential sources

1 are constitutionally limited to highway investments, the new
2 revenue solution must include some things that are dedicated
3 to public transit. And second, any legislation appropriating
4 new highway funding must include a strong fix-it-first
5 provision to ensure that the vast majority of funds go to
6 repair and upgrade of the infrastructure we already have. We
7 believe that we have a land use problem as much as we have a
8 transportation problem.

9 10,000 Friends has had a long working
10 relationship in the Lehigh Valley with Renew Lehigh Valley and
11 recognizes the extraordinary work the region has done to work
12 together across the county and city lines for the last couple
13 of decades. We think this work is responsible in large part
14 for the economic growth in the region in spite of the major
15 losses they have suffered, such as the loss of Bethlehem
16 Steel. However, like many small cities and boroughs across
17 the state, Easton, Bethlehem and Allentown and the boroughs
18 surrounding them are facing an economic tsunami as tax bases
19 continue to decline and years of disinvestment and flight take
20 their toll. But there are new and promising trends on the
21 horizon that this survey conducted in 2004 for Smart Growth
22 America, by the National Association of Realtors illustrates.
23 People were asked to choose between two community types in
24 this survey. The first, community A, was a typical suburban
25 community with single family homes on large lots, no

1 sidewalks, shopping and schools located a few miles away,
2 commutes of work of 45 minutes or more.

3 The second, community B, had a
4 pattern similar to our smaller urban centers with a mix of
5 single family and other housing, sidewalks and shopping and
6 schools within walking distance and a high quality transit
7 system. 55 percent of Americans expressed the overall
8 preference for community B. The percentage increased to 61
9 percent among those thinking of buying a house in the next
10 three years. Similar consumer preference surveys across the
11 U.S. in 2003 produced comparable results.

12 We can lay the groundwork for our
13 struggling older cities and towns to capitalize on these
14 trends by investing in high quality transit. In talking a
15 million times we all understand the need to cut spending.
16 But that doesn't mean we should stop investing in things that
17 could revitalize our economy. There are some investments we
18 simply cannot afford not to make. And full funding for
19 transportation is one of them.

20 CHAIRMAN:

21 Okay. Thank you, Marilyn. Rep. Rick
22 Geist.

23 MR. GEIST:

24 I should have it now. 10,000 Friends
25 we're really pleased and glad you've come along board in the

1 way that you have. And I believe that we'll be able to
2 achieve with your help all of your concerns and especially
3 with funding. The only thing I would like to ask you is you
4 do have members in Pittsburgh; correct?

5 MS. WOOD:

6 Yes.

7 MR. GEIST:

8 All right. And you're everywhere
9 across the state?

10 MS. WOOD:

11 Yes, and recently we started a
12 transportation coalition called Transportation for PA that's
13 working with the Keystone funding group but it's also out
14 broadening out behind 10,000 Friends, primarily focused along
15 east of I-81 and in the southwest.

16 MR. GEIST:

17 Thank you very much and good job.

18 MS. WOOD:

19 Thank you.

20 CHAIRMAN:

21 Okay. Marilyn, thank you very much.

22 We appreciate it. Next, the Route 22 Coalition, Mr. Bruce
23 Davis. Five minutes sir. I was going say that Chairman Geist
24 reminded me the read Route 22 is in Monroeville, PA.

25 MR. GEIST:

1 We're everywhere.

2 CHAIRMAN:

3 Because that's the main drag in my
4 district, Route 22. It actually runs through Harrisburg as
5 well. So Mr. Davis you may proceed. Five minutes, sir.

6 MR. DAVIS:

7 Chairman, legislators, thank you for
8 your thinking. I have submitted a formal statement on behalf
9 of our coalition, but I'd like to just make a couple of
10 remarks outside of the statement. And I compliment the staff
11 on the excellence of making all the necessary arrangements for
12 this hearing.

13 A bit of history for the Route 22.
14 Several decades ago I78 stopped at Fogelsville on the west
15 side of Lehigh Valley and Alca (phonetic), New Jersey on the
16 east side. And that missing link was there for a long, long
17 time. People began to say what is it going to take to connect
18 that linkage? That gave rise to the Route 22 coalition. We
19 came to the realization that it took community participation
20 to make things happen and our Route 22 coalition was
21 successful along with a lots of others, and the General
22 Assembly and the Governor to, in fact, connect the linkage.

23 And then there was another missing
24 link to Lehigh Valley that's between I-80 on the north and
25 I-78 on the south, 3.2 miles not completed when Route 33 was

1 brought down from Interstate 80. Those 3.2 miles then became
2 the focus of the Route 22 coalition and we concluded that
3 connection. It demonstrated once again how groups and
4 interests coming together can make a difference. The Route
5 222 bypass was our next focus and just a Paul Harvey rest of
6 the story comment. There was a road block with regard to the
7 222 bypass west of Lehigh County. It had to do with the
8 location of a burial ground. We happened to have within our
9 Route 22 ranks the attorney who represented the diocese in
10 that area. And through his individual efforts changes were
11 made with Penn Dot's cooperation to --- in fact, now the 222
12 bypass is largely in place.

13 What we are looking at is an
14 opportunity for us once again to be active as a community
15 group in support of the transportation crises. Rep. Carroll
16 said how much of public awareness might there be with regard
17 to this issue? Let me suggest what I know and stands within
18 the Lehigh Valley, is there is a considerable awareness as
19 growing.

20 One of the reasons that we have
21 awareness is that we are fortunate that in this region we have
22 two newspapers that look upon themselves as public servants.
23 And they can help educate, communicate and direct public
24 unlike what groups such as ourselves can do. So we applaud
25 the fact that several of you took time today to meet with the

1 Editorial Board of the Morning Call. That's our regional
2 newspaper along with the Express Times. That reaches out to
3 all of or parts of these counties, and I would expect that
4 there will be a supportive editorial coming from the
5 Morning Call in a matter of days and that will help raise ---.
6 I want to applaud on behalf of our association, Governor
7 Rendell. In addition to his commitment to public education
8 he's also been an advocate for the importance of having good
9 transportation within our Commonwealth. And as you read his
10 May 4th message to the special session, the flexibility that
11 he reflected in his remarks is to be applauded because we have
12 a steep hill in front of us and we're going to need the
13 support and flexibility of the Governor, from the General
14 Assembly, from the community.

15 It's regrettable that candidates for
16 election this November have already staked out a position, no
17 new taxes. Hopefully organizations like ours all across the
18 Commonwealth, 100 here, 10,000 there, can, in fact, begin to
19 make a difference. We cannot move forward as a Commonwealth,
20 we cannot immediately attack our transportation crises if
21 we're going to have candidates who say up front no new taxes.
22 Let us be helpful in working with you with regard to
23 meaningful and responsible legislation and we pledge to do
24 that. Thank you, Mr. Chairman.

25 CHAIRMAN:

1 Okay. Thank you Mr. Davis. And we
2 appreciate your testimony. Thank you. Good luck with Route
3 22.

4 MR. DAVIS:

5 Thank you. We don't give up easily.

6 CHAIRMAN:

7 Renew Lehigh Valley, Renew LV, Mr.
8 Steve Bliss is the Executive Director. Steve, welcome.

9 MR. BLISS:

10 Thank you.

11 CHAIRMAN:

12 Five minutes, sir, and proceed when
13 ready.

14 MR. BLISS:

15 Good afternoon Chairman Markosek,
16 Chairman Geist and Chairman Sturla and thank you for the
17 opportunity to provide testimony today. My name is Steven
18 Bliss and I'm the executive director of Renew Lehigh Valley.
19 I want to express our appreciation for your convening a series
20 of hearings to address the urgent transportation issues,
21 including funding challenges, currently facing PA.

22 Renew Lehigh Valley is a broad based,
23 nonprofit, nonpartisan coalition committed to growing smart
24 growth and regional collaboration with a strong focus on
25 helping to foster the continued revitalization of our region's

1 urban cores, especially the Cities of Allentown, Bethlehem,
2 and Easton. Strategic and policy guidance for Renew Lehigh
3 Valley are provided by a 50 member Leadership Council
4 consisting of representatives from business, government,
5 education, planning and transportation, and community
6 organizations.

7 Among our core initiatives are renew
8 Lehigh Valley strategic transportation initiatives.
9 We work on infrastructure, among other issues, for the simple
10 reason that infrastructure spending and policy drive where
11 growth and development occur in the region. It is our view
12 that a strong regional approach to roads, transit, pedestrian
13 and biking facilities can help ensure that the Lehigh Valley
14 is fostering strong core communities; walkable, mixed-use
15 neighborhoods, economic vitality and a high quality of life;
16 and the preservation of open space and productive farmland.

17 A balanced multimodal transportation
18 system is critical to the future vitality of the Lehigh
19 Valley. Municipalities, counties, key public agencies,
20 businesses, community members and other partners across the
21 public and private sectors need to work together to ensure a
22 regional transportation system that provides Lehigh Valley
23 residents, workers and visitors with a variety of options for
24 accessing employment, housing, schools, recreation and
25 cultural amenities and other resources. The Lehigh Valley

1 must create linkages between land use and transportation so as
2 to make optimal use of our existing road infrastructure,
3 promote energy efficiency and foster new opportunities for
4 transit-oriented development including the prospect of
5 regional passenger rail.

6 At the most general, the current
7 state transportation funding crises severely impeded the
8 ability of regions across the Commonwealth to take a long term
9 approach to address the transportation needs. But more
10 specifically I want to emphasize the dangers of cuts to public
11 transit in the Lehigh Valley. As you heard earlier the Lehigh
12 and Northampton Transportation Authority, LANTA, provides
13 Lehigh Valley with a public transit system that is widely
14 recognized for operating at a high level of efficiency. Yet
15 the current state funding shortfall for transportation could
16 force LANTA to raise fares just to maintain current service.
17 This would mean that Lehigh Valley residents who do not have
18 access to a car or who choose not to drive are placed at a
19 greater disadvantage than even before, especially troubling
20 given the current economic and employment decline.

21 There are also major long-term
22 implications for transit in Lehigh Valley that the
23 Commonwealth has not adequately fun transportation on a long
24 term basis. During the last couple years I've had the
25 privilege of serving on the advisory committee to Moving LANTA

9 Also significant in LANTA's
10 strategic, and you heard Mr. Greco speak of this earlier, is
11 the current plan and process under LANTA and the Lehigh Valley
12 planning commission to link municipal venues planning and
13 LANTA service planning as a way to get the types of services
14 that would be more conducive to transit development. This
15 type of work would be at great risk if adequate funding is not
16 available to the region or to the Commonwealth.

17 Finally, I just want to mention that
18 Renew Lehigh Valley believes that investments in
19 transportation infrastructure can be optimized through a
20 continued emphasis on principles embodied in the Smart
21 Transportation initiative launched by Transportation Secretary
22 Biehler. Smart Transportation acknowledges the critical
23 linkage between transportation funding and planning and
24 regional land use decisions and as you mentioned the set of
25 grants made available to our region through Smart

1 Transportation resulted in some targeted projects that really
2 benefited some of our poorer communities, especially
3 Allentown, Bethlehem and Easton and also the Borough of
4 Hellertown.

5 On behalf of Renew Lehigh Valley
6 again thank you for your time and consideration. And I
7 appreciate your leadership in taking on this tremendous
8 challenge before the legislature.

9 CHAIRMAN:

10 Okay, Steve. Thank you. Thank you
11 very much. State Rep. Steve Samuelson.

12 MR. SAMUELSON:

13 The question is about LANTA and your
14 involvement in that advisory group. I was a supporter of Act
15 44 at the time we had a significant increase in transit
16 funding. I believe my own agency here in Lehigh Valley had a
17 doubling of transit funding. One of my concerns since that
18 time has been fare increases. We had one in 2008 that hit the
19 disabled, a 21 percent increase in fares and now there's a
20 proposal now to have a fare increase on multi-ride tickets and
21 monthly passes. To me that seems like we're going in the
22 wrong direction when we should be trying to hold fares down,
23 use some of that state funding and try to encourage more
24 riders. Was there a discussion on that advisory group about
25 initiatives to hold fares down here in the Lehigh Valley?

1 MR. BLISS:

2 What I recall as the key question is
3 focus especially on urban issues. The equity factor of
4 transportation funding and ridership is critical to us. I can
5 tell you that one of the key discussions was looking at how to
6 hold fares down by, as you heard Mr. Greco speak to earlier,
7 ensuring that they were the types of ridership that would
8 allow LANTA to bring it's high level of efficiency, which as
9 you know and as you spoke to, they're graded on a sort of
10 dollar per mile travel basis and they're one of the best
11 nationally on that. And the hope --- and the advisory
12 committee affirmed this, was to renew increase ridership as a
13 way of keeping fares down, so basically infrastructure
14 creating greater densities creating stronger service, and more
15 frequent service. Along the trunk corridors you could get the
16 types of riderships and levels of economies and scale that
17 would make fare increases unnecessary. But as was mentioned
18 today the current hole in the funding picture, as you know, is
19 putting them in the situation mixed with a lot of unfavorable
20 choices currently.

21 MR. SAMUELSON:

22 A follow-up question. You gave us a
23 holistic approach with roads, transit, bicycle, pedestrian.
24 Talk about the later two as you see the Lehigh Valley
25 initiatives on pedestrian and bicycling initiatives?

1 MR. BLISS:

2 Yeah. I think one of the things, you
3 know, with Renew Lehigh Valley is regional focus. We are
4 continually working with regional policies that can promote
5 those types of outcomes to also kind of work with and shed
6 light on some of the local city specific numbers. And I need
7 to applaud the cities of Allentown, Bethlehem and Easton and
8 other cities and other municipalities for really doing some
9 serious work around walk-ability issues. The Smart
10 Transportation grant that I mentioned earlier, for the region
11 one of them was for Hellertown to look at walk-ability on the
12 main street of Hellertown. Added to that they are very active
13 in each of those municipalities --- you know, burgeoning
14 bi-coalitions from places like Allentown are here today. You
15 also have publishing (phonetic) for appropriate transportation
16 and then bike programs in your backyard of Central Bethlehem.
17 And Easton is looking at those infrastructures and program
18 elements to try to increase bike-ability in those cities. So
19 I think there's a lot of momentum for those sort of modes here
20 within the Valley and that's what we're here in trying to look
21 at renewing federal, state and regional policies that can help
22 support it.

23 MR. SAMUELSON:

24 Thank you.

25 CHAIRMAN:

1 Okay. Thank you, Steve and Steve.

2 MR. SAMUELSON:

3 Thanks very much, Mr. Bliss.

4 CHAIRMAN:

5 Next. Oh, boy. The Mike and Ike
6 chamber of commerce here. The Lehigh Valley Chamber of
7 Commerce. We have the Chairman of the Transportation
8 Committee of the Chamber Mr. Peter Terry. And Michelle,
9 you're going to sit on the sidelines. Okay.

10 MR. TERRY:

11 She can't stifle me from there.

12 CHAIRMAN:

13 But you still only get five minutes.
14 You may proceed when you're ready.

15 MR. TERRY:

16 Thank you very much. It's a pleasure
17 to be before you today. I appreciate your time. I know
18 people sitting in the audience who are here also giving up
19 what could be a great afternoon of productivity to come and
20 tell you what our issues are. I'm going to cut to the chase
21 because you don't really need another history of the Lehigh
22 Valley, or how many members we have. You can look that up any
23 time you want. That's not what we're here for. We want to
24 talk about solutions to this funding problem. The Chamber of
25 Commerce had a policy that we push --- and believe me the

1 Chamber of Commerce is not great supporters of tax increases,
2 anything that might be viewed as hurting businesses.

3 We had a policy approved by our
4 Chamber Board that basically says reasonable user fees make
5 sense. We also need to look at all these other solutions
6 identified in Act 44; private partnerships, bi-level
7 (phonetic) partnerships, other creative things like that.
8 This will help move us forward in terms of this planning.

9 As a professional, I'm a civil
10 engineer. I have a small consulting firm. I can tell you
11 economic development is really hurting right now in a big way
12 thanks to our infrastructure. You go down to Penn DOT to get
13 a permit for the driveway for your new warehouse and before
14 you know it, you're out a million dollars of improvements on
15 road systems. I'm not talking about any on your site. But
16 the infrastructure just cannot support this continuing
17 development.

18 So if you want to do economic
19 development, if you want to support getting us out of this
20 economic situation we're in, we need to get a little
21 friendlier here about how we do it. I'm not saying the
22 developers shouldn't pay their right amount. But it's not
23 just the developers. I've had clients that are school
24 districts. Where do they come up with the money to do a
25 million dollar road improvement to build a middle school?

1 These are the things that I struggle with every day in front
2 of planning commissions and with my clients.

3 Municipalities are really, really
4 struggling on their plans. Whitehall Township has an impact
5 fee. And that impact fee revenue comes from the government.
6 There really hasn't been a whole lot of income in that fee any
7 time recently. And it's starting to challenge their ability
8 to keep their infrastructure going. And that's through an
9 impact fee through the legislation from 1990, which you know,
10 has its own challenges to it.

11 The transportation committee and the
12 chamber in general would like to help support getting the word
13 out. We believe we've been doing this for a number of years.
14 We want to up the effort. Phil Urban (phonetic) the former
15 chairman, when he walked in, said hey, did you hire that
16 marketing firm yet to figure out how to convince people that
17 this infrastructure thing needs a little more attention? We
18 haven't hired a firm yet.

19 That's what we're here for. You
20 know, I'd love to have your questions and your thoughts on how
21 to do things instead of having me give you statistics. One
22 other thing I want to mention. This is a classic 1949, Penn
23 DOT publication talking about the infrastructure needs and how
24 it is terribly underfunded. We talked about this as if it's a
25 crisis. I'm not an English major by any means but crisis

1 usually has an urgency to it other than the next budget.
2 Okay? It seems like we treat as an urgency, but it's just the
3 next budget.

4 The ending note of this document
5 basically is shall we keep the state highways the magnificent
6 transportation system they are, are we willing to assume the
7 financial obligations we must assume to keep them that way? I
8 think the answer clearly, especially from the chamber, is yes,
9 we have to make the hard decisions. It's not easy, but it's
10 time to do it. We can't put it off any further.

11 CHAIRMAN:

12 Okay. Thank you very much. I agree.
13 Thank you. Any questions? Yes, Rep. Carroll?

14 MR. CARROLL:

15 Thank you, Mr. Chairman. Can I
16 assume then on your testimony related to user fees that
17 includes a fuel tax increase?

18 MR. TERRY:

19 That's correct.

20 MR. CARROLL:

21 Okay. Great. Thank you.

22 CHAIRMAN:

23 Chairman Sturla?

24 MR. STURLA:

25 Thank you. One quick question

1 because you said reasonable user fees. I look at a \$3 billion
2 shortfall in funding and I go 50 cents a gallon sounds
3 reasonable.

4 MR. TERRY:

5 Fifty (50) cents a gallon is quite a
6 bit more. I'm also very involved with the American Society of
7 Civil Engineers, both locally and on a national level. Their
8 report card, their 2009 report card, talks about
9 infrastructure needs. The PA report card was just released
10 about two weeks ago. It talks about if it doesn't get to the
11 point of financial numbers, a 25 cent a gallon gas tax would
12 probably do it. The chamber is not advocating any particular
13 amount. You know, we don't get to make that decision. The
14 needs need to be documented. A long term plan needs to be
15 there because, you know, I'm not paying 25 cents more a gallon
16 if I don't think there's a plan. So let's show the plan.

17 MR. STURLA:

18 Okay. And the only reason I raise
19 that is because the other day in testimony somebody said are
20 you thinking of raising the gas tax 10 cents and then fix all
21 the roads? It don't add up.

22 MR. TERRY:

23 No. It's a little higher than that.

24 MR. STURLA:

25 And so all I want is the definition

1 of reasonable and I agree that 50 cents might be too much. I
2 just don't know what reasonable is. If everybody leaves here
3 and you say reasonable is ten cents and I say reasonable is 50
4 cents, it still doesn't solve anything.

5 MR. TERRY:

6 Sure. I think the other part of
7 reasonable is the timeline. Penn DOT has identified the
8 bridge needs. You can't fix those bridge needs in five years.
9 You probably could fix them in 10 or 15. But if we don't get
10 a plan, we're going to be here 5 years from now, saying hey
11 you know what? It's going to be another 20 to 25 years. We
12 need to set that plan, identify those goals and then stick to
13 it. Not make it a political football.

14 CHAIRMAN:

15 Rep. Samuelson?

16 MR. SAMUELSON:

17 Pete, you talked about the report
18 card you gave us with the Society of Professional Engineers a
19 couple of weeks ago. You've been doing that for several
20 years. Any change or movement on that report card? Give us a
21 historical perspective.

22 MR. TERRY:

23 Things are getting a little worse.
24 The grades that we've given the different areas of
25 infrastructure have decreased slightly overall. There have

1 been some improvements, some that are not good. In PA, for
2 instance, our freight rail is in great shape, but our roads
3 and bridges are in horrible shape. Every time we get another
4 20 bridges fixed, we go out and do inspections and find out
5 another 25 have failed, and when you look at the age of PA's
6 bridges that's no surprise. We're not moving forward. We're
7 at best treading water.

8 CHAIRMAN:

9 Okay, I think Rep. Geist and I were
10 talking about the report card and thought you actually graded
11 too high on some of these, but --- because we do have such a
12 big problem. But let me just --- I'll ask my question to
13 either one of you. What kind of proactive things, I mean
14 other than showing up here, and some of the written material
15 that you've put out, have you gotten with your legislative
16 delegation of both the House and Senate in Lehigh Valley? Of
17 course, we have Rep. Samuelson here, but what proactively have
18 you done to try to convince them that we need to do this and
19 that some hard votes might have to be taken and that you would
20 support this?

21 MS. YOUNG:

22 Thank you, Mr. Chairman. Our
23 transportation committee members have been really active at
24 going out in the offices of our legislatures. We also held an
25 annual transportation luncheon which you both have come to

1 speak at. Thank you. And this year we had Secretary Biehler.
2 We've also had Senator Boscola as the only transportation
3 member of the Lehigh Valley there. We brought in Rep. Frank
4 Lee (phonetic), Senator Brown, Erascabello (phonetic), so
5 we're trying to engage in the, you know, 250 member realm as
6 well as those individual meetings that we've done. And I just
7 wanted to add that from the Chamber perspective we believe as
8 Steve was saying that, yes, reasonable, which it will be
9 determined as to how that is defined. But we also need to
10 make sure we are streamlining as much as we can as well as
11 looking at E-3 (phonetic) and all of those things. But it
12 would be so hypocritical for the Greater Lehigh Valley Chamber
13 to say we have 5000 members, 140,000 employees minus a few
14 that are virtually working. They have to go back and forth to
15 work each day. So we need to work on mass transit and we know
16 that there needs to be money involved. So we're willing to
17 work with you.

18 CHAIRMAN:

19 Okay, great. Rep. Geist.

20 MR. GEIST:

21 Thank you very much for bringing up
22 the report card. I think we need to talk more about it. And
23 one of the ways that we can really help in the Lehigh Valley
24 because a lot of the projects, as you well know, have not been
25 put out from design. The capacity problems and some of that

1 stuff, it just hasn't been --- they're not on the shelf. One
2 of the things that we know that we really have to push is
3 design building. I think that becomes a huge tool in areas
4 like this, and we're going to just do nothing but appreciate
5 what you're doing with the numbers. I think it's absolutely
6 imperative. Just like Dennis has to talk about Shared Ride to
7 certain people, we have to know what the impact is. We know
8 that in this region this transportation system really
9 represents economic development, plain and simple. And we
10 don't want to choke off anybody's economy. It's time that we
11 get moving so thank you very much, especially for bringing out
12 the report.

13 CHAIRMAN:

14 Okay. Michelle and Peter, thank you.
15 Thank you very much. Good job. Schuylkill Chamber of
16 Commerce, Mr. Tom Yashinsky, Chairman of their transportation
17 committee. He's also with the ARRA Group. Is he here? Mr.
18 Yashinsky? Oh, okay. They're submitting testimony, okay.
19 All right. Let's see. Karlynn Kerney, who is an intern with
20 Michael Baker Corporation. Karlynn, representing American
21 Counsel of Engineering Companies (ACEC). Speaking on the
22 report card. And we appreciate you being you here. I know
23 you were at our previous hearing in Hershey. And welcome,
24 thank you, you have five minutes.

25 MR. KERNEY:

1 Chairman and members of the House
2 Committee. My name is Karlynn Kerney and I'm an upcoming
3 senior at the PA State University Main Campus, majoring in
4 civil engineering, with a focus in transportation.
5 Thank you for allowing me to appear before you today on behalf
6 of students who wants to make an impact in the future of
7 transportation in PA.

8 I worked in the Central Office at
9 Penn DOT as an intern for two summers and then I worked at a
10 private engineering firm for two summers as well. Last week,
11 I started my last internship with Michael Baker. I have
12 assisted with traffic studies and analysis, designing projects
13 and maintenance and protection of traffic plans. The exposure
14 from these internships has given me the experience to
15 necessary to comprehend what is at stake in this crisis.
16 The reason I'm sharing the story with you today is to describe
17 how students of the future are being impacted.

18 The PA State University is currently
19 a top ranked school in the field of civil engineering. And
20 the professors, faculty and staff encourage us to excel to our
21 fullest. Some courses I've taken do involve the economic side
22 of education. I know that if there is no funding, there will
23 be no projects, meaning there will be no jobs. I was able to
24 attend those first hearing held last Thursday in Derry
25 Township. I had the information presented open my eyes to the

1 current condition of the roads, bridges and public
2 transportation. For example, senior citizens, persons with
3 disabilities and others rely on public transit and they'll be
4 severely impacted by service reductions and fare increases.

5 Of the civil engineering students who
6 graduated this year at Penn State Main Campus 94 responded to
7 a survey of what they were doing post graduation. Out of the
8 94 students only 31 said they accepted or planned to accept an
9 existing offer of a full-time job related to their major.
10 That's only 33 percent of civil engineer majors who reported
11 they found work in their major. Of the students graduating
12 this year in architectural engineering, 60 responded to the
13 same survey. Only 33 or about 54 percent said they accepted
14 or plan to accept an existing offer for full time. But out of
15 those 64 students who got work in their major, only 24 of
16 those students will be working in PA. Only 16 percent of
17 civil engineering and architects from Penn State will be
18 working in PA. This figure is a sad reflection of the
19 enormous talent leaving PA.

20 At Penn State Harrisburg, there were
21 21 students who received a Bachelor of Science degree in
22 structural design and construction engineering technology.
23 Out of these 21 graduates only 7, 35 (sic) percent, found jobs
24 in their major. Based on these three examples there are two
25 alarming facts. Most civil engineers and architects are not

1 finding jobs in their major. And many that do find work are
2 finding jobs outside of PA. It's also been hard finding
3 internships and co-op opportunities within PA. My freshman
4 year, many, many companies were very willing to take on
5 freshman into their internship and co-op programs. Senior
6 engineers wanted young students working on projects and did
7 not mind training and working with them. Most employees I
8 talk to at career fairs asked me if I was willing to relocate,
9 meaning to work outside PA. Of course, I said yes, because
10 gaining experience in my field was one of the main goals so I
11 can be competitive for permanent job openings after I graduate
12 in 2011. But staying in PA would have been a bonus. Well, I
13 temporarily moved to Maryland for the summer of 2008 and
14 continued to gain experience after working for Penn DOT. I
15 enjoyed the internship but I feel that I would have gained
16 more experienced and I would have worked on projects that
17 impacted where I lived and where I traveled. I would have
18 felt a little more satisfied with what I had accomplished. In
19 2009 transportation funding continued to be tight while I was
20 actively looking for other internships in PA. I ended up
21 going back to Maryland but I started later than expected and
22 ended my summer internship early. I personally have been
23 affected by this funding as well.

24 And also a friend of mine who just
25 finished their freshman year at Penn State he ended up with a

1 4.0 this year and he was looking for a lot of internships, did
2 not have one. Most companies turned him down and he was
3 unable to find an internship for the summer. He stayed at
4 Penn State to work with incoming freshman but didn't add any
5 experience to his major. Because of funding, internships have
6 dropped and so many students have been affected.

7 I'm here to emphasize that if funding
8 is approved the students of the future will be greatly
9 impacted. As stated before, with more funding in
10 transportation, more jobs will be generated, meaning more
11 civil engineers will graduate with a level of experience and
12 knowledge in the field already. We are eager for that
13 exposure. We are eager to get hands on and as a new
14 generation we're constantly learning how to be innovative in
15 our thinking. There are students out of all the districts who
16 are now entering college and have the mindset to make an
17 impact on this world. And in stunting that growth by this
18 crisis can be crucial to our future. We see the issues of the
19 road conditions and congestion and we know many people use
20 public transportation. We want to stay here and help PA grow
21 and become an economic leader.

22 We're looking at the opportunity as
23 the glass half full. What can we do to make the state more
24 livable, drivable and significantly beautiful? Give us the
25 opportunity, give us the resources and give us a chance to

1 directly impact this state, our Keystone. Thank you for this
2 opportunity.

3 CHAIRMAN:

4 Thank you, very well done. It's a
5 first that we've really heard about the kind of the human
6 infrastructure part of all this. The brain drain I think is
7 occurring because of we're not properly funding our
8 transportation and infrastructure needs. Any questions?
9 Yeah. We are Penn State, right. Very good, Karlynn, thank
10 you.

11 MS. KERNEY:

12 Thank you.

13 CHAIRMAN:

14 Thank you very much. Okay. Bob
15 Rockmaker is here and a good friend from the --- Executive
16 Director of the Aviation Council of PA. Bob, five minutes,
17 please.

18 MR. ROCKMAKER:

19 Good afternoon, Chairman Markosek,
20 Chairman Geist and distinguished members. It's here today to
21 bring forward the challenges that aviation is facing. I am
22 not going to proceed to read through the testimony submitted.
23 I'm going to shortchange that a little bit and really get
24 right to the heart of the discussion. Where is the clicker?
25 BRIEF INTERRUPTION

1 CHAIRMAN:

2 Would you like somebody to help you
3 click that, Bob, so you don't have to turn around?

4 MR. ROCKMAKER:

5 Do you know how to operate this
6 thing?

7 CHAIRMAN:

8 Do you have the --- here's the sheet,
9 okay. Do we have the system loaded with your ---?

10 BRIEF INTERRUPTION

11 MR. ROCKMAKER:

12 I'm going to continue here.

13 CHAIRMAN:

14 Okay. You're up, Bob.

15 MR. ROCKMAKER:

16 The good news that we're hearing
17 today affecting all modes of transportation, this has been
18 coming to the forefront now for almost ten years. And we have
19 a chart --- I hope it's almost up there. That chart really I
20 think says it all and it really just tells the story. If you
21 look back at the fiscal year, 0001 you can see almost \$15
22 million that was brought in to the aviation restricted
23 account, which is used specifically to fund capital and safety
24 improvements at our public use airports. Go back down, you
25 drop down to where we believe, according to Penn DOT, we're

13 And one more slide. I think this is
14 the use of the funds which we showed the source a minute ago.
15 On the use side, it was running roughly 4.1 million a year to
16 run the Bureau of Aviation, to administer the program. And
17 then you take the additional federal AIP state match, that's
18 another \$3.4 million. We're left with about a half a million
19 dollars in airport or aviated development programming that's
20 coming from the state. So basically at this point our program
21 is under water, seriously in trouble. And we are very deeply
22 concerned. I can tell you that our Board which is made up of
23 not only aviation service companies but airports, it's a
24 broad-based organization, we are in a situation now where we
25 do support user fee increases, absolutely no doubt to that

1 question. We haven't had an increase since 1984. We just
2 dropped back to 1.6 cents on our fuel tax due to a PPI
3 adjustment that's involved right now. So we are seriously,
4 seriously, in deep water. The only way we can get increase in
5 the fuel tax is when the Liquid Motors Fuels (phonetic) opens
6 up. We're not big enough or powerful enough to do that by
7 ourselves. I'd be happy to answer any questions. And I thank
8 you very much. That's really what I wanted to say. I'm
9 submitting some brief testimony as well.

10 CHAIRMAN:

11 Okay, Bob. Thank you very much. Any
12 questions? And we feel your pain. I mean, we've tried to
13 help you as you know. Hopefully we can get all this settled,
14 every modality, including aviation.

15 MR. ROCKMAKER:

16 We appreciate that. And also Rep.
17 Siptroth has submitted a letter to the Governor already and
18 has it on record with copies.

19 CHAIRMAN:

20 Yeah. Rep. Siptroth has been your
21 biggest supporter. He's been tremendous.

22 MR. ROCKMAKER:

23 And we do appreciate by the way, in
24 closing, the elimination of the sales tax at least from the
25 rotary side. PA is --- we're kind of opening up now to the

1 business but we're not open yet, so again we appreciate that
2 support.

3 CHAIRMAN:

4 You're welcome. We share your
5 frustration. Thank you.

6 MR. ROCKMAKER:

7 Thank you.

8 CHAIRMAN:

9 Okay, PA Walks and Bikes. Mr. Josh
10 Karns. Josh, thank you. Five minutes please.

11 MR. GEIST:

12 Josh, do you want your own support
13 guys with you?

14 MR. KARNs:

15 If they would like to join me.

16 MR. GEIST:

17 I think they should.

18 CHAIRMAN:

19 They have to wear their Speedos.

20 Come on, fellas. It's okay.

21 MR. KARNs:

22 This wasn't planned. I've had the
23 support ---. Good afternoon, Chairman Markosek, ---

24 CHAIRMAN:

25 Yes, sir.

1 MR. KARNs:

2 --- and members of the Committee. My
3 name is Josh Karns and I'm the Executive Director of PA Walks
4 and Bikes. First, I'd like to thank you for providing me with
5 the opportunity to be a part of this very important and timely
6 civic discussion.

7 PA Walks and Bikes is committed to
8 developing policies and actions that will enable safe access
9 to pedestrian and bicycle opportunities across the state. We
10 strive to create a complete transportation system that
11 integrates all modes, one which ensures that Pennsylvanians
12 can safely travel on foot, by bicycle, by public transit and
13 in a car. As you consider the challenging landscape of
14 transportation funding, I'm here to remind you of the
15 important rule of walking and biking in both PA's
16 transportation system and the daily lives of many of our
17 citizens.

18 We estimate that four percent of
19 Pennsylvanians walk or bike to work, and 12 percent of all
20 trips in the state are done by foot or bicycle. These
21 statistics are not surprising when one considers that a
22 quarter of all trips are within a mile of the home. Yet PA
23 spends less than two percent of its transportation dollars on
24 bike and pedestrian infrastructure.
25 It would be easy to spend the rest of my testimony talking

1 about statistics, but I wont. If you are interested in the
2 data I will help you find it. But I would like to talk about
3 is the picture that emerges from these numbers.

4 Millions of Pennsylvanian's from all
5 backgrounds walk or bike as part of their regular
6 transportation, and the walkers and bikers among us are
7 disproportionately the more vulnerable members of society.
8 Our children, the elderly, and the poor, in many instances
9 these folks do not have access to an automobile. Despite the
10 need, pedestrian and cycling projects are too often thought of
11 as an add-on to the transportation system and they are the
12 first too get cut when it is time to tighten out belts.

13 One way to build a bike and
14 pedestrian infrastructure is to strategically and expediently
15 spend the funding that is all ready available for these
16 projects. The recent extension of SAFETY-LU, the federal
17 transportation act, ensured funding through December 2010 and
18 restored rescissions enacted in 2009. Included in this was
19 funding dedicated to PA for Safe Routes to School projects.
20 While many states have moved ahead with the call for
21 applications, Penn DOT has indicated that they do not plan to
22 allocate PA's Safe Route to School money at this time. This
23 is despite the demonstrated need and the past success of these
24 projects of the state. We advocate that part of the solutions
25 PA transportation problem must start with the funds that are

1 available today.

2 I personally have been commuting by
3 foot for every day for five years and counting. I have
4 experienced the brutal heat of August, the snow piles in
5 February and the pleasant days in between. Along the road, I
6 have witnessed the danger of inadequate sidewalks and
7 deteriorating pedestrian bridges. At times I have been afraid
8 while stepping rightfully into a crosswalk on a busy street.

9 As you proceed with your
10 deliberations I urge you to consider bicycle and pedestrian
11 infrastructure as a cost effective part of the system.
12 Regardless of the final funding approach, do not sacrifice
13 walking and biking to the preference of other transportation
14 modes. PA needs a complete transportation system. I hope
15 these comments can guide your conversation and I am happy to
16 provide further information or assistance as you move forward.
17 Once again, thank you for this opportunity.

18 MR. GEIST:

19 Thank you. Why don't you introduce
20 the fellows that are with you? I think they're relatively new
21 to bicycling.

22 MR. KARNS:

23 To be honest with you, I'm not --- I
24 don't know all these fellows.

25 CHAIRMAN:

1 Go ahead.

2 MR. SHUBERT (phonetic):

3 I am John Shubert, and I'm tied down
4 at the end. I'll hand the microphone to ---.

5 MR. STAFFORD:

6 I'm Joe Stafford, executive director
7 of the Bicycle Activist Counsel, a statewide advocacy
8 organization. Thank you for including us in these impromptu
9 remarks.

10 MR. SHARP (phonetic):

11 Hello, I'm John Sharp. I'm a
12 founding member of Bike Allentown. Our advocacy group is
13 working to promote bicycling for transportation and recreation
14 within the city. We're very fortunate to be working with Greg
15 Whitesall (phonetic) in Allentown. He's the parks director,
16 and he's been spearheading a very aggressive plan to
17 interconnect our parks with an on and off street trail
18 systems.

19 MR. WALKER:

20 And I'm Fritz Walker and a co-founder
21 and member of Bike Allentown.

22 MR. GEIST:

23 Thank you all very much. I think
24 that one of the things that we want to achieve, if we can
25 raise the revenue, is to continue the really great work that

1 the man sitting right behind you, Mike Crum (phonetic). When
2 he was deputy secretary he integrated so much in the planning
3 and implementation process of foresight and we need another
4 round of that and I just wanted to thank you for your support.

5 CHAIRMAN:

6 Thank you all.

7 MR. SHUBERT:

8 My name is John Shubert, by way of
9 introduction. I've been on the State Bicycle Pedestrian
10 Biking Committee since 1998. I'm the author of three books
11 about bicycling and running and I regularly serve Penn DOT as
12 an expert witness on bicycle accident reconstruction. First,
13 I think it's time to celebrate that our state has done well.
14 In 1997, under the leadership of Chairman Geist, PA ushered in
15 a modest five cent gas tax increase. And right after that the
16 road from my house got repaved. It was a rough job
17 politically to enact that gas tax increase and some of the
18 newspaper editorials I saw, I didn't like very much. But the
19 benefits were immediate, nothing is free, roads have to be
20 paved and these road crews benefited all road users including
21 bicyclists and pedestrians. At the risk of mentioning Rep.
22 Geist, I also note that he led some excellent reforms to the
23 state vehicle code in 1995 and subsequent reforms in
24 subsequent years. We're talking about improvements that
25 benefit non-motorized road users that don't cost money, they

1 just take work. Next, I think we've done well. In 1999, PA
2 became the first state to use Street Smarts as a bicycle
3 driving manual. This is a wonderful manual that actually tells
4 cyclist how to ride safely.

5 Next, under the leadership of Penn
6 DOT engineer Brian Sanders (phonetic), the state developed an
7 excellent bicycle and pedestrian checklist for construction
8 projects that are still on the checklist with the training
9 program implementing the checklist. This program provides the
10 framework to have bicycle and pedestrian accommodations built
11 into every project. Next, former Safety Bureau Director Tom
12 Bryer (phonetic) through a wonderful strike off (phonetic)
13 letter in 1994 forbidding the future use of no pedestrian
14 crossing signs. Next, PA has largely avoided faddish bicycle
15 designs. And in my capacity as an expert witness, I regularly
16 tell people in the Attorney General's office what a good thing
17 that is.

18 Now, here's what I'd like to see more
19 of, and what I'd like to see changed. As everyone before me
20 has said we need more infrastructure repairs to roads and
21 bridges. These roads and bridges, to all road users, nothing
22 is free. And I will do my part to tell my friends and
23 neighbors we're going to have to pay for it.

24 Watch those rumble strips, guys.
25 They are a living heck for bicyclists. Expand Penn DOT use of

1 the bicycle pedestrian checklist and checklist training. It's
2 an excellent program. As far as I'm concerned anyone who
3 designs so much as a parking lot should have had that training
4 within the last three years.

5 Next, bear down on the district
6 offices that pretend they didn't get Tom Bryer's (phonetic)
7 strike off letter about no pedestrian crossing signs. These
8 signs are an affront. We should not be suffering pedestrian
9 accidents because the First Lady of the United States is
10 telling us to get out and be more active. Both are for
11 people, whether the people are in cars or not.

12 My last remark, you'll be under
13 considerable pressure to make our cities' bicycle facilities a
14 little more like Copenhagen. Don't do it. Just one
15 intersection design in Copenhagen has caused a 154 percent
16 increase in collisions. They're not all knowing over there.
17 Instead, look to the City of Bethlehem. Let somebody local be
18 your leader. The City of Bethlehem is state of the art where
19 use of the shared lane markings properly positioned has given
20 all road users correct instruction on the safest places of the
21 road for a cyclist to ride. Thanks.

22 MR. GEIST:

23 Thank you. Joe, you have 57 seconds.

24 MR. STANFORD:

25 Thank you, Mr. Co-Chairman. I'm Joe

1 Stafford, Executive Director of the Bicycle Activists Council,
2 and I understood the purpose of the meeting today was to find
3 funding solutions. I will be very brief because I did not
4 hear a lot of solutions offered today. We all had needs and I
5 will not expand on the needs of the bicyclers and walkers.
6 It's been well covered. I will remind you of what's called
7 the table top speech by Federal Secretary Graylahood
8 (phonetic). I was present at that function in the senate room
9 where he stood on the table top and he said that the bicycling
10 community has a full partner win Graylahood (phonetic). I
11 would suggest that through our Penn DOT and through you, the
12 legislators, find the wisdom to request from Secretary
13 Graylahood that full partnership support. That's where the
14 money will come from. We have a lot of plans in the works.

15 I will praise Penn DOT. I have done
16 so publicly before. I think they're well managed. They are
17 still --- just need funding. They went through a process
18 years ago, the mount bulgers (phonetic) process, and
19 streamlined their management. I think it was well done and
20 they can certainly continue if they're well funded. So with
21 that I'll conclude my remarks. And for the record, that was
22 an inside joke by Rep. Geist of newcomers. I've been around
23 him a long time, John's been around him a long time and we
24 appreciate the opportunity to speak to you.

25 CHAIRMAN:

1 Okay. Thank you. And almost 30
2 years working with Richard Geist and I've never heard him say
3 an inside joke. And he's the master at that. I have to tell
4 you. Okay. Gentlemen, thank you very much. I appreciate
5 it. Okay. Lehigh Valley Economic Development, Mr. Peter
6 Reinke, the Vice President of Regional Development. Is Mr.
7 Reinke here? Okay. We still have the Transportation
8 Construction Industries, Mr. Kim Snyder, President Eastern
9 Industries, Inc. and Mr. Bob Latham (phonetic) who is with
10 him, the champion of transportation making a cameo appearance.
11 But despite of that you only get five minutes.

12 MR. SNYDER:

13 My name is Kim Snyder. I am
14 president of Eastern Industries. We have over 500 employees
15 who work in construction transportation industries. Bob was
16 kind of trying to establish Penn DOT to give you some
17 testimony and when I read it, it became obvious to me that it
18 was full of facts and figures. Facts and figures we've seen
19 before, facts and figures we've heard today. Facts and
20 figures you'll hear after today. So I decided to do just a
21 couple of things and talk about what I call are for us basics.

22 First of all, our way of life as we
23 know as Americans would not exist nor could we maintain our
24 way of life without a world class transportation system.
25 Everybody knows that. That's not in dispute. And in order to

1 maintain the system and our way of life we have to provide the
2 funding to ensure we have the best system in the world.
3 There's no way of getting around the fact that it takes money.
4 It takes unfortunately a lot of money. Nobody likes tax
5 increases, but it's a well documented fact that if everyone is
6 more accepting of an increase, if they know the funds are
7 allocated, it means the funds will be used for specific
8 purposes. That is an acceptable, a more acceptable way of
9 raising the income. And also I would like to remind everybody
10 --- when you talked about gas tax, if you drive a lot, you pay
11 more taxes and if you drive less, then you pay less taxes.
12 Also, it's been over ten years since we've had an increase and
13 there's been testimony with regards to the effects of
14 inflation. And also the fact of improved mileage which is a
15 good thing but that reduces the revenue to support these
16 system.

17 Many times last year I was told about
18 how happy I must have been while submitting a \$787 billion
19 infrastructure building and job creation bill. The problem is
20 it wasn't. That's the wrong name for it. Less than five
21 percent of that money was actually allocated for
22 transportation. It really didn't create any jobs, just the
23 initial work we got, but what it did do was help our
24 employees, who may have worked another four to five weeks as
25 opposed to being laid off earlier and going on unemployment.

1 So we're certainly thankful for that, but it was frankly
2 mis-sold (phonetic). And oh, by the way a little bit of
3 money, relatively speaking, has already been spent and
4 allocated in PA and there is no more. Now what are we going
5 to do? For me it boils down to something very simple and
6 that's jobs and a real economic improvement. No matter what
7 you do it's not going to affect me personally. My family and
8 I are doing just fine. We're very blessed in that way. But
9 it's about my employees. My employees not only lost 30, 40
10 percent of their 401(k) value, but their income has gone down
11 30 to 40 percent. And among our 401(k) has come back, their
12 income is still way, way below where it is.

13 I'm proud we still provide health
14 insurance and other benefits to our employees when they're
15 laid off. But the fact of life is is --- and I don't know
16 what they'd do if they didn't have that, but the fact is their
17 income is way down and they're really, really hurting. Just
18 last month on May 12th, I got a letter from our employees at
19 our Oley facility. I won't read the whole thing, but the last
20 sentence says, we are all wondering do we need to look for
21 other jobs or what? Of course, it is a rhetorical question
22 because there are no other jobs to get. So you know, my folks
23 are hurting and if my folks are hurting that means that
24 everybody else in the industry is hurting.

25 Also, by the way, there's no doubt in

1 anybody's mind that a vast majority of the money spent on
2 transportation stays in the local and state economy, more so
3 then any other dollars spent out there. So with all those
4 basic truths, the facts of life are it's unfortunate that on
5 your watch you have some heavy lifting to do. And I know we
6 talked with regard to increased funding and tax. I understand
7 what the risks are, what the perils are of an elected official
8 to take the stand on increased funding. But frankly, I don't
9 think the Commonwealth nor any of our citizens can wait any
10 longer. I know my employees can't wait any longer and we
11 really need you to step up frankly and start the heavy lifting
12 and we will do everything we can to support that effort.

13 In closing, somebody asked, what's a
14 reasonable gas tax increase? It is 20 cents the first year,
15 10 cents per year for the next three years. And in time any
16 inflationary increase in costs would be to maintain the road
17 system, tying that inflation and tying the increases to that
18 inflation rate. And so with that if there any questions I'd
19 be happy to answer.

20 MR. GEIST:

21 Have you made visits to all
22 legislators in this area, especially newer legislators who
23 don't understand how the funding money is generated?

24 MR. SNYDER:

25 The answer is not reasonable. You

1 know I've always been active --- the Commonwealth and the
2 municipalities are our biggest customers. So I understand
3 that, and we understand, you know, to maintain customer
4 contact. Frankly, I haven't done it recently because, in all
5 honesty with all due respect, I really haven't seen where this
6 is getting corrected. And if I keep on going back and talking
7 to my local legislatures knowing that there's not really the
8 stomach to do what needs to be done in Harrisburg, then I'm
9 worried about my welcome. I really, really am looking forward
10 to the opportunity to see where this whole thing gets some
11 real traction and there's a real chance of it happening. And
12 I can guarantee me and about 300 other employees in Lehigh
13 Valley will be calling on every legislator we've got.

14 MR. GEIST:

15 Dennis will provide the bus.

16 MR. SNYDER:

17 I'm sure he will.

18 CHAIRMAN:

19 Okay. Thank you. And thank you very
20 much gentlemen and your efforts with the Keystone Coalition,
21 et cetera. It's been wonderful, can't do it without you, so
22 thank you very much. Thank you for your time. Okay, Mr. Gary
23 Hoffman? He left?

24 Let's see we have the Reading
25 Metropolitan Planning Organization, ten minutes, and then we

1 have the Lehigh Valley Planning Organization, also for ten
2 minutes. Reading and then Lehigh and that will pretty much be
3 it. So we have Mr. Allen Piper, Senior Transportation Planner
4 with the Reading Metropolitan Planning Organization. I bet
5 you know Dennis. You have ten minutes, sir, and you may
6 proceed.

7 MR. PIPER:

8 Mr. Chairman and members of the
9 committee, thank you for the opportunity to present testimony
10 here today on PA 's transportation funding issues and more
11 specifically their direct impacts in Berks County. You've
12 heard most of my presentation from other people that have
13 talked today, but I'm going to try and skip through this, and
14 get to some of the more probing points. Do we believe there's
15 a transportation funding crisis? Absolutely. In terms of our
16 highway system, District Five last year had indicated that we
17 had an \$82 million backlog just in surface improvements that
18 are required, over 1000 miles of highway in Berks County.

19 We get \$16 million on average a year
20 on highway improvements. At that rate it would take us five
21 years of full funding just to clear the backlog. That doesn't
22 even begin to address the needs that are associated with the
23 base to those roads. And if we don't fix the base for our
24 roads, all we're doing is painting a rotting piece of wood.

25 In terms of our bridges, we have 107

1 structural deficient bridges. In 2009 estimate to fix those
2 was \$250 million. Again, we receive about \$24 million a year
3 for bridges. So that's ten years' worth of full bridge
4 funding just to clear the backlog of structurally deficient
5 bridges. This doesn't include the lane miles for the number
6 of bridges that would fall in to disrepair while we were
7 addressing the backlog. It also doesn't begin to address the
8 32 percent of bridges on municipal roads in other areas. We
9 have some bridges that are 20 feet in length or greater. And
10 even though we do not have a real good documentation for
11 number of the smaller local bridges, I know that that rate
12 will be high for those local bridges.

13 The impact of the I-80 tolling
14 decision, we lost about \$7.5 million a year or \$30 million
15 dollars worth of over the first four-year period. Those funds
16 were targeted towards restoration of safe bridges and one
17 complete bridge replacement on U.S. 422 West Shore Bypass, a
18 bypass through --- 60,000 to 80,000 cars a day. We can't
19 afford not to be able to fix those kinds of bridges.

20 It also resulted in deferral of two
21 betterment projects on sections of Interstate 17. On the
22 transit side, it meant that BARTA has deferred bus
23 replacements, five bus replacements. In going forward it's
24 going to make hard for BARTA to modernize its aging fleet of
25 vehicles, maintain their existing assets and provide service

1 at a reasonable cost to their users.

2 Earlier this year working with the
3 district, when we thought that there was going to be a second
4 ARRA bill, we had set aside some money that we were going to
5 go out and talk to our --- provide funding so municipalities
6 for their local federations (phonetic). The way circumstances
7 fell, we gave them a very short of time frame, less than five
8 days, to get back to us, and that opportunity to use
9 ultimately upwards of \$3 million. We had 16 municipalities
10 that submitted 23 different requests for projects valued at
11 \$12 million, and all of them are good projects. The fact that
12 they put that kind of a list together within a five day period
13 is indicative of the backlog that's out there.

14 Not responding to the funding
15 situation at this point in time is clearly unacceptable. Our
16 infrastructure continues to deteriorate, the ultimate cost to
17 make necessary improvements continues to grow through the
18 combined new tax and the escalating construction costs and the
19 decrease in buying power of the dollars that are available.
20 One of the great ironies that we have is the fact that right
21 now we have such a high number of construction projects that
22 are out there. As a result of what could happen, when it was
23 the first three years of the Act 44 funding, the bond funding,
24 and the ARRA funds, all that ramping up of construction does
25 is make the abyss that much deeper.

1 What will it take to get us out of
2 this hole. Given the figures that I talked about relating to
3 our backlog of needs, a 50 percent funding in increases is
4 still going to take us 17 years to clear the backlog. A 100
5 percent increase is going to take us another --- it will still
6 takes eight years to clear the backlog. In terms of how you
7 reach that, the MPO itself is not taken a specific --- made
8 some specific recommendation in terms of either a goal or
9 method to achieve this. However, it does recognize the fact
10 that whatever funding generated does need to be viable and
11 sustainable. It needs to address highways, bridges and
12 transit and it needs to be distributed in an equitable manner.
13 We don't believe there's one single source that's going to do
14 that. We figure that it's going to take a number of different
15 options, a combination.

16 We also do continue to feel that the
17 state continues to support our federal partners in terms of
18 getting the initial revenues from the Federal Highway
19 Administration Act and the reauthorization of safety ---.
20 To this point I've focused exclusively on basic maintenance.
21 We have our long range transportation plan that's going out to
22 the public to review beginning next week. At the very end of
23 that report it contains a list of over 40 highway projects
24 that have been related primarily to safety, mobility,
25 congestion relief and systemization. Those projects that we

1 have under the current scenario, the total value for that list
2 is over \$850 million and that doesn't include the bridge that
3 we discussed as part of the backlog.

4 I've come before this Commission, the
5 17 members of the State Transportation Commission earlier in
6 my career over, over, and over again. And we didn't really
7 talk about some of the same projects. We've broken these
8 projects down in to smaller pieces, and the smaller pieces and
9 I hope that we're able to incorporate these into our program.
10 In some cases we've been successful and in some cases we have
11 not.

12 Any additional funding beyond our
13 basic needs would allow us to come back and begin to address
14 some of our more significant needs in our counties such as
15 upgrades to the bridges, pavements and substandard
16 interchanges on that West Shore Bypass that I talked about
17 which is at the heart of our urban area. It would allow us to
18 begin to make improvements to U.S. 222 North between Reading
19 and Lehigh Valley. And we support Route 22 East to enhance
20 our economic viability. And make improvements to U.S. 422
21 West Route PA 100 and PA 23 corridors to expand the transit
22 services to ease congestion in our communities. We realize
23 that the days of building expressways are over but any funding
24 scenario that does not include at least some opportunity for
25 modest capacity and projects will lead to stagnation or

1 decline of our economies and communities as the efficient
2 movement of people, goods and services will be compromised.
3 Thank you for your time and I'd be available to answer any
4 questions that you may have.

5 CHAIRMAN:

6 Okay. Thank you, Allen. I
7 appreciate that very much. Rep. Mike Carroll.

8 MR. CARROLL:

9 Thank you, Mr. Chairman. Your
10 testimony really sums up the crux of the problem here. You're
11 making a claim for all these projects that you need to have
12 funded to maintain the network and talking about a new
13 capacity. And the testimony says that Reading MPO is taking
14 no action to prescribe either a specific role or increased
15 funding or a method to achieve that goal. Am I to believe
16 then that the Reading MPO isn't willing to stand with us in
17 support of the fee increase of some sort to raise the money?

18 MR. PIPER:

19 No. I don't mean to present it that
20 way. The issue has never been fully presented to them in
21 terms of making specific recommendations today. They fully
22 supported the need to raise funds. They just have not
23 indorsed a specific plan for that.

24 MR. CARROLL:

25 Has the MPO considered the prospect

1 of a fuel tax increase?

2 MR. PIPER:

3 We have not discussed that yet.

4 MR. CARROLL:

5 What funding options have you
6 discussed?

7 MR. PIPER:

8 We've discussed all the options in
9 reviewing both the funding report, commission report and the
10 recently released tack (phonetic) report, however, they've not
11 taken a position on anything.

12 MR. CARROLL:

13 It really is going to be a challenge
14 for all of us, because at the end of the day there's going to
15 have to be a very tough voter, and the folks in Berks County,
16 I'd like to think, are going to be participants in this
17 effort, not just the other 66 counties of the state. So I'm
18 hopeful that folks in Berks County will take a hard look at
19 the choices that we have and come forward with an endorsement
20 on an effort to try and raise the money that we need because
21 at the end of the day we're all going to have to pull
22 together.

23 MR. PIPER:

24 I'm certain that our MPO will endorse
25 raising revenues.

1 MR. CARROLL:

2 Great. Thanks.

3 CHAIRMAN:

4 Yeah. I think that's a good point
5 that Rep. Carroll brings up. I know Rep. Geist being part of
6 the State Transportation Commission with Dennis Wertz
7 (phonetic) you hear from MPOs, RPOs all the time with their
8 wish lists, so to speak. We can't always provide that. We
9 had one group that we were at a meeting where they asked us or
10 they said something about the MPOs and the RPOs were either
11 suing each other or whatever because they thought MPOs got
12 more money than RPOs. And you know, I said hold up everybody.
13 We treat everybody the same. We're not giving anybody any
14 money so ---. I don't know if Dennis remembers that one, but
15 anyway, I want to thank you, sir. I appreciate it very much.

16

17 MR. PIPER:

18 Thank you.

19 CHAIRMAN:

20 I don't want to say last but not
21 least, but first in our hearts I'll say Lehigh Valley Planning
22 Commission, Mr. Joe Gurinko who is the Chief Transportation
23 Planner. And Joe you've got ten minutes. Before you start,
24 and shame on me for not introducing a former colleague, Rep.
25 Ray Fone (phonetic), who is here today. And I think Rick and

1 I were just talking. I don't think the state threw hearings
2 this long when you were a legislator. He was here from the
3 start. But you're always welcome, Ray, thanks. It's good to
4 see you again. Mr. Gurinko, you may proceed, ten minutes,
5 sir.

6 MR. GURINKO:

7 Thank you for the opportunity to
8 present in this important matter. My name is Joe Gurinko, I'm
9 the Chief Transportation Planner for the Lehigh Valley
10 Planning Commission which is the regional planning agency for
11 Lehigh and Northampton counties. In addition we serve a staff
12 to the metropolitan planning organization, a Lehigh Valley
13 transportation study. Transportation study is made up of
14 Representatives from Lehigh County, Northampton County, the
15 cities of Allentown and Bethlehem, Easton, the LVTS, LANTA,
16 Lehigh Northampton Airport Authority and Penn DOT.

17 LVTS is responsible for setting
18 transportation priorities for the region. The reason I
19 mention this coordinated effort is because it is an effort
20 that not only looks at highways and bridges but also looks at
21 transit needs. It looks at all modes of transportation,
22 including pedestrian and bicycling.

23 Through LVTS, we work closely with
24 the counties, with Penn DOT and with the 62 municipalities in
25 the region to develop transportation programs. The projects

1 are prioritized using investment contained in the regional
2 transportation plan. And that plan is closely coordinated
3 with the regional comprehensive plan. Not only in issues of
4 transportation, but also dealing with agricultural
5 preservation, with natural resource protection, land use and
6 economical development. So we do take a look at kind of the
7 whole picture as we're going through and developing our
8 priorities.

9 Lehigh Valley is now going through a
10 period of extraordinary growth. During the decade from 1990
11 to 2000 area grew by 7.6 percent. From 2000 to 2009 according
12 to census estimates, we've all ready grown nearly 11 percent.
13 We expect that when the census numbers come out, this area
14 will be home to close to 650,000 residents. Of course, with
15 that growth comes byproducts, byproducts of safety issues and
16 congestion issues. And our plan, our transportation plan is
17 an attempt to resolve those issues, but the plan also attempts
18 to resolve issues dealing with revitalization of the region's
19 three cities. And these are just some of the issues that help
20 to define our transportation needs.

21 You've heard extensive information
22 from Mike Rebert regarding the maintenance needs in the six
23 county area. In working with Penn DOT and also local
24 municipalities, we estimate that over the next 20 years we'll
25 have a need of more than \$1.6 billion for maintenance alone.

1 That unfortunately exhausts the transportation funding of \$1.5
2 billion that we expect to see over the next 20 years. Our
3 needs obviously go well beyond maintenance.

4 We identified more than \$1.2 billion
5 in mobility projects over that one-year period. You heard Mr.
6 Davis' testimony regarding Route 22, Lehigh Valley's main
7 street. In 2001, our planning commission studied long term
8 needs in order to responsibly address future safety, mobility
9 and maintenance needs along that corridor. We recommended
10 widening of that facility, and currently the transportation
11 addressed program addressed it as the highest priority for
12 that corridor. However, that's been the focus of a
13 downsloping effort by Penn DOT and while downsloping efforts
14 can help to save money, the need for that project doesn't go
15 away. So we're in the process of segmenting that project into
16 three phases. The remainder of Route 22, through Route 33
17 still must be addressed at a rough cost of \$900 million in
18 2010 dollars. Not included in that overall shortfall, when
19 you look at the table on the last page of the testimony, there
20 are 11 corridors listed in the bottom of this page. These
21 corridors have been identified through the planning process as
22 being some sort of congestion relief needed at some point over
23 the next 20 years. However, they haven't been studied in
24 detail and therefore they do not identify a costs of
25 improvement.

1 Safety is a high priority for the
2 Valley. Over the last few years, since 2005, fatalities in
3 Lehigh Valley have trended downward. And that's one trend we
4 want to see continue obviously. You identified another \$171
5 million worth of safety needs over that 20 year period. These
6 needs have a wide range of impacts. They go from new
7 interchange configurations down to low cost improvements such
8 as improving signage, cutting back foliage to improve sight
9 distance. While these are small projects, they're still
10 projects that save lives. Transportation enhancement projects
11 that focus largely on non-motorized issues, to provide
12 pedestrian and bicyclist safety to provide new crosswalks,
13 providing trails that are separate from streets, providing
14 sidewalks in areas that are used by schoolchildren.

15 The sum of the highway and bridge
16 needs that I described are about \$3 billion. Once you
17 subtract the 20 year expected funding that we haven't
18 projected we're left with an approximate shortfall of more
19 than \$1.5 billion. We realize we're not unique. Lehigh
20 Valley has a much longer list of needs than financial
21 resources. We will continue to work closely with Penn DOT in
22 trying to address the most critical Lehigh Valley
23 transportation problems. However the funding gap that we have
24 right now is too wide to even maintain status quo. Additional
25 sources of revenue must become in order to keep the

1 Commonwealth economically viable. Thank you.

2 CHAIRMAN:

3 Okay. Thank you, sir. Rep. Mike
4 Carroll.

5 MR. CARROLL:

6 Only because I don't want to be
7 accused of picking on Berks County. Any ideas?

8 MR. GURINKO:

9 Again, we're very similar to the
10 Berks County MPO. The MPO has not addressed specific ways to
11 meet those needs. They certainly recognize the need for
12 increased funding, however, I think the point of the MPO ---
13 it's kind of like asking a barber if you need a haircut. The
14 point of an MPO saying that we need more money is in a way
15 self-serving. And I can appreciate the political
16 ramifications of the different options that are presented to
17 the legislature as potential fixes, and therefore I'm not sure
18 there's much value in the Lehigh Valley MPO saying we support
19 a 30 cent gas tax increase.

20 MR. CARROLL:

21 Well, maybe I didn't phrase the
22 question right. I think we're looking for partners in this
23 effort.

24 MR. GURINKO:

25 And you certainly have them in the

1 MPOs.

2 MR. CARROLL:

3 But not just the MPOs, the folks that
4 comprise the MPOs, the elected officials in the county, in the
5 cities, and local governments. It really is an effort that
6 we're going to look for partners, because at the end of the
7 day what we are engaged in is an educational process around
8 the state. This hearing today and the others that follow and
9 the ones that preceded this one are an effort to try and get
10 the message out. Yes, we have all sorts of road and bridge
11 projects and they're going to cost us some money. And I do
12 appreciate the testimony --- I don't know if it was yours or
13 others --- that talked about the federal reauthorization of
14 state people. But at the end of the day that's not going to
15 be the only solution for the state. We have to solve the
16 problem on our own.

17 MR. GURINKO:

18 We recognize that and part of the
19 reason why I explained the affiliations was because these are
20 the people who recognize the needs are there. And they are
21 the supporters. The question was asked earlier whether the
22 general public is aware of this. And I think to a large
23 extent the infrastructure is taken for granted until you have
24 a catastrophe. But those people who sit in there in the open
25 meetings --- and incidentally we have a very good legislative

1 attendance in our MPO meetings --- know of the needs and
2 recognize that. In order to address these needs we need to go
3 through some pain to get there.

4 MR. CARROLL:

5 I appreciate that. And I do think at
6 the end of the day, if we do a good job in educating the folks
7 and highlighting the need, then we'll get the support that we
8 need. And this is not a popular effort with respect to the
9 gas tax increase or any other fee increase. But we think that
10 the public will embrace an effort to dedicate the funds to the
11 projects that are needed in their community or around the
12 state. So that's what this is all about. So I'm hopeful that
13 your MPO and the Berks County folks can be part of this as we
14 continue the educational process of trying to bring to the
15 forefront the need to be able to raise the funds we need to
16 solve the problems we have in each community.

17 MR. GURINKO:

18 I believe you truly have that
19 support. Thank you.

20 CHAIRMAN:

21 Okay. Rep. Geist?

22 MR. GEIST:

23 Thank you very much. It's been a
24 long day, another really productive day. We're iterating the
25 same message all over the state. It's really time for all

1 hands on deck. The effort that has to be made is we really
2 need to be together. I agree with my friend Mike Carroll that
3 --- and he whistled a little differently than I did, but it's
4 got to be all of us to show PA it's not going to be bailed out
5 by the Federal Government. And anybody in planning who tells
6 you that SAFETY-LU is going to happen soon, I've got a bridge
7 I'll sell them. We really need to be about the business of
8 fixing our own shop. And I think that what Joe and the rest
9 of this Committee is doing and the rest of us, is sending that
10 message very loudly and clearly. Now we need you, your MPO
11 and the other MPOs and the people that have their hands out,
12 to start talking about fixing it. I've been on the State
13 Transportation Commission for 30 years. I'm hearing the same
14 requests for 30 years. And now we really got to get going and
15 get it done. We have a window of opportunity. I think it's a
16 very good window of opportunity and we have a Governor who's
17 going to sign all the bills. It's up to us now to produce,
18 and that means us collectively pastorally. Thank you.

19 CHAIRMAN:

20 Okay. Thank you, Rick. Thank you,
21 Mr. Gurinko. I appreciate that. Just a couple of things to
22 close here. In case you haven't had enough information about
23 transportation we have another hearing starting tomorrow
24 morning at 10:00 in Philadelphia at St. Joe's University, at
25 the Mandeville Center on the campus of St. Joe's. And

1 certainly you're all invited to attend if you'd like.

2 I'd like to thank the members who
3 attended here today who took time out. Some traveled pretty
4 far to get here. I'd be remiss in not saying thank you to our
5 wonderful staff of both committees and parties, who do a lot
6 of work, again just a tremendous amount of work for this. And
7 last but not least, our hosts here. Certainly the folks from
8 the Mike and Ike area here. They've been really nice to us
9 all the time we come up here, the chambers and all the other
10 folks. And last, to DeSales University, what a wonderful
11 sight this has been. This has been enjoyable to be here. And
12 I look forward to seeing you all again on the trail and thank
13 you very much. Meeting adjourned.

14 * * * * *

15 HEARING CONCLUDED AT 5:23 P.M.

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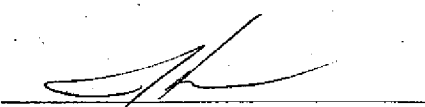
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Court Reporter

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