

Testimony of Leeann Sherman
American Council of Engineering Companies of Pennsylvania
(ACEC/PA)
House Transportation Committee Hearing on
P3 Major Bridge Initiative
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Chairman Hennessey, Chairman Carroll, and members of the committee, thank you for the opportunity to provide testimony today. I have with me today our association President-Elect, Eric Veydt, Vice President for Gannett Fleming, Incorporated. I am Leeann Sherman, executive director for the American Council of Engineering Companies of Pennsylvania, a trade association representing over 11,000 engineering consultants throughout the commonwealth which employ engineers, architects, land surveyors, scientists, technicians and various other professionals and administrative staff.

From the industry's perspective, Act 89 of 2013 was unquestionably the single-most important piece of state legislation over the past decade. Since the beginning, many have spoken to the benefits realized by the Commonwealth and we certainly agree that it has had a significant impact on safety and mobility of the infrastructure network; but we are all too aware that it was not going to be a sustainable long-term funding solution for Pennsylvania's aging infrastructure. At the time of its passing, the TFAC report showed a substantial gap which would only continue to grow. Now is the time to create a sustainable long-term funding solution Pennsylvania can depend on.

Over a decade ago, Pennsylvania was faced with critical choices on how to solve several extremely important issues not only for our residents but visitors, commerce, tourism, and developers. Public Transportation serves all 67 counties and was being strained in both rural and urban communities alike, passenger rail, air and seaports needed attention, our highways both state and local could no longer be improved by maintenance but needed reconstruction and the condition of our bridges were deteriorating. We, Pennsylvania, needed a true investment in our infrastructure.

The passage of Act 89 provided a much needed \$2.3 billion-dollar investment and created the dedicated Multimodal Fund. This did not happen without many conversations,

partnerships, education, study after study showing findings of need and a coalition of groups coming together for the betterment of Pennsylvania. As one of only a handful of states who passed such legislation at that time, we have since seen so many more recognize that this kind of dedicated effort must be accomplished and continued to further create a more stable tomorrow. Advancements in technology, changing commuter habits and consumer preferences have highlighted that our reliance on a revenue stream tied to a tax on gasoline is not sustainable and frankly, we all knew it would not be the long-term revenue stream solution.

Many people wondered if our industry and others could handle the increases put upon us with the influx of projects, challenges and honestly if we all had the workforce to handle the increased workload for design and construction to make improvements to the infrastructure that Act 89 would bring. I can tell you that we were, and we did. Not alone of course but with public and private partnerships, associates from across sectors and industries alike, blue, and white-collar workers and a coming together of businesses and state government to set us on a path for the future.

The jobs Act 89 has created are not only in the engineering sector but across all sectors as we continuously partner and collaborate with other industries to solve issues and challenges and build a better community by building a better infrastructure in Pennsylvania. What we want for visitors and residents alike is a commonwealth which puts safety, mobility, economic viability, and quality of life in the forefront.

In large part, Act 89 is responsible for creating the dedicated funding to reduce the number of Structurally Deficient Bridges through Innovative Procurement Methods, like the P3 for the Rapid Bridge Replacement Project. The RBR Project replaced 558 bridges with the remainder of the bridges being replaced through conventional funding and procurement methods. The reduction of the number Structurally Deficient Bridges is a very important goal, but it also comes with the cost of diverting funds from roadway projects that require maintenance, restoration, rehabilitation, and reconstruction. Our bridges still need attention to fix deteriorating conditions and our roadways is also in need of that same attention.

About 100 of the state's structurally deficient bridges are on interstate highways. Nine of the 10 most traveled structurally deficient bridges were in Philadelphia County, which includes the entire city of Philadelphia. According to the ASCE (American Society of Civil Engineers)

recent scorecard, of the 22,911 bridges in Pennsylvania, the FHWA classified 15.3% (3,501 bridges) of them as structurally deficient in 2019. This is down from 4,701 bridges in 2015 but there are still so many.

There are many obstacles we still face as passing Act 89 was not a cure for the future of our infrastructure. Act 44 requires the Pennsylvania Turnpike Commission to provide \$450 million per year for public transportation and projects but this will sunset very soon in 2022 and we need to ensure a reliable source of funding will be there when it does. To date, we have not heard solutions to this impediment, but we are confident that not only the engineering industry, but many others will continue to speak of the need for reliable, stable, dedicated, and sustainable transportation funding for Pennsylvania and hopefully some viable options will come from the Transportation Revenue Options Commission to which I am serving with many others including legislators, partners, associations, and various stakeholders. As you know, this was announced by the Governor just recently and our work begins tomorrow. We must continue what has been started with Act 89 and we, ACEC/PA are here to help you do that.

As infrastructure and construction projects have increased, we have also increased jobs in Pennsylvania and an opportunity for companies to grow and prosper. This means more mothers, fathers, brothers, and sisters in the industry working on these projects. While it builds our economy and provides a stable livelihood for so many Pennsylvanians, it also brings to light that without the proper funding mechanisms, these projects are not possible nor are the jobs they bring with them.

While we must focus on a long-term sustainable funding solution for Pennsylvania's infrastructure, we also need to ensure we approach all projects with efficiency. We applaud PennDOT for taking the lead and working to develop a method to not only fix nine of the major bridges in PA, but they are a very small fraction of the over 100 structurally deficient bridges that require attention immediate attention in our aging infrastructure. In comparison, the Rapid Bridge Replacement Project was 558 bridges, much more than the 9 in the P3 Major Bridge Initiative. The RBR made important progress on 'Last Mile/First Mile' Bridges which are exceedingly important to the livelihood of Pennsylvanians. The Interstate Bridges are also critical to our economy and mobility.

With an unmet need of over \$8.1 billion and growing, the Motor License Fund is not able to adequately fund these bridge enhancements let alone the hundreds of other projects that are needed every year. We must find a dedicated funding source for the PA State Police which is NOT out of the Motor License Fund while also developing a long-term sustainable funding mechanism for the state's infrastructure to ensure safety and quality of life not only for Pennsylvanian's but our visitors alike.

For many years, the focus has been on more locally needed projects within PennDOT's districts as our interstate highway system aged and now the attention has had to be shifted to our interstates. We cannot choose to wait to fix, maintain and enhance our infrastructure because the conversations and decisions are hard. We must work together to find not only revenue solutions but alternative funding options for projects that meet the needs of Pennsylvania's infrastructure and the safety, quality of life and economic viability of the commonwealth. These may include those being discussed in the Transportation Quality Initiative (TQI) with industry, PennDOT & the PA Turnpike; PennDOT's P3 Major Bridge Initiative or various others that are currently within PennDOT's legislative purview or those which are yet to be legislatively permitted. We need to be creative together to ensure the most efficient procurement method is used for each project and be certain that we have set Pennsylvania up for success with a revenue options to allow these projects to be fulfilled, addressed now, and ensure future generations of Pennsylvanians have a safe and efficient infrastructure system.

The pandemic has only exacerbated the need for funding and attention to our aging infrastructure as it brought to the forefront what we all knew would happen at some point after the passage of Act 89, a reduction in revenues, especially with the impending Act 44 sunset around the corner.

In summary, I urge the following:

- Create a dedicated and sufficient long-term sustainable revenue stream for Pennsylvania's growing infrastructure needs that provides for safety, quality of life and economic viability for the commonwealth.
- Ensure monies are not diverted from the Motor License Fund or any fund dedicated

to transportation and transportation infrastructure for non-transportation related items

- Discuss and develop a solution for the sunset of Act 44 monies from the PA Turnpike Commission

Thank you again for the opportunity to provide testimony.

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