

P. MICHAEL STURLA, CHAIRMAN
414 MAIN CAPITOL BUILDING
P.O. BOX 202096
HARRISBURG, PENNSYLVANIA 17120-2096
(717) 787-3555
FAX: (717) 705-1923



HOUSE DEMOCRATIC POLICY COMMITTEE

WEBSITE: www.pahouse.com/policycommittee
EMAIL: policy@pahouse.net
@PADemPolicy

House of Representatives
COMMONWEALTH OF PENNSYLVANIA

HOUSE DEMOCRATIC POLICY COMMITTEE HEARING

Topic: Transportation

Bucks County Community College – Newtown, PA

April 1, 2019

AGENDA

2:00 p.m. Welcome and Opening Remarks

2:10 p.m. Panel from State Agencies:

- Ken McClain
District 6 Executive, Pennsylvania Department of Transportation
- Charles Duncan
Director of Legislative Affairs, Pennsylvania Turnpike Commission

3:00 p.m. Panel Two:

- Stephanie Shanblatt, Ph.D.
President
Bucks County Community College
- Joe Coccio
Secretary Treasurer
Transportation Workers Union Local 234

3:40 p.m. Closing Remarks

Testimony on Transportation Infrastructure in Southeast Pennsylvania

Kenneth M. McClain

District Executive, Engineering District 6
Pennsylvania Department of Transportation

House Democratic Policy Committee Hearing

April 1, 2019



Good afternoon committee members and staff. I am Ken McClain the District Executive for PennDOT's Engineering District 6. Thank you to Representative Warren for hosting this hearing and to the Policy Committee for the opportunity to testify before you and discuss transportation issues across Pennsylvania and how they relate to District 6.

PennDOT is broken up into 11 Engineering districts. District 6, which I represent, is comprised of five counties: Bucks, Chester, Delaware, Montgomery and Philadelphia. We are responsible for 3,553 miles of state highway, or 9,739 lane miles; 2,769 bridges; and 92 miles of interstate highway. While this heavily populated district only encompasses seven percent of Pennsylvania's land mass, it is home to 33 percent of the state's population; nearly 50% of the state's traffic signals; 11% of its bridges; 24 percent of all registered vehicles; and 24 percent of the daily vehicle miles traveled in the state.

Testimony from my counterparts to this committee have warned that the Commonwealth was operating on a \$3.5 billion gap between identified transportation infrastructure needs and the current funding allocation. In a 2011 report by the Transportation Funding Advisory Commission, transportation infrastructure needs in 2010 were \$8.3 billion. While \$8.3 billion was needed to properly maintain and address our transportation network, only \$4.8 billion was being invested in transportation. In 2019 that problem has only grown.

The Transportation Funding Advisory Commission reports that current funding needs have increased from \$8.3 billion to \$11.5 billion, a 38.5% increase since 2010. The increase is due to increased construction costs and the continued deterioration of our network as a result of inadequate funding. With current federal and state funding at \$8.6 billion, our unmet need for 2020 is now projected to be \$7.2 billion, more than twice the \$3.5 billion in unmet need from 10 years prior.

Currently, Pennsylvania has the second highest number of bridges in poor condition in the nation with nearly 2,900. Our bridges are a critical part of our state transportation system, with most over 50 years old and exceeding their design life. We must continue to invest in our bridge program to address bridges in poor condition and keep more bridges in good condition.

Another area that requires critical resources are our interstates and roadways, but the interstate system is funded at less than 50% of basic cyclic need. Each year approximately \$460 million is allocated to interstates, yet the funding needed to simply conduct cyclic maintenance and get to a state of good repair should be \$1.2 billion, more than double the current allocation. Even more funding is needed to address reconstruction needs, modernization, and to make strategic investments to address freight movement needs and capacity issues. Funding for the National Highway system is even more dire. Excluding the Interstate portion, the National Highway System roads are currently funded at \$742 million, but the cost of basic cyclic maintenance is \$2.2 billion, triple our annual investment.

Governor Wolf has recently proposed Restore Pennsylvania, a major infrastructure initiative which will begin to address some of these needs. Restore Pennsylvania will provide funding for local road upgrades and the repair of four-digit state roads; create new flexible funding options for businesses that need local infrastructure upgrades to enable development projects; and

multimodal and large-scale capital projects for transit. Restore Pennsylvania is an important first step in addressing the Commonwealth's infrastructure needs.

In Southeastern Pennsylvania, PennDOT faces transportation challenges due to aging infrastructure and the congestion motorists face daily when traveling in the nation's 5th largest metropolitan area. The infrastructure needs in District 6 significantly outweigh the financial resources available to meet them; however, we are utilizing and carefully managing available federal and state dollars to address the most pressing needs.

Of the 11 engineering districts across the state, District 6 is home to PennDOT's largest construction and design programs.

District 6 has let an average of \$576 million a year in transportation improvement projects over the past five years (2014-18), including the resurfacings of Interstates 76 and 95; reconstruction of sections of I-95; and major corridor improvements on U.S. Routes 1, 202, 422 and 322.

Today, there are 130 transportation improvement projects under construction in the region worth \$2.5 billion dollars. Among these projects in Bucks County are the \$97.3 million widening and improvement of U.S. 1 in Bensalem; \$5.1 million replacement of the Route 611 bridge over Cooks Creek in Durham Township; \$4.5 million replacement of the Main Street Bridge over Perkiomen Creek in Sellersville; and \$3.7 million Quakertown area traffic signal improvements.

District 6's portfolio of transportation improvement projects currently in engineering design consists of 301 projects worth a total value \$6.8 billion. In Bucks County, there are 45 projects worth \$659 million. Among these future projects are additional sections of the U.S. 1 improvement program; the rehabilitation of the Route 309/Sellersville Bypass; and the improvement of Route 532 at Buck Road.

This investment has enabled District 6 to reduce the number of bridges in Poor Condition from more than 600 in 2009 to 398 today. In addition, the amount of bridge deck area in Poor Condition has been reduced from a high of nearly 20% in 2009 to 8.8% today. Improvements are steadily being made, but challenges remain because many older bridges move into the Poor Condition category each year.

District 6 has worked aggressively to resurface roads in the poorest condition with available funds; however, the massive size of the state highway system makes pavement conditions another difficult challenge. Act 89 has been extremely beneficial in increasing the size of the district's annual resurfacing program. From 2014 to 2018, the district resurfaced 1,010 miles of state highway, including 246 miles in Bucks County. In 2019, we plan to resurface over 285 miles, including over 60 miles in Bucks County.

Resurfacing to seal pavements is critical to provide smooth roads and combat difficult winters seasons, which often result in early and damaging outbreak of potholes.

Over the past three years (2016-2018), District 6 invested an average of \$6.5 million annually to place an average of 11,800 tons of patching material on state roads. Thus far in 2019, \$2.5 million has been spent to place 3,115 tons of patching material, including 1,054 tons in Bucks

County. Crews are working daily to fill potholes and we plan to take advantage of patching on Saturdays when asphalt plants are available.

In District 6, we also fight an uphill battle with litter and debris strewn along our roadsides. In 2018, \$5.2 million was spent to remove litter in the region, a dollar amount that could have been used to resurface 26 miles of poor pavement. Typically, within two weeks of completing a litter pickup operation, travelers cannot even tell our crews just cleaned the area.

Finally, regarding traffic congestion, District 6 is implementing the use of Active Traffic Management strategies within congested corridors, such as I-76 and I-476, to enhance traffic flow. The implementation of part-time shoulder use, ramp metering, junction control and variable speed limits will enable the department to utilize technology to increase capacity.

Complimenting this advanced technology will be PennDOT's new Regional Traffic Management Center, which will be built adjacent to the District 6 office building in King of Prussia. This 37,000-square-foot facility, which will replace the current, cramped center, will provide superior capability to best manage the expanding inventory of components in use today and in the future to enhance traffic operations and inform travelers on major highways in the region. We anticipate the new facility to open in late 2021.

Thank you for the opportunity to present on Pennsylvania and District 6 transportation issues and subjects. I welcome any questions the committee has for me at this time.

PA TURNPIKE COMMISSION



House Democratic Policy Committee

April 1, 2019

WHERE DOES YOUR TOLL DOLLAR GO?

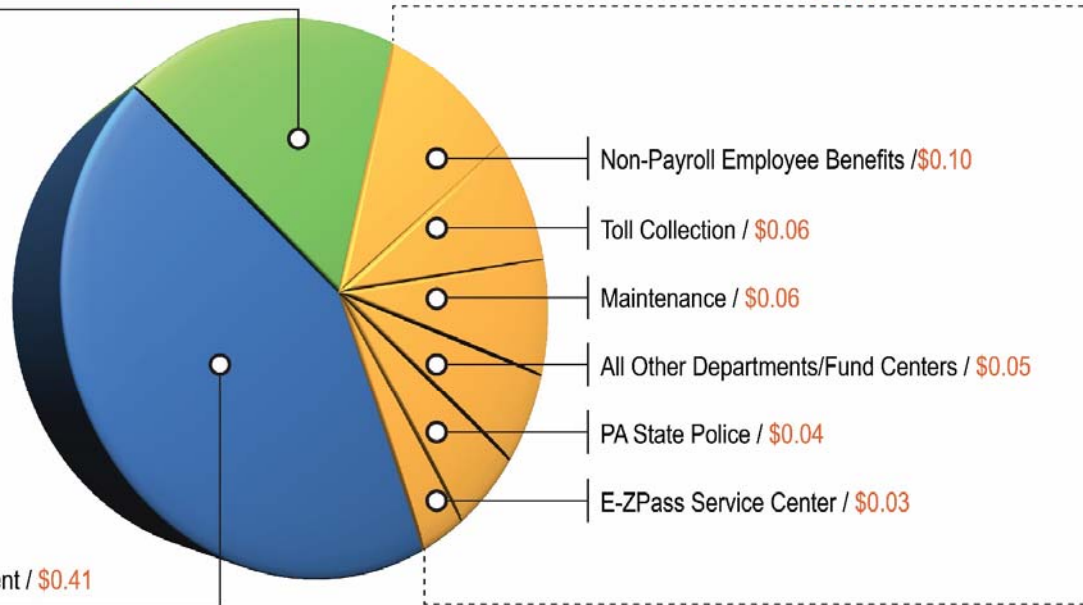
WHERE DOES YOUR TOLL DOLLAR GO?

Total = \$1.00

2012 TOLL DOLLAR		
ACT 44	\$0.18	↑ 7¢
OPERATING EXPENSES	\$0.40	↓ 6¢
CAPITAL IMPROVEMENT	\$0.42	↓ 1¢

Act 44 Supplemental Funding / \$0.25

Operating Expenses / \$0.34



*The amount listed for capital improvement and related financing includes the paygo portion of our capital plan, debt service on our Mainline Senior debt and other costs financing our Capital program.

*Information presented is as of FY17

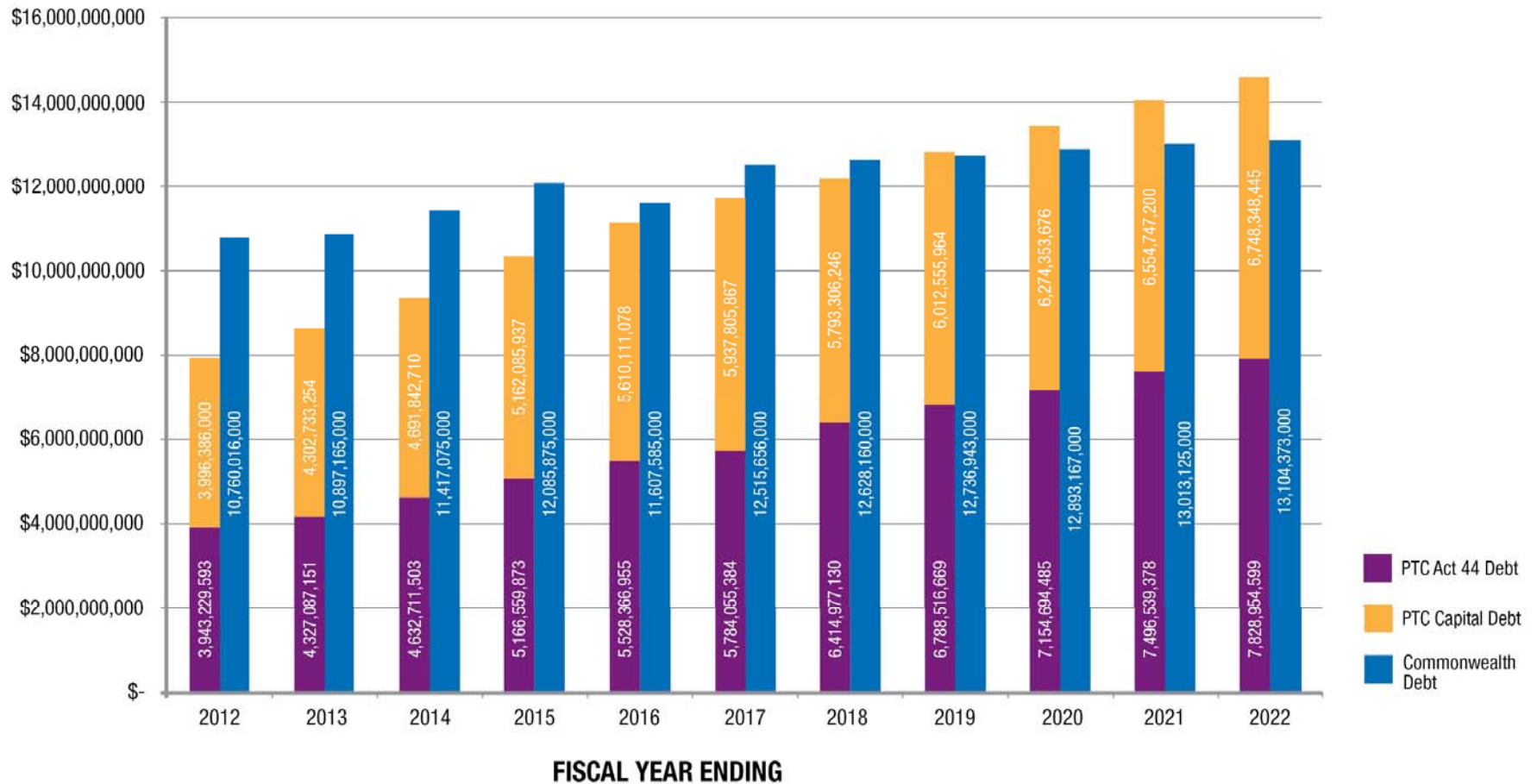
OFF-TURNPIKE FUNDING

ACT 44 PTC CONTRIBUTIONS				
\$ in billions				
	2007-2017	2018-2022	2023-2057	TOTAL
HIGHWAY and BRIDGES	\$ 2.250	\$ -	\$ -	\$ 2.250
PUBLIC TRANSIT	\$ 3.400	\$ 2.250	\$ 1.750	\$ 7.400
	\$ 5.650	\$ 2.250	\$ 1.750	\$ 9.650

CURRENT PROGRAM though FY22 = \$450 million in annual funding contributions

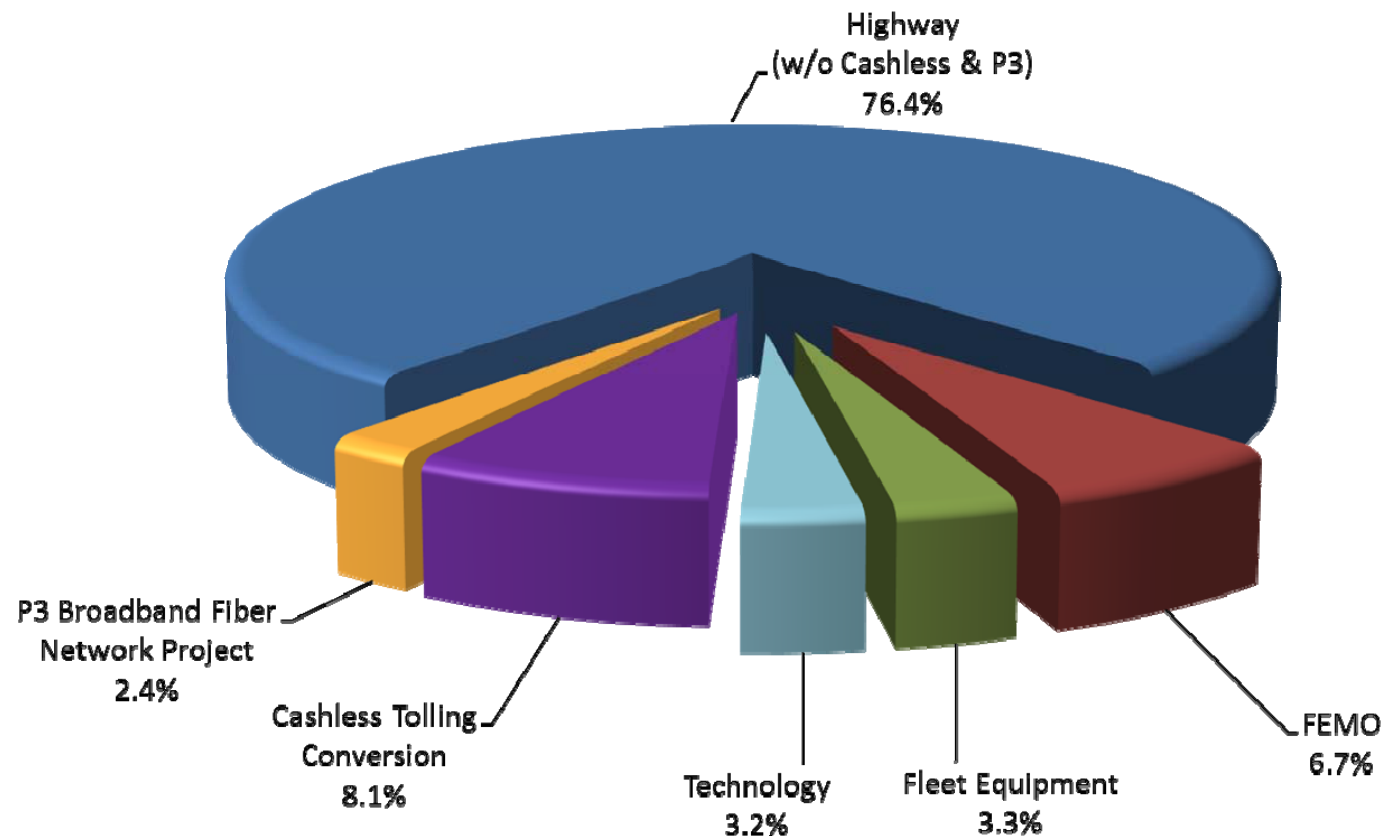
- \$420 million for public transit (capital and operating)
- \$30 million for multi-model transportation

PTC VS PA GENERAL OBLIGATION DEBT



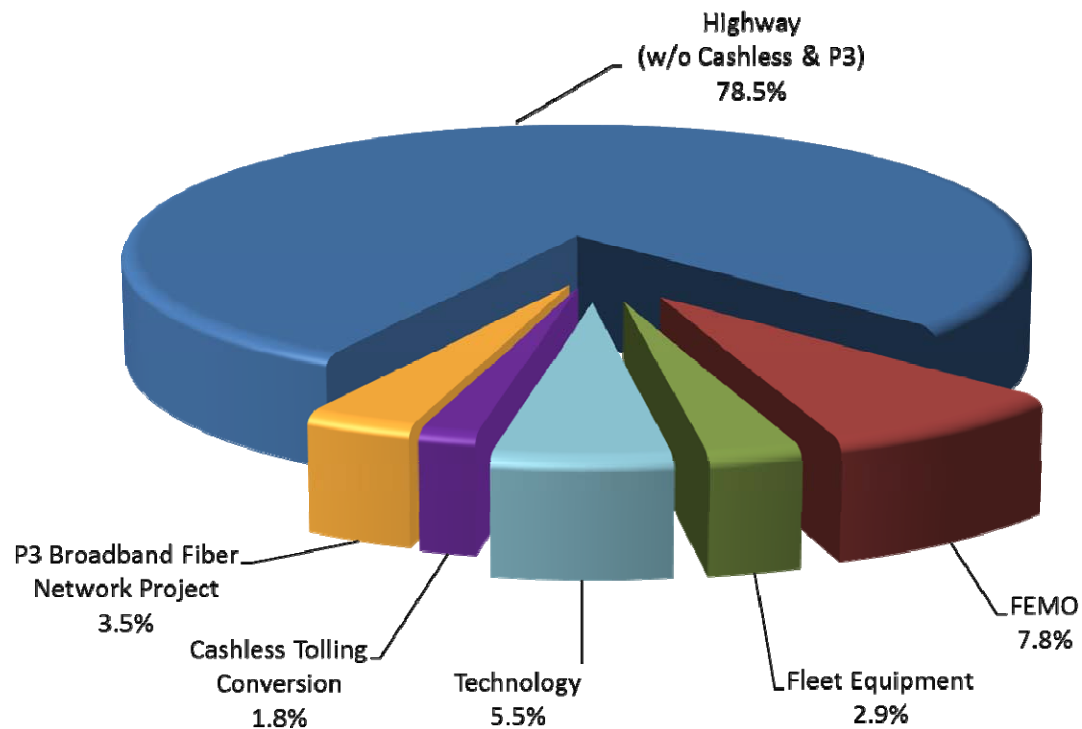
CAPITAL INVESTMENT

**FY 2019 Capital Plan Ten Year Total = \$5.85 Billion
By Program**



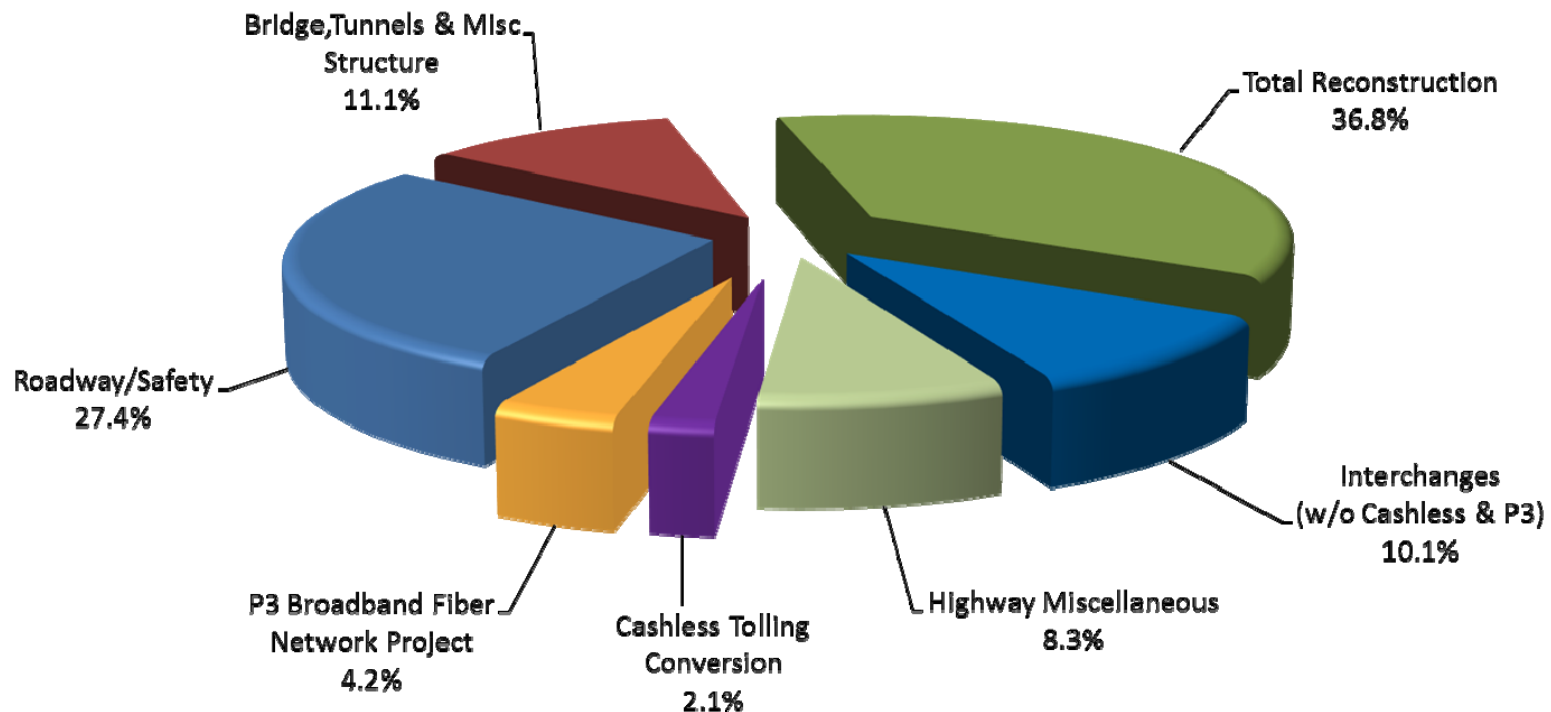
CAPITAL INVESTMENT

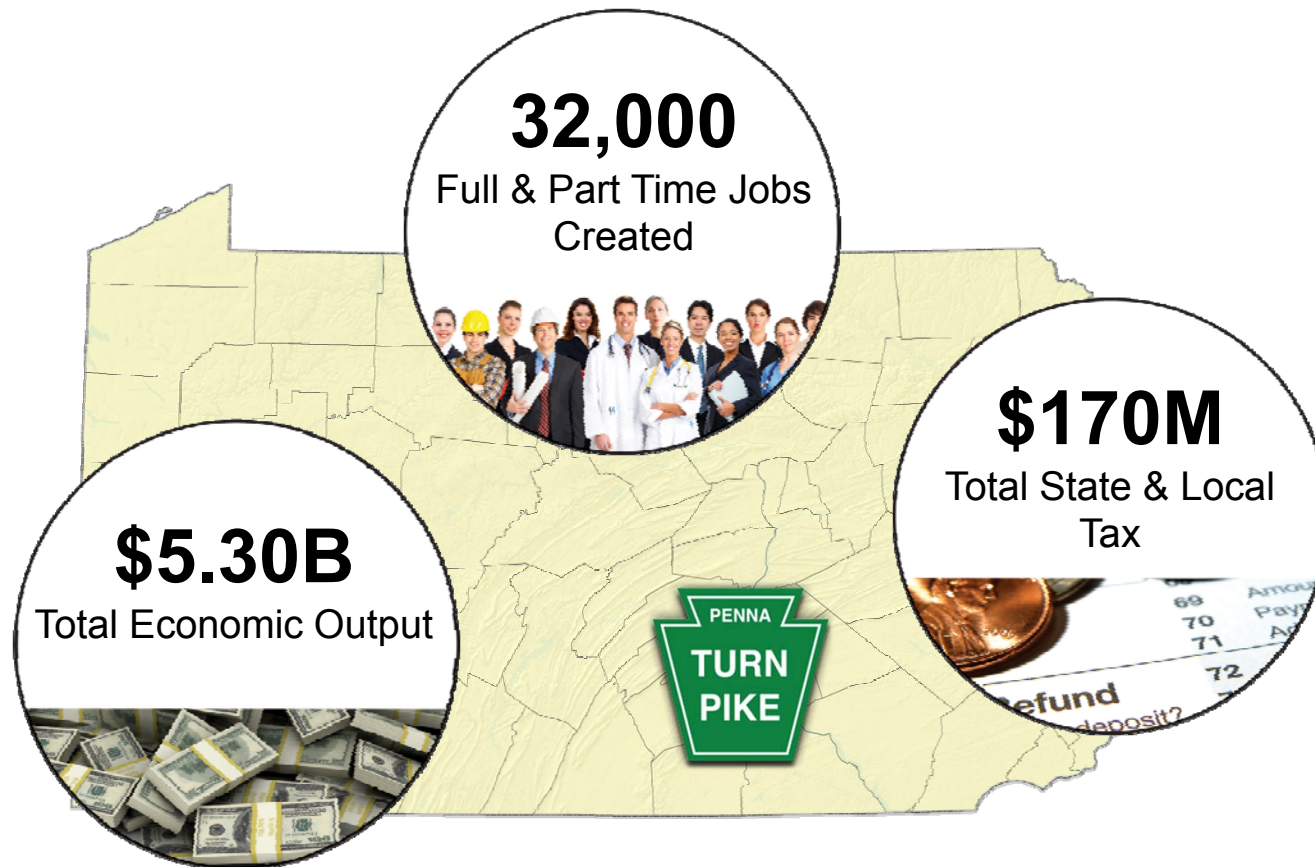
FY 2019 Capital Plan First Year Spending = \$552,648,859
By Program



CAPITAL INVESTMENT

**FY 2019 Highway Program First Year Spending = \$462,883,922
By Category**





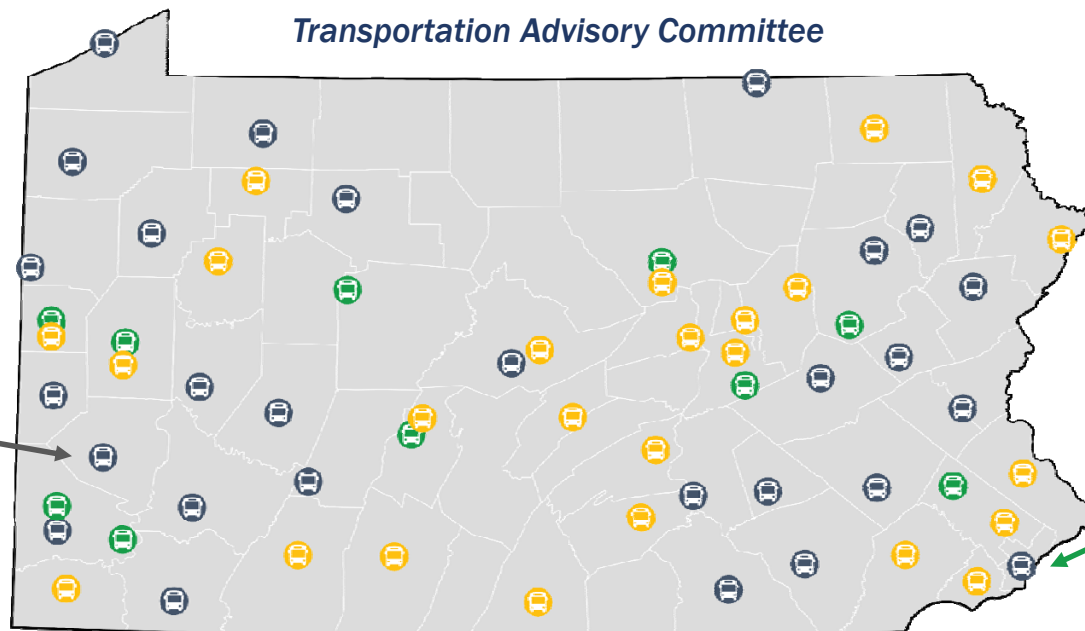
PTC CAPITAL PLAN

FY2016 to FY2020

TRANSPORTATION INVESTMENT STUDIES





Transportation Advisory Committee



SOUTHWEST
PARTNERSHIP
mobility

SOUTHEAST
PARTNERSHIP
mobility

-  Fixed Route and Shared-Ride Provider
-  Fixed Route Only
-  Shared-Ride Only

SE AND SW MOBILITY STUDY OBJECTIVES



STUDY OBJECTIVES

ENHANCE SERVICE

Improving Performance and Customer Experience



MAINTAIN THE SYSTEM

Act 44/89 Transit Funding Alternatives

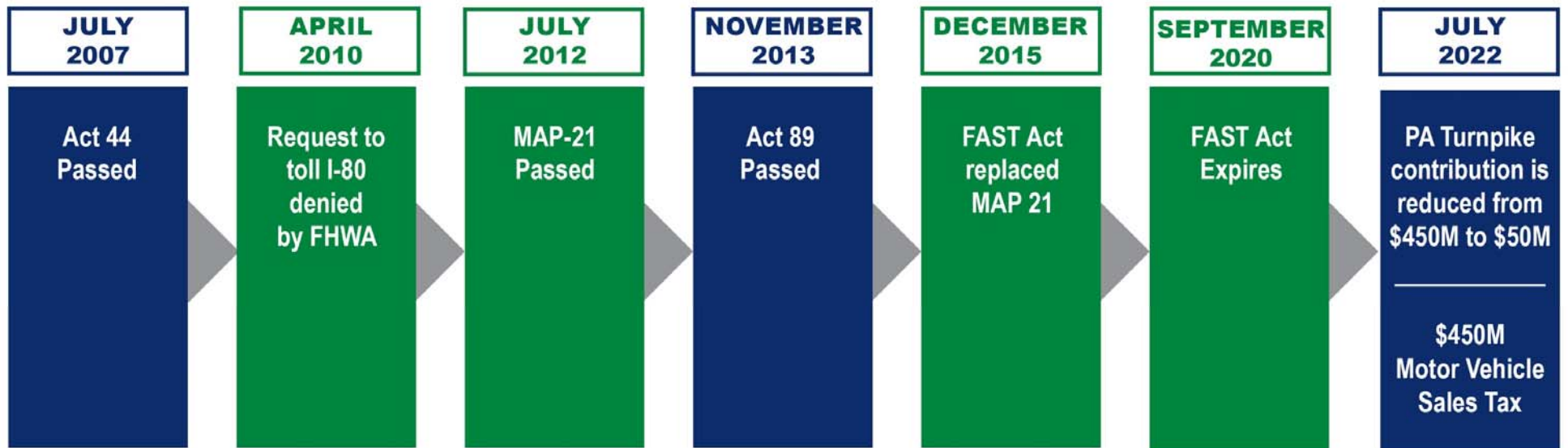


INCLUSIVE ECONOMIC GROWTH



SUSTAINABLE FINANCIAL POSITION

FUNDING TIMELINE



PUBLIC TRANSPORTATION CHALLENGE-ACT 44

Until FY 21/22

- \$450M PTC Payment Annually
- Pending litigation has prevented PTC from issuing debt for FY 18/19 payments to-date
- PennDOT has funded 70% of the FY 18/19 program from reserve funds
- Significant reduction anticipated in FY 19/20

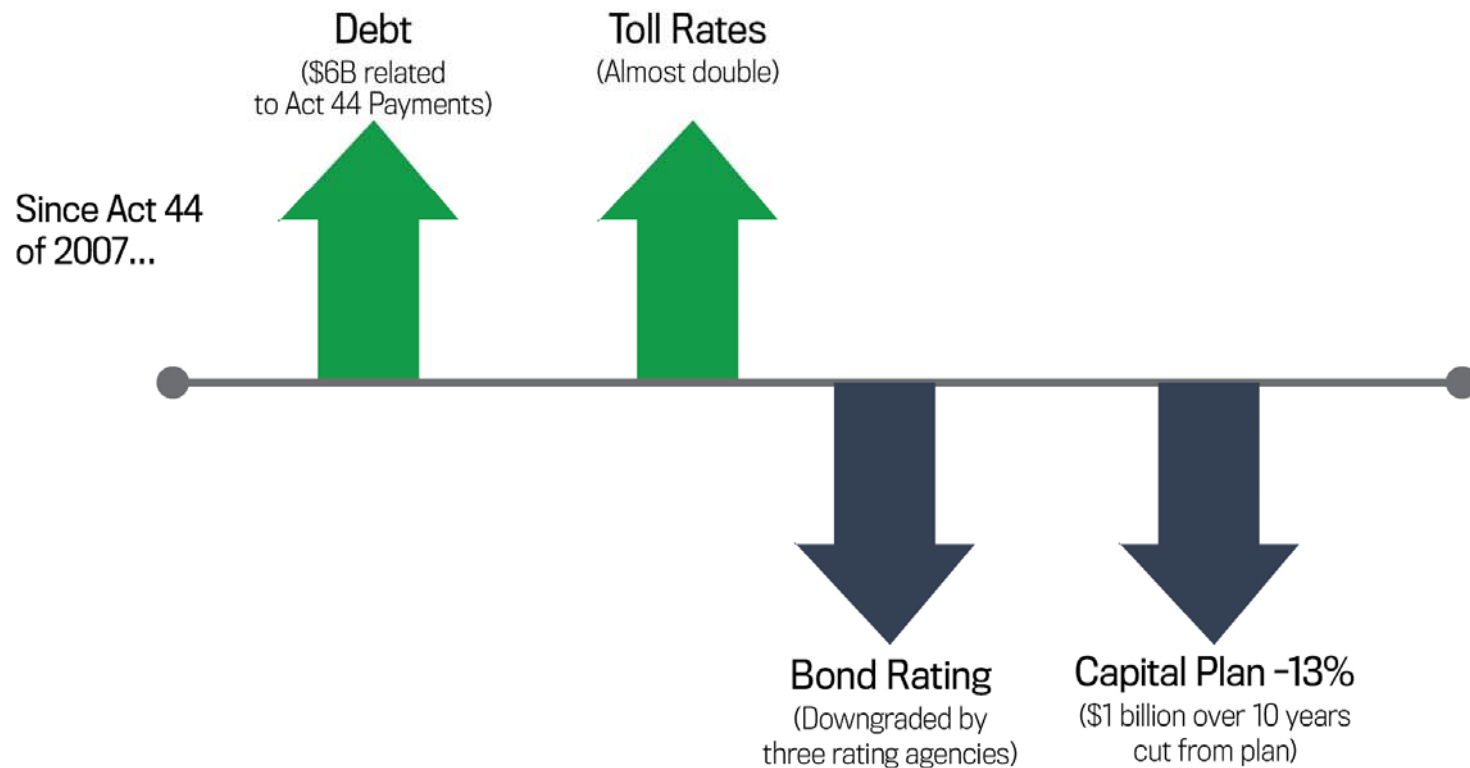
FY 22/23 Onward

- \$50M PTC Payment Annually
- \$450M (minimum) Motor Vehicle (MV) Sales Tax (% of MV sales tax based on FY21/22 revenue with \$450M floor)

Risks

- Short-term (through FY21/22) - PTC Payments contingent on pending litigation
- Long-term (FY22/23 Onward) – MV sales tax from General Fund could be subject to change in law

ACT 44 IMPACTS TO PA TURNPIKE & TURNPIKE CUSTOMERS



PA TURNPIKE ECONOMIC IMPACT

The PA Turnpike's \$60 million Route 29 Interchange in Chester County opened to traffic in 2012. In order to better estimate the impact of interchange investment to the region, the PTC commissioned a economic impact analysis of the interchange in 2018. The interchange's estimated economic impacts to Chester County are:



**9,700 -
16,160**

total new jobs



**\$866 million -
\$1.4 billion**

total labor income



**\$3.5 billion -
\$5.8 billion**

total economic
output



**\$28 million -
\$58 million**

new state and local
tax revenue within
Chester County

Source: 4ward Planning

MOBILITY STUDY TIMELINES

- Late March 2019
 - Southeast Final Council Meeting and Report Released
- Late May 2019
 - Southwest Final Council Meeting and Report Released

TOTAL RECONSTRUCTION

BEFORE

Total Reconstruction & Widening



Original PA Turnpike section (four lanes)
in Cumberland County near milepost 210.

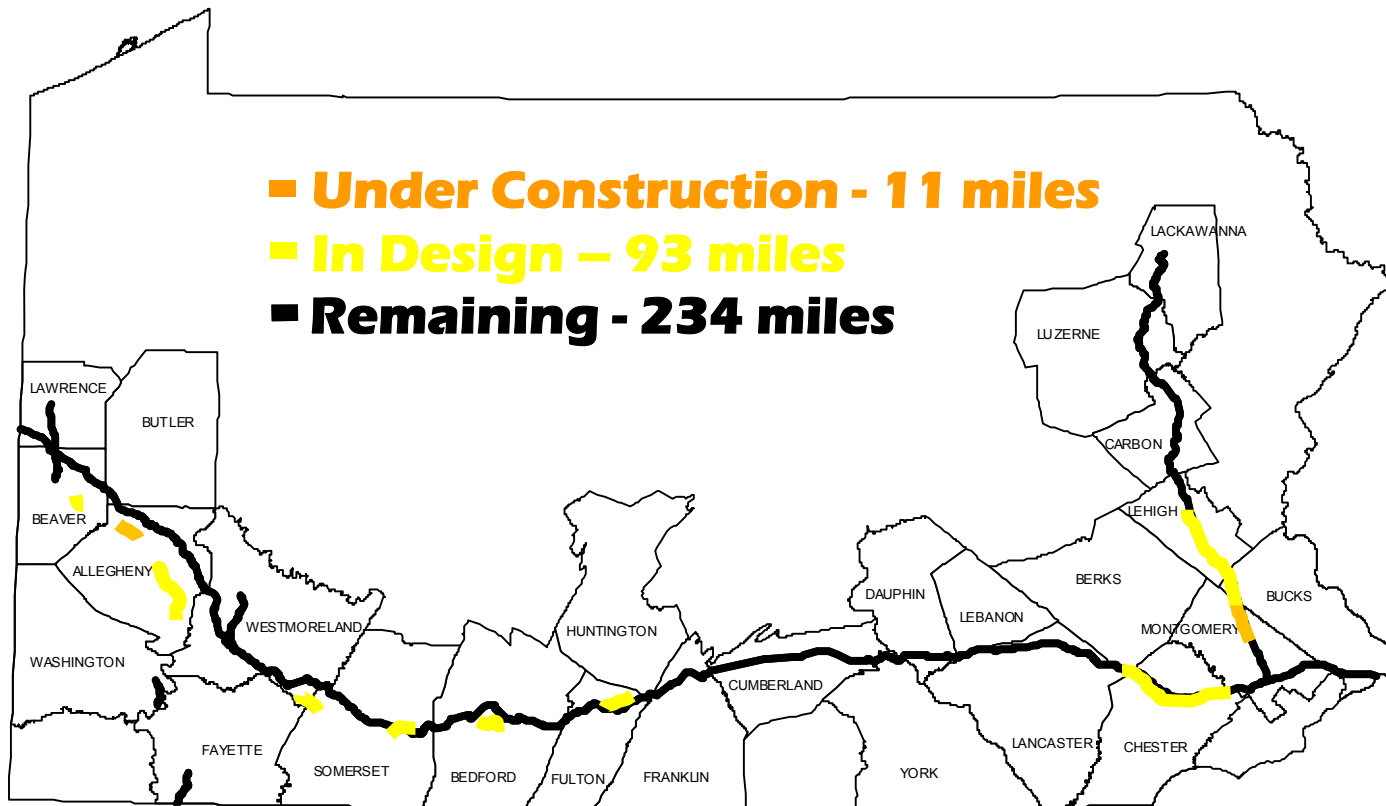
AFTER

Total Reconstruction & Widening



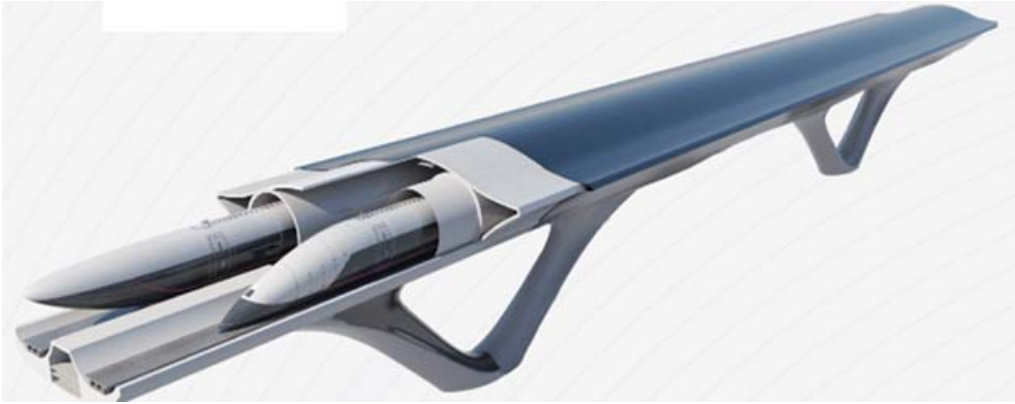
Rebuilt PA Turnpike section (six lanes)
in Cumberland County near milepost 215.

RECONSTRUCTION & WIDENING



Status as of January 2019

FIFTH MODE-HYPERLOOP



FIFTH MODE TECHNOLOGY

- House Resolution 1057
- Passed October 17, 2018
- Legislative mandate authorizing a Hyperloop feasibility study
- Sponsored by State Representative Aaron Kaufer
- Focus on linking Pittsburgh, Harrisburg, Philadelphia & Wilkes-Barre /Scranton
- Tasking the Turnpike as the study lead in consultation with PennDOT
- Recommendations Report Due in 18 months

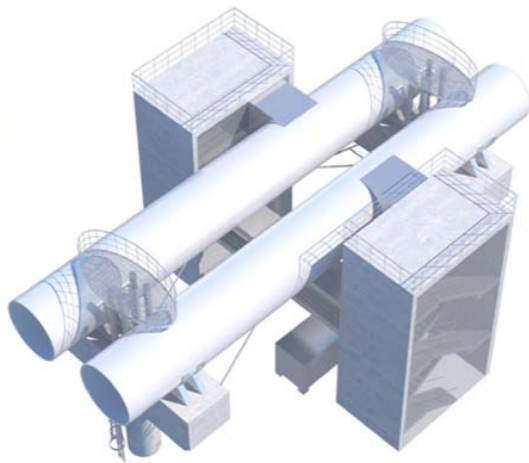
FIFTH MODE TECHNOLOGY OVERVIEW

- Moving at airplane speed at ground level
- Moving people and cargo at 700 plus MPH
- Large geometry capsule and tube construct
- Controlled frictionless environment
- Low energy propulsion
- Magnetic levitation
- Software guided and controlled

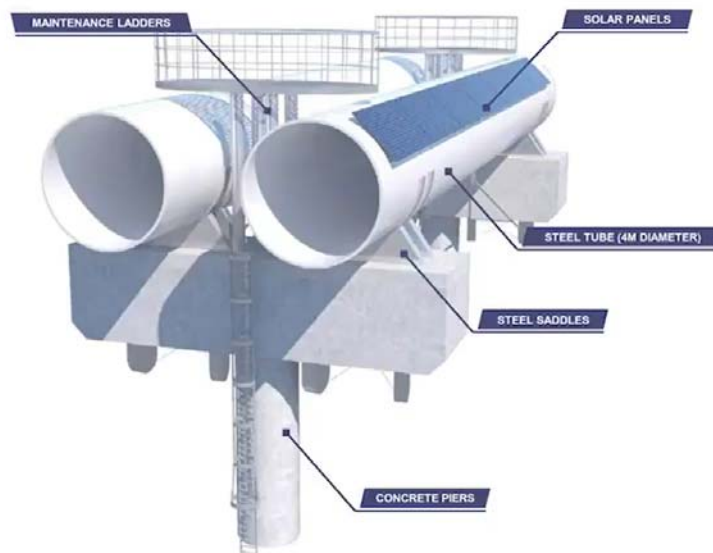
FIFTH MODE-CAPSULE IN ELEVATED TUBE



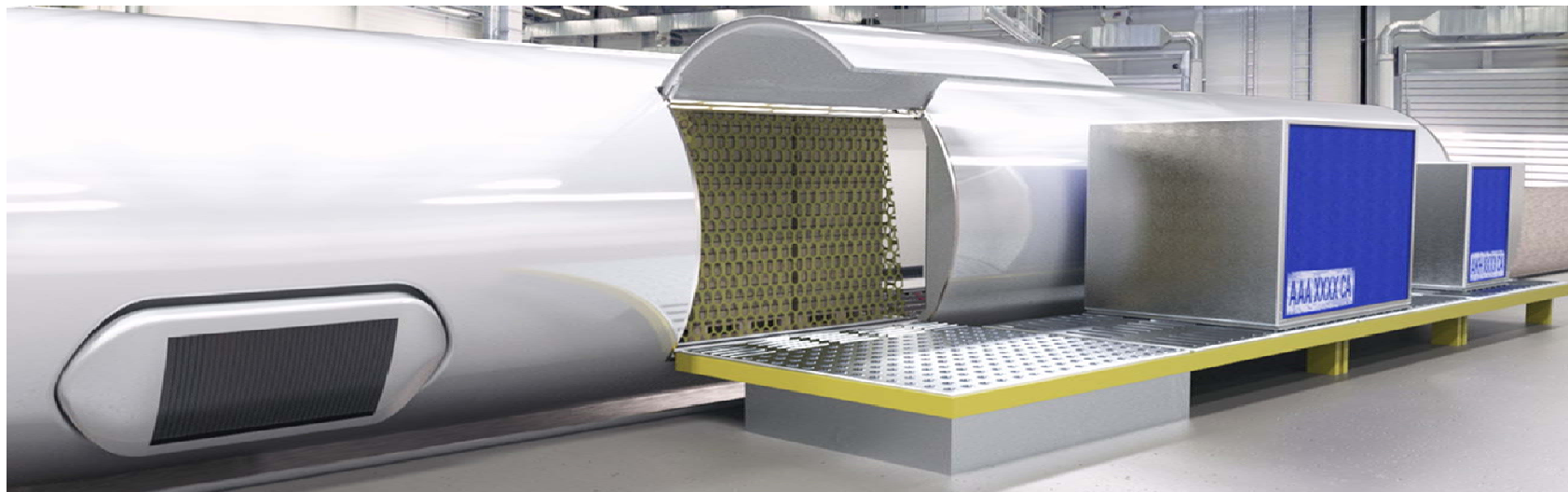
Elevated Tubeway On Piers



Emergency Stairway Exit



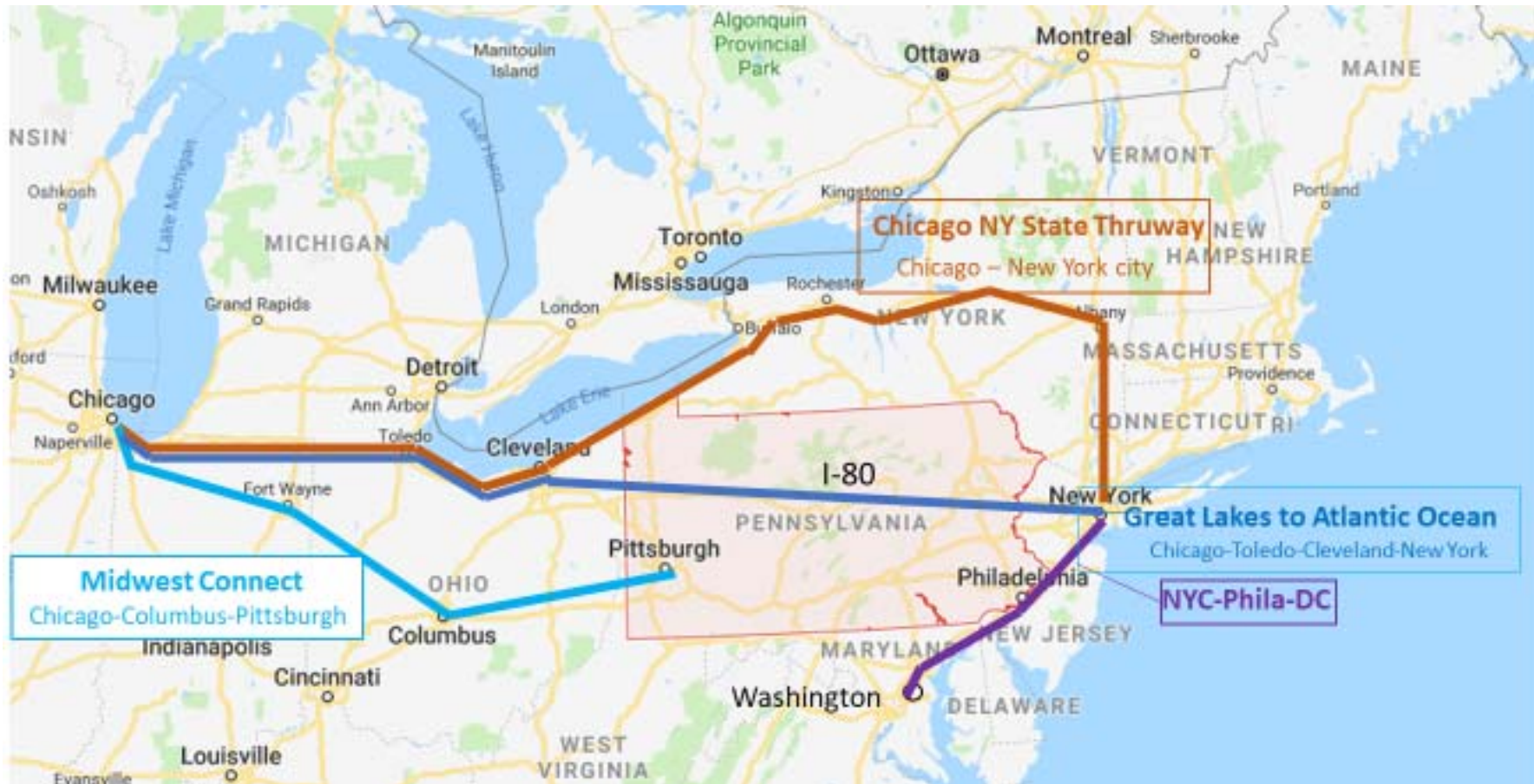
FIFTH MODE-CARGO POD



FIFTH MODE-PASSENGER POD



FIFTH MODE-PROPOSED KEYSTONE HYPERLOOP ROUTES



QUESTIONS

Charles L. Duncan, Esq.

Director of Legislative Affairs

PA Turnpike Commission

cduncan@paturnpike.com