

PENNSYLVANIA STATE TRANSPORTATION COMMISSION
QUARTERLY MEETING MINUTES
HARRISBURG, PENNSYLVANIA
DECEMBER 17, 2015
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CALL TO ORDER:

Secretary of Transportation Leslie S. Richards convened a quarterly business meeting of the Pennsylvania State Transportation Commission (STC) at 10:05 a.m. on Thursday, December 17, 2015 in Harrisburg, PA.

ROLL CALL:

Commissioners Present:

Honorable Leslie S. Richards, Chairwoman
Honorable Robert B. Pease, P.E., Secretary, via conference call
Honorable Frederic M. Wentz, via conference call
Honorable Edward J. Cernic, Sr., via conference call
Honorable Ronald J. Drnevich, via conference
Honorable William F. Keller, alternate present
Honorable James D. Kingsborough, via conference call
Honorable George M. Khoury
Honorable Sharon L. Knoll, via conference call
Honorable Charles H. Martin, via conference call
Honorable Frank E. Paczewski, via conference call
Honorable John C. Rafferty, alternate present
Honorable John Taylor, alternate present
Honorable John N. Wozniak

MINUTES:

ON A MOTION by Commissioner Cernic seconded by Commissioner Wentz, and unanimously approved, the minutes of the September 10, 2015, STC quarterly business meeting were accepted as presented.

SECRETARY'S OPENING REMARKS:

Secretary Leslie Richards gave a brief opening statement and thanked the Commissioners for their attendance despite the budget impasse and travel restrictions.

TWELVE YEAR TRANSPORTATION PROGRAM:

2015 Highway and Bridge Program Adjustments/Major Project Adjustments

Deputy Secretary Jim Ritzman presented the 2015 Highway and Bridge Program adjustments, stating that between August 8 and November 20, 2015 there were 1,063 program adjustments:

- 261 Project/Phase Additions
- 668 Project/Phase Changes
- 66 Project/Phase Deletions

- 68 Adjustments to Funding Line Items

There was an increase of \$61 million in the August through November period. Mr. Ritzman explained the changes to adjustments, noting a negative adjustment for the Lancaster MPO. In the Lancaster MPO, one of two projects was advanced via an earmark.

In addition, Mr. Ritzman explained how the Northwest MPO had a net increase of \$2.5 million on one chart and a net decrease of \$2.25 million in another. The discrepancy is due to deobligations from federal fiscal year 2015. In total, there were \$148 million in deobligations from federal fiscal year 2015. These funds, made available from closing out completed projects, can be used for other projects.

Act 89 multimodal funds were used for nine projects in the SPC region, totaling \$9 million.

Mr. Nolan Ritchie requested a new report highlighting Act 89's projects of regional significance, either as a stand-alone report or one incorporated into current reports. Mr. Ritzman stated that PennDOT would be happy to work with him to develop a report to meet their needs. Mr. Larry Shifflet noted the Act 89-related project website, at www.projects.penndot.gov

Senator Wozniak gave the Potters Mill Gap on US 322 as an example, noting it is not on the Twelve Year Program. Mr. Ritzman stated that the first \$150 million of the project—Potters Mills Gap-- is funded but the remainder (US 322 to State College) is not. Mr. Khoury added that STC members could let the Commission know about projects they were interested in having updated.

ON A MOTION by Commissioner Cernic, seconded by Commissioner Drnevich, and unanimously approved, the 2015 Highway and Bridge TYP Adjustments/Major Project Adjustments were accepted as presented.

WORKING SESSION

County Transformation Initiative

Deputy Secretary Scott Christie delivered a presentation on the County Transformation Initiative, stating its goal is to improve the efficiency and effectiveness of county-level transportation programs.

Mr. Christie stated that county budgets (\$1.3 billion) have remained flat while buying power has decreased and payrolls and other overhead costs have risen. He said that the solution is not necessarily to increase funding but to look at each county operation and determine if their practices are efficient. Each county has best practices that can be used to create performance standards. Each district will present their budgets line-by-line for the counties that detail their best practices.

In addition a best practices training program will be created to ensure the program's success, and an accreditation manual will be published that will detail best practices and performance

expectations. All counties will have to become accredited. This will enable more efficient use of available funds.

Mr. George Khoury stated that he supported the project and asked if quality and timeliness would be considered as performance factors, using line painting as an example. Mr. Christie stated that Central Office would reach out to the counties to learn their best practices, and would establish guidelines for timeliness and quality across the Commonwealth.

Secretary Richards stated that the accreditation program would make the Department's maintenance programs more efficient and cost-effective. The program would determine where investments in equipment would be needed and she used mowing as an example.

REPORTS:

Transportation Advisory Committee (TAC)

TAC Chairman Lou Schultz gave a brief update on the TAC's recent activities, highlighting the Bicycle and Pedestrian Accommodation Study. To date there have been three working group meetings and one policy group meeting. The working group, comprised of 22 people involved with local planning, bicycle and pedestrian advocacy, and Department personnel, has distilled 49 issues into thirteen problem statements.

Mr. Schultz stated the working and policy groups have worked well. The current challenge is analyzing the thirteen problem statements that can be distilled into an eventual policy.

The next working group meeting is January 7, 2016, and the next policy group meeting will be on January 20, 2016. The final report should be delivered to the STC for approval at the August 11, 2016 STC business meeting.

Secretary Richards commended the TAC study, stating that she has received positive feedback. Policy Director Roger Cohen praised the hiring of a bicycle and pedestrian coordinator at PennDOT.

Administrative/Budget

Deputy Secretary Suzanne Itzko was not in attendance and her report stands as written.

Driver and Vehicle Services

Deputy Secretary Kurt Myers delivered a brief report on behalf of the Driver and Vehicle Services deputate.

Mr. Myers identified the four counties that now participate in the \$5 registration fee for local use program enabled by Act 89. The counties are Blair, Cumberland, Fulton and Allegheny. Allegheny County will implement the fee on January 1, 2016. Deputy Secretary Ritzman stated that PennDOT delivered \$1 million in funds raised from the program to Blair, Cumberland, and Fulton Counties in December of 2015.

Co-locations of drivers license facilities continue, and Mr. Myers stated that it has been a successful program, saving the Department \$400,000 to \$500,000 a year.

Mr. Myers stated the Safety Inspector Recertification process has changed and inspectors are required to take a web-based test every five years instead of every three years. In addition, changes to the Commercial Driver's License learner's permit go into effect on December 21, 2015 and include a comprehensive test. In addition, the medical exam requirements for school bus drivers has been extended from 12 months to 13 months so that the exams are not an out-of-pocket expense due to health insurance limitations.

Mr. Bob Pease asked how the \$1 million was split between the three counties in the \$5 fee local use program. Mr. Ritzman stated that the funds were distributed based on how many registrations were collected in each county and when that county entered the program.

Mr. Ron Drnevich asked about autonomous vehicles and if it would change inspection requirements and procedures. Mr. Myers stated that the Department has been actively researching the issues associated with autonomous vehicles. Mr. Christie added that the Department's concern was the condition of roads so that the autonomous vehicle can recognize lane markings and shoulders and Mr. Ritzman added that the Office of Planning's workgroup led by Carnegie-Mellon University outlined key issues that were shared nationally. The Secretary stated that she would be involved with the autonomous vehicle panel discussion at the 2016 ITS Conference, and that the Department's legal department was working on the ethical issues surrounding autonomous vehicles.

Highway and Bridge Program

Deputy Secretary Scott Christie delivered a brief report for the Highway Administration deputate, highlighting the letting program, winter preparedness and project delivery.

The Department reduced structurally deficient bridges to an all-time low despite a low letting year for bridges in 2015. The Department set a goal of repairing 1,500 bridges in the years 2015 through 2018. This includes the P3 bridge program of 558 bridges.

The Department's winter budget is on track because of limited snowfall. PennDOT typically spends \$250 million in winter services a year. Mr. Christie stated that one of the reasons the Department let fewer bridges in 2015 was due to the freeze-thaw cycle over the previous two winters. As a result, the Department focused on paving.

The Department will deliver \$2.5 billion in projects in 2015, and over the next several years will deliver \$2.4 billion a year.

Multimodal Transportation

Deputy Secretary Toby Fauver was not in attendance and his report stands as written.

Planning

Deputy Secretary Jim Ritzman delivered a brief report for the Office of Planning.

Mr. Ritzman gave a summary of the FAST (Fixing America's Surface Transportation) Act, the five year federal surface transportation reauthorization legislation. The Highway Trust Fund partly pays for the FAST Act with the balance provided by how the Federal Reserve charges banks and the sale of 66 million barrels of the strategic petroleum reserve. As a result, the Highway Trust Fund will receive \$52 billion out of the General Fund, and the Mass Transit Trust fund will receive \$18 billion. The Department will receive a 5% increase in federal funding over the first year and a 2% increase in each of the following years. In 2020, the Federal government will again have to address a deficit in the Highway Trust Fund.

The FAST Act includes a new National Highway Freight Program, which is apportioned to each state. The legislation also authorizes a competitive Nationally Significant Freight and Highway Projects program at \$4.5 billion over five years.

Mr. Ritzman stated that the Department obligated \$1,668,650,976 in federal funds at the end of Federal fiscal year 2015.

The \$5 registration fee for local use requires a large behind-the-scenes effort to ensure counties participating in the program receive funds.

The Commission received the 2014 Pennsylvania Highway Statistics booklet (Publication 600) at their seats.

Mr. Ritzman stated that the P3 Board approved Northampton County's proposal for a county-owned bridge construction and rehabilitation project without any financial assistance from the Department. The proposal will replace 28 county-owned bridges and rehabilitate another six in four years, and the package included financing and a competitive bid. The success story can be repeated across the Commonwealth.

Secretary Richards stated that the P3 program has enabled counties to solicit ideas to the P3 board. She expects to see more proposals similar to Northampton County's program in the future.

Commissioner Reports

Commissioner Houry stated that the MPOs and RPOs he visited during the autumn as part of the STC outreach asked how they were going to deliver what they requested on their TIPs in addition to the Department's mandates, given the 15% reduction from the previous TIP.

Secretary Richards stated the Department gave the planning partners a 5-year projection and that there is a \$250 million reduction from the previous TIP. This reduction is due to other obligations to the Motor License Fund from the Pennsylvania Turnpike and the Pennsylvania State Police. Public hearings were scheduled to address the State Police.

Mr. Ritzman stated the Department is being proactive and prescriptive in the directions it gives to the planning partners via funding distribution, prioritization and capacity requirements. If bridges are worse than state maintained roadways in an MPO or RPO, then capacity expansion is limited.

Mr. Khoury asked if there was a condition that the Department wants to reach before the Department stops telling the planning partners to invest in bridges. Mr. Ritzman stated that planning partners with bad infrastructure would have more constraints placed on it by PennDOT, but there was flexibility available for good infrastructure. Mr. Khoury followed up if there was a moving target of bridges and if the number would be lower. Mr. Ritzman stated that the statewide goal for bridges would be a challenge for the Department for some time.

The Secretary stated that an asset management study indicated that there were many bridges on the cusp of becoming structurally deficient and the Department would need to remain diligent. Mr. Ritzman stated that there were 6,000 to 7,000 that are close to becoming structurally deficient. Preservation efforts keep these bridges from becoming structurally deficient.

Commissioner James Kingsborough reported on his MPO and RPO outreach. He noted that Central Pennsylvania has become a hub for warehouse and distribution, and asked if I-81's capacity was adequate for the freight traffic, and asked if rail could be used to move freight.

OTHER BUSINESS

Mr. Eric Bugaile gave a brief update on legislative action in the House of Representatives. House Resolution 622 would direct the Legislative and Budget and Finance Committee to conduct a review of the Motor License Fund's support of the Pennsylvania State Police. In addition, he stated there was a potential House Resolution on the possible pending purchase of Norfolk Southern Railroad by Canadian Pacific. Mr. Bugaile also stated that legislators were calling his office to make appointments for constituents for driver's tests, and that he was working with Deputy Secretary Myers.

Senator Wozniak expressed his concerns about the funding being used for the Pennsylvania State Police by the Motor License Fund, and asked if the Commission could send a letter to the Governor's Office expressing the concern of the Commission about the use of funds.

Secretary Richards recommended that Senator Wozniak's suggestion be tabled for discussion at the February 25, 2016 business meeting.

Open Public Comment

No comments were offered during the open public comment period.

2016 Quarterly Meeting Potential Dates and Locations

The four proposed STC business meetings for 2016 were accepted as follows:

- February 25, 2016
- May 12, 2016
- August 11, 2016
- December 15, 2016

The Commission voted to hold the May 12, 2016 meeting in Bedford, PA and the August 11, 2016 business meeting in Southampton Township, Bucks County.

NEXT MEETING:

The next STC quarterly business meeting is scheduled for Thursday, February 25, 2016, in Harrisburg, Pennsylvania.

ADJOURNMENT:

ON A MOTION by Commissioner Wentz and seconded by Commissioner Paczewski, the STC quarterly business meeting was adjourned at 11:59 a.m.