

Testimony for Oct 7, 2015 Hearing By Senate Transportation Committee on Transportation Resource Challenges Facing Local Governments

H. Daniel Cessna, District Executive

Chairman Rafferty, Chairman Wozniak, committee members, thank you for the opportunity to outline programs PennDOT manages that assist municipalities.

As the manager of transportation services across the Commonwealth, PennDOT offers a variety of programs that help municipalities address their transportation needs.

Your efforts to deliver the innovative **Act 89 transportation funding plan** allowed PennDOT to take a number of additional steps.

Through increased liquid fuels contributions, county grants and programs such as local bridge bundling, municipalities across the state will see \$626 million for their roads and bridges in the 2015-16 state fiscal year as compared to \$437 million before Act 89.

This includes \$381 million in municipal liquid fuel payments, over \$60 million to counties, nearly \$19 million in payments to cover maintenance costs for state roads turned back to local governments and more than \$7 million in state police fines and penalties.

Act 89 also created the **Multimodal Transportation Fund**. Last year, 264 applications were submitted in two rounds of funding. PennDOT awarded \$84 million for 86 project improvements in 35 counties last year. These applications were evaluated and selections were made based on criteria including safety benefits, regional economic conditions, technical and financial feasibility, job creation, energy efficiency, and operational sustainability. The third round of Multimodal funding is expected to open shortly and selected projects will be awarded \$40 million this fiscal year.

Act 89 has allowed the Department to develop the **Green Light-Go** -- Pennsylvania's Municipal Signal Partnership Program. The program is designed to improve safety and mobility by reducing congestion and improving efficiency of existing traffic signals on state highways. The Green Light-Go Program allows local governments to request traffic signal improvements through an application process and 50% match using local or private funds to improve existing traffic signals on state highways.

- During the first year of the program, the Department awarded nearly \$2 million to various LED upgrades, retiming, or additional studies to 38 municipalities.
- This funding has also allowed the Department to pursue a statewide Traffic Signal Asset Management System (TSAMS) data collection effort, so that better management, planning, budgeting, and project development can now occur with traffic signal assets.
- This fiscal year we are looking to improve traffic signals with up to \$25 Million in investments through the Green Light-Go Program.

To further assist counties and municipalities, PennDOT created the local bridge bundling program in which PennDOT bundles the replacement or rehabilitation of locally owned bridges with state-owned bridge projects.

- This program – intended to help counties with their backlog of bridge maintenance -- targeted deteriorated county-owned structurally deficient bridges, with a focus on rapid delivery and cost savings in both engineering and construction.
- There will be a savings of up to 100 percent of the required local match, per bridge, for municipalities that participate in PennDOT’s bridge bundling program. Bridges must be within geographical proximity to assist with developing a program that uses economies of scale. Multiple bridges to be replaced or rehabilitated are done as a single project using similar designs.
- The original local bridge bundling pilot was performed in Blair, Luzerne and Washington counties. It resulted in the rehabilitation, replacement or removal of 41 county-owned structures for a total of \$25 million. Design savings ranged from approximately 25 to 50% and construction savings ranged from approximately 5 to 15%.
- We are extending the program to 10 bridges in Montgomery County this year and will bring the program to Allegheny, Beaver and Lawrence counties next year.
 - Thirteen deck replacements in Beaver and Lawrence counties will be let in December and two deck replacements and three superstructure replacements in Allegheny County will be let next year.

Act 89 is also assisting counties by letting them enact an ordinance to establish a **\$5 fee** to be added to the annual vehicle registration fee for county residents. The funds are deposited into a special fund within the state Treasury called the “Local Use Fund.” PennDOT collects the \$5 county fee at the time a vehicle is registered or renewed. These funds will be used by the county for transportation purposes or be allocated by the county to local governments.

Since the late 1990s, PennDOT has had the **Agility program** which allows for an exchange of services between PennDOT and a partner organization. This program can provide for more efficient uses of time and dollars when performing transportation work. We now have Agility agreements with 332 municipalities and 49 other organizations, such as schools, fire departments, and airports.

The existing federal authorization law, **Moving Ahead for Progress in the 21st Century, or MAP-21**, introduced fundamental changes to the administration of local programs.

- Transportation Alternatives projects (TAP) build pedestrian and bicycle facilities, improve access to public transportation, create safe routes to school, preserve historic transportation structures, provide environmental mitigation, create trails projects that serve a transportation purpose, while promoting safety and mobility.
- Eligible sponsors include:
 - Local government
 - Regional transportation authorities
 - Transit agencies
 - Natural resource or public land agencies, including Federal agencies
 - School districts, local education agencies, or schools

The **Pennsylvania Infrastructure Bank (PIB)** is a PennDOT program that provides low-interest loans to help fund transportation projects in the Commonwealth.

- Since its inception in 1998, the PIB has helped to accelerate critical investment in our Commonwealth's transportation system. The PIB encompasses four accounts – highway/bridge, transit, aviation, and rail freight.
- Since 1998, PennDOT has funded almost \$198 million for 290 PIB projects. The interest rate on PIB loans is fixed at one-half the prime lending rate at the time the Department receives a completed application with terms up to 10 years. The interest rate as of 9/30/2015 for a PIB loan is 1.625%. Repayments are structured as equal payments to be made annually, monthly, quarterly, biannually or some other repayment approved by PennDOT over the term of the loan. PennDOT has recently made it easier than ever to apply for a PIB loan by incorporating the PIB application into DCED's online Electronic Single Application (ESA) System.

The **Turnback Program** allows municipalities to take over certain state-owned roads that serve local traffic. Prior to receiving ownership, PennDOT will either rehabilitate the road or provide the municipality with funding for the rehabilitation. The municipality will then receive \$4,000 per mile, each year for road maintenance.

Evaluating **potential new products** for use on lower volume local roads is a service provided by PennDOT. Vendors are invited to submit products which will be tested at Penn State University (PSU) using PennDOT funding and oversight. Products that are approved through the testing process will be available for local governments to purchase using their liquid fuels funds.

Through the **Local Technical Assistance Program (LTAP)**, PennDOT provides technical training on roadway maintenance and safety strategies to over 6,000 municipal employees annually. The vast majority of these technical training classes are offered free of charge to the municipalities.

The **State Transportation Innovation Council (STIC)** is a collaborative partnership among state and federal transportation agencies, the transportation industry, research institutions, local government associations, and public partners to identify innovative tools and products and support the rapid deployment of these innovations into practice. The STIC provides educational outreach and technical training on innovative techniques to transportation professionals, Planning Partners, and local governments. Examples of the STIC innovations that benefit local governments:

- Geosynthetic Reinforced Soil Integrated Bridge System (GRS-IBS) (Affordable, easy-to-construct bridge option for low-volume roadways)
- Safety Edge (Reducing Accidents, Increasing Road Durability, Saving Lives)
- Warm-Mix Asphalt (Pavement produced at lower temperatures: Safer for workers, good for the environment)
- Roundabouts (Improved Safety, Reduced Traffic Delays)
- Intelligent Compaction (Technology Translates into Smoother Ride, Longer Pavement Life)
- Adaptive Signals (The Optimal Balance of Red Light/Green Light)
- Recycled Concrete (Economical, Environmentally Responsible)

Each PennDOT District Office has **Municipal Services Representatives** who oversee the allocation of Liquid Fuels to 2,557 of the 2,562 municipalities across Pennsylvania. Fund allocation is determined by population and local road mileage. Municipal Services Representatives work with the boroughs, cities, counties, townships, and a town across the state to insure that each receives its proper annual allocation of state funds. They insure the proper spending of Liquid Fuels Funds by reviewing and overseeing local highway and bridge construction projects where Liquid Fuels Funds are utilized.

For example, for the two year period ending in 2014 the PennDOT District 11-0 Municipal Services Representatives led the administrative oversight for:

- 105 local construction projects, totaling \$26 million and resulting in 140 miles of improvement to the local transportation system.
- \$22.9 million of local maintenance roadway improvements (e.g. seal coat, mechanical patching, etc.).
- \$20.5 of local winter maintenance services funding (e.g. salt, spreading equipment and payrolls).

During the three year period ending in 2014 they led administrative oversight of Act 44 County Maintenance Funds for the repair of bridges that the counties are legally responsible for maintaining.

Work included:

- 4 county bridge preservation maintenance projects (e.g. bridge painting, deck repairs) to repair 23 bridges totaling \$2.4 million.

Additionally, Municipal Services Representatives provide a wide range of support to local officials on a daily basis across the state such as:

- Providing the most up to date publications, forms and maps
- Additional liquid fuel mileage certifications
- Yearly allocation certification assistance
- Assistance with required local bridge owner scour critical plans of action development and guidance
- Local technical assistance concerning traffic, maintenance, right-of-way or bridge issues

Collaboration and enhanced communications with local governments has been key to expediting the issuance of **Highway Occupancy Permitting (HOP)** for driveways and utility projects. PennDOT's Electronic Permitting System, released in late 2011, allows for remote submission and on-demand tracking of HOP applications for access to state roads; enrolled municipalities can use the electronic system to receive automatic notifications and view all submitted driveway applications within their jurisdiction.

- A renewed emphasis on collaboration with municipal officials early in the land development process has helped all interested parties to avoid surprises down the road; municipalities are included in PennDOT's HOP scoping meetings with developers to identify potential traffic impacts early in land development. In locations where traffic impacts can be impractical or infeasible to mitigate directly, PennDOT encourages the use of an Alternative Transportation Plan, which requires municipal approval and can include multi-modal improvements, or contributions to large-scale projects identified as part of a municipality's Act 209 plan.

Through the regional **Transportation Improvement Program (TIP)** many municipalities benefit from **locally sponsored federal and state aid projects**. Across the state, District Office staff is charged with ensuring that all projects follow all Federal and State criteria, including all procurement rules while assisting with the delivery of the projects through design and construction. These projects are funded with a variety of funding sources including Multimodal, CMAQ, TAP, GTIF and ARC funding.

- For example, District 11 is currently working with 52 local sponsors on 123 projects.
- The Department's **Engineering and Construction Management System (ECMS)** was recently upgraded to allow Locally Sponsored project agreements to be handled electronically through the system rather than the time consuming paper agreements.
 - This use of ECMS has saved the local sponsors thousands of dollars per project just on the advertisement and procurement costs alone. The local sponsors can use the Department's system to advertise for their consultant and contractor services. This saves them significant advertising costs.
 - Also the standardized electronic agreements also saves legal review time and costs. The standardized agreements are reviewed by the attorneys one time and then signatory authority is delegated to appropriate staff. This saves approximately \$2000-\$3000 per agreement.
 - The most important savings though is time. The use of ECMS actually reduces the agreement processing time by an average of 6 months greatly reducing the project delivery time.
 - In addition, the use of ECMS for the Reimbursement Agreement also saves similar time and cost as the engineering agreements, but also allows the local sponsors to manage their project costs and payments more efficiently.
 - The final phase of the Local Projects in ECMS Work Group which is under development and now, will allow electronic payments directly to the Local Sponsors and this will reduce payment times from 2-3 months at a minimum. This reduces the Cash Outlay that the locals need to have on hand to pay the contractors and consultants prior to the reimbursement.
- Recently, District 11 piloted the use of a construction inspection open-end that is managed by the District but used for the construction inspection of locally sponsored projects. This avoids the sponsors from having to procure their own consultants for smaller type projects. This probably saves 4-6 months minimum per project.
- The new **Local Project Manual, Publication 740** gives options to be more helpful to the lesser experienced sponsors.
 - For example, in District 11, on the West Aliquippa Bridge in the City of Aliquippa, the District took the lead to manage the design of this bridge preservation project. The bridge was in dire need of repairs and the District used one of their consultants to perform the design and the construction management of the project.
 - This design took less than a year to complete, compared to the 2-3 years it may have taken had the City been elected to manage themselves. This is due to the fact that the City of Aliquippa does not have staff that is familiar with federal-aid project delivery and there would have been a large learning curve.
 - This quick design will allow the bridge to be repaired in a short time frame rather than waiting a few years which had it been delayed the required repairs could have caused

the bridge to be posted and the critical commercial and industrial truck traffic prohibited.

- In addition, with the quick design is also much more cost effective and efficient than designs that tend to lag over multiple years, probably saving a minimum of \$100-\$200k.

Americans with Disability Act (ADA) curb ramps are required to be upgraded on every road that is resurfaced and the municipalities are responsible to participate in the cost for local intersecting streets.

- For example, in District 11, we will design the curb ramps, and construct them using Federal Funds, thereby requiring only a 20% local match. This allows the municipalities to have ADA ramps that meet current criteria at a minimal cost to the municipality. The remaining 80% of the cost is paid with Federal funds.

Again, Chairman Rafferty, Chairman Wozniak and committee members, our thanks for this opportunity to review the ways PennDOT assists local governments. I would be happy to answer any questions.