

Mr. Chairman, thank you for the opportunity to speak to you and to the Committee today. I will be addressing a topic of great importance to the County, but also want to speak on the larger issue of funding for transportation in the Commonwealth.

Montgomery County had been working with the Turnpike Commission for ten years on a new interchange serving the Norristown area – Lafayette Street – that brings traffic and revenue to a system in need of both. The Turnpike Commission formally approved the Lafayette ramp project with the adoption of its FY2006-07 Capital Program and in four successive capital programs through FY2010-11 where \$84,336,774 was allocated.

The traffic and revenue projections prepared by the County's consultant at the Turnpike's request, and then approved by Turnpike staff, show that an investment by the Turnpike of \$70 million for this new interchange is not only repaid by toll revenue in a dozen years, but goes on to earn \$250 million in additional revenue over the next twenty years. This interchange and partnership should be the model for the future of the Turnpike, not dropped from its Capital Program.

The County's partnership proposal to the Turnpike also included another \$75 million of federal and county funds to upgrade and improve the local road system in the vicinity of the interchange and these will continue because of the still significant traffic flow improvement benefits. The project is in final design, right-of-way is being purchased and the first construction contract will be out in 2011.

There is not another project on the Turnpike system that has a partnership of this magnitude nor one that generates as much significant new traffic to the Turnpike and – more importantly now for the Turnpike – makes money!

The Turnpike's original goal of providing long-distance, cross-Pennsylvania and interstate traffic was achieved superbly. However, a road like this would never be built today with its interchanges – its access points – so few and far apart. There are barely more than two dozen interchanges on the 359-mile Mainline section and only a little more than half a dozen on the 112 miles of the Northeast Extension. There are only about 36 interchanges in the system serving half a dozen metro areas – Philadelphia, Pittsburgh, Harrisburg, Reading, Allentown, Scranton and Wilkes Barre - as well as many rural counties in between. The places to access the Turnpike – the interchanges – haven't changed much in the past 50 years.

The Turnpike's business model is broken. It needs more interchanges enabling more people and businesses to access its product – transportation accessibility. If the Turnpike was Wal-Mart, and after it opened its original 36 stores – its interchanges – in the 1940's and 1950's then figured that was enough, that if people want to buy our product then they have to come find us, then this version of Wal-Mart needs to be reworked in the future. The current Turnpike's vision is status quo. The new Turnpike's vision must be to make the system accessible for 5-mile trips, as well as 20 or 400-mile trips.

The new Turnpike model needs to improve accessibility to its product. It needs to partner with counties, cities and developers where appropriate to build more interchanges and attract new traffic. Where projects make sense for any variety of reasons – and certainly make money like Lafayette Street – then get the interchange built as quickly as possible. Now is not the time to walk away from investments that can help the system. This must be part of a strategy moving forward as the legislature deals with a transportation system needing an overhaul.

Let me make one final comment. Act 44 is crippling the Turnpike. It must be re-worked. Having already paid \$2.5 billion to PennDOT since 2007 and with \$450 million/year still required by law for the next 47 years with no means of re-paying this except on the backs of the existing users, it is a recipe for disaster. One-third of the Commission's revenue comes out of Southeastern Pennsylvania. Therefore, the overwhelming burden of toll increases as far as the eye can see on commuters in the southeast, as well as elsewhere, is unsustainable. Something that the bond rating agencies also agree with.

The legislature must fix Act 44 – at a minimum suspend the Turnpike funding role as if there is no reasonable means of repayment. Statewide projects that are clearly the responsibility of PennDOT should be funded through revenue sources that require contributions from all over the State – not just the users of the Turnpike. There are overwhelming needs to reconstruct bridges, highways and transit systems, as well as strategic investments to relieve congestion and expand transit services. The legislature must deal with this issue as soon as possible.