

PENNSYLVANIA STATE TRANSPORTATION COMMISSION
BUSINESS MEETING
HARRISBURG, PENNSYLVANIA
DECEMBER 14, 2022



Please note that these minutes are not intended to capture every individual comment but to identify critical discussion points and highlights of the STC business meetings.

CALL TO ORDER:

Secretary Yassmin Gramian, P.E., convened the quarterly business meeting of the State Transportation Commission (STC) at 10:04 a.m. on December 14, 2022.

ROLL CALL:

Commissioners Present:

1. Honorable Yassmin Gramian, P.E., Chair
2. Honorable Michael Carroll, Ms. Meredith Biggica, Alternate Present
3. Honorable Wayne Langerholc, Jr., Mr. Nolan Ritchie, Alternate Present

Commissioners Present on the Phone:

1. Honorable Ronald J. Drnevich
2. Honorable Sharon Knoll
3. Honorable Frank E. Paczewski
4. Honorable James D. Kingsborough
5. Honorable Marty Flynn, Mr. Caleb Sisak, Alternate Present
6. Honorable Karen Michael, P.E.
7. Honorable Paige Willan

Commissioners Not Present

MINUTES:

ON A MOTION by Mr. Frank Paczewski and seconded by Mr. James Kingsborough, and unanimously approved, the August 17, 2022, STC business meeting minutes were accepted.

CHAIR'S REMARKS:

Secretary Yassmin Gramian, P.E., welcomed Commissioners and guests to the STC meeting. The Secretary noted the retirement of Honorable Frank Paczewski and that his retirement would begin at the end of the calendar year.

The last Public Private Partnership (P3) meeting of 2022 was discussed, and P3 projects will be posted to the PennDOT P3 website.

Secretary Gramian discussed Act 84 of 2022, which amended Act 88, and eliminated tolling as a mechanism for revenue. This affects the Major Bridge P3 program.

The Secretary also discussed the State Implementation Plan Sanctions, stating that Executive Deputy Secretary Melissa Batula, P.E. would deliver a report on the sanctions.

Secretary Gramian stated that the Statewide Transportation Improvement Program (STIP) and Transportation Improvement Programs (TIPs) were in great shape thanks to the Office of Planning's efforts. She also noted that many grant opportunities are available within the Infrastructure Investment and Jobs Act (IIJA).

The Secretary reported on the National Electric Vehicle Infrastructure (NEVI) plan, which was submitted to the Federal Highway Administration (FHWA) in August. Phase one implementation is underway, with identified corridors.

The Secretary introduced a guest, Ms. Kim Ulishney, an engineering student from Penn State University.

2023 12-YEAR TRANSPORTATION PROGRAM: By Larry Shifflet

Deputy Secretary Larry Shifflet presented the 2023 12-Year Transportation Program (TYP) adjustments stating that between October 1, 2022, and November 25, 2022, there were 1,194 program adjustments, including:

- 523 Project/Phase Additions
- 496 Project/Phase Changes
- 175 Project/Phase Removals (temporary or permanent)

Mr. Shifflet said that the overall changes represent a **\$443,706,848** increase for the reporting period.

Mr. Shifflet focused on the P3 Major Bridge program, on page 15 of the STC Briefing Book. A combination of federal and state funding was identified to make the availability payments for the program, along with the deferral of the construction phase of three Interstate Management Program projects. The Major Bridge Program adjustments are \$1.067 billion (MPMS # 118915).

Mr. Shifflet stated there are three payments: the Mobilization payment, the Milestone payment, and the Availability payment. The mobilization payment is upfront, and the availability payments will be made over time. These payments are all included in the \$1.067 billion.

Mobilization payment pays for the establishing offices, utilities, insurance costs, payment bond, and performance bond costs and early purchasing of materials. This is a cost of \$90 million. A Milestone payment of \$50 million is based on completing 65% of the project design work no earlier than September 1, 2027. The availability payments are over a thirty-five-year period. The

first partial payment of approximately \$48.3 million will be in the Federal Fiscal Year (FFY) 2028, based on the completion of the first six bridges in the Major Bridge P3 package. FFY 2029's full-year payment will be estimated to be \$144.6 million. Over the 35-year period the yearly payments will grow to approximately \$180.7 million. The final payment will be in FFY 2064 and will be estimated to be approximately \$30.6 million. These costs are considered to be estimates.

These were helped through the reduction of the Interstate Contingency line item (MPMS # 75891) of about \$784 million. The split for all three payments is 84.65% federal, and 15.35% state.

The reduction to the Interstate Contingency line item is significant, and the state match in the line item has been reduced to about 7.1%.

The three deferred Interstate Management Program projects (at a cost of approximately \$285 million) are

- I-70 over SR 3009 in Washington County for \$75 million,
- I-84 in Lackawanna County for \$120 million,
- I-80 Strattenville reconstruction in Clarion County for \$90 million.

Only construction phases were deferred.

Mr. Shifflet highlighted the I-84 project in Lackawanna County, stating that the \$120 million was bumped from the 12-Year Program, but \$280 million remains on the project, and the funds could return for the next 12-Year Program update.

Mr. Shifflet noted that the preliminary engineering and construction support phases for the Major Bridge P3 are also included in the 12-Year Program (MPMS# 119230).

ON A MOTION by Mr. Ron Drnevich and seconded by Ms. Karen Michael, P.E., the 2023 12-Year Program Adjustments were approved.

2022 Rail Freight Assistance Program (RFAP) and Rail Transportation Assistance Program (RTAP). RFAP and RTAP PROGRAM: By Andrew Batson, AICP

Acting Deputy Secretary, Andrew Batson, AICP, briefly highlighted the RFAP and RTAP programs. The Department received 31 applications, and 24 are funded. The projects are statewide and support 340 jobs. Ten applicants are new to the program, and seven of the projects are new construction, with the remaining being maintenance. The cost is \$26 million in state funding.

ON A MOTION by Mr. Jimmy Kingsborough and seconded by Mr. Frank Paczewski, the 2023 RFAP and RTAP Programs were approved.

PA DEPARTMENT OF TRANSPORTATION UPDATE:

Transportation Advisory Committee (TAC)

TAC Chair, Ms. Jody Holton, AICP, delivered a brief report on TAC activities. The TAC is in the process of selecting new study topics in 2023 and will vote on these topics at the February 2023 meeting. The Transportation Performance Report will also be available in February 2023.

Executive Deputy Secretary

Executive Deputy Secretary, Ms. Melissa Batula, P.E., delivered a brief report. She focused on the sanctions from the Environmental Protection Agency on the State Implementation Plan. This plan was to develop processes to limit emission sources from oil and gas. The sanction date was to be December 16, 2022, and would affect areas of the Commonwealth that are not in air conformity compliance at a potential cost of \$827 million in FFY 2023. Ms. Batula stated that on November 30, 2022, the Environmental Quality Board meeting was held to adopt emergency rulemaking specifically for these emission sources. These rules were submitted to the U.S. Environmental Protection Agency (EPA) by the Department of Environmental Protection (DEP) on Monday, December 12, 2022.

Mr. Mark Tobin noted that as Ms. Batula was delivering her report, the EPA accepted the DEP's new rulemaking.

Administration

Deputy Secretary for Administration, Ms. Michelle Jennings, gave an update on activities within the Administration Deputate. She discussed the Bureau of Equal Opportunity's Disadvantaged Business Enterprise (DBE) conference for DBE firms and employees.

The Department is still recruiting for seasonal positions, with about 750 temporary CDL positions remaining open. The summer intern program has been approved for 651 summer internship positions for 2023, and recruitment for interns is underway as of December 12, 2022.

Ms. Jennings discussed the Bureau of Innovations High School Challenge, which involves solutions for Commercial Truck Parking this year. The deadline for teams to submit plans is January 27, 2023, and selections will be made in March of 2023, with the final competition in April.

Ms. Batula noted that the Department is also 2% below its DBE target.

Driver and Vehicle Services

Deputy Secretary for Driver and Vehicle Services (DVS), Mr. Kurt Myers, gave an update about the Driver and Vehicle Services Deputate. Mr. Myers discussed the Driver Improvement School implementation, which began in July 2022. This program allows drivers to avoid license suspension through corrective training within the program. Approximately 187 customers have taken advantage of the program since it began in July.

Mr. Myers reported on a new real-time driver license verification process to further mitigate fraud potential. Business partners (Title and Registration) were notified in December of 2021

that they can enroll with one of four partners to access the system, and all business partners are required to use the verification system no later than November 30, 2022.

Mr. Myers reported on the Federal Motor Carrier Safety Administration (FMCSA) Drug and Alcohol Clearinghouse. The final rule establishes requirements for the states to act on the information within the clearinghouse by November 18, 2024.

Mr. Myers stated that the Department was ready for the implementation of REAL-ID, whose deadline has again been extended to May 7, 2025.

Mr. Myers noted that 26 counties had implemented the \$5 fee program, and it has raised \$216 million to date.

The photo fee for photo ID/Drivers licenses will increase to \$36.50 on January 9, 2023.

Mr. Nolan Ritchie noted that the \$5 local fee in Cambria County enabled them to complete their last local bridge construction and noted the safety improvements for pedestrians to the parking lot at the Riverfront Office Center (ROC) in Harrisburg. He asked what services are available at the ROC. Mr. Myers noted that Dauphin County and District 8 helped redesign the parking lot. Skills Test at the ROC have been relocated to Summerdale; however, test sites are still set up for parents to help their teenage drivers to learn to parallel park, and there hasn't been any impact on customers. The Dealer Counter over-the-counter operations have been closed at the ROC, but these services are still available.

Highway and Bridge Program

Acting Deputy Secretary, Mr. Michael Keiser, P.E., gave an update about the Highway Administration Deputate. Mr. Keiser noted there has been an increase in highway fatalities, and the Department is working on steps to address the issue.

Mr. Keiser stated that winter hiring is underway, but the Department is short-staffed on permanent winter operators. Staffing levels should suffice for some storms but may become problematic with multiple storms in quick succession. Mr. Keiser noted the price of salt has increased by 30%.

Mr. Keiser then focused on the 2022 Letting Program. As of December 8, 2022, 525 projects have been bid at the cost of \$2.4 billion. The Department estimated \$2.1 billion initially; however, inflation has added about 16.4% to the price of bids. Another group of bids was set to occur in mid-December, and the calendar year 2022 cost would be approximately \$2.7 billion.

The 2023 letting program will also be approximately \$2.7 billion.

Ms. Batula noted that the Department was able to deliver \$2.7 billion in projects for 2022 and 2023 thanks to federal and state investments.

State investments are based on revenue from the gas tax. Act 89 established a wholesale floor of \$2.99/gallon to set the gas tax. The 2022 increase in gas prices changed the floor to \$3.17/gallon, so the gas tax will increase by 3.5 cents for vehicles and 4.4 cents on diesel.

Mr. Ritchie asked if these numbers were verified by the Budget Office and the Department of Revenue, and Ms. Batula stated she would follow up. Mr. Shifflet noted that fuel consumption has been decreasing due to hybrid/electric cars, and less fuel consumption by the public means revenues are not keeping up.

The Secretary also noted that Mr. Keiser is retiring from PennDOT in the first week of January.

Multimodal Transportation

Acting Deputy Secretary for Multimodal Transportation, Mr. Andy Batson, AICP, gave a brief report. The Multimodal Deputate has initiated a study to examine the sustainability of the Shared Ride transportation system in Pennsylvania, which is experiencing significant challenges due to the pandemic. The study should be completed at the end of March 2023.

Mr. Batson discussed the funding crisis in aviation in Pennsylvania.

The deputate is actively engaging partners at the Federal Railroad Administration (FRA) and AMTRAK for passenger rail funding opportunities.

The Multimodal Discretionary Fund grant program application period ended in November, and 197 applications were received. Grants will be awarded in late spring or early summer of 2023.

The Pedalcycle and Pedestrian Advisory group met on December 13, 2022, and is in the process of being reinvigorated to provide sound guidance to the Department.

The Secretary asked if the Department is still investing only \$5 million in active transportation. Mr. Batson stated yes, but the Department also spends more time integrating active transportation projects into existing projects.

Office of Planning

Deputy Secretary for Planning, Mr. Larry Shifflet, delivered a brief report for the Office of Planning. Mr. Shifflet stated a continuing resolution at the Federal level would end on December 16, 2022 and would likely be extended a week.

The Department was still awaiting word on \$1.6 billion in discretionary grant requests from US DOT, including grants that were submitted for the I-83 South Bridge and the I-95 Bridge in Philadelphia. USDOT has responded with questions about those applications, and this typically indicates that the applications have been pushed forward into a smaller group of applications that are being further reviewed.

- With year 2 (FFY 2023) Notice of Funding Opportunities (NOFOs) happening in the coming months, we will once again be aggressive in taking appropriate action to submit additional applications. If we are successful, additional state match funds will likely be required. In FFY 2022, the larger discretionary grant programs made the following amounts available nationally:
 - Raise - \$1.3 Billion
 - MEGA - \$1.0 Billion
 - INFRA - \$1.55 Billion
 - Rural - \$300 Million
 - Bridge Infrastructure Program - \$2.34 Billion
 - Total - \$6.49 Billion
- Similar amounts will be made available each of the next 4 Federal Fiscal Years, so if we were to assume that Pennsylvania would receive a “fair share” of the discretionary funds (i.e., 5% like we would typically receive through formula funds), we could expect to receive \$320 Million annually. This amount would require at least an additional \$80 million in state match funds annually.

WORKING SESSION:

AUTOMATED SPEED ENFORCEMENT (ASE): By: Todd Trautz

Mr. Todd Trautz from Michael Baker International presented the TAC study on Automated Speed Enforcement.

Mr. Trautz gave an overview of the ASE study. Mr. Trautz displayed that speeding violations and crashes have decreased significantly since the implementation of the program. He then touched on some of the major findings of the report:

- Legislation – The current ASE legislation is written so that the program could be extended on the Roosevelt Boulevard Corridor and expanded to the statewide program.
- Safety – The program is effective at improving driver behavior and reducing speeds.
- Financial – The cost to run the program exceeded \$2.8M in 2021 and \$3.4M in 2022; however, the program has generated over \$35M in net revenue. This revenue is deposited to the motor license fund and could be used to fund statewide safety and mobility projects.
- Equity – The ASE program takes any potential bias out of traffic stops.

Mr. Trautz then went over the five key recommendations from the study:

1. Enact legislation to extend and expand the ASE program
2. Develop a formal process for evaluating proposed ASE locations
3. Provide technical assistance to municipalities

4. Increase public engagement and transparency
5. Continue funding safety projects near ASE locations

ON A MOTION by Ms. Paige Willan and seconded by Mr. Frank Paczewski, the STC approved the TAC Automated Speed Enforcement study.

PENNSYLVANIA AVIATION NEEDS ASSESSMENT AND STRATEGIC ACTION PLAN: By: Brian Funkhouser

Co-Chair Mr. Mark Murawski made opening remarks stressing the importance of this study and how impressed he was with the work done by the consultants, committee members, and aviation leaders throughout Pennsylvania.

Mr. Brian Funkhouser gave an overview of the completed aviation study. He began with a summary of statistics from the aviation industry, highlighting the growth in demand largely due to e-commerce. He then touched on different outreach and engagement tactics to get stakeholders involved in the study, including eight regional listening sessions with over 150 participants. The meetings were so successful that an additional General Aviation Statewide listening session was added. Mr. Funkhouser and Mr. Murawski also met with various interest groups around the state.

Mr. Funkhouser explained that the study's first phase dealt with the revenue and available funding for the aviation industry. The task force evaluated four funding scenarios with recommendations of diverse funding sources, a flexible starting point for policymakers, and a \$53.5M State investment to fill the unmet needs.

Mr. Funkhouser explained that the second half of the study focused on a strategic framework for leveraging new investments in the industry. More than 30 issues and opportunities were identified and organized under eight broad categories:

- Workforce
- Economic Impact / Economic Development
- Airports and Communities/Land Use
- Air Freight
- Commercial Air Service
- Technology
- Industry Collaboration and Partnerships
- Legislation and Policy

He then stressed the importance of getting many different leaders in aviation across the state involved in the implementation of the study to continue the gained momentum from the research.

Mr. Kingsborough and Ms. Batula commended the committee for their efforts with the study.

ON A MOTION by Mr. Ron Drnevich and seconded by Mr. James Kingsborough, the STC approved the Pennsylvania Aviation Needs Assessment and Strategic Action Plan.

COMMISSIONERS REPORT:

None.

OTHER BUSINESS:

2023 Meeting Dates and Locations

Wednesday, February 22, 2023
Wednesday, June 14, 2023
Wednesday, September 13, 2023
Wednesday, December 13, 2023

The locations for the June and September meetings are to be determined. The February and December meetings will be held in Harrisburg, PA, under the same hybrid format.

ON A MOTION by Mr. Ron Drnevich and seconded by Ms. Karen Michael, P.E., the STC approved the 2023 meeting dates.

NEXT MEETING:

The next STC quarterly meeting is scheduled for **Wednesday, February 22, 2023.**

ADJOURNMENT:

ON A MOTION by Mr. Frank E. Paczewski and seconded by Mr. Nolan Ritchie, the STC quarterly meeting was adjourned at 12:09 p.m.