

April 30, 2010

Southeastern Pennsylvania Transportation Authority
1234 Market Street
Philadelphia Pa 19107

Attention: Pasquale T. Deon, Board Chairman

Re: Public Hearing in connection with the Southeastern Pennsylvania Transportation Authority's Fiscal Year 2011 Capital Budget and Fiscal Year 2011-2022 Capital Program and Comprehensive Plan

Examiner's Recommendation:

That the Fiscal Year 2011 Capital Budget and Fiscal Year 2011-2022 Capital Program and Comprehensive Plan be adopted.

Members of the Board:

Pursuant to my appointment by Pasquale T. Deon, Board Chairman, to conduct hearings for the purpose of considering SEPTA's Fiscal Year 2011 Capital Budget and Fiscal Years 2011-2022 Capital Program and Comprehensive Plan, public hearings were held at 11:00 a.m. and 5:00 p.m., April 21, 2010 in the SEPTA Board Room, Mezzanine, 1234 Market Street, Philadelphia, Pa 19107.

A stenographic record was made of the hearings and is available for viewing in the Authority's files. Included as part of the records of the hearings, but not forwarded herewith, are the exhibits establishing posting and publication of the notice of the hearings. These exhibits are available for viewing in the Authority's files.

The Fiscal Year 2011 Capital Budget and Fiscal Years 2011-2022 Capital Program were prepared by SEPTA in accordance with Section 1310 of the Pennsylvania Public Transportation Law of 1991 ("Act 26") and the hearings proceeded with the presentation by SEPTA's witnesses. Following the presentation of testimony by the SEPTA witness, the floor was open to any person attending who desired to ask questions, make a statement or present evidence.

Introduction:

Catherine Popp-McDonough, Director, Capital Budgets testified that the proposed Fiscal Year 2011 Capital Budget consists of 15 projects and totals \$303.7 million. She noted that with the recent rejection by the U.S. Department of Transportation of Pennsylvania's application to toll Interstate 80, SEPTA will experience a 25% or \$110 million loss in capital funding annually. As a result of this reduction in capital funding, SEPTA is forced to defer twenty two projects totaling over \$700 million. John Dooner of SEPTA's Capital Planning Department, Jeffrey Knueppel, Assistant General Manager and Chief Engineer, Byron Comati, Director of Strategic

Planning and Richard Burnfield, Chief Financial Officer, also participated in the proceedings. The projects are classified by one of five types: Financial Obligations, State of Good Repair, Normal Replacement of Assets, System Improvements and Federally Mandated Projects. Major projects proposed for funding in Fiscal Year 2011 include the Capital Asset Lease Program at \$43.9 million and Debt Service at \$36 million, Regional Rail Substation Improvements, Transit and Regional Rail Station Program, Infrastructure Safety Renewal Program at \$33 million, Bus Purchase Program at \$49.6 million, Paratransit Vehicle Acquisition, Vehicle Overhaul Program, Regional Rail Signal System Modernization, and Safety and Security Improvements.

A total of 24 people attended the public hearings including representatives from the Delaware Valley Association of Rail Passengers, Delaware Valley Citizens Transportation Committee, and Tri-State Transit 21 and SEPTA Advisory Committee For Accessible Transportation.

An announcement was made at the hearings that the record would be held open through April 28, 2010 for receipt of written comments.

Written comments were received from:

- 1) Delaware Valley Citizens Transportation Committee urging the purchase of an additional 23 trackless trolleys for Routes 29 and 79 and use of trackless trolleys for Routes 59, 66 and 75.
- 2) SEPTA Advisory Committee For Accessible Transportation strongly supports the Capital Budget and will work with SEPTA on all capital projects including funding.
- 3) Tri-State Citizens Council on Transportation recommends that the Newtown rail project be restored to the 2011-2022 Capital Program and the removal of the Paoli Transportation Center from the capital program as well as the purchase of trackless trolleys. It supports the acquisition of a fare collection system that would eliminate exact fare.
- 4) Philadelphia Trolley Coalition urging the expansion of trackless trolley service to additional routes, purchase of additional trackless trolleys for Route 29 and 79 and restoration of the shelter at the loop for Routes 7, 39 and 54 at Ridge and Dauphin.
- 5) Delaware Valley Association of Rail Passengers noted the \$110 million shortfall in ACT 44 and will support legislation for adequate transportation funding. It supports the 2011 Capital Budget and comments on several of the projects contained therein. It expresses opposition to any change to the cab configuration on the Silverliner V rail cars.

GVF Transportation Management Association recommends that the project to extend the Norristown High Speed Line to the King of Prussia Mall advance to construction.

Comments Presented at the Hearings

Several individuals had comments or questions pertaining to the projects programmed in the Capital Budget and the SEPTA witnesses provided answers to those questions at the hearings. All the individuals commented on the loss of funding.

The following is a summary of the major topics of interest presented at the hearings:

Representative from Tri-State Transit 21 inquired about consolidating and/or extending routes and terminals. He also questioned the necessity of signage changes on the regional rail lines.

Representative of Delaware Valley Citizens Transportation Committee urged SEPTA to acquire 23 trackless trolleys for Routes 29 and 79 in South Philadelphia..

Representatives from Committee for Accessible Transportation commented favorably on accessibility improvements and supports the 2011 Capital Budget.

Representatives from Delaware Valley Association of Rail Passengers noted the shortfall in funding of \$110 million and supports the use of Capital Budget funds temporarily for operating purposes. It also will support legislation to adequately fund transportation.

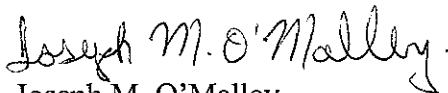
Summary

The issues raised during the hearings are provided for your information and use. I find that SEPTA's Fiscal Year 2011 Capital Budget and Fiscal Year 2011-2022 Capital Program and Comprehensive Plan are consistent with federal and state programming requirements. These programming requirements specify that the Authority develop a capital program constrained to reasonable funding levels. The shortfall of funding has presented SEPTA with a challenge to move forward on its capital projects with restricted funds and I believe that this proposed Capital Budget meets that challenge.

Overall, the budget represents an investment in SEPTA's infrastructure and the regional economy. Many capital projects in the budget are long-term commitments and/or obligations of the Authority. I believe that Board endorsement of the proposed Capital Budget is highly recommended. SEPTA staff is encouraged to work with local member governments and the public throughout the year to discuss and receive input on capital projects.

In conclusion, it is my recommendation that the Fiscal Year 2011 Capital Budget and Fiscal years 2011-2022 Capital Program be adopted.

Respectfully submitted,


Joseph M. O'Malley
Hearing Examiner