

**Testimony before the
Pennsylvania State Senate Committee on Transportation
Wednesday, October 7, 2015
Port Authority of Allegheny County, 345 Sixth Avenue, 5th Floor, Pittsburgh, PA**

Good morning Senators. My name is Dick Hadley, I am a member of the Board of Supervisors of Cranberry Township, Butler County, and I'm also representing PSATS, the Pennsylvania State Association of Township Supervisors. Also attending with me today is Duane McKee, Cranberry Township's Assistant Township Manager for Operations.

We would like to begin by thanking you for your continued support to provide adequate funding for the transportation needs within our Commonwealth. Adequate funding to support our state and local government's transportation system is critical to our continuing economic vitality.

Cranberry Township, located in Butler County, PennDOT District 10, has been one of the fastest growing communities in the Commonwealth for the past 15 years. During that period we have experienced 15,000 new family sustaining jobs in our community and our population grew to 30,000. Our continuing economic development is highly dependent upon meeting the transportation needs of those employers and residents. Cranberry Township, along with Manheim Township in Lancaster County, were the first two municipalities in 1989 to embrace new innovative collaborative funding methods to fund capacity improvements to state highways through transportation impact fees imposed on developers. To date, we have

leveraged over \$35M for improvements to state highways through this innovative program that is now used throughout the Commonwealth.

Transportation Impact Fees are useful for communities experiencing growth, but they may only be used to build new highways or to expand existing highways. Townships continue to struggle with providing the needed revenue to maintain existing roadways. Certainly, Act 89 was of significant help to local government, providing for an increasing share of the State Liquid Fuels Tax to local government. However, we must not think that was a cure-all, we need to continue to look for innovative practices and revenue sources to meet our increasing transportation needs. Duane will present to you shortly that even with the increase in the local share from the liquid fuels tax revenue, those increases are not keeping pace with the costs of resurfacing one mile of highway. Townships only have two avenues to fund that gap and that is the real estate tax and the .5% earned income tax, both of which have state mandated caps.

Much like what you need to do at the state level, Townships are constantly balancing the financial requirements of many competing needs. Too often, the long term needs are kicked down the road which only creates a serious financial crisis for the future. The decision making process is as diverse as our State. With increasing costs exceeding revenue growth, there are only two decisions, increase revenue or decrease services, or a combination thereof, something no elected official likes to do.

Cranberry Township has a proven track record of being an effective partner with PennDOT with each of us sharing the same vision of providing our citizens with the best local and state highway system possible. District 10 has been extraordinary great partners. The funding system provides real challenges in meeting those needs, especially where local bridges compete with state bridges for funding. In Butler County alone, we have 73 state owned bridges that are structurally deficit, with 88 locally owned bridges that are structurally deficit. They are competing for very little funding and we need to find ways to bring funding to that need. In addition, locally owned roadways are usually not eligible for funding through the state-wide TIP, Transportation Improvement Program, managed in western PA by the Southwest Pennsylvania Commission, which I am honored to be a member of that governing body, appointed by the Butler County Board of Commissioners.

We in local government, as well as our state officials, need to continue to promote innovation and collaboration on transportation issues. Cranberry Township has been a leader in developing multi-municipal, multi-PennDOT Districts partnerships in managing traffic flow. We feel the public does not care about municipal or PennDOT district boundaries when they are traveling traffic corridors, and we work with PennDOT and our neighbors to ensure the public travels through those corridors efficiently regardless of political boundaries. As you know, Pennsylvania is one of the few states in the eastern US where municipalities are

responsible for traffic signals, even those on state highways. Cranberry Township takes that responsibility very seriously as moving traffic efficiently is as important as adding capacity to our existing highways through additional pavement. That partnership has resulted in a regional traffic management center managing the traffic signals in 4 municipalities, two counties and two PennDOT Districts.

I will ask Duane to give you a more detailed account of our regional traffic operations center (TOC) and a briefing on the shortfalls between resurfacing costs and our liquid fuels tax allocations. (REFERENCE PRESENTATION)

Slide 2 TOC: Regional Implications: Intermunicipal Traffic Signal Maintenance
Agreements with Corridor Management

Slide 3 TOC: Traffic Signal Coordination and Video platform -- Traffic Incident
Management

Slide 4 TOC: Efficient Collection of Data and Real Time Operations

Slide 5 Annual Liquid Fuel Allocation -VS- Cost of Annual Paving Program

Slide 6 Cost of Paving 1 Mile -VS- Liquid Fuel Allocation per Mile

Townships often own, maintain and operate a comprehensive infrastructure system to support their community. In our case, we own and operate a sanitary sewer system and water system which is supported by dedicated user fees. We own and operate a complex stormwater management system that is increasingly regulated by federal and state environmental agencies. Recently, the General Assembly has provided local governments with additional opportunities to fund the increasing costs of stormwater management through a use-based fee system. The state highway system is funded through user fees, the liquid fuels tax, and unfortunately, as I indicated earlier in my testimony, those funds do not cover even the costs of resurfacing our streets and highways, let alone the cost of routine maintenance.

In conclusion, I again thank the Senate Transportation Committee for this opportunity to present our testimony and thank you for your continued support and awareness of providing funding for both the state and local governments to maintain our critically important transportation systems.