Dear Fellow Pennsylvanians:

It has been a productive and exciting year in public transportation! Pennsylvania invested more than $1.2 billion, providing more than 430 million trips, meeting the needs of commuters, business travelers, seniors, persons with disabilities and others.

We identified opportunities for delivering more service with less money to maximize the investment of state and other public funding. We have evaluated transit agency management through performance reviews; ensured compliance through on-site agency reviews; enhanced the quality of life through energy initiatives, technology, and human service transportation services; and established a framework for continued improvements.

Highlights of fiscal year (FY) 2009-10 include:

• Assessed transit agency performance to improve efficiency and effectiveness.
• Piloted Human Services Transportation projects designed to contain cost increases, test alternative approaches to providing service, and improve customer service.
• Secured additional federal dollars for technology, hybrid buses, and “state of good repair” capital projects.
• Advanced Keystone Corridor improvements—grade crossings and station improvements to increase safety, speed, and ridership.
• Distributed $766 million in operating funds and more than $330 million in capital funds.

The Pennsylvania Public Transportation Annual Performance Report for Fiscal Year 2009-10—an executive summary and a report that profiles every Pennsylvania transit system, including executive summaries of the first three transit system performance reviews—can be viewed in its entirety at www.dot.state.pa.us/Public Transportation/Bureau of Public Transportation/Bureau Publications. The individual transit system performance reviews can be accessed through the same web site under Public Transportation/Bureau of Public Transportation/Act 44 Performance Reviews.

We are building on these achievements as we continue to make performance, efficiency, and accountability the keystones of public transportation in Pennsylvania.

Sincerely,

Pennsylvania Department of Transportation
Office of Local and Area Transportation
Bureau of Public Transportation
717-783-8025
From 1995 through 2008, public transportation ridership increased by 38%—a growth rate higher than the 14% increase in U.S. population and higher than the 21% growth in the use of the nation’s highways.

Access to bus and rail lines reduces driving by 4,400 miles per household annually.

Households that use public transportation and live with one less car can save—on average—$9,000 every year.

One person switching to public transit can reduce daily carbon emissions by 20 pounds, or more than 4,800 pounds in a year.

Every dollar communities invest in public transportation generates approximately $6 in economic returns.

source: American Public Transportation Association
In FY 2009-10, the Commonwealth of Pennsylvania invested more than $1.2 billion in all modes of public transportation providing over 430 million trips for:

- Daily commuters and business travelers
- Senior citizens and persons with disabilities
- Tourists and recreational passengers
- Intercity passengers

Pennsylvania funds public transportation to:

- Provide mobility and access for individuals without private transportation
- Provide affordable transportation options
- Reduce congestion on the roads
- Link people with goods and services
- Improve energy efficiency

Recognizing the importance of public transportation to Pennsylvania’s citizens and its economy, the Commonwealth:

- Links funding to performance
- Requires transit system performance measures and accountability
- Makes “state of good repair” the top priority
- Provides funding for technical assistance

PennDOT obtains maximum value for every dollar invested in public transportation by:

- Improving performance and efficiencies
- Providing technical assistance and training to improve transit management and operations
- Ensuring funds are used legally and responsibly
- Prioritizing state-of-good-repair and shovel-ready projects for strategic capital investment

This Executive Summary highlights our FY 2009-10 accomplishments in fulfilling this mission.
PERFORMANCE REVIEWS

Objective:
Improve public transportation efficiency, productivity, and usefulness of service by assisting transportation providers in identifying and addressing deficiencies—and holding them accountable to make improvements and achieve performance targets.

• To maximize the value of Pennsylvania’s investment of taxpayer dollars.
• To provide the greatest amount of service in the most productive and cost-efficient manner.

Let’s face it—transit agencies are not private companies and do not make a profit. Public transit has both a business and a social mission. Thus transit decisions are influenced by many factors, not only the bottom line. Because transit is not profitable, no competition exists. Capitalism, the basis of our economy, requires business competition to drive innovation and improve efficiency and cost-effectiveness. Performance reviews help compensate for the lack of competition and drive American ingenuity to the transit business.

Transit agencies cannot critically and effectively assess their own performance. PennDOT performance reviews provide an objective analysis of each facet of providing public transportation service, and offer constructive criticism to target areas for improvement.

In the areas where performance is already great, PennDOT is sharing those best practices with other transit systems.

Performance reviews are the foundation of PennDOT’s efforts to help transit systems maximize the value they deliver. Once transit providers have a clear, objective picture of their performance compared to peer systems, they can systematically make necessary improvements. To help providers make these needed improvements, PennDOT offers technical assistance in several important areas, including:

• planning,
• financial analysis,
• training,
• researching and piloting new ideas and projects,
• strategic capital investments focused on “state of good repair,”
• energy conservation, and
• technology.
PennDOT established:

- A **methodology** for determining acceptable performance and performance targets.
- An **analysis of functional areas** to identify best practices and areas for improvement.
- A transit agency board **action plan** process for achieving five-year performance targets.
- Reporting requirements for **monitoring** action plan implementation and **results**.
- **Consequences** for not adopting or implementing an action plan.

PennDOT drafted performance review requirements and gained transit system acceptance. The requirements were promulgated into **regulation in July 2009**.

Performance reviews culminate in an action plan with performance targets.
PennDOT piloted a performance review process in January/February 2010 by reviewing Capital Area Transit (CAT) in Harrisburg. We refined the process through reviews of:

- COLT/LT in Lebanon
- FACT in Uniontown/Fayette County
- MCTA in Monroe County (in progress)
- Endless Mountains Transportation Authority in Bradford, Sullivan, and Tioga counties (in progress)

A summary of each completed performance review is in the Transit Agency Profile section of the Public Transportation Annual Performance Report – FY 2009-10. The complete transit performance review reports are available at: www.dot.state.pa.us\Bureau of Public Transportation\Act 44 Performance Reviews
Moving Forward

- Assist providers in developing and adopting action plans, addressing deficiencies, and improving performance.
- Conduct eight performance reviews annually.
- Review all providers on a five-year cycle.
Public transit legislation directed the July 2009 Human Service Transportation Study. Findings indicated opportunities for improved efficiency, coordination, cost control, and customer service.

**HUMAN SERVICE TRANSPORTATION**

Human Service Transportation (HST) provides affordable access to medical care, jobs, and important social services for people with limited mobility options. But our HST system is in trouble.

- Fares do not cover costs, and the problem is worsening exponentially.
- Counties cannot continue to support the losses.
- HST is a crucial service to link individuals without private transportation to the resources and services that sustain them. We cannot let human service transportation fail in any county.
- Fare increases and subsidies will not solve the full problem—the rate of cost growth must be controlled.

In 2008, PennDOT, with the Departments of Aging and Public Welfare, and Office of the Budget, completed a Human Service Transportation study with the following objectives:

- **Maintain/stabilize** human service transportation.
- **Improve** customer service.
- **Improve** service delivery.
- **Maximize** service efficiency and control the rate of cost growth.

**Challenges**

- Fares do not cover costs, and the problem is worsening exponentially.
- Counties cannot continue to support the losses.
- HST is a crucial service to link individuals without private transportation to the resources and services that sustain them. We cannot let human service transportation fail in any county.
- Fare increases and subsidies will not solve the full problem—the rate of cost growth must be controlled.
**HUMAN SERVICE TRANSPORTATION**

**Study Findings**

**Administration:**
- Need skilled transportation management.
- Need staff skilled in technology.

**Many Small Systems:**
- No economies of scale.
- Duplication of functions/inefficiency.

**Expense:**
- Fares that cover ALL expenses are not affordable.
- Rapid increase in costs.

**Demand for Service:**
- Needy populations are expanding.
- Requirements for more customized (expensive) transportation service.

**Do we make the necessary investments or accept the potential cost of doing nothing?**

If HST fails:
- Aged, chronically ill, and persons with disabilities are without transportation.
- Less access to preventative healthcare results in increased healthcare cost for chronic disease treatment.
- Low-income individuals unable to reach employment remain on government assistance.

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**Pennsylvania Population Age 65+**

*in thousands*

*The number of Pennsylvania residents age 65 and over (those most likely to need HST) is growing dramatically.*

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HUMAN SERVICE TRANSPORTATION

To be workable, any solution must be implemented in cooperation between state and local government.

- **Regionalize/coordinate** transportation providers.
- **Implement** technology that facilitates:
  - **Regional** approach.
  - Enhanced **customer service**.
  - Greater **efficiency and productivity**.
- **Standardize and streamline** Commonwealth program management.
- **Assess** **performance** regularly.

PennDOT offered shared-ride operators the opportunity to propose locally-supported projects to test and evaluate the potential answers to challenges.

**Private Broker**

PennDOT partnered with Clarion County Commissioners to competitively select a broker to provide human service transportation, because the County could no longer afford to subsidize HST. The broker began management of Clarion’s transportation programs and service delivery on April 1, 2011, and will:

- Assume responsibility for any operating loss.
- Introduce professional management practices and maximize the use of technology.
- Implement changes to increase efficiency, productivity, and customer service.

PennDOT thanks Clarion County Commissioners for working cooperatively to select and contract with a private operator to test the benefits of brokering HST.
Regionalization

PennDOT evaluated the financial and operational benefits of consolidating Lackawanna and Luzerne transportation providers—County of Lackawana Transit System (COLTS) in Scranton, Luzerne County Transportation Authority (LCTA) in Wilkes-Barre, Hazleton Public Transportation, County of Lackawanna Coordinated Transportation, and Luzerne-Wyoming Counties Transportation. Full consolidation could save:

• more than $600,000 annually in three years, and
• more than $1.7 million annually after six years.

Local elected officials will review the report and make decisions.

PennDOT guided an assessment to better coordinate human service transportation between Washington and Greene counties and regionally. The assessment confirms significant potential cost savings through coordination and consolidation.

Fares

Shared-ride providers struggle to establish fare structures that are equitable, cover costs, and are accepted by both PennDOT and DPW/MATP. PennDOT created a methodology to use transit system financial and operational statistics to create fare structures which:

• Generate revenue covering the full cost of service.
• Charge lower fares for basic service.
• Charge higher fares for special and long distance service.

• Transition from single-county to regional management approach.
• Provide technology and maximize benefits.
• Establish a human service performance review.

Moving Forward

Evaluating a Regional Approach

Standard Fare Methodology
CAPITAL INVESTMENT IN PUBLIC TRANSPORTATION

Capital investment in Pennsylvania’s public transportation infrastructure totaled almost $1 billion in FY 2009-10, from all sources—federal formula funds, federal ARRA funds, state formula and discretionary funds, and local funds. Projects encompassed improvements to fixed route bus systems, rail infrastructure, and human service transportation. Selected projects are highlighted below and in the Transit Agency Profile section of the Public Transportation Annual Performance Report – FY 2009-10.

Funding Priorities:
• Leverage federal funds.
• Focus on “State of Good Repair.”
• Invest in energy efficient projects.

A major one-time infusion of more than $350 million in federal ARRA funding and the final allocation of $150 million in state discretionary funding made many of these projects a reality. These sources are no longer available. While many projects were advanced, a major funding gap remains, particularly for transit infrastructure.

TIGGER Grant

The Federal Transit Administration (FTA) awarded PennDOT a Transit Investment in Greenhouse Gas and Energy Reduction (TIGGER) program grant of $5 million. These funds will help transit systems throughout the state replace 35 traditional diesel buses with hybrid electric vehicles.

State of Good Repair Grant

PennDOT will use a special $5.1 million FTA grant to repair, replace, and upgrade buses, administrative/maintenance facilities, and other equipment used by transit systems in small urban and rural areas.
ES-13

**Equipment Upgrade**

PennDOT seized the opportunity to purchase nine lightly used transit buses from Colorado at a fraction of the cost of new buses. Five Pennsylvania transit agencies are operating these vehicles. Pennsylvania can invest the dollars saved in other capital projects.

**SEPTA Bus Purchase Program**

This $263 million project provides for the purchase of 440 40-foot hybrid (diesel/electric) buses. This increases SEPTA’s hybrid bus fleet to 472 vehicles, making SEPTA the operator of one of the largest public transit hybrid bus fleets in the country. By operating hybrid buses, SEPTA is able to reduce engine exhaust emissions and achieve fuel efficiency gains of 36 percent over standard diesel buses.

**SilverLiner V**

SEPTA’s purchase of 120 new regional cars will significantly upgrade customer service throughout the Regional Rail system. The new SilverLiner V trains feature state-of-the-art technology and amenities. This $330 million project has benefitted the state and regional economies by creating jobs. In Philadelphia, Rotem USA Corp. invested $10 million of its own funds to improve a 290,000-square-foot South Philadelphia warehouse where the SilverLiner Vs are being assembled—creating 300 new jobs.

**Butler County Transit Center**

Construction of this $11 million project was completed in the winter of 2011. The facility includes an administration building that houses offices for the Butler Transit Authority, Butler Area Rural Transit (BART), and the Medical Assistance Transportation Program (MATP). The transit center includes a maintenance building with an automatic wash bay, and an enclosed bus storage building to house the authority’s fleet and BART’s paratransit buses. The project created an estimated 284 jobs. A grand opening ceremony is scheduled for May 2011.
**Red Rose Transit Operations Center**

Lancaster County’s Red Rose Transit Authority implemented energy and environmental sustainability features into the renovation of its 30-year-old Transit Operations Center. Construction began in September 2009 and was completed in October 2010. Green features include solar panels, a living roof, geothermal heating and cooling, waste oil burners, and natural daylighting. The improvements were funded in part by American Recovery and Reinvestment Act funds ($5.1 million).

**Advanced Fare Collection Technology**

Pennsylvania’s two largest public transit systems—the Port Authority of Allegheny County (PAAC) in Pittsburgh and the Southeastern Pennsylvania Transportation Authority (SEPTA) in Philadelphia—are actively advancing modern fare collection technology.

Instead of tokens, tickets, and paper transfers, passengers will be able to use bank-issued contactless credit or debit cards, cell phones, or other contactless devices to pay a fare. Riders will also have the option of using prepaid cards.

For customers, this new payment system will be more convenient, secure, reliable, and easy to understand. It will also allow for easy transfers and facilitate regional integration with other transit authorities. For PAAC and SEPTA, the new technology will provide more complete and accurate revenue accountability and enable the authority to reduce operating and maintenance costs.

PAAC and SEPTA are enabling smaller transit systems to take advantage of the same technology for region-wide benefits.
Pennsylvania’s high speed intercity passenger rail provides the gateway to economic growth, community redevelopment, and job creation.

**Objective:**
Attract passengers by improving capital infrastructure and operations.

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**KEYSTONE CORRIDOR**

PennDOT supports the Keystone Corridor’s 110-mpg high speed rail service with 10 station stops between Harrisburg and Philadelphia.

- Reduced traffic congestion and **pollution** on the corridor’s overcrowded highways.
- Redeveloped train stations to anchor **community revitalization**.
- **Economic development** due to ease of intercity travel.
- **ADA accessibility**.

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**Community and Public Benefits**

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**Total Keystone Ridership**

* (in thousands)

Ridership has increased 4 percent this past year, with the Keystone Corridor transporting 1,277,075 passengers in FY 2009-10—a 43 percent increase since FY 2005-06.
PennDOT is renovating and modernizing the train stations along the Keystone Corridor to attract riders, revitalize communities, and spur economic growth.

This is consistent with the 2010 Pennsylvania Intercity Passenger and Freight Rail Plan, which outlined the following intercity passenger rail guiding principles: Safety, Sustainability, Partnerships, Coordinate Passenger and Freight Rail, Smart Transportation, Intermodal Opportunities, Economic Development, and Strengthen Communities.

The historic Elizabethtown Station was renovated to accommodate increasing ridership and promote downtown revitalization. The $9.3 million project, to be completed in early summer 2011, includes new level boarding platforms and elevators for ADA accessibility, improved parking, and renovations to the historic station for public use. While the Elizabethtown station has been heavily used, the modern station has begun attracting even more riders and promoting intercity passenger rail transportation.
Keystone Stations Under Construction

Lancaster ($14.2 million, completion expected December 2011):
- Restoring the 1929 Lancaster Train Station.
- ADA-accessible.
- Enhance and expand parking.

Station Improvements in Planning and Design

Middletown (estimated $31 million):
- Moved the station to accommodate ADA-accessible improvements.
- Will provide convenient access to Harrisburg International Airport and Penn State Harrisburg Campus.

Mount Joy (estimated $12 million):
- Provide covered pedestrian walkways from the station to the central business district.

Coatesville (estimated $19 million):
- Connect station and Coatesville central business district.
- Enhance downtown vitality.
- Provide adequate parking.

In Planning Phase: Parkesburg, Harrisburg, Downington.

Main Line Corridor Improvements

Grade Crossings (estimated $23 million):
Remove the three remaining public at-grade crossings between Harrisburg and Philadelphia to:
- Improve public safety.
- Allow faster operating speeds—from 70 mph to at least 90 mph.
- Reduce commuter travel time.

Corridor Interlockings (estimated $321 million):
Replace five major interlockings on the Keystone Corridor to:
- Increase speed from 110 mph to 125 mph.
- Reduce commuter travel time from Harrisburg to Philadelphia by 20 minutes.
PennDOT assists transit systems in improving efficiency and effectiveness.

**Objectives:**
- Sharpen performance in management, planning, finance, and technology.
- Provide cost-effective, relevant training.
- Streamline administrative and reporting requirements.

**Technical Support to Transit Agencies**
- Strategic planning
- Transportation development plans
- Facility assessments
- Construction management
- Financial management
- Organizational reviews
- Technology implementation and assessment

**Training Delivered**
303 individuals trained, including 17 from four surrounding states, on:
- Board training
- Transit executive seminar
- Maintenance training
- Professional supervisor training
- ADA training
- TransitSCORE (train the trainer)

PennTRAIN received the National RTAP “2009 Outstanding State RTAP Service Award” for Professional Supervisor Training. The award recognizes a state product or service that is cost effective, replicable, and creates a positive impact on local transit agency performance.
PennDOT conducts regular reviews of transit providers statewide, holding agencies accountable for funding received.

**PENNDOT ACCOUNTABILITY AND OVERSIGHT**

**Objectives:**
- Ensure compliance with state and federal funding regulations.
- Verify methods of record-keeping.
- Enhance efficiency to maximize investment of taxpayer money.

**Shared Ride Program On-Site Reviews**

The Auditor General’s Office has conducted several audits of BPT’s management of the Shared-Ride Program for senior citizens and has cited BPT for failure to perform on-site reviews of transit systems’ records for program compliance and accuracy of lottery payments. Although procedures have always existed for the Shared-Ride Program to verify the information used to calculate payments, PennDOT agrees that periodic on-site monitoring is critical to ensure fiscal responsibility, reliability, and program compliance.

In July 2009 BPT began reviews of the shared-ride programs administered by SEPTA and PAAC. The SEPTA and PAAC reviews were completed during FY 2009-10 and included a download of data directly from shared-ride software, and a review of program eligibility procedures. Testing focused on the following four areas:
- Eligibility of senior riders billed under the Shared-Ride Program for Senior Citizens.
- Verification of completed trips invoiced to PennDOT for seniors.
- Accurate collection of 15 percent copayment for seniors.
- Accuracy of invoices submitted to PennDOT for seniors.

BPT completed the same intensive financial review of another 10 shared-ride providers. Reviews identified issues in the following areas:
- Age verification.
- Billing for trips not reserved at least one day in advance.
- Duplicate billings across multiple programs.

BPT has taken action to recover funds as appropriate. BPT will review all shared-ride providers within the next four years.
The FTA awards grants to PennDOT to support public transit systems in non-urbanized areas, and for the purchase of specially-equipped vehicles to transport the elderly and persons with disabilities. PennDOT must ensure that the transit systems and agencies operating the specially-equipped vehicles comply with all federal requirements. PennDOT staff attend FTA training on compliance, conduct compliance reviews, and provide technical assistance to grantees to correct deficiencies.

Compliance reviews cover:

- Finance
- Maintenance
- Disadvantaged Business Enterprise
- Title VI
- Equal Opportunity Employment
- Public Comment Process
- Americans with Disabilities Act
- National Transit Database
- Inventory and Vehicle Control
- Procurement
- Buy America
- Suspension and Debarment
- Lobbying
- Charter
- School Bus
- Safety and Security
- Drug Free Workplace
- Drug and Alcohol Program
- Coordination of Vehicles
- Property Records
- Insurance
In FY 2009-10, Pennsylvania’s public transportation systems received a number of individual and system awards.

PUBLIC TRANSPORTATION AWARDS

SEPTA received the “Distinguished Budget Presentation Award” from the Government Finance Officers Association (GFOA). The award recognizes a budget that serves as a policy document, a financial plan, an operations guide, and a communications device.

The Port Authority of Allegheny County (PAAC) was named Organization of the Year by Bike Pittsburgh. PAAC received this award for promoting bicycling by installing bike racks on many of its vehicles and installing bicycle racks at several important transfer centers.

Butler Transit Authority (BTA) received APTA’s Grand Award for its Adwheel marketing program designed to attract new student riders. BTA has earned APTA’s Grand Award for three of the past four years.

Richard Farr, Executive Director of York County Transportation Authority (YCTA), received PennDOT’s 2010 Public Transportation Manager of the Year award. As President of the Pennsylvania Public Transportation Association (PPTA), Farr provided valuable input in drafting and obtaining legislative support for the state’s funding legislation, Act 44. Farr was also a leader in establishing the new Transit Executive Training Program, the new “Freedom Transit” service in Gettysburg, two new commuter bus services in York, and a pilot initiative to acquire 10 hybrid gas-electric buses.

Hugh Mose, General Manager, Centre Area Transportation Authority (CATA), received the American Public Transit Association’s (APTA) Outstanding Public Transportation Manager award. This prestigious national award is the highest honor APTA presents to a transit manager in North America. It is presented annually to the transit executive who is judged to have made the greatest contribution to his or her bus system, and to the nation’s bus industry in general. Mose has served as CATA’s general manager since 1995, and has been a leader in federal, state, and local transit activities for more than 30 years.