

Transportation Trust Fund Task Force, Meeting #4
Meeting Minutes
January 24, 2011

Present: **Transportation Trust Fund Task Force Members:** Dave Athey, Bill Carson, John Casey, Carol Everhart, Ray Harbeson, Helene Keeley, Dennis Klima, Alan Levin, Paul Morrill, Karen Peterson, Terry Reilly, Danny Short, Bob Venables, Secretary Wicks, Ted Williams, Jim Wolfe

Absent: Carleton Carey, Rich Davis, Rick Deadwyler, Christina Favilla, Jim Ford, Chad Moore, Barry Schoch and Gary Simpson

Present: **Guests and Support Staff:** Cleon Cauley, Jim Craig (Dept. of Finance), Stephen Kingsberry, Jim Lardear (AAA Mid-Atlantic), David Levandoski (1743 Holdings, LLC), Andy Lubin (University of Delaware), Mike McCann, Patrick McKean (Office of Management and Budget), Jeff Montgomery (The News Journal), Mike Morton (Controller General's Office), Brian Motyl, Brett Taylor, Earle Timpson, Arthur Wicks, Mike Williams, Tigist Zegeye (WILMAPCO)

Next meeting: February 1, 2011, 3:00 p.m., Felton/Farmington Room, DeIDOT Administration Building 1st Floor, Dover

I. Review of Minutes

Chairman Ted Williams presented the meeting minutes from the previous meeting and asked the committee members to take a moment to review them. Mr. Williams then opened the floor for comments on the minutes. There were no comments from the committee and Karen Peterson motioned for approval. John Casey seconded this motion and the committee unanimously approved the minutes.

II. Presentation

Andy Lubin and David Levandoski of the University of Delaware and 1742 Holdings, LLC, respectively, presented the University of Delaware's plans for the former Chrysler Plant site and the transportation demands that this project might create.

III. Comments and Discussion

A. University of Delaware Presentation

Bob Venables asked if the Governor's newly proposed Infrastructure Bank would be involved in the transportation enhancements needed for the University of Delaware's plans at the Chrysler site. Andy Lubin explained that the university would ask the state for \$25 million to assist with the transportation improvements, but that a source had not been identified as of yet. Secretary Wicks noted that the funds requested by the university do not include plans for rail improvement on the site and cautioned that the cost for these improvements would be very high. Ray Harbeson asked if the rail improvements on the Chrysler site would affect the state's plan to develop a North/South rail line. Mr. Lubin explained that the plans for rail improvements are just beginning to be developed and that this is one of many issues to be addressed in that process.

Ted Williams asked what percentage of the site will be used for residences. Mr. Lubin responded that the site will include a mid-rise building with 200 units that will equate to 250,000 ft² of residential space and 40,000 ft² of support and retail space. Mr. Williams concluded from this information that residential space will not represent a substantial portion of the site. Mr. Lubin agreed and explained that the university does not want to compete with the numerous other residence projects in the area. Mr. Lubin also noted that the recent BRAC relocation to Aberdeen has created many new jobs and that of these new hires, many were interested in living in more metropolitan areas (Baltimore, Philadelphia, Newark, etc.). With this information in mind, the university hopes that rail and other transportation improvements to the Chrysler site will make Newark a more attractive and accessible place to live for Aberdeen employees.

Paul Morrill asked what percentage of the site would be a non-impervious surface versus an impervious surface when the university completes construction at the Chrysler site. Mr. Lubin responded that the goal was for 50 percent impervious and 50 percent non-impervious surfaces when construction is completed.

Mr. Harbeson asked if the University of Delaware would help raise revenue for the transportation improvements to the site. As an example, Mr. Harbeson noted the idea of including an additional fee in all students' tuition for public transit. In turn, the student would receive a transit pass for the semester for use on public buses and public rail. Mr. Lubin responded that the university is interested in exploring any ideas that would help fund these improvements.

B. Follow Up Items and Documents

1. Updated Budget Gap Scenarios

Secretary Wicks noted that the budget gap scenario that did not include escheat funds would probably be the best indicator of future budgets. David Athey requested that the information be presented in graph form. Mr. Williams agreed that the data would be very useful in visual form.

2. 2005 Task Force Recommendations/2007 Revenue Package

Alan Levin asked if there was less toll avoidance when highway speed EZ-Pass lanes are present. Secretary Wicks responded that these do help minimizing toll avoidance.

Carol Everhart asked if the state mails title information to owners or if the car dealership mails this and suggested that the state shift this responsibility to the dealer to save money in postage. Mr. Williams suggested that this be added to the list of potential revenue sources. Ms. Everhart also asked about the increments in which registration fees increase. Brian Motyl explained that the registration fees increase on vehicles over 5,000 pounds.

Jim Wolfe asked which year the operating budget shifted from the state's General Fund to the Transportation Trust Fund. Mr. Motyl and several committee members answered that this happened in July 1992. Mr. Morrill asked if there was a logical way to break down the operating budget into pieces to shift back to the General Fund. Mr. Williams suggested this idea should be added to the list of potential revenue sources.

Dennis Klima asked what it might cost to increase borrowing and what implications there might be from the corresponding slip in bond ratings.

Mr. Motyl responded that this is currently being studied but that no definitive conclusions had been drawn as of yet.

Mr. Casey asked which recommendations from the 2005 Task Force were passed. Secretary Wicks explained that none of these recommendations were passed in 2005, but several of them were included in the 2007 Revenue Package.

3. Potential Revenue Source Options

Mr. Williams asked committee members to review potential revenue source options in addition to the list provided at Meeting #3. Mr. Williams also asked committee members to email their ideas as soon as possible so that DeIDOT staff had enough time to add these to the list and create revenue estimates.

Karen Peterson noted that a lightering tax would increase revenue while mitigating the cost to the public. Ms. Peterson also asked for information on outdoor advertising fees and fines. Mr. Morrill asked if the state charges for signs that are in the state right-of-way.

Bill Carson asked how many rest centers does DeIDOT operate. Secretary Wicks responded that DeIDOT operates the Smyrna Rest Area and that the I-95 Rest Area is operated in a public-private partnership. Mr. Carson also asked if DeIDOT charges for the use of Park-and-Ride parking lots. Secretary Wicks confirmed that DeIDOT does not charge for the use of these lots.

Helene Keeley asked how many other states are fully funding their transportation systems out of Transportation Trust Funds. Secretary Wicks responded that a speaker will be at our next meeting to discuss this issue. Mr. Wolfe asked which departments the state pays for through the General Fund. The Committee noted that the state pays for all departments except DeIDOT through the General Fund.

Mr. Morrill cautioned that this committee needs to concentrate on ways to increase revenues or decrease expenditures instead of efforts that will merely shift the costs. Mr. Williams responded that while this may be true, the committee must remember that the goal of this Task Force is to present a list of options to the Governor's Office so that they can make the decision of which options to implement.

Mr. Casey asked if the \$25 million that the University of Delaware requested would be reflected in the next budget. Secretary Wicks noted that today's presentation was the first DeIDOT had heard of this request. Secretary Wicks also reminded committee members that this request did not include the very large investment that will be necessary to implement rail improvements on the site. Mr. Casey asked if the state's current rail needs were included in the current Capital Transportation Plan. Secretary Wicks explained that most were not included in the current Capital Transportation Plan, but were included in the WILMAPCO's Long Range Plan.

Mr. Levin noted that the committee needed to investigate the leasing of under maximized goods to private enterprises so that private industry can maximize these goods and the state can receive funding to enhance Delaware today.

4. Miscellaneous

Ms. Peterson introduced an issue that she had noted at the previous meeting concerning an incident in which she had witnessed people leaving

a paratransit bus who did not seem to have a disability that would prevent them from using the fixed route system. Stephen Kingsberry explained that this may have been a bus from a Senior Center and that a Federal program was started several years earlier that gave paratransit buses to Senior Centers to help minimize the burden on public transit.

Mr. Morrill asked if there were any limitations on the number of trips that a paratransit user could make in one day or week. Mr. Kingsberry explained that there is no rule limiting the number of trips one can take, but every trip is scheduled separately, which does limit the number of trips that can be made in one day.

Ms. Peterson asked if paratransit users are required to recertify for the use of the service. Mr. Kingsberry explained that users are required to recertify every three years. Ms. Peterson also asked if paratransit service is financially needs based. Mr. Kingsberry responded that Federal mandates state that paratransit cannot be needs based and the service can not discriminate.

Mr. Athey asked if the state's paratransit regulations reflect Federal regulations or have they been "Delawareized" to work within such a small state. Mr. Kingsberry agreed with this and noted that the state has exceeded the regulations by providing paratransit service statewide. Mr. Athey also asked if citizen 65 years or older can ride even if they do not have a disability. Mr. Kingsberry explained that any citizen 65 years or older can ride but that seats were based on space available.

Mr. Casey asked when public transit fees were last raised. Secretary Wicks responded that they were last raised in 1989. Mr. Casey also asked for a clarification as to amount of the subsidy that public transit receives.

Mr. Levin asked what percentage of paratransit riders are non-disabled 65 years or older citizens. Mr. Kingsberry responded that it was a very small percentage of paratransit riders.

Ms. Peterson asked what the costs of paratransit was in the surrounding areas. Mr. Kingsberry explained that Federal mandates require paratransit fares to be no more than double the price of fixed route transit. Secretary Wicks noted that fixed route fares could be raised and then paratransit fares could be raised.

Mr. Casey asked for a breakdown of revenues from public transit services. Mr. Kingsberry gave the breakdown of revenues from fixed-route, rail and paratransit.

Mr. Levin asked if all fare cards gave a 70 cent discount to customers. Mr. Kingsberry explained that the size of the discount depends on the size of the fare card you purchase. Larger fare cards carry a larger discount.

Ms. Keeley asked for a dollar figure of the amount of free passes that DTC gives out in a year. Mr. Kingsberry responded that 90% of free passes had been eliminated and that the free passes for O-Zone Day were purchased with a grant from DNREC.

Secretary Wicks asked Mr. Kingsberry to explain a current trend with the buses that were given to Senior Centers around the state. He explained how many of these senior centers can no longer afford the costs of operating a paratransit bus and that the DTC now has more paratransit trips to handle. Cleon Cauley asked how many trips DTC would have to handle if all senior centers pulled out of this program. Mr. Kingsberry said that the estimate was around 174,000 additional trips a year.

C. Administrative Matters

1. Ted Williams discussed the following items:
 - (1) Meeting minutes would be reviewed by the chairperson, then posted to the DeIDOT website. At the following member meeting, minutes would be presented for comment.
 - (2) Next meeting will be held on February 1, 2011, 3:00pm – 5:00pm.
DeIDOT Administration Building, Felton/Farmington Room

Meeting adjourned at 5:00pm

Task Force Goals

- ***Thoroughly explore, examine and evaluate the resource needs for the comprehensive Capital Transportation Program (CTP);***
- ***Study and report on the issues and potential effects of requiring DeIDOT to determine the funding allocations and project prioritization for those projects traditionally funded in the Community Transportation Fund (CTF) category within the Grants and Allocations appropriation classification;***
 - ***Provide analysis of overruns and/or deficits for the CTF program over the past three years on a district by district basis; and***
- ***Provide a comprehensive report and recommendations to the Governor and General Assembly by March 31, 2011.***