

1 NEW YORK STATE SENATE

2 STANDING COMMITTEE ON TRANSPORTATION

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Public Hearing in the Matter

4

NYS DOT FIVE-YEAR CAPITAL PLAN

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Buffalo & Erie
County Historical Society
25 Nottingham Court
Buffalo, N.Y.

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October 30, 2009
Friday
12:00 p.m.

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PRESIDING: Senator Martin Malave Dilan
Chairman

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Senator William T. Stachowski

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Senator Antoine M. Thompson

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Senator Michael Ranzenhofer

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Senator George Maziarz

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1 OPENING STATEMENT FROM

2 SENATOR MARTIN MALAVE DILAN, CHAIRMAN

3 CHAIRMAN DILAN: Good afternoon. My

4 name is Martin Malave Dilan, Chair of the

5 Standing Committee of the New York State

6 Senate on Transportation, and I'm happy to

7 be here in Buffalo. And this is the second

8 in a series of public hearings on the

9 Department of Transportation's Five-Year

10 Proposed Capital Plan, which is

11 approximately \$26 Billion over the course of

12 the next five years, and we're looking

13 forward to hearing from all of you. We had

14 a nice session yesterday in Syracuse and

15 everything went as planned. I think we had

16 some very good testimony of quality and it

17 was a very good hearing.

18 The purpose of this hearing is to

19 hopefully bring you transparency through the

20 process of the Five-Year Capital Plan, and

21 obviously to get a Five-Year Plan from them.

22 That's my commitment that we work hard to

23 make sure that we somehow get the Five-Year

24 Plan from them. Many of you may recall

1 earlier this year the Legislature financed
2 an MTA Plan and two-year capital budget for
3 them, and at that time we made a commitment
4 to the rest of the state that we will have a
5 Capital Plan of highways and bridges, and
6 we're going to keep that commitment, that's
7 why we're holding these hearings. So I'm
8 committed to that and I know all my
9 colleagues from the State Senate are
10 committed to that, and we're going to make
11 sure that happens.

12 This afternoon I'm joined by my
13 colleagues from the State Senate. We have
14 Senator Bill Stachowski and we also have
15 Senator Antoine Thompson. So with that
16 said, we're going to start right away and
17 I'm going to allow Senator Bill Stachowski
18 to chair this portion of the hearing.
19 Senator.

20 SENATOR STACHOWSKI: Senator, did you
21 want to make a comment?

22 SENATOR THOMPSON: Sure. First let
23 me thank Chairman Dilan for coming. I know
24 our office drove him crazy about making sure

1 that we did have this hearing, and I want to
2 thank him for that because so many of the
3 folks that are here and folks that are not
4 here were extremely concerned about making
5 sure that Western New York had a voice as we
6 talk about the capital program. So this is
7 extremely important. We know that we have a
8 tremendous amount of needs for
9 infrastructure, whether it's Niagara Falls
10 to Buffalo, all the way to the southtowns as
11 well. This is extremely important. And we
12 know also that these infrastructure dollars
13 create jobs, and so I am extremely thankful
14 that the Chairman is here and look forward
15 to us not only advancing the Capital
16 Program, but making sure that Western New
17 York and particularly the 60th District gets
18 a big chunk. We can take 25 Billion and put
19 it right here in Buffalo. So thank you for
20 coming, and this is a tremendous
21 opportunity.

22 And I will also say that the Senate,
23 this year alone in Western New York has had
24 a tremendous amount of hearings and engaged

1 the public to really open up our government,
2 and so I think this is a continuation of
3 that effort. We have another hearing on
4 another Committee on Finance on Monday. So
5 I think it really should reflect that we are
6 doing a tremendous job in getting people
7 access to the members and to the chairs of
8 these committees so that people have a
9 chance to not only meet them and later have
10 our leaders have a chance to listen to what
11 the folks in Western New York have to say.
12 Thank you.

13 SENATOR STACHOWSKI: Before I call
14 the first person, I just want to make one
15 quick comment. One, I didn't have to drive
16 Marty crazy because Senator Dilan said he
17 was going to come to Buffalo and have a
18 hearing and I knew he would do it, so that
19 was never a problem. The other part is that
20 I want to point out is that although it's
21 been reported all over that we did have a
22 meeting with the MTA, that there's no road
23 and bridge program for upstate. There's no
24 road and bridge program for downstate either

1 Department of Transportation appreciates the
2 opportunity to be here today and to
3 participate in this important hearing.

4 The transportation system funded
5 through the NYSDOT Capital Program impacts
6 the daily lives of all 19 million New
7 Yorkers in all 62 counties across the state.
8 This network provides the required mobility
9 for the delivery of the goods we use every
10 day or for our personal travel.

11 We know that the investment needs of
12 our system are growing. New York has one of
13 the oldest infrastructures in the nation.
14 Much of it was constructed before the
15 interstate highway system was established
16 more than 50 years ago. In fact, some parts
17 of our system are more than a century old.
18 In addition, our infrastructure is among the
19 most heavily used in the nation and faces
20 the effects of harsh winters. And we expect
21 system demand, to transport both passengers
22 and freight, to increase over time. New
23 York's transportation infrastructure is now
24 in need of repair and modernization.

1 The need for this investment in the
2 state's transportation systems is evidenced
3 through a number of recent national and
4 state studies.

5 The National Surface Transportation
6 Policy and Revenue Study Commission's 2007
7 report cited the need to more than double
8 the level of investment in the nation's
9 transportation infrastructure. The report
10 cited the importance of both maintaining the
11 existing infrastructure and making strategic
12 expansions to serve the growing economy.

13 Also in 2007, NYSDOT's own 20-year
14 needs study described the need for \$175
15 Billion in investment in transportation
16 infrastructure under NYSDOT's jurisdiction.
17 Achieving this level of investment would
18 require more than a doubling of resources
19 for NYSDOT's capital program.

20 Our own data on system conditions shows
21 that we are barely holding our own and many
22 parts of the highway system will soon be in
23 need of repair or replacement. We have also
24 heard about the needs of our local

1 communities, both during the state's
2 outreach for local projects as part of the
3 American Recovery and Reinvestment Act,
4 ARRA, and from our additional outreach to
5 local officials this summer in preparing our
6 Capital Plan Proposal.

7 Through New York invested record sums
8 in the infrastructure during this current
9 Five-Year Capital Plan period, more than \$18
10 Billion from 2005 to 2010, we have also
11 experienced unprecedented inflation in
12 materials such as steel and asphalt during
13 this period, and the nation saw some of the
14 most dramatic spikes in fuel prices in 2008.
15 This ate away the Department's ability to
16 deliver the projects we expected during this
17 period.

18 But there was some good news for
19 transportation investment earlier this year.
20 The Recovery Act provided a one-time boost
21 in funding to allow us to make progress on
22 addressing transportation deficiencies and
23 creating jobs to spur the economy. Under
24 Governor Paterson's leadership, the

1 Department has delivered on both of these
2 goals.

3 The stimulus money required NYSDOT to
4 obligate 50 percent of the highway funds
5 provided to the state within 120 days. We
6 met this deadline 33 days early; we were
7 among the first states in the nation to do
8 so. And we continue to deliver. Governor
9 Paterson has worked with federal, state, and
10 local officials to certify projects, as
11 required under the Recovery Act, and,
12 thereby, gain the necessary funding to put
13 shovels in the ground and help create and
14 retain jobs. Because of this, to date,
15 NYSDOT has designated 99 percent of the 1.2
16 Billion in highway funds provided in the
17 Recovery Act to specific projects already,
18 and we expect to have a full 100 percent
19 selected by the end of the year. This is
20 more than two months ahead in advance of the
21 Federal deadline of March 2nd, 2010. And it
22 is worth noting that more than half of the
23 transportation money New York state received
24 as part of the Recovery Act went directly to

1 local projects.

2 Much of the stimulus funds in Western
3 New York are being used for long overdue
4 pavement resurfacing and sidewalk
5 improvements in the cities of Buffalo,
6 Niagara Falls, Dunkirk, Jamestown, Olean and
7 Salamanca. Other examples are the
8 construction of streets for the Erie Canal
9 Harbor Development and Erie County's
10 reconstruction of Maple Road. On the state
11 system, Recovery Act funds are primarily
12 being used for various highway resurfacings
13 and bridge work. Statewide, approximately
14 60 percent of the highway funding provided
15 by the stimulus package is now under
16 construction. What you don't see today will
17 be under construction as soon as the weather
18 permits this spring.

19 NYS DOT has also taken every opportunity
20 to apply for available stimulus funding. In
21 August and early October, New York submitted
22 applications for the \$8 Billion made
23 available to move toward national high speed
24 rail. New York is optimistic that we will

1 be successful in this selection, the results
2 of which are due this winter. New York has
3 also submitted applications for funding for
4 regionally significant transportation
5 projects under a competitive grant program
6 the federal DOT is calling the TIGER
7 program, and for comprehensive grants for
8 transit, ferry, environmental and energy
9 projects.

10 While the funds provided under the
11 Recovery Act are welcome and needed, they
12 were not enough to meet our growing needs.
13 In fact, they represent less than one
14 percent of our documented 20-year needs and
15 only made up for about half of what has been
16 lost to inflation over the last five years.
17 Continued and sustained investment in our
18 infrastructure is needed if we are to meet
19 the transportation needs of the citizens of
20 New York into the future.

21 NYSDOT's Capital Plan Proposal provides
22 a starting point for that future investment.
23 Earlier this month, the Department put
24 forward a proposed capital plan that lays

1 out our investment priorities, strategies
2 and initial performance measures and,
3 similar to the MTA's Five-Year Capital Plan,
4 proposes 25.8 Billion in funding over the
5 next five years, 2010-2015, for investment
6 in the state's highways and bridges,
7 downstate, suburban and upstate transit
8 systems, rail passenger and freight, and
9 aviation and port infrastructure. This
10 level of funding is an increase of more than
11 40 percent over the record-setting
12 investments of the current Five-Year
13 Program, which expires in March 2010. The
14 Plan provides equal increases to highways,
15 transit, and freight and port investments.

16 The State Highway and Bridge Dedicated
17 Trust Fund needs additional resources to
18 meet current capital commitments, and will
19 need even larger increases to meet future
20 needs. Currently, nearly half of the
21 revenue coming into the fund is used to pay
22 debt service. Without new resources, by
23 2013, we expect debt service to consume
24 three-quarters of the Fund's annual

1 revenues.

2 And the situation is similar at the
3 federal level. The Federal Highway Trust
4 Fund has required transfers of general fund
5 money during the past two fiscal years to
6 meet current commitments. To meet growing
7 demands, new funding streams will need to be
8 found. Funding for Federal transportation
9 programs expired on October 1, and congress
10 is considering a short-term extension until
11 an agreement can be reached on how to fund a
12 long-term bill. With the lack of a
13 multi-year federal transportation bill and
14 the severe fiscal constraints in the state,
15 it will be a significant challenge to find
16 the resources for transportation investment.

17 The investment priorities and
18 strategies laid out in the plan detail how
19 NYSDOT plans to invest in the transportation
20 system. NYSDOT's investment priorities are:

21 First, safety for the traveling public:
22 Our first priority must always be to assure
23 the safety of those using our
24 infrastructure.

1 Second, preservation of transportation
2 assets: One of the best ways to ensure
3 system safety is to invest in bringing our
4 transportation infrastructure back to a
5 state of good repair and to use an asset
6 management strategy, which means undertaking
7 the proper maintenance strategies at the
8 proper time to maximize the useful life of
9 the infrastructure, and minimize the overall
10 costs of the infrastructure over time.

11 Next, investments must support the
12 state's economic vitality: Keeping the
13 system functioning and investing where we
14 can create economic opportunities.

15 Next, we must enhance mobility for
16 people and goods: Improving the reliability
17 of the system, increasing service in all
18 modes of transportation, and providing some
19 capacity enhancements where needed.

20 Next, investing sustainability for the
21 future: This means investing in ways that
22 will reduce overall energy consumption,
23 including investing in communities that are
24 well planned and support public

1 transportation, walking, and biking, and
2 leveraging funding opportunities by
3 coordinating investments so we get the most
4 value out of all federal, state and local
5 infrastructure funds. It also means
6 building in ways that minimize environmental
7 impact of transportation projects.

8 The Department also places a high
9 priority on providing maximum opportunities
10 for Disadvantaged Business Enterprises and
11 Minority and Women-Owned Business
12 Enterprises. We have taken action recently,
13 and plan to do more, to strengthen these
14 programs, including one-on-one certification
15 events, maintaining a statewide outreach
16 program, increasing the number of M/WBEs by
17 speeding up the M/WBE application process
18 for firms already certified as a DBE,
19 increasing internal M/WBE utilization
20 through staff training and communication,
21 making certain potential opportunities for
22 DBE participation are considered in
23 individual contract goal-setting and
24 planning a mentor-protege program for DBEs

1 and M/WBEs.

2 NYS DOT plans to focus its investments
3 on the most heavily used core system assets
4 first, including bridges and highways on the
5 federal aid system. Bridges will receive
6 the highest priority. With the proposed
7 investment levels, statewide, we expect to
8 stabilize our federal aid eligible bridge
9 deck area, and to maintain pavement
10 conditions of interstate and other high
11 volume roads. Pavement conditions on lower
12 volume roads are expected to decline
13 somewhat.

14 In Western New York, pavement and
15 bridge conditions on our higher volume
16 facilities will remain stable. However, the
17 condition of lower functioning facilities
18 and local bridges continues to be a concern.

19 During our outreach this summer in
20 preparation of the capital plan, we heard
21 loud and clear from local officials and
22 stakeholders that we need to invest in our
23 local transportation system. In response,
24 DOT's proposed program does propose

1 significant increases in funding for the
2 local highway and bridge system. The Plan
3 calls for a more than 40 percent increase in
4 CHIPS and Marchiselli funds, programs that
5 assist localities in meeting their capital
6 needs and matching federal aid.

7 The Plan also proposes several new
8 initiatives to support local infrastructure.
9 These include:

10 \$150 Million to support a new local
11 bridge program. \$150 Million to improve the
12 local touring route system. These
13 facilities are the numbered routes that pass
14 through many cities, towns and local
15 jurisdictions, but sometimes these
16 facilities are not under state jurisdiction.
17 These are often the main streets of local
18 communities, and when they are not under
19 state jurisdiction, the cities and
20 localities are responsible for their
21 maintenance and operation. This program
22 would assist in bringing these facilities to
23 a state of good repair, comparable to that
24 of the state's touring route facilities.

1 And, 25 Million in funding for a new
2 Community and Corridor Land-Use Planning
3 Initiative that will support regional smart
4 growth analyses and community and corridor
5 planning to ensure that transportation
6 investments effectively contribute to the
7 sustainability, livability, and economic
8 competitiveness of our state's communities.

9 NYS DOT's plan also recognizes that even
10 though times are challenging, we cannot stop
11 planning for the future. There are key
12 system enhancements that should be funded to
13 meet emerging and growing demands and
14 support economic growth.

15 Our largest proposed new initiative
16 would provide \$300 Million to move forward
17 on the rail vision put forward in the
18 state's rail plan released earlier this
19 year. This funding would match newly
20 available federal aid, and would allow the
21 state to undertake key capital projects that
22 will improve the reliability of rail
23 service, primarily between Albany and
24 Buffalo, and move toward high speed rail

1 service along the entire rail corridor, from
2 New York City to Albany to Buffalo and
3 Niagara Falls.

4 NYS DOT's plan recognizes three critical
5 investment areas:

6 Core investments: Those needed to
7 preserve and sustain our existing
8 infrastructure. Some examples of core
9 projects in Western New York include:
10 Preventative maintenance, including bridge
11 washing, painting and repairs. Pavement
12 striping, sign replacements and traffic
13 signal replacements. Pavement and bridge
14 rehabilitation along segments of I-190 in
15 Niagara County and I-86 in Cattaraugus and
16 Chautauqua counties. The replacement or
17 rehabilitation of the bridges carrying
18 Bailey Avenue over the Buffalo River and
19 Cazenovia Creek in the City of Buffalo. The
20 reconstruction of segments of Buffalo Avenue
21 and the Ferry-Walnut Arterials in the City
22 of Niagara Falls.

23 Enhancements: Strategic expansions to
24 the existing system needed to accommodate

1 growth and future needs. In efforts to
2 maintain our core infrastructure, the
3 program for Western New York includes a few
4 enhancement-type projects. These are
5 limited to low-cost operational
6 improvements, such as intelligent
7 transportation systems and traffic signal
8 control.

9 Next category is major projects: Those
10 projects critical to system function or
11 expansion that require resources beyond our
12 current means. In Western New York, these
13 include: I-90/I-290 Corridor, also known as
14 the Blue Water Tower: NYSDOT and the
15 Thruway Authority are in the scoping stage
16 of a project that will identify capacity
17 improvements along the I-90 through the
18 Towns of Amherst and Cheektowaga. The
19 expected first project to advance from this
20 scoping study is a reconstruction of the
21 I-90/I-290 Interchange. This project is
22 expected to cost from 150- to \$200 Million.
23 The NYSDOT share may be as much as half of
24 the total cost. This interchange is the

1 largest single point of congestion in the
2 region.

3 Buffalo Harbor Bridge: Funding has
4 been approved and a study is underway to
5 look at alternatives and prepare an
6 Environmental Impact Statement for a project
7 that may provide for the construction of a
8 bridge to access the Outer Harbor area of
9 the Buffalo waterfront. The required
10 funding for the bridge may be more than \$100
11 Million. The funding is not identified for
12 the final design and construction phases of
13 this project.

14 Scajaquada Corridor: This project
15 proposes to reconfigure the Scajaquada
16 Expressway into a facility that is more in
17 harmony with its Olmsted Park surroundings.
18 DOT is in the midst of preliminary design
19 for the corridor. Construction is estimated
20 to cost from 85- to \$100 Million. Funding
21 is not identified for the final design and
22 construction phases of this project. The
23 project has community and political support,
24 but scheduled delays have raised concerns.

1 Route 219 Expressway Extension: NYSDOT
2 is conducting additional environmental
3 evaluations as required by the Federal
4 Highway Administration for an extension of
5 the Route 219 Expressway beyond what is
6 currently under construction. The funding
7 is not identified for the final design and
8 construction.

9 And there is public transportation
10 operating assistance to consider. While one
11 objective of NYSDOT's Capital Program is to
12 address the capital needs of the upstate
13 public transportation systems, the
14 Department recognizes that the Niagara
15 Frontier Transportation Authority requires a
16 steady and predictable level of operating
17 assistance to stabilize existing service and
18 fare levels, and to effectively leverage the
19 proposed capital investments. In State
20 Fiscal Year 2010-2011, the NFTA is
21 projecting an operating deficit of
22 approximately 4 and a half Million Dollars.
23 The Department is prepared to work with the
24 Legislature to address this important and

1 increasing need.

2 All of this said, NYSDOT recognizes
3 that even at the proposed levels of
4 investment, this plan will not meet all of
5 our infrastructure needs. It is a down
6 payment on the future, and what we can
7 accomplish, and at what pace, will depend
8 upon available resources. The amount needed
9 to preserve and improve the state's diverse
10 transportation system is large and will
11 continue to grow as the system ages.
12 Without this sustained level of investment,
13 it will be impossible to maintain the
14 condition of the many pieces of the
15 transportation system, to say nothing of
16 expansion or enhancements to meet economic
17 or other emerging needs. This is a
18 necessary commitment to protect the
19 traveling public, to spur economic recovery
20 and to pave the way for future growth. If
21 adequate levels of transportation investment
22 can be sustained in the future, then
23 progress will continue on the longer-term
24 goal of achieving a state of good repair.

1 Under the leadership of Governor Paterson,
2 the New York State Department of
3 Transportation looks forward to working with
4 you to continue to meet our infrastructure
5 needs and our obligation to the public.

6 SENATOR STACHOWSKI: Before we go
7 further, I'd just like to point out that
8 we've been joined by Senator Mike
9 Ranzenhofer and Senator George Maziarz. I
10 have one question for you and then I'm going
11 to call on others to ask questions. The one
12 question is we saw just a little bit about
13 aviation here. As I mentioned to you
14 beforehand, I had a call that came in and
15 said that there was a concern about the
16 amount that's going to be dedicated to
17 aviation across the state. As you know we
18 have, we have some expanding airports, even
19 here in Western New York. Besides keeping
20 up with what we have, we have an expansion
21 going on in Niagara Falls. We're trying to
22 take full advantage of that as far as NFTA's
23 airport capability concerning both airports.
24 Do you know anything about what the funding

1 level for aviation is or if there is any
2 consideration for funding to aviate this?

3 MR. TAYLOR: Senator, I don't have a
4 breakdown on this, but the sum total for
5 aviation in the \$25.8 Billion package is
6 \$101 Million. My understanding is that, and
7 again, I don't have the particulars, but I
8 can certainly look into that for you with
9 regard to the aviation breakdowns, but all
10 the modes of transportation right across the
11 board are utilized in this proposal right
12 across the board. Beyond that, I don't
13 know, but I can certainly look into that for
14 you.

15 MR. STACHOWSKI: Any questions?
16 Thank you.

17 MR. TAYLOR: Okay. Thank you very
18 much.

19 MR. STACHOWSKI: We're going to go
20 out of order because we had a scheduling --
21 the next party is, supposed to be next
22 anyway, who is not on the list, is Doug May
23 representing the Fair Committee. There was
24 a miscommunication and we're going to have

1 him go next.

2 DOUGLAS MAY

3 MR. MAY: My name is Doug May. I'm
4 representing the Fair Committee. I'm the
5 Chairman of the Fair Committee, and I'd like
6 to thank Chairmans Dilan and Maziarz,
7 Thompson, Stachowski and Ranzenhofer for the
8 opportunity to speak today. I appreciate
9 the invite. Thank you very much.

10 The Fair Committee is a Western New
11 York group that represents over 5000
12 members. We're comprised of labor unions,
13 businesses, people interested in tourists,
14 industries, local governments, trucking
15 concerns, anyone who would benefit from
16 investment in infrastructure in Western New
17 York. So that's the primary cause of the
18 Fair Committee.

19 The first part of our comments are
20 general to the state, and we provided a
21 graph which to just show how our former, how
22 prior stateside funding levels of a
23 statewide capital program, and basically,
24 when you talk in terms of real dollars,

1 there was somewhat of a steady decline over
2 the last 20 years and I think you've heard
3 DOT's comments on the general effect of
4 keeping things at that constant level. It
5 seems like we've fallen behind with the
6 recent news about what's happened at Crown
7 Point Bridge and that being shut down. It
8 appears as though, you know, the evidence is
9 there, that times were increased and
10 investment in infrastructure revenue is
11 necessary. But really, my primary focus
12 here today is to bring it to a local level,
13 and what we're here -- what I'm here to talk
14 about is a couple of major events that have
15 happened in funding in Western New York that
16 have negatively impacted the investment
17 here. And one incident that happened in the
18 '08/'09 Capital Plan year was as luck would
19 have it, the lion share of the Capital
20 Program which was to be let in the latter
21 part of that construction season, was very
22 negatively impacted by the economic down
23 turn. So as you recall in the fall of
24 '08/'09, the decision was made by the

1 Department of Transportation, probably
2 handed down from the governor's office, I'm
3 not sure, but that stopped all letting of
4 jobs that were funded, that had to be funded
5 by over 20 percent state funds. So
6 unfortunately for Western New York, we had
7 some very major projects slated to be let
8 during that time period, and the net affect
9 was that our letting program was cut for
10 that year by 54 percent, and that was
11 something that was very specific to Region
12 5. It happened to some extent in Long
13 Island, but the rest of the state did not --
14 did not suffer anywhere near the same burden
15 that Region 5 did. So, to us, that
16 represented a, major, major cut in the
17 '08/'09 construction season. Then, roughly
18 at about the same period of time, DOT
19 developed some formula changes. Those
20 formula changes were how they managed the
21 distribution of funds to the different
22 regions in the state. That became enacted
23 in the '09/'10 construction season. And
24 again, this new formula changed Buffalo for

1 going back 25, 29 years. They used to
2 receive almost 10 percent of the statewide
3 distribution. The new formula reduces that
4 to about 6.7 percent. That represents a 35
5 percent cut in the core program. So that
6 same formula was used to invest in
7 infrastructure through the stimulus package
8 as well. So what traditionally would have
9 been our share of the stimulus package was
10 also reduced by 35 percent. The net affect
11 of those three cuts was 35 Million from the
12 core program, 37 Million for the stimulus
13 dollars and 54 Million from the core program
14 in '08 and '09.

15 So you can see that's a very serious
16 cut to this end of the state for
17 circumstances basically outside of our
18 control, and the impact has been dramatic
19 and drastic. Right now the labor unions
20 report an unprecedented, you know, the
21 officials of the 20 years, 10 years in their
22 different unions are reporting the worst
23 unemployments ever. When people take about
24 the stimulus in Western New York, people

1 involved in the highway industry are shaking
2 or shrugging their shoulders. They haven't
3 recognized it. So the situation for this
4 part of the state, it's a dire -- it's a
5 dire situation. It needs to be corrected.
6 We've looked at the new formula and what the
7 different, the new aspects of the formula,
8 and we disagree. It's discounted lane
9 miles, it's discounted locally owned bridges
10 and it's discounted a number of more
11 traditional methods of evaluating region to
12 region, and we would like to get this
13 situation corrected and brought back to the
14 old methods that we used. We feel it's
15 unfair and arbitrary, and DOT has already
16 acknowledged to date that there is some
17 flaws in the formula. We're trying to get
18 to the bottom of what those flaws are and
19 whether it's the data or just the formula
20 itself. That's a work in progress and we're
21 hoping to the work with you all on that.

22 I guess you heard about, a little bit
23 touched on about the catastrophic effects of
24 the cuts that we see, but maybe not so much

1 the direct result, but there's also a chart
2 in there that shows it. There's 17 bridges
3 in Western New York that have a poorer
4 bridge rating than the Crown Point Bridge
5 that has recently been shut down. So again,
6 that points to a large percentage of
7 construction deficient bridges in Western
8 New York, and one of those bridges is
9 actually the Peace Bridge, which is a huge
10 linchpin to economic development and it's
11 the key to the markets of the north for
12 Western New York. So obviously, the need is
13 here, and you know, our request of this
14 Committee is that you fund Capital Plan and
15 help us to restore the traditional
16 distribution formulas for statewide
17 distributions, and to help correct some of
18 the, what we consider, wrongs, of the last
19 18 months. Thank you.

20 MR. STACHOWSKI: Any questions?

21 MR. THOMPSON: I just wanted to make
22 a quick comment that we appreciate all the
23 letters and articles you all have here in
24 writing and I assure you that all of us have

1 been pushing hard to address a lot of the
2 concerns.

3 MR. MAY: We appreciate all of your
4 responses and we appreciate your work too.
5 We have received notice of your efforts and
6 it doesn't go unnoticed. Thank you very
7 much.

8 MR. STACHOWSKI: Senator Ranzenhofer.

9 MR. RANZENHOFER: Thank you. How are
10 you coming along with your request for a
11 meeting with the Commissioner, specifically
12 your request for that type of meeting?

13 MR. MAY: We have not received a
14 follow-up meeting. We're still working on
15 meeting with Tim Gilchrist, that we're
16 hoping would be helpful as well, but we have
17 yet to receive a follow-up meeting to our
18 meeting with the Commissioner.

19 MR. RANZENHOFER: Do you know where
20 that stands, what the progress of that is?
21 I don't know why it hasn't happened.

22 MR. MAY: We're waiting for word.

23 MR. RANZENHOFER: Okay.

24 MR. STACHOWSKI: Any other questions?

1 Just one comment. We got all the
2 information to Tim Gilchrist in his area,
3 both stimulus and DOT, and we did have one
4 meeting with the Commissioner here, and this
5 is a follow-up. We're trying to get Tim
6 Gilchrist here. We've been in contact with
7 somebody just below him and they're trying
8 to get this finished up. They have all the
9 information and they are going through it
10 and hopefully the meeting will be sooner
11 rather than later.

12 MR. THOMPSON: What I also want to
13 mention and I think is important to note is
14 that the commissioner's top lieutenant is
15 here, Yomika Bennett, so I'm sure she'll --
16 Yomika is pretty good at getting him places
17 as well. So just let the record reflect
18 that she is here and she'll try to do
19 whatever she can to help facilitate that.

20 MR. MAY: Thank you.

21 MR. STACHOWSKI: Senator Maziarz.

22 MR. MAZIARZ: Doug, you represent
23 probably the largest group of infrastructure
24 organizations. You represent contractors,

1 engineers, builders, unions. How long have
2 you been requesting a meeting with the
3 commissioner of the Department of
4 Transportation?

5 MR. MAY: Well, Senator Maziarz, as
6 Senator Stachowski was saying, we had a
7 meeting with the commissioner in I believe
8 it was August, and we are -- we're after a
9 follow-up meeting that we requested probably
10 in September.

11 MR. MAZIARZ: Thank you. Second
12 question, sir. Just so I have your
13 testimony right. We read about all the
14 stimulus money flowing and all the good that
15 can be done with the stimulus money, and
16 there was an article actually in the local
17 Buffalo News yesterday, or actually the day
18 before about, I think it was more of
19 national story on how the stimulus dollars,
20 of how some of the testaments of the good
21 that it has done is over estimated. Is that
22 an accurate portrayal of what you're saying
23 about the Western New York transportation
24 projects?

1 MR. MAY: Yes. Like I said, a great
2 indicator is the labor unions that keep good
3 records of such things, and it's an
4 unprecedented level of unemployment for the
5 months of August, which is the prime time.
6 If you're not working as an outside
7 tradesman in the month of August, you're not
8 having a year at all.

9 MR. MAZIARZ: You're dead on. I met
10 with the Niagara County Building Trades just
11 a week ago and they told me exactly the same
12 thing. Their prime season, they had
13 probably their highest annual unemployment
14 rate.

15 MR. MAY: Right.

16 MR. MAZIARZ: And the work that was
17 being done was more surface repair as
18 opposed to let's say, rebuilding of roads.

19 MR. MAY: That's correct.

20 MR. MAZIARZ: Thank you. Thank you,
21 Mr. Chairman.

22 MR. STACHOWSKI: Thank you. Anybody
23 else? Thank you, Doug.

24 MR. MAY: Thank you.

1 include Depew, Lancaster, Western, operating
2 from Cheektowaga to Lancaster and trackage
3 in Batavia, and our Lockport to Brockport
4 operation to the Falls route. We employ 62
5 people and we spend over \$5 Million a year
6 in supplies, services and wages in the
7 state. In addition to my duties as with my
8 company, I am the Secretary of the Statewide
9 Industry Association Railroads of New York.

10 Yesterday, Norm Schneider, our
11 Executive Director presented the needs and
12 the efforts that we're trying to do with New
13 York State to keep the funding coming for
14 our railroads. One of the key points is the
15 fact that in 2007, 25 contracts were awarded
16 -- were announced for funding for the
17 infrastructure for our railroads, and to
18 date, since the 2007 announcements, only
19 four of the contracts are awarded and
20 delivered. So that's a bit of a concern.

21 Besides my presentation today, I'll be
22 joined by my fellow railroaders, Kevin
23 O'Gorman and Bob Dingman.

24 Other than just complaining about the

1 fact that we haven't gotten our contracts,
2 I'm kind of here to tell you about success
3 stories. In the 20th Century, the rail
4 lines of New York State, which is the late
5 20th Century -- it sounds so weird to say
6 that -- were in a state of disrepair;
7 Conrail was bailing out of all low-density
8 lines because of the dwindling businesses
9 and high taxes. On a 107-mile line that we
10 bought in 1991 and '92, the taxes on that
11 railroad were \$676,000 on revenues of \$1.5
12 Million. Taxes were a little more than 50
13 percent of the costs. In general, the
14 assets of the railroads was worn out and in
15 need of upgrading in order to save and
16 provide industrial highways for development
17 throughout the state.

18 As a result of Conrail's withdrawal
19 from these low-density lines, from 1980 to
20 -- since 1980, 12 new shortlines were crated
21 in New York State, bringing the total to 35
22 shortlines. Starting with the first
23 Transportation Bond Act in 1978, the state
24 recognized the need to address the

1 conditions of the state's integral yet
2 delicate rail system. However, the share of
3 New York State transportation and funding
4 for railroads is still less than one percent
5 of the budget, but we've been getting along
6 on it fairly well.

7 A good effort is in Western New York,
8 there are three examples of how industrial
9 development, money and infrastructure and
10 financing the railroads has paid off. In
11 1999 Genesee and Wyoming used \$10 Million in
12 grants to build and upgrade trackage to
13 reach the new salt mine in Hampton Corners.
14 This mine created over 300 new jobs and
15 boosted the local economy.

16 Our Falls Road, which operates from
17 Lockport to Brockport, we had a \$2 Million
18 investment from the state in our
19 infrastructure and our infrastructure was in
20 need of repair -- was in disrepair, and
21 saved the railroad from being abandoned, but
22 it also provided direct access to the
23 state's only ethanol plant.

24 With the investment in place, Western

1 New York Energy LLC built in 2007, an 80
2 Million Dollar plant that employs over 50
3 people on-site and 200 other people in
4 support industries. In parallel with the
5 ethanol plant, the Barilla Plant -- Barilla
6 was looking for a pasta plant in the United
7 States, represented a 97 Million Dollar
8 investment. The Empire State Development
9 Agency faced fierce competition. They were
10 also looking at Hollidaysburg, Pennsylvania
11 and a location in Delaware. Barilla's
12 transportation consultant recommended Avon
13 after making a visit to inspect the LAL
14 Railroad and discussed the service
15 capabilities of that railroad. At the time,
16 the LAL showed that New York State DOT had
17 committed funds for necessary track upgrades
18 that included welded rail, ties and
19 surfacing between Henrietta and Avon. If
20 the state's investment in this
21 infrastructure had not been made to handle
22 this traffic, Barilla would not have located
23 in New York State, it's as simple as that.
24 Currently, Barilla employs 200 people and is

1 looking at a phase II expansion that will
2 add 100 more people.

3 We're just asking the Senate to push
4 the transportation issues through for us and
5 work with DOT because we want to say that
6 these are clear examples of a payback and it
7 will allow the Empire State Development
8 Corporation, the New York State IDA's to
9 say, yes, yes, when they are asked; Is there
10 rail access to my site? Do I have rail
11 access in Orleans County, in Erie County?
12 We can say, yes, those railroads were saved
13 and the infrastructure is in place to
14 provide growth and development. Thank you.
15 I'll turn it over to Kevin O'Gorman.

16 CHAIRMAN DILAN: I just want to get a
17 very quick question in, and if you could
18 give me a brief answer that would suffice.
19 You mentioned something about 25 contracts
20 and only four were awarded --

21 MR. MONTE VERDE: In 2007, the 4- --
22 Five-Year, 20 Million Dollar plan, the state
23 announced there was 23 projects --
24 contracts; half a million, 2 million, 1.1

1 million, of those 23 contracts, only four
2 had been awarded. They were announced in
3 2007, and there was more press releases in
4 2008, and only four of the contracts are
5 out.

6 CHAIRMAN DILAN: My question is, do
7 you know why that is they were not awarded?

8 MR. MONTE VERDE: No. We just kept
9 getting the run around. They said it was a
10 money issue, and then we got --

11 CHAIRMAN DILAN: DOT?

12 MR. MONTE VERDE: DOT. And then, we
13 got people in personnel, you know, issues,
14 saying we don't have enough people to work
15 on them. And then people were taken off the
16 freight revenues to work on the high speed
17 passenger, and it just seemed to us, no
18 offense, a shell game. Like, we didn't know
19 if the money wasn't there, or it just didn't
20 get out.

21 CHAIRMAN DILAN: I intend to
22 follow-up and get you an answer on that.
23 And one of the reasons for these hearings,
24 as I indicated in my opening statement, is

1 to bring transparency to this entire
2 process, and my goal is that when we put the
3 next plan together that if an item goes into
4 the Plan, it gets done within that time,
5 it's honored, and that's our goal.

6 MR. MONTE VERDE: We appreciate that,
7 sir.

8 CHAIRMAN DILAN: Thank you.

9 MR. MONTE VERDE: Actually, Senator
10 Maziarz was, he helped us break loose one of
11 the final -- two of the four contracts are
12 ours, and one of them is for a bridge that's
13 for the ethanol transgrover [phonetics] and
14 the corn transgrover, and the bridge is in
15 really bad shape.

16 CHAIRMAN DILAN: My whole point here
17 is that if we put a plan together and we
18 don't accomplish the goals in the plan, it's
19 not worth the paper it's written on.

20 MR. MONTE VERDE: I agree, sir.
21 Thank you very much for understanding that.

22 KEVIN O'GORMAN

23 MR. O'GORMAN: Good afternoon.
24 Welcome Senator Dilan, and we appreciate our

1 four Senators from Western New York coming
2 here and listening. My name is Kevin
3 O'Gorman. I am the CEO of Buffalo Southern
4 Railroad. I am also a practicing internist,
5 so sometimes my comparisons may go on to
6 medicine. Also, Southern Railroad is a
7 privately owned, locally-operated Class III
8 Common Carrier shortline railroad. It's
9 located in Western New York and runs 32
10 miles south from Buffalo to Gowanda and
11 Cattaraugus County. The Line 1246, is
12 actually owned by Erie County and leased to
13 the Buffalo Southern through the Erie County
14 Industrial Development Agency.

15 We've been operating this railroad
16 since 1982 and have maintained rail service
17 to a number of industries in Southern Erie
18 County, including the industries for cement,
19 aggregate, feed, feed by-products,
20 fertilizer, lumber, propane, butane,
21 amusement rides, scrap metal and paper
22 products. The railroad connects with all
23 major Class 1 carriers in Buffalo, New York,
24 including NS, CSX, CP, CN, and the Buffalo

1 and Pittsburgh.

2 In 1980 -- excuse me. In 2006, as Mr.
3 Monte Verde said, the Buffalo Southern
4 Railroad had applied for \$750,000 in
5 critical funds for rehab and upgrade on 14
6 miles of track on the Line 1406 -- or 1206.
7 It is now November of 2009 and we have yet
8 to receive any of this contract money. This
9 is the same thing that Mr. Monte Verde had
10 said. We were one of the shortline
11 railroads. It's been two years since this
12 grant has been announced. I don't know
13 whose fault this is, and I appreciate you
14 coming, but it has to be somebody's fault
15 and we're getting a shell game. We don't
16 know. This money is critical. We have yet
17 to receive this money. Most of the other 22
18 Million also has not been granted throughout
19 the state.

20 In contrast, I recently saw an article
21 in Railroad that Governor Rendell of
22 Pennsylvania has granted a 300 Million
23 Dollar allotment to the shortline railroads
24 in Pennsylvania, as compared to 22 Million

1 that has not been delivered in two years.
2 The allocation was for critical safety
3 upgrades for track and switching for a new
4 propane facility that was financed solely by
5 the Buffalo Southern Railroad and by Erie
6 County Industrial Development Agency. There
7 were no state funds for this Two Million
8 Dollar plan. Because of the delays in
9 upgrade, however, delays in speed, the
10 traffic has dropped from 140 cars in 2006 to
11 20 cars in 2008. In addition, Buffalo
12 Southern had two other solid interests along
13 the line, but when the line was reviewed for
14 speed and track upgrades, business went
15 elsewhere. It went to Pennsylvania again.
16 In the past, Buffalo Southern has been very
17 successful in securing other grants. In
18 approximately the year 2000, we got a 2.5
19 Million Dollar grant in conjunction with
20 Norfolk Southern Railroad. We built a
21 diversion around the Tifft Street yards
22 which now allows Norfolk Southern trains to
23 travel at high speed through the Tifft yards
24 instead of being delayed. It was an

1 excellent improvement. 2.5 Million, but it
2 was in conjunction with a major railroad who
3 has more clout. The small railroads like we
4 are, like Mr. Monte Verde, like Mr.
5 Dingman, we have very little clout, so I
6 hope somebody's listening.

7 Through these past fundings, we have
8 not been able to fully utilize the
9 industries that we have, like the propane
10 facility. We had an offer this spring to
11 bring in 200 cars of ethylene, thus declined
12 since they found the condition of the track.
13 We are a mostly accepted track. It's 32
14 miles. The last 10 miles to the propane
15 plant we have to only pull three cars at a
16 time. We can do it safely if we do three,
17 but we can't go over three.

18 Previous funding has also maintained
19 critical services to three customers that
20 were along the line. We now have an
21 excellent feed transfer plant in New York
22 and an excellent fertilizer transfer plant
23 also in New York serving the agricultural
24 areas in Southern Erie County.

1 You must appreciate that the business
2 proposals that come into our shortline
3 railroads will not wait on for two to three
4 years while we do upgrades. My comparison
5 to this is almost like going fishing with no
6 bait on your reel. They come in, they look
7 at the facility, they say; are you ready to
8 go? Well, no, we're not ready. They go
9 elsewhere. We're critical in this area of
10 Western New York to try to attract
11 businesses. We presently have two energy
12 fuel proposals coming into our railroad.
13 The reason that these may happen is that
14 green energy, which in this case is
15 biodiesel, is not hazardous so it changes
16 the classification of the track. We may be
17 able to handle a fryer fat biodegradable
18 diesel instead of propane. Most shortline
19 railroads in New York State are marginal.
20 They provide critical infrastructure
21 services to the industries in New York
22 State. Most do not operate on their own
23 anymore than most rural roads in New York
24 can operate on their own. We cannot be

1 expected to make a profit and maintain this
2 infrastructure. This is New York
3 infrastructure. It is not even owned by us.
4 We lease it.

5 We had a recent flood disaster in
6 Southern Erie County. The railroads were
7 shut down for two months. The railroad
8 below us also had a disastrous time.

9 At this point, I would like to thank --
10 I know some of you were influential in
11 getting the FEMA funds which put the
12 railroad back together. It only took, I
13 mean, people are talking of millions and
14 billions, it took us \$200,000 to get us back
15 in operation. We're back in operation.
16 Sometimes it's worthwhile to protect and
17 consider the very small investments which
18 are integral to this New York State. We ask
19 for \$750,000. You people are talking in 20
20 Billion. I hope that somebody pays
21 attention to the little people that are
22 doing the railroad all across the state.
23 Thank you for listening. Any question?

24 MR. STACHOWSKI: Anybody have any

1 questions? Thank you. Bob.

2 ROBERT DINGMAN

3 MR. DINGMAN: Senators, thank you
4 very much for the opportunity to speak to
5 you. My conversation with you will be very
6 informal and will contain a slight history
7 lesson. That is that in 1978, along with
8 then Assemblyman Dan Walsh, I participated
9 in the efforts to rewrite the rail plan for
10 New York State. His rail's subcommittee
11 assembly produced that rail plan and it
12 created the potential for new shortlines to
13 be formed in New York State. They were
14 based on the principle that if the public
15 wanted the property to remain, made a
16 decision that they would take title to it,
17 and if the state would provide adequate
18 maintenance funding, that marginal
19 operations might survive and might create
20 economic activity, or at least retain jobs
21 in the small businesses that are critical to
22 the rural areas of New York State. We do
23 serve the purpose of transferring wear and
24 tear from the rural highways to the rail,

1 the Southern Commonwealth of Pennsylvania
2 and New York State, but they have an annual
3 program, a Rail Freight Assistance Program
4 that has funded between 8- to \$12 Million a
5 year. This year, I believe it's been
6 settled at 10.2 Million. I have a railroad
7 in Pennsylvania as David does. We're able
8 to compete and be successful, six out of ten
9 years in a row at least, for small amounts
10 in the range of 150 to \$200,000, with a
11 local share requirement of 30 percent. For
12 a small railroad, that's a doable deal, and
13 they don't make that distinction between
14 rehab and maintenance. They do make a very
15 efficient assessment of the grant once they
16 go to contract. They provide central
17 administration in Harrisburg. I called the
18 guy on a first-name basis and get the
19 answers I need, and I would get the answers
20 back in the same day, and when it comes to
21 inspect the work that's been done, there's
22 one man for the Committee of Commonwealth
23 and there are 70 shortline railroads in
24 Pennsylvania. I think that's the sort of

1 thing that I've been talking about for the
2 last 25 years and I would like to see New
3 York State get to that level. Let's
4 remember, these properties need the kind of
5 maintenance that highways would get, that
6 runways would get, the waterways would get,
7 and we don't need to let it fall in a state
8 of very poor repair, which discourages
9 investment, and then talk about rehab in
10 numbers that this state is never going to be
11 able to generate. Thank you.

12 CHAIRMAN DILAN: Any questions?
13 Thank you very much to the entire panel.
14 Your testimony was enlightening and I
15 guarantee you that we'll be asking for
16 follow-up from DOT on this, and we'll get
17 back to you. Thank you.

18 Our next speaker is the Honorable Mayor
19 from Niagara Falls, Mayor Paul Dyster.
20 While he's coming up, just a little bit of
21 housekeeping. First of all, I want to thank
22 Senate Media Services for their services
23 that is actually webcasting this hearing
24 statewide, and also thank you to our

1 stenographer for this afternoon. Mr. Mayor,
2 welcome.

3 HONORABLE PAUL DYSTER

4 MAYOR DYSTER: Thank you. Chairman
5 Dilan, Committee members, thank you for the
6 opportunity to present testimony on the very
7 important topic of the Department of
8 Transportation's Five-Year Capital Program
9 for transportation investment.

10 The City of Niagara Falls is the
11 largest municipality in Niagara County,
12 fulfilling an important function in the
13 Erie-Niagara region as the premier tourism
14 destination in the region, with visitation
15 to the Niagara Falls international area, US
16 and Canada, estimated in the range of 12
17 million to 20 million visitors per year. A
18 significant economic driver in Western New
19 York and for New York State generally.

20 As host to three of the region's six
21 international bridges to Canada, the City
22 occupies a key position in the bi-national
23 region's efforts to foster significant
24 growth in tourism, as well as international

1 trade. First, let me note that on both
2 sides of the border, local governments
3 recognize the economic benefits of improved
4 cooperation and coordination between the two
5 countries in the area of transportation
6 planning. Unfortunately, it sometimes seems
7 this is either not well understood or
8 appreciated as one advances through higher
9 levels of government. The state
10 transportation plan needs to focus on
11 strengthening our state's coordination with
12 Ontario, particularly in encouraging access
13 to global trade corridors here in Western
14 New York.

15 In addition, the state transportation
16 plan needs to focus on strengthening the
17 urban core of New York's metropolitan
18 regions, not only by maintaining the
19 transportation network in a state of good
20 repair, but by improving the quality of
21 life, and most importantly, by improving
22 long-term economic sustainability.

23 To that end, as Mayor, I would like to
24 offer the following observations:

1 Development of the Buffalo-Niagara
2 region, like much of New York State's
3 spatial and economic development and past
4 growth, relied on a comprehensive system of
5 supporting infrastructure. In the early
6 20th century, this was predominately canals
7 and water ports. By the mid 19th century,
8 railroads were supplanting canals as the
9 preferred transportation mode. In the early
10 20th century, electric-power supply, and not
11 surprisingly, the presence of a
12 well-developed streetcar-based transit
13 system were key elements in driving growth.

14 The second half of the 20th century saw
15 the elimination of streetcars, the emerging
16 preeminence of private automobiles, the
17 rapid expansion of highways, and the
18 emergence of new patterns of suburban
19 development. These, together with
20 fundamental changes in the national and
21 global economy, laid the groundwork for
22 short-term growth, but ultimately also for
23 the long-term deterioration of the regional
24 economy.

1 The era of cheap gas, super-highways,
2 cheap land, and the explosion in subsidized
3 air travel have resulted in unprecedented
4 increases in human mobility, connectivity,
5 economic expansion, and growth.
6 Unfortunately, they also resulted in
7 unprecedented increases in land consumption
8 per capita with the inevitable increase in
9 per capita cost to provide public services;
10 loss of agriculture, habitat and wilderness;
11 and increasing environmental deterioration.

12 So, despite the last six decades of
13 expressway building, roadway widening, and
14 the Urban Renewal clearance strategies that
15 accompanied them, cities like Buffalo and
16 Niagara Falls ultimately failed to achieve
17 necessary levels of livability or
18 sustainability. Instead, the region
19 suffered considerable loss in urban form and
20 function.

21 Future economic growth and spatial
22 development of Buffalo-Niagara and other
23 upstate metropolitan regions cannot be based
24 on what worked in the past. For

1 Buffalo-Niagara, and I suspect for many
2 other places, future development will
3 require a new paradigm and new long-term
4 strategies for regeneration. Every place,
5 every city, every region needs to ready
6 itself to become more sustainable in order
7 to become more competitive. Smart
8 transportation investment is key.

9 In Niagara Falls, we are embracing a
10 transportation system that promotes and
11 facilitates multimodal choice and
12 connection, and that encourages
13 pedestrian-orientated livable neighborhoods.
14 In the coming years, the city will attempt
15 to deliver transportation projects that
16 emphasize accessibility and modal choice by
17 expanding intercity-rail and
18 international-air facilities while
19 deemphasizing increasing roadway capacities
20 and eliminating overbuild or underutilized
21 facilities. The city's AARA TIGER
22 application to reconfigure the Robert Moses
23 Parkway, our International Railway
24 Station/Intermodal Transportation Center

1 project, and the opening of a new terminal
2 at Niagara Falls International Airport are
3 significant examples.

4 Likewise, the State Transportation
5 Capital Plan must deliver a 21st century
6 transportation system that expands modal
7 choices, but also creates far better
8 connections among the various modes.

9 Additionally, state transportation
10 policies should seek to improve the economic
11 competitiveness of upstate cities, enhance
12 the quality of urban life, and improve air
13 quality. The Erie-Niagara Framework for
14 Regional Growth supports reinvestment in the
15 urban core and other steps to stop
16 transportation-enabled sprawl into the rural
17 areas of the state, and suggests we should
18 increase transit ridership and reduce
19 automobile dependency. The same goals
20 should inform policy at the state level.

21 The following are the necessary
22 preconditions to achieve such policy goals:

23 First, a predictable and clearly-stated
24 comprehensive transportation improvement

1 program that is adequately funded, utilizing
2 more dynamic and sustainable revenue
3 streams.

4 Second, a more purposeful integration
5 of land use and transportation planning
6 statewide, to ensure that new development
7 supports transit, and that local
8 transportation plans favor transit as the
9 primary means for accommodating future
10 growth in travel demand.

11 Third, a new, more flexible project
12 delivery system and management approach by
13 DOT and also FHWA, which streamlines
14 burdensome administrative rules and
15 procedures that inevitably result in long
16 project delays and much higher delivery
17 costs. We need to become more nimble, but
18 at the same time more cost-effective.

19 And finally, the state plan's policy
20 goals should be backed up with a requirement
21 to track progress. Regular reporting on
22 performance would provide focus for our
23 transportation priorities and desired
24 outcomes.

1 All too often in the past, we have made
2 transportation plans in a vacuum, then tried
3 subsequently to shoe-horn policy-making in
4 areas including economic development, land
5 use, housing and environmental protection
6 into the framework we created. That's
7 backwards. Ultimately, improving the
8 quality of life of all of our citizens is
9 the desired end-point of all of our
10 policy-making. Transportation policy,
11 economic development, housing and
12 environmental protection need to be
13 carefully coordinated in order to achieve
14 the end result of more livable cities and a
15 more livable society overall. Under the
16 leadership of President Obama, Federal
17 transpiration policy seems poised to make
18 the necessary changes. New York State needs
19 to become a model for how the same
20 principles can be implemented at the state
21 level if we want the next 50 years to be
22 better than the last 50.

23 That concludes my statement. I wanted
24 to say, I was encouraged by some of the

1 remarks addressing similar points by Mr.
2 Taylor. We didn't coordinate our
3 statements, I assure you. And I found
4 previous testimony very informative. Again,
5 I think that simplifies one of the issues
6 that I'm raising. We have similar issues
7 regarding the state of our rail system, both
8 passenger and freight rail infrastructure
9 and its coordination with our economic
10 development objectives, and Niagara Falls.
11 And so, thank you very much, Senators, for
12 your attention.

13 CHAIRMAN DILAN: Thank you.

14 MR. THOMPSON: Just one quick
15 question for you. The issue on freight and
16 also on the train station, are there
17 specific needs to look into to see how the
18 process is for both rail and freight on the
19 train stations?

20 MAYOR DYSTER: Yes. A couple of
21 rail-related situations directly related to
22 infrastructure. Again, following on the
23 point of the last testimony that certain
24 critical pieces sometimes can have

1 indications for wider plans. Not just
2 important to Niagara Falls, but to all of
3 Niagara County and region. There's an
4 industry referenced that's especially
5 referenced in the draft state's energy plan,
6 and also the Governor's bold steps for a new
7 economy plan. It's solely Canadian
8 manufacturer. They are on the verge now of
9 restarting operations at this plant. It's
10 served by both road and rail and having
11 adequate rail connections is very important
12 to the price point of the product in the
13 very competitive global market.

14 Similarly, just a few blocks away, they
15 are working to implement this new train
16 station project. We think it's a tremendous
17 economic driver, again, for all of Western
18 New York. There is a bridge -- there is a
19 deteriorating bridge over Route 104. We're
20 trying to move that project forward. This
21 is in the area where the city and the county
22 were successful in coordinating our grant
23 requests. Each of us put in one to two
24 projects, or one and asked the other to

1 support that request so that we both go in
2 as number one priorities, and we haven't
3 heard about the funding for either of them
4 yet. So we're going to have some rail
5 connection available to them but it's not
6 going to be improved and really like to help
7 them ensure the future of productivity. So
8 I think those two in particular.

9 We are very, very pleased that the
10 State of New York has advanced the state
11 rail plan. We're very pleased to see that
12 Buffalo and Niagara Falls have a key role to
13 play in the future development of rail in
14 New York State. But again, as in previous
15 testimony, sometimes there's small pieces of
16 the system that leverage much larger
17 developments that's critical to address.

18 MR. STACHOWSKI: Thank you. Next,
19 Craig Turner, Senior Director of Public
20 Policy, The Buffalo Niagara Partnership.

21 CRAIG TURNER

22 MR. TURNER: Chairman Dilan, Members
23 of the Committee, Senators, it's good to see
24 you. Thank you for the opportunity to speak

1 to you today on the important topic of
2 upstate transportation infrastructure
3 funding. My name is Craig Turner, and I am
4 Senior Policy Director for the Buffalo
5 Niagara Partnership. Senators, that's our
6 region's largest business development
7 organization and we represent 2,500
8 employers.

9 Earlier this year, the state
10 legislature, including our upstate
11 representatives, supported the 2.5 Billion
12 Dollar bailout for the Metropolitan
13 Transportation Authority. This, of course,
14 was unprecedented, in that it addressed the
15 infrastructure needs of one part of the
16 state but not the other. However, a promise
17 was given that upstate would receive its
18 fair share later in the year. You can
19 imagine how dismayed, disappointed and upset
20 our members were when a few weeks ago the
21 governor announced that he would not be
22 funding the upstate infrastructure package
23 because it was unaffordable.

24 Surely, upstate recognizes the MTA's

1 importance to the economic vitality of
2 downstate. However, the quality of our
3 infrastructure upstate we feel is on the
4 same level of importance. In
5 Buffalo-Niagara, we hold our transportation
6 infrastructure near and dear to our hearts,
7 as it is the lifeblood of a number of our
8 target industry sectors and a key component
9 of our overall economic development.

10 We could not be a pivotal port of entry
11 on the CanAm border that sees over \$75
12 Billion in goods cross our bridges annually
13 if dilapidated infrastructure made it
14 difficult to get through Buffalo-Niagara and
15 upstate New York to the US East Coast. Our
16 position on the CanAm border is key to a
17 thriving logistics industry.

18 Buffalo-Niagara is not unique in
19 upstate for its vitality and growth in the
20 agribusiness industry. But beyond fertile
21 soils and a climate ripe for a wide variety
22 of agricultural products, a major reason for
23 the success of that industry is that we are
24 within 500 miles of 55 percent of the total

1 US population and 63 percent of the total
2 Canadian population. Our producers and
3 processors must have access to that market,
4 and that access depends upon good
5 infrastructure.

6 That same advantage applies to advanced
7 manufacturing. Our proximity to the bulk of
8 the world's two largest trading partners'
9 population facilitates speed-to-market and
10 just in-time manufacturing. That's part of
11 the reason that Buffalo-Niagara has seen
12 tremendous growth and has growth potential
13 in areas such as life sciences and renewable
14 energy manufacturing.

15 Of course, as I reference spin-off work
16 in industry sectors related to a strong and
17 efficient transportation infrastructure
18 system, I would be remiss if I didn't talk
19 about the sheer number of professional and
20 construction jobs related directly to
21 infrastructure maintenance, repair and
22 capital projects. I don't need to tell you
23 the quality of these jobs, and proper
24 investment in infrastructure projects would

1 help to mitigate the sting of unemployment
2 related to the recent recession.

3 From the economic development
4 perspective, it's imperative that New York
5 State continue to invest in infrastructure
6 in upstate, and it is disconcerting that
7 such essential funding would be used as
8 leverage. On behalf of our members, I urge
9 you all to encourage the governor to provide
10 the funding for upstate and fight the budget
11 battle on another turf. Incidentally, the
12 unshackle Upstate Coalition, as a
13 partnership and founding member, has
14 suggested a number of battlegrounds on which
15 the budget debate can be fought, including
16 Medicaid, the state pension system and
17 consolidation opportunities. But that's for
18 another hearing.

19 Comptroller DiNapoli's report released
20 just yesterday, detailed how 65 percent of
21 the State's Dedicated Highway and Bridge
22 Trust Fund has not been spent on
23 transportation infrastructure, but instead
24 siphoned into the general fund to cover

1 state operations and debt service costs, is
2 indicative of the lack of focus. The saga
3 of transportation infrastructure funding in
4 New York State is a poster child example of
5 how taxpayers continue to finance big Albany
6 government at the expense of essential
7 services.

8 Once the funding is available, we must
9 optimize the way the dollars are used. We
10 would prefer to see it disseminated
11 strategically toward projects that one, are
12 meaningful from an economic development
13 standpoint; two, enhance mobility; three,
14 relieve congestion; and four, preserve
15 existing infrastructure.

16 It is also important that the funding
17 allocation system not only address state
18 highways, but those highways under other
19 jurisdictions that are key components of
20 each region's infrastructure network.

21 Long-term commitment is essential:
22 Capital projects are not short-burn and need
23 dedicated and reliable funding from start to
24 completion. Our region's employers,

1 workforce and public rely upon predictable
2 allocations of funds and the project
3 timelines associated with them.

4 In addition, we need the state to
5 continue to advocate for the reauthorization
6 of federal transportation funding. Again, a
7 long-term extension is essential, and the
8 recent rescission of funding from New York
9 State will already have a great impact on
10 the various regions' ability to produce the
11 necessary work. Recently, we saw an influx
12 of funding from the American Recovery and
13 Reinvestment Act of 2009 dedicated more
14 toward one-shot mill-and-fill projects
15 rather than capital projects that enhance
16 mobility and economic growth. Our region is
17 in greater need of long-term visioning for
18 our infrastructure system that includes the
19 dedicated funding to implement that vision.

20 In conclusion, on behalf of the 2,500
21 members of the Buffalo Niagara Partnership,
22 I urge you to support follow-through on
23 upstate's dedicated infrastructure funding
24 proposal, and urge the governor's support

1 for the package outside of the budget
2 debate. With the state of upstate's economy
3 and a workforce exhausted of unemployment,
4 there are more appropriate areas on which to
5 center the fiscal discussion. Thank you.

6 CHAIRMAN DILAN: First of all, I want
7 to thank you for your testimony, and just
8 indicate to you that I agree with everything
9 that you said here, but I also want to make
10 very clear with respect to the MTA and the
11 financial package for that entity, we pass
12 legislation providing that financial package
13 for the MTA and also to reenact the plan for
14 them. At that time we made a commitment
15 that we were also going to fund a Five-Year
16 Capital Plan for highways and bridges for
17 the rest of the state. The reason we're
18 here today is to continue to make sure we
19 honor that commitment. And as I indicated
20 yesterday in Syracuse, I made a commitment
21 that we will have a plan for the entire
22 state when it comes to highways and bridges.
23 That's the priority. When it comes to any
24 other situation, this is number one and my

1 vote will go nowhere else until this is
2 completed. Okay.

3 MR. TURNER: And we appreciate that.
4 And frankly, let's get the governor on
5 board.

6 MR. MAZIARZ: Thank you, Mr.
7 Chairman. I'm not so certain, Mr. Chairman,
8 if I want to comment more on his remarks or
9 your remarks. First of all, I appreciate
10 you being here today, but I do think that
11 it's important to note, Mr. Chairman, and I
12 appreciate by the way, your commitment to
13 upstate roads and bridges, but the
14 skepticism that you see in upstate New York
15 is because in the past, and we're well
16 aware, you've been in the Senate a few years
17 now, and Senator Stachowski has been here
18 probably longer than all of us combined, but
19 the MTA bailout has always been passed at
20 the same time as an upstate road and bridge
21 plan. This was the first time that the two
22 have been split up, and I think that there's
23 a lot of skepticism and uncertainty and fear
24 quite frankly in upstate New York

1 particularly, and again, Mr. Chairman, you
2 have been absolutely adamant in your
3 determination when you spoke on the senate
4 floor about an upstate road and bridge plan,
5 and I, as an upstate representative,
6 appreciate that. The problem comes when the
7 governor announces that, you know, after the
8 MTA basically got theirs, and we can't
9 afford an upstate road and bridge plan, that
10 creates, I think, people like Doug May and
11 the Fair Committee and Buffalo Niagara
12 Partnership, and I'm certain some of the
13 others that have testified here today, just
14 creates a lot of uneasiness in upstate New
15 York. So, again, I want to make this
16 positive and say we appreciate your
17 commitment and thank you.

18 MR. THOMPSON: Craig, I wanted to ask
19 you, has the partnership taken the position
20 at all on NFTA to encourage them to expand
21 at all? One of the things that has been
22 frustrating for me for some years now is the
23 fact that Buffalo led the way in the 80's in
24 terms of bringing light rail to the cities,

1 but most of the other cities have come after
2 us in expanding their light rails
3 consistently and their light rails go
4 throughout those regions a lot more than
5 north and south the way ours does, and so, I
6 just want to know whether or not the
7 partnership has taken a position on
8 expanding a light rail outside of the City
9 of Buffalo?

10 MR. TURNER: The metro rail?

11 MR. THOMPSON: Yeah.

12 MR. TURNER: If we have, not since
13 I've been there. We work with the NFTA
14 every year on the regional agenda and we
15 have to take the guideline on what is the,
16 you know, what's the priority focus on that.
17 In the last year, obviously it was the
18 buses, the expansion of the new buses that
19 have been the focus for us, so we don't have
20 a new position on that. Our focus and the
21 NFTA is to ensure that the employers that
22 are coming in and the employees that, they
23 need to get to work and have access to bus
24 lines and rail lines are strategic in that

1 regard.

2 MR. THOMPSON: Well, I think try to
3 for both the partnership and try to for NFTA
4 as well, and I think if we try to for DOT,
5 if as part of the federal authorization and
6 state authorization that we are not pushing
7 to expand the system. Part of the \$2
8 Billion I believe, almost \$2 Billion that
9 came into the state as part of the stimulus
10 money went to help make improvements in New
11 York City for their system which is a
12 project they've been fighting for for years
13 and created jobs as well. So I think we
14 need to get serious about not just the roads
15 and bridges, but also the fact that gas
16 prices are unfortunately going to continue
17 to go up and that the need to expand the
18 rail system is a real issue that will create
19 real jobs as well. And I think it's
20 frustrating that we talk about the easier
21 subjects and we don't talk about the
22 elephant in the room which is to expand the
23 rail system. The rail system not only in
24 the city, but outside of the city limits.

1 And so I think as a premiere advocacy group,
2 which the lobbyist people not only in the
3 state, but the local level as well, and the
4 federal level. That question, that's not
5 just the NFTA issue. That is an issue of
6 the 2,500 folks who, as you know, try to
7 hire people, whether it's Niagara Falls or
8 Buffalo, and those folks don't have
9 transportation so employers giving people in
10 those communities one or two chances, and
11 after they keep coming in late because of
12 having transportation problems, they say,
13 I'm not going to hire anyone from that area
14 unless they have a car or automobile.
15 That's a real problem, particularly when we
16 look at communities like Buffalo and Niagara
17 Falls that have double-digit poverty and
18 unemployment. So I just wanted to put that
19 out for the record as well.

20 MR. TURNER: And not having looked at
21 that issue, I haven't looked at that issue
22 in awhile. If you want me to --

23 MR. THOMPSON: There will be speakers
24 when we talk about that -- other speakers on

1 that subject.

2 MR. DILAN: Thank you.

3 MR. RANZENHOFER: Mr. Chairman, I
4 want to thank you and the comments that
5 Senator Maziarz as a new Senator in Albany
6 and I appreciate your commitment not only in
7 the state but in your commitment that the
8 rest of the state will also be taken care
9 of. And I want to thank you also Craig for
10 bringing your perspective of the partnership
11 in terms of the areas largest business
12 advocacy group in terms of what's important
13 with respect to transportation needs. I
14 actually could comment on Senator Thompson's
15 comments and could probably be a whole other
16 separate hearing on the issue of light rails
17 and that has been discussed for 30 years in
18 terms of based on our population and the way
19 that this community is set up and the
20 appropriateness of light rail, we could
21 spend a week discussing and debating your
22 testimony, and certainly look forward to
23 other speakers on that subject. But I do
24 want to a thank you for coming here and

1 sharing your thoughts as a representative of
2 the areas largest business group. So, thank
3 you for your comments.

4 MR. TURNER: Thank you, Senator.

5 MR. RANZENHOFER: Thank you.

6 MR. STACHOWSKI: Virginia Oehler,
7 Advisory Board Chairman, Center for
8 Transportation Excellence.

9 VIRGINIA OEHLER

10 MS. OEHLER: Thank you, Senator
11 Dilan, Chairman of the Transportation
12 Committee, Senators Maziarz, Thompson,
13 Stachowski and Ranzenhofer. Thank you.

14 My name is Virginia Oehler, and I am
15 Chairperson of the Center for Transportation
16 Excellence, the Advisory Board Chair.

17 The Center for Transportation
18 Excellence does not provide direct
19 transportation services, but rather serves
20 as a convener of transportation
21 stakeholders, creating a standard of best
22 practices in the areas of mobility
23 management, driver training, fleet
24 maintenance and continuous quality

1 improvement. The Center's Advisory Board is
2 comprised of leaders from competing
3 organizations serving persons with
4 disabilities, seniors, children and youth,
5 and those seeking employment opportunities
6 and job access. Additionally, the Board has
7 representation from the NFTA, the County of
8 Erie's Medicaid and long-term care division
9 of the Department of Social Services, the
10 American Automobile Association, CUBRIC,
11 which is an entity associated with the
12 University of Buffalo performing
13 technological research in routing and
14 accident analysis and prevention. The
15 underpinning value of the Center's mission
16 is diversity of thought, function and
17 collaboration in the arena of health and
18 human service transportation.

19 Areas where we see savings might occur
20 for the Department of Transportation are
21 focused on behavioral changes in state
22 operated agencies. Examples: The
23 development of facilities serving the frail
24 elder and persons with developmental

1 disabilities and youth in residential
2 facilities. These facilities are approved
3 and funded for development by different
4 state agencies. Sites for such facilities
5 are sometimes built in geographical areas
6 where there is no existing, convenient
7 transportation or infrastructure. Roads and
8 other transportation accommodations must
9 then be developed rather than having those
10 facilities built on existing public transit
11 routes. Examples of this disconnect is the
12 construction of an assistive living facility
13 in Wheatfield and an apartment complex for
14 seniors with disabilities in Niagara Falls.
15 Had the state agencies responsible for
16 approval and payment of the facilities
17 consulted with the Department of
18 Transportation, this added expense of new
19 roads and specialized transportation could
20 have been avoided. This impacts not only
21 the persons for whom the facility is
22 developed but also the workforce that is
23 usually on a 24 hour schedule. Required
24 coordination among state agencies at the

1 time of design and approval of these
2 facilities may save dollars across the state
3 by eliminating the need for additional
4 infrastructure and by utilizing the existing
5 routes and roads.

6 I wanted to comment on Senator
7 Thompson's remark relative to job access.
8 The Center for Transportation Excellence
9 presently has applied for job funding, which
10 is job access and commute funding for home
11 health aides who are working and living in
12 the city, and the need for services are much
13 in the suburban arena. Presently, the CTE,
14 or the Center for Transportation Excellence
15 is working with three competing agencies
16 that serve persons with developmental
17 disabilities, and with the New York State
18 Office of Mental Retardation and
19 Developmental Disabilities to develop a
20 shared system of transporting individuals
21 from their residences to respective day
22 treatment sites. This will be done
23 centrally by the CTE through a mobility
24 management system, route analysis, new

1 technologies, agency collaboration and the
2 mixing of consumers from the different
3 organizations. It is a model of
4 coordination among entities that compete in
5 the same market. We are anticipating having
6 less vehicles on the road and better
7 utilization of vehicles.

8 We further anticipate an increase in
9 the use of technologies designed for
10 efficiencies and cost savings for state
11 agencies and the organizations that provide
12 services to the individuals.

13 I'd like to remark and commend the
14 GBNRTC for their continuous efforts in terms
15 of planning in trying to facilitate more
16 collaboration, more shared services relative
17 to transportation among those agencies.
18 They've been very steadfast in working in
19 partnership with the Center for
20 Transportation Excellence in promoting those
21 collaborations and savings.

22 Another area of potential savings is a
23 review of the present use of federal 5310
24 dollars and the application process. Other

1 states allow those federal dollars to be
2 utilized for operational expenses other than
3 vehicle purchasing. The present
4 specifications for purchasing those vehicles
5 could be altered to include greener, more
6 cost efficient and consumer-friendly
7 vehicles. The present application process
8 is lengthy, confusing and expensive. Those
9 federal dollars, if made available for
10 operating costs, could offset current costs
11 for transporters.

12 An additional area for consideration is
13 passenger rail systems that need to be
14 developed in collaboration with the present
15 ground transportation system. Presently,
16 these rail stations are located in isolated
17 areas, and not connected to the public
18 transportation schedules for easier access
19 and more frequent use. The NFTA has been a
20 hard-working partner in the promotion of
21 collaborations, collaborative solutions for
22 persons needing health and human services
23 transportation. We would use those rail
24 systems much more readily if they were

1 planned and connected more easily with the
2 NFTA system of public transit.

3 These are small but doable changes that
4 may have some impact. In most cases, it is
5 a matter of inter-agency planning and
6 collaboration that may yield savings and
7 those dollars may be better spent on needed
8 infrastructure, rehabilitation and
9 development. There needs to be a
10 deliberateness around the coordination of
11 economic development, health and human
12 service facilities and transportation
13 planning. Thank you.

14 CHAIRMAN DILAN: Thank you very much.

15 MR. THOMPSON: I just have one quick
16 question. Good to see you. Thank you for
17 your testimony. The federal 5310 dollars,
18 you were saying I think you used from the
19 state, would that help places like the NFTA?

20 MS. OEHLER: Yes. But what would
21 happen is how most of the not-for-profit
22 organizations are right now, right now are
23 restricted to a type, it's like a 80/20
24 share. There's an 80 percent federal dollar

1 and a 20 percent raise, but there's
2 restrictions on how -- what vehicles are
3 purchased, like the large big yellow buses.

4 MR. THOMPSON: Who would -- how would
5 -- the state can change that?

6 MS. OEHLER: The state can change the
7 restrictions around those applications. The
8 restrictions that limit it to just vehicle
9 purchase, and specific vehicle purchase, the
10 state can change those restrictions also to
11 allow for operating costs. If the 5310
12 allows for operating cost, it would be a
13 reduction in transportation expenses.

14 MR. THOMPSON: Thank you.

15 CHAIRMAN DILAN: Okay. I would like
16 to thank Senator Stachowski for chairing
17 this first portion of this public hearing,
18 and now I'd like to turn the mic over to
19 Senator Thompson. Also, I would just like
20 to acknowledge and thank Al Thompson and his
21 staff for their assistance here today. He's
22 the Regional Director for the New York State
23 Senate. Thank you, sir.

24 MR. THOMPSON: The next speaker will

1 be Steven Gayle, Executive Director,
2 Binghamton Metropolitan Study.

3 STEVEN GAYLE

4 MR. GAYLE: Good afternoon. Chairman
5 Dilan, Senators, thank you very much for the
6 opportunity to present testimony on this
7 very important topic of the New York State
8 Department of Transportation's Five-year
9 Capital Program. I'm Steve Gayle, the
10 Executive Director of the Binghamton
11 Metropolitan Transportation Study.

12 Greetings from the Southern Tier, but I'm
13 primarily here on behalf of the New York
14 State Metropolitan Planning Organizations,
15 an association I presently serve as Chair.

16 There are 13 metropolitan planning
17 organizations, or MPOs, in the state. We
18 are constituted under federal law, and
19 designated by the governor in each
20 metropolitan region with a population
21 greater than 50,000. There are MPOs in
22 small urban regions like Elmira and Glens
23 Falls; large regions like here in the
24 Greater Buffalo-Niagara region; and the

1 largest in the nation, the New York
2 Metropolitan Transportation Council, which
3 covers New York City, Long Island, and the
4 lower Hudson Valley. MPO authority rests
5 with policy committees, comprising primarily
6 local elected officials and representatives
7 of regional and state agencies, using a
8 consensus-based decision making model. MPOs
9 are tasked with the development of
10 long-range regional transportation plans and
11 also with the transportation improvement
12 program we refer to as, TIP, a multi-year
13 capital program that enumerates every
14 project in each region to be funded by the
15 Federal Highway or Federal Transit
16 Administration. Federal law that we follow
17 recognizes how broadly transportation
18 affects everything from the economy to
19 quality of life, and requires that we
20 address such diverse needs as air quality,
21 safety and security, social equity, and
22 economic development, along with basic
23 transportation needs. When we look at
24 moving people and goods, our plans are

1 inherently transparent as to jurisdiction
2 and mode of travel. Think of the MPO long
3 range plan and GBNRTC as the responsible
4 here, as laying out a regional investment
5 strategy, and the TIP Five-Year Program as
6 an investment portfolio aimed at achieving
7 the strategy.

8 Given that background, I believe the
9 state's MPOs are inherently well placed to
10 comment on the approach and priority of the
11 Five-Year Capital Program submission. The
12 funding of transportation infrastructure and
13 operations has always been a partnership of
14 local, state and federal governments. We
15 are currently in a period of great
16 uncertainty, as you know, Congress has not
17 enacted either a renewal or extension of the
18 federal transportation program that expired
19 a month ago. In fact, I became aware that
20 the House yesterday enacted another six-week
21 continuing resolution through December 18th,
22 so we have continuing uncertainty with the
23 federal program. And of course, both state
24 and local governments are facing severe

1 budgetary constraints as a consequence of
2 the recession. Despite this uncertainty, we
3 must maintain the partnership, which is so
4 well reflected in MPO membership.

5 Because transportation has such broad
6 societal impacts, reaching consensus on
7 priorities in a fiscally constrained
8 environment, whether on a regional or
9 statewide basis, is a challenge. But doing
10 so is an essential element of the MPO
11 long-range plan development process, and
12 there is typically a great deal of
13 commonality between MPO and NYSDOT goals.
14 But the creation of MPOs by Congress in the
15 1970s was an explicit acknowledgment that
16 metropolitan and statewide perspectives are
17 different. We all share the primary goal:
18 The provision of safe and efficient travel
19 for people and freight. While the NYSDOT
20 capital program submission has a very
21 singular focus on asset management and
22 returning our transportation systems to a
23 state of good repair, the MPOs believe that
24 the capital program must have both the

1 breadth in approach and flexibility in
2 application to respond to metropolitan
3 needs. And let me review some specifics.

4 Asset Management: We and the MPOs
5 agree that the condition of our
6 transportation infrastructure is a
7 foundational issue. State of good repair
8 must be addressed as a priority for capital
9 investment. NYSDOT has done a good job of
10 assessing pavement and ancillary needs on
11 state highways and touring routes, and on
12 all bridges. To that, we would add local
13 pavements; most MPOs have a robust program
14 and database of off-system pavement
15 condition as well. Given the fiscal
16 challenges facing local government members,
17 limits on CHIPS funds, overall conditions of
18 locally owned arterial streets tends to be
19 poorer than that of the state system. Yet,
20 these streets are not only important to
21 local mobility, they are also often the
22 critical link between the Interstate Highway
23 System and ports, freight and passenger
24 terminals, industrial and commercial

1 districts, and recreational venues. Finding
2 resources to maintain what is often referred
3 to as, the last mile, is crucial to our
4 economic health.

5 Transit systems are equally important
6 in terms of state of good repair. It is
7 well known that New York stands well ahead
8 of every other state in terms of public
9 transit utilization, and of state financial
10 support in transit. Yet many transit
11 fleets, stations, and maintenance facilities
12 are in need of investment. In my own
13 region, Broome County routinely retains
14 buses in service for 20 years even though
15 they are eligible for replacement after 12.
16 They lack capital resources, end up spending
17 much more on maintenance of old vehicles.

18 Let me address safety. Transportation
19 safety is a complex issue, and providing
20 safety and security for all users is a
21 challenge. Yet the commitment of MPOs to
22 address safety in a robust manner is
23 reflected in the work of the New York State
24 MPOs Safety Working Group. This group of

1 representatives of all 13 MPOs, partners not
2 only with their engineering counterparts,
3 but also with those working in the
4 behavioral areas, including the governor's
5 Traffic Safety Committee and NHSTA; and in
6 law enforcement, including the New York
7 State Police. Going beyond the traditional
8 approach of only fixing high accident
9 locations, we've developed a template for
10 conducting multi-disciplinary safety
11 assessments on our urban street systems.
12 Finding the funding to address the
13 deficiencies remains a challenge. But the
14 cost of neglecting safety is enormous, not
15 only to affected individuals and families,
16 but to society as a whole. The Triple A
17 Foundation for Traffic Safety issued a study
18 last year that calculated the societal cost
19 of traffic crashes to be at least two and a
20 half times that of congestion. Yet we often
21 focus as a society on our resources on
22 congestion remedies.

23 Let me briefly talk about mobility.
24 Providing mobility is the central purpose of

1 the transportation system, but the nuances
2 of doing so often get lost in the asset
3 management only approach to investment. We
4 must provide safe and efficient mobility for
5 both people and freight; doing so relies on
6 multiple modes of travel and good
7 connections among them. The era of
8 construction is long since past; the ability
9 to build new facilities to alleviate
10 congestion is severely constrained by both
11 cost and environmental considerations. We
12 must be more creative in devising and
13 implementing mobility solutions, and having
14 the flexibility to fund them.

15 One such solution is active management
16 and operation of our transportation systems,
17 designed to get the most capacity from
18 existing infrastructure. New York needs to
19 reestablish itself as a leader in this
20 field. As much as half of urban congestion
21 is attributed to non-recurring incidences
22 such as work zones, weather, special events.
23 Use of intelligent transportation systems,
24 or ITS, can address problems through rapid

1 detection of incidents, and realtime
2 information to travelers like the New York
3 511 system, so they can adjust their routes,
4 their modes, their times of travel.
5 Technology allows us, if we implement it,
6 for traffic signal systems that respond in
7 realtime and optimize traffic signal timely
8 in response to actual traffic demand.
9 Active parking management can tell a driver
10 coming into a downtown which garage has
11 space so the driver doesn't waste gas and
12 time circulating around looking for a place
13 to put their car.

14 A very different approach to mobility
15 is managing demand, especially for
16 single-occupant vehicle car trips.
17 Expanding transit service is important, with
18 routes and schedules that maximize
19 convenience, and operating policies that
20 guarantee safety and security. A person who
21 has to walk without a sidewalk and stand out
22 in the weather next to a road without a bus
23 shelter, is unlikely to remain a transit
24 rider as soon as they can buy an automobile.

1 Yet in 2008, when the spike in gas prices
2 created record demand for transit,
3 authorities were faced with cutting service
4 in response to budget constraints. Programs
5 like rideshare promotion and vanpooling are
6 relatively low cost and can help with this
7 modal shift. However, there are few funding
8 opportunities available. MPOs like my own
9 are using our planning funds to fund
10 rideshare programs.

11 Freight mobility. Freight mobility is
12 one factor that underpins our economy as we
13 refer to some other speakers.
14 Manufacturers, distributors, retailers all
15 see different aspects of the supply chain.
16 From our seaports and international border
17 crossings, to local distribution networks,
18 businesses need their goods to move on
19 networks that are fluid and competitively
20 priced. While rail can serve primarily mid
21 to long distance moves, a sound rail system
22 is important to competitiveness, and can
23 have an impact on truck volumes, on
24 interstate and regional highways. The

1 state's MPOs were pleased to have been
2 involved in the state rail plan, and support
3 NYSDOT's initiatives to seek ARRA funding
4 for high-speed passenger rail and other
5 freight rail projects.

6 Environmental sustainability is another
7 issue to look at. Just as MPOs were tasked
8 nearly two decades ago with playing a
9 central role in helping their regions attain
10 national air quality goals, Congress is now
11 considering making us a key player in
12 national efforts to address global climate
13 change through greenhouse gas reduction.
14 The Waxman-Markey bill in the House does
15 that. The Kerry-Boxer bill recently
16 introduced in the Senate. While we expect
17 advances in vehicle and fuel technology to
18 shoulder much of the burden, we have to look
19 at more efficient mobility and reduction in
20 vehicle-miles of travel, transportation
21 plans and land use plans that are
22 interlocking, promoting smart growth and
23 transit supportive development, and offering
24 people the opportunity to live closer to

1 their work and their other destinations.
2 Becoming a leader in creating sustainable
3 transportation will create entirely
4 different priorities for transportation
5 investment than what is in the current
6 program. This is more likely to become more
7 significant in the following five years, but
8 we must begin thinking about it now.

9 And finally, economic development. A
10 thread that runs through each of these
11 highlighted issues is the role that
12 transportation plays in the health of our
13 regional and statewide economies.
14 Sustainable economic growth requires a
15 multimodal transportation system that
16 provides safe and efficient travel within
17 our metropolitan regions and across the
18 state. Our constituents, and your, in the
19 state's metropolitan regions are people,
20 people who need access to jobs, to
21 education, to health care facilities, to
22 shopping. Our constituents are employers
23 who need access to workforce and customers.
24 Our constituents are business owners who

1 need access to timely efficient freight
2 movement. A deteriorating, congested
3 transportation network is not what we need
4 to attract and retain businesses in New York
5 State.

6 In order to address New York's large
7 surface transportation system's needs that
8 the department has documented so well, the
9 partnership of federal, state, and local
10 governments must be maintained. Congress
11 must be urged to pass a new transportation
12 authorization that realistically addresses
13 the nation's infrastructure needs. The
14 leadership of New York must build upon that
15 framework and find the resources that will
16 complement the federal program. There are
17 risks to a business as usual approach that
18 focuses on what we cannot do, focuses on
19 what we cannot afford. We need to find
20 creative solutions, so that we can finance
21 projects that not only renew the
22 infrastructure, but also improve safety and
23 mobility, projects that enhance the state's
24 economic climate, strategies that make New

1 York a leader in environmental
2 sustainability. New York's 13 metropolitan
3 planning organizations stand ready to work
4 with the Department of Transportation, the
5 Legislature and governor, to use our
6 cooperative forums and our skill at public
7 outreach, to sort through these complex
8 priorities and develop the best
9 transportation solutions we can. Thank you.

10 MR. THOMPSON: Just one quick
11 question, and I meant to ask earlier. The
12 issue for me is sustainable, more
13 environmental-friendly road materials, and
14 also more recycle materials. I'm sure
15 you're aware that in some states and
16 countries they are using more crushed tires
17 on highways and local roads. Do you have
18 any reaction or response to that and whether
19 or not we look at this in this state? I
20 think it would help.

21 MR. GAYLE: I think it would. In
22 fact, I just came from our national MPO
23 conference. One of our policies under
24 re-authorization is green not just in terms

1 of travel, in terms of greenhouse gas
2 emissions, that's marketed greener
3 construction. I would have to defer to the
4 Department of Transportation as to what
5 they're looking at. But you're absolutely
6 right, there are construction techniques
7 that are easier on the environment that
8 could provide long-lasting infrastructure.

9 MR. THOMPSON: That's it. Thank you.

10 MR. GAYLE: Thank you.

11 MR. THOMPSON: All right. Next is
12 Deborah Leous, Chief Financial Officer,
13 NFTA.

14 DEBORAH LEOUS

15 MS. LEOUS: Good afternoon. I am
16 Deborah Leous, Chief Financial Officer of
17 the Niagara Frontier Transportation
18 Authority, better known locally as the NFTA.

19 Thank you, Chairman Dilan and Members
20 of the New York State Senate Transportation
21 Committee, for inviting the NFTA to testify
22 today. This is a valuable opportunity to
23 discuss the current and the future needs of
24 New York State transit providers in a public

1 forum.

2 The NFTA is a multi-modal
3 transportation authority. We are
4 responsible for air and surface
5 transportation in both Erie and Niagara
6 Counties. NFTA businesses include a bus,
7 light rail, ADA paratransit, trolley
8 service, as well as two international
9 airports. We own a boat harbor in the port
10 of Buffalo. Public transportation centers,
11 both in Erie and Niagara County, as well as
12 numerous properties that we manage.

13 NFTA metro's bus and rail is our
14 largest business center that we deal with,
15 with over 1,100 employees. Our fleet
16 includes 332 buses, 62 small buses, five
17 trolleys, and 27 rail light cars. With over
18 70 bus routes traveling approximately 11.8
19 million miles a year, and a 6.2-mile light
20 rail line, the NFTA is the second largest
21 public transportation authority in New York
22 State, and the only upstate transportation
23 authority that operates a light rail system.

24 The NFTA spans far beyond commuter

1 travel; it is a lifeline that connects
2 residents to employment, to education, and
3 to healthcare. Over 28 million people use
4 our bus and light rail system annually. The
5 struggling economy, a growing transit
6 development dependent population, and
7 unstable gasoline prices have led to an
8 increased transit use over the past three
9 years. In 2008 alone, ridership rose 10.5
10 percent, representing the system's largest
11 increase since 1986, and a 45.8 percent
12 metro rail ridership increase in the second
13 quarter was the largest in the nation.

14 Despite ridership growth, the financial
15 issues affecting the state and nation are
16 also impacting the NFTA. Since 2008, our
17 State Transit Operating Assistance has been
18 reduced through the budgetary process,
19 Special Legislative Session cuts, and
20 deferred payments. The governor's current
21 deficit reduction plan would cut operating
22 assistance by an additional 1.3 Million.
23 Combined with a 1.2 Million payment being
24 deferred until April 2010, this represents a

1 decrease of nearly six percent since the
2 beginning of this fiscal year.

3 The reality of public transportation is
4 that collected metro fares finance only 22
5 percent of operating needs. Even the high
6 volume routes produce less than a 50 percent
7 fare box recovery rates. The cost of
8 maintaining an aging transit fleet also
9 places a significant strain on our economic
10 resources. Currently, 40 percent of the bus
11 fleet exceeds our useful life, and that's a
12 12-year useful life standard that we were
13 talking about earlier. Over the next five
14 years, the NFTA will require a consistent
15 procurement of replacement buses to meet
16 this need and reduce the average fleet age.
17 The metro rail system also presents a
18 financial challenge unknown to other upstate
19 transportation authorities. Increases in
20 New York State Pension and health insurance
21 costs have only compounded these constraints
22 on an annual basis.

23 The NFTA has already taken very
24 aggressive measures to compensate for the

1 reduced income and increased costs. In
2 2009, the NFTA Board of Commissioners
3 approved a 25-cent increase in the metro
4 base fare to meet operating needs.
5 Additional expenses were eliminated from our
6 budget through an authority-wide spending
7 reduction plan, which included some
8 reduction to metro service. These measures
9 were in direct response to the reduction in
10 the state operating funding.

11 The NFTA fully appreciates the state's
12 current fiscal situation, and we commends
13 the New York State Department of
14 Transportation for its overall approach to
15 the 2010-2015 Capital Program Proposal.
16 This multi-year plan would provide \$340
17 Million of capital investment in non-MTA
18 public transit systems, which is a 44.7
19 percent increase over the current plan. The
20 proposal also ensures that funding for the
21 non-MTA capital program would grow at the
22 same rate as the state's highway program.

23 NYSDOT's capital plan has some very
24 positive steps, but will not address the

1 NFTA's most pressing needs alone. While it
2 outlines the importance of STOA to the use
3 of capital assets, it does not specify how
4 much recent and proposed STOA reductions are
5 negatively affecting upstate transit
6 providers. Capital investments,
7 particularly in new-revenue vehicles, should
8 not be considered separately from operating
9 funds. The number of vehicle drivers and
10 service staff must be kept in balance if
11 public transportation is to deliver
12 efficient service.

13 The NFTA recommends that policy
14 discussions regarding the 2010-2015 capital
15 plan include a full review of STOA
16 distribution and allocation. Achieving a
17 real balance between capital and operating
18 investments should be given the highest
19 priority. The governor has stated that an
20 approved NYSDOT capital plan is directly
21 related to the current budget deficit. As
22 it stands right now, the state is unable to
23 make the full payment of 2009-2010 operating
24 aid on schedule and is considering further

1 reductions.

2 It is clear that the state will be
3 unable to keep STOA close to historical
4 levels or properly fund capital priorities
5 without a change. New sources of
6 transportation revenue should be explored
7 and existing dedicated funds need to be
8 examined. Although federal aid may be of
9 some help once new transportation
10 legislation is enacted, New York State must
11 consider broadly diversifying its
12 transportation revenue base now.

13 New York State is undoubtedly facing
14 many financial hardships, but reducing its
15 commitment to transit is not the solution.
16 In these difficult economic times, people
17 will continue to rely on public
18 transportation for affordable mobility. The
19 NFTA delivers tangible economic,
20 environmental, and energy reduction benefits
21 to the state and links the communities of
22 Western New York together. As negotiations
23 regarding the 2010-2015 NYSDOT Capital Plan
24 and STOA continue, please remember these

1 essential services that the NFTA, and
2 statewide transit providers, provide to all
3 of your constituents. Thank you, and that
4 completes my testimony.

5 MR. THOMPSON: Senator Dilan.

6 CHAIRMAN DILAN: Yes. Thank you for
7 your testimony. I just have a question
8 regarding the bus fleet. I have a senate
9 bill I believe 5817 which would provide a
10 waiver for buses that are in perhaps the
11 last few years of service for diesel. Would
12 that save your authority money?

13 MS. LEOUS: Yes, it would. That
14 would save approximately \$800,000 to us, and
15 that's fully funded with federal, state,
16 local funds. The local charity we lost, but
17 in the absence of any federal funding, that
18 would save us \$800,000.

19 CHAIRMAN DILAN: I was just
20 wondering. Thank you.

21 MS. LEOUS: You're welcome.

22 MR. THOMPSON: Just one quick
23 question. The, NFTA, one, I want to thank
24 you for your testimony. I guess the

1 question I want to ask you is something that
2 I'm sure you're not going to be surprised
3 when asked about, which would be the light
4 rail expansion. I know that you all have
5 been putting together a capital program.
6 Can you give us an update as to where that
7 capital -- that long-term capital program is
8 at?

9 MS. LEOUS: I'd be happy to, Senator.
10 First of all, I'd like to say to the
11 Chairman, one of the things that I think
12 makes Western New York a special place to be
13 is the fact that we have a real passion for
14 public transportation. We have the support
15 of both their Senate and Assembly to achieve
16 accomplishments over the years, whether it
17 was building a light rail system, getting
18 new buses, obviously helping with cost
19 reductions where possible, building
20 airports, et cetera. I think we're all
21 committed to providing the most
22 cost-effective public transportation for the
23 widest broadband of constituents. We're
24 working closely in that regard with the

1 University of Buffalo 2020 plan, because we
2 see a definite synergy there between the
3 plan and what the NFTA can provide, and most
4 likely light rail service which would work
5 for most people. We're also doing an Erie
6 County study right now, and also doing a
7 Niagara County study, of our ridership and
8 what would be a fair study and also to see
9 what is the best use of our public transit
10 assets. I think as time goes on, we'll see
11 what corridors would make most sense for
12 increased transportation, whether it be in a
13 light rail, bus, busways, and we will be
14 taking a look at that and committed to
15 expanding that beyond Buffalo.

16 MR. THOMPSON: Do you know when that
17 report will be?

18 MS. LEOUS: That should be -- a
19 portion of that will be in January, but the
20 rest of it will be ready, I think maybe the
21 next year, in 2010.

22 MR. THOMPSON: Thanks. The only
23 other question I have related to that is,
24 I'm sure you've heard about the number of

1 transportation advocacy groups, GBNRTC,
2 they've been advocating for using some of
3 the old trolley lines to connect -- provide
4 greater access to public transportation.
5 Has the NFTA examined that request at all?

6 MS. LEOUS: We have in the past
7 looked at that and we would be it happy to
8 look at it again. We do own a lot of those
9 right-of-ways in the area that would
10 provided for the busways. It would provide
11 a different type of express service,
12 obviously without all the traffic lights.
13 Going forward, it's not something that's
14 currently in our capital plan, but I can ask
15 if that can be addressed during the study.

16 MR. THOMPSON: And the only other
17 question I have deals with, on the federal
18 level, and I know at least they used to on
19 the state level, who's doing your lobbying
20 for you on the federal and state level now,
21 do you have your own person?

22 MS. LEOUS: We have our own in-house
23 government relations department, plus we
24 have a lobbyist in Washington DC.

1 MR. THOMPSON: And who are those
2 agencies?

3 MS. LEOUS: That's Inc and Gupp
4 [phonetics].

5 MR. THOMPSON: Thank you.

6 MS. LEOUS: Oh, you're welcome.

7 MR. THOMPSON: Senators. Thank you.
8 Next we'll hear from Kristen Allen
9 representing Gladys Gifford, President of
10 Citizens Regional Transit Corporation.

11 KRISTEN ALLEN

12 Representing GLADYS GIFFORD

13 MS. ALLEN: I'm Gladys Gifford
14 Wright. Thank you for your invitation to
15 testify before the New York State Senate
16 Standing Committee on Transportation,
17 concerning the proposed NYSDOT Five-Year
18 Capital Plan for 2010 to 2015.

19 Unfortunately, I have a prior
20 commitment for the day and will be unable to
21 attend the hearing.

22 I currently serve as President of the
23 Citizens Regional Transit Corporation, a
24 501c3 non-profit group that advocates for

1 expansion of the light rail system in metro
2 Buffalo. I also serve the League of Women
3 Voters of New York State as their
4 transportation specialist. These groups
5 have joined together in Buffalo with other
6 non-profits to form a transportation
7 advisory group for our local MPO.

8 However, my remarks today are drawn
9 from my personal experience for the past 15
10 years as an advocate for public
11 transportation, and are not endorsed by any
12 group.

13 The document we are charged to examine
14 today is set up to plan for the next five
15 years. I submit to you that we must have a
16 much longer time frame in mind. We should
17 follow the example of the American Public
18 Transportation Association who insists that
19 we must have a vision for the next 50 years
20 in order to properly make near-term plans.
21 Let us only allow near-term plans for
22 transportation construction that support a
23 long-term vision.

24 As expressed by Senator Dilan, New York

1 State is in a bind. The usual ways of doing
2 transportation appropriations have failed to
3 keep up with the needs of the system.
4 Economic realities mean that no matter how
5 well capital projects are planned, the costs
6 cannot be contained and the revenues to pay
7 for the work are not reliable. Policy
8 agreements regarding environmental pressures
9 and energy independence mandate that
10 transportation infrastructure become
11 efficient and non-polluting. This crisis is
12 real, and demands new thinking among policy
13 makers in New York State.

14 I suggest three changes, or reforms:
15 First, concerning the current New York State
16 revenues, the practice of stealing from
17 Peter to pay Paul must stop. Gas tax
18 revenues must be dedicated to support only
19 transportation needs. These revenues must
20 be protected by law, so that no gas revenue
21 and other transportation-generated revenue
22 may be siphoned off for the general fund by
23 a future legislature.

24 Second, the Capital Plan priorities of

1 the New York State Department of
2 Transportation must shift, from roads to
3 transit, as a matter of justice.
4 Highway-based transportation policy is
5 regressive, placing a disproportionate
6 financial burden on those least able to pay.
7 Taxpayers only pay for the highways; the
8 vehicles required to use those highways must
9 be provided by citizens out of their own
10 private funds.

11 Recent studies show that household
12 costs of owning and maintaining an
13 automobile are 7- to \$12,000 per year,
14 regardless of household income. For
15 low-income households, automobile-based
16 transportation is the second highest expense
17 in the budget after housing. For all
18 households, automobile-based transportation
19 is a drain on their budget, an unfair entry
20 fee for participation in the economy.

21 New York State already has a model for
22 public transit-based transportation policy:
23 New York City. Statistics cited by the
24 NYSDOT, a Transportation Profile of New York

1 State, May 2004, showed that 70 percent of
2 commuters in the city used public transit in
3 2004. Furthermore, New York City has been
4 cited as a green city due to its density and
5 extensive public transit system.
6 Consequently, households in New York City
7 are not burdened with the expenses of
8 automobile-based transportation. Other
9 urbanized areas in the state could benefit
10 likewise from expanded public transit, such
11 as streetcars, light rail, heavy rail and
12 buses. But in the current economic climate,
13 all transit systems are struggling, even in
14 New York City. Aside from the household
15 budgets, there are commercial interests that
16 use highways while providing their own
17 vehicles.

18 Are there studies of the commercial
19 sector that show the size of expenditures
20 required in order to use the highways?

21 Why continue to throw limited tax
22 dollars at all highways, which can only be
23 used by those among us who can afford to
24 provide our own cars and trucks?

1 Why starve public transit, which is
2 available to all citizens in the areas where
3 it operates?

4 Third, there are hidden costs of the
5 current highway-based transportation system
6 that must be recognized and publicized. A
7 recent project in Western New York
8 illustrates this problem. New York State
9 Route 78, called Transit Road, serves a
10 growing suburb on the east side of Buffalo.
11 Sections have been widened to accommodate
12 traffic congestion to the extent of 10 lanes
13 in some areas. Meanwhile, little has been
14 done to set up a parallel street grid which
15 would allow multiple access points for
16 commercial strips that attract traffic. The
17 result is more traffic, not less, despite
18 millions of dollars spent.

19 Now that wide swaths of land have been
20 paved, local and state governments are
21 obliged to continually maintain and clear
22 Transit Road forever. Did anyone at the
23 NYSDOT compute the long-term obligation for
24 maintenance before the construction was

1 begun? Was the tax-paying public allowed to
2 participate in planning for this project?
3 Was any study done to examine public transit
4 options for alleviating traffic congestion
5 in that corridor?

6 The state would do well to engage in
7 full cost accounting of transportation
8 infrastructure projects, before construction
9 begins. Such a study could take a hard look
10 at the long-term obligations of
11 transportation investments compared to the
12 short-term benefits of infrastructure
13 construction. Questions to explore could
14 include: What was the economic impact of
15 the jobs maintained during the construction
16 season on Transit Road? What was the
17 expected economic impact of the widening,
18 and how could such impact be measured? How
19 much will annual snow removal and
20 maintenance cost, and which municipality is
21 obligated for those costs? How long will
22 the surface last, and what will be the
23 expected capital maintenance cost for
24 resurfacing? What is the value of the land

1 lost to road construction? How were impacts
2 to water resources mitigated? What actions
3 were taken to mitigate non-point source
4 pollution?

5 The proposed 2010 to 2015 Capital Plan
6 supports "strategic expansion of capacity to
7 support economic development." The case of
8 Transit Road illustrates that such a goal is
9 an illusion, unless performance criteria are
10 clearly identified and enforced. The NYSDOT
11 should not be in the business of enabling
12 sprawl that is cloaked in the mantra of
13 economic development. Rather, as in the
14 proposed high speed rail project and other
15 passenger rail projects, let taxpayer
16 dollars be invested in public transportation
17 infrastructure that supports in-fill
18 development and revitalization of urban
19 areas. In the urban context, expansion of
20 public transportation infrastructure will be
21 a boon to economic development, both for
22 short-term construction impact and for
23 long-term sustainability.

24 I conclude with the vision of

1 then-Senator Hillary Clinton, when she
2 addressed the New York State Public Transit
3 Association conference held last fall in
4 Albany. She inspired everyone there with
5 her enthusiastic support for public transit,
6 saying that the 20th Century was marked by
7 the construction of the Interstate Highway
8 System, but that the 21st Century must
9 embrace the future by rebuilding the public
10 transit system, especially passenger rail.

11 She reminded her listeners that
12 America's public transit system lags behind
13 the rest of the industrialized world, simply
14 because we have engaged in transportation
15 appropriations rather than transportation
16 policy-making.

17 New York City is a proven leader in
18 public transportation. Could the rest of
19 the state catch up?

20 I urge the New York State Senate to
21 advocate for a comprehensive change in
22 transportation policy for all of our
23 citizens. Please insist that the New York
24 State Department of Transportation become a

1 partner in our communities, to create
2 transportation systems that support
3 sustainable and connected communities with
4 multi-modal infrastructure that will carry
5 us forward for the next 50 years, not just
6 the next five.

7 I thank you for the opportunity to
8 address the New York State Transportation
9 Committee and Senator Dilan.

10 CHAIRMAN DILAN: Thank you very much.

11 MR. THOMPSON: Thank you. Please
12 tell Gladys we missed her today.

13 CHAIRMAN DILAN: Thank you very much
14 for your testimony, and I'd like to thank
15 Senator Thompson for chairing that portion
16 of this hearing. I'd also like to thank
17 Senator Stachowski who chaired the first
18 portion of the hearing.

19 Our next person is Niraj Verma,
20 Department Chair, Urban and Regional
21 Planning, University of Buffalo School of
22 Architecture and Planning.

23 NIRAJ VERMA

24 DR. VERMA: Good afternoon, Chairman

1 Dilan and Members of the Transportation
2 Committee. Thank you for inviting me to
3 participate in what I consider to be a
4 important matter for the future of the State
5 of New York. My name is Niraj Verma and I
6 serve as Professor and Chair of the
7 Department of Urban and Regional Planning at
8 the University at Buffalo.

9 As I see it, the 2010 to 2015 Capital
10 Plan represents an ambitious approach to
11 transportation investment. Given the
12 current economic environment in the state
13 and the country, it is not surprising that
14 fiscal considerations dominate the plan and
15 have become paramount. Yet, the history of
16 transportation planning shows that both in
17 terms of time and scope, large-scale capital
18 investment in transportation will have a
19 life that extends far beyond the calculative
20 framework within which it emerges. In terms
21 of scope, this plan will fundamentally
22 impact economic development, environment,
23 and regional cooperation, and these effects
24 will remain as bequests to the next

1 generation. This in turn, behooves us to
2 consider our decision-making about the plan
3 not just in narrow fiscal terms but in terms
4 of fulfilling a vision for our region and
5 the state.

6 The problem is not that fiscal criteria
7 are inappropriate, but once present, they
8 drive out other criteria in evaluating
9 transport. As a result, to prove their
10 viability, transportation projects becomes
11 narrowly catered to output measures. For
12 example, transit systems will narrowly
13 restrict themselves to high-volume routes
14 and ignore connectivity to what are exurbs.
15 Those are former suburbs that have now
16 become centers of commercial activity as a
17 result of decentralization of jobs. In
18 turn, this has the perverse effect of
19 restricting access of inner-city residents
20 to jobs that are no longer present in the
21 inner city. The resulting transit is no
22 longer an effective network and it cannot
23 serve the needs of the region to revitalize
24 itself. A prime example of this is

1 Buffalo's metro, which has only one line
2 running from downtown but ending abruptly on
3 North Main Street. It lacks connectivity to
4 even the major institutions and facilities
5 in the region. For example, the University
6 at Buffalo main campus, north campus and the
7 Buffalo-Niagara Airport. On a regional
8 scale, such problems of mismatch of
9 connections will only escalate. While there
10 is a noticeable trend nationwide towards
11 greater recognition of the benefits of
12 living in downtown, there is also a
13 phenomenon at the same time of older
14 suburbanites aging in place and going
15 against the assumed practice of moving back
16 to the city as they become empty-nesters.
17 As population ages further, this suggests
18 new demands on the transportation network
19 for connecting workers to newer jobs that
20 such a scenario suggests.

21 Particularlly in our region, that's the
22 region of the rust-belt, taking a broader
23 view is very important. Transportation
24 should have a placed-based approach and in

1 upstate New York it serves as much an
2 economic development engine as it promotes
3 connectivity. Declining cities have very
4 limited economic opportunities and engines
5 to draw upon. The major economic engine in
6 the Buffalo-Niagara region is currently the
7 University at Buffalo, just as the Cleveland
8 Clinics are the engine for Cleveland or the
9 University-Medical Nexus is the engine in
10 Pittsburgh. In these environments of the
11 rust-belt, large-scale public investment
12 such as transportation, serves a need beyond
13 its immediate goals. It needs to promote
14 not just connectivity for people and freight
15 but also with the economic engines and
16 institutions that are its partners in
17 economic development.

18 So the question is; how might we go
19 about what seems to place a much greater
20 burden on transportation given the
21 peculiarities of our region? The success of
22 such an effort demands that we invest not
23 just in the engineering and building but up
24 front in large-scale consultation with all

1 stakeholders of the region. I recognize
2 that the NYSDOT plan has emerged after
3 consultation across the state. This
4 provides an excellent foundation on which to
5 build further and to fine tune the capital
6 plan to accommodate our local needs. The
7 Buffalo-Niagara region needs changes that
8 aid our fundamental redevelopment, not
9 merely something that makes marginal changes
10 to traffic flows. Our techniques of
11 participation have fortunately undergone
12 significant improvement as well, and with
13 large-scale technological aids, we can
14 conduct realtime assessments and wide-spread
15 public education. I strongly urge your
16 Committee to initiate this for signature
17 projects in the region that have the ability
18 to galvanize energy and enthusiasm.

19 Signature projects serve a special role
20 in that they galvanize the population and
21 raise the hope of a better future. To be
22 successful, however, they should
23 simultaneously celebrate the character of
24 the region while also serving as a way

1 towards the future. For the Buffalo-Niagara
2 region, high speed rail is one of the best
3 candidates for such transportation
4 investment. Buffalo has historically been a
5 rail city. It has a an historic station and
6 existing rail infrastructure including much
7 coveted right-of-way. Moreover, under
8 President Obama's administration, investment
9 in rail has been recognized as an important
10 national strategy worthy of support from the
11 federal government. The Buffalo-Albany link
12 is already part of the current plan and its
13 connectivity to other transit links within
14 the city and region will give it the
15 systemic character that can serve as the
16 signature for the region.

17 While a renegotiated SAFETEA-LU, which
18 is the new high-speed program, the SAFETEA
19 program, will empower MPOs and charge them
20 with decision-making at a regional level,
21 especially in case of signature projects
22 like high speed rail, even before such
23 projects reaches the MPO level. We need to
24 make up front efforts to involve all

1 possible stakeholders so as to minimize
2 bottle necks and reduce time delays,
3 lawsuits, and other anticipated and
4 unanticipated hurdles. Public engagement in
5 the early phases of an investment, does not
6 just reduce cost overruns, but transfers
7 early ownership of the project to the wider
8 public and to vest them in its success.

9 So in summary, I want to make the
10 following points:

11 One: We should treat capital
12 Investment in transport as apart of regional
13 well-being, not just connectivity; Two, this
14 demands looking beyond fiscal criterion
15 alone; Three, for Buffalo and the rust-belt
16 transportation investment fundamentally
17 impacts regional redevelopment; Four, the
18 priority should be to vest the citizenry in
19 major projects as early as possible through
20 large-scale and rapid participation; and
21 finally, high speed rail is a signature
22 project for the Buffalo-Niagara region, a
23 candidate signature project, and it is an
24 excellent candidate for a technologically

1 driven rapid participation that energizes
2 our region and facilitates its success.

3 Thank you again, for this opportunity
4 to comment on the Capital Plan.

5 CHAIRMAN DILAN: Thank you, very
6 much, Doctor. I just want you to know that
7 this Committee and the Senate, we're not
8 only involved in trying to fund this
9 Five-Year Capital Plan, but we're also
10 looking on the federal level to ensure that
11 the federal government does the right thing.
12 About two weeks ago, myself and President
13 Pro Tem Malcolm Smith did go to Washington
14 and we met with the Deputy Secretary of DOT
15 with regard to the New York Authorization on
16 the Federal Plan and also we met with the
17 local congress member of the -- Committee,
18 Congressman Slaughter, both US Senators,
19 Schumer and Gillibrand, all regarding many
20 of the issues that were brought up here
21 today, and we will continue to make sure
22 that we have a plan for New York State.
23 Thank you for your testimony.

24 DR. VERMA: Thank you, very much,

1 sir.

2 CHAIRMAN DILAN: Okay. Hal Morse,
3 Executive Director, GBNRTC. Welcome, sir.

4 HAL MORSE

5 MR. MORSE: Thank you, Chairman
6 Dilan, Senators. My name is Hal Morse,
7 Executive Director of the Regional
8 Transportation Council all around the state
9 and the Buffalo-Niagara region. I want to
10 offer some staff comments today. I'll be
11 relatively brief and strategic in nature and
12 I know I'm late on the agenda.

13 The GBNRTC is the designated
14 Metropolitan Planning Organization, MPO, for
15 the Buffalo-Niagara region, a cooperative
16 association with members including the
17 cities of Buffalo and Niagara Falls, Erie
18 and Niagara Counties, New York State DOT and
19 Thruway Authority and Niagara Frontier
20 Transportation Authority. We also have a
21 wide range of business, community and
22 developmental groups functioning in both
23 advisory and stakeholder capacities.
24 Working together to develop a 20-year plan

1 for transportation and a prioritized list of
2 projects to build out the plan using
3 federal, state and local transportation
4 funds.

5 In addressing New York State's dilemma,
6 we're clearly facing significant challenges
7 in transportation finance. State
8 transportation funds, New York State share
9 of federal transportation funds, and state
10 general fund sources have not experienced
11 needed growth and have seen actual declines
12 in revenues. These factors indicate that
13 current approaches to transportation funding
14 and transportation systems management are
15 not sustainable and need more creative
16 solutions. At the core of new strategies is
17 the importance of rebuilding and
18 strengthening the overall economy of the
19 state. Weakness in local and state tax
20 revenues has resulted in increased reliance
21 on federal sources for basic transportation
22 system maintenance and has hindered our
23 ability to develop the systems we need to
24 leverage a stronger future. Statewide,

1 metro areas are the drivers of New York's
2 economy. Strength of that economy and
3 resultant tax base stabilization for state
4 and local governments is an important
5 consideration in public infrastructure
6 sustainability.

7 In a more localized view of this trend,
8 Western New York was one of the first areas
9 to really experience economic restructuring,
10 if you will, which led the population in
11 employment loss. After decades of decline,
12 this area is experiencing a modest
13 stabilization of the economy and population.
14 Some of the major economic initiatives in
15 Western New York include, as mentioned, the
16 State University of New York at Buffalo's
17 2020 Plan; Buffalo-Niagara Medical Campus
18 and overall life sciences economy;
19 BiNational economic integration; our ongoing
20 Regional Freight Study and 21st Century
21 Logistics Opportunity; Regional Framework
22 for Growth, reducing new infrastructure
23 needs and associated maintenance needs.

24 A shift to a new economy will

1 strengthen local tax base, increase
2 population and jobs, and lessen this area's
3 dependence on Albany for basic needs. As a
4 gateway to Canada, a reborn tourism
5 destination, a focus for logistics
6 businesses and an emerging center of 21st
7 century economic clusters, this area has
8 specific and unique transportation needs.
9 We need some wise transportation investment
10 focused on the future needs, as opposed to a
11 system supporting the past economy. A major
12 focus of regional transportation plans is to
13 use the investment to help rebuild the
14 economy of the region. A helped shape plan
15 and recommended that growth for the region
16 be focused in areas of existing
17 infrastructure.

18 BiNational cooperation and joint
19 development of trade corridors is important
20 to this region and the state, as the
21 combined population base of Western New York
22 metros and those of southern Ontario form
23 the third largest metro area in North
24 America. Support for better integration of

1 our linked economies includes development,
2 maintenance and management of transportation
3 facilities to efficiently bring people and
4 goods to the border region, access the
5 crossing facilities, and rebuild efficient
6 border crossing infrastructure. As Erie and
7 Niagara Counties increasingly become a focal
8 point for international trade; local roads
9 and bridges affected by this trade must be
10 accommodated. So it must build and
11 encourage global trade corridors, but access
12 them locally by preservation and enhancement
13 of the system.

14 Our logistic future is complex and
15 dynamic. I'll refer about it as we need to
16 build out our regions as they cannot survive
17 without synchronization of vendors,
18 customers, and suppliers. A sophisticated
19 transportation and logistics infrastructure
20 becomes a crucial competitive necessity for
21 regional economic development and job
22 creation. Logistics is a planned major
23 economic cluster for the Buffalo-Niagara
24 region, and support for this initiative in

1 statewide planning will improve the overall
2 business climate both in New York and
3 Buffalo-Niagara.

4 In a strategic sense, responding to the
5 Capital Plan approach, it is apparent that
6 if we are to use this investment in
7 transportation to strengthen the state,
8 regional, and local economies to provide
9 stronger revenue streams, statewide policy
10 needs to be strategic and linked to related
11 issues all the way from global economic
12 approaches to local land use integration.
13 New York State has prepared various plans
14 focused on strategic investment, and now
15 plans and policies must focus on measurable
16 outcomes and accountability.

17 There is this great need to rebuild and
18 maintain out existing infrastructure. This
19 includes the asset management approach often
20 discussed. We have a fairly mature
21 transportation system locally, but volumes
22 on area roadways like the metro thruway are
23 some of the highest in New York State, and
24 have some of the most measurable congestive

1 areas.

2 Innovative approaches to reduce costs
3 need to be sought out, developed and
4 deployed in a variety of areas including
5 travel demand management, project management
6 and finance, and construction to maximize
7 the value of investments. In the Buffalo
8 area, comprehensive local bridge maintenance
9 programs are helping to moderate the wave of
10 replacement needs, and area wide signal
11 upgrade projects are projected to reduce
12 congestion and travel costs on existing
13 networks.

14 Finance strategies need to be developed
15 to permit a strategic approach to planning
16 and program management, with a firewalled,
17 truly dedicated, state transportation fund;
18 innovative financing techniques made
19 available at all levels; and a consistent,
20 fair and predictable, local revenues. We
21 are hosting a Federal Highway Value Pricing
22 initiative to assess truck vehicle mile
23 travel pricing options in New York State,
24 possibly indicating new ways to price

1 transportation systems and generate
2 revenues. Also opportunities for sale of
3 carbon credits as transportation offsets are
4 being considered, we need to look at broad
5 range of revenue options to properly finance
6 transportation needs.

7 In summary, while it's difficult to do
8 in challenging times, it is very appropriate
9 at this time to carefully revisit our
10 business model for transportation revenue
11 generation and investment. Clearly strong
12 linkage between that investment and economic
13 growth will be essential to changing the
14 dynamic in New York State. There is a
15 strong need to integrate statewide themes
16 for the economy and mobility both downward
17 and laterally through the metropolitan
18 planning process, and upward from MPOs to
19 bring needs and projects from regional long
20 range plans into focus. Approximately 91
21 percent of New York's population is in
22 counties represented by MPOs, indicating
23 that our people and economy have a strong
24 metro focus. A cooperative, strategic

1 approach with viable performance measures is
2 necessary, and we offer the consensus based
3 planning process of our MPO to engage this
4 metro area in the developmental process.

5 Any questions?

6 CHAIRMAN DILAN: I want to thank you
7 for your testimony today. We really
8 appreciate it.

9 MR. MORSE: Thank you.

10 CHAIRMAN DILAN: Thank you. Next to
11 testify we have Richard Jurasek, President,
12 Medaille College. Richard Jurasek.
13 Welcome, sir.

14 RICHARDE JURASEK

15 MR. JURASEK: Good afternoon,
16 Senator. Hi, I'm Richard Jurasek, President
17 of Medaille College. The campus scape to
18 our institution is about one mile down the
19 Scajaquada Expressway. I am here because I
20 am putting it a little bit different than
21 most of the witnesses today, most of whom
22 who spoke for upgrades of one kind or
23 another. I'm here to argue for a downgrade,
24 and in specific terms, I'm referring to what

1 is understood by the Department of
2 Transportation as a downgrade of the
3 Scajaquada Expressway, slower traffic, more
4 pedestrian crossings. I'm here because our
5 campus, we're the third largest independent
6 institution in Western New York. Our campus
7 has as its front door, the Scajaquada
8 Expressway, so I'm speak from that point of
9 view. But I'm also speaking from the point
10 of view of our cousin institution which is
11 the Olmsted Conservancy because its focal
12 point is Delaware Park, and the front door
13 of Delaware Park is across the street from
14 us on Scajaquada Expressway. So I'm here
15 representing two points of view.

16 That first point of view in terms of
17 what a downgrade of the Scajaquada would
18 mean for the Conservancy, the Department of
19 Transportation has been taking testimony,
20 has been studying this question for years
21 and I'm sure that the Committee, the
22 Senators know all the arguments about park
23 space, green space, social space, human
24 space, it all adds up to quality of life.

1 And not to be abstract about it, this
2 quality of life ultimately does drive
3 economic development as well, so this is
4 simply not a set of abstractions.

5 As Senators know, I'm sure it's already
6 logged in in the Department of
7 Transportation's testimony, the park, for
8 example, Delaware Park, is pretty much
9 divided 40 acres with incredible
10 institutions such as the zoo, this
11 institution, a golf course on one side of
12 the expressway and other splendid
13 institutions on the other side of the
14 expressway.

15 Now, there, of course, are also my
16 point of view as the President of an
17 institution with the front door on the
18 Scajaquada, and the easy argument, the easy
19 argument, the easy argument is a matter of
20 safety. I appended to my one-page of
21 testimony, an unhappy and unfortunate
22 photograph of a very recent accident simply
23 because vehicles move too fast on the
24 Scajaquada, and that plaque in American,

1 that is to say, running red lights on
2 thoroughfares marked at 50 and 55 miles per
3 hour, will ultimately, does ultimately lead
4 to loss of life and limb.

5 Senator Thompson has done a terrific
6 job in procuring support to desnarl, desnarl
7 some of the congestion at Agassiz Circle,
8 which is the front door of the Conservancy
9 and the front door of the college where I
10 work. But beyond that obvious compelling
11 argument, safety, there is simply the
12 history of this, that is to say the first
13 expression of the parks, the Olmsted Parks
14 was in the 1870s, which by coincidence is
15 when my institution began teaching and
16 learning in the 1870s, and the first 70
17 years of the two institutions' existence out
18 on the rim of this city was that of
19 harmonious and continuous space. And if I
20 may sound like a teacher for just a moment,
21 because I was a teacher for years and years,
22 the very narrow definition of the word,
23 campus, college campus, has its root in the
24 Latin word, campus, which means candid,

1 groomed, greenspace, and of course the
2 French word, campagne. These are all
3 related and conservancy space, conservancy
4 space is built space, just as college is
5 built space, and the first 70 years were
6 harmonious. The second 70 years after the
7 1950s, the mid 20th Century decisions to
8 create the Scajaguada Expressway as well as
9 the Humboldt Expressway, created those
10 devise, those divisions, those diminishment,
11 which often the State of New York spends a
12 lot of money trying to undo or at least
13 ameliorate and fix thereof.

14 I support, we support the downgrade
15 because for the next seven years there is
16 simply a vast multiplication of leveraging
17 of what the campus, the campagne, the
18 conservancy, and what could be called
19 Buffalo's Commons in the spirit of Boston's
20 Commons, could be restored back to what it
21 was by a downgrading in terms of slower
22 traffic and more pedestrian access. And as
23 I understand the mechanics of the
24 Committee's work, that is to say creating

1 rubics and rubrics, as well as funding
2 priorities, my notion of all of this is that
3 inside of 1.7 Billion to local, street and
4 highway improvement, I would hope that this
5 would capture and hold the attention of the
6 state in the next Capital Budget. Thank
7 you.

8 MR. DILAN: Thank you very much. And
9 I will indicate to you that I will work with
10 Senator Thompson and also direct my staff to
11 work with him to look at your request, and
12 if there's any additional information that
13 you can provide me, you can send that to my
14 staff or myself in my Albany office and we
15 will follow up with you or Senator Thompson.
16 Thank you for your testimony.

17 MR. JURASEK: Thank you, Senator.

18 CHAIRMAN DILAN: Okay. We have one
19 change on our list and so our next witness
20 will be Bruce B. Becker, the Empire State
21 Passengers Association, and then we have
22 another person from the public who would
23 like to testify. So if there is anyone who
24 would like to testify, then after this we

1 will take a look at that.

2 BRUCE B. BECKER

3 MR. BECKER: Good afternoon,
4 Chairman, Members of the Committee. I'm
5 happy to be here.

6 Chairman Dilan and Members of the
7 Committee, my name is Bruce Becker. I'm the
8 President of the Empire State Passengers
9 Association. I'm happy to be here today.

10 Our association, which was founded in
11 1980, is comprised of over 1,400 members
12 from across the state. We are a
13 citizen-based, grass-roots advocacy
14 organization dedicated to improving
15 passenger rail service; supporting seamless
16 interconnectivity between public
17 transportation modes and promoting
18 governmental policies that encourage
19 balanced transportation systems.

20 Let me begin Chairman Dilan, by
21 applauding your leadership which has been
22 mentioned previously, in collaboration with
23 Senator Smith, when you traveled to
24 Washington recently in support of New York

1 State's bid to obtain significant funding
2 from the American Recovery and Reinvestment
3 Act for high speed rail projects across our
4 state. Our organization sincerely
5 appreciates your efforts and many of our
6 other elected officials have done to try to
7 get New York their fair share.

8 I also wish to acknowledge Acting DOT
9 Commissioner Gee and the staff at DOT, for
10 their outstanding, hard work in preparing
11 the 39 detailed applications which have been
12 submitted for federal consideration under
13 this grant program. ESPA firmly supports
14 the realistic and attainable incremental
15 improvement approach which the Department is
16 advancing through these applications.

17 The ARRA High Speed Rail funding
18 program will provide an unprecedented
19 opportunity for New York to advance the
20 mutually desirable objectives of improved
21 mobility and economic recovery for our
22 state. I am confident that through efforts
23 such as yours, the state will be successful
24 in receiving the federal dollars necessary

1 to jump start meaningful improvements to our
2 current rail network.

3 Now to address the specific focus of
4 this hearing. I have reviewed the pertinent
5 portions of the draft 2010-2015 Department
6 of Transportation Capital Plan as they
7 pertain to the state's proposed commitment
8 and investment in high speed rail and I have
9 the following observations, comments and
10 recommendations:

11 The plan calls for a total state
12 investment of only \$300 Million over the
13 five-year period, representing a mere 1.2
14 percent of the total proposed capital
15 investment of more than 25 Billion. This is
16 an average of just 60 Million per year over
17 the five-year period.

18 As is correctly highlighted in the
19 draft plan, after the initial ARRA grant
20 funding, which will be 100 percent federal
21 dollars, is awarded and expended, future
22 anticipated federal passenger rail capital
23 funding programs will require a 20 percent
24 state match.

1 Based on this formula and requirement,
2 the Department of Transportation is
3 therefore implicitly stating that the
4 maximum total possible investment over the
5 upcoming five-year period would be only \$1.5
6 Billion in combined federal and state
7 funding.

8 Considering that the state's currently
9 submitted applications for ARRA based grant
10 funding total over \$11 Billion, it is clear
11 that this proposed \$300 Million in state
12 funding would be woefully inadequate to
13 leverage and match sufficient federal
14 dollars which necessary to advance the
15 state's goals of doubling intercity rail
16 passenger volumes by 2020.

17 As a starting point for further
18 deliberation, our organization strongly
19 urges that the annual state capital funding
20 level be increased to at least \$250 Million,
21 thus allowing for a potential total
22 investment of more than \$6 Billion over the
23 five-year period of the proposed Capital
24 Plan.

1 At this vastly higher combined
2 investment rate, very significant and
3 meaningful progress would be possible and
4 New York State could be fully on track to
5 become a true leader in state-sponsored high
6 speed rail development and execution.

7 Second point: The Capital Plan
8 specifically does not include the proposed
9 state funding for high speed passenger rail
10 in the list of core program elements, which
11 are, in part, defined as, investments
12 intended to maintain the system in the best
13 possible condition, to improve the
14 infrastructure toward a state of good
15 repair, and, include investments in existing
16 rail.

17 Instead the proposed high speed rail
18 funding is characterized as an enhancement
19 investment element, which is defined as,
20 providing funding for new activities and
21 projects that improve the system above
22 existing levels.

23 However, the plan specifically
24 addresses the inadequacies of the current

1 rail infrastructure for passenger service,
2 particularly on the route west of Albany to
3 here in Buffalo and Niagara Falls, and
4 specifically states; "rail infrastructure
5 deficiencies have become increasingly
6 apparent. Limited capacity, obsolescence
7 and other obstacles render the existing
8 system unreliable and inconvenient.
9 Passenger service on the Empire Corridor
10 West is slow and cannot presently compete
11 with other modes."

12 Thus, it is our contention that the
13 proposed funding for high speed rail readily
14 qualifies as a vital core program element.
15 If the state is indeed committed to the
16 long-range vision of high speed rail being a
17 catalyst for improved mobility and commerce,
18 then the necessary expenditures must viewed
19 as a core need.

20 In addition, given the state's
21 precarious financial picture, we would be
22 very concerned that programs defined as
23 enhancements would likely be the first to be
24 sacrificed if funding for the Five-Year

1 Capital Plan is not fully available.

2 Accordingly, we strongly urge that
3 whatever high speed rail funding level is
4 ultimately included in the final adopted
5 Capital Plan be included as a core program
6 element.

7 I trust my comments have been helpful.
8 Thank you again for the opportunity for
9 appearing before you today. If you have any
10 questions, I'll be happy to answer them.

11 CHAIRMAN DILAN: Well, I want to
12 thank you. Well, as you know, we did go to
13 Washington recently and they approved the
14 Department of Transportation's application,
15 I believe it was for 11 Billion was it, \$11
16 Billion, and I think at the federal level
17 available I believe is eight. The only
18 bright side I guess with regard to this is
19 that the President of the United States is
20 very interested and I think it's time to
21 make this a benchmark of the administration,
22 and that's the bright light for high speed
23 rail and we'll continue working with you on
24 this issue.

1 MR. BECKER: I applaud your efforts
2 again. Thank you, Senator.

3 CHAIRMAN DILAN: Thank you, sir.
4 Okay. Our last witness is Mark Lewandowski.
5 I want to just take a moment. I want to
6 thank all the Senators that were here today;
7 Maziarz, Thompson, Senator Stachowski and
8 Senator Ranzenhofer. Obviously they all
9 have items on their schedule so they have
10 indicated that we could continue, but we are
11 recording this public hearing and we have
12 the stenographer so we'll have a record for
13 everyone and we'll keep you informed on
14 that. Sir.

15 MARK A. LEWANDOWSKI

16 MR. LEWANDOWSKI: Good afternoon.

17 CHAIRMAN DILAN: You are President of
18 CTR -- CTRC.

19 MR. LEWANDOWSKI: That is the Central
20 Terminal Restoration Corporation. We're the
21 corporation that owns the Buffalo Central
22 Terminal which is about two and a half miles
23 do east of downtown Buffalo. I thank you
24 for the opportunity to be a candidate. It's

1 most appreciated.

2 What I wanted to convey to the
3 Committee is the Buffalo Central Terminal
4 accommodates well over 200 trains a day.
5 Obviously with the change in the mode of
6 transportation going from rail to plane to
7 the New York State Thruway infrastructure.
8 Obviously passenger rail, it took a hit so
9 to speak. At one time all these trains and
10 were now down to a few Amtrak trains a day,
11 but one of the things that's significant,
12 what I would like to offer to the Committee
13 is all regional Amtrak trains passed within
14 the footprint of the Central Terminal. One
15 of the things that is significant here is
16 that what we're trying to do in the
17 restoration and redevelopment of the
18 terminal and the terminal complex would,
19 we're on the empire core. There's a reason
20 why Central Terminal is out of downtown
21 Buffalo is it's a significant location on
22 the empire corridor as has been said that
23 the President is high on passenger rail,
24 high on the New York to Chicago run. The

1 reason why the Central Terminal is built
2 where it is was to accommodate that years
3 ago. Hindsight in some cases are 20/20, but
4 we can see now, us, at that the Central
5 Terminal Restoration Corporation, we offer
6 the opportunity, and anybody who would
7 specifically be in the high speed rail
8 initiative, Amtrak, to offer rail service
9 once again to the Central Terminal.

10 Although, in and of itself, it would
11 only accommodate maybe a 10 percent impact
12 to the entire redevelopment project. But
13 what it brings, it will bring catalyst to
14 the area. In order for the entire project
15 to work with respect to transportation, what
16 we would like to engage, and it's obviously
17 that there's a need here as it was discussed
18 quite frequently today, is engage light rail
19 rapid transit along with heavy rail, via
20 Amtrak.

21 Buffalo was the second largest rail hub
22 in the country next to Chicago. The
23 infrastructure is still there. It's just,
24 it's sitting dormant. That's the way I look

1 at it. I don't look at it as it's
2 abandoned. It's sitting dormant. What we
3 would like to do is offer Central Terminal
4 with respect to the 17 acres of parcel that
5 we own, expandable to 50 acres, we could
6 have heavy rail come in, light rail engaged,
7 and also, the bus terminal that's downtown
8 Buffalo, and there's congestion involved
9 there, reenact the premise that the Buffalo
10 Central Terminal can be a transportation
11 office. Everything is right there. It just
12 makes sense.

13 So what I would like to say to the
14 Committee is, I encourage everyone to read
15 the testimony that I have already submitted
16 to the Committee secretary today. Take a
17 good look at it. It has a lot of
18 information on possibilities to integrate
19 all these facets of bus, light rail and
20 heavy rail to the Central Terminal, and
21 thereby also configuring that whole
22 community.

23 So with that being said, I appreciate
24 you giving me the opportunity to offer

1 testimony, and thank you.

2 CHAIRMAN DILAN: Thank you very much.
3 I'd just like to say to you that I'm aware
4 of that rail in New York City. It's very
5 vital to our economy and the wellbeing of
6 our state. I'm also aware that most, if not
7 all of the tracks in New York State are
8 owned by the rail companies, I believe, and
9 when we talk about passengers and
10 right-of-ways and all of these various
11 issues, and these are things that we all
12 have to take into account when working with
13 rail. But I believe that we must revitalize
14 rail in New York State if we are going to
15 protect our environment, if we are going to
16 encourage the use of public transportation,
17 and also we are committed to doing and we
18 look forward to working with all of you in
19 that respect.

20 MR. LEWANDOWSKI: Sir, thank you for
21 your time.

22 CHAIRMAN DILAN: Okay. Thank you.
23 Okay. Now, at this time, is there anyone in
24 the room that would like to speak?

1 MR. COPPOLA: Yes, sir.

2 CHAIRMAN DILAN: Obviously, come to
3 the mic and state your name.

4 ALFRED COPPOLA

5 MR. COPPOLA: I signed in, Senator.
6 Thank you for coming to Buffalo. My name is
7 Alfred Coppola.

8 CHAIRMAN DILAN: Your name is?

9 MR. COPPOLA: Alfred Coppola. Former
10 senator of this area back in 2000.

11 CHAIRMAN DILAN: Hi. How are you?

12 MR. COPPOLA: And I don't envy your
13 position right now in Albany, especially
14 when I pick up today's paper about the
15 state's deficit glooms. It's in today's
16 newspaper. I was hoping that some of the
17 people that are here would read that and
18 appreciate it. There's another article here
19 --

20 CHAIRMAN DILAN: It changes everyday.

21 MR. COPPOLA: Yeah, I know.

22 CHAIRMAN DILAN: It changes everyday.
23 Everyday the governor makes another
24 announcement. You know, I don't want to

1 take any swipes at anyone, but there's a lot
2 of play in the media right now.

3 MR. COPPOLA: Yes.

4 CHAIRMAN DILAN: And the governor
5 indicates that he's going back into session
6 on the 9th and 10th, and they are always
7 talking about the Senate not willing to
8 return to Albany. None of that is true
9 because as of this moment, we have not
10 received a confirmation from the governor
11 calling us back. Everything that's been
12 going on has been through the media. I can
13 tell you that I will not return to Albany
14 until the governor issues a confirmation,
15 and I don't respond to a notice that comes
16 from the media. But that's just general
17 information, but you can proceed with your
18 testimony.

19 MR. COPPOLA: First of all, I do
20 respect your position because I was there
21 and I really want to thank you.

22 CHAIRMAN DILAN: Well, it's a
23 pleasure meeting you because I've heard good
24 things about you, sir.

1 MR. COPPOLA: I'm here in regards to

2 --

3 CHAIRMAN DILAN: Senator.

4 MR. COPPOLA: I'm here in regards to
5 the expansion proposed by the Public Bridge
6 Authority known as the Peace Bridge on the
7 west side of Buffalo. This has been in the
8 process for the last 20 years. And just a
9 brief background, on their own stationary,
10 their admission, April the 10th, '08, this
11 is in regards to some of the properties that
12 they own now on the west side. The
13 environmental review is being performed in
14 accordance with the National Environmental
15 Policy Act, the State Environmental Quality
16 Review Act and the City Environmental Review
17 Coordinance. In accordance with NEMA,
18 demolition of properties within a proposed
19 project area cannot occur until a record of
20 decision. Now this is July of '08. I'm
21 going to leave that. Then we've got another
22 correspondence to the Buffalo Common Council
23 on November of '08, and in that, the
24 properties owned by PBA were required by the

1 PBA in the mid 1990s to facilitate the
2 ultimate expansion of the plaza which was
3 expected to occur in 2000. It would be
4 illegal to tear anything down. So they
5 already tore down a piece of property. They
6 should have never purchased these
7 properties. They were moving beforehand.
8 And I guess what they're doing is the PBA
9 expansion plan is unnecessary. A waste of
10 state and federal taxpayer money. The PBA
11 had threatened and harassed an entire west
12 side community for 20 years and already
13 wasted \$50 Million of federal tax dollars on
14 the endless and failed environmental review
15 trying to do so. It's time for the New York
16 State government and leaders today, enough
17 is enough.

18 Cross-border traffic has continuously
19 declined since 1999, and they would have to
20 show a substantial increase in traffic
21 before going to the bottom market. They're
22 claiming they need 47 more acres for a
23 bridge plaza expansion for a three-story
24 duty-free store and a 500-car parking

1 garage, and they're going to rip down 90
2 homes. How can that be justified with a 37
3 percent decline in traffic. The PBA has
4 estimated the cost of the bridge and the
5 plaza would be 650 Million. That's their
6 figure, not mine. Now, they're already in
7 debt for about 44 Million in a bond which
8 they pulled out in 2005. In May of 2005,
9 with traffic down 37 percent, how much can
10 they get in the bond market today. Less
11 than 100 Million, much less than -- they say
12 100 Million, subtract that, they need
13 another 550 Million and they are looking at
14 the state, federal and city government, so
15 why does the State DOT keep pursuing this
16 project. I'm sure that the DOT is aware
17 that there are three bridges less than 25
18 miles -- 25 minutes away. Three bridges, 25
19 minutes away, with a new truck lane added to
20 the Queenston-Lewiston now four-lane bridge.

21 What makes more sense is for the New
22 York State DOT to spend that money to
23 improve our current infrastructure here and
24 throughout New York State. There's no ride.

1 There's no money for this -- for this
2 project. Just excuses year after year. Our
3 Common Council, in a nine, zero vote, just a
4 couple of weeks ago on those dilapidated
5 properties that they own, took one of them
6 and voted, nine, zero, to restore for the
7 preservationist, now the preservationist are
8 involved in New York City, the
9 preservationists are involved here in the
10 City of Buffalo, nine, zero, they voted for.
11 Now you have to go to the Common Council of
12 the City of Buffalo for final approval for
13 this whole project, and here we are 20 years
14 later, you'd think they'd have enough of
15 this.

16 What I'm trying to say and share with
17 you, Senator, there's no ride, there's not
18 one penny appropriate, earmarked for this
19 project. Why, when you have three bridges
20 down the road, when we can do more. And by
21 the way, I'm not here to pull out for
22 another outfit. I'm here to be practical
23 and commonsense. We're all looking for
24 money. We're in debt up to our ears and the

1 state and the federal government, and the
2 City of Buffalo, we're having a hard time.
3 There's another company, a private company
4 that wants to build a bridge two miles away
5 along the railroad port, and they want a new
6 intermode with the trucks. Just two miles
7 away. They want to pay for everything.
8 They bought all that light land. They are
9 not going to take any homes. And they
10 bought all the light land in Canada, and
11 they are not going to take any homes, and
12 they are next to a railroad track out there
13 in Canada too. So my point is, when you
14 have a company that wants to build their own
15 bridge at no cost to the taxpayers, taking
16 down no homes, why is there this resistance
17 from the New York State DOT? Why can't they
18 say then, all right, here's the money, here
19 we are with the environmental impact
20 statement, here we are. How far is the
21 ride. How long can the people down there on
22 the west side take it. It's heartbreaking
23 to hear the stories. Some want to sell,
24 some don't want to sell. Absentee land

1 owner is running a foul because people are
2 neglecting their homes and are bringing down
3 the quality of life and they are bringing
4 down the dignity of those people who live in
5 that area.

6 So all I'm asking you, Senator, is take
7 a good hard look at a private company that
8 wants to do business two miles down the road
9 and do intermode, and not taking down any
10 homes, three bridges just 25 minutes away,
11 why can't they work with them? Why do we
12 have to build a brand new bridge. Thank
13 you.

14 CHAIRMAN DILAN: Thank you, Senator,
15 and we will look into this issue.

16 MR. COPPOLA: I'll leave the
17 correspondence from the bridge.

18 CHAIRMAN DILAN: Okay, fine. Thank
19 you and we will get back to you. Okay.
20 Thank you. Anyone else. Okay. Come
21 forward. Thank you Senator.

22 TOM REIFSTECK

23 MR. REIFSTECK: I'll be very brief.
24 First of all, on behalf of the Town, I'm Tom

1 Reifsteck, President of the New York State
2 Town Highway Superintendents Association and
3 on behalf of us and the County Highway
4 Superintendents, we're representing them, I
5 want to thank you for your time to hear our
6 needs through the DOT. But I was also
7 wondering if you happened to see the press
8 release from the Comptroller DiNapoli about
9 the highway robbery from the trust fund.

10 CHAIRMAN DILAN: I am familiar with
11 the press release. I also have a copy of
12 his report already. I actually made
13 reference to his remarks and his report at
14 the hearing yesterday in Syracuse, and maybe
15 I'll take this opportunity to put my closing
16 remarks. First, I was going to say that
17 obviously we have to fix the highway and
18 bridge trust fund. I really don't think
19 that that was the intention of the fund and
20 I actually met with, my staff met with the
21 comptroller's staff just two days ago where
22 we requested certain ordinances to be
23 conducted and the collection of DMV within
24 the trust fund, and how we really use it to

1 create a situation for collateral and
2 bargaining purposes, and I can guarantee you
3 that we will be using the comptroller's
4 office to ensure that we try to work to
5 correct that trust fund.

6 MR. REIFSTECK: Thank you very much.

7 CLOSING STATEMENT

8 SENATOR MARTIN MALAVE DILAN, CHAIRMAN

9 CHAIRMAN DILAN: Thank you. Thank
10 you for being here. Okay. I really want to
11 thank everyone that stayed throughout this
12 public hearing, whether you testified or
13 just listened to the conversation. I want
14 you to know that I appreciate that. I'd
15 like to thank the City of Buffalo for giving
16 us this opportunity of coming to Buffalo and
17 listening to the region's concerns. As I've
18 indicated in my opening remarks, we are
19 committed to a Capital Plan. There is
20 discussion about the MTA financial package.
21 We made a commitment that we're going to do
22 a highway and bridge Capital Plan for the
23 State of New York. I am sure that State
24 Senate, the State Assembly and the governor

1 of the State of New York, at the end of the
2 day will be doing the right thing and we
3 will be working together to provide that
4 Capital Plan. That's why this is the second
5 hearing for the public in a week. I believe
6 there is another hearing in Long Island on
7 November 18th, and then we will be having
8 another one in Hudson Valley on the 19th,
9 and then the final hearing -- and those
10 hearings will have all the regional
11 directors testifying. And then the final
12 hearing we will have the commissioner of DOT
13 testifying in Albany.

14 So actually, I also will be looking at
15 -- will be reviewing the various hearings
16 that we had throughout the state and we will
17 be expecting questions that we will have for
18 the commissioner in the Albany area. So I
19 think it should be very interesting. But at
20 the end of the day, we're committed to
21 having a Capital Plan, and I want to ensure
22 everyone that we will be doing that. So
23 again, thank you.

24 I really want to take a moment now to

1 just thank my staff, my Chief of Staff,
2 Lorenda Harris, who is back in Albany. Also
3 Matt Trapasso, my Legislative Director and
4 Tom Benware, my Policy Analyst, Chris
5 Durosinni, and also my Committee Clerk,
6 Keith Heimroph, who also worked very hard to
7 put these hearings together, and there's
8 still a lot of work to do, and I'm sure they
9 will continue to follow up to put these
10 hearings together.

11 I want to thank the Regional Director
12 of the New York State Senate, Al Thompson
13 and his staff for their help also in making
14 this hearing possible. I want to thank DOT.
15 I'd like to thank Ms. Cutilla [phonetics]
16 who sat throughout the entire hearing to
17 listen to your concerns. We also have Ms.
18 Bennett, I believe Director of Government
19 Affairs of DOT here, so I'm sure she's going
20 to go back and relay and provide a message
21 to the commissioner.

22 So once again, thank you very much, and
23 we will continue and we will be back when we
24 have a Capital Plan. Thank you. Oh, I'm

1 sorry. We also have Janet Ho from our
2 Senate of Finance here. Thank you for your
3 help also. Thank you very much, everybody.

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