



SEPTA FY 2012 Capital Budget Statement

The Pennsylvania Transit Expansion Coalition (PA-TEC) offers the following comments on SEPTA's proposed FY 2012 Capital Budget:

1. **Elwyn to Wawa Rail Expansion** (deferred) – **PA-TEC strongly supports incremental restoration** of passenger railroad service west of Elwyn. However, SEPTA's costs on the Elwyn to Wawa restoration project raise serious questions on project planning and system design. This project involves rehabilitation of 3 miles of existing, active railroad, the construction of a single station, a parking garage, and the relocation of the Media rail car storage yard to the new terminus of the line at a cost of \$80 million dollars.

PA-TEC opposes SEPTA's proposal because of cost. This project must be re-scaled to an acceptable cost that permits near term completion. Because of the strong support for restoration of the entire corridor to West Chester, PA-TEC also recommends that the Media rail car storage yard remain in place pending further study and consideration of the balance of the West Chester corridor. The Wawa extension is the second incremental expansion and reactivation of passenger rail service towards West Chester since SEPTA suspended service in 1986. Population growth and capacity constraints on the Paoli line dictate the necessity of full restoration of this line.

In stark contrast to SEPTA's Wawa project, New Jersey Transit is rebuilding a 7.3 mile segment of the Lackawanna Cutoff from its current terminus in Port Morris, to Andover. This project involves rebuilding an abandoned, trackless rail right-of-way and a new station facility for a meager \$35 million. It is alarming that **SEPTA is spending 56.25% more to rebuild 59% less railroad** on an *active* railroad line. This example of overdesign and overspending cannot be tolerated in any fiscal environment.

2. **Jenkintown-Wyncote Station and Parking Improvements** (deferred) – **PA-TEC opposes** the proposed Jenkintown parking garage project. Recent studies have not made a compelling case to justify spending \$35 million for 250 additional parking spaces. SEPTA's parking analysis confirms that additional demand is generated from outside the local community, and other alternatives must be pursued to address the constrained parking conditions at all stations in the northern Philadelphia suburbs. PA-TEC recommends removal of this project from the capital budget.
3. **Debt Service** – PA-TEC **opposes** SEPTA's debt increase to fund the Wayne Junction station overhaul. PA-TEC agrees that the Wayne Junction station requires improvement. However, testimony by SEPTA GM Joe Casey in June 2009 to the house transportation committee stated that serious needs and risks exist on the railroad. Namely, the 1930's Wayne Junction traction power substation. **PA-TEC supports the renewal of critical infrastructure that poses the greatest risk to regional rail** first. In light of funding constraints, PA-TEC **strongly recommends that limited funding be directed towards the greatest risks** to the commuter railroad system, as Joe Casey testified before state officials.

PA-TEC questions the tremendous cost of rehabilitating the Wayne Junction station at a cost of \$35 million, and recommends that SEPTA seek less expensive options for improving passenger facilities at this location. Further, the issuance of bonds to fund this project is little more than a loophole for increasing the burden to taxpayers to fund capital projects in a fiscally constrained environment.

4. **New Payment Technologies** – PA-TEC **opposes** the New Payment Technology project in its current form.

SEPTA's stated goals of the NPT project include: improve customer convenience, more efficient operations, fare policy flexibility, reducing SEPTA's role in issuing fare media and fare plans that are flexible to the rider's needs, and reducing revenue leaks on the system, notably the regional railroad system.

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PA-TEC is concerned that SEPTA's desire to create a one-way fare system using fare gates legalizes fare evasion. Such a system was tried on the Massachusetts Bay Transportation Authority's railroad in 1991, and was ultimately withdrawn because it was found that fewer riders rode in the direction of fare payment. The installation of fare gates at select high volume locations effectively restricts access to the railroad and will create un-needed confusion for riders.

The proposed system on the railroad does not eliminate cash fares, and includes the installation of fare vending machines at regional railroad stations. The continuation of cash fares along with fare payment in the outbound direction only raises questions on how the system will reduce revenue shrinkage and improve operational efficiency.

As proposed, the system does not offer a desired level of cost savings for taxpayers. For example, station attendants will be retained on the subway system, despite the recent installation of a \$100 million dollar security system at all stations. With the elimination of SEPTA staff as sales agents to access the subway, the implementation of such a system must include a significant reduction in overhead to justify the cost of the new system. The PATCO subway system in Philadelphia has operated "agent-less" stations since its inception in 1968. The projected increases in labor costs dictate that such an implementation provide a significant level of savings that either reduces taxpayer burden, or increases taxpayer benefits (i.e. improved service).

With many stakeholders questioning the cost/benefit of the proposed NPT system, **PA-TEC advises SEPTA to defer contract awards** on this project, pending further analysis and exploration of superior alternatives.

5. **Paratransit Vehicle Acquisition** – **PA-TEC supports** the \$5 million dollar Paratransit vehicle purchasing project.
6. **New Starts/Service Initiative** - **PA-TEC strongly recommends restoring the Fox Chase-Newtown line** to the list of future projects. The 2010 census has demonstrated continued population growth at the northernmost segment of this corridor, and the continued growth in demand for rail transit demands that this corridor be included in SEPTA's railroad system.

Current policy as dictated by a number of agencies, including SEPTA, have focused solely on automobile centered projects to accommodate additional ridership. The inclusion of Fox Chase-Newtown will generate new, walk-up ridership, and add significant capacity to this segment of the region, and address access conditions at exiting stations. Incremental restoration of Newtown rail service is in line with DVRPC's "**Connections 2035**" plan and national transportation and environmental policy.

PA-TEC supports incremental Lansdale rail service restoration as a starting point towards restoration of passenger railroad service on the Philadelphia to Bethlehem rail corridor.

7. **Safety and Security Improvements** – **PA-TEC supports** the \$5 million allocation in the FY 2012 budget for **safety and security**. Past installation of CCTV on buses and subways have proved beneficial to enhancing customer safety and assisting law enforcement agencies in addressing security issues on SEPTA's routes.

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