



Citizens Advisory Committee Minutes

Wednesday, September 8, 2021

Location: via: Zoom

Attendance:

New Jersey: Reggie Haynes, Alan Becker, Dan Norfleet, Steve Benigno, Joe Russell, Ben Saracco, Straso Jovanovski, Marty King, Pam Mack-Brooks, Joe Russell, Bruce Schwartz

Pennsylvania: Larry Davis, Dan McArdle, Tyrone Wesley

Emeritus Member(s): John Boyle, Jeff Kessler

Potential Member(s):

DRPA/PATCO: Jim White, CFO; John Rink, GM; Mike Rakowski, Engineering; Barbara Wagner, Executive Assistant

Public Member(s):

Call to Order

A motion was made to approve the August 11, 2021 minutes. The minutes were approved.

PATCO General Manager, John Rink

Will a PATCO fare discount stimulate ridership?

GM Rink reported that there has been no change in that regard since our last meeting. We are in the midst of creating our operating and capital budgets right now, as CFO White will attest. With the current state of our revenues and preparing for our operating and capital budget, there hasn't been any discussions for a fare discount to stimulate ridership. As of today, the ridership is at 37%, so we've had a little bit of an uptick. We are between 50-60% on the weekends. On the weekends, people are still taking the train into the city. Yesterday, we started our new schedule where we added seven additional westbound trips in the morning and four in the evening. We decreased our AM peak headways from 8-11 minutes to 5-8, and the PM headways from 6-12 minutes to 4-12. As of today, we are at 90% of the pre-Covid schedule for the AM and 93% in the PM.

As I mentioned at the last meeting, I had a meeting with the Philadelphia group today. The businesses are still looking to bring back their employees in October. We saw a small uptick yesterday, but not by much. Some of our stations had an uptick in growth, but, surprisingly, a couple of our stations were down. We were only up by 1.4% compared to last Tuesday. It's possible that some parents stayed home to get their kids off to school, so we will see what today's ridership numbers are tomorrow.

The Collingswood station pigeon "Picasso" cleanup.

GM Rink reported that he had to go out to the station to witness the "Picasso" cleanup, himself. He reported that last night he went to the station but did not see the "Picasso!" Apparently, it was cleaned up. He did find out that the normal scheduled cleaning of the station was done Monday into Tuesday, so I take it "Picasso" was cleaned up at that time.

What is the regular frequency of the stations clean-up?

Reggie Haynes

GM Rink reported there is one crew that goes from station to station each night, so every two weeks we come back around to do the major power washing. If we receive a complaint, we obviously move forward. We have custodians that go into the stations every night to clean-up, remove trash, and do high touch clean-up.

There is a lot of broken netting at the Westmont Station. Is that going to be replaced?

Alan Becker

GM Rink reported that it is part of an engineering project that's 90% design. He believes they are finishing up on the concrete and asphalt repairs to Westmont and Collingswood Viaducts. We are going to recoat and seal the concrete of the Viaducts and have new bird netting and pigeon spikes put up. Unfortunately, the netting was ripped from the electrical conduit, but in the next engineering project that will be replaced. Mike Rakowski confirmed that the project will take place sometime next year.

Diesel exhaust from maintenance vehicles at PATCO City Hall Station.

GM Rink reported that this topic was brought up at our last meeting. He reported that we had the construction monitor confirm the equipment that's being used by the rail contractor. The equipment has Tier 3 and Tier 4 scrubbers and there is the potential, as they run through the station to get to the worksite, there might be some smells. Once they are in place they don't run. It's part of their contract to have these types of scrubbers on their equipment and they all do. GM Rink added that he's not aware of a specific complaint on when this occurred, but there will be some smells as the equipment is moved through the stations, even when our equipment is moved through the stations for our own maintenance.

Was there storm damage to DRPA property as a result of Tropical Storm Ida?

GM Rink reported there was no storm damage resulting from Ida to the DRPA, the bridges, or at PATCO. We did have typical flooding from the rain at portions of the Ferry Avenue parking lot, but once the rain stopped, the water dissipated.

Where are we with the new toll technology project?

Larry Davis

GM Rink reported that he consulted with the COO who said they're in the midst of finalizing the project's RFP. He indicated that an internal toll tasking force will be reviewing all information next week. He reported that they don't expect it to go out for bid until late this year or early next year.

Can we get information on if/how PATCO is working with SEPTA to be included in their new wayfinding project?

Larry Davis

GM Rink reported that PATCO was invited by SEPTA to participate with their workforce from the beginning. He reported that a project manager from his team attended all the meetings with SEPTA. There are numerous stations in the areas of the concourses where there's directional signage to get to PATCO and we were actively involved in the project. GM Rink reported that he attended many meetings with SEPTA, along with his project manager and Mike Williams approximately a month ago. They presented the whole project to us before getting the word out as you see in the news now. They went through what they are looking to do, solicited our input and ideas, and they will include however we determine to indicate PATCO lines and will include that in their new signage package.

Regarding the Franklin Square Project, we will go through all the route maps in our possession. Our stations and our train cars will also need to be updated to include Franklin Square. As part of that, we will include whatever design SEPTA does and add that to our station signage route maps. We have been actively involved in the process. SEPTA recommended going with the P line for PATCO, but we didn't think that would be appropriate. They took over various regional lines and other train lines that had a different way of putting in signs and directing people. SEPTA is looking at a whole-scale change-out of all their signs. If you noticed on-line, they are going back to the original letters to make it easier for people to understand. From the maps they showed us, they are going to clean them up as sometimes less information is better. It's going to be an interesting project for SEPTA.

Do you save any of the old PATCO maps from the old cars before they were refurbished?

Larry Davis

GM Rink reported that we took out all the old maps before sending the cars out to be refurbished.

What are the chances of having whatever regional map on PATCO platforms to inform of where PATCO can take you in the region from a PATCO platform?

Joe Boyle

GM Rink reported that we are going to look into adding transfer stations to our map and highlight exactly how to depict a transfer station. We also have spots where we can look to add their maps inside the concourse area before you leave our stations. The Center City District installed directional signs down at the base of each stair to coincide with the street walking

system. He added that it is something we are looking into - like how we can direct from 8th & Market and how to direct our patrons to get to and from each platform or which exit to get to. They are going to call it the L – L West or L East. We did look at it as regional partners in trying to create one map that can work for everyone.

In response to a question regarding SOPs in the system.

GM Rink reported that for PATCO, if there are wind conditions that were sustained over 50 MPH, we would reduce the speed of the trains. During Sandy, we suspended service, like other lines, until the hurricane passed. Typically, we would make the determination on whether to continue service or suspend it. The night the tornado touched down in Mullica Hill then traveled north through Woodbury and Deptford, and was heading to Cherry Hill-Palmyra, I did have the trains stopped in the stations and held for approximately 10 minutes until the condition passed. The trains then operated at 30 MPH to assess if there was any damage to the tracks before going back to the regular speed.

Mike Rakowski reported that there are truck and trailer bands. He added that they got lucky because they prepped all their contractors on the Ben Franklin Bridge. They have safety platforms on the cables, and everyone was prepped. We did some minor emergency inspections afterwards due to the high winds to light poles and high masts - doing our due diligence and found nothing of concern.

John Rink further reported that we did develop an SOP if there was an earthquake in the region and depending on the magnitude and location, there is a whole set of processes for the bridges and PATCO that would be taken to ascertain if there was damage.

Question from Twitter about increasing frequency on the weekends. I don't think a 20-minute frequency on Saturday and a 30-minute frequency on Sunday is enough.

GM Rink reported that pre-Covid was 15 & 20. We have 2 major capital projects on the lines and then we have to do our maintenance which we talked about last month. With those major things going on, it's the best we can do because of a large stretch of track out place. The project at the Ben Franklin Bridge takes out a track, we're doing the tunnel repairs, and we have the interlocking replacement just east of Broadway, beside doing our own track maintenance.

When can we start advertising the policy change re: the e-bikes?

John Boyle

GM Rink stated that he will forward the message to Mike Williams and have him get back to you.

CFO James White

CFO White reported that he is a part of the toll technology group led by our Chief Operation Officer, Robert Hicks. He added that what John Rink reported was accurate. This project, like all projects, will be vetted through our capital budget process which will begin in October regarding funding for the 2022-2023 funding cycle.

CFO White reported that we are still doing very well in terms of traffic and revenues. We are still roughly around the 90% of 2019 volume, which is ahead of plan so we are in a situation where we will be, at least, \$20M or so in toll revenues above where we projected when we put together our budget late last year. However, it still means that we may be \$30M under where we were in 2019, which was about \$330M. We may approach \$300M if all the factors continue.

I've been looking at the PATCO numbers during the last week or so and the numbers have been scattered and hard to figure out because of the hurricane and several days when traffic was down around 20% over the last week. Thus far, after Labor Day, it's still a little difficult to project what's happening in terms of trend as to whether people are returning to work and the impact of schools opening. Yesterday, traffic on the Ben Franklin Bridge and Walt Whitman Bridge was up slightly, so that suggests that we may be seeing some additional volume coming after Labor Day but, of course, with the Delta variant still spreading, it's difficult to really project where we think we are. As we approach our capital budgeting and our operating budget reviews in October, we are still uncertain as to what the numbers are going to look like for 2022. However, we are seeing positive things with PATCO ridership. We are averaging at 37% last week, so we are seeing some encouraging signs. I think it will take a couple of weeks after Labor Day for us to really get a sense of whether we are going to see the volume inch up or whether we are going to see a much higher increase in ridership and traffic.

Budget wise, we are still holding the reigns. In terms of budget, we are around \$7M under budget and thus far, we have not filled any positions, except very high priority positions. Essentially, we still have a hiring freeze in place. We are not replacing certain positions unless there is a retirement, and a replacement is needed. As a result, 50% of the \$7M budget "positive variance" is related to the fact that our hiring is down, our replacement of positions is down, and when you add the FICA and the benefits, etc., that translates to approximately 50% of the combined variance between PATCO and DRPA.

As to the various grants, CFO White reported that we have drawn down \$40.7M from the CARES Act which helped us fund the PATCO subsidy over the past year or so. We are working on the \$15.7M CRRSASA grant, and we expect that we will probably exhaust that fund of \$15.7M by the end of the year, at which point we would start pulling in funds from the American Rescue Plan which is over \$26M once all those documents are finalized.

So, we do have some positive trends in terms of cash flow, traffic, and revenue. We are in good shape, but still below 2019 volumes and as we approach the capital and operating reviews, we are still going to maintain a very stringent or cost containment philosophy. Our capital expenditures over the last two years have been very aggressive and we may scale back some non-essential projects as a result until we see ourselves recover more fully.

We are beginning to work on two bond refunding's. That process is beginning now that the veto period expired on September 1, 2021. We hope to complete both transactions before the end of the year.

On the bond refunding, are you still at a negative position? Will that cause interest rates to be much higher?

Alan Becker

CFO White reported that the bond refunding would result in a lower interest rate and that is the main purpose. CFO explained that the way to really look at it is if you would be refinancing because your rates are at 5% or 6% and you can get less than 3% now. Similarly, with the bond refunding, we would take advantage of the interest rates that are close to historic lows. It's to take advantage of the lower interest rate and by doing so, you create debt service savings which will, in fact, help us from a budgetary perspective. If we complete these two refundings, we could see anywhere from a reduction in our interest of over \$3M.

Does the negative status from S&P and Moody's have an impact on refinancing?

Alan Becker

CFO White reported that S&P recently, within the last 3 months, changed not the ratings but the outlook. Besides A+ or A- ratings, they also give you an outlook rating such as stable, positive, or negative. If you have a negative outlook, it probably means that within the next 18 months or so, there is a possibility they may move with a negative action against your long-term rates.

What happened with Moody's and S&P is they looked at the toll sector as a whole and both Moody's and S&P put the entire toll sector on a negative outlook in 2020 shortly after the pandemic in the March/April timeframe. Moody's did not take any action towards the DRPA, so our outlook with Moody's continued to be a stable outlook. However, S&P acted against the toll sector as a whole and the DRPA but given what they have seen in the numbers, they reversed themselves. The toll sector and the DRPA are now at a stable outlook.

The general fund has come down quite a bit from \$500M to \$327 roughly.

Alan Becker

CFO White reported that there are several factors involved. In 2018, we did a refunding without it being a refunding because Congress had enacted a legislation that prohibited tax exempt refunding. So, we took about \$300M out of roughly \$600M. We paid off our bonds and issued new bonds and effectively did what we are going to be doing with the refunding by lowering our interest rate. We spent \$200M in capital expenditures, we are almost at the end of our bond project funds, so in the beginning of November or December we will be funding the capital program exclusively using the general fund. So, the general fund now is around \$317M which can easily take us into several years but as I mentioned, we may have to put certain constraints on capital expenditures, particularly those that are non-essential. So, anything that is put on the capital plan out of the biennial inspection typically is a high priority or mandatory project. We have at least 7 major projects going on that would continue into next year. So, items that may not be essential maybe postponed depending upon whether we get closer to our volume of 2019 over the next year or so.

Engineer, Mike Rakowski

Commodore Barry westbound road issues.

Mike Rakowski reported that the overall condition, the deck, the patchwork appearance, and the rough ride is because it is an original deck. Our in-house maintenance forces are doing the best they can to maintain the deck. We also have a project on the streets for bid to do even more repairs. We are doing the best we can to maintain the deck and are planning for it long term. The dollar figure for a new deck is \$400M, it is a large number, so we are doing the best we can to squeeze every remaining year out of this deck while maintaining a safe environment until we come up with a long-term solution.

What is the bridge deck made of and what part of the structure deteriorates over time that requires replacement? Is it poured concrete reinforced?

Bruce Schwartz

Mike Rakowski reported that it is poured concrete with steel reinforcement. It's the original deck since 1974 and there's a lot of patchwork on the deck. Between the age of the bridge, salt, and the vibration that occurs on the bridge (more so than other structures), adds to the deterioration and the concrete cracks.

Is there steel reinforcement in the concrete that also gets attacked by the salt?

Bruce Schwartz

Mike Rakowski reported that there is steel reinforcement in the concrete. When we pull out areas of deteriorated concrete, we have to replace small sections of reinforcement.

When you do get around to replacing the deck, are there newer and more salt resistance materials? This problem seems to have come up in connection with the condo collapse in Florida.

Bruce Schwartz

Mike Rakowski reported that we have been testing alternate materials with the previous contract and have installed a deck overlay utilizing UHPC – Ultra High-Performance Concrete – it's a lower permeability material. The problem with that is it's a little more difficult to work with and more expensive. Traditional concrete is 5 KSI, this is more like 20 KSI – 26 KSI, sometimes. We have a small test section out there, so we'll see how that works, but where we are now, we are trying to extend the useful service life of the existing deck as long as possible. We are going to have to investigate different replacement options/long term repairs in the future, but this involves construction phasing, so there's a lot to be considered to make a decision like that.

Ben Franklin Bridge north pedestrian walkway expansion (Camden side).

Mike Rakowski reported that it was originally scheduled to take place early 2022. Presently, we are ahead of schedule. Right now, they are relocating conduit and by the end of this month they are going to start the demo work on the north side. That's the area between 2nd and 4th Streets that will be widened and some rehab on will be done on the steps. Right now, it's just a metal grate 3' wide that will go to 6' wide. It's in our contract that one walkway will always be open,

so we will always maintain one of the walkways. Before we close the south walkway, the north walkway will always be open.

What is the estimated time when the north walkway will re-open?

Alan Becker

Mike Rakowski reported that it will probably take one year for the north walkway to be complete.

Is there an update on Franklin Square?

Larry Davis

Mike Rakowski reported that on our website we have a short list of our construction management firms (7). They should be receiving our RFPs within the week. We look to get them onboard probably within the next 2-3 months. We will also be advertising the construction contract by the 24th of this month. It's a very complex job, so it will be a long-term bid. There will be multiple site visits, multiple rounds of questions, so we are looking for a construction date in early 2022. At that time, we should have a contract onboard and break ground.

Old Business:

GM Rink reported that there are no Public Events scheduled.

GM Rink reported that the Return-to-Work Policy had employees returning to work for three days this month but has been put on hold until next month. Currently, employees are working in the office only two days. There has been no change to internal meetings at the offices as everything is done remotely and the next few Board Meetings will be the same.

Alan Becker added that at the last Board Meeting, Chairwoman Cherelle Parker stated that return to OPC for Board Meetings wasn't going to happen right away.

New Business:

GM Rink reported that the GTFS was up and live on Friday before the weekend. Everything was in place, up, and loaded before the schedule change.

Reggie Haynes and Dan McArdle will get together to update the committee's membership list.

Next CAC Meeting: Will be held via Zoom on October 13, 2021, at 6:00 p.m.

Next DRPA Board Meeting: Will be held virtually on September 15, 2021, at 9:00 a.m.