

**Testimony
Of
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Authority**

**Philadelphia City Council
Fiscal Year 2017 Operating Budget**

May 10, 2016

Good morning/afternoon Council President Clarke, Transportation Committee Chair Johnson, members of City Council and other guests. My name is Jeff Knueppel and I am honored to come before you today as the General Manager for the Southeastern Pennsylvania Transportation Authority (SEPTA). I am joined by SEPTA Board members, Clarena Tolson, Deputy Managing Director for Infrastructure & Transportation for the City of Philadelphia and Beverly Coleman, Assistant Vice President for Community Relations and Economic Development at Temple University.

SEPTA is pleased to submit testimony supporting the Authority's \$79.8 million FY 2017 Operating Budget request and provide an overview on initiatives and milestones achieved during the past year.

As I say frequently, "I love to build things." That comes from a 28 year career at SEPTA focused largely on transforming design, construction, and maintenance processes and setting new standards for project implementation. This approach will continue in my role as General Manager, and I am committed to expanding the definition of "building" for SEPTA to include five areas of strategic effort - **Customer Experience, Employee Development, Rebuilding the System, SEPTA is a Business, and Safety as the Foundation**. These fundamentals define our vision and describe what we want to accomplish - **Building the Future** - one that is strong for the City, the region, our customers, and every SEPTA employee.

We are fortunate to have capital funding, through the Federal FAST Act and PA Act 89 to address the backlog of state of good repair projects and continue investing in our assets - stations, infrastructure, and vehicles.

Looking back at the last fiscal year, we accomplished a great deal.

In FY 2015, the Authority provided more than 330 million passenger trips, with average weekday ridership of approximately 1.10 million trips. System-wide, ridership has reached and maintains near quarter-century highs.

Highlights in 2015 include:

- SEPTA provided transportation for the World Meeting of Families and Pope Francis' visit, in partnership with the City of Philadelphia and Archdiocese of Philadelphia. That event prepared us well to host the 2016 Democratic National Convention in Philadelphia in July of 2016.
- SEPTA helped the region commemorate the Villanova men's basketball team NCAA championship by bringing fans to a parade in Center City. SEPTA also coordinated and supported transportation to other major events including Made in America/Welcome America, Broad Street Run, Thanksgiving Day Parade, Philly Marathon, and Veterans Wheelchair Games.

- SEPTA employees donated and distributed 10,000 new toys, games, and bicycles for deserving children in the Greater Philadelphia region during the annual Yule Toy drive.
- Over 600 SEPTA employees joined neighborhoods and volunteers for the annual Philly Spring Cleanup, on Saturday, April 16, to help clean city streets.

The investments, which the Authority has made in recent years to rebuild aging infrastructure, acquire new vehicles and improve customer service, are yielding results in terms of increased ridership and enhanced customer satisfaction.

SEPTA has budgeted \$122 million in improvements to **City Hall and 15th Street Stations**. The work includes complete station reconstruction and ADA accessibility improvements. Construction will start after the Democratic National Convention.

The Authority has started the first phase of a \$55 million multi-phase project to the **Center City Concourses** to improve accessibility and bring the concourse network to a good state of repair. This project will revitalize the concourse network with new finishes, lighting and security features; develop the concourse as a place of interest, providing a safe and pleasant environment for pedestrians; and provide potential opportunities for development in the South Broad Concourse.

Last year, SEPTA completed the renovation of the historic **Wayne Junction Rail Station**. New lighting, repaired structures and canopies, restored passenger tunnels and stairways, ADA Ramps and elevators, and security cameras are a visible improvement at this facility. The refurbished train station is the most recent development project in the Nicetown neighborhood and SEPTA worked closely with neighbors and community organizations in the planning and scheduling of construction of this project.

On June 15, 2015, SEPTA gathered elected officials and community leaders for a ribbon cutting ceremony to inaugurate the newly reconstructed **23rd and Venango Bus Loop** in the Allegheny West section of North Philadelphia. This \$1.7 million project renovated a key, but aging center for bus transfers.

SEPTA continues to make its rail station accessible with more than 100 stations accessible. The Authority recently completed the **Race/Vine Station ADA Improvements Project** that included installation of three new elevators on SEPTA's Broad Street Subway Line (BSL). This station serves the Drexel/Hahnemann University Hospital and expanded Pennsylvania Convention Center.

On November 2, 2015, SEPTA joined with state and city elected officials, disability advocates and West Philadelphia community and business leaders to break ground on ADA accessibility improvements at SEPTA's **40th Street Market Frankford Line Station** that includes the installation of two elevators to be constructed on the northwest and southeast corners of 40th and Market Streets.

Construction is underway at **Arrott Transportation Center (Margaret/Orthodox Station)** on the Market-Frankford Line that will make the station ADA accessible. The project includes installation of one elevator to connect the street and platform level of the elevated station, and two accessible elevators to connect the platform level to the East Station overpass. Construction will continue through 2018.

Design is underway to modernize the **Susquehanna-Dauphin Station** on the Broad Street Line to make the Station fully ADA accessible. The project includes the installation of elevators; relocating the existing head house and replacing with a covered head house; accessible pathways and handrails/guardrails; signage; lighting; and security cameras.

In sustainability, SEPTA is leading the way in the industry with innovative and cost-saving projects. SEPTA was just presented with the 2016 Governor's Award for Environmental Excellence for our Griscom Wayside Energy Storage System. We also received some exciting news on April, 19, 2016, that SEPTA was awarded a \$2.5 million grant from the Federal Transit Administration (FTA) Low or No Emission (LoNo) Funding Program. This grant enables SEPTA advance its sustainability efforts and move forward with a purchase of 25 new electric buses to be used on Routes 29 and 79 in south Philadelphia.

Fleet enhancements are a key component of SEPTA's capital program.

In 2015, SEPTA's fleet of hybrid-electric vehicles grew to 750; over 185 of these vehicles will be 60-foot articulated buses that will be used to enhance capacity along our most crowded routes. SEPTA's planned investment in the replacement of vehicles includes the acquisitions of an additional 525 hybrid-electric buses; 13 locomotives and 45 multi-level railcars. SEPTA has also budgeted more than \$700M for Trolley Modernization, a project to upgrade infrastructure and introduce new light rail vehicles to Southeastern Pennsylvania's streetcar network, which is the largest (by route miles) in the United States.

On the technology front, we will launch the **SEPTA Key**. Beginning Monday, June 13, 2016, up to 10,000 Transit riders will be able to get a new SEPTA Key Card and purchase either a Weekly or Monthly TransPass at several SEPTA Transit Stations on the Market Frankford Line, Broad Street Line, and at our headquarters at 1234 Market Street.

SEPTA is also investing in Real-Time Technology that will improve the accuracy and timeliness of information about next-arriving vehicles. Buses and railcars will be equipped with cellular GPS transponders that update location every 30 seconds, providing a more reliable source of information for customers to make travel decisions.

From a safety perspective, SEPTA is an industry leader in implementing Positive Train Control (PTC) for Regional Rail and recently launched the system on the Authority's Warminster Line.

As a part of continuous efforts to enhance transit accessibility, a route extension and alternate end of line destination for **Route 53** was established in February, 2016. This extension will now provide service to the Hunting Park and Juniata Park area. It will make access to shopping, schools and medical facilities more convenient for our customers.

The Authority is committed to supporting local businesses, and the jobs and opportunities they provide. In the last four years, 2012 to 2016, SEPTA has awarded \$472 million in contracts for goods and services to Philadelphia businesses.

In 2014, SEPTA adopted the federal Disadvantaged Business Enterprise (DBE) participation requirements for all procurement activities regardless of the funding source. The Authority's DBE outreach and engagement is robust, and our priority is to meet and exceed our goals for the participation of women and minority owned firms. DBE participation averages 17% over the past three years.

We are proud of the milestones reached and changes made to improve our service and strengthen our relationships with customers, elected officials, and transit stakeholders. We continue to work to expand our customer communications platforms and find new and innovative ways to make our business grow. We look forward to working together to improve SEPTA and public transit through our ***Building the Future*** program.

Thank you for the opportunity to speak about SEPTA accomplishments over the past year. City Council's continued support of public transit through City matching funds for the Authority's Operating and Capital Budgets is greatly appreciated. We will be happy to answer any questions the members of Council may have.