



PENNSYLVANIA CONFERENCE OF TEAMSTERS

AFFILIATED WITH THE INTERNATIONAL BROTHERHOOD OF TEAMSTERS
814 NORTH SECOND STREET · HARRISBURG, PA 17102-3212

William Hamilton, President

June 10, 2020

Hon. Pennsylvania Congressional Members,

As you may know, the Pennsylvania Conference of Teamsters, through Local Unions No. 30, 77 and 250 has represented the workers of the Pennsylvania Turnpike for many decades. Though our numbers have fluctuated over the years, we currently represent over 500 toll workers in Pennsylvania.

At the end of February of this year, shortly before the declaration of a state emergency due to the COVID-19 virus pandemic, the Teamsters finally reached an agreement with the Pennsylvania Turnpike Commission on a new multi-year contract which guaranteed those 500+ jobs until at least January 2022, at which point the commission would fully implement all electronic toll collection. In order to win that guarantee however, the Teamster Locals involved made significant compromises on benefits including severance.

As you can see by the attached statements and letter from Mark P. Compton, Chief Executive Officer for the Pennsylvania Turnpike Commission, both of which came after the declaration of the COVID-19 emergency, the Commission fully recognized its commitment to our members. That is, they recognized their commitment until June 2, 2020 the day the Commission decided it will permanently lay off 500+ Teamsters and by doing so renege on their commitment.

With only two hours' notice to the Teamsters, the Commission announced its intent to permanently layoff all 500+ workers within two weeks' time. The reason given was the economic impact of COVID-19. This of course, is a fig leaf. The Pennsylvania Turnpike Commission made no secret of its desire to setup an automatic toll system to replace all of its workers. Its cynical use of a pandemic to violate a binding collective bargaining agreement is dishonorable behavior at best.

And, the fact that the Commonwealth of Pennsylvania is sitting on 2.1 billion dollars of stimulus money meant to forestall layoffs is especially infuriating.

The Teamsters have enjoyed a good relationship with the Wolf Administration and have been very supportive of the Governor's efforts. However, his inaction, if that is what this is, on this matter of worker layoffs is both curious and appalling.

The Pennsylvania Conference of Teamsters is seeking your assistance toward convincing the Wolf Administration to reverse course in order to avoid serious political and economic consequences, since our appeal to its honor has fallen on deaf ears. I hope you can help the Teamster turnpike workers in these most challenging times for all of Pennsylvania's workers.

Thank you in advance for your help and consideration.

Sincerely,

William Hamilton
President

Attachment (2) Compton Letter and Testimony

Cc:

PA House	Teamsters J. C. No. 53	Christy Bailey, Int. Bro. of Teamsters
PA Senate	Teamsters J.C. 40	
Governor Wolf	Teamsters Local 30	
Lt. Gov. Fetterman	Teamsters Local 77	
Teamsters Local 250	All Teamster Affiliates	

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Testimony of PA Turnpike Commission CEO Mark Compton Before the Pennsylvania Senate Transportation Committee May 12, 2020

Chair Ward, Chair Sabatina and Transportation Committee Members,

Good morning and thank you for inviting me to testify today on behalf of the Pennsylvania Turnpike Commission. I am pleased to provide an overview of the Commission's activities concerning our response to the COVID-19 pandemic and its impacts to Pennsylvania's transportation system.

Over the last eight weeks, the Turnpike Commission, like other businesses and agencies, has experienced a significant financial impact triggered by the COVID-19 pandemic. The Commission's pre-COVID-19 forecasted toll revenue for FY20 ending May 31, 2020 was \$1.4 billion. At this point, the Commission has estimated toll revenues to decline by approximately \$118 million during FY20 as a result of COVID-19. From a traffic standpoint, the Commission experienced a cumulative traffic decline of about 50% since the first week of March – or about 20 million fewer vehicles.

Given the drop in traffic, especially commuter traffic, and the accompanying revenue reduction, the Turnpike Commission has taken several steps to offset the loss. Most importantly, it is reexamining operating and capital spending and temporarily deferring a quarterly payment on our Act-89 obligation to the Commonwealth:

- The Commission is reevaluating an already-curtailed 10-year, \$5.95 billion capital plan to focus exclusively on mission-critical projects necessary to maintain the 552-mile tollway in its current condition — what is called a “protection-driven” plan. As a result, it plans to reduce the pre COVID-19 FY21 capital plan budget of \$606.7 million to \$459.7 million — a reduction of about 24%. I want to be clear: our roadway is our key asset and the Commission remains committed to advancing projects that improve or maintain safety and extend the life of that asset.
- Along with reevaluating capital spending, the Commission is reviewing expenses associated with the draft FY21 Operating Budget. The goal here is to attain zero growth over FY20's \$432 million operating budget. Major reductions to the proposed FY21 Operating Budget include a hiring freeze for both management and union positions, managed services reductions, no merit increase for management employees, etc.
- The Commission also is seeking to revise its FY21 Act 44 annual obligation of \$450 million to PennDOT. The Commission makes quarterly payments of \$112.5 million to PennDOT that provide supplemental transit funding. Commissioners agreed to make the April 30 payment as the Commission already had funds in reserve from a previous bond issue. However, it sought — and was granted — an extension on the July payment, better enabling the Turnpike to meet its primary mission of operating the highway system.

I am comfortable that the Commission is taking a phased, deliberate approach to offset revenue loss that offers a degree of flexibility to adapt based on the crisis' duration. In addition to the measures I mentioned, the Commission has undertaken several other cost-controlling



activities. It is in the process of restructuring some of its outstanding debt for FY21 in order to lower debt-service costs. Separately, the Commission recently secured a \$200 million line of credit to fund operating expenses if it becomes necessary given the unknown duration of COVID-19; at this time, the hope is that the Commission will not need to draw on the liquidity facility.

The Commission’s industry trade group, the International Bridge, Tunnel and Turnpike Association (IBTTA), recently submitted a request to Congress on behalf of its members for federal stimulus funds to offset revenue losses being experienced industry wide. Additionally, the Commission cosigned a letter with other state tolling and transportation agencies to the PA Congressional delegation requesting support for stimulus funding for PA toll authorities. We eagerly await the outcome of these requests.

2020 TRAFFIC AND REVENUE UPDATE

Here is a week-by-week run down of the traffic and revenue numbers from March to last week.

Date	Total Vehicle Volume	Volume % Change*	Total Revenue	Revenue % Change**
March 1 to 7	3,831,407	1.4%	\$23,640,736	8.0%
March 8 to 14	3,574,673	-10.1%	\$22,817,215	-0.7%
March 15 to 21	2,373,564	-40.8%	\$17,313,885	-26.0%
March 22 to 28	1,551,352	-61.8%	\$12,531,253	-47.3%
March 29 to April 4	1,505,584	-62.8%	\$11,886,586	-49.6%
April 5 to April 11	1,494,449	-64.1%	\$11,386,468	-52.9%
April 12 to April 18	1,546,596	-62.5%	\$11,409,501	-53.0%
April 19 to April 25	1,705,435	-60.9%	\$12,138,609	-52.2%
April 26 to May 2	1,848,999	-56.2%	\$12,854,358	-47.9%
May 3 to May 9	2,081,707	-51.9%	\$13,888,441	-45.0%
Cumulative	21,513,766	-47.6%	\$149,867,052	-37.4%

*A percentage change comparison to the same week in 2019.

**Revenues are preliminary/unaudited amounts.

Unquestionably, all aspects of the PA Turnpike Commission’s operation have been impacted in some way by the COVID-19 pandemic. Below is a brief overview of some of the Commission’s other countermeasures:

- In response to the pandemic, the Commission temporarily eliminated cash collection. The E-ZPass customer service center is maintaining operations with about 40% of staff without compromising service. The Commission is seeing a much higher rate of E-ZPass use (90%) because of its popularity among commercial drivers. PA Turnpike TOLL-BY-PLATE — the video-tolling program now replacing cash — has been functioning as expected; invoicing is being processed on schedule with the first batch of bills mailed the week of April 13.



- Currently, all 17 service plazas are open and functioning under limited operations while still providing a place for the traveling public to stop for gas, use the restrooms and purchase a warm meal. Limited food options are available at each location from 7 a.m. to 7 p.m. daily, and fuel pumps, convenience stores and restrooms are open 24 hours.
- Dispatchers at our Traffic Operations Center in Middletown are now working 12-hour shifts but at separate sites; the night shift is working from an offsite facility to allow social distancing and deep cleaning when workstations are unoccupied.
- Personnel in the Maintenance Department continue to respond to incidents and maintain the roadway. Maintenance employees are working split shifts for social distancing; scaled-back crews continue to get the job done. The safety patrols have adopted new protocols for interacting with broken down vehicles, using handheld signs to instruct motorists to call *11 while the patrol remains on scene. Due to traffic being down and fewer incidents, production is at or exceeding last year's levels.
- Fare Collection Department employees were reassigned within their districts to provide a presence at toll-plaza facilities. Employees report to work but do not handle cash. They follow daily checklists for cleaning restrooms and office facilities as well as security/safety inspections and limited customer interaction.
- The Engineering Department has received clearance to restart mission-critical construction projects abiding extensive guidelines to protect employee and customer health. The Commission is now restarting Tier-2 construction activities. Engineering-design work has continued throughout the pandemic without interruption.
- While a handful of employees had been teleworking on a limited basis, the Commission's Information Technology Department ensured a seamless transition to remote access (in less than 48 hours) for nearly our entire workforce, nimbly providing the needed equipment, training and support – including our internal customer assistance team.
- Human Resources, Safety, Procurement and Facilities groups are working to implement policy and procedure changes in response to actual and potential COVID-19 exposures, including PPE purchase and deployment, rapid disinfecting capabilities and new reentry procedures for exposure compliance.

Thank you again for considering my testimony and for your ongoing work to improve the safety and efficiency of the Commonwealth's ground-transportation systems. I would be happy to take any questions.

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Pennsylvania Turnpike Commission

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March 16, 2020

Dear Colleagues,

The rise of COVID-19 across the world and within the Commonwealth has presented the Commission with several unprecedented challenges. These challenges include Governor Tom Wolf's mandate to restrict movement into and out of a growing number of our most-populated counties.

In the last week, we've seen U.S. universities, schools, governments and businesses closing at an accelerating pace, with urgent calls for reduced social interaction and social distancing here in the U.S. and worldwide. These new realities have stretched our personnel resources tremendously in ways that the Commissioners and I believe we need to address in order to maintain employee wellness, public health and operational readiness.

To that point, as of 8 p.m. this evening, we will temporarily stop cash collection across the PTC's Ticket System. With cameras on the entry lanes, we now can use the TOLL BY PLATE system on the mainline.

We have advanced the implementation of upgraded toll-collection equipment and technical procedures to a point where we can turn on the All-Electronic Tolling (AET) apparatus and temporarily operate via AET-In Place to get through this ordeal. The goal is to remove the physical interaction with customers and reduce the stress on staffing created by the growing travel limitations imposed by the Commonwealth.

I want you to know that our overall operation will not convert to AET until our planned date of October of 2021, as we assured previously; nor will it change our commitment that impacted employees can remain employed with the Commission until at least January 2022.

As we work towards this emergency deployment, we will undoubtedly encounter numerous evolving situations that will be planned for and communicated regarding staffing needs and instructions; therefore I ask that you rely upon your managers for that information and follow their instructions going forward.

I want to assure you that all employees will be compensated for regularly scheduled hours at least through the remainder of March. I'd like to reiterate my sincere gratitude, on behalf of our Commissioners, for your continued dedication and flexibility in dealing with this ongoing, unparalleled global crisis.

Sincerely,

Mark P. Compton



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