



Testimony on Delay and Delivery of State Road and Bridge Projects

Submitted by Jimmy Sheridan
Vice President of Operations

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Contact:

Melanie R. Horvath
Manager, Government and Regulatory
Affairs
717-520-4604 (Office)
717-344-1344 (Cell)
Email: Melanie.Horvath@amwater.com

Good morning Chairman Rafferty, Chairman Wozniak, members of the committee and staff. On behalf of Pennsylvania American Water President and CEO Kathy Pape and our one-thousand dedicated employees, thank you for the opportunity to share with you our perspective on some of the causes and effects of delays in state road and bridge projects.

My name is Jimmy Sheridan and I am the Vice President of Operations for Pennsylvania American Water, which provides water and wastewater services to approximately 2.2 million people in more than 400 communities across the commonwealth. We abide by regulations, invest in our vast infrastructure, develop industry innovations, educate our customers on wise water use, and support economic development in our cities and towns. In 2015 alone, we invested approximately \$270 million in improving Pennsylvania's infrastructure. Joining me today is VP of Engineering David Kaufman.

Pennsylvania American Water is the largest investor-owned water utility in the state. We own and maintain more than 10,000 miles of pipeline in Pennsylvania. I have included a map of our service territory in the Commonwealth. As you can see, we have operations in the Western, Central, Northeast and Southeast portions of the state. Our service territory is relevant to today's hearing as it demonstrates that Pennsylvania American Water operates within multiple PennDOT districts and interacts regularly with PennDOT personnel. Prior to today's hearing, I surveyed our team so that I could provide the best input for your consideration.

Here is what I found out. Across the board and from every corner in the state, staff confirmed that we have an exemplary working relationship with PennDOT. Regardless of the region, I was

told that PennDOT district representatives were easy to work with, responsive, knowledgeable and skilled. Let me share some examples of successful collaboration and timely completion.

(1) Participation in PennDOT's Electronic Utility Relocation Management System (UR-

EDMS)- In August 2014, Pennsylvania American Water requested, received and completed training and set-up of PennDOT's UR-EDMS program (Utility Relocation-Electronic Document Management System). The UR-EDMS is an electronic project management system designed for managing utility relocations. The online system saves time, money and is convenient and aids in collaboration.

(2) Communication and meeting reporting deadlines – Prior to the start of a project,

PennDOT provides us with a 'letting' schedule (a list of scheduled projects). Once we receive the schedule, it is incumbent upon us to complete a "Utility Relocation Clearance Report" (D-4181-UC) form and return it by the specified deadline. The report captures the location and identification of our facilities, the amount of time required for the relocation or the replacement of the facility (mains, etc.) as well as pertinent information that would impact the timely completion of the project. PennDOT then convenes a meeting with impacted utility stakeholders to discuss the project (s). These meetings provide a heads-up on the projects, improves coordination and often leads to cost savings for the department, the utility and most important, the customer.

In Western Pennsylvania, PennDOT's District 11 Utility Manager revived the Public Service Coordination Committee. Pennsylvania American Water, like other utilities, has a representative who serves on that committee. The committee meets quarterly and discusses new policies, proposed projects and shares information for scheduling and

budgeting purposes. In general, the committee fosters discussions on specific projects as well as safety and utility relocation issues.

(3) Participate in PennDOT project meetings – Often during large projects, PennDOT has weekly meetings. It behooves anyone involved in the project to attend and participate.

These three elements, while admittedly not rocket science are the foundation of on-budget, timely completion of road and bridge projects. Technological advances, communicating and participating with PennDOT and other utilities at key construction meetings go a long way toward preventing delays. Unfortunately, however, issues arise that no amount of planning or communicating can prevent. Some of those issues are manmade while others are forces of nature. Mother Nature can certainly wreak havoc on construction but I don't think I have to elaborate on that one. I would like, however, to highlight other causes for delay:

- (1) New or changes to the letting schedule
- (2) Right-of-way delays
- (3) Increase in number of projects as a result of the omnibus Transportation bill (Act 89 of 2013) or unspent reserves

There are also miscellaneous reasons caused by a variety of issues, mostly related to human error. Let me give you a couple of examples. On one project, a contractor milled over 19 of our marked valves. While it took us only a day to uncover the valves and replace them, it was a day lost and dollars spent on an avoidable mistake – not to mention time taken from other projects. On another project, our crew was delayed because a house wasn't demolished on time.

Unfortunately, I cannot provide solutions for these types of delays. Pennsylvania American Water, however, is open to joining any efforts to address the unexpected, but costly delays. Thank you for inviting me here today and I am happy to answer any of your questions.

9/22



4