

Public Hearing

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before

ASSEMBLY TRANSPORTATION COMMITTEE

"Operations of the Delaware River Joint
Toll Bridge Commission

LOCATION: Room 319
State House
Trenton, New Jersey

DATE: January 28, 1993
10:00 a.m.

MEMBERS OF COMMITTEE PRESENT:

Assemblyman Alex DeCrose, Chairman
Assemblyman Frank Catania, Vice-Chairman
Assemblyman Fredrick P. Nickles
Assemblyman Ernest L. Oros
Assemblyman Jerry Green
Assemblyman David C. Kronick

ALSO PRESENT:

Members of the Pennsylvania House
Transportation Committee:
Representative Andrew J. Carn
197th District - Philadelphia County
Representative Thomas Druce
144th District - Bucks County
Representative Dennis Leh
130th District - Berks County

Amy E. Melick
Office of Legislative Services
Aide, Assembly Transportation Committee



Hearing Recorded and Transcribed by

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ALEX DECROCE
Chairman
FRANK CATANIA
Vice-Chairman
FREDRICK P. NICKLES
ERNEST L. OROS
JEFF WARSH
JERRY GREEN
DAVID C. KRONICK

New Jersey State Legislature

ASSEMBLY TRANSPORTATION AND
COMMUNICATIONS COMMITTEE
LEGISLATIVE OFFICE BUILDING, CN-068
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NOTICE OF A PUBLIC HEARING

The Assembly Transportation and Communications Committee will hold a public hearing on the operations of the Delaware River Joint Toll Bridge Commission.

The hearing will be held on Thursday, January 28, 1993 at 10:00 AM in Room 319 of the State House.

Testimony will be taken from invited parties only. A second hearing is scheduled for Thursday, February 11, 1993.

The public may address comments and questions to Amy E. Melick, Committee Aide, or make bill status and scheduling inquiries to Kim Johnson, secretary, at (609) 984-7381.

Issued 01/19/93

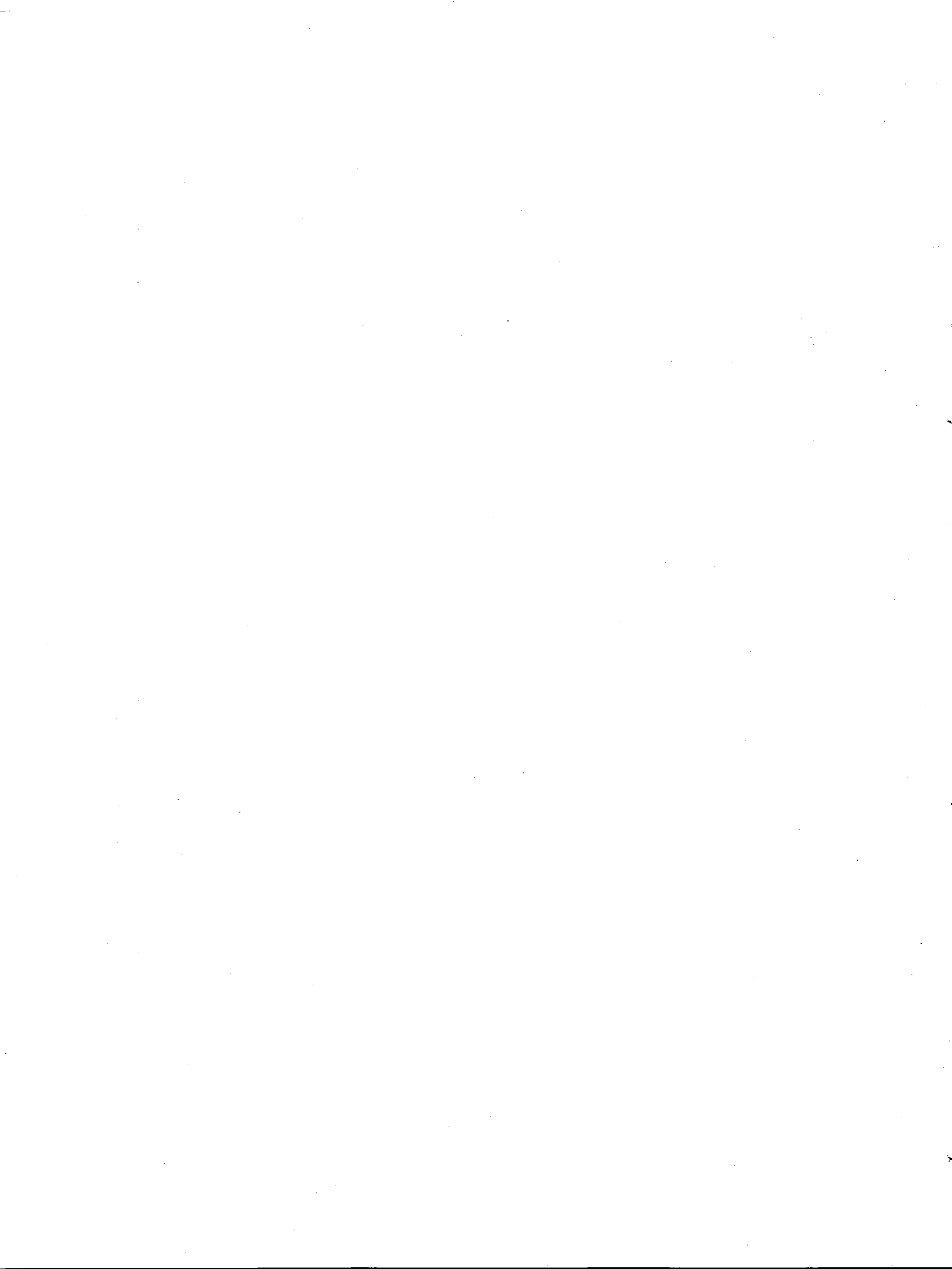


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ASSEMBLYMAN ALEX DeCROCE (Chairman): Good morning, ladies and gentlemen. I'm going to start the hearing this morning. Before I begin I'd like to introduce myself and the members of the Committee. I'm Alex DeCroce. I'm Chairman of the Assembly Transportation and Communications Committee. I represent the 26th District which covers Morris, Essex, and Passaic Counties. With me this morning will be Assemblyman Fred Nickles representing Atlantic County, Assemblyman Ernie Oros from Middlesex County, Assemblyman David Kronick from Hudson County, Assemblyman Jerry Green who represents parts of Middlesex, Somerset, and Union.

You know we're a bistate agency. We're very fortunate today to have members of the Pennsylvania Legislature with us this morning. I'd like to introduce them, also. From the 197th Legislative District in Philadelphia County, Reverend Andrew J. Carn. Reverend? Why did I say Reverend? I'm sorry. Representative I meant to say. Representative Dennis Leh from the 130th District, Berks County, and Representative Thomas Druce from the 144th District, Bucks County. These are all counties that are very near and clear-- You know, near the Delaware and kind of like some of us, though they're not contiguous they have interests with regard to the operations.

The purpose of our hearing this morning is to discuss the operations of the Delaware River Joint Toll Bridge Commission. This bistate agency was established by the Legislatures of New Jersey and Pennsylvania under an agreement signed in 1934 and ratified by Congress the following year.

The purpose of the Commission was to acquire, operate, and maintain numerous crossings that span the Delaware River from Bucks and Mercer Counties at the southern boundary, north to Pike and Warren Counties.

I realize there has been discussion in the press regarding the Commission's digression from its original mandate which was to provide free crossings between the State of New Jersey and Commonwealth of Pennsylvania.

The expansion of the Authority granted to the Commission through amendments to the bistate compact was provided with the purpose of recognizing and addressing the evolving transportation needs of both states -- population growth, increased traffic volume, the need to repair or replace aging structures that pose a threat to the public safety, and the demand for modern transportation facilities -- and the desire to provide additional access between the states through the construction of new bridges to meet the growing transportation needs.

All of these things were factored into the supplemental agreements between New Jersey and Pennsylvania to expand the original 1934 compact.

It is not our intention to use today's hearing as a means of revisiting or revising legitimate progressive transportation policy decisions made by those Legislatures which preceded us; nor is it our intention to intrude upon ongoing inquiry into some of the unfortunate alleged activities of the Commission.

Our purpose today is to begin reviewing, in a bistate, bipartisan manner, certain operations of the Joint Toll Bridge Commission.

As representatives of the New Jersey and Pennsylvania Legislatures, we want assurances that the Commission is operating in an efficient and responsible manner.

We also want to provide accountability to the commuting public who support the existence of this Commission through their toll dollars.

The Delaware River Joint Toll Bridge Commission, like every other public transportation authority in New Jersey, operates directly as a result of its authority to collect tolls and issue debt. The ability of these Authorities to conduct business in this manner is solely dependent on the toll payers who use the transportation facilities under the Commission's jurisdiction.

The driving public, the taxpayers of each of our States, and the Commonwealth and the public which visits and conducts business in our area, are the "stockholders" to whom this agency is accountable.

Make no mistake about it -- every salary, benefit, and perk at the Commission is paid for by the traveling public. Bridge maintenance and repair projects are funded by the public. Every new facility that is constructed is paid for by the public.

I want to say for the record that the Joint Toll Bridge Commission has fully cooperated with our efforts in preparing for this hearing, and we appreciate that.

I'm certain we'll discuss issues and receive adequate responses from the Commission to our questions and concerns. And together with our colleagues from Pennsylvania and the Commission's administration, we hope to reach conclusions that will be beneficial to all concerned.

I'd like to at this time take the opportunity to introduce to all of you the Speaker of the New Jersey General Assembly, the Honorable Chuck Haytaian. By the way I want you all to know it's Chuck's 49th birthday today, (laughter) and requested that we ask that he come and speak before us since he was the one that was instrumental in asking us to put on this hearings.

Speaker.

S P E A K E R G A R A B E D " C H U C K " H A Y T A I A N:
Thank you very much, Mr. Chairman. I guess it's appropriate. It's a double nickel birth date, so this is the Transportation Committee and probably appropriate.

Let me just say good morning to all of you. Mr. Chairman and members of the Committee, I want to truly thank you for following up on my request to hold the public hearings on the Delaware River Joint Toll Bridge Commission. I also want to commend the Representatives of the Pennsylvania

Legislature who are here today and will be active participants in these proceedings. Your willingness to travel to Trenton for this special hearing demonstrates the importance you place on serving the public. Representative Carn, Representative Leh and Representative Druce, I want to welcome you to New Jersey and thank you personally for volunteering your time and energy.

Ladies and gentlemen, I hope everyone understands that this is not a witch hunt. We are not here to duplicate or interfere with the Federal grand jury investigation that is already underway; nor are we here to score political points. This is not a Republican versus Democrat issue. This is not a New Jersey versus Pennsylvania issue. The issue here is whether the Bridge Commission is serving the people or itself. Public reports have raised disturbing questions about the Commission's hiring practices and financial operations.

A series of investigative reports in the Express Times of Eastern Pennsylvania came to the conclusion that the Commission is a self-perpetuating, moneymaking empire, accountable to no one but itself. On their own, these allegations were of sufficient magnitude to warrant a public hearing, but in my mind they took on an even greater significance when the Chief Financial Officer at the Commission, and one of the Pennsylvania designees to the Board, were indicted by the Federal grand jury on 21 counts of conspiracy, bank fraud, and wire fraud. Again, even considering those facts, I want to emphasize we are not here to determine guilt or innocence, but it has become obvious to me that the Commission's image has become so tarnished that a fair and objective examination of its operations by New Jersey and Pennsylvania is essential.

The Bridge Commission may not be directly accountable to the Governor of New Jersey, or Pennsylvania, or to the Legislature of either State, but it should and must be held accountable to the people of both States, because they fund the

operations of the Commission through the tolls. If reforms are needed, we should see that they are instituted as soon as possible. The people we represent are entitled to nothing less.

With that, Mr. Chairman, I want to thank you again. I commend you for holding these hearings. Some people have categorized it as an investigation. We are not an investigative body. We are legislative bodies that are, in fact, trying to get information and facts. That's what I commend you for doing, and thank you very much.

ASSEMBLYMAN DeCROCE: Thank you for coming this morning, Mr. Speaker, and let me just assure you that we've taken all steps to make sure that we don't overstep our bounds in any way whatsoever. We're going to try to conduct this oversight in the proper manner.

SPEAKER HAYTAIAN: That's fine. I don't know if you mentioned it but I have asked my attorney for the Majority, Barbara Hutcheon, to be here so that if there is any going over any lines, she'll be the one who would suggest that we should take a closer look at that question.

ASSEMBLYMAN DeCROCE: We've made that very clear.

SPEAKER HAYTAIAN: Very good. Thank you very much, Mr. Chairman.

ASSEMBLYMAN DeCROCE: Thank you very much.

I'd like to call this morning, to testify before the Committee, the Executive Director of the Delaware River Joint Toll Bridge Commission, Mr. Joseph Catania.

J O S E P H F. C A T A N I A: Thank you very much, Mr. Chairman, and members of the Committee.

ASSEMBLYMAN DeCROCE: Mr. Catania, do you have an opening statement this morning?

MR. CATANIA: I was going to read it, Mr. Chairman, but you so eloquently stated everything I was going to say, and I thank you very much for it. It was going to be what we were set up to do, what we were organized to do, and what we are

doing. So, for the record, I will leave it here for the record if you want me to.

ASSEMBLYMAN DeCROCE: If you will.

MR. CATANIA: Sure.

ASSEMBLYMAN DeCROCE: Would you introduce those who are with you this morning?

MR. CATANIA: Oh, yes. To my immediate left is Mr. Michael Perrucci who is the Commission's counsel for New Jersey, and his associate, Don Souders.

ASSEMBLYMAN DeCROCE: Okay. I'm sorry. I forgot to introduce before -- I didn't forget; he wasn't here at the time -- the Vice Chairman of the Transportation Committee, the Honorable Frank Catania, no relation to Joseph Catania.

ASSEMBLYMAN CATANIA: That's what I want to state for the record. I never met Joseph Catania in my life and there's no relationship there.

MR. CATANIA: Ditto.

ASSEMBLYMAN DeCROCE: Thank you very much.

MR. CATANIA: Mr. Chairman, I must say that we appreciate the cooperation of your staff in giving us the time. Hopefully, we've provided the staff with all the information they have requested. We tried to be as cooperative as we possibly could under the circumstances.

ASSEMBLYMAN DeCROCE: I believe that's been well noted by our staff, and we do appreciate your coming forward with all the information that was requested.

MR. CATANIA: Thank you.

ASSEMBLYMAN DeCROCE: Mr. Catania, I'd like to start off the questioning frankly, if you don't mind. I'd like to talk to you about personnel, and the first question I'd like to ask you is: I'd like to know the hiring procedure at the Commission for -- let's start with toll collectors.

MR. CATANIA: Okay. Prior to January 1, 1993, the process was that people would file applications with the Bridge

Commission. They could mail them in. They come down to our Morrisville Headquarters. In some cases, applications were given to prospective applicants to be handed in. Those applications were all sent down to the Trenton-Morrisville Headquarters to our personnel department.

When an opening existed for a toll collector, what I tried to do -- even prior to January '93 -- was we tried to promote from within. We have a unit which is called nontoll bridge officers and maintenance, and that's sort of a dead end. Once you make a toll bridge officer there's no place to promote from, so what we've tried to do is make the toll bridge officer the entry-level position, and then try to transfer people if they so wanted to to a toll collectors position. That way they could promote to other positions within the toll agencies.

These applications in the personnel department, when there was an opening, would be reviewed by the personnel department, forwarded to me for an opening, and I would present to the Commission the person that I felt could fill the position; the one most qualified to fill the position. The Commissioners would then vote on it at a public meeting.

ASSEMBLYMAN DeCROCE: Okay. This was after January 1?

MR. CATANIA: This was prior to January 1. After January 1 of this year, what we've done is, in concert with our legal counsel, to bring our applications in conformity with the Rutan decision and other Supreme Court decisions, we changed our application. We now have applications available in each of our districts; Districts 1, 2, and 3, which run up and down the River, and we have an administration office in each of those districts. We now have applications available in those offices, and the only way a person can get an application now is to go to one of those offices. There will be applications out there. The applications then are taken down to Morrisville, at least once a week. So there has been a change in procedure.

ASSEMBLYMAN DeCROCE: You may have lost me a little bit on this. When did that all begin, January 1993 or '92?

MR. CATANIA: Yes, the Commissioners -- I think in November -- October or November of '92 initiated this practice. So as to-- There won't be any applications handed out for -- whatever. Now all the applications are filled out right at our facilities.

ASSEMBLYMAN DeCROCE: What was the procedure prior to that? I mean, was there--

MR. CATANIA: Well--

ASSEMBLYMAN DeCROCE: --a procedure?

MR. CATANIA: Yes, we wanted people to come down to Trenton-Morrisville to pick up an application, but you can see where people would have to travel about 120 miles if they're coming from Milford, or Montague -- Milford, Pennsylvania, or Montague, New Jersey. So people used to give out applications, have them filled out, and other people would hand the applications in, or they would mail them in. But now we prefer that they're filled out right at our locations.

ASSEMBLYMAN DeCROCE: Let me ask you about the educational and professional credentials required to fill the administrative positions at the Commission, such as your Comptroller, your Chief Engineer, your Director of Personnel. Let's go one at a time. Let's start with the Comptroller.

MR. CATANIA: Comptroller hopefully has experience in the position. I have the job specs with me; I could read from them. We would like them to be college graduates. We have five positions that we call unclassified, and those are: my job, Executive Director, the Deputy Executive Director, Comptroller, Chief Engineer, and our Manager of Administrative Services. Those positions are usually interviewed by the Personnel and Finance Committee of the Commission itself.

ASSEMBLYMAN DeCROCE: Is that the normal hiring procedure?

MR. CATANIA: Yes, yes. The other positions are-- I could interview them, or the Personnel and Finance Committee of the Commission could interview them.

ASSEMBLYMAN DeCROCE: So, if someone wants one of those jobs, you interview them, then they're interviewed by the Finance and Personnel Committee.

MR. CATANIA: Yes. Then they're recommended to the full Commission for hiring.

ASSEMBLYMAN DeCROCE: I see. Is that a new policy also?

MR. CATANIA: No. This has been in effect, and this is the way we do it.

ASSEMBLYMAN DeCROCE: Okay. How about-- This would be both for the Chief Engineer and the Director of Personnel?

MR. CATANIA: Yes, yes.

ASSEMBLYMAN DeCROCE: For all of your people?

MR. CATANIA: All of those people.

ASSEMBLYMAN DeCROCE: What establishes the qualifications of a toll collector?

MR. CATANIA: Of a toll collector?

ASSEMBLYMAN DeCROCE: Yes.

MR. CATANIA: We have certain job-- We have job specs for a toll collector. I don't know if we have the specs here. We have the specs here for a toll collector. I could enter those, or I could read from the specs for you, if you want me to. We provided all that information to the Committee.

ASSEMBLYMAN DeCROCE: I'd like the public to be aware.

MR. CATANIA: I'm sorry?

ASSEMBLYMAN DeCROCE: I'd like the public to be aware of what you're--

MR. CATANIA: Yes. Okay. You want the toll collector?

ASSEMBLYMAN DeCROCE: Yes.

MR. CATANIA: Can you bear with me until I find it?

ASSEMBLYMAN DeCROCE: Yes.

(Witness and staff review documents looking for requested material)

ASSEMBLYMAN DeCROCE: I don't want to prolong it. While your counselor is looking for it, let me ask you this. Are these procedures in hiring adhered to in every case?

MR. CATANIA: Yes.

ASSEMBLYMAN DeCROCE: Because, frankly, it's been reported that in many cases, either the Commissioners in a particular region or, frankly, sometimes an elected official in a higher capacity, notably submits recommendations to the Commission and usually hire-- And the Commission goes ahead and puts that person on.

MR. CATANIA: There are recommendations made by elected officials, other public officials, appointed officials, recommendations made by Commissioners, and they're all taken into consideration. But the applications are reviewed and submitted to the Commission for approval in the manner which I stated before. I do get recommendations. There's no--

ASSEMBLYMAN DeCROCE: I'm sorry?

MR. CATANIA: We do get recommendations.

ASSEMBLYMAN DeCROCE: Now let me ask you this: With regard to the administration -- the administrative positions, how do you establish their qualifications? I mean, do they have to have particular degrees? Are they referred? Are they just appointed by each of the Governors? How are those recommendations made?

MR. CATANIA: To fill one of those vacancies?

ASSEMBLYMAN DeCROCE: Yes.

MR. CATANIA: Well, fortunately we haven't had the opportunity to fill the vacancies because, we think, we have people on board who have been there for quite awhile. I imagine that there could be recommendations made from outside of the Commission for those positions.

ASSEMBLYMAN DeCROCE: Well, what are the educational and professional credentials that are required? Just tell me that, in each of those positions.

MR. CATANIA: Sure. I have the toll collector here in front of me. Do you want me to read that for you, first?

ASSEMBLYMAN DeCROCE: Yes. Sure. Give me a summary rather than read the entire thing.

MR. CATANIA: Sure. Under the direction of the toll sergeant and toll corporal, performs routine duties in the collection of tolls from patrons operating vehicles at Commission bridges and highways -- toll collections made in accordance with detailed rules and instructions with no latitude for deviation; responsible, however, for creating a favorable impression upon patrons through friendliness, demeanor, and appearance. Work is subject to frequent check by superior and to daily checks on accuracy; works on scheduled shifts as assigned. Requirements: good health, freedom from disabling physical and mental defects which would impair the proper performance of the required duties of which might endanger the health and safety of oneself or others; ability to understand and apply toll classification procedures and rules and regulations; ability to understand and follow oral and written instructions; ability to meet and deal with the public in a pleasant and efficient manner; ability to make change accurately and rapidly, and prepare records of transactions; ability to withstand to partial exposure to weather conditions, rotating shift work around-the-clock, seven-day workweek coverage -- a seven-day work coverage; ability to remove and transport cash vaults weighing approximately 50 to 60 pounds, and then there's number of disclaimers on the bottom.

ASSEMBLYMAN DeCROCE: Okay. What would qualify me to be a toll collector on your Bridge Commission?

MR. CATANIA: To perform--

ASSEMBLYMAN DeCROCE: To perform the duties of a toll collector.

MR. CATANIA: To meet these requirements that I just read to you, sir.

ASSEMBLYMAN DeCROCE: Yes. What would qualify me? I'd have to meet those requirements? That's it?

MR. CATANIA: You should meet those requirements. Yes.

ASSEMBLYMAN DeCROCE: Okay.

ASSEMBLYMAN OROS: Mr. Chairman?

ASSEMBLYMAN DeCROCE: Yes. Assemblyman Oros?

ASSEMBLYMAN OROS: Through the Chair-- Did I miss something, or is there an education qualification there, or a test that's required?

MR. CATANIA: No, we don't do any testing of our employees, Mr. Assemblyman, before they're hired.

ASSEMBLYMAN OROS: Okay. And how about education?

MR. CATANIA: They're required to have a high school education.

ASSEMBLYMAN OROS: High school education, and no test.

MR. CATANIA: No, we do not test our employees. I'm sorry -- for that particular position.

ASSEMBLYMAN OROS: For a toll collector?

MR. CATANIA: Yes. Yes.

ASSEMBLYMAN DeCROCE: Okay, what about a Comptroller? What does he need to do to qualify?

MR. CATANIA: Okay, I'll read--

ASSEMBLYMAN DeCROCE: I don't need to read that, but what does he need to qualify?

MR. CATANIA: He should have a college education.

ASSEMBLYMAN DeCROCE: In?

MR. CATANIA: At least Public Administration, Public Financing, or Business. Requires some experience.

ASSEMBLYMAN DeCROCE: And how about the Chief Engineer?

MR. CATANIA: The same thing; a college education -- a Professional Engineer with a certificate in Engineering.

ASSEMBLYMAN DeCROCE: And the Director of Personnel?

I mean, would all your administrative positions require a college degree of some form -- some type?

MR. CATANIA: No, not all of them, but they require at least some knowledge and experience in the field that they are applying for.

ASSEMBLYMAN CATANIA: Mr. Chairman?

ASSEMBLYMAN DeCROCE: Yes, Assemblyman Catania?

ASSEMBLYMAN CATANIA: Mr. Catania, I'm going to cut right to the quick.

MR. CATANIA: Yes, sir.

ASSEMBLYMAN CATANIA: I want a job on the Delaware River Joint Toll Bridge Commission, whatever the name is, and I'm not that familiar with it because I'm from the New York Metropolitan area of the State of New Jersey. But what I have read, and what I have seen, is that in order to get a job you have to know somebody on the Commission -- Commissioner, or someone on the Commission -- has to make sure that, you know, your name is submitted. I guess it's not uncommon in many of these authorities that have escaped the legislative oversight in our State, and that we have created individual fiefdoms where political leaders in those areas have controlled these authorities -- actually make the recommendation who's going to be hired, and that's how you get a job.

My question to you is: How many people from the general public who know no one, get a job with your Commission?

MR. CATANIA: I would say there are many, Mr. Assemblyman.

ASSEMBLYMAN CATANIA: You say there are many.

MR. CATANIA: The allegations are -- and I read the reports -- there is no question that there are recommendations made by public appointed officials, by elected officials, by

Commissioners themselves, but we do get people from the street who come in and fill out applications. I just had the-- We just-- Well, not just, because when our people get a job there, they tend to stay there for quite awhile. We go to the tech school to hire -- Bucks County Tech School -- where we hired somebody to run our print shop who had knowledge of printing. We went right to the Tech School.

ASSEMBLYMAN CATANIA: When you went to the Tech School you were looking for a student?

MR. CATANIA: Yes. We took one of the students at the Tech School. We talked to the administration at the Tech School, and that's the person we took. We just didn't take anybody that was recommended to us off the street--

ASSEMBLYMAN CATANIA: When you say you didn't take anybody who was recommended to us, are you talking about the Commissioners, or you, yourself?

MR. CATANIA: Well, as I said before, that we do get recommendations from Commissioners and elected public officials. We do.

ASSEMBLYMAN CATANIA: Who makes the decision to hire, or not to hire?

MR. CATANIA: I review the applications from the Personnel Department, and I make the recommendations to the Commissioners.

ASSEMBLYMAN CATANIA: Is there anything on that application that says "recommended by" you know, "so-and-so," or "so-and-so"? Is there anything that could--

MR. CATANIA: No. There was, Mr. Assemblyman. There were references. There was a block for three references on the application, but that's one of the things we changed on the new applications, because we were told by our Labor Counsel that we should not have that on the application. So that's been removed.

ASSEMBLYMAN CATANIA: Right now it's-- How long ago was this removed?

MR. CATANIA: As of January 1, 1993 we started this new procedure.

ASSEMBLYMAN CATANIA: Once you get a job as a toll collector -- once you get a job with the Commission -- what's your rate with regard to discharges for failure to perform?

MR. CATANIA: The rate for discharges is very low, Mr. Assemblyman.

ASSEMBLYMAN CATANIA: Once you get there, you know, whether you perform or not, you're going to stay on?

MR. CATANIA: Oh, no. That's not true. The people performing, we find-- We have in place-- Toll collectors, specifically you asked for: If we find a toll collector is not as proficient as he or she should be, what we do is every month we have a listing of efficiencies for our toll collectors, and once we see a toll collector being repeatedly below the median of what we expect in efficiency, what we do is call that toll collector in and we talk to him, ask him what problems he or she may be having. If we find that to be true, that they're having problems, we now retrain them. For a period of about three months we put somebody in the booth with them. We try to retrain them. We found that this has been very helpful, because some people when they first get on the job after they've passed their probationary period -- I don't know if they tend to get lazy or what, or they don't pay attention -- we find that in some cases we have to monitor their work, and that's what we do. We retrain those people and we try to correct their mistakes.

If we find that they're continually making those errors -- and it's errors that are costing us money -- because when a toll collector is short-- I'm rambling on, but I have to tell you, if a toll collector is short more than three dollars, that toll collector should make up that shortage.

ASSEMBLYMAN CATANIA: One last question. If there was someone applying from the general public, and there was someone

applying with the recommendation of a Commissioner, how would you determine who would get the job?

MR. CATANIA: They would get equal treatment, and I would have to look at the qualifications, Mr. Assemblyman.

ASSEMBLYMAN CATANIA: And it wouldn't matter whether or not that party was recommended by a Commissioner, or not? That person coming in from the general public would get the same treatment?

MR. CATANIA: That's correct. I look at all the applications, Mr. Assemblyman.

ASSEMBLYMAN CATANIA: Has it ever happened?

MR. CATANIA: That someone is given special treatment? Not that I'm aware of. In fact, what we try to do for our toll collectors-- We also hire part-time toll collectors and I may get recommendations from our own superintendent who runs that district, that if there's an opening for a toll collector we should offer the position to this person who's been a temporary toll collector, has come in and has done a good job, and we promote that toll collector.

ASSEMBLYMAN CATANIA: Thank you, Mr. Chairman.

ASSEMBLYMAN DeCROCE: Thank you, Assemblyman.

Assemblyman Kronick?

ASSEMBLYMAN KRONICK: Thank you, Mr. Chairman.

Mr. Catania, is the job considered a desirable job -- a toll collector? Would there be a lot of people interested in such a job?

MR. CATANIA: Yes. There's interest in the job.

ASSEMBLYMAN KRONICK: What is the starting pay for such a job?

MR. CATANIA: I think it's 20-- 1993-- I'll read to you from the 1993 budget. Toll collectors start at -- the 1993 range -- \$23,909 and it goes to a top of \$30,514.

ASSEMBLYMAN KRONICK: Okay. So someone out of high school, it could be his first job probably, right? A high school graduate could step into such a job, is that correct?

MR. CATANIA: Yes, sir. If he meets the qualifications.

ASSEMBLYMAN KRONICK: Theoretically.

MR. CATANIA: Yes.

ASSEMBLYMAN KRONICK: Is there a toll collectors union?

MR. CATANIA: No, we have no union, Mr. Assemblyman.

ASSEMBLYMAN KRONICK: What would be your rate of turnover for this position?

MR. CATANIA: It's not very high.

ASSEMBLYMAN KRONICK: Not very high.

MR. CATANIA: No.

ASSEMBLYMAN KRONICK: What can a toll collector aspire to? He's been on the job now for five years. He's done a good job. What happens now?

MR. CATANIA: We have progression within the toll department. He could move up to a toll corporal, toll sergeant. At times they want to move into what we call a teller position, which is a dead end position, or they could also move up through a foreman, assistant superintendent, and superintendent.

If I may, I'd like to expand upon the way a person could advance himself?

ASSEMBLYMAN DeCROCE: Sure.

MR. CATANIA: If a toll collector-- If there's an opening for a toll corporal in a specific district, the job is posted. We find out how many people are interested in the job, and we give a test for that promotion. We give a written test and an oral interview. Before a person takes the written test -- we have what we call a training class -- we provide eight hours of training, or whatever it takes in an eight-hour period to go over the job description of a toll corporal, explain to the people what's required of them and explain the duties of the job. Then they are given a test. The test is graded by our Director of Personnel. Then they're given an interview by

a Committee, and then those scores are put together and the person-- Usually we take the top three, submit them to the Commission, and the Commission has the option of picking any one of the people who finish in the top three. It's usually been the practice to pick the person who finishes first. That list stands for approximately -- I think it's a year or two years. It might be two years, I don't know, but I could get it for you. If there are any promotions, if any openings occur during that one-year period, we would take the next person who scored the highest, and promote them to corporal. So that test would stand for a year or two.

ASSEMBLYMAN KRONICK: Let me pose a situation. You have the toll collector whose done a good job. He's been there five years. He's got good recommendations. He's up, at this point, for supervisor, or whatever. He's passed corporal; he's now going for supervisor?

MR. CATANIA: Sergeant.

ASSEMBLYMAN KRONICK: Sergeant.

MR. CATANIA: Yes.

ASSEMBLYMAN KRONICK: And now you have-- And he got into this by having the support of several friends who he knew. And we have an outside college graduate with a degree, five years experience in some kind of financial capacity. There would be no test now. Right?

MR. CATANIA: For the sergeant?

ASSEMBLYMAN KRONICK: Yes.

MR. CATANIA: Yes, there would be.

ASSEMBLYMAN KRONICK: Okay. So, this outsider with no connections scores higher.

MR. CATANIA: Well, no. He would not be able to take the test.

ASSEMBLYMAN KRONICK: He could not?

MR. CATANIA: We promote from within to those positions.

ASSEMBLYMAN KRONICK: No outsider can get-- I see.

MR. CATANIA: No.

ASSEMBLYMAN KRONICK: Well, let's come down then, talking about for the toll collectors job; the starting job. Somebody got recommendations from two or three important people -- for this high school fellow or young lady -- and we have a college person with a Phi Beta Kappa. He want's a job. He's always wanted to be a toll collector. It's his goal. I don't know, can't figure it out. What would happen in that case?

MR. CATANIA: Probably, in that case he would be successful of the applicants in getting the job. I probably would recommend that person who had the highest qualifications, in my opinion. I would recommend that to the Commission.

ASSEMBLYMAN KRONICK: Okay. Thank you very much.

ASSEMBLYMAN DeCROCE: Assemblyman Green.

ASSEMBLYMAN GREEN: Yes. I listened to some of the questions. My concern is that in this day and age, 1993, I'm not hearing anybody talk about any of those positions being Civil Service. I'm just curious whether there are any positions at all up there that are Civil Service positions?

MR. CATANIA: We have no Civil Service positions, Mr. Assemblyman.

ASSEMBLYMAN GREEN: Is there a reason why? Because, again--

MR. CATANIA: That's the way the Commission was organized.

ASSEMBLYMAN GREEN: Is there any plans to look for Civil Service--

MR. CATANIA: Well, we do try to duplicate because we do have these testing procedures that, I think, somewhat follow Civil Service guidelines. I don't know if they do or not, but we do try to do that at least for promoting our people from within. We have a testing procedure. Let me point out to you, that the test is a test that has been gone over, and the most

recent one was done about two years ago. It was done by the Bucks County Community College. They actually set up the test. They reviewed our job descriptions, and they gave us the test. Prior to that, our Director of Personnel looked at some of the Civil Service positions in New Jersey and tried to incorporate some of that into our testing. But, now I insist that we bring in an outside agency and they draw up the test, and that's the test that's administered.

ASSEMBLYMAN GREEN: Is there any reason why you don't have a union shop at all, in terms of--

MR. CATANIA: The employees make that determination, Mr. Assemblyman. I don't.

ASSEMBLYMAN GREEN: So has there been an attempt by the union?

MR. CATANIA: There has been. I've been there since 1978. I've been in this position as Executive Director since the middle of '86. On several occasions there has been word that the unions had been around to organize the employees, but to this date there has not been a union.

ASSEMBLYMAN GREEN: So, since we don't have a Civil Service System and we don't have a union, what protection do the employees have in terms of knowing that they're going to be there?

MR. CATANIA: Well, you look at our seniority. Look at how long our employees have been there, and I think that will attest to the fact that the employees do have protection. It's very rarely that a person is terminated, but a person will be let go if we find that they're not following the rules and regulations, as we all should.

ASSEMBLYMAN DeCROCE: Thank you. Anyone else? If not, I'd like to-- I'm sorry, Representative.

REPRESENTATIVE DRUCE: I'd like to ask a question as to clarification, Mr. Catania. When you talked about submitting recommendations to the Commission, were these

individual recommendations for hiring, or were they several for one position and the Commission then selected? I was confused there, as to depending upon the position--

MR. CATANIA: I usually-- For a toll collector or bridge officer or-- Let's just talk about a bridge officer and custodian worker, because those are the entrance level positions. I usually would just tell the Commissioners this is the person I would recommend for the position.

REPRESENTATIVE DRUCE: You would submit one name?

MR. CATANIA: Yes. I would also tell them that there are other applications available if they want to look at them, but the Director of Personnel and I would go through them and we would pick the one person.

REPRESENTATIVE DRUCE: Can I ask you, sir, has there ever been an instance you could recall where the Commission may have rejected your recommendation for any entry level positions, or is it standard practice they accept each of your recommendation for those entry level posts?

MR. CATANIA: Not since we started to do this. I don't recall that they would interfere with that process. I don't think the Commissioners would want to interfere with the process.

REPRESENTATIVE DRUCE: So, in essence, while the Commission's giving its approval, you have ultimate authority of hiring for these entry level positions.

MR. CATANIA: No, they do. They have the ultimate--

REPRESENTATIVE DRUCE: But have they ever rejected any of your recommendations?

MR. CATANIA: No, but you see-- They don't want to give the impression that they're interfering with the process. That's one of the problems. We try to keep it separate. You know, there have been changes made. We're trying to come up to present day standards. Nobody's perfect. You know, nobody's created anything perfect. So that's what we're trying to do now.

We're talking about a custodial worker and a bridge officer. Those are the entry level positions. So, yes, they usually would take my word. I am not-- In the last two years I can't recall anyone of my recommendations being denied.

REPRESENTATIVE DRUCE: Thank you, Mr. Chairman.

ASSEMBLYMAN DeCROCE: Thank you, Representative.

Representative Carn?

REPRESENTATIVE CARN: Thank you very much, Mr. Chairman.

Mr. Catania, as the Executive Director, do you see this Commission as a public agency?

MR. CATANIA: As a public agency?

REPRESENTATIVE CARN: Yes. What is your view of the--

MR. CATANIA: Yes.

REPRESENTATIVE CARN: Oh, you do?

MR. CATANIA: I think we are responsible to the Governors, and both State Legislatures.

REPRESENTATIVE CARN: Okay. Well, do you feel that your Commission needs to have public meetings more? I mean, open to the public, or just to public officials?

MR. CATANIA: We do have public meetings. The public meetings are on the last Tuesday of each month, and they're open to the public. They're held up in New Hope, Pennsylvania, at 11:00 on the last Tuesday of each month. We encourage people to come to those meetings. In fact, when we have something-- When something is going on in a particular area, that we may be doing a reconstruction, putting on a new deck, we actually make notice in the newspapers. We mail to all the elected officials, on both sides of the river, to inform them that this is going on. I even go to public meetings in the communities to explain to them what we are doing, and why we are doing it, and we ask their input and advice. In a lot of cases, we've taken some of the advice of the local elected officials. So, we do go out publicly. Yes.

REPRESENTATIVE CARN: Is there a required public audit done of your--

ASSEMBLYMAN DeCROCE: Representative, if I may? Let's just, right now, if you don't mind, stick to the personnel area. We'll get into that, and I welcome you to ask those questions at a later time. Okay?

REPRESENTATIVE CARN: Okay.

ASSEMBLYMAN DeCROCE: I'm sorry. Representative Leh?

REPRESENTATIVE LEH: Thank you, Mr. Chairman.

First of all, let me apologize for any questions that I may ask. Just some background on myself: Although I'm in my fourth term in the Pennsylvania State House, nevertheless this is my first term -- my first meeting -- as a member of the Transportation Committee. I come from Berks County, and that's B-E-R-K-S, not Bucks. I'm 50 miles inland, so I had no knowledge of this problem, or alleged problem, whatsoever, until 11:30 last night. I tried to do some cramming and find out really what was going on.

What I gathered this morning here, and what I would like to know: You, as the Executive Officer of the Joint Bridge Commission, with regard to the alleged problems, have you looked at the Pennsylvania Turnpike Commission and the Delaware River Port Authority? They operate similarly, but they don't seem to have quite the problems. Now, I realize they once did, as far as hiring practices, personnel, whatever. I mean, we seem to have two Commissions; a Commission and an Authority that at least to my knowledge anyway, don't seem to have quite the alleged problems that this Commission is suffering.

MR. CATANIA: Well, you said it right; they're alleged problems, but we-- The Chairman of our Commission, right now, is Secretary Yerusalim, who's Chairman of the Turnpike Commission also.

REPRESENTATIVE LEH: Yes.

MR. CATANIA: So we do work closely with other agencies up and down the river. We belong to a group that is called a five-state survey group which includes-- We meet with people from the Atlantic City Expressway, the New Jersey Highway Authority, DRPA, DRBA, and the New Jersey Turnpike. So we do exchange ideas, and we do exchange problems.

One of the problems we're working on right now -- I was down at the DRPA two weeks ago -- is we're having problems-- This gets away, but it does deal with personnel -- with security, county money, and money being turned into us that belongs to the Commission, and some of our people like to go into business for themselves at times. So we do meet with these people, Mr. Representative. We do exchange ideas. In fact, our Commission -- when we're talking about one-way tolls, or the conservation of fuel, and also reduced operating costs -- our Commission was the first to implement one-way toll collection across the Delaware River. We were the first to do it, and now the other bridges are following.

REPRESENTATIVE LEH: Okay. Thank you, Mr. Chairman.

ASSEMBLYMAN DeCROCE: Thank you.

Let me ask you this: Is there a regular evaluation process in place to determine merit salaries or promotions?

MR. CATANIA: We do employee evaluations. When an employee is hired, there's a six-month probation period. He's evaluated after six months. Thereafter, an employee gets-- In the range they go up six steps, so each year that employee is evaluated by the superintendent of each of the districts.

ASSEMBLYMAN DeCROCE: Each employee, each year? And based on that evaluation, are they then either moved up in promotion, or are they given a merit increase, as far as salaries are concerned?

MR. CATANIA: What they're doing is, they're given their salary increment if they're still working to the top of the range. In order for a person to get promoted -- and I'll

give you an instance where that could happen -- it's usually in our maintenance department, where people could move up and be promoted from a maintenance worker three, to a two, to a one. Entrance level is a three for a maintenance worker. If there's no unsatisfactory work performance evaluations at the maintenance worker three, he's automatically given a maintenance worker two. In order to advance to a maintenance worker one-- I'm sorry. The maintenance worker two will advance through the increments. In order to promote to a maintenance worker one, we want a maintenance worker to be proficient in a trade: electrician, carpenter.

We encourage them to go to school. We pay for their schooling. Once the person gets a certificate from the Vo-Tech school, or whatever school they may attend in the maintenance area, the superintendent will then evaluate the employee and ask that that employee be promoted. We have a review committee that reviews it. That review committee in-house then recommends to me for a promotion of that person, and that person's name is then submitted to the Commissioners.

ASSEMBLYMAN DeCROCE: Is there, at any time, that you or the Commission make a determination that someone's entitled to an automatic raise?

MR. CATANIA: There are times that that could happen, because a person could do something outstanding, and you want to give him a 5 percent merit increase. But the Commissioners are becoming more and more sensitive to giving employees increases, because what happens, if you promote three or four employees and you have 349, well the other 346 are wondering why they're not getting a raise?

ASSEMBLYMAN DeCROCE: Yes. Are annual evaluations written, and are they placed in the employees' personnel files?

MR. CATANIA: We try to do that. We have not been doing that, Mr. Chairman.

ASSEMBLYMAN DeCROCE: What do you mean you try it? Tell me what that means.

MR. CATANIA: Well, the problem is, we were doing that. It sort of backed up. With the new Personnel Director who came on, we are now starting to do evaluations on a yearly basis of our employees. It should be done, and it has to be done, and we shall do it.

ASSEMBLYMAN DeCROCE: Then, now you're telling me across-the-board raises have been granted in the past. That's what you're saying.

MR. CATANIA: Across-the-board raises have been granted? If they met the criteria that I explained to you. Yes.

ASSEMBLYMAN DeCROCE: I'm sorry. Mr. Nickles.

ASSEMBLYMAN NICKLES: Mr. Executive Director, just to pick up a couple of questions. When a person applies for a position, you indicated before they are not given a test?

MR. CATANIA: No, we do not have entering tests for our employees.

ASSEMBLYMAN NICKLES: How could you guarantee that a toll collector has the ability to count change and give change?

MR. CATANIA: What we do is, before the employee is actually put on the toll lanes, we give them a three-day training period.

ASSEMBLYMAN NICKLES: So, in fact, they're going through a testing procedure?

MR. CATANIA: After they're hired. Yes, after they're hired.

ASSEMBLYMAN NICKLES: So they would be hired first, not knowing if they can--

MR. CATANIA: Well, based on their qualifications. Based on their qualifications we determine that a person can read, write, add, and subtract.

ASSEMBLYMAN NICKLES: How do you do that?

MR. CATANIA: I mean, a high school graduate should be able to do that.

ASSEMBLYMAN NICKLES: They should. I'm a superintendent of schools, and I know that there are students that graduate with special education problems -- that may graduate from high school but may have some type of perceptual problem that they can't, or they transpose numbers and things of that nature. And my question was: Do you give them a test to guarantee that, or is someone hired first, just because they have a high school diploma?

MR. CATANIA: No, we hire them-- As I said before, we hire them and before they're put out on the road, we train them in the toll booth. There's a supervisor with them for three days. And I think you could find out very quickly if they can add or subtract change.

ASSEMBLYMAN NICKLES: All right. So you hire them without a test, then you give them a three-day in-service program, training program. Then what happens if they don't meet to the qualifications? Do you then terminate them?

MR. CATANIA: No, as I explained to the Chairman before, we have an evaluation each month where we look at the proficiency of each toll collector.

ASSEMBLYMAN NICKLES: All right, but you indicated a couple of seconds ago that you really don't do evaluations on a regular basis. You try to, but they're backlogged.

MR. CATANIA: Well, the toll collectors we do. We do it by their efficiency ratings. They're done every month.

ASSEMBLYMAN NICKLES: Okay. The other employees then may not have the yearly evaluation.

MR. CATANIA: Yes. Like a maintenance worker-- We may not do it on a yearly basis, but we are going to start to. But a toll collector -- a toll collector, every month there's an efficiency report put out, and that's the test.

ASSEMBLYMAN NICKLES: Moving on to new positions-- We're talking about filling the various positions. Does the Commission have a policy of how a person would apply for a vacant position after they're once hired under your organization? How does-- Let me ask you this: First of all, is there a policy statement on how a person goes about applying for an advanced position within the Delaware--

MR. CATANIA: There is provision. There is provision for that.

ASSEMBLYMAN NICKLES: Provisions or policies?

MR. CATANIA: There is a policy.

ASSEMBLYMAN NICKLES: You have a written policy.

MR. CATANIA: Yes.

ASSEMBLYMAN NICKLES: Okay. So, if someone wishes to apply for a higher position than the entry level position in which they were hired, it is opened up to applications? Or does a supervisor simply pluck someone that they like?

MR. CATANIA: No, that doesn't happen, Mr. Assemblyman.

ASSEMBLYMAN NICKLES: What doesn't happen?

MR. CATANIA: That a supervisor will pluck someone that they like.

ASSEMBLYMAN NICKLES: So then there is an open opportunity for individuals to apply?

MR. CATANIA: We allow-- The people who put in requests for transfers to other positions, and we keep a record of those requests-- And when there is a position open-- I'll give you a specific, okay? A bridge officer, who's at a dead end position -- once you're a bridge officer you cannot be promoted anywhere else -- so we allow the bridge officer, if he wants to, to transfer to our toll department. They put in those requests. They make those requests for transfer. If there is an opening for a toll collector, we go to those people who have asked for a transfer to those positions, and choose from those people who have made those requests.

ASSEMBLYMAN NICKLES: I serve on the maintenance crew, and there is an assistant foreman's position available -- open. Do all the maintenance personnel on that maintenance crew have the opportunity to apply for that assistant maintenance foreman's position?

MR. CATANIA: Yes, sir. In fact, let me give you a specific again. Today, or was it yesterday? There is a vacancy for an assistant position right now in eastern Phillipsburg, at the I-78 bridge, posted. There are 13 maintenance people who have applied. Those maintenance people are now being given the schooling -- training for eight hours, as to what the requirements are for the assistant foreman position. If they choose to, those 13 people will then take a test that's been devised by the Bucks County Community College. Then they're also given an oral interview, and the top three-- As a result of that, the top three are given to the Commissioners, and the Commissioners can choose any one of the top three. So that's the way we do it, and that's the way it has been done.

ASSEMBLYMAN DeCROCE: Since 1993.

MR. CATANIA: No, prior to 1993 also, Mr. Chairman.

ASSEMBLYMAN NICKLES: That's all the questions I have at this time.

ASSEMBLYMAN DeCROCE: Thank you. Mr. Catania?

ASSEMBLYMAN CATANIA: I just have one question. Can you tell me what is the highest salary you paid last year to a toll collector, including any overtime? What was the highest amount received?

MR. CATANIA: The highest a toll collector could go in 1992-- In 1992, right?

ASSEMBLYMAN CATANIA: Yes.

MR. CATANIA: In 1992, the top of the range for toll collector was \$29,340.

ASSEMBLYMAN CATANIA: No one can earn any more than that?

MR. CATANIA: If they worked overtime.

ASSEMBLYMAN CATANIA: Well, that's what I asked.

MR. CATANIA: Yes.

ASSEMBLYMAN CATANIA: Well that's what I asked. I didn't ask what's on, you know, the pay scales.

MR. CATANIA: Yes, they can work overtime, but our overtime is not that great. We try to keep it to a minimum. That's why we have a roster of part-time toll collectors.

ASSEMBLYMAN CATANIA: Do you have any toll collectors that make \$50,000 a year?

MR. CATANIA: Not to my knowledge. I'd have to get the payroll records. For 1992 I will look at them and get you that information, but I doubt it very much.

ASSEMBLYMAN CATANIA: Okay. You give the range from \$23,909 to \$30,514. Besides that salary, do they get increments for longevity, or any other type of increments?

MR. CATANIA: No, we have no increments for longevity.

ASSEMBLYMAN CATANIA: So, if I'm a toll collector, the maximum I would receive is \$30,514.

MR. CATANIA: That was for--

ASSEMBLYMAN CATANIA: This year. No matter whether or not-- Whatever year that was. No matter whether I was hired, you know, 20 years ago or 10 years ago, I'm still going to get the same amount of money.

MR. CATANIA: If you didn't work overtime. Yes.

ASSEMBLYMAN CATANIA: Excuse me?

MR. CATANIA: If you did not work any overtime.

ASSEMBLYMAN CATANIA: How much overtime do they get?

MR. CATANIA: They get some, but it's not any great amount.

ASSEMBLYMAN CATANIA: It's not consequential at all, the amounts?

MR. CATANIA: I'm sorry?

ASSEMBLYMAN CATANIA: It's inconsequential? I mean, it's not going to be any big amount, is it?

MR. CATANIA: Oh, I don't know. I don't think so.

ASSEMBLYMAN DeCROCE: May I suggest that maybe you check those figures out so at the next hearing, in case anybody has any questions about them, we can verify those?

MR. CATANIA: Our counsel just pointed out the overtime wages for 1992; the appropriation was \$141,000. That's total for all Commission employees -- 349 employees.

ASSEMBLYMAN DeCROCE: Assemblyman Green.

ASSEMBLYMAN GREEN: Just one quick question: How many of the toll collectors are females? What percentage?

MR. CATANIA: We had-- (speaks to Committee Aide) Oh, Roseanne, did you get the (indiscernible) report? I don't know offhand how many we had.

ASSEMBLYMAN DeCROCE: We get into that, Jerry. We get into that.

Let me ask you this. If there are no annual employee evaluations, how can you determine that an employee performs satisfactorily and would be entitled to an increase?

MR. CATANIA: And be entitled to an increase?

ASSEMBLYMAN DeCROCE: Yes. If he hasn't done his job well during the year, if you haven't had any evaluation on him, how do you know he's worth 5 percent increase or 10 percent increase?

MR. CATANIA: Mr. Chairman, if the person is working within a range, and has not reached the top of his range, we do evaluations. Okay? So if a person is not given an evaluation by his supervisor to be promoted to the next increment, he does not get it. The people who reach the top of their range, you know, that's it.

ASSEMBLYMAN DeCROCE: They top out?

MR. CATANIA: They top out of that range and the only way for them to make more money is if the Commissioners decide at the next budget to give a general policy increase, which we call a cost of living increase. That's all they would get.

ASSEMBLYMAN DeCROCE: Okay. How many don't get any increases at all? Last year. Let's say last year.

MR. CATANIA: Well, last year everybody got an increase because the Commissioners in the '92 budget approved a general policy increase.

ASSEMBLYMAN DeCROCE: So everyone did get an increase?

MR. CATANIA: Yes, every employee.

ASSEMBLYMAN DeCROCE: On an average of how much?

MR. CATANIA: I think it was 5 percent.

ASSEMBLYMAN DeCROCE: 5 percent?

MR. CATANIA: Yes.

ASSEMBLYMAN DeCROCE: But regardless, if they're in a range-- So it doesn't matter. If they're in a range you're going to give them some sort of a cost of living increase annually, no matter what?

MR. CATANIA: Yes. If the Commissioners--

ASSEMBLYMAN DeCROCE: Regardless if there's an-- Even if there's no evaluation?

MR. CATANIA: Right.

ASSEMBLYMAN DeCROCE: How do you run effectively without an evaluation? I don't understand that.

MR. CATANIA: Well, as I said before, we do evaluate most of our people, because most of our people are working within a range. It's those people who, as you used the word, topped out. There has been no evaluation, but we are instituting it. We are instituting it. We are going-- We did it, but for some reason or other it slid. I don't know if it was because of the Director of Personnel who had been there, I think, for about 40 years, when the new person came on board it slid. The slide has stopped and we are going to do evaluations.

ASSEMBLYMAN DeCROCE: When someone gets to the top of their range, do you do an evaluation on him anyway, or do you not worry about somebody who's reached the top and has been doing their job over a series of years?

MR. CATANIA: Mostly it's the superintendent or foreman that evaluates the person, because they'll report to his supervisor that this person is either performing his duties or not performing his duties. But you'll find that sometimes when a person reaches the top of the range, they think they have it made, and, you know, they really don't have to go that extra step.

ASSEMBLYMAN DeCROCE: How many ex-Commissioners are now employed by your Commission?

MR. CATANIA: Ex-Commissioners?

ASSEMBLYMAN DeCROCE: Yes.

MR. CATANIA: I think it's one. There's one ex-Deputy -- Deputy -- Commissioner who represented somebody else who's employed, and that's myself.

ASSEMBLYMAN DeCROCE: You're the only one?

MR. CATANIA: No, no. There are Commissioners-- From New Jersey there are Commissioners. Okay? Pennsylvania--

ASSEMBLYMAN DeCROCE: Either state. Either state I'm talking about.

MR. CATANIA: Yes. Okay. From New Jersey we have one ex-Commissioner who is now working. In Pennsylvania we have one deputy. I represented the Auditor General as a deputy back in 1976 to '78.

ASSEMBLYMAN DeCROCE: Okay. Does the Commission have an equal opportunity employment policy of nondiscrimination?

MR. CATANIA: Yes. We have an affirmative action policy.

ASSEMBLYMAN DeCROCE: Can you tell me how it works?

MR. CATANIA: We do not discriminate. We publish each month in our agenda an affirmative action report.

ASSEMBLYMAN DeCROCE: Well, you know, I'm going to get right to it. Frankly, with the reports that came in through the news media, the way the system worked prior to, I guess 1993, nine out of ten people that came into the Commission were either appointed by the Governors, or recommended by some legislator, either on our side or your side. That's the way it was reported. I'm telling you the way I read it.

How can you carry out an efficient, affirmative action policy with that type of an ongoing patronage system?

MR. CATANIA: Well, that's what's been alleged in the newspapers.

ASSEMBLYMAN DeCROCE: Yes. Are you disputing those?

Let's face the facts. We've had legislators who had said, "Hey, I appoint people."

MR. CATANIA: They recommend people.

ASSEMBLYMAN DeCROCE: Well.

MR. CATANIA: They don't appoint.

ASSEMBLYMAN DeCROCE: Okay. Recommend.

MR. CATANIA: As I said before, we have recommendations by public officials, elected officials, or whatever, that make recommendations. But those people are not always the ones that get employed. They're not always the ones that get employed, or promoted.

ASSEMBLYMAN DeCROCE: I'd like to have Mr. Green ask his question. That was a good question; appropriate at this point.

ASSEMBLYMAN GREEN: Mr. Chairman, I thought that was in the category of personnel, so I don't want to jump the gun.

Again, we don't have a union. We don't have a Civil Service, and based upon your comments so far, the majority of decisions and policies are carried out by the Commissioners. That in this day and age not to have some type of percentage of females, in terms of in decision-making positions, even being toll collectors-- I think in the State of New Jersey right

now, in fact, the State of Pennsylvania right off the bat, can tell you what type of numbers they have in terms of females in positions as well as toll positions.

MR. CATANIA: In most of--

ASSEMBLYMAN GREEN: I'm just curious. What kind of numbers can you give me at this time?

MR. CATANIA: In most of those categories we exceed what the goals should be. I shouldn't use the word goals. I don't know what the word is now. But we do exceed those. We do exceed those. We employ female toll collectors. We employ female administrators. Our Director of Personnel is a female. Our Director of-- The Administrator of Administrative Services is a female, and that's two staff positions. We have female toll collectors. We have female custodial workers. I don't think we have any female maintenance workers.

ASSEMBLYMAN GREEN: Do you have any Afro-Americans in decision-making positions?

MR. CATANIA: Yes.

ASSEMBLYMAN DeCROCE: How many?

MR. CATANIA: Afro-- On staff?

ASSEMBLYMAN GREEN: No, in decision-making positions that actually has some type of authority.

ASSEMBLYMAN DeCROCE: Management positions.

MR. CATANIA: Let's see, we have a sergeant in Trenton-Morrisville. I'd have to get them for you, Mr. Assemblyman. I know we have on staff-- Our supervisor of training and safety is Afro-American. I know in Morrisville we have a sergeant who's Afro-American. We have a couple of corporals who are Afro-Americans. I'm just looking at Trenton-Morrisville, and we must have them up and down the river, but I'd have to get them for you.

ASSEMBLYMAN GREEN: What about Commissioners? How many Commissioners are females and Afro-Americans?

MR. CATANIA: Commissioners? Female Commissioners?

ASSEMBLYMAN GREEN: Yes, and also Afro-Americans.

MR. CATANIA: We have in Pennsylvania, a deputy representing the State Treasurer is-- I think she's from Jamaica.

ASSEMBLYMAN DeCROCE: Mr. Catania. If I may, Jerry? How many total employees do you employ right now?

MR. CATANIA: Right now? Three-hundred-forty-- We have a complement of 349, but there are some vacancies.

ASSEMBLYMAN DeCROCE: Okay. I would suggest to you then that you give us a breakdown. I'd like to know the complement of workers and the-- You say you have an affirmative action program in place. I'd like to know the breakdown of the people: women, men, minorities, what have you. I'd like to know what that is.

MR. CATANIA: Sure. Certainly.

ASSEMBLYMAN GREEN: Thank you, Mr. Chairman.

ASSEMBLYMAN DeCROCE: Thank you.

Yes, David?

ASSEMBLYMAN KRONICK: Thank you.

Mr. Catania, at the present time are there any employees in any capacity who have other members of their family working for the Commission?

MR. CATANIA: Yes.

ASSEMBLYMAN KRONICK: About how many? Do you have any idea?

MR. CATANIA: Off the top of my head, I'd say 10 or 15. But I'd have to get the exact number for you. And I could get it for you.

ASSEMBLYMAN KRONICK: I'd appreciate that.

MR. CATANIA: I certainly will.

ASSEMBLYMAN KRONICK: Is it possible that any employee now could have more than two of a family working in some capacity? Could there be as many as three or four?

MR. CATANIA: I'd have to check for you.

ASSEMBLYMAN KRONICK: Okay. You'll get back to us on that?

MR. CATANIA: Yes, I sure will.

ASSEMBLYMAN KRONICK: With the 15 that you said there might be, did the other member of the family come through the normal process of entry? In other words, as you say, would go before you and before the Commission for approval? Because there is no testing; there is no other way? So, it would come--

MR. CATANIA: I would say so.

ASSEMBLYMAN KRONICK: Thank you, Mr. Chairman.

ASSEMBLYMAN DeCROCE: Thank you.

The Commission has a Director of Personnel and a Coordinator of Human Resources with annual salaries of \$58,898 each. The job specifications of each of these individuals indicate a substantial overlap and duplication of responsibilities. In addition, there are three coordinators-- There is a Coordinator -- sorry -- of Training and Safety at 47, almost \$48,000 per year whose responsibility also overlaps, and overlap those of the Coordinator of Human Resources. In most organizations, all of these functions would be performed by the Director of Personnel. Why is there a need for all three of these jobs covering the same type of responsibilities, Mr. Executive Director?

MR. CATANIA: Well, they are different, Mr. Chairman. The Director of Personnel we try to keep directly responsible in just handling the everyday personnel problems that exist up and down the River, keeping records on all of our employees, keeping records of sick time, vacation leave, keeping all the necessary records that are needed to run the Bridge Commission and make reports. The Director of Personnel is also involved with myself in the hiring process. We are trying to separate responsibilities.

The Director of Human Resources is right now heavily involved in-- We just started, effective January 1, 1993,

where we send all of our employees for physical exams. Each of our employees, on a three-year cycle, is examined at a hospital. That Director of Human Resources makes sure that all of our employees (indiscernible) on a normal basis. He is also heavily involved-- We're having problems with workers' comp cases. I have him, along with the training officer, helping on our workers comp cases, helping with our sick leave problems -- because there are problems at some times with sick leave for some of our employees. So we are trying--

The training officer is involved with the training of our people, to promote themselves to better positions, and to better do the jobs that they are currently working on. We just-- One instance I can give you directly-- We started with -- I think it was Lehigh Valley Tech School-- Some of our maintenance people are going to school for diesel mechanics. We brought the teacher right into our facility. Right at our facility we had our maintenance workers go to school to become diesel mechanics. We provide safety training. We provide safety films how to better do their jobs.

A big problem of ours is providing the proper maintenance of traffic when we're doing construction projects or repairing our bridges and roads. We find that this is a heavy-- There's a lot of training that has to be done. Before, you know, you used to put on a couple of horses, and put up a couple of blinkers, and flag men and that used to suffice. That doesn't work anymore. You have to go through a whole procedure that's been put down by OSHA and the Federal Highway Administration as to the proper way to maintain traffic during repairs or construction. So there is ongoing training that our people take. We train our people for CPR. We train our people for emergency medical, you know, whenever that's needed, and they're all given certificates for this.

ASSEMBLYMAN DeCROCE: All of those things are the responsibility of the Coordinator of Training and Safety?

MR. CATANIA: Yes. He is responsible. And we also run training classes-- I'm sorry.

ASSEMBLYMAN DeCROCE: That's okay.

MR. CATANIA: We also run training classes for bridge officers. They're the officers who you may see at the end of each one of our nontoll bridges, being careful that no overweight trucks go across our bridge. There's skaters, or whatever. They work in conjunction with our local police departments.

ASSEMBLYMAN DeCROCE: If he does all this, what does the Coordinator of Human Services do?

MR. CATANIA: As I said--

ASSEMBLYMAN DeCROCE: Just get people to the hospital and check out workmen's comp?

MR. CATANIA: Workers' comp-- We also have to set up-- We're setting up a panel in each district. We have to set up a panel of doctors -- five doctors -- that we have to set up in each district, work with them for our workers' comp cases so that these people can go to these doctors that will be accepted by hospitals and whatever -- the workers' comp board -- as to whether they qualify for workers' comp or not.

ASSEMBLYMAN DeCROCE: Who's going to recommend these doctors? Are you just picking doctors in the local neighborhoods?

MR. CATANIA: We usually go into the hospitals.

ASSEMBLYMAN DeCROCE: Okay.

MR. CATANIA: They go to the hospitals up-- We usually try to get a recommendation from a hospital on each side of the River.

ASSEMBLYMAN DeCROCE: Well, let me ask you this. You have a Personnel Director? How did this person get that job?

MR. CATANIA: Person who left-- She filled out-- The person happens to be a female. She filled out an application. I reviewed the application, interviewed her and some other

people, because I think there was-- I think there might have been one person in-house who was also interested in the job. The person we recommended -- I recommended -- was hired.

ASSEMBLYMAN DeCROCE: Well, let me ask you this. You had a position open for personnel. You didn't advertise it.

MR. CATANIA: No, we did not advertise it in the newspapers. No.

ASSEMBLYMAN DeCROCE: Why wouldn't you allow a position such as that to be advertised in the local press in order to get the best possible candidate you could possibly get?

MR. CATANIA: It was not the practice of the Commission to do that at that time.

ASSEMBLYMAN DeCROCE: What's the practice now?

MR. CATANIA: It's still is not the practice to advertise in local newspapers.

ASSEMBLYMAN DeCROCE: The Commission doesn't feel it's in their best interest to advertise for these top-notch jobs, to get the best possible people? You've tried to hire mainly from within, or by recommendation, frankly, of a legislator, or a recommendation of someone on either side of the River?

MR. CATANIA: I haven't asked the Commissioners recently how they feel about it, but I will put the question to them. If you suggest that, I certainly will.

ASSEMBLYMAN DeCROCE: I certainly do suggest that.

MR. CATANIA: I will.

ASSEMBLYMAN DeCROCE: Is the Commission presently in the process of hiring a new Executive Director?

MR. CATANIA: Deputy Director.

ASSEMBLYMAN DeCROCE: Deputy Executive Director?

MR. CATANIA: Deputy Executive Director.

ASSEMBLYMAN DeCROCE: Are you advertising for that?

MR. CATANIA: No, there's been no newspaper advertising.

ASSEMBLYMAN DeCROCE: You have someone in mind for that position?

MR. CATANIA: Do we have someone in mind? I think there are three that are being considered right now. That's going to be the call of the Personnel and Finance Committee of the Commission to make a recommendation.

ASSEMBLYMAN DeCROCE: How would you get these recommendations if there's been no advertising? Who would know that these positions were even available?

MR. CATANIA: Who would know the positions?

ASSEMBLYMAN DeCROCE: Yes.

MR. CATANIA: It's widely known that the position is vacant. It was in the newspaper, not by advertising, but it was in the newspaper.

ASSEMBLYMAN DeCROCE: Well, doesn't the Commission feel it's in their best interest, frankly, to go out to the general public and try to get the best possible person for that job that they can? I mean, I think somebody ought to tighten up your hiring practices. I really do.

MR. CATANIA: Well, we are looking at it, Mr. Chairman, and we are trying to tighten it up, but-- I don't want to look at anyone else, but there are a lot of other--

ASSEMBLYMAN DeCROCE: The Director of Human Resources apparently-- Let's see. He is grievances, memorandums, and related correspondence as to ensure the Commission's department heads are consistent in management principles, policies, and programs. He also functions as the Commission's affirmative action officer, monitors all policies, programs and practices to keep the Executive Director -- you -- abreast of current personnel laws and inform of new applicable developments, prepares a report for the Executive Director by monitoring monthly absentee reports, time cards, and related correspondence. That's the Human Resources Coordinator.

Now here's the Director of Personnel: assists in the administration of the Commission grievance and programs procedures, may function as the Commission's affirmative action officer, prepares monthly semiannual and annual reports concerning personnel matters for the Commission, supervises the establishment and maintenance of personnel records and files pertaining to personnel and related matters.

These jobs are the same.

MR. CATANIA: In some instances they are similar, but you have to realize, Mr. Chairman, that we have 349 employees and we have 135 miles to travel up and down the River. We've been heavily--

ASSEMBLYMAN DeCROCE: I understand that. And I understand you have regions; and I understand that you have superintendents in each of these regions; and I understand that 340 people may be a lot of people; but I'll tell you there are many companies out there; many corporations out there; many authorities out there that have as many, if not more. They don't do it with two people doing the same job.

MR. CATANIA: Well those people do not do the same job day in and day out. They do not-- You know, we're getting more heavily involved with insurance claims, workers' comp. It's becoming more of a problem, and it demands more time and more attention. Because if we continue to go the way we are, with the way workers' comp cases are going, the way our sick leave -- when people are out on sick leave -- the costs are going to become prohibitive. We have to try and put a stop to it, and we have to have somebody on top of the situation. You really do.

ASSEMBLYMAN DeCROCE: Well, it just seems to me that you have two jobs that are identical and, frankly, I think it could be done certainly in another way, probably a more efficient manner and probably cost savings at that. I just disagree with the way in which you're functioning right now.

MR. CATANIA: Okay. I appreciate--

ASSEMBLYMAN DeCROCE: Mr. Catania?

ASSEMBLYMAN CATANIA: Mr. Catania, does Beth Hansbury hold the position of Personnel Director?

MR. CATANIA: Yes, sir.

ASSEMBLYMAN CATANIA: Can you tell me her educational/professional background?

MR. CATANIA: Her educational/professional background? I don't have her resume' in front of me, Mr. Assemblyman.

ASSEMBLYMAN CATANIA: Is she also the wife of the former Mercer County Republican Chairman?

MR. CATANIA: Yes.

ASSEMBLYMAN CATANIA: Who holds the position of Coordinator of Human Services?

MR. CATANIA: Joseph Foy.

ASSEMBLYMAN CATANIA: Is he the brother of former Senator Thomas Foy?

MR. CATANIA: Yes.

ASSEMBLYMAN CATANIA: Does he have any special professional/educational background for this job?

MR. CATANIA: Yes.

ASSEMBLYMAN CATANIA: What was that?

MR. CATANIA: He came to us with qualifications that met the requirements.

ASSEMBLYMAN CATANIA: You know what they are?

MR. CATANIA: Offhand, I can't comment, but I could certainly provide them for you. I will certainly provide them for you.

ASSEMBLYMAN CATANIA: How about the Coordinator of Training and Safety? Who's that?

MR. CATANIA: A fellow by the name of Bill Houston.

ASSEMBLYMAN CATANIA: Is he the son-in-law of the Commission's attorney, Charles Spaziani?

MR. CATANIA: Yes, sir.

ASSEMBLYMAN CATANIA: Did he have any special technical background?

MR. CATANIA: College graduate.

ASSEMBLYMAN CATANIA: Did he come from the casino industry?

MR. CATANIA: He did, but he's a college graduate and a teacher. He's also a teacher.

ASSEMBLYMAN CATANIA: Nothing against the casino industry.

I just want to digress one second. You said everybody receives an examination at a hospital every three years, who works for the Commission?

MR. CATANIA: Yes.

ASSEMBLYMAN CATANIA: That's a full blown out examination?

MR. CATANIA: Yes.

ASSEMBLYMAN CATANIA: Cardiogram, x-rays, and all? How much does that cost you for each one of those exams?

MR. CATANIA: It depends on what hospital. It averages out to about \$150.

ASSEMBLYMAN CATANIA: That's a savings to the employee, because, you know, I have to pay for mine every year -- or every two years -- but this is provided by the Commission, right?

MR. CATANIA: We find that our insurance people say that the program is good. I can relate to you: The first person that went for his physical exam, after his physical exam had to go to his doctor, and I think he's still in the hospital because they found something that if he had not had the physical exam, it could have been very dangerous to his life.

ASSEMBLYMAN CATANIA: I have nothing further, Mr. Chairman.

ASSEMBLYMAN DeCROCE: Okay. I'm going to-- I'm sorry. Representative Druce?

REPRESENTATIVE DRUCE: Mr. Chairman, just one question. A brief historical perspective on some hiring: The Chairman articulated that through the news media there was perception that nine out of ten, I believe he said, were hired via recommendations or who they knew, and then I heard a reference to "prior to 1993." Is there a different practice employed now than was prior to 1993?

MR. CATANIA: Yes. I explained that to the Chairman. But those are allegations. They were allegations that were printed in the newspaper -- one newspaper that said that.

REPRESENTATIVE DRUCE: Can I ask, Mr. Catania, if I heard your comment back to the Chairman correctly, that was not the practice with which to hire people prior to 1993. What was the impetus for the change in the hiring practices this year if, in the past, there allegedly were no problems with recommendations? What changes came about?

MR. CATANIA: Well, after we read the articles ourselves-- We looked at them. You know, we didn't take them lightly. If there are people who are unhappy, and maybe there is a better way to do things-- In some cases we're trying to implement a better way to do things. And we did it in concert with our labor counsel; we didn't do it in a vacuum. Our labor counsel advised us as to, you know, what we really should do to get away from that spectrum of outside interference. You know, by somebody pushing somebody for a job. We changed our application. We changed where our applications are available, what days they're available, what hours they're available, and how they're transmitted to the Trenton-Morrisville headquarters.

REPRESENTATIVE DRUCE: And all of that, you say was the impetus of newspaper articles as a result of--

MR. CATANIA: Part of it was, yes. Part of it was also in concert with what the Commission wanted to do after listening to our labor counsel.

REPRESENTATIVE DRUCE: Can I ask was there any-- If you could speculate, I guess: If there were no newspaper accounts or hearings at this time, would you believe that the practices prior to 1993 would still be employed?

MR. CATANIA: Yes, because that's the way they were going. Because I was now making recommendations to the Commissioners even prior to the articles about the hiring practices.

REPRESENTATIVE DRUCE: Thank you, Mr. Chairman.

ASSEMBLYMAN DeCROCE: One question from Assemblyman Green.

ASSEMBLYMAN GREEN: Yes, Mr. Chairman. I think some of your questions were very, very enlightening.

In fact, I think, you commented that some of the suggestions he's making, that you would look into making some changes. If you make some changes in 1993, do you have any long-range plans that you could share with this Committee in terms of what your goals are to correct some of the problems that you foresee that happened in the past, rather than tell us, "Well, we're going to do this. We're going to do that"?

MR. CATANIA: We are going to look at what the results of these hearings are and what recommendations or opinions the people around this table have, and we'll certainly look at those and try to implement them if they are the correct legal things to do. We will certainly do that.

Our long-range goals in regards to-- We keep in close contact with our labor counsel. With all of the decisions coming down from the U.S. Supreme Court and the most recent being the Rutan decision of how you hire people and how you terminate people, we are hopefully in line with that now. We are continually looking at our personnel practices and are continually trying to make them better. You know, but there's only so much you can do with the moneys you have available because then you have to start looking at-- You know, and I

know we're going to get into that, where expenses start climbing higher than your revenues and you start having some problems. Because, you know, you like to operate as a Utopia and have all kinds of oversight and what have you, but that sometimes costs money. So, we have to also keep that in perspective.

But, to answer your question: Yes, we are continually looking. Can I give you a blueprint today of what we'll be doing for 1995 in regards to personnel? I can't do that. If you're asking me for a blueprint of what the Bridge Commission will be doing as a Commission in a long-range plan, I can't. What we're doing in regards to repairing bridges, painting bridges, or whatever, I can give you that.

For personnel policies, we try to keep-- We will keep as current as we possibly can.

ASSEMBLYMAN GREEN: So far, I felt the questions have been rather noncritical of anyone -- more or less on an educational level. My concern is that some of the questions that have been asked by my colleagues, and you've given us the impression you had begun to correct these particular problems, again, there should be some type of plan or policy in place now that we can have, and show us that some of the negative that has happened that there's a policy and a plan in place to make sure this doesn't happen in the future. That's my concern.

MR. CATANIA: Well, as I told the Chairman, we will review the opinions and questions raised by the Commission (sic) and we will answer those in writing by letter or by calls -- see, that probably is already implemented -- to make you aware of that, Mr. Assemblyman. We certainly will do that.

ASSEMBLYMAN DeCROCE: Assemblyman Kronick?

ASSEMBLYMAN KRONICK: Thank you, Mr. Chairman.

I'm glad to hear that you have reviewed your previous policy, or lack thereof, and that '93 is ushering in a new era. And one thing that I think that you might want to address

if, indeed, the media is correct: When I asked you before out of how many employees that might be, you know, more than one member of the family, you said about 15. Fifteen would be about 5 percent of your workforce. If, indeed, what was in the media is correct, I calculate it would be more like 10 percent; approximately more like 30. Certainly I think this is something that you may want to look to in '93 -- if it's correct, of course. That should be addressed so that it would then give the right perception of fairness and openness, and the opportunity for all qualified people to get into these good jobs and move up the ladder.

MR. CATANIA: We will certainly do that, Mr. Assemblyman. As we promised the Chairman, we are moving in that direction. We will try to, you know, to do as best we can. We look forward to the results of these hearings as meant to give us some help and opinions as to what we can do.

ASSEMBLYMAN DeCROCE: Okay. Thank you.

We are now going to take a-- I'm sorry.

REPRESENTATIVE LEH: I have a quick question, Mr. Chairman. Thank you.

As a follow-up, some of the changes and the proposals that you've made, have you discussed them with Secretary Yerusalim at all? Has he been involved in--

MR. CATANIA: Yes, we have. In fact, he is-- Although all the Commissioners are most, I guess, forceful in making sure that we proceed along those lines. Yes, he has been active.

REPRESENTATIVE LEH: Okay, thank you, Mr. Catania.

Thank you, Mr. Chairman.

ASSEMBLYMAN DeCROCE: Thank you very much, Representative.

We're going to take a five-minute recess. Then we're going to come back and begin with purchasing, and Frank Catania.

(RECESS)

AFTER RECESS:

ASSEMBLYMAN DeCROCE: Ladies and gentlemen, let me just say that we're going to begin with Assemblyman Frank Catania going into the area of purchasing. I want to advise everybody that I'd like to speed these hearings up if we can. Make your questions and answers as close to the point as possible. We'd like to, frankly, break, if we could, around 1:00, give or take. Thank you.

Mr. Catania?

ASSEMBLYMAN CATANIA: Thank you.

Mr. Catania, is there a purchasing manual? Do you follow any guidelines similar to what we have, say, in New Jersey, with regard to purchasing?

MR. CATANIA: Yes, we do.

ASSEMBLYMAN CATANIA: What are those guidelines?

MR. CATANIA: They are contained in the purchasing regulations that have been adopted by the Commission approved of last August 27, 1991. We provided the Committee with copies.

ASSEMBLYMAN CATANIA: Now with regard to that, is there a set amount that you go out to competitive bidding for?

MR. CATANIA: Yes. I'll read it to you right from the-- May I read it to you from the purchasing manual?

ASSEMBLYMAN CATANIA: Sure.

MR. CATANIA: "The Commissioners approved the increase of informal bidding threshold limits as set forth on page 4 of purchasing regulations, from \$4500 to the lower amount of the limits as established by the Commonwealth of Pennsylvania and the State of New Jersey, and amends the purchasing regulations as adopted by the Commission at the meeting held February 1987 to include the increase as follows: Since the public bidding threshold limit of \$9200 of the State of New Jersey is lower

than the Commonwealth of Pennsylvania threshold limit, which is \$10,000, the adjusted threshold limit for the Commission, effective February 26, 1991 will be \$9200."

ASSEMBLYMAN CATANIA: So anything over \$9200 should go out for competitive bidding for it?

MR. CATANIA: Yes.

ASSEMBLYMAN CATANIA: All right. Under \$9200, what's your procedure?

MR. CATANIA: We get proposals, and sometimes we make it sealed proposals, for material we have to buy.

ASSEMBLYMAN CATANIA: Is there a certain amount of proposals or quotes that you receive for bids under \$9200? Do you receive, say for example, two quotes, three quotes, four quotes?

MR. CATANIA: We try to get at least three, Mr. Assemblyman.

ASSEMBLYMAN CATANIA: Three quotes?

MR. CATANIA: We try to get at least three.

ASSEMBLYMAN CATANIA: And the majority of those, or the number of those under \$9200, are they usually granted to the lowest bidder?

MR. CATANIA: Yes, they are.

ASSEMBLYMAN CATANIA: Are there any exceptions to the--

MR. CATANIA: In some cases there may be exceptions, because in some cases we may need something that we need right then and there. We have to have it from the particular supplier who has it available. We may have to take it because we need it for the orderly operation.

ASSEMBLYMAN CATANIA: Give me an example of that.

MR. CATANIA: An example may be a part for a generator that we may need and may be available only from a supplier in the particular area, that's readily available, that we have to have. We may need a part for a piece of moving equipment, whether it be a truck, a large lawn mower, or tractor. We may

need a part for some piece of type of an air conditioner, or whatever.

ASSEMBLYMAN CATANIA: It's more or less an emergency when this happens?

MR. CATANIA: Yes, more or less. We don't use it unless we have an emergency nature. But in all cases -- in all cases -- our people are instructed to get at least three proposals, and we usually-- We take the lowest of the three proposals.

MR. CATANIA: Is this covered, also, in your policy manual?

MR. CATANIA: Yes, it is.

ASSEMBLYMAN CATANIA: All right. One specific instance that has been brought to my attention; and that's the purchase of three motor vehicles from Haddiman (sic) Ford.

MR. CATANIA: It was Haldeman, I think.

ASSEMBLYMAN CATANIA: Haldeman Ford, Hamilton Township. Were they purchased without bid?

MR. CATANIA: No, they were not. In cases toward the end of the year when there is a close out, late, on the model cars that are going out that year, there may be money available in our budget. So rather than go out the next year and take proposals and get bids on the newer model car, we try to go out and get the best possible bargain that we can, and we take proposals -- sealed proposals -- for those automobiles.

ASSEMBLYMAN DeCROCE: Pardon me. You're a bistate agency, aren't you?

MR. CATANIA: Yes, we are.

ASSEMBLYMAN DeCROCE: That's in violation of New Jersey law, isn't it? Don't you have to go out and get a bid, regardless?

MR. CATANIA: We do. In essence, they are bids, Mr. Chairman. They are sealed proposals. They are sealed proposals that are given to us by the automobile dealers.

ASSEMBLYMAN CATANIA: But what happens is, you do advertise for bids for these?

MR. CATANIA: If we go out on a regular basis, we advertise for bids.

ASSEMBLYMAN CATANIA: No, no, no. Let's go back. What you just said, you know, at the end of the year you may have some leftover cars. Do you go out and say -- you know, public bid -- that instead of a 1993 model car, we're looking for a 1992 model car with these specifications? Is there a public bid for those?

MR. CATANIA: Not in the sense that we offered those to people on both sides of the river. We call up the automobile dealers on both sides of the river, and we tell them -- give them the specs of what we're looking for -- and they submit the proposals.

ASSEMBLYMAN CATANIA: Well what about the one you missed, the one you didn't call? What's to prevent you from calling only those people who you know and say, "We want a proposal from you."

So we're going to get three bids from X, Y, and Z, all people who are known to the Commission or Commissioners, yet you're forgetting A, B, and C, who may have these same vehicles at a lesser price. Isn't this a violation of the bidding law?

MR. CATANIA: It could be, but we have on our-- Our purchasing agent has a list of all the automobile dealerships in the area, and we send letters to all of those automobile dealerships.

ASSEMBLYMAN CATANIA: But now, there are certain dealers-- In New Jersey we also have State contracts. And we'll have State contracts with certain automobile dealers where we know what the price is going to be. They bid on these previous, you know, the State has a bid on it. And our local municipalities and counties can go directly to them without bidding.

MR. CATANIA: That's what we-- We also take advantage of that.

ASSEMBLYMAN CATANIA: But are you using those when you--

MR. CATANIA: Yes, we do use that.

ASSEMBLYMAN CATANIA: Do you use other ones besides them?

MR. CATANIA: Besides?

ASSEMBLYMAN CATANIA: Besides those other State contract lists.

MR. CATANIA: Yes, yes.

ASSEMBLYMAN CATANIA: So you're using--

MR. CATANIA: In some cases we find--

ASSEMBLYMAN CATANIA: Aren't you discriminating then, by using only the people that you want to call?

MR. CATANIA: No, it's not only the people we want to call. We're talking about two different-- On the formal bidding--

ASSEMBLYMAN CATANIA: No, I'm not talking about anything other than that--

MR. CATANIA: Informal, informal.

ASSEMBLYMAN CATANIA: No, that's not the case. I'm talking about the example that you just gave with regard to the late model cars, the car that is a '92 instead of a '93, where you said that you call dealers to get prices from them.

MR. CATANIA: Or send letters to the--

ASSEMBLYMAN CATANIA: Or you send letters. But these are items that are over \$9200, unless you're buying--

ASSEMBLYMAN NICKLES: Hyundais.

ASSEMBLYMAN CATANIA: --Hyundais, or cars that are under that. But why-- How are you getting around the bidding on that for cars that are over \$9200?

MR. CATANIA: That's the exception rather than the rule. I mean, that doesn't happen that often.

ASSEMBLYMAN CATANIA: But how can-- Is there an exception in your policy that says you can do this?

MR. CATANIA: Yes, we can go out for proposals. In fact, usually I tell the Commissioners what I'm doing.

ASSEMBLYMAN CATANIA: Do you have in the policy where that exception is?

MR. CATANIA: I know it's contained in there. I'd have to read it and point it out to you. But I go to the Commissioners--

ASSEMBLYMAN CATANIA: I know. I don't think-- I have to say to you, I don't believe there could be anything in that policy that says that you can go ahead and go out and purchase an automobile without competitive bidding -- without advertising for that bid.

MR. CATANIA: You know, you're making it sound as though that's all that we do. That's not all we do. We go out and we buy trucks and automobiles on formal bidding.

ASSEMBLYMAN CATANIA: I'm not saying that. I'm saying on the example that you just gave me, you're circumventing the bidding laws by doing it.

MR. CATANIA: We're trying to get the least cost to the Commission.

ASSEMBLYMAN CATANIA: But if you're doing this -- is doing it outside of what the regulation -- what the law says to do? Maybe Counsel has an answer.

M I C H A E L P E R R U C C I, ESQ.: If I may, Assemblyman. As a bistate agency, they're not specifically restricted to the laws of either State. The Commission historically has attempted to follow those laws.

For example, there are different interpretations of the Sunshine Laws in New Jersey or Pennsylvania, or different perspectives on purchasing in different States. I'm not familiar with this particular issue that the Assemblyman has raised, but as a bistate agency it has certain independent authority.

Nevertheless, historically, it has always attempted to follow the States. There are discrepancies, however, when you try to compare Pennsylvania statutes with New Jersey statutes in different instances, be it the pension mechanisms, or purchasing, or what have you.

So, at times the Commission has developed its own regulations that mirror, to some degree, those particular areas, but they are not specifically restricted or controlled by a particular State statute.

ASSEMBLYMAN CATANIA: I understand that. But now you have a policy that indicates what you are to do as an authority to go out for competitive bidding, all right? Where in your own policy does it say that you can eliminate the bidding process if you're going to do such as what was just stated: buy a 1992 leftover instead of a 1993, and avoid the bidding process by publication? Don't you have to publicize your bids?

MR. PERRUCCI: Assemblyman, my understanding of this instance -- and again I don't have firsthand knowledge -- is that because of the time frame of trying to get these cars cheaper -- the previous year -- that 15 or 20 letters were sent to all the regional dealers in the vicinity, as opposed to attempting to take time to get it to the engineering department to draw up specifications, to get it to our office and to Pennsylvania Counsel to review the specs and the advertising. That usually takes 90 to 120 days. I think this one exception, it may have been allowed by the Commission to go out on 15 or 20 notices to try to purchase these vehicles.

ASSEMBLYMAN CATANIA: I've asked, where is the authority to do this in your policy?

MR. PERRUCCI: I'm not sure. I'm looking at the policy right now. I think-- And again, I don't have firsthand knowledge, but this may have been a situation where the Executive Director brought it to the attention of the Commissioners, who are really the legislative/executive branch

of this particular agency. So they can, at any given notice, amend their specifications if they feel there is an emergent situation. I don't want to talk out of turn, because I don't know the background of this issue that you're raising.

ASSEMBLYMAN CATANIA: Now you--

MR. CATANIA: Mr. Assemblyman, can I-- There has been instances, and it's not the practice, and you're correct in saying that we have on this, and it appears as though we circumvented the bidding regulations that we have set down. I go to the Commissioners and tell them, "We have the opportunity to pick up two cars at a reduced" -- one or two cars -- "at a reduced cost, rather than spend more money next year." And they say, "Okay, go out and solicit proposals, informal bidding." And that's what I do.

If this Committee feels that that's circumventing the bidding procedures, we will most certainly-- I will recommend to the Commissioners that in your findings that you don't feel it's correct or right that we should do it, we will discontinue doing it.

It's not done with the overt action that we're trying to hide something or cover it up, because we send out letters, we talk to people over the telephone, and all we're trying to do is get the best for the least amount of money.

If you feel strongly about that, I would certainly say that we'll go out formally-- We don't buy that many automobiles, so we'll go out and bid them formally.

ASSEMBLYMAN CATANIA: Okay, the question then is--

MR. CATANIA: And I appreciate your concern.

ASSEMBLYMAN CATANIA: The question then is, you know, if you send out 15 or 20 letters, you still may be missing someone who may be able to give you a better price, who may have been looking in that newspaper for your bid.

MR. CATANIA: That's right.

ASSEMBLYMAN CATANIA: And if you're looking for a leftover -- and I'm using the years only as a means of example -- but if you're looking for something, a 1992 vehicle, Planning should have said, "Well, we want a bid so that when we know that these cars are going to be available, that we're going to have more coverage, and it's going to be fairer for all of the dealers."

MR. CATANIA: I appreciate that. Thank you very much.

ASSEMBLYMAN CATANIA: By the way, do you use any of the State contracts with regard to New Jersey or Pennsylvania?

MR. CATANIA: We use-- We go to both State contracts to see if we can purchase the -- if they have what we need. Yes, we do, and we continue to use both States' purchasing contracts.

ASSEMBLYMAN CATANIA: Are there any other exceptions where you do not go out to public bid?

MR. CATANIA: In case of an emergency.

ASSEMBLYMAN CATANIA: Besides emergencies.

MR. CATANIA: Well, if something is of a proprietary nature, that we can't get a bid, and those are exceptions in the bidding procedure.

The exceptions are listed -- as Counsel just pointed out to me -- on page 9 of our purchasing--

ASSEMBLYMAN CATANIA: Okay.

MR. CATANIA: Thank you.

ASSEMBLYMAN CATANIA: I have no further questions.

ASSEMBLYMAN DeCROCE: Okay. Assemblyman Kronick?

ASSEMBLYMAN KRONICK: Mr. Catania, are bids -- formal bids -- placed in the newspapers in New York and New Jersey?

MR. CATANIA: They're placed in Pennsylvania and New Jersey papers.

ASSEMBLYMAN KRONICK: I meant New Jersey. Is there a maximum dollar amount that it requires an authority higher than the purchasing agent to review, or is he authorized to go to

the max, whatever that may be; I mean, you're buying some major piece of equipment?

MR. CATANIA: If we have to go out for bids for something that exceeds the cost of \$9200, we go out for formal bids, and that's done by Commission resolution. They authorize us to do that bidding for that particular piece.

The bids are then received and put in a lockbox, opened at a specific time, and read in public. The results of the bidding are reviewed by our Purchasing Department. They require engineering review by Engineering. They are all reviewed by our legal counsel, and then submitted to me for recommendation to the Commissioners.

ASSEMBLYMAN KRONICK: Approximately how much do you spend in purchasing in a year? What were '92 purchases, total? Do you have any idea, \$1 million, \$2 million?

MR. CATANIA: Probably in that area.

ASSEMBLYMAN KRONICK: Several million dollars?

MR. CATANIA: Yes. I'd give the answer directly. I'll put it in writing to the Chairman.

ASSEMBLYMAN KRONICK: Do you have a formal kind of policy as to equating your purchases in New Jersey and Pennsylvania, in other words, so that it comes out to almost 50/50?

MR. CATANIA: We try to buy on both sides of the river. We try to buy locally where we can for items that are under \$250 that we allow our superintendents and all to purchase. Anything over that, we ask them to get proposals, and we try to get proposals on both sides of the river.

If you're asking me can we balance it, we try to, but in some cases it's very difficult.

ASSEMBLYMAN KRONICK: How does a purchase start out? I mean, you have your superintendents say, "We need a new pump," or a new whatever, and they submit it to the purchasing agent?

MR. CATANIA: No, let me-- Can I explain to you?

ASSEMBLYMAN KRONICK: Yes, what's the procedure, how it starts?

MR. CATANIA: For most of our equipment and our big purchases, we do what we call an equipment inspection every year, and that usually starts in April or May. We go to every facility. We have a computer printout -- an inventory of each piece of equipment that we own, and we actually look at each piece of equipment, whether it be from a hedge trimmer, all the way up up to a 28,000 or 32,000 GVW truck.

We look at the condition of the truck, we review it with the superintendent, we review it with our consulting engineer. At that time we decide if we're going to replace the truck or not -- or a piece of equipment. After that's done, we get together and have a meeting and try to determine how many pieces of equipment are going to be replaced, and whatever we have to buy. A list is drawn up. We try to get an approximate cost. That's reviewed by our consulting engineers.

What I then do is prepare a statement or recommendation to the Commissioners that this is the amount--

And it's twofold. It gives us an opportunity to determine what our equipment purchases will be for the following year's budget. What I do then is to submit that to the Commission for their review and for their approval. If they approve it, it's included in the budget for the next year.

After the budget is approved, we then start-- In fact, on my desk now are sitting all of the recommendations, all the specs, for equipment that we have to bid next year. And then we go through the bidding process.

ASSEMBLYMAN KRONICK: What is the biggest expenditure you see for '93 in your purchasing allocations?

MR. CATANIA: Trucks.

ASSEMBLYMAN KRONICK: Trucks?

MR. CATANIA: Trucks and a big tractor they need for I-78. It's going to cost \$56,000.

ASSEMBLYMAN KRONICK: About how many people work in the purchasing function?

MR. CATANIA: We have one purchasing agent, one assistant purchasing agent, and three clerical people.

ASSEMBLYMAN KRONICK: That's what, seven people, five people?

MR. CATANIA: Let's see, Judy, Kimberly, Jill, Freddie. I count four. There may be five. There may be five, but I count four.

ASSEMBLYMAN KRONICK: Do you know what your payroll is for that department?

MR. CATANIA: Probably over \$100,000. I could get it for you, but I'd have to go through the budget.

ASSEMBLYMAN KRONICK: Thank you.

Thank you, Assemblyman.

ASSEMBLYMAN DeCROCE: Representative Carn?

REPRESENTATIVE CARN: Thank you very much.

How do you determine which newspapers you advertise in, and how far of an area are you trying to--

MR. CATANIA: We try to get newspapers that have circulation up and down the river, on both sides of the river.

REPRESENTATIVE CARN: So how many papers does that add up to, generally?

MR. CATANIA: At least four or five.

REPRESENTATIVE CARN: On both sides?

MR. CATANIA: Well, that would be total, four or five on both sides.

REPRESENTATIVE CARN: Thank you, Mr. Chairman.

ASSEMBLYMAN DeCROCE: Anyone else, if not--

ASSEMBLYMAN CATANIA: Just if I could, just go back a second, if you don't mind?

Professional services, is there any bidding on professional services?

MR. CATANIA: Bidding for professional services? Not per se. In cases of for consultants for engineering work, we may take a look at three -- solicit proposals from three or four different consulting firms. They're reviewed by our Engineering Department. The Chief Engineer will make a recommendation, and then submit it to me for my approval and submission to the Commissioners.

ASSEMBLYMAN CATANIA: Same as, for example, bonding counsel. Bonding counsel you would take in-- You take resumes or--

MR. CATANIA: Those are usually handled with the Personnel and Finance Committee of the Commissioners, and they make recommendations to the full Commission.

ASSEMBLYMAN CATANIA: Is there a determination process that the Commission goes through with regard to--

MR. CATANIA: I imagine the Personnel and Finance Committee does, and based on their recommendation the full Commission will accept the recommendation.

ASSEMBLYMAN CATANIA: And basically, at that point, they are independent contractors. They are not part of the Authority, or the Commission?

MR. CATANIA: Correct, correct.

ASSEMBLYMAN CATANIA: Okay.

ASSEMBLYMAN DeCROCE: Assemblyman Green?

ASSEMBLYMAN GREEN: Yes.

You gave a number earlier, and I didn't write it down. Exactly up to what amount can be spent without going out to bid?

MR. CATANIA: For formal bidding, \$9200. We take the lower of the threshold of both states. New Jersey is \$9200, Pennsylvania is \$10,000, so we use the New Jersey threshold.

ASSEMBLYMAN GREEN: Do you have a certain amount per year that is put in the budget in order to be able to use--

MR. CATANIA: Yes. As I explained before, we try to determine that prior to the preparation of the next year's budget.

ASSEMBLYMAN GREEN: Who is in control of that, of that fund or account?

MR. CATANIA: We have a purchasing agent.

ASSEMBLYMAN GREEN: Do you have any idea, basically, what you spent last year?

MR. CATANIA: We provide -- and I think the Committee has it -- we provide quarterly purchasing reports, and if you look in the information we provided, you could add that up. It's done on a quarterly basis. It's reported how much we buy.

I can't give you, off the top of my head, the total.

ASSEMBLYMAN GREEN: The reason I ask that question is that it's obvious that that's an account that's not really under control. What happens when you overspend that particular year? Where do you get the funds from?

MR. CATANIA: We have a contingency included in our budget, but we usually try-- When we see we're running over that budget, that I will certainly cut back in some areas. We try to remain within the appropriation that has been set aside.

ASSEMBLYMAN GREEN: How many people does that decision have to go through in order for that to happen? What I'm trying to say, for example, anything that doesn't have to go out for bid, who is in authority other than just one person?

MR. CATANIA: No, it usually goes through-- It comes from our District Superintendent to our Purchasing Department. It goes through our Comptroller to myself for review, and then it's submitted to the Commissioners.

ASSEMBLYMAN GREEN: So that's with any amount up to that particular \$9200?

MR. CATANIA: Yes. I'm saying that significant amounts-- If it's an amount of \$500, \$250, usually I will make the deciding factor. I have the authority to do that.

ASSEMBLYMAN GREEN: Thank you, Mr. Chairman.

ASSEMBLYMAN DeCROCE: Representative Leh?

REPRESENTATIVE LEH: Yes, thank you, Mr. Chairman.

Mr. Catania, two short questions: I'll ask them both and you can answer them. The first, the vehicles purchased by the Commission, how are they registered? What determines in which State they are registered in?

MR. CATANIA: We register our automobiles in Pennsylvania, and we register our trucks and tractors in the State of New Jersey. Are you asking me why it's done that way? It's been the practice, to be perfectly honest with you.

REPRESENTATIVE LEH: Okay. The second question--

MR. CATANIA: I don't know. I know in Pennsylvania we don't pay for municipal plates -- MG plates -- and I don't know if maybe we went to New Jersey, we'd probably have to pay for them. I don't know, but that's been the practice.

REPRESENTATIVE LEH: Okay. The second question: In an article dated January 19, 1992 in the Express Times, you gave a quote here in regards to a question by the Times concerning certain information, and your statement was you, "do not see us as a public agency," and therefore you don't feel compelled to hand over any documents. Does the Commission fall under the Freedom of Information Act?

MR. CATANIA: Well, yes, we provide information. You know, I think reading the quote, I don't know if that's a true statement or not. I mean, that's been reported by one newspaper reporter.

But any information we have that's public information, is available to the public, and we go out of our way to ensure that that's done. We go out of our way.

REPRESENTATIVE LEH: Okay. Thank you, Mr. Catania.

Thank you, Mr. Chairman.

ASSEMBLYMAN DeCROCE: Thank you very much.

Mr. Catania, explain to me, again, the process for hiring the following professional services: an engineer.

MR. CATANIA: How long our Chief Engineer has been there?

ASSEMBLYMAN DeCROCE: No. Tell me how-- If you were to hire a professional service, let's say an engineer, how would you go about doing that? Let's say your bond counsel or your insurance agent, any one of the three. How would you go about doing each of those? How would you go out and hire a bond counsel, you tell me? Do you bid that?

MR. CATANIA: No.

ASSEMBLYMAN DeCROCE: You don't bid?

MR. CATANIA: No. What happens, as I said before, the Personnel and Finance Committee usually what process they use-- In other words, they will make a recommendation to the full Commission as to the qualified professional they will use for that particular financing.

ASSEMBLYMAN DeCROCE: The Finance Committee being a standing committee, or a subcommittee?

MR. CATANIA: A standing committee of the Commission.

ASSEMBLYMAN DeCROCE: Okay. The same thing with your insurance agent or your auditor? Is that the same thing?

MR. CATANIA: Yes.

ASSEMBLYMAN DeCROCE: Who is your auditor, by the way?

MR. CATANIA: Jones, Haywood, and Lenzi.

ASSEMBLYMAN DeCROCE: From?

MR. CATANIA: They're from Delaware County. The address-- I guess I could get it for you. They're from Pennsylvania.

ASSEMBLYMAN DeCROCE: Okay. Your insurance agent, is he done the same way? You get a recommendation from your Finance Committee?

MR. CATANIA: Our insurance-- Yes, they're--

ASSEMBLYMAN DeCROCE: Who are they and where are they from?

MR. CATANIA: Pennsylvania.

ASSEMBLYMAN DeCROCE: Where in Pennsylvania?

MR. CATANIA: I think they are located in Pittsburgh.

ASSEMBLYMAN DeCROCE: Pittsburgh? Why in Pittsburgh? With all the agents we have right in this immediate area, why wouldn't you have somebody right in this immediate area?

MR. CATANIA: That's what was recommended, and that's in the Commissioners' hiring.

ASSEMBLYMAN DeCROCE: How often do you review these recommendations?

MR. CATANIA: On a yearly basis.

ASSEMBLYMAN DeCROCE: I'm sorry?

MR. CATANIA: On a yearly basis.

ASSEMBLYMAN DeCROCE: Annually?

MR. CATANIA: Yes.

ASSEMBLYMAN DeCROCE: Who recommended the-- Who are the members of the Finance Committee, anyway, Commissioners?

MR. CATANIA: Yes, Commissioners. I think the Chairman is Jim Flanagan.

ASSEMBLYMAN DeCROCE: Okay. And what would they do, would they interview these different agents?

MR. CATANIA: The process they use, I would not want to speak to that. I'm not familiar with it.

ASSEMBLYMAN DeCROCE: Okay. So then the Commissioners who are members of the Finance Committee would recommend to the full Commission an agency from Pittsburgh to do the Authority's insurance program?

MR. CATANIA: They would recommend professionals to be hired by the Commission.

ASSEMBLYMAN DeCROCE: With the kind of money you take in, wouldn't you ever consider a self-insuring program?

MR. CATANIA: We do have self-insurance.

ASSEMBLYMAN DeCROCE: In what area?

MR. CATANIA: In our health insurance. For our public liability and our property damage, we are not self-insured. For all of our health insurance costs, we are self-insured.

ASSEMBLYMAN DeCROCE: Okay. Does anyone else have any questions?

ASSEMBLYMAN KRONICK: Yes, Mr. Chairman.

Mr. Catania, under what circumstances or situations would you go outside of the Pennsylvania/New Jersey area to procure something?

MR. CATANIA: Under what circumstances? I guess if what we were looking for was not available in either State.

ASSEMBLYMAN KRONICK: Would there have to be a price differential? Of course, obviously, if it was not available, I guess that's not the case.

MR. CATANIA: I don't think that's the entire criteria, the qualifications and also cost.

ASSEMBLYMAN KRONICK: You don't have a policy requiring that when you purchase out of area -- by that I mean, out of Pennsylvania and New Jersey -- that you require "X" percent below--

MR. CATANIA: Oh, you're talking about purchases?

ASSEMBLYMAN KRONICK: Purchases, I'm sorry.

MR. CATANIA: When we bid, wherever those bids come from, whoever is the lowest qualified bidder, usually receives the award of the bid.

ASSEMBLYMAN KRONICK: There doesn't have to be a percentage differential to protect your home, New York/New Jersey?

MR. CATANIA: No.

ASSEMBLYMAN KRONICK: No?

MR. CATANIA: As our Counsel just pointed out, if we were going to buy blacktop cement, we would try to stay in the area, either Pennsylvania or New Jersey, but when we're receiving bids through the mail, they could come in from all parts of the country, and we usually award them to the lowest qualified bidder.

ASSEMBLYMAN KRONICK: Thank you very much, Mr. Chairman.

ASSEMBLYMAN DeCROCE: With regard to insurance, though, you don't do this by bids. Right now you're spending \$1.2 million per year on an average. It seems to me that even with your own insurance program, it seems to me that you probably could expand that in this immediate area somewhere -- somewhere in either State.

Let me ask you this: How long has that same insurance agent been a member of your-- I guess, employed by you?

MR. CATANIA: I guess approximately five years.

ASSEMBLYMAN DeCROCE: Five years?

MR. CATANIA: Five or six years.

ASSEMBLYMAN DeCROCE: Okay, Assemblyman Oros?

ASSEMBLYMAN OROS: Thank you, Mr. Chairman.

I understand the Commission recently executed a contract for the purchase of a new communication system. Is that correct?

MR. CATANIA: Yes, sir.

ASSEMBLYMAN OROS: When was the contract for the new communication system executed, and by whom -- what company?

MR. CATANIA: It's probably about three-years-old, the Syntonics Corporation.

ASSEMBLYMAN OROS: I'm sorry?

MR. CATANIA: Syntonics.

ASSEMBLYMAN OROS: C-Y, or S-Y?

MR. CATANIA: S-Y-N-T-O-N-I-C-S.

ASSEMBLYMAN OROS: And where are they from?

MR. CATANIA: The Harrisburg area, I believe, now. They may have been somewhere else when the-- But I believe they're headquartered now in Harrisburg.

ASSEMBLYMAN OROS: Could you briefly describe the system and what this was intended to do?

MR. CATANIA: We are trying to modernize and update our communication system up and down the river. We had a consultant come in, look at what our present communication system is, and what he felt, in our best interest, it should be. Specs were drawn up, and then we went out for bid for a communication system. Syntonics was the lowest qualified bidder, and received the contract.

It included-- We are-- I could get into the system. What we're trying to do is set up a network of antennas and microwave. What that's going to allow us to do is, hopefully, get rid of some of our telephone line costs and go over the microwave system; use that to transmit information over our computers via microwave, up and down the river.

It also enhanced our communication system, because in areas we found that because of the peaks and valleys, and the way our antennas were set up, there were dead spots, and you probably would continue to get dead spots. But this new system we're putting in, hopefully, will get rid of as many of those as possible.

But our big concern was to make sure that our people could be in communication with one another. We're also allowing-- Along with that, we've invited municipalities up and down the river, because in some cases we had to install antennas or whatever in their areas, and we're allowing those people to take advantage of the antennas or the dishes that are available. We're allowing communities to do that, and we are in communication with them, to do that.

ASSEMBLYMAN OROS: You hired a consultant to--

MR. CATANIA: Yes, yes. We had to, because, you know, the communication system, and when you get into microwave-- Our Chief Engineer on board, and any person we had on board, we were not knowledgeable in that area.

ASSEMBLYMAN OROS: Do you know the name of the consultant, or the firm that--

MR. CATANIA: It was R.C.H. Consultants.

ASSEMBLYMAN OROS: R.C.H.?

MR. CATANIA: Yes. I think at that time they were based in Washington, Mr. Assemblyman.

ASSEMBLYMAN OROS: Washington?

MR. CATANIA: D.C.

ASSEMBLYMAN OROS: Okay. How many vendors submitted bids?

MR. CATANIA: I don't recall. I would have to go back, because that was about three years ago, Mr. Assemblyman. And I'll make it available to the Committee.

ASSEMBLYMAN OROS: Yes, please.

How much was the bid for? Do you recall that?

MR. CATANIA: The bid? We estimated it to be -- the cost to be -- I think, a little over \$600,000. I think the bid is over-- It's a million dollars, a little over a million dollars.

ASSEMBLYMAN OROS: Over \$1 million?

MR. CATANIA: Yes, but that was because of--

MR. PERRUCCI: That's not the consultant, that's the actual bid.

MR. CATANIA: Yes, that's the system.

I'm sorry. The million dollars wasn't for the consultant. The million dollars was for the system.

ASSEMBLYMAN OROS: The system, sure.

MR. CATANIA: The communication system.

ASSEMBLYMAN OROS: All right. Do you know what the consultant's fee was?

MR. CATANIA: I'm guessing, \$55,000, \$60,000.

ASSEMBLYMAN OROS: Fifty-five thousand.

MR. CATANIA: That's a guess.

ASSEMBLYMAN OROS: Did you people have -- the Commission -- have an estimate on this project, before you went out?

MR. CATANIA: Yes, we had an in-house estimate, because we weren't really that knowledgeable, and when we brought the consultant in, it turned out to be more because we included microwave and some other equipment that we could use to our benefit to get rid of costs in the future.

ASSEMBLYMAN OROS: How close was your estimate to this contract?

MR. CATANIA: It was like, \$400,000 off -- our in-house.

ASSEMBLYMAN OROS: Your estimate then must have been about \$600,000?

MR. CATANIA: Yes.

ASSEMBLYMAN OROS: And it cost over a million.

MR. CATANIA: Yes, it's got to be over a million dollars.

ASSEMBLYMAN OROS: Okay. Is the system operating today?

MR. CATANIA: It's supposed to be up the beginning of next week.

ASSEMBLYMAN OROS: Next week?

MR. CATANIA: Some of it is operating. The total system with microwaves and microdishes and all that, and the licensing, we had to go through-- It took a considerable amount of time because we had to go through the State and the Federal government for licensing. It was a whole process that was spelled out by our consultant. We didn't think it would take as long.

But we operated a system prior to that that was like, we could call it a mom and pop store, and now we've gotten into a really advanced technology, and it required more types of oversight and review by other Federal agencies in the communication area.

ASSEMBLYMAN OROS: So the system -- the total system -- should go on-line about February 1, or somewhere around there.

MR. CATANIA: Yes. Some of it is operating now. I mean, it has been coming on-line in phases.

ASSEMBLYMAN OROS: Did I ask you this? How many people submitted bids?

MR. CATANIA: Yes, I didn't know how many. I said I would supply that to the Chairman.

ASSEMBLYMAN OROS: Okay. And, of course, I'm asking this question, really: It was properly advertised and so forth in the various newspapers?

MR. CATANIA: Yes.

ASSEMBLYMAN OROS: And you're telling me that the system is not on-line? Is this, in your scope, was the three-year installation project?

MR. CATANIA: No. We expected it to take a shorter period of time, really. We got into problems with areas where we were going to put up our antennas and our microwave dishes, or whatever you call it.

ASSEMBLYMAN OROS: Dishes, yes.

MR. CATANIA: Because we had problems in the alignment. We had one area picked out, and we couldn't get permission to put it there, and by the time we had another alignment figured out, and how to get it in, you're talking about a three- to six-months delay.

So that was part of the delay, actually lining up the communication system.

ASSEMBLYMAN OROS: Well, I guess that I have to believe then that the consultant that you hired, he was the one who told you -- gave you the rough estimate -- and also approximately, the period of time to get this on-line?

MR. CATANIA: Yes.

ASSEMBLYMAN OROS: And some of it's on-line at this time, and the total system will be on-line, approximately, next week?

MR. CATANIA: I have my fingers crossed, Mr. Assemblyman.

ASSEMBLYMAN OROS: I understand.

ASSEMBLYMAN DeCROCE: Thank you, Mr. Oros.

Representative Druce?

REPRESENTATIVE DRUCE: I just have a couple of quick questions relative to bidding.

Mr. Catania, do you ever receive letters of recommendation from either Commission members, or elected officials, from companies that may be participating in the bidding process?

MR. CATANIA: That they themselves are participating in?

REPRESENTATIVE DRUCE: In other words, have you ever received a letter from a Commission member, or another elected official recommending a particular company who may be involved in the bidding process?

MR. CATANIA: Yes, we get recommendations as to who should be put -- if they can be included on the bidding list, sure.

REPRESENTATIVE DRUCE: What role does that letter of recommendation play in terms of the Commission's decision to select a particular company?

MR. CATANIA: Nothing. The only role it plays is that whoever they recommend will get a copy of our specs to bid on.

REPRESENTATIVE DRUCE: My question is more specific, about somebody who is already bidding on a particular project, and a letter of recommendation would come in bringing to your attention, that so and so company has bid on a project.

MR. CATANIA: I've never received any.

REPRESENTATIVE DRUCE: You never received such a letter of someone who is actually bidding, recommending their services based on, maybe, some past performance or understanding that either an elected official had of the company?

MR. CATANIA: I never have. Somebody may have mentioned to me that, you know, the bids are published, and somebody may call up and say, "I know that person." That's fine, you know. If he's the lowest qualified bidder, then he or she will get the bid, or that company will get the bid.

But it goes through a whole process. The bids are sealed in a lockbox, and the lowest qualified bidder receives the bid.

REPRESENTATIVE DRUCE: And that's usually the case, almost always the case -- that of the low bidder?

MR. CATANIA: That is the case. That is the case.

REPRESENTATIVE DRUCE: So if you were to receive any letters of recommendation about a company who had submitted a bid, my understanding is that that letter of recommendation would play no role?

MR. CATANIA: It would have no impact. The bid would stand on its own merit.

REPRESENTATIVE DRUCE: Okay. Thank you.

ASSEMBLYMAN DeCROCE: Thank you, Representative Druce.

Representative-- I'm sorry. Assemblyman Kronick. I keep forgetting these titles.

ASSEMBLYMAN KRONICK: Mr. Chairman, we're moving on to finance now.

It's my understanding, Mr. Catania, that the Commission operates all of its bridges from toll revenues. There is not State money from Pennsylvania or New Jersey. Is that correct?

MR. CATANIA: Up until July of 1987, each State contributed approximately \$1.5 million, and that money was to be used for the operation and maintenance of our nontoll bridges, 13 of them. When we entered into agreements with the State of New Jersey and the State of Pennsylvania, and approved in a compact by Congress, the Commission took over the operation and maintenance of the nontoll bridges, or the free

bridges as they are normally called, but there are no free bridges, believe me.

We now use toll revenue to operate and maintain those nontoll bridges. There's no money coming from the State taxpayers of either State.

ASSEMBLYMAN KRONICK: It's my understanding that the Commission issued \$26.5 million in bonds on July 28, 1988, that was used to finance costs of various capital improvements to the Commission's bridge system. Is that correct, sir?

MR. CATANIA: At that time there were two bond issues; one was for the projects for the bridge system as we call it, the other bond issue, \$27,185,000 was for the I-78 bridge -- the new bridge that was opened -- I-78. That money was used to pay each State's share of that bridge. We paid the States' share of that bridge -- each State.

ASSEMBLYMAN KRONICK: Could you tell me what the Commission's long-term capital or business plan is? I'm talking like, a five-year plan?

MR. CATANIA: I submitted that to the Committee.

ASSEMBLYMAN KRONICK: You have that.

MR. CATANIA: Yes.

ASSEMBLYMAN KRONICK: Let me ask you this: Is there a planning subcommittee in the organization of the Commission?

MR. CATANIA: Yes. It consists of members of the staff. We review the long-range plan on a yearly basis, and go out some 5, 10, 15, or 20 years. And that's been submitted to the Committee.

ASSEMBLYMAN DeCROCE: Clarification, Mr. Catania. I don't think we've received the five-year program -- plan -- from you. You may have-- We don't have one here.

MR. CATANIA: I'll see that you get it, then.

ASSEMBLYMAN DeCROCE: If you will.

MR. CATANIA: Sure. Certainly.

ASSEMBLYMAN KRONICK: Could you tell me--

MR. CATANIA: That's a business plan. We also have a long-range plan. (holds up book) Did you get this one?

ASSEMBLYMAN DeCROCE: We don't have one. Could we have both, please?

MR. CATANIA: Sure.

ASSEMBLYMAN KRONICK: We don't have that. Mr. Catania, how is long-term maintenance and construction determined?

MR. CATANIA: Okay. For the ongoing maintenance and operations of our bridges and the upkeep of our bridges, each year we do an inspection of all of our bridges; toll and nontoll, usually scheduled for the months of April and May. We have our consulting engineer come in with his people along with our engineering department, and they inspect each bridge along with our own operating personnel. At that time, they look at each facility, not only the bridges that cross the Delaware, they look at our facilities, our buildings, and any building we own. They look at that, and we try to make a determination as to what should be done in the ensuing year to be included in our budget for the maintenance of the bridges.

That really goes through the same process that I explained to you about our equipment purchases. That's submitted to the Commissioners for approval. Then each year that plan is put into operation by our maintenance department, or if we have to call in an outside contractors, work is bid. There is in the budget, and I think we also included it for the Chair, copies of our inspection reports that are done by our engineering department, and they list what is to be done by in-house personnel and what is to be done by contracting out services. So, if you don't have that, I'll make sure you have it. That money is set aside in our budget. Some of that money could come from our operating budget.

You mentioned construction. If we're going to do a construction project, such as putting a new deck on a bridge,

or if we're going to do a maintenance painting contract, those funds will come out of the construction fund. Other funds will come out of our maintenance reserve funds that have been set aside.

ASSEMBLYMAN KRONICK: What would preventive maintenance fall under?

MR. CATANIA: Usually under our normal operating--

ASSEMBLYMAN KRONICK: Normal operating--

MR. CATANIA: Yes.

ASSEMBLYMAN KRONICK: So that when you're going out once a year in April or May, then you certainly are seeing the damage that's been done from the winter, ice-- Okay.

MR. CATANIA: Yes.

ASSEMBLYMAN KRONICK: Then you'd be addressing that in that year?

MR. CATANIA: Well, if it can be-- If it has to be done that year, we would do it that year.

ASSEMBLYMAN KRONICK: It's an emergency.

MR. CATANIA: Yes. We would do it that year. If not, we would program it and plan it for the following year. There's a checklist -- a punch list -- that we actually use. Our Consulting Engineer checks that to make sure that the work is being done, because we have outstanding bonds and we want to make sure that our bridges are in good repair, and people can get back and forth across the river.

ASSEMBLYMAN KRONICK: Would you say that your Consultant has a major involvement in this?

MR. CATANIA: Yes, sir. In the inspection and maintenance of our bridges, yes. And they do a very fine job.

ASSEMBLYMAN KRONICK: Who's responsible for maintenance schedules?

MR. CATANIA: I usually leave that up to our Chief Engineer, our own in-house Engineer and his staff, along with our operating maintenance people.

ASSEMBLYMAN KRONICK: What would his or her qualifications be for that position?

MR. CATANIA: Our engineer is a graduate engineer with a certificate in professional engineering -- certified P.E.

ASSEMBLYMAN KRONICK: Would that be Civil or any kind of engineer?

MR. CATANIA: Civil.

ASSEMBLYMAN KRONICK: Civil engineer. How did this person come to be hired?

MR. CATANIA: He was hired in 1978, I believe.

ASSEMBLYMAN KRONICK: So he's been there some time.

MR. CATANIA: Yes, he's been there since 1978. He was a bridge engineer, I think, for PENDOT.

ASSEMBLYMAN KRONICK: Thank you very much. I have no further questions.

ASSEMBLYMAN DeCROCE: Assemblyman Green.

ASSEMBLYMAN GREEN: Yes, Mr. Chairman.

How does the Commission select its financial advisors?

MR. CATANIA: As I told the Chairman and Mr. Catania -- Assemblyman Catania -- our Personnel and Finance Committee usually makes that recommendation to the full Commission.

ASSEMBLYMAN GREEN: The budget of the Commission has grown in the last three years by 20 percent. What is the budget for 1993?

MR. CATANIA: Well, one of the reasons why it grew 20 percent in the last-- We opened up the I-78 bridge in 1989 and that entailed a whole workforce. I don't know how many people we ended up employing, but we opened up a new facility.

For 1993, our operating budget is \$20,587,000.

ASSEMBLYMAN GREEN: Has the Commissioner-- Let me ask the question another way because I want to make sure I stay within the guidelines. Your total concern is just the toll roads. You're not involved in any other projects in terms of financing anything other than the toll roads?

MR. CATANIA: We're involved just in toll -- bridges. We do have some-- The largest roadway we have is at the I-78 bridge. PENNDOT and NJDOT were kind enough to give us -- I think it was 10 miles of road to maintain. On the New Jersey side we also got the added benefit; we got sinkholes along with the roadway.

ASSEMBLYMAN GREEN: Is there any plan -- long-range -- to eliminate the tolls? Do you foresee someday that the tolls initially was to -- once all the debts were paid -- to make this a free--

MR. CATANIA: You know, that's the way the bond issues are set up. And you say that after the bridges are paid for, the tolls should come off. But, you know, in the 1980s we started the process of user fees, and that the user should pay for the use of those facilities.

ASSEMBLYMAN GREEN: Now that the Commission has reached its goal in terms of, presumably, the amount of bridges that you control now -- it's obvious you have enough bridges to make sure that traffic can go back and forth -- do you foresee now getting out of the business in terms of not trying to plan more bridges, and more or less getting to downsizing this Commission?

MR. CATANIA: One project we still have on the boards is the replacement of the Calhoun Street bridge which connects the City of Trenton with the Borough of Morrisville. We are going to be meeting with the people from Morrisville once again to get -- as I reported to the Commission, so I'm not saying anything out of school -- to get an up or down answer as to whether or not we're going to go forward with that project, or not go forward with it.

ASSEMBLYMAN GREEN: I guess maybe my question would be more direct in terms of: How did this Commission study that we're having and includes enough Commissioners that our recommendation is that we have enough toll roads that joins all

the States, we feel at this time -- even if it's on the drawing board -- that we begin to look in terms of taking tolls off and becoming free roads. Do you foresee that happening?

MR. CATANIA: Do I foresee it happening? I don't think I'd foresee that happening -- not in my lifetime, Mr. Assemblyman.

ASSEMBLYMAN GREEN: So the dream of what the people initially years ago felt was going to be a free road, you don't anticipate -- once all the debts are paid -- that this could be a free road, and basically it would become that what the people wanted to have?

MR. CATANIA: I guess a fortunate and unfortunate part about it, and I have to use this as an example, if I may? I don't want to belabor the subject, but when the States were paying for the operation of the nontoll bridges -- the free bridges -- that meant that people who lived in Erie, people who lived in the Chairman's area, or Mr. Catania's area, were paying for bridges up and down the Delaware that their people never came across or never saw. So, I guess -- going along with the national philosophy of those people -- the people who use the facilities should actually pay for the facilities, and pay for the operation and maintenance of those facilities. That was a national philosophy and that's been, really, carried out.

To cross one of our bridges a commuter, a person who goes back and forth to work every day-- If a person buys a roll of tokens, it cost him 20 cents to cross our bridges here in the Trenton-Morrisville area. Also, the Delaware Water Gap where the cash fare is \$1, a person can still use two tokens or 20 cents to cross our bridges. You know, I think we do a very good job in our area of responsibility for operating and maintaining the bridges, and try to keep our commutation rate for the person that uses those bridges to go back and forth every day -- to keep them at the lowest possible rate.

When I see bridges in New York and New Jersey, I think-- Somebody told me the other night they're going up to \$6 to cross one of the bridges, because they also have a one-way toll collection system.

ASSEMBLYMAN GREEN: The only reason I asked you that question was because I thought we came so close last year of eliminating tolls on the Turnpike and Parkway in the State of New Jersey, that I don't foresee the complication being as great with your Commission.

My last question: You do not receive any revenue from either State. Is this a profit-making venture at this particular point now? Do you work in the red, or do you work in the black?

MR. CATANIA: We are working in the black, yes. Yes.

ASSEMBLYMAN GREEN: What happens to the profit?

MR. CATANIA: The money is set aside for the maintenance of our bridges. We also have money set aside -- some money set aside, not enough to build a new Calhoun Street bridge -- to cover our debt reserve, maintenance reserve funds. So there is money set aside. I think we have-- The people say that we have \$40 million invested. Twelve million dollars of that money we can't touch because that's set aside for debt reserve funds, maintenance reserve funds, as for our indenture. Other money is-- I think it's about \$15 million that we have set aside, and use-- That will be used for the construction of the new Calhoun Street bridge, or if not, to continue to operate the nontoll bridges in our system. There are 13 of those. You cross the Washington Crossing bridge -- and we're looking at that right now-- You know, we're looking at a-- If we have to do anything there -- and we may have to in the next two to three years, or five years, I'm looking at an expenditure that could exceed \$8 million.

ASSEMBLYMAN GREEN: Mr. Chairman, I'm just amazed at-- I don't know about the State of Pennsylvania, but I know

the State of New Jersey can use any funding that they could find, and if they're making profit -- and nobody's in control of how they spend their money, where their money goes -- I think that's an area we should look into.

Thank you very much.

MR. CATANIA: Thank you.

ASSEMBLYMAN DeCROCE: Thank you very much.

I'd like to go back-- How long have you been planning this Calhoun Street bridge now? I've been hearing about that for 100 years, as far as I can recall.

MR. CATANIA: I think it's since 1958, Mr. Chairman.

ASSEMBLYMAN DeCROCE: I'm sorry?

MR. CATANIA: 1958 I think. It could be 1960.

ASSEMBLYMAN DeCROCE: Okay, and you have \$15 million set aside to build that bridge?

MR. CATANIA: That money has been set aside. As I said, that's called the operation and maintenance fund that could be used for the construction of a new Calhoun Street bridge, or to be used in case we have to make extensive repairs on some of our free bridges. Two or three years ago, right on the Calhoun Street bridge when a car hit that bridge, it cost us close to three-quarters of a million dollars to make those repairs, and that came out of toll revenue.

ASSEMBLYMAN DeCROCE: And you also have \$14 million in debt service?

MR. CATANIA: I think it's \$10 million or \$12 million. It's closer to that.

ASSEMBLYMAN DeCROCE: It could be. What's your total debt right now?

MR. CATANIA: Fifty-six million dollars, give or take.

ASSEMBLYMAN DeCROCE: Fifty-six million dollars and you're sitting with roughly \$41 million in cash, in different--

MR. CATANIA: Reserves.

ASSEMBLYMAN DeCROCE: Reserves. Has the Commission investigated a redemption or the possibility of refinancing any of these older debts in order to get better rates?

MR. CATANIA: We did refinance in 1992. We did refinance in 1992.

What I want to caution everybody-- We have 13 bridges that are nontoll bridges -- that are free. Nobody pays to go across those bridges. Those bridges are essential to the livelihood of people who live on both sides of the river. The Scudder Falls Bridge, I-95, close to 50,000 people a day cross that bridge. There's no toll there, so we have to make sure there's money set aside in case something does happen to that bridge. The Washington Crossing Bridge, I mean that-- I don't know how long it's been there, but it's a very narrow bridge and something is going to have to be done there. The Calhoun Street Bridge was built in 1884, and I don't know how long that bridge is going-- It will probably outlast me with the history of that bridge, but--

ASSEMBLYMAN DeCROCE: You've given me \$14 million and \$15 million, that gives you about-- That's about \$29 million out of \$41 million, so you still have around \$12 million or \$13 million. What are you doing with that as far as excess dollars? I mean, couldn't you reduce your debt with that, or are you using it for certain maintenance areas?

MR. CATANIA: If you can, will you bear with me a minute? I'll go through the reserve forms with you.

In our operation and maintenance contingency account as of December 31, there was \$15,362,000 in that account. That's the account I said that's used for operating our free bridges, for maintenance and repairs, and money also set aside for the Calhoun Street bridge -- to pay part of that money up front.

We have in our general reserve fund \$14,800,000. That's excess revenue that comes in, that's set aside for

extraordinary repairs, emergency repairs when they come up. It's also there to be used as a cushion and a hedge, if we don't have any extraordinary repairs, to forestall any toll increases. It was projected out to the year 2003. Our last toll increase was 1988. When we did the bond issue we projected this out, that if there were no major occurrences that we could forestall a rate increase until the year 2003.

ASSEMBLYMAN DeCROCE: Which bridge is that?

MR. CATANIA: All of them. These funds are for all of our toll bridges.

ASSEMBLYMAN DeCROCE: Portsmouth went from a quarter to a dollar. Just recently.

MR. CATANIA: The who?

ASSEMBLYMAN DeCROCE: Portsmouth, Portland. I'm sorry.

MR. CATANIA: Portland.

ASSEMBLYMAN DeCROCE: Yes.

MR. CATANIA: It went from a half-dollar to a dollar, because that's when we went to one-way toll collection.

ASSEMBLYMAN DeCROCE: It was a quarter, wasn't it? Originally?

MR. CATANIA: It was a quarter. In 1988 we raised it to a half-dollar when we did the refinancing. You also have to remember, we just got done spending \$6 million in Portland to put a new bridge deck on there.

ASSEMBLYMAN DeCROCE: I know. I understand that. I use the Portland bridge. Let me ask you this: With regard to your long-term debt, your toll facilities are bringing in surpluses, aren't they?

MR. CATANIA: Yes, I just--

ASSEMBLYMAN DeCROCE: Well, why would you have a long-term debt?

MR. CATANIA: Why would we have a long-term debt?

ASSEMBLYMAN DeCROCE: If you're generating your surpluses, why not just pay off whatever you have?

MR. CATANIA: The problem is, Mr. Chairman, we have to set aside funds to take care of any emergency repairs on our free bridges.

ASSEMBLYMAN DeCROCE: Yes, but you have that in your \$41 million. You have \$14 million for debt service. You have \$15 million for the Calhoun bridge -- which could be used for a lot of other things, frankly, and you got another \$11 million or \$12 million.

MR. CATANIA: Those are moneys set aside for extraordinary repairs and maintenance repairs. As I explained to you before, we're talking about putting a new deck on the Lower Trenton Bridge which is right here -- the Trenton Makes Bridge. That's estimated to cost \$5 million. We're talking about doing something at the Washington Crossing Bridge. That's going to be in excess of \$5 million. So, there's \$11 million right there. That money's gone, if we have to do that work.

ASSEMBLYMAN DeCROCE: What are you doing to try to reduce some of these costs? Are you doing anything?

MR. CATANIA: Oh, yes. We're trying to reduce our operating costs, and we have gone a long way. And we're reducing, hopefully, our personnel. When we went to one-way we hadn't laid anybody off. By attrition we've reassigned some of our workers, and hope in the future we are going to be-- That's going to become a more sensitive area, because as I said before, expenses are rising at a more rapid rate than our income. I mean, everybody knows the state of the economy. We saw our income start to dissipate -- go down. Our toll revenue goes down and our usage goes down, and started to go down in the last half of 1988. And we don't see an upswing in that until probably the latter part of '94. You know, the economy as a whole--

And we also were banking on our investments. You know, this money is invested. We were getting rates as high as

7 percent, and you all know what the rates are now. They're half of that, if you're lucky. So, that affects our income. So, yes, we are looking at that. As Mr. Kronick mentioned before, what are we doing for our long-range? We are looking at that. We are very definitely looking at that.

ASSEMBLYMAN DeCROCE: So we could expect to see reductions in the long run?

MR. CATANIA: We hopefully will see-- We have to see reductions in our operating costs. How we effect those reductions, I can't tell you today, but it's an ongoing process and we will address them.

ASSEMBLYMAN DeCROCE: Okay.

Representative Leh?

REPRESENTATIVE LEH: Yes, thank you, Mr. Chairman.

Mr. Catania, we were previously talking about the expense of maintenance equipment, it being very expensive. Okay? You purchased this equipment for the purpose of inspecting the bridges. It was brought to my attention that in Pennsylvania many of the nonstate owned roads and the bridges are inspected by PENDOT through either a contractual or (indiscernible) agreement-- Excuse me. Or whatever, between PENDOT and the municipalities. Have you ever considered such an idea? In other words-- So it would alleviate the need for you to purchase such expensive equipment. In other words, use PENDOT or, I imagine, this State here also has the necessary equipment and engineers to do the job.

MR. CATANIA: The only piece of equipment that we bought in the last 10 years that I'm aware of is something we spent a quarter of a million dollars for, and it's called the owner bridge inspection unit. That was about six or ten years ago. That's the only piece of equipment that I know. And we allow that equipment to be used by PENDOT and New Jersey DOT. We lend to them our equipment to inspect the bridges.

REPRESENTATIVE LEH: Okay. Is that piece of equipment-- Which percentage of the time is that in use? Do you know? Does it sit idle?

MR. CATANIA: At times it does. During the winter months, probably, it sits idle. That's time when we take-- I think we take it up to Milford, Connecticut, for overhaul and inspection, because that's the type of piece of equipment you want to make sure when you take it out and doing that inspection work, or whatever, that it operates safely and correctly. So, there's a period of time of a month-and-a-half when that's being inspected and maintained by an outside contractor.

REPRESENTATIVE LEH: Should the bridges need maintenance and require it, do you ever contract out to private contractors?

MR. CATANIA: Yes. Yes, we do.

REPRESENTATIVE LEH: Do you have a ratio there? Is there a percentage?

MR. CATANIA: No, but I could-- In that inspection report that I'll make available to the Chairman, I'll certainly make it available to the Pennsylvania Transportation Committee, if I may?

ASSEMBLYMAN DeCROCE: I wish you would. If you make anything available to us, I wish you would give it to each member of the Transportation Committee in Pennsylvania.

MR. CATANIA: Sure. And that will give you exactly what is being done by our in-house course and outside contractors. And I'll make sure you get that.

REPRESENTATIVE LEH: Okay. Thank you, again.

Thank you, Mr. Chairman.

ASSEMBLYMAN OROS: Through the Chair, I just want to go back to that communication system briefly, okay? Is the same contractor finishing the job that you initially hired?

MR. CATANIA: Yes, sir.

ASSEMBLYMAN OROS: And do you remember his initial bid?

MR. CATANIA: No, as I said before, I'd have to get it for you, Mr. Assemblyman.

ASSEMBLYMAN OROS: The bid, itself.

MR. CATANIA: Yes.

ASSEMBLYMAN OROS: Then I'd like to know what the extras were, okay?

MR. CATANIA: Sure. Certainly.

ASSEMBLYMAN OROS: To reach that-- The other question I have pertains to the subject we're on now. How much is your bond debt payment per year now?

MR. CATANIA: Bridge system bonds, we pay \$1,050,000. Interest on our bridge system bonds amounts to \$3,441,000.

ASSEMBLYMAN OROS: Interest is \$3 million? I'm sorry.

MR. CATANIA: \$3.4 million.

ASSEMBLYMAN OROS: Okay, \$3.4 million. And the bond--

MR. CATANIA: \$1,050,000.

ASSEMBLYMAN OROS: That's your debt payment?

MR. CATANIA: Yes. Our debt payments for the year 1993 will be \$4.5 million.

ASSEMBLYMAN OROS: Right.

MR. CATANIA: Plus or minus a few thousand.

ASSEMBLYMAN OROS: How long will this run? How much do you have to--

MR. CATANIA: The year 2018 I think it goes on to.

ASSEMBLYMAN OROS: The year 2018?

MR. CATANIA: I believe that's what it was. Yes.

ASSEMBLYMAN OROS: Okay.

ASSEMBLYMAN DeCROCE: Just two questions before we go to Assemblyman Nickles. What State agencies review you and have oversight over your budgets to the Commission?

MR. CATANIA: We present these to the-- I think we send our-- I'm positive we send our budgets to the Governor's Office.

ASSEMBLYMAN DeCROCE: In each state?

MR. CATANIA: In each state. And I think-- I'm pretty sure we send them to the Assembly and Senate of each State. I'm not positive about that.

ASSEMBLYMAN DeCROCE: I wish you'd check that out. I'd like to know that. Okay?

MR. CATANIA: Sure.

ASSEMBLYMAN DeCROCE: Also, you know, we weren't aware that you did the refinancing in 1992. Do we have copies of the resolutions?

MR. CATANIA: Yes. In fact when we did it I made sure that I sent it over to-- Because I sent it over in a separate package.

ASSEMBLYMAN DeCROCE: To us?

MR. CATANIA: Yes.

ASSEMBLYMAN DeCROCE: We have that? All right, we'll check it out. If we don't, we'll call your office.

MR. CATANIA: Because I remember that it was when I had sent the original information over, we had not yet done the refinancing. It was not complete.

ASSEMBLYMAN DeCROCE: Okay. We'll check it out. If we don't have it, we'll get back to you.

MR. CATANIA: Sure.

ASSEMBLYMAN DeCROCE: Mr. Nickles?

ASSEMBLYMAN NICKLES: Thank you, Mr. Chairman.

Mr. Executive Director, earlier in a statement, you -- with pride -- announced that the Delaware River Joint Toll Bridge Commission was one of the first agencies to have one-way tolls.

MR. CATANIA: Across the Delaware River.

ASSEMBLYMAN NICKLES: Oh, across the Delaware River. Okay. When were the one-way tolls instituted?

MR. CATANIA: It was in 1989 -- '88 or '89, Mr. Assemblyman.

ASSEMBLYMAN NICKLES: Okay. Back at that time you had approximately 347 employees, and today you still have 349 employees for the 1993 budget.

MR. CATANIA: As I explained--

ASSEMBLYMAN NICKLES: I would assume that with the reduction of double tolls, that there would be a reduction in the workforce. Can you explain why that's not the case?

MR. CATANIA: Because we had construction of the I-78 bridge, a complete new facility. I think it employed about 70 people. (confers with counsel) Fifty-four people?

ASSEMBLYMAN NICKLES: So you are indicating there was a reduction? With the one-way tolls there was a reduction of employees.

MR. CATANIA: Yes.

ASSEMBLYMAN NICKLES: New employees were mandated due to the I-78 bridge and road responsibility.

MR. CATANIA: The river crossing. Yes. And the new toll personnel, new maintenance personnel, and supervisor.

ASSEMBLYMAN NICKLES: In the Commission's budget, there's a housekeeper which is on a part-time basis, and hired for \$29,062. Could you explain the position and what the duties are in a part-time position for \$29,000?

MR. CATANIA: Where's-- We don't have a housekeeper position in the budget. We have-- And we don't have a part-time custodial worker that makes \$29,000.

ASSEMBLYMAN NICKLES: Okay. We'll have our people do the research and I'll get back to you on that question.

MR. CATANIA: Sure.

ASSEMBLYMAN NICKLES: In regard to the toll collections, could you explain the toll collections auditing procedures?

MR. CATANIA: The auditing procedure? The toll collector takes a toll from a person -- a patron. The toll collector punches a class into an apparatus, collects the

toll. As he's making that transaction there are two things happening. Yes, two things happening. One, it's being recorded on a printout that you could actually-- If you were sitting in this one room you could actually see what is happening on the toll lane by having a printout. We also run a tape. There's a tape, a disk, that is also run on those transactions. A toll collector, at the end of his or her shift, will total up what they've collected for the shift, the amount of money, and turn that in with the cash and ticket report. That money is put in bags, sealed, and put into a vault that goes into what we call the "toll room" or the "banking room." The next morning the banker will come in. He's the only person who has a key to open up the vault or the bags that contain the money. He totals that up and gets it ready for deposit and for pickup by an armored car. That money is then transported to the bank and deposited.

The auditing procedure is that when the toll collector fills out that cash and ticket report, that's sent to our auditing department. Our auditing department will then take that cash and ticket report, see what has been collected and match that up against what he has in the computer printout that I showed you, and matching the axles by axle count the amount of money the person should have in the bank. So that's one-- That's the audit procedure we use to check the toll collectors.

Now, as I'm saying that, I'm giving to the public and everybody on how we audit our toll collectors.

ASSEMBLYMAN NICKLES: Do you have a surveillance video system?

MR. CATANIA: We have-- We don't have a video system now in our toll lanes. I've been out. I've looked at the Delaware River Port Authority's security system. After I looked at their's, we are now-- The Commissioner's authorized me about six months to get into a better security and surveillance system for our toll collection.

ASSEMBLYMAN NICKLES: Getting back, if I may, to the housekeeper. The name of the housekeeper listed in the--

MR. CATANIA: Okay. It's Joyce Maraz (phonetic). I'm sorry. I thought he still had her listed as a custodial-- She's a full-time custodial worker. She starts work at six-thirty in the morning and works until three o'clock. She's not part-time.

ASSEMBLYMAN NICKLES: All right. To put that next to her name all the way at the end, next to the salary, \$29,062, has a one designation. It was my understanding that a one designates part-time.

MR. CATANIA: No. If you notice at the top of that column, it's the anniversary date for that employee.

ASSEMBLYMAN NICKLES: All right.

MR. CATANIA: That's her anniversary.

ASSEMBLYMAN NICKLES: All right. So she's a full-time employee.

MR. CATANIA: Yes, sir.

ASSEMBLYMAN NICKLES: All right. You made a statement earlier that people like to go into business for themselves. I take that as referring to--

MR. CATANIA: I said some people.

ASSEMBLYMAN NICKLES: Some people. Right. I take that as making reference to people that don't meet the standards that you have established as toll collectors, and they steal money. A theft is involved. There have been reports that toll collectors who have been caught stealing money were dismissed for reasons other than stealing and later collected unemployment insurance -- or compensation, rather. Why would someone that has created a criminal act not be prosecuted for stealing?

MR. CATANIA: It was our practice not to prosecute because we found that in most -- some -- cases it was younger people probably committing their first offense, and as long as

they made restitution and they resigned, the Commission didn't feel it necessary to prosecute those people.

ASSEMBLYMAN NICKLES: How did you determine the amount of money that was stolen, that restitution could be made?

MR. CATANIA: We did it by our auditing department.

ASSEMBLYMAN NICKLES: You had that same auditing procedure in effect?

MR. CATANIA: Yes.

ASSEMBLYMAN NICKLES: Back in January, 1992?

MR. CATANIA: Yes.

ASSEMBLYMAN NICKLES: The six people that were involved, was there a total amount of money that was determined to have been stolen?

MR. CATANIA: I'm sorry. I didn't hear you.

ASSEMBLYMAN NICKLES: The six people that were allegedly involved in this one incident, that were let go without prosecution occurring, do you have a total amount of money that was actually stolen?

MR. CATANIA: The total amount that we could actually prove that was stolen, and we actually had proof, was not a very significant amount. But we know that by what they were doing, that if we had been aware of it six months ago, a year ago, it could have been a very significant amount of money.

ASSEMBLYMAN NICKLES: Could you define "not significant"?

MR. CATANIA: I think it was in the area of, in some cases, \$80 to \$250.

ASSEMBLYMAN NICKLES: At the time that you caught them?

MR. CATANIA: Yes. That what we could prove-- I don't think it ever got to the amount of \$250. I'm just giving you a range that it could have been. Now our procedure is that we are bringing people in when we catch them and we are turning the information over to the authorities.

ASSEMBLYMAN NICKLES: That was my next question. So, the policy since January, 1992 has changed, that you will prosecute individuals for any theft?

MR. CATANIA: Yes. We turn the information over to the local authorities.

ASSEMBLYMAN NICKLES: Okay. Thank you.

That's all I have, Mr. Chairman.

ASSEMBLYMAN DeCROCE: What made you decide to change your mind on the procedures?

MR. CATANIA: What made us decide? Because the Commissioners felt that if they're stealing from us, you know, we should take the tack now of--

ASSEMBLYMAN DeCROCE: Is it happening more often?

MR. CATANIA: Since I've been there, yes, I have to say that, Mr. Chairman. Not as, you know, a normal daily occurrence, but I've been there for 15 years and I'd say in the last four or five years it's been more than the previous 10 years I was there.

ASSEMBLYMAN DeCROCE: Does the Commission have an internal audit function?

MR. CATANIA: An internal audit? You mean--

ASSEMBLYMAN DeCROCE: An internal auditor to check the functions of the toll collectors.

MR. CATANIA: Yes.

ASSEMBLYMAN DeCROCE: You do have a program now. Is it ongoing?

MR. CATANIA: Yes.

ASSEMBLYMAN DeCROCE: How many people are involved?

MR. CATANIA: We have four auditors working in our audit department.

ASSEMBLYMAN DeCROCE: What programs have been audited?

MR. CATANIA: Oh, I'm sorry. I thought you were talking specifically about the toll collectors.

ASSEMBLYMAN DeCROCE: Four for just the toll collectors?

MR. CATANIA: Yes.

ASSEMBLYMAN DeCROCE: How many additional?

MR. CATANIA: We have outside auditors that audit twice a year our financial transactions and standing. That report is issued as of-- They do it as of June 30 and as of December 31.

ASSEMBLYMAN NICKLES: Mr. Chairman, I wanted to ask another question when you're done.

ASSEMBLYMAN DeCROCE: Go right ahead.

ASSEMBLYMAN NICKLES: Mr. Executive Director, the policy not to institute criminal charges against stealing, was that the Executive Director's decision or the Commissioner's decision?

MR. CATANIA: I went to the Commissioners and was involved in conversation with them, and they were the ones that told me to implement the policy.

ASSEMBLYMAN NICKLES: Did any individuals-- I'll speak without the mike. Any of the individuals that were charged, were they relatives of any of the Commissioners?

MR. CATANIA: No.

ASSEMBLYMAN NICKLES: No?

MR. CATANIA: No.

ASSEMBLYMAN NICKLES: Moving back to the question about the number of employees, and you stated when-- All right, let me ask the question this way: When were the one-way tolls instituted?

MR. CATANIA: '88 or '89, Mr. Assemblyman.

ASSEMBLYMAN NICKLES: All right. In 1989, your Delaware River Joint Toll Bridge Commission 1989 budget which was approved by the Commissioners on October 25, 1988, showed that there were a total number of 285 employees. The same document for the budgetary year 1991, adopted October 1990,

showed that there were 347 employees. Are you indicating there, because of the takeover of I-78, that there were actually 47 and 12 -- 59 more employees added for that span of responsibility?

MR. CATANIA: In the area of 60 to 70 people that were hired for the operation of I-78.

ASSEMBLYMAN NICKLES: Okay. Thank you for that clarification.

ASSEMBLYMAN DeCROCE: Could you go back-- Let's see. Could you describe the new positions which have been created such as supervisor of toll audits and the county supervisor?

MR. CATANIA: They were new positions created, but they were filled by people presently-- People were promoted to those positions in-house.

ASSEMBLYMAN DeCROCE: In other words, auditors?

MR. CATANIA: Yes. There was an Auditor I who was promoted to supervisor of toll audits.

ASSEMBLYMAN DeCROCE: How are these going to provide a better accounting and security with regard to collections?

MR. CATANIA: Well, we are looking-- We are doing a reorganization of our accounting and auditing functions, and hopefully in the next six months, when we have enough people on board -- I mean supervisor personnel on board -- that we will be able to make those changes. We are moving towards, you know, better -- improving our auditing procedures and our accounting procedures.

ASSEMBLYMAN DeCROCE: Okay. Thank you very much.

I'd like to now go to--

ASSEMBLYMAN OROS: One question. Just a question. How much-- If the toll is 50 cents, how much is a token?

MR. CATANIA: Ten cents. Each token is worth 10 cents.

ASSEMBLYMAN OROS: Well, if a person was to drive up and hand the guy 50 cents, can the guy drop in a token? The toll collector?

MR. CATANIA: That's what in some cases was happening. They were substituting tokens for cash.

ASSEMBLYMAN DeCROCE: Okay, Mr. Oros, you're on.

ASSEMBLYMAN OROS: I have a couple of questions here on travel expenses. Just for clarification, I have the Delaware River Joint Toll Bridge Commission administration budget and the other budget, the nonpublic. Now, for travel expenses, which one applies? Is it the \$78,500 that you people use for conferences, or what have you? Or is it the--

MR. CATANIA: Both. There's-- In the 1992 budget -- and I will speak to the 1992 budget -- there was a Commission expense in the budget, that amount is \$34,100. Do you see that there? Commission expense, \$34,100.

ASSEMBLYMAN OROS: Commission expense, \$34,000--

MR. CATANIA: One-hundred dollars.

ASSEMBLYMAN OROS: Okay. Yes, for '92.

MR. CATANIA: Yes, that was for the complete year of 1992.

ASSEMBLYMAN OROS: Okay.

MR. CATANIA: Okay, now moneys charged to that account were-- We provide for all of our employees -- active and retired employees -- we have every year what is called an awards dinner. Okay? Now, we present, for different levels of service, pins or whatever gifts an employee may choose, and we get a great amount of our employees who comes to those dinners. We paid in 1992, \$14,709 for that. That was part of that \$34,100. Our membership fees for the different organizations we belong to, the International Bridge Tunnel and Turnpike, engineering societies, chambers of commerce that we belong to, Mercer County and Lower Bucks County, those dues amount to \$9390, the largest being the International Bridge Tunnel and Turnpike. That's about \$8000.

ASSEMBLYMAN OROS: Eight thousand dollars to the International--

MR. CATANIA: Yes. Then there were-- We pay for Commission meetings. Each month when we have a Commission meeting we provide a very modest luncheon that's done in-house, on our own property, for the people who attend that meeting, Commissioners and any member of the public. It's usually about 35 to 40 people.

ASSEMBLYMAN OROS: Okay. Just go back to the International Bridge and Tunnel Association. They're having a conference in Paris.

MR. CATANIA: Yes.

ASSEMBLYMAN OROS: Does anyone attend that?

MR. CATANIA: Is anyone going to attend it? I can't tell you at this time, Mr. Assemblyman.

ASSEMBLYMAN OROS: Where was it held last year?

MR. CATANIA: In New Orleans.

ASSEMBLYMAN OROS: How many people went? Do you recall?

MR. CATANIA: About eight or ten.

ASSEMBLYMAN DeCROCE: Eight or ten Commissioners?

MR. CATANIA: No, eight or ten total people. There was some members of staff there, also. I was there.

ASSEMBLYMAN OROS: That would be all expenses paid?

MR. CATANIA: For the Commissioners, yes.

ASSEMBLYMAN OROS: You don't know if anybody is going to go to Paris?

MR. CATANIA: I can't tell you that.

ASSEMBLYMAN DeCROCE: May I ask you a couple of questions? What happens when your people go to these conferences? I mean, do they go and party, or do they go -- as usually happens at most of things -- or do they come back with reports with regard to particular issues that may affect the Bridge Commission?

MR. CATANIA: Yes, we do, Mr. Chairman.

ASSEMBLYMAN DeCROCE: Reports?

MR. CATANIA: They come back with -- sometimes it could it be written; sometimes it could be given in a verbal report at the Commission meeting held after they come back. Yes. It is not-- When we go there, we go there to learn, listen and learn.

ASSEMBLYMAN DeCROCE: Okay. You say that-- The '93 budget for travel says that it's \$78,500, and increase of \$11,000 from the amount expended in '91 which was approximately \$67,000.

MR. CATANIA: If I can address--

ASSEMBLYMAN DeCROCE: Yes, would you?

MR. CATANIA: We have also an expense line item that I think the Assemblyman, here, was referring to; it's called educational and conference. The budget for '92 was \$73,500.

ASSEMBLYMAN DeCROCE: Three thousand five hundred?

MR. CATANIA: Seventy-three.

ASSEMBLYMAN DeCROCE: Oh, 73. For '92?

MR. CATANIA: Yes. We actually--

ASSEMBLYMAN DeCROCE: Maybe that's--

MR. CATANIA: We actually spent 79. We're about \$5500-- Now, included in that-- You know, it's not all conferencing, going to seminars. The amount of money included in that budget is we pay for tuition reimbursements for our employees who go on to further their education in college, vo-tech schools. We paid out approximately \$8000 out of that account to that.

ASSEMBLYMAN DeCROCE: That would be under travel expenses? Furthering education?

MR. CATANIA: Education and Conference. That line item is labeled "education and conference". Also, we pay for training in-house. We had training for our toll collectors. We have a program that's set up by Bucks County Community College we call "skill enhancement" program for all of our employees. We found that some of our employees who, when they

were taking these tests for promotions, you know, were having sometimes difficulty in understanding the questions and understanding the math involved in some of them. I don't know if it's because we all get older or what happens, but we provided a training course where outside professionals came in and enhanced their skills in this particular area. That was also included. Also, in our in-house training for CPR, emergency -- whatever our emergency training has to be--

ASSEMBLYMAN DeCROCE: Let me get back to the travel aspect of this.

MR. CATANIA: Okay. We spent \$33,394 in actual conference expenses for the year 1992.

ASSEMBLYMAN DeCROCE: How much?

MR. CATANIA: \$33,394.

ASSEMBLYMAN DeCROCE: Now this year there's been an increase of about \$11,000. Am I right?

MR. CATANIA: Yes. That's because-- If that's what the budget says for '93, fine. I don't have it in front of me. But that's not because we're going to do more traveling. We have now contracted for supervisory training classes. That's probably-- That's part of the big cost of that.

ASSEMBLYMAN DeCROCE: I'd like a breakdown of that budget, if you could provide it. Okay?

MR. CATANIA: Sure. I will. I tried to pencil it out as best as I could a couple of days ago, but I'll get you the breakdown.

ASSEMBLYMAN DeCROCE: Yes. I'd also like to know the policy on spouses when you people go on your trips.

MR. CATANIA: Spouses are paid for-- No Commission funds are used for spouses. None.

ASSEMBLYMAN DeCROCE: So, if anybody brings their spouse, they're on their own.

MR. CATANIA: They're billed. They're billed for the expenses of their spouses.

ASSEMBLYMAN DeCROCE: Do they pay?

MR. CATANIA: And they pay. Yes. Yes. Yes. Yes.
Yes. Yes.

ASSEMBLYMAN DeCROCE: Okay.

MR. CATANIA: Yes.

ASSEMBLYMAN DeCROCE: Okay.

Mr. Oros?

ASSEMBLYMAN OROS: Yes. In most professions there are several organizations. Is that the only organization in International Bridge and Tunnel Association, or is that the one you've chosen to belong to?

MR. CATANIA: That's the one we've chosen to belong to that is a worldwide organization. It gets together people from all over the world together at some of these training sessions and seminars. We also have organizations we belong to. Like, our engineer, we pay for his engineering society. We have a purchasing agent who belongs to a national purchasing agents group. So, yes, there are others involved.

ASSEMBLYMAN OROS: But this International Bridge and Tunnel Association, do most Commissions that you know of in the United States belong to that?

MR. CATANIA: Yes.

ASSEMBLYMAN OROS: Like the Port Authority. Do they belong to that?

MR. CATANIA: Yes. New Jersey Turnpike--

ASSEMBLYMAN DeCROCE: Of course. (laughter)

MR. CATANIA: The Highway Authority--

ASSEMBLYMAN OROS: (laughter) He just had to--

ASSEMBLYMAN DeCROCE: Okay, thank you.

Assemblyman Green?

ASSEMBLYMAN GREEN: Yes, Mr. Chairman.

What other fringe benefits do the Commissioners receive other than travel expenses that might be in another account other than the travel expenses account? Could you give us a breakdown in terms of--

MR. CATANIA: None.

ASSEMBLYMAN GREEN: None, whatsoever?

MR. CATANIA: They're not paid-- They're not paid--

ASSEMBLYMAN GREEN: So the only thing you receive is that you get your travel expenses and this is it.

MR. CATANIA: They're get their expenses paid if they travel to a conference. In some cases we provide transportation for a Commissioner to get to and from a Commission meeting. Some of them have to travel-- Some of them come from Sussex County.

ASSEMBLYMAN GREEN: Is all that documented?

MR. CATANIA: I'm sorry?

ASSEMBLYMAN GREEN: Is all that information documented?

MR. CATANIA: Yes. It's our own people who will transport them to-- Yes, that's documented.

ASSEMBLYMAN DeCROCE: Public information.

MR. CATANIA: Yes. Commissioners do not get paid.

ASSEMBLYMAN DeCROCE: Okay. I'd like to revisit, frankly, some of the questions pursued originally by Representative Leh.

You indicated in that particular release that was printed, and I'll quote the statement out of The Times, "I do not see us as a public agency, so I do not feel compelled to hand over my documents." Are you saying that quote is incorrect?

MR. CATANIA: That quote is incorrect. At the time I was asked for those documents, I don't remember saying that. I couldn't provide those documents because we don't have them. We do not have those documents.

ASSEMBLYMAN DeCROCE: Okay. Let me ask you this: You are a creation of both New Jersey and the Commonwealth of Pennsylvania.

MR. CATANIA: Yes.

ASSEMBLYMAN DeCROCE: You agree you are a public agency?

MR. CATANIA: Certainly. I would never say that, sir.

ASSEMBLYMAN DeCROCE: Do you have salary and payroll lists?

MR. CATANIA: Do I have salary and payroll lists?

ASSEMBLYMAN DeCROCE: Does the Commission have salary and payroll lists?

MR. CATANIA: Yes.

ASSEMBLYMAN DeCROCE: Are they available to the public?

MR. CATANIA: Are they available to the public?

ASSEMBLYMAN DeCROCE: You're a public agency. They should be public. Am I right?

MR. CATANIA: Yes. In fact, we provided that, I think.

ASSEMBLYMAN DeCROCE: To us?

MR. CATANIA: You should have all of that.

ASSEMBLYMAN DeCROCE: I don't think we have it, frankly.

MR. CATANIA: Yes, it's in your 1993 budget.

MR. PERRUCCI: Mr. Chairman, if I may? Certainly, it's a public agency and that information would be provided to the public. I'm not specifically sure what particular information they were requesting. We might withhold information specifically as to an employee's paycheck, if he has withholding or what the breakdown of that is. But certainly the gross and the net, and that information is public.

MR. CATANIA: It's public information.

MR. PERRUCCI: But anything in regard to his pension, things like that, that may be considered confidential to the particular employee, we would have to screen.

Just so the record is clear, Mr. Chairman, I think you should understand that I kind of got in-- I became the attorney for the Commission in the middle -- midst -- of this. Clearly, I don't think anyone would dispute there's some

adversarial situation between the Easton Express and the Commission. Based upon the articles that were written, Commissioners were referred at various times in editorials as bozos. The Commission's been there a long time -- 30-some years -- and it's never had--

ASSEMBLYMAN DeCROCE: You know, let me tell you something, Counselor. That goes with the game. I hate to tell you. I've been in this game too long to even get nervous about that kind of stuff.

MR. PERRUCCI: I'm sure it does, Mr. Chairman, but I think in regard to that particular journalist, whatever those discussions were, there may have been some adversarial situation because of the manner in which they're written. I'm not saying who's right or wrong, but I don't think any other newspaper agency or anyone else has come forward and indicated at any time they were not able to get public records or information. I clearly think that that paper got any public information that was available.

ASSEMBLYMAN DeCROCE: All right. All I'm saying is if that's public information, I'd like to have copies of those lists.

MR. PERRUCCI: Yes.

MR. CATANIA: Sure.

ASSEMBLYMAN DeCROCE: I'm talking about payroll expenditures, whatever. And you could provide it to anybody, meaning the press or anyone. I mean, these should be available, frankly. You are a public agency.

MR. CATANIA: Mr. Chairman, when was that article written that you're referring to?

ASSEMBLYMAN DeCROCE: I don't recall. About a year ago. It's about a year ago.

MS. PERSICHILLI (Committee Aide): January 19, '92.

MR. CATANIA: January 19, '92?

If we don't have the information-- If he asked me for it today, I could not give it to him today.

MR. PERRUCCI: In our annual budgets, that information--

ASSEMBLYMAN CATANIA: Mr. Chairman?

You mean you couldn't provide a list of all of your employees and their salaries?

MR. CATANIA: It's in the budget that you have. I can provide that, but some of the--

ASSEMBLYMAN CATANIA: No, no, no. Whoa, whoa, whoa-- You're saying to me it's in the budget. Is every employee listed, their name, their job title?

MR. CATANIA: Yes. Yes.

ASSEMBLYMAN CATANIA: Everyone?

MR. CATANIA: Yes.

ASSEMBLYMAN CATANIA: It's in the budget?

MR. CATANIA: It's in the budget. Yes.

ASSEMBLYMAN CATANIA: Okay.

MR. PERRUCCI: It's in every annual budget.

ASSEMBLYMAN CATANIA: So there's 349 people listed?

MR. CATANIA: Yes, and their salaries and their job titles.

MR. PERRUCCI: The only thing that might--

ASSEMBLYMAN CATANIA: So that newspaper, if they did ask you for it, you just make a copy of that and give it to them.

MR. CATANIA: Yes, but he wasn't asking me for that.

ASSEMBLYMAN CATANIA: I'm not questioning that at all. I'm not questioning the incident. I'm just saying if a newspaper said, "Could we have a list of your employees and their salaries?" you could just make a copy of the budget and give it to them.

MR. CATANIA: I've no problem with that.

ASSEMBLYMAN CATANIA: That's fine.

MR. CATANIA: No problem at all.

ASSEMBLYMAN DeCROCE: Okay, we're going to end this shortly. I'd like to know, do the Commissioners discuss policy matters in private at any time?

MR. CATANIA: Matters--

ASSEMBLYMAN DeCROCE: Policy matters.

MR. CATANIA: Policy matters are discussed at the open meeting. We have an executive session that deals with litigation and personnel matters.

ASSEMBLYMAN DeCROCE: That's it? You just do personnel and litigation. Nothing else? In closed sessions.

MR. CATANIA: We-- I'd be lying if I said that. I may bring to the Commissioners, make them aware of something that I had not had time to put in the agenda -- in the printed agenda that they get seven days prior to the meeting. I may, at that time, update them on something that has to be acted on at that meeting and they bring it up at the public meeting and act upon it and discuss it.

ASSEMBLYMAN DeCROCE: Do you discuss agenda items during the closed session now, other than personnel and litigation?

MR. CATANIA: Just those matters that I mentioned to you that are not on the regular published agenda.

ASSEMBLYMAN DeCROCE: Do you follow New Jersey Open Public Meetings Act, or Pennsylvania's Sunshine Law?

MR. CATANIA: We try to comply with both Pennsylvania and New Jersey.

ASSEMBLYMAN OROS: How often do you meet?

MR. CATANIA: We meet on the last Tuesday of each month.

ASSEMBLYMAN OROS: Each month, and it's the last Tuesday. About how many people from the public attend?

MR. CATANIA: Not very-- Very rarely anyone attends, not unless there's a sensitive issue in a particular area.

ASSEMBLYMAN OROS: Well, have you ever made an attempt to go out and hold meetings in various towns just so public access is a little bit better?

MR. CATANIA: We have them in different areas. Yes.

ASSEMBLYMAN OROS: Like your public meetings, you know, each month if you were to hold one in Easton, Pennsylvania, or Belvidere, or something like that. Have you ever tried that?

MR. CATANIA: We tried-- Two meetings a year, we try one in what's called District 3, the upper part of our area, and probably in spring -- we flip flop them -- probably in the Easton area. And as I said before, also when we have areas of interest peculiar to a certain area, I will go to that municipality's public meeting and tell them what we are doing and invite them to our meetings, to come to our meetings so we could have further discussion on it.

ASSEMBLYMAN OROS: If you were going to have a meeting, say, in Easton, Pennsylvania, that would be advertised?

MR. CATANIA: Yes.

ASSEMBLYMAN DeCROCE: Okay. Representative Druce?

REPRESENTATIVE DRUCE: Mr. Catania, when you say to the Chairman that you consider yourself a public agency, how then do you explain not advertising to the public positions that are available, both entry level and those of which are hiring from within? If you're a public agency, why is the public not advertised in terms of positions that are available with the Commission?

MR. CATANIA: It's available in our public agenda that's put out and handed out to the newspapers that are there. All those vacancies are matter of public record. They're in our public agenda. Do we advertise in the newspapers? As I told the Chairman early on: No we do not, as I think a lot of other public agencies do not publish for positions.

REPRESENTATIVE DRUCE: So, if I understand you correctly then, what actions occur at your meeting in terms of positions that are available, and whatever the press may pick up or may not pick up, is satisfactory to the Commission in terms of its definition of advertising, or at least letting the public be aware that there may be positions available both at entry level and any hiring that may be held for other positions.

MR. CATANIA: Yes. Other than publishing in the newspaper in the "help wanted" ads.

REPRESENTATIVE DRUCE: Could I ask you a question? Do you recall hiring Mr. Gary Kirkwood? Is that name ringing a bell?

MR. CATANIA: Gary Kirkwood?

REPRESENTATIVE DRUCE: Gary Kirkwood.

MR. CATANIA: Does he work for us?

REPRESENTATIVE DRUCE: Yes, he does. In the East Stroudsburg area, I believe. I'm just recalling-- If you recall his qualifications for the position he holds at this time--

MR. CATANIA: Toll collector?

REPRESENTATIVE DRUCE: He's a toll collector, yes. Do you have any recollection of his hiring?

MR. CATANIA: Gary Kirkwood. He's an Afro-American?

REPRESENTATIVE DRUCE: I do not know.

MR. CATANIA: No, I don't know why, but I think that's who you're talking about. What's the question?

REPRESENTATIVE DRUCE: I'm curious as to recollection of his hiring and what qualifications he may have had for that position.

MR. CATANIA: No, I'm not. I'd have to look at his application. I'm not knowledgeable at this time.

REPRESENTATIVE DRUCE: If I can, I'd like to just read something. This morning when I arrived with my colleagues from Pennsylvania, we received some newspaper articles which I had

not seen prior to this hearing. As I've had the opportunity to go through them, I'm a bit taken aback by a quote that I see from one of my House colleagues, that I'd like to know if you could tell me whether or not this is an accurate quotation?

It says, "Kirkwood was hired for one simple reason. I felt sorry for him." It was a comment made by Representative Joe Battisto from Monroe County. He said, "I called Catania and said, "Joe, we've got to get this guy on the payroll as soon as possible." What is your comment to that quote by one of the members of the General Assembly?

MR. CATANIA: I don't remember Joe saying that. As I said before--

REPRESENTATIVE DRUCE: No, not recall him saying that. Do you recall-- Is Mr. Battisto correct in his comments about his conversation with you?

MR. CATANIA: You'd have to ask Mr. Battisto that question. I can't answer for him.

REPRESENTATIVE DRUCE: So you're saying that he never called you--

MR. CATANIA: No, I'm not saying--

REPRESENTATIVE DRUCE: --and made such an inquiry on behalf of Mr. Kirkwood?

MR. CATANIA: --that at all. I'm not saying that at all. That quote is attributed to Representative Battisto; you should ask Mr. Battisto about that quote.

REPRESENTATIVE DRUCE: But, no, I'm not-- I'm asking whether or not you--

MR. CATANIA: Has Joe Battisto called or recommended employees? Yes.

REPRESENTATIVE DRUCE: No, I'm asking if Mr. Battisto called and made this quote to you regarding Mr. Kirkwood? Do you recall that conversation where he made that comment to you and hence Mr. Kirkwood was hired?

MR. CATANIA: No, I don't. No, I do not.

REPRESENTATIVE DRUCE: You don't.

Thank you, Mr. Chairman.

ASSEMBLYMAN KRONICK: Mr. Chairman?

ASSEMBLYMAN DeCROCE: Mr. Kronick.

ASSEMBLYMAN KRONICK: Getting ready to wrap, I guess.

ASSEMBLYMAN DeCROCE: Close.

ASSEMBLYMAN KRONICK: Okay.

Mr. Catania, just a couple of questions -- and they're short. When you decide on going to an international conference, and I'm sure the one in Paris will probably be in the spring because that's the best time to go-- (laughter)

MR. CATANIA: No, it's in the fall.

ASSEMBLYMAN KRONICK: It's in the fall? That's also a good time. Two best times.

What level of Commissioners or staff members are offered to go. How do you decide? I did a quick calculation. Approximately 3 percent of your staff go to a conference. To me that sounds like an inordinate number of people to go to a conference. I could understand if an engineer or to go yourself, but I couldn't understand how you could come up with 3 percent. So, my question is: What is the deciding factor on who goes?

MR. CATANIA: Usually, to-- That's the annual conference of the International Bridge Tunnel and Turnpike. Usually, people who ask to go are the unclassified positions of the Commission, and not all of them go. I may usually attend; not all the time. I recall our Chief Engineer going, our comptroller may have gone, but if-- About two staff people, two or three staff people out of 13.

ASSEMBLYMAN KRONICK: And then the rest would be Commissioners.

MR. CATANIA: Yes. Then the rest would be Commissioners. Now, other staff people who attend other conferences, but those conferences are to do with their

duties. Like there's an engineering seminar, one may be for finance and administration, operations where our superintendents go to. There are programs set up for specific areas of responsibilities.

ASSEMBLYMAN KRONICK: Beyond salary and health benefits, insurance, etc., what perks are provided for Commissioners and what perks are furnished staff management -- your top 13 people? Do they all get cars?

MR. CATANIA: No. The Commissioners don't get cars. The Commissioners get no fringe benefits at all.

ASSEMBLYMAN KRONICK: Nothing.

MR. CATANIA: Nothing.

ASSEMBLYMAN KRONICK: Do they get for attending the meeting, transportation, commutation?

MR. CATANIA: As I said before, we provide them transportation if they request it. Not all of them request it.

ASSEMBLYMAN DeCROCE: Expenses?

ASSEMBLYMAN KRONICK: Expenses?

MR. CATANIA: Expenses? No.

ASSEMBLYMAN DeCROCE: You mean like, so much per mile to get from Warren down to--

MR. CATANIA: It's very unusual. If they would put in for it they'd get it, but I don't recall anybody ever putting in for mileage.

ASSEMBLYMAN KRONICK: So, there is no perks given?

MR. CATANIA: No.

ASSEMBLYMAN KRONICK: To anybody?

MR. CATANIA: Other than attending these seminars that we talked about before. And all they're paid for is their expenses.

ASSEMBLYMAN KRONICK: I see. Thank you very much.

ASSEMBLYMAN DeCROCE: Okay. Thank you.

Let me just say that this body will be recessed until February 11, at which time we will reconvene. I would hope

you'd be available again, just in case, Mr. Catania. We may call on you again. You are going to be furnishing us with some information?

MR. CATANIA: Yes.

ASSEMBLYMAN DeCROCE: Whatever information you furnish us I would appreciate you sending in to individuals from Pennsylvania, from the Transportation Committee. The same information.

MR. CATANIA: Can I ask? Can I send it just to the Transportation Committee of Pennsylvania?

ASSEMBLYMAN DeCROCE: That's right. That's all I'm saying.

MR. CATANIA: To the Chairman?

ASSEMBLYMAN DeCROCE: To the Chairman? Yes. Okay, sure. You don't have to send--

MR. CATANIA: So I don't have to send--

ASSEMBLYMAN DeCROCE: I assume you don't. I mean, I don't know.

REPRESENTATIVE LEH: But we have a Chairman.

ASSEMBLYMAN DeCROCE: If you will.

MR. CATANIA: Is that it?

ASSEMBLYMAN DeCROCE: Yes.

MR. CATANIA: Thank you very much.

ASSEMBLYMAN DeCROCE: We'll see you next--

MR. CATANIA: It was nice, finally meeting Frank Catania. (laughter)

ASSEMBLYMAN DeCROCE: Okay, thank you very much for coming.

(HEARING CONCLUDED)



APPENDIX



DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION

The Commission was created as a bi-state agency by an Agreement between the Commonwealth of Pennsylvania and the State of New Jersey executed on December 19, 1934 by the Governor of the Commonwealth of Pennsylvania and executed on December 18, 1934 by the Governor of the State of New Jersey. The original Agreement has been modified and amended by Supplemental Agreements between the two states and ratified by Congress. The latest amendment was adopted April 2, 1987.

In 1984, the Commission, the State of New Jersey and the Commonwealth of Pennsylvania entered into an Agreement (the "1984 Agreement"), wherein the parties agreed that the Commission assume the full financial responsibility for the cost of operation and maintenance of the non-toll bridges. The Commission assumed financial responsibility for the non-toll bridges on July 1, 1987.

The Commission has bridge building authority across the Delaware River from the Philadelphia-Bucks County line at the south to the New York State line at the north, a distance of approximately 136 miles.

The Commission is responsible for the maintenance and operation of all of the bridges over the Delaware River in its jurisdiction, with the following exceptions: the New Jersey-Pennsylvania Turnpike Bridge and the Burlington-Bristol Toll Bridge, both south of Trenton, and the Dingman's Ferry Bridge north of Delaware Water Gap.

The Commission operates and maintains seven toll bridges.

The Commission consists of ten Commissioners. Five are appointed by the Governor of the State of New Jersey, subject to confirmation by the State Senate on a staggered basis, two, two and one, to guarantee continuity of membership. In Pennsylvania, three Commissioners serve as members by virtue of the public office they hold; namely, Secretary of Transportation, Auditor General and State Treasurer. The remaining two members are appointees of the Governor. The Commission Members serve without salary. The Commission has no taxing power and it cannot pledge the credit of either state.

TABLE 1
DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION BRIDGES

<u>Bridge</u>	<u>Toll or Non-Toll</u>	<u>Year Built</u>	<u>Route</u>
Trenton-Morrisville Bridge (Calhoun Street)	Non-Toll	1884	Local
Easton-Phillipsburg Bridge (Northampton Street).....	Non-Toll	1895	Alt. U.S. 22
Riverton-Belvidere Bridge.....	Non-Toll	1904	Local
Riegelsville Bridge.....	Non-Toll	1904	Local
New Hope-Lambertville Bridge.....	Non-Toll	1904	Local
Washington Crossing Bridge.....	Non-Toll	1904	Local
Centre Bridge-Stockton Bridge.....	Non-Toll	1926	Local
Trenton-Morrisville Bridge (Lower Trenton).....	Non-Toll	1928	Alt. U.S. 1
Uhlertown-Frenchtown Bridge.....	Non-Toll	1931	Local
Upper Black Eddy-Milford Bridge.....	Non-Toll	1933	Local
Easton-Phillipsburg Toll Bridge.....	Toll	1938	U.S. 22
Lumberville-Raven Rock Pedestrian Bridge.....	Non-Toll	1947	Pedestrian
Trenton-Morrisville Toll Bridge.....	Toll	1952	U.S. 1
Milford-Montague Toll Bridge.....	Toll	1953	U.S. 206
Delaware Water Gap Toll Bridge (I-80 Bridge).....	Toll	1953	I-80
Portland-Columbia Toll Bridge.....	Toll	1953	U.S. 46 and Pa. 611
Portland-Columbia Pedestrian Bridge.....	Non-Toll	1957	Pedestrian
Scudder Falls Bridge.....	Non-Toll	1961	I-95
New Hope-Lambertville Toll Bridge.....	Toll	1971	U.S. 202
Delaware River Bridge (I-78 Bridge).....	Toll	1989	I-78

Within the Commission's geographic jurisdiction are included the following three (3) bridges which are not owned or operated by the Commission:

TABLE 2
NON-COMMISSION BRIDGES

<u>Bridge</u>	<u>Toll or Non-Toll</u>	<u>Year Built</u>	<u>Route</u>	<u>Owner</u>
Dingman's Ferry Bridge.....	Toll	1900	Local	Private
Burlington-Bristol Bridge.....	Toll	1931	Local	Burlington County Bridge Commission
Pennsylvania-New Jersey Turnpike Bridge...	Toll	1956	Turnpike	New Jersey Turnpike Authority and Pennsylvania Turnpike Commission

The Interstate 84 bridge, a non-toll bridge, is located in New York State to the north of the Commission's jurisdictional boundary. The Tacony-Palmyra Bridge, a toll bridge, is located to the south of the Commission's jurisdictional boundary.