

MINUTES OF THE REGULAR MEETING OF THE BOARD
PORT AUTHORITY OF ALLEGHENY COUNTY
9:30 A.M., APRIL 23, 2010

The Regular Meeting of the Board of Port Authority of Allegheny County was held at 9:30 a.m., Friday, April 23, 2010 at the Authority's Administration Offices, 345 Sixth Avenue, Pittsburgh, Pennsylvania 15222-2527, pursuant to due public notice given as required by law.

Board Members:

John A. Brooks, Chairman
Guy Mattola
Jim Dodaro
Dr. Charles Martoni (via phone)
Joan Ellenbogen
Richard Taylor
Eddie Edwards (via phone)
Mavis Rainey
Joel L. Lennen, General Counsel

Media:

Matthew Santoni – Tribune Review

Port Authority Staff:

Stephen Bland, chief executive officer, Claudia Allen, chief financial officer, Bill Miller, Bus Operations officer, Judi McNeil, communications officer, Tawnya Moore-McGee, assistant general management Human Resources, Jim Ritchie, director Public Relations, Mike Cetra, Legal counsel, Tony Trona, director Purchasing and Materials Management, Heather Phara, Public Relations representative, Tom Noll, director Technical Support & Capital Programs, Jeff Woodrow, chief technology officer, Dan DeBone, director Government & Civic Affairs, Deborah Skillings, Community Relations Coordinator, Dave Gramc, controller, Julie Leistner, administrative assistant, Diane Williamson, executive assistant

Others:

Jon Smith, ACTC, Glenn Walsh, Duquesne Incline, Annette Kroll, Ed Flaherty, FSC, John Wojtyna, GAI, Joe Bianco, MEC, Carolyn Lenigan, S. Patel, Common Technologies, Inc.

The Chairman called the meeting to order and recommendation was made for approval of the minutes of the March 26, 2010 Regular Board Meeting. The motion was moved, seconded and passed.

The Chairman called on Mr. Bland for a report. In terms of our transit plan, Mr. Bland reported that we did complete the first round of changes that evolved through the Transit Development Plan. There were changes on about 60 routes that went into effect on April 4. Many of the changes recognized the benefits of the plan. He noted that of course we never expected it to be perfect, and we're experiencing some issues on about a half dozen routes which will be modified with short and long-term adjustments.

Mr. Bland reported that although there can be issues with any route changes, we are hearing a lot of positives from both riders and employees. Some of the positives include the first building blocks of our eventual rapid bus lines to the East went into effect, noting that he was pleasantly surprised with the growing wave of groups, individuals and entities that are showing interest in that particular asset.

On another positive note, we can now officially call the 28X Route the Airport Flyer. This has gone into effect, and the response from ridership also has been very positive. Mr. Bland then mentioned two new bus routes that went into effect with the April 4 changes, the 75 Ellsworth and 64 Lawrenceville/Waterfront routes. They are serving some of the most dynamic and rapidly growing neighborhoods in the city, such as the Oakland area where we have the University of Pittsburgh, the Uptown area, Duquesne, Carlow, Chatham, Magee Hospital, the new Children's Hospital complex in Lawrenceville, and the new East Side development that's taking place. Our next group of route changes will take place mid June, and we will be making some adjustments as well to some of the routes we altered in April.

Mr. Bland reiterated that we'll continue to adjust as we go into the future, but the improvements that we're making we believe will certainly strengthen the system.

Mr. Bland reported that Port Authority once again participated in Earth Day yesterday, adding that Port Authority has been "green" for quite some time. It is evident by the 20 hybrid electric diesel buses that were entered into service this year, bringing our hybrid fleet up to 26. And thanks to the stimulus funds we received through the Allegheny County Department of Public Health, we will be receiving two additional hybrids in the fleet by June 30. The Health Department allocated funding toward that project out of Clean Air funds that they received through the Environmental Protection Agency. Mr. Bland also announced that ACCESS, one of our paratransit providers, was awarded a state grant to convert 31 of its gasoline-powered vehicles to propane/auto gas-powered vehicles, which releases fewer toxic and smog-forming air pollutants than conventional gasoline. Also, this spring we will again partner with Bike Pittsburgh on a car-free Friday promotion which promotes alternate methods of transportation to go back and forth to work.

Next, Mr. Bland reported on Act 44. By this time next month, we'll be up to our ears in budget discussion. In general, that's a real challenging process for us, but this year obviously will be more complicated with the recent collapse of Act 44 with the disapproval on the I-80 tolling proposal by the federal government. Act 44 is the state's mechanism for funding not only for public transportation, but for roads, bridges and the entire transportation infrastructure. There is not a lot of new detail to report at this time, but our message remains clear. Act 44 is now unable to deliver on the promises it made for reliable, consistent and sufficient funding. So the state needs to come up with new funding sources in order to keep Act 44 as a viable solution for all transportation infrastructures, state-wide.

Mr. Bland reported that without new funding sources and sufficient funding, our entire transportation infrastructure is at risk. Potential impact for our riders is very clear, and we will be advocating on their behalf with the state and other officials. Mr. Bland recognized Mr. Dan DeBone, director of Government and Civic Affairs in the audience, and said that along with Dan, he will be in Harrisburg next week chatting with folks on this issue, and frankly just making them more aware of the impact on our community and our riders.

This concluded Mr. Bland's report.

In Mr. Letwin's absence, Mr. Brooks gave the report of the Performance Oversight Committee. The committee met on Wednesday, April 21, 2010, and the notes from the previous meeting were approved.

There were eight resolutions reviewed and are recommended by the committee for approval.

First, the committee reviewed two procurement actions in the amount of \$1,012,818.67. The committee found these bids to have been submitted in accordance with the Authority's procurement policies and procedures, prices to be fair and reasonable, and the bidders to be responsive and responsible.

On behalf of the Performance Oversight Committee, Mr. Brooks respectfully requested that the Board approve the two items outlined in the Board packet for award in the total amount of \$1,012,818.67.

It was moved by Ms. Ellenbogen, seconded by Mr. Mattola and unanimously agreed that the resolution be approved as presented.

The next resolution authorizes the Authority to file a grant application with PENNDOT for Section 1516 funding available for 2010 to be used for the Greater Pittsburgh Regional Smart Card Introduction project. This resolution authorizes the filing of the grant application with PENNDOT to receive capital assistance available during year 2010 through this Section 1516 of Act 44. It further authorizes the execution of contracts with PENNDOT for these funds upon approval of the application.

Ms. Ellenbogen inquired if this was automatic. Mr. Bland responded that it is not automatic, but we have pre-screens with PENNDOT to make sure it's consistent and funding is available. He added that they are very supportive not only of our Smart Card project but of the regional effort. One of the reasons it falls under that program is the statewide significance for the potential of the regional collaboration model in a number of areas in the state.

On behalf of the Performance Oversight Committee, Mr. Brooks respectfully requested approval of this resolution as presented.

It was moved by Ms. Ellenbogen, seconded by Mr. Taylor and unanimously agreed that the resolution be approved as presented.

The next resolution authorizes the Authority to extend the term of agreements for the performance of information technology consulting and temporary support services. The purpose of this resolution is to extend the term of the agreements for an additional six months until September 2010. No increase in the previously authorized total not-to-exceed cost is required for this extension.

Mr. Taylor asked if at the end of the six-month period this entire contract would be rebid. Ms. Allen replied that we will be releasing an RFP very shortly to look at new firms.

On behalf of the Performance Oversight Committee, Mr. Brooks respectfully requested approval of this resolution as presented.

It was moved by Ms. Ellenbogen, seconded by Mr. Mattola and unanimously agreed that the resolution be approved as presented.

The next resolution authorizes the Authority to enter into an agreement with FSC/Jones Worley to provide general marketing and communication services. The Authority requires a contractor to provide, on an as-needed basis, general marketing and communication services which will include marketing and promotion, public relations, community outreach and education, media buying and web design and maintenance. The proposal received from FSC/Jones Worley was determined to be the highest rated proposal for the performance of these services in a not-to-exceed amount of \$2.4 million for a three-year period.

Ms. Ellenbogen commented that it seems like a lot of money. Mr. Bland explained that it is based on budgeted task orders and that this is the ceiling amount over a three-year period.

On behalf of the Performance Oversight Committee, Mr. Brooks respectfully requested approval of this resolution as presented.

It was moved by Mr. Taylor, seconded by Mr. Mattola and unanimously agreed that the resolution be approved as presented.

The next resolution authorizes the Authority to award a construction contract for the roof replacement of South Hills Village Operations Control Center and South Hills Junction Maintenance Building No. 1. It was determined that the bid of Building Technicians Corporation in the amount of \$614,000 was the lowest responsive bid. It is the recommendation of the committee that the contract be awarded to Building Technicians Corporation in the amount of \$614,000.

Mr. Mattola asked for clarification. Mr. Noll explained that this is for two roofs. The total square footage of the OCC roof is 7,000 square feet and the South Hills Junction is 20,000 square feet. He added that there were four bidders.

On behalf of the Performance Oversight Committee, Mr. Brooks respectfully requested approval of this resolution as presented.

It was moved by Mr. Taylor, seconded by Mr. Mattola and unanimously agreed that the resolution be approved as presented.

The next resolution authorizes the Authority to award a construction contract for the roof replacement for the South Hills Village Car Storage and Maintenance Area Building. It was determined that the bid of Cuddy Roofing Company in the amount of \$1,446,426 was the lowest responsive bid. It is the recommendation that the contract be awarded to Cuddy Roofing Company in the amount of \$1,446,426.

On behalf of the Performance Oversight Committee, Mr. Brooks respectfully requested approval of this resolution as presented.

It was moved by Ms. Ellenbogen, seconded by Mr. Mattola and unanimously agreed that the resolution be approved as presented.

The question was raised why they didn't bid on both of them. Mr. Noll explained they had the opportunity to bid them together and separately. The Chairman commented that to get a better pricing, it was put out that way, noting the \$20,000 in savings.

The next resolution authorizes the Authority to award Construction Contract No. EB-09-03 for the Martin Luther King, Jr. East Busway reconstruction. This contract provides for the reconstruction of 6.9 miles of the East Busway from Grant Street to the Wilkinsburg Station. It was determined that Lindy Paving, Inc. was the lowest responsive bidder. It is recommended that the contract be awarded to Lindy Paving, Inc., in the amount of \$5,889,055.25.

On behalf of the Performance Oversight Committee, Mr. Brooks respectfully requested approval of this resolution as presented.

It was moved by Ms. Ellenbogen, seconded by Mr. Taylor and unanimously agreed that the resolution be approved as presented.

The final resolution presented was a change order that authorizes the Authority to amend Construction Contract No. HAR-08-02G for the general construction of the Harmar Division Garage stormwater separation and paving improvements. This change order will allow for full depth pavement replacement of the Harmar Division perimeter lots and the removal of debris from the facility's storm drainage outfall. The change order will increase the contract value by \$520,000 to a total of \$1,361,215.

Mr. Taylor asked who made the determination of the process for the area that's now being redone. Mr. Bland explained that we were trying to do a lower level of expense job, and we were finding out that in the areas we were doing that it was failing. We also needed to deal with the subsurface as well as the actual overlay of that surface in order for it to stand up. The Chairman noted that this needs to be taken care of environmentally. Mr. Bland said yes, and if you haven't been up to our Harmar facility, the lot needs work, not only in terms of its stability for bus operations, but for stormwater runoff and DEP permitting processes. This is a project we've been working toward for probably three years now.

On behalf of the Performance Oversight Committee, Mr. Brooks respectfully requested approval of this resolution as presented.

It was moved by Mr. Mattola, seconded by Ms. Ellenbogen and unanimously agreed that the resolution be approved as presented.

The operating budget results for the month of March were presented. Total revenue for March was favorable to budget primarily due to passenger revenues. However, year-to-date revenue was unfavorable to budget primarily due to reduced passenger revenues. Expenses for the month and year-to-date were favorable.

An update on the North Shore Connector project was presented by Mr. Keith Wargo. All contracts are on schedule and within budget.

This concludes the report of the Performance Oversight Committee.

The Chairman called on Mr. Mattola for a report of the Planning and Development Committee. Although the committee did not meet this month, Mr. Mattola reported on some noteworthy items.

As previously reported, April 4 marked the implementation of the first phase of the Transit Development Plan. This is the first of a series of route and service changes that is scheduled to take place over the next two years. As Steve reported, changes were made to 60 routes.

Mr. Mattola reported that but with a few exceptions, the transition was a relatively smooth one. Of course we are closely monitoring all of these changes with a particular focus on the few routes which have experienced some initial problems, and we'll make adjustments in the future as appropriate. Ms. Wendy Stern, assistant general manager of Planning and Development, and her staff are gearing up for the next round of changes to occur in June. Wendy and her staff should be commended for their efforts throughout this huge redesign process.

Mr. Mattola continued reporting that this past Tuesday, Steve Bland and the senior staff provided an educational briefing for Board members on a very important and timely issue, namely Port Authority's funding and Act 44 in the wake of the decision by the federal government not to allow the commonwealth to toll Interstate 80. In short, without the revenues that had been anticipated from the tolling of I-80, which made up a significant portion of the funding revenue for Act 44, Port Authority faces a \$52 million budget deficit in the coming year.

There were three key messages that came across loud and clear at our educational workshop with respect to Act 44 funding.

Number one, Act 44 was never funded to the level recommended by the Governor's Transportation Funding and Reform Commission to meet Pennsylvania's minimum transportation needs, not just for transit but for roads and bridges as well. With the I-80 tolling decision, this problem becomes even worse. More funding is needed.

Number two, the Transportation Funding and Reform Commission identified approximately \$50 million annually in transit funding needs that could be addressed through reform and efficiencies. Since the passage of Act 44, Mr. Mattola reported that Port Authority has produced more than \$50 million in annual savings through an array of cost saving and efficiency initiatives. This is higher than the amount that was called statewide. He continued by saying that for that accomplishment, we want to thank Mr. Steve Bland and his staff and all our employees for their efforts in making this happen.

Number three, since the passage of Act 44, Allegheny County is the only region in Pennsylvania that has seen a decrease in state operating assistance, despite the fact that it has done more than any other transit agency in Pennsylvania to undertake the reforms called for in Act 44 and fulfill its obligations for local funding commitments. These messages reflect the unfortunate fiscal reality that Port Authority faces under the current situation.

Mr. Mattola ended his report by saying, "If I sound a bit worked up about this, it's because I am. And so should everyone else who cares about the future of public transportation in this region. We must find a solution to put an end to this constant search for sustainable funding for public transportation."

That concluded the report of the Planning and Development Committee.

The Chairman called on Ms. Ellenbogen for a report of the Stakeholder Relations Committee. Although the committee did not meet in April, Ms. Ellenbogen did have a few items to report.

First, Ms. Ellenbogen reported on the TDP community outreach by commending Port Authority's Communications staff on their outstanding efforts to communicate the April route changes and to educate our riders on their new service. Community Outreach Coordinator, Deborah Skillings, has been very busy distributing TDP information and educating the public on service changes. Ms. Skillings attended and presented to 72 community meetings and coordinated the distribution of over 21,000 TDP brochures.

In addition to Deborah's great work, our Government Affairs Director, Dan DeBone, has also been very busy meeting with local and state elected officials to detail service changes in their districts. Our Public Relations Director, Jim Ritchie, and Public Relations Representative, Heather Pharo, have effectively gotten the word out about the service changes via their contact with the news media, use of social media, our web site, email blasts and placing articles in community newsletters.

All of the great work is being done under the direction of our wonderful Communications Officer, Judi McNeil. Although Judi is very modest and would like her staff to get the accolades for their efforts, Ms. Ellenbogen read an email she received from Jim Ritchie:

"Without Judi's leadership, the results of that survey would not have been realized. Judi assures that all Port Authority's voices are on the same page. With regard to our TDP project, the bottom line is that a majority of our riders knew exactly what was happening, when it was happening and why it was happening. It means that residents of a neighborhood senior high-rise affected by a route change received a personal visit from Deborah Skillings, who spent an afternoon explaining the changes. It means that Dan DeBone detailed the changes community by community for our elected officials. It means that all media, from KDKA to the smallest neighborhood weekly, received route information tailored for their audiences. Without Judi's leadership, the 63 percent who told us we did a good job telling them about the TDP changes in April, likely would have said they were blind-sided by our changes.

Instead of ironing out a few route adjustments this week, we might have faced answering questions about how poorly we informed the public. But of course, that's not the case. Communicating sounds easy until you have to figure out how to do it. We're all very thankful for Judi's experience and leadership."

Ms. Ellenbogen continued reporting that she agrees with Judi and Jim and thinks our staff has done an excellent job communicating to our customers. As Jim alluded to, 63 percent of those surveyed stated that Port Authority has done a very good to excellent job of communicating the TDP changes.

In addition to the Communications staff, our Planning and Scheduling staff was out on the streets handing out information; our IT staff created a great web site; and our Marketing staff supported all the outreach efforts via newspaper advertising and articles in the Rider Report. Ms. Ellenbogen stated that while we will always miss a few people in saying thank you, she hopes her fellow Board members will agree that our staff has vastly improved how we communicate with our customers. Ms. Ellenbogen noted that of course you know none of this would be possible without the great leadership and direction of Steve Bland, noting that Steve's operating style and leadership are seen everywhere.

Ms. Ellenbogen continued by reporting the continued good work of the community outreach teams. She reported that on March 12, the Port Authority Police Department partnered with the Holy Family Children's Fund to host a fundraiser at the Children's Museum of Pittsburgh benefiting the Haitian orphans residing in Pittsburgh. The Collier Outreach Committee is still collecting recyclable items, and the team's "Biggest Loser" charity pledge program continues in April. The East Liberty Outreach Committee is currently working on its bench press contest that is scheduled for September. The Harmar team is collecting clothes and other necessities for the Haiti's Relief Aid Drive. The Ross Outreach Team held its food drive for the Greater Pittsburgh Food Bank in conjunction with the Consortium for Public Education in collecting children's books. And finally, the South Hills Village team continues to collect supplies for its Treats for Troops project.

Ms. Ellenbogen ended her report by reading a letter that was featured in the Random Acts of Kindness section of the Post Gazette.

"I'm of the vintage when it was Roy Rogers and Gene Autrey who rescued damsels in distress. Well, for this damsel in distress, the rescuer was a Port Authority bus driver. On March 12, I managed to leave my purse on a 71C bus as I got off at Macy's downtown. I was half a block up Fifth Avenue when I realized my loss. As I turned around and saw my bus still at the stop, I thought, I raced to it and was able to board, only to discover it wasn't the same 71C as the 71Cs had doubled up in traffic. But this driver was a peach. He radioed ahead, contacting the other driver. That driver had my purse. I treasure my driver's sweet apology, ma'am, I'm sorry, my bus can't catch up to that other bus. My purse was ultimately delivered to the PAT garage where I picked it up later intact. Many thanks to two great PAT drivers and the staff at the PAT garage." It was signed by Joan Zeekas.

In conclusion, Ms. Ellenbogen said that Ms. Zeekas' letter is another testimony of the good work that our employees do every day, and most of the time without recognition.

That concludes the report of the Stakeholder Relations Committee.

The Governance Committee did not meet this month.

Before adjourning, the Chairman wanted to revert back to the resolution authorizing an amendment to Contract #HAR-08-02G for the Stormwater Separation and Paving Improvements at the Harmar Division garage. The resolution authorizes amending the contract with T. A. Robinson Asphalt Paving, Inc. to perform the work. The name of the contractor was unintentionally left out of the report.

The next regular meeting will be Friday, May 28, 2010.

The meeting was adjourned.

APPROVED