

PLANNING AND DEVELOPMENT COMMITTEE REPORT

JUNE 25, 2010

REMARKS OF GUY MATTOLA

GOOD MORNING EVERYONE.

THANK YOU, MR. CHAIRMAN, FELLOW BOARD MEMBERS AND ESPECIALLY MY FELLOW COMMITTEE MEMBERS, JIM DODARO AND EDDIE EDWARDS. AND, OF COURSE, THANKS TO OUR CEO, MR. STEVE BLAND.

THE PLANNING AND DEVELOPMENT COMMITTEE MET THIS MONTH TO REVIEW TWO PROPOSED ACTIONS FOR YOUR CONSIDERATION.

THE FIRST IS THE UNIFIED PLANNING WORK PROGRAM

- **THIS IS AN AUTHORIZATION TO ENTER INTO AN AGREEMENT WITH THE SOUTHWESTERN PENNSYLVANIA COMMISSION TO PARTICIPATE IN THE 2010 – 2011 UNIFIED PLANNING WORK PROGRAM.**

- **THIS PROGRAM WILL PROVIDE \$196,000 OF FEDERAL PLANNING DOLLARS TO THE PORT AUTHORITY, SUPPLEMENTED BY A 20% LOCAL MATCH IN CASH OR IN-KIND SERVICES FOR A TOTAL PROGRAM AMOUNT OF \$245,000.**
- **AS IN PAST YEARS, IT IS ANTICIPATED THAT IN-KIND SERVICES WILL BE USED TO PROVIDE THE LOCAL MATCH.**
- **I RESPECTFULLY REQUEST APPROVAL OF THE RESOLUTION TO ENTER INTO AN AGREEMENT WITH THE SOUTHWESTERN PENNSYLVANIA COMMISSION TO PARTICIPATE IN THE 2010 – 2011 UNIFIED PLANNING WORK PROGRAM AS PRESENTED.**

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- **NOW, I'D LIKE TO ADDRESS THE SECOND RESOLUTION REGARDING OUR FY 2011 OPERATING BUDGET AND OUR FY 2011 & 2012 CAPITAL IMPROVEMENT BUDGETS.**

- **LET ME TAKE A FEW MINUTES TO ADDRESS THE VERY SERIOUS FINANCIAL SITUATION THIS BOARD FACES TODAY.**
- **PORT AUTHORITY IS THE REGION'S 25TH LARGEST EMPLOYER. WE ARE THE NATION'S 21ST LARGEST TRANSIT SYSTEM.**
- **MOST PEOPLE FORGET WHY PORT AUTHORITY IS HERE IN THE FIRST PLACE: IT'S BECAUSE MORE THAN 30 PUBLIC TRANSPORTATION COMPANIES THAT TRIED TO SERVE THIS REGION BEFORE US FAILED.**
- **PORT AUTHORITY WAS CREATED BY THE STATE TO PICK UP THE FAILURES OF THOSE PRIVATE COMPANIES AND PROTECT TRANSIT SERVICE IN THIS COMMUNITY.**
- **WE CAN'T DO THAT WITHOUT THE STATE'S HELP.**

- **THE STATE’S TRANSPORTATION SHORTFALL TODAY MAKES IT IMPOSSIBLE TO OPERATE ADEQUATE TRANSIT SERVICE.**
- **AND, THIS ISN’T A BAILOUT.**
- **WE’RE SIMPLY ASKING THE STATE TO ENACT A LAW THAT SUSTAINS A RELIABLE FUNDING SOURCE. NOTHING MORE, NOTHING LESS.**
- **WE’RE NOT SITTING ON A WINDFALL FROM ACT 44 OR FROM ALLEGHENY COUNTY.**
- **ACT 44 SIMPLY CHANGED HOW THE STATE PROVIDED TRANSIT FUNDING – NOT HOW MUCH IT PAID.**
- **OUR SHARE FROM THE STATE ACTUALLY DECREASED BY 1.9 PERCENT IN THE YEAR AFTER ACT 44. AND SINCE, IT HAS INCREASED ANNUALLY BY AN AVERAGE OF ONLY ¼ PERCENT.**

- **LIKEWISE, THE COUNTY'S TAXES DID NOT PROVIDE ANY SIGNIFICANT INCREASE.**

- **LET ME BE CLEAR - THESE STREAMS OF MONEY DO NOT PROVIDE PORT AUTHORITY WITH EXTRA MONEY. THEY SIMPLY *SUSTAIN* OUR FUNDING LEVELS.**

- **WHAT'S SO UNFORTUNATE ABOUT THE ACTIONS WE'RE CONSIDERING IS THAT WE'VE MADE SO MUCH PROGRESS IN RECENT YEARS.**

- **WE'VE ACCEPTED THE RESPONSIBILITY OF FINDING WAYS TO IMPROVE THIS AGENCY.**

- **NO OTHER TRANSIT AGENCY IN PENNSYLVANIA HAS MADE THE REFORMS THAT WE HAVE.**
 - **WE CUT \$52 MILLION IN ANNUAL LABOR EXPENSES.**

 - **WE GENERATED \$14 MILLION MORE IN ANNUAL REVENUE.**

- **WE FROZE SALARIES.**
- **WE ARE REVAMPING OUR BUS AND T SERVICE, TOP-TO-BOTTOM, FOR THE FIRST TIME IN 50 YEARS.**
- **BUT NOW, THE STATE LAW DESIGNED TO SUPPORT THIS PROGRESS HAS FALLEN SHORT.**
- **WE NEED OUR STATE LEGISLATORS TO FINISH THE JOB THEY STARTED WITH ACT 44.**
- **WE NEED TO RECOGNIZE THAT PUBLIC TRANSPORTATION AFFECTS SO MANY PARTS OF THIS COMMUNITY. IT IS VITAL TO BUSINESSES, EMPLOYERS, MEDICAL CENTERS, UNIVERSITIES AND SENIORS.**
- **UNFORTUNATELY, TODAY, WE ARE OBLIGATED TO ADOPT A BALANCED BUDGET. THE IMPACT THIS WILL HAVE ON SERVICE IN OUR REGION IS DRASTIC AND POSSIBLY IRREPERABLE.**

- **SO, MR. CHAIRMAN, I RESPECTFULLY ASK FOR APPROVAL OF OUR FY 2011 OPERATING BUDGET AND OUR FY 2011 & 2012 CAPITAL IMPROVEMENT BUDGETS.**

MR. CHAIRMAN, UNLESS THERE ARE QUESTIONS, THAT CONCLUDES MY REPORT.

THANK YOU.