

RESOLUTION

WHEREAS, on July 23, 2010, the Board of Port Authority of Allegheny County (Authority) passed a resolution authorizing the Authority staff to proceed with a public comment period for service reductions and fare increases in an effort to balance the Authority's budget due to the ongoing Statewide Transportation Funding Crisis brought about by the Federal Highway Administration's failure to approve Pennsylvania's proposed tolling of Interstate 80; and

WHEREAS, the proposed service reductions and fare increases were subsequently issued to the public and a public comment period was held, including a public hearing on August 19, 2010; and

WHEREAS, in September of 2010, following staff input and recommendation, the Board authorized staff to postpone originally anticipated service reductions to allow the Pennsylvania Legislature additional time to resolve the ongoing Statewide Transportation Funding Crisis; and

WHEREAS, on November 24, 2010, following additional staff input and recommendation, the Board passed a resolution authorizing the Authority to implement service reductions, effective March 13, 2011, as fully detailed on Exhibit A attached to the November 24, 2010 resolution, and totaling approximately 35 percent of the Authority's currently existing service; and

WHEREAS, on December 2, 2010, Governor Rendell announced his intention to transfer approximately \$45 million in discretionary transportation funds to the Authority, subject to review and approval by the Commissioners of the Southwestern Pennsylvania Commission (SPC); and

WHEREAS, on December 13, 2010, SPC held a public meeting and voted to allow the Authority to accept the approximately \$45 million in funds; and

WHEREAS, the Authority's staff, who have been reviewing and analyzing the ongoing Statewide Transportation Funding Crisis, propose that the Authority implement a restoration of most service hours currently scheduled for elimination; and

WHEREAS, the Authority staff now recommends that the Board authorize service reductions to take effect on March 27, 2011 in an amount of approximately 15 percent compared to current levels, restoring approximately 20 percent of service hours currently scheduled for elimination, as more fully detailed on the attached Exhibit A, to allow the Authority to balance its FY 2011 operating budget and still be in a position to

balance its FY 2012 operating budget should the Statewide Transportation Funding Crisis remain unresolved next fiscal year; and

WHEREAS, upon due consideration of staff's analysis and proposal and with due respect and consideration for those comments received and concerns expressed by the public and the Authority employees and union representatives, the Board adopts staff's proposal to ensure that the Authority can maintain the overall integrity of its core services, while balancing its FY 2011 operating budget and utilize a portion of the \$45 million in funding to weather the continuing Statewide Transportation Funding Crisis in a manner that will disrupt service as minimally as possible under the existing circumstances.

NOW, THEREFORE, BE IT RESOLVED, that the Authority's chief executive officer, chief financial officer, assistant general manager Planning & Development, inside general counsel and/or other necessary Authority staff be, and they hereby are, authorized to proceed with implementation of the service restorations and changes detailed on the attached Exhibit A, to take effect on March 27, 2011, and to take any and all other actions necessary and proper to carry out the purpose and intent of this resolution, including all necessary preparatory activities to timely implement the service reductions and notices to employees concerning corresponding employee lay-offs and facility closures to occur on March 27, 2011. This resolution revokes portions of any prior resolutions inconsistent with this current resolution, and reserves unto the Board the right to review and approve any further service reductions the Authority staff may recommend within the originally contemplated larger service reductions that were the subject of a public comment period and public hearing should the Statewide Transportation Funding Crisis persist.

FURTHER RESOLVED, that the approved service reductions are intended to be temporary in nature and will be restored, upon further Board review and approval, if and when the Statewide Transportation Funding Crisis is resolved and sufficient funding becomes available to Authority to restore such service.

FURTHER RESOLVED, due to the intended temporary nature of these service reductions, Authority staff shall not attempt to sell or otherwise permanently dispose of Authority's Harmar Bus Garage, absent further Board review and approval.