

Port Authority of Allegheny County

Divisional and Departmental

Introduction

All departments of Port Authority are currently grouped into six (6) divisions which include Office of the CEO, Transit Operations, Finance, Planning and Development, Human Resources, and Legal and Corporate Services.

The following tables present a summary of total system personnel by division, expense category, and expense by department respectively. These tables illustrate the relative size of each division to the total system in the areas of personnel and expense.

Included with the tables is a brief overview of each division, divisional organization charts, budget highlights, FY 2008 accomplishments, and goals and objectives for FY 2009.

Figure 3.1
Port Authority of Allegheny County

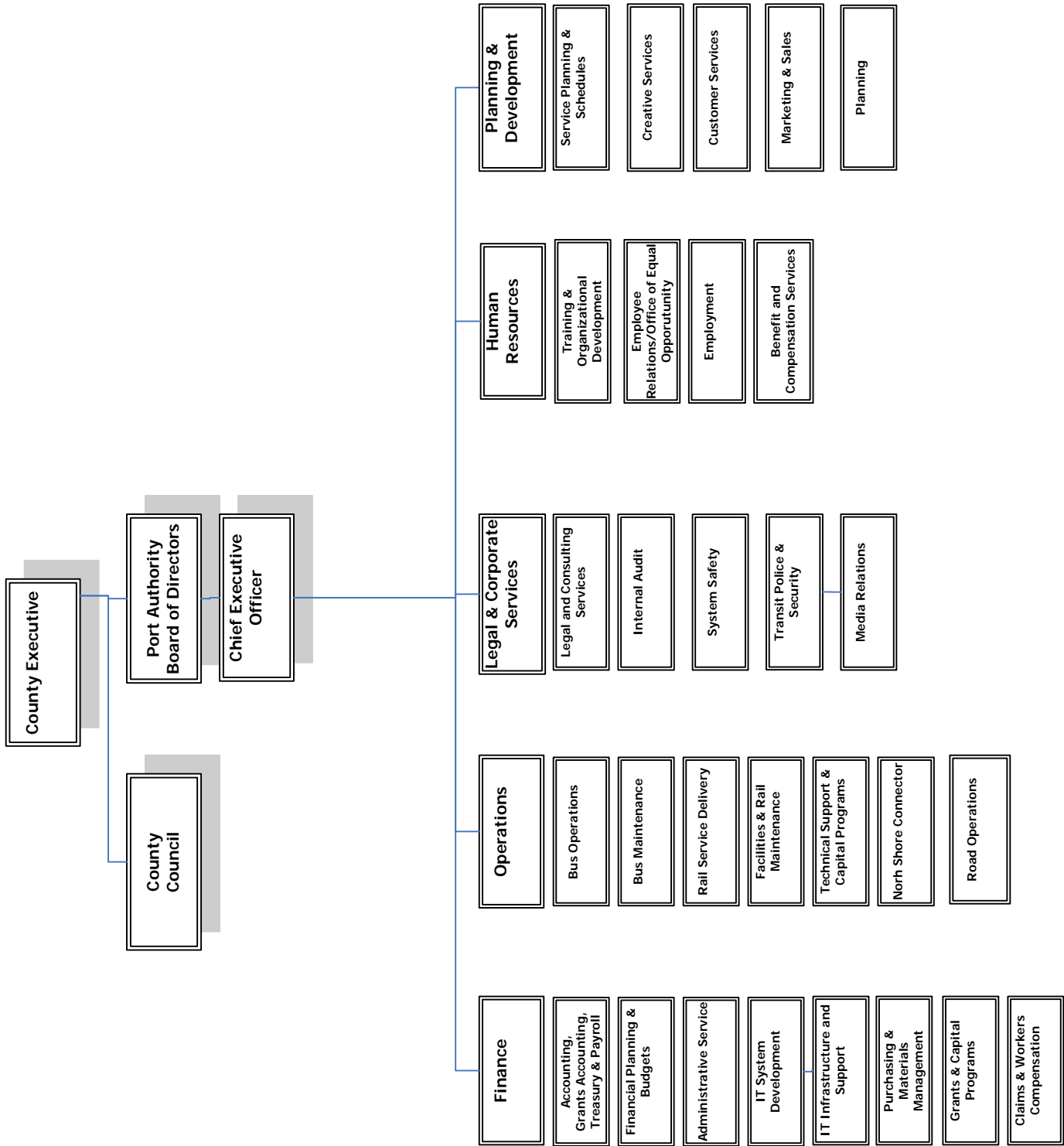
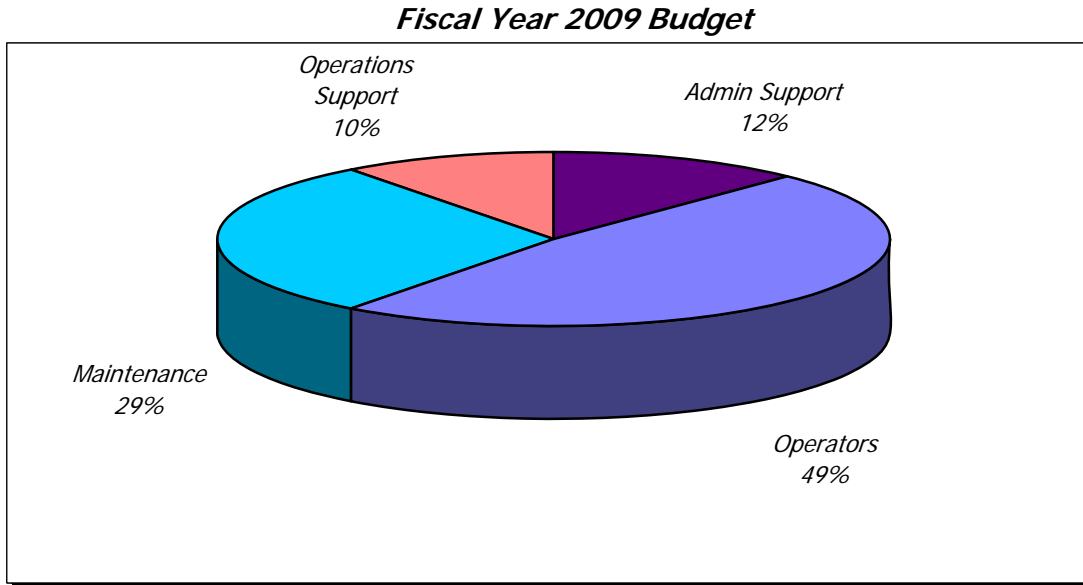


TABLE 3.1a

Port Authority of Allegheny County
PERSONNEL BY FUNCTION & DIVISION

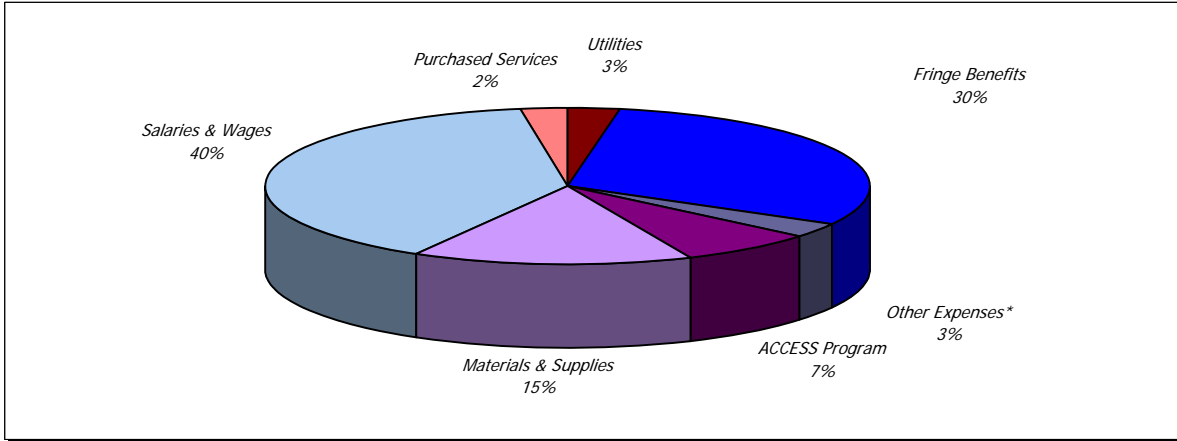


Personnel Summary (No. of Employees)

	<u>FY 2007</u> <u>Actual</u>	<u>FY 2008</u> <u>Actual</u>	<u>FY 2009</u> <u>Budget</u>
Office of the CEO	1	1	1
Transit Operations	2,517	2,414	2,418
Finance	159	139	157
Human Resources	29	31	32
Legal & Corporate Services	82	79	83
Planning & Development	67	63	65
Total Personnel	<u>2,855</u>	<u>2,727</u>	<u>2,756</u>

TABLE 3.1b

**Port Authority of Allegheny County
EXPENSE BY CATEGORY**

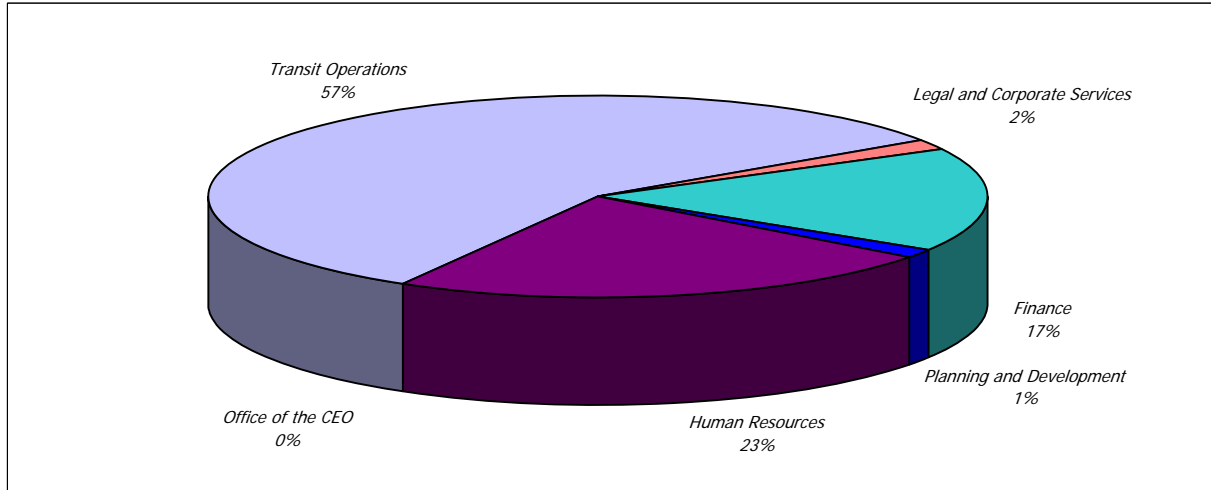


*Other Expenses include- Marketing, Interest & Prov. for Inj & Damages

Expense Summary (Total Expense)

	<u>FY 2007</u> Actual	<u>FY2008</u> Forecast	<u>FY2009</u> Budget	<u>% Change</u> from 2008
	\$	\$	\$	%
Salaries & Wages	140,662,871	133,930,756	137,569,775	2.7%
Fringe Benefits	103,109,942	108,307,344	105,876,467	-2.2%
Other Fringe (OPEB)	39,350,449	37,200,000	-	-
Purchased Services	5,741,574	6,814,035	8,732,366	28.2%
ACCESS Program	24,573,849	25,348,151	25,634,700	1.1%
Prov for Inj & Damages	549,381	4,627,872	3,592,630	-22.4%
Materials & Supplies	36,881,606	36,714,993	52,500,688	43.0%
Interest Expense	1,675,697	886,756	2,383,158	168.8%
Utilities	7,463,806	7,916,493	9,517,586	20.2%
Other Expenses	3,089,757	2,942,114	4,479,210	52.2%
Transfers & Capitalizations	(121,060,479)	(41,178,661)	(49,471,988)	20.1%
	<u>242,038,453</u>	<u>323,509,853</u>	<u>300,814,592</u>	<u>-7.0%</u>

TABLE 3.1c
Port Authority of Allegheny County
EXPENSE BY DIVISION*



Expense Summary (Total Expense)

	FY 2007 Actual	FY2008 Forecast	FY2009 Budget	% Change from 2008
	\$	\$	\$	%
Office of the CEO	311,949	209,951	203,174	-3.2%
Transit Operations	182,715,046	178,007,232	199,970,717	12.3%
Finance	51,628,171	54,164,996	58,181,814	7.4%
Planning and Development	4,352,561	4,672,624	4,771,809	2.1%
Human Resources	118,145,209	121,410,602	80,872,111	-33.4%
Legal and Corporate Services	5,945,995	6,223,110	6,286,955	1.0%
	<u>363,098,932</u>	<u>364,688,514</u>	<u>350,286,580</u>	<u>-3.9%</u>

* - Capitalizations are excluded.

Port Authority of Allegheny County

OFFICE OF THE CHIEF EXECUTIVE OFFICER

Overview

The Office of the Chief Executive Officer Division is comprised of two departments: These two departments are the Office of the CEO, and Office of the Board of Directors. The Office of the Board of Directors is strictly an administrative department for the purpose of collecting Board expenses; no personnel are assigned to this department.

It is the responsibility of the Office of the Chief Executive Officer to provide leadership to the Port Authority organization, work closely with the Port Authority Board of Directors, establish a strategic direction, along with working with the community, to make Port Authority of Allegheny County the premier transit agency in the country.

Figure 3.2
Port Authority of Allegheny County
OFFICE OF THE CHIEF EXECUTIVE

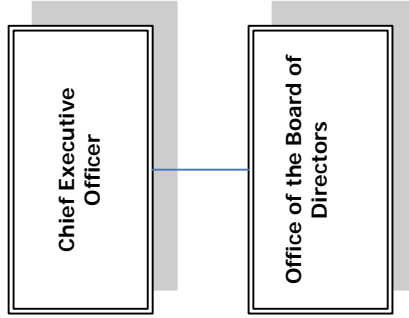


TABLE 3.2

Port Authority of Allegheny County
OFFICE OF THE CHIEF EXECUTIVE OFFICER

Expense by Department

Expense Summary (Total Expense)

	<u>FY 2007</u> <u>Actual</u> \$	<u>FY 2008</u> <u>Forecast</u> \$	<u>FY2009</u> <u>Budget</u> \$	<u>% Change</u> <u>from 2008</u> %
Office of the CEO	269,331	174,727	175,008	0.2%
Board of Directors	9,854	11,193	7,994	-28.6%
Total Expense	<u>279,185</u>	<u>185,920</u>	<u>183,002</u>	<u>-2%</u>

Expense by Category

Expense Summary (Total Expense)

	<u>FY 2007</u> <u>Actual</u> \$	<u>FY 2008</u> <u>Forecast</u> \$	<u>FY2009</u> <u>Budget</u> \$	<u>% Change</u> <u>from 2008</u> %
Salaries & Wages	294,296	180,044	180,000	0.0%
Purchased Services	2,893	1,810	2,000	10.5%
Materials & Supplies	686	236	780	230.0%
Utilities	5,161	4,031	-	-100.0%
Other Expenses	8,913	23,830	20,394	-14.4%
Transfers & Capitalizations	(32,765)	(24,031)	(20,172)	-26.7%
Total Expense	<u>279,185</u>	<u>185,920</u>	<u>183,002</u>	<u>-2%</u>

Port Authority of Allegheny County
TRANSIT OPERATIONS DIVISION

Overview

Transit Operations is the largest division at Port Authority. The division is responsible for providing bus, rail, and incline service, as well as maintaining the Authority's vehicles, right of ways, and facilities. There are five bus operating facilities, one rail operating facility, one facilities maintenance complex, and one main shop – primarily for heavy bus maintenance.

The division is committed to serving the Authority's customers and continuously seeks better and more innovative ways to serve them, while remaining mindful of fiscal obligations. The Operations division consists of the Bus Operations and the Rail Operations & Engineering groups.

Figure 3.3a
Port Authority of Allegheny County
TRANSIT OPERATIONS DIVISION



Figure 3.3b
Port Authority of Allegheny County
Bus Operations

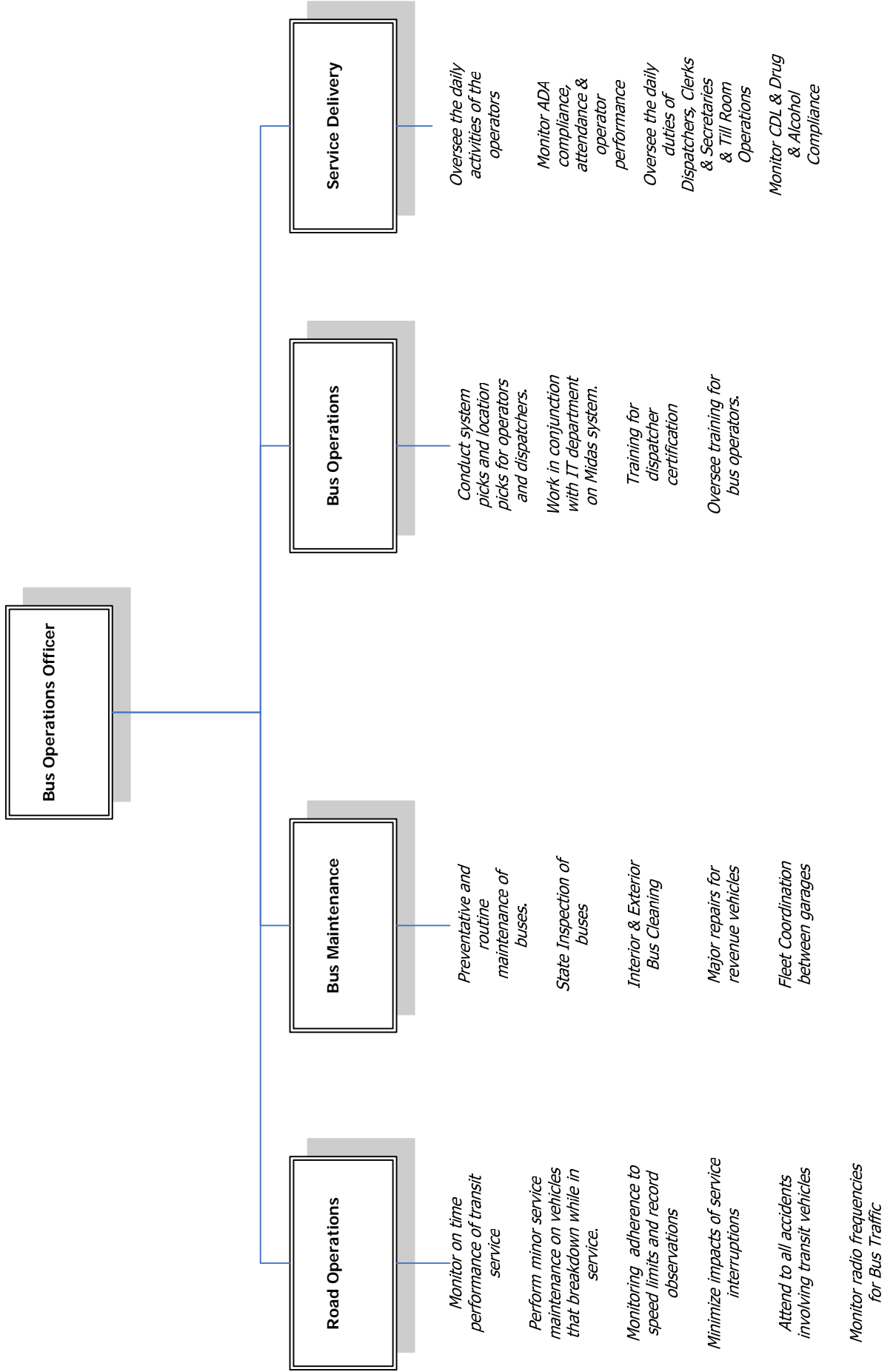
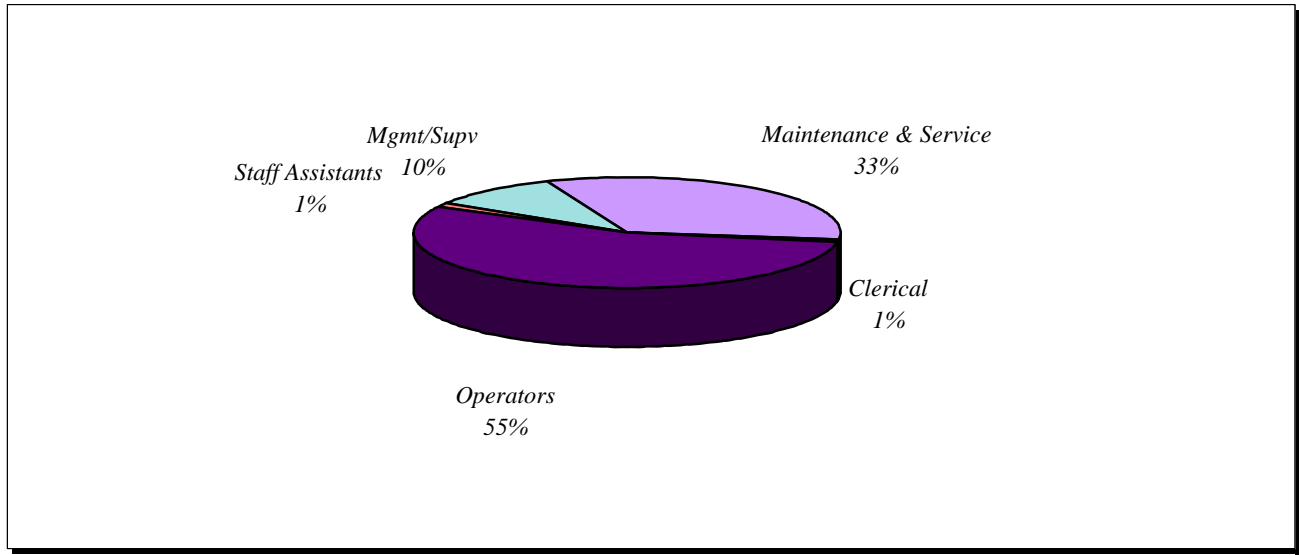


TABLE 3.3a

Port Authority of Allegheny County
TRANSIT OPERATIONS DIVISION
Personnel by Function & Group

Fiscal Year 2009 Budget



Personnel Summary (No. of Employees)

	<u>FY 2007</u> <u>Actual</u>	<u>FY 2008</u> <u>Actual</u>	<u>FY 2009</u> <u>Budget</u>
Chief Operating Officer (Bus and Rail)	2	3	4
Rail Operations	554	494	523
Bus Operations	<u>1,961</u>	<u>1,917</u>	<u>1,891</u>
Total Personnel	<u>2,517</u>	<u>2,414</u>	<u>2,418</u>

TABLE 3.3b

Port Authority of Allegheny County
TRANSIT OPERATIONS DIVISION

*Expense by Department***Expense Summary (Total Expense)**

	FY 2007 Actual	FY 2008 Forecast	FY 2009 Budget	% Change from 2008
	\$	\$	\$	%
<u>Bus Operations</u>	120,873,072	117,740,645	136,358,807	15.8%
<u>Civil Engineering</u>	449,779	-	-	
<u>Exec. & General - Eng. & Const.</u>	95,969	-	-	
<u>Bus Maintenance</u>	8,160,016	6,509,611	7,691,052	18.1%
<u>Non-Project Administration Cost</u>	255,261	-	-	
<u>Office of the COO</u>	401,373	274,556	484,938	76.6%
<u>Operations Administration & Budget</u>	381,412	-	-	
<u>Rail Improvement Program</u>	370,684	371,671	568,397	52.9%
<u>Rail Operations</u>	38,564,942	43,300,721	46,746,708	8.0%
<u>Technical Support</u>	741,945	1,381,566	2,039,371	47.6%
Total Expenses	<u>170,294,453</u>	<u>169,578,770</u>	<u>193,889,273</u>	<u>14.3%</u>

*Expense by Category***Expense Summary (Total Expense)**

	FY 2007 Actual	FY 2008 Forecast	FY 2009 Budget	% Change from 2008
	\$	\$	\$	%
Salaries & Wages	121,710,449	117,094,717	119,211,941	1.8%
Fringe Benefits	15,149,340	15,003,291	15,662,919	4.4%
Purchased Services	2,545,316	2,235,091	3,852,925	72.4%
Materials & Supplies	36,304,598	36,035,093	51,522,380	43.0%
Utilities	7,123,248	7,570,188	8,856,940	17.0%
Prov for Inj & Damages	868	(246,432)	-	-100.0%
Other Expenses	(118,773)	315,284	863,612	173.9%
Transfers & Capitalizations	(12,420,593)	(8,428,463)	(6,081,444)	-27.8%
Total Expenses	<u>170,294,453</u>	<u>169,578,770</u>	<u>193,889,273</u>	<u>14.3%</u>

Bold and underlined items represent departments involved in company re-organization.

Port Authority of Allegheny County

Transit Operations

Bus Operations

Bus Operations is responsible for the delivery of bus service as well as bus maintenance and support activities at five bus divisions and the Main Shop.

Bus service delivery is responsible for the coordination and delivery of bus service throughout the Authority's service area. Service is provided from five bus garages located in the following Allegheny County communities: Collier, East Liberty, Harmar, Ross, and West Mifflin. The bus maintenance function is responsible for supporting bus operations by providing direction for system-wide bus and small transit vehicle (STV) maintenance, performing vehicle maintenance and service functions at the bus divisions, developing and communicating maintenance standard procedures and practices, developing and monitoring bus maintenance programs and training, planning and coordinating all activities related to the bus fleet, and managing the Main Shop and the Vehicle Overhaul Program. The department also works with the Technical Support Department with technical issues related to bus procurement and bus maintenance and assists the Procurement Department in specification development and compliance for materials, supplies, products, and contracts for bus maintenance.

Support Departments include Road Operations and Bus Operations. Road Operations provides field supervision and monitors service, coordinates bus and rail detours and requests for special services. Bus Operations maintains

partnerships with community groups, such as the Allegheny County Transit Council (ACTC) and the Committee for Accessible Transportation (CAT). The Bus Operations Department also develops and implements training for bus operators and dispatchers, monitors bus service efficiency and assists in the implementation of service changes.

FY 2008 Highlights

- Recalled 95 furloughed operators and 42 furloughed maintenance employees.
- Promoted and trained six new dispatchers resulting in an estimated 48 percent reduction in dispatcher overtime hours during the last six months of the fiscal year.
- Reduced operator overtime hours an estimated 15% from FY 2007 to FY 2008.
- A Safety Awareness Program was implemented in order for every operator to receive refresher training on the safe operation of our vehicles.
- Transportation training was provided to Port Authority police officers on all vehicles including rail cars in the event of an elevated threat. These officers now have valid CDL licenses.
- Forty-one mechanics attended the Keystone Air Brake Product School classes and 43 maintenance employees attended the Keystone Partnership sponsored Basic Computer and Windows Fundamentals class.
- Bus maintenance computer kiosks were installed at all bus divisions which provide mechanics with online maintenance bulletins and procedures. The Maintenance Training Department conducted training on the use of these kiosks.
- Improved ADA Observation Ride monitoring and reporting from 1,684 observation rides in FY 2007 to 1,864 observation rides in FY 2008.

FY 2009 Goals and Objectives

- Increase bus stop calling and route identification compliance percentage to 90% during FY 2009.
- Develop and facilitate Allison Electric Drives (hybrid) training through the Keystone Career Ladder Partnership Program.
- Hire and develop 50 maintenance personnel for open positions resulting from July 1, 2008 retirements.
- Continue the Operator Awareness and Safety Awareness Training until all operators have completed the training.
- Accept delivery on 100 Gillig 40-foot, low-floor buses; place into revenue service; and train all necessary bus and maintenance transportation personnel.
- Develop preventive maintenance procedures for new smart card fareboxes, which are scheduled for installation during the fourth quarter of FY 2009.
- Work to meet new goal of 7,500 miles between road failures, which is a 2,000 mile increase from the FY 2007 goal of 5,500 miles.
- Continue to achieve a greater than 90% target rate for functional wheelchair lifts and ramps.
- Continue to improve on-time performance – at least 90% of peak period bus trips shall arrive zero minutes early to five minutes late.
- Review monthly ridership statistics to evaluate and maximize service levels.
- Finish favorable to budget for the new fiscal year.

Rail Operations and Engineering

The Rail Operations/Engineering Group is responsible for providing Light Rail and Incline revenue service, light rail vehicle maintenance, fixed facility and right of way maintenance, and engineering design and construction. Departments include Rail Service Delivery and Light Rail Vehicle (LRV) Maintenance, Facilities and Rail Maintenance, Technical Support and Capital Programs and North Shore Connector.

Rail Service Delivery

Rail Service Delivery (RSD) is responsible for the planning, organizing, implementation, and coordination of the light rail and Mon-Incline service and vehicle maintenance. This includes operator and off-board fare collector assignments, rail operations training, road operations, field and Operations Control Center (OCC) activities, light rail vehicle maintenance, repair and inspection activities, investigating and handling customer complaints, update of rail operation standard operating procedures (SOP) and rulebook, evaluation and resolution of rail service delivery problems and the initiation of corrective and preventive actions. The RSD management team is tasked with evaluating general service levels, service interruption resolutions and making recommendations for improvement. The RSD team also provides operations input assistance for future light rail expansion projects.

FY 2008 Highlights

- Accepted delivery of 10 re-manufactured LRVs from CAF's Elmira, New York facility.
- Shipped the remaining four Siemens 4100 series LRVs to CAF's Elmira, New York facility for re-manufacture.
- Performed testing and burn-in required for the acceptance of rehabilitated LRVs.
- Revised LRV cleaning procedures and reduced full car cleaning from 45 day cycles to 30 day cycles.
- Implemented rail service transportation and railcar maintenance cross training.
- Implemented propulsion reset modifications to address propulsion lock out incidents during adverse weather conditions.
- Initiated battery replacement modifications on 4200 series LRVs to address LRV low voltage concerns.
- Developed 120K LRV inspection procedures.
- On-going LRV troubleshooting training program continues to result in reduced service delays caused by operator troubleshooting error.
- Implemented on-going first level supervisor LRV Troubleshooting course that includes OCC Movement Directors.
- Developed and implemented formal Movement Director refresher course and Computer Based Training testing.
- Created Adverse Weather Response committee designed to take a proactive approach to maintaining service during expected storms.
- Developed integrated Adverse Weather Procedures that provide operation guidelines for Movement Directors, Railcar Maintenance, Way Department and LRT Systems.
- Delivered extra rail service to support Special Events; First Night, St. Patrick's day, 4th of July, and Steelers, Penguin and Pirate games.
- Updated Rail Operations Standard Operating Procedures.

- Updated Rail Operations Rule Book.
- Developed and implemented an Off Board Fare Collector refresher course to ensure and sustain a high level of customer service.
- Hosted several tours of the Rail Center for various rail agencies from across the country including; MARTA, Albany, Pennsylvania Trolley Museum, and Albany Capital District Transportation Authority.

FY 2009 Goals and Objectives

- Focus on improving the quality of all aspects of rail service delivery.
- Develop and institute a vehicle reliability process.
- Include all levels of rail operations personnel in on-going LRV troubleshooting training to limit service interruptions.
- Initiate management LRV cleaning quality control program.
- Increase operator awareness training program to include additional customer relation skills.
- Support testing and implementation of ATP operation.
- Develop rail operations rulebook CBT testing.
- Implement first level supervisor response to customer complaints.
- Evaluate transportation and maintenance functions for budget reduction opportunities.
- Continue aggressive monthly budget reviews for strict budget adherence.
- Conduct quarterly budget information sessions for first level supervision.
- Develop and implement LRV re-railing training.
- Conduct monthly Railcar Maintenance key indicator reviews with first level supervisors.

Facilities and Rail Maintenance

The purpose of the Facilities & Rail Maintenance Department is to provide Port Authority customers and employees with safe and reliable facilities and to maintain non-revenue vehicles and equipment in optimal condition. The Department is comprised of the following four departments: Facilities & Rail Maintenance Administration, Way, Facilities, LRT Systems, and Non-Revenue Vehicles.

The Facilities & Rail Maintenance Department is responsible for providing direction for and oversight of maintenance, service, and repair of elements of Port Authority infrastructure and support equipment. This includes the following:

- Maintenance, repair and various janitorial labor functions for Port Authority facilities; including rail, rail stations, rights-of way, bus stations, Park and Ride lots, loops, layover areas, vehicle and equipment storage lots, and other support facilities.
- Maintenance of Port Authority's traction power system and signal system to provide an uninterrupted power supply and to ensure the safe operation of trains.
- Maintenance and repair of electronic equipment, radios, public address systems and other communications systems.
- Maintenance, repair, and servicing of Port Authority's non-revenue vehicles and equipment.

FY 2008 Highlights

- Facilities & Rail Maintenance preventive maintenance completion rates remained consistent during FY2008 at an average of 88%.
- The Work Order System is operational in the LRT Systems department and the Way Department.
- An integrated preventive maintenance checklist has been added to the Work Order System and is functional for Non-Revenue Vehicle, Way, Power & Signals and the Electronic Shop.

FY 2009 Goals and Objectives

- Define and evaluate Facilities and Rail Maintenance preventive maintenance (PM) processes at the implementation level to assist in achieving a 100% completion on the monthly preventive maintenance program and implement a new program to standardize and generate PMs and work orders automatically.
- Coordinate maintenance and training efforts between all Facilities and Rail Maintenance Departments to improve maintenance support efficiency.
- Train employees that perform work of a similar nature on special equipment; i.e. Tamper and Ballast Regulator. This will improve flexibility and enhance our ability to schedule work when certain personnel are not available.
- Conduct quarterly budget information review with first level supervision.
- Implement first level supervisors response on customer complaints.

Non-Revenue Vehicles

FY 2008 Highlights

- The Non-Revenue Vehicle department replaced seven Port Authority police vehicles, some of which included two unmarked detective vehicles, a stainless steel paddy wagon-equipped Silverado and an Emergency and Rescue vehicle complete with winches, special lighting and emergency medical equipment.
- Reorganization of the parts department with a total re-stock of unused parts with parts that are required for all current non-commercial vehicles.

FY 2009 Goals and Objectives

- Acquire on-site recertification of 2-year State Emission licenses.
- The Non-Revenue Vehicle department looks to replace one Port Authority police K-9 Vehicle, six Route Foreman / Revenue vehicles, five Route Foreman vehicles, seven Relief / Pool Vehicles, eight Supervisory/Claims/Mail vehicles; all from the FY 2009 budget.
- Continue efforts in reassigning the Non-Revenue fleet through closer scrutiny of Non-Revenue vehicle usage via mileage tracking records.

Power and LRT Systems

FY 2008 Highlights

- Installation of redundant feeder utilizing the abandoned 2S02 signal breaker to power South Hills Junction embedded switch/traffic controller.
- Installation of two occupancy track circuits, inbound and outbound, at South Hills Junction to prevent lost car IDs and to allow a tighter spacing in the interlocking to keep the Mt. Washington Tunnel BRT/LRT outbound traffic flowing.
- Installation of an automatic overhead catenary (OCS) heating system on yard tracks one through seven.
- In conjunction with Gannett Fleming, the Engineering group installed the necessary modification on the outbound rail at Donati grade crossing to address contact wire height and stagger issues.
- The installation of a new safety hitch cable for the Incline.
- Worked in conjunction with the Engineering department on the Saw Mill Run Bridge rehabilitation project. Installed new contact wire, both inbound and outbound, from South Hills Junction remerge to Palm Garden stop. Also installed 350 MCM on the inbound side to correct profile changes that occurred during temperature variances. Additional work included bonding in conjunction with rail replacement.
- Installation and modification of twelve gated grade crossings with a gate keeper spring actuator assembly. Prior to the installation, the department was purchasing approximately two new gate assemblies every month. Only one replacement gate has been ordered due to failure since installation and notification in June 2006.
- Removal of 48 incandescent lighting fixture assemblies for twelve gated grade crossings and installation of 48 LED assemblies. As of October 2006, no assemblies have required repair or replacement, which has demonstrated increased safety and reliability.
- Repaired Library Line communications cable to support HDSL and provided as-built mark up drawings for Technical Support to compile for the Library Line Communications Network.
- Removed and replaced approximately 210 OCS catenary arm insulators with a new high strength insulator. Contact wire replacement: 3,650 feet of worn 4/0 contact wire on the main line.

- Replaced 42 wooden catenary poles on the Library Line that had reached the end of their useful life.

FY 2009 Goals and Objectives

- Installation of an automatic overhead catenary heating system (OCS) on yard tracks 9 through 14.
- Remove and replace approximately 400 remaining OCS contact wire support arms with insulator clamp assembly as part of the Stage I OCS enhancement program.
- Install ten new AF bridging sectional insulators that eliminated the need to power off through the insulator thus reducing arcing damage to the insulator and power collector.
- Replace remaining 85 defective wooden poles on the Library Line. Based upon a pole study performed by the GAEC, there were approximately 297 poles in need of replacement when the program was started in 2002.
- Implement an Electronic Maintenance program to provide maintenance support of the Mon Incline Electronic/PLC based motor control systems.
- Implement Electronic Maintenance program to provide maintenance support of the Carrier Transmission System (CTS), which will provide enhanced radio coverage.
- Connect the Wabash Tunnel System to the Fiber Optic System at Pitt Tower.
- Implement an Intranet access for traction power system, the signal interlockings, Wabash Tunnel, Mt. Washington Tunnel, and Berry Street.
- Support the closeout and implementation of the ATP contract.

Way and Facilities

FY 2008 Highlights

- Installed approximately 200 of Continuous Welded Rail (CWR) outbound tracks at Mt. Lebanon Tunnel.
- Cut out three bad field welds and replaced rail/weld.
- Replaced 240' CWR at Wood Street.
- Replaced broken concrete sidewalks at Mt. Lebanon Station.
- Continued replacing sewer grating in the CBD and Mt Lebanon Tunnel with fiberglass grating for ease of removal.
- Rebuilt the Mon Incline buffer.

FY 2009 Goals and Objectives

- Support employee training through improved coordination of employees and equipment.
- Develop a coordinated "Graffiti Removal Team" with a goal to remove all reported graffiti from Port Authority fixed facilities within 15 working days.
- Complete the Mt. Lebanon fire suppression system line relocation project.
- Rehabilitate one ventilation fan in the Berry Street Tunnel.
- Continue system-wide hoist welding and repair project.
- Install new water service line at Willow LRT station.
- Explore alternatives in system-wide Vegetation Management Program.
- Isolate the rails in the Mt. Lebanon Tunnel by utilizing vulcanized rubber plates.
- Replacement of gauge cut rail, inbound and outbound at private drive and inbound at Stevenson.
- Replacement of strap rail at South Hills Village Yard.

Technical Support and Capital Programs

Overview

The functions of the Technical Support and Capital Programs Department include the management of the company's Capital Project Programs; providing technical support to Operations and the other divisions within the Authority; administering the Authority's rail maintenance training programs; assisting in the administering and monitoring of the Operations Division's capital and operating budgets.

Capital Program Management includes the evaluation of corporate infrastructure assets; the identification, estimating and prioritizing of potential capital projects; and the design and construction of approved projects. Technical Support includes evaluation, recommendation and technical expertise for the bus and rail systems and the maintenance and repair of the facility infrastructure system. Technical Support is also responsible for the development of technical specifications for the procurement of services, materials, tools and equipment, the review and evaluation of system derailments, and the management and inspection of Port Authority's bridge infrastructure.

Rail Maintenance Training provides for the development and delivery of skilled maintenance training programs for hourly maintenance personnel, as well as the training of Authority employees on various pieces of non-revenue equipment.

The department's budget responsibilities include variance reporting, forecasting, and the coordination of information between the Operations and the Finance Division. Additional responsibilities include providing support to division

staff in identifying and developing utility and third party agreements, project management plans, and document control activities.

Capital Projects

FY 2008 Highlights

- *Saw Mill Run Bridge / West Liberty Avenue Ramp*
All Phase II work which included rail and pavement replacement through the South Hills Junction and across the Saw Mill Run Bridge, along with the rehabilitation of the Saw Mill Run and West Liberty Avenue bridges and the West Liberty Avenue ramp was completed in May 2008.
- *Collier / West Mifflin Garage Stormwater Separation*
Completed the Collier and West Mifflin Garages Stormwater Separation & Improvements Project to meet permit conditions and improve the stormwater discharge quality at these locations.
- *Stage II Light Rail System Reconstruction*
The communication portion of the Signals and Communications contract was completed in 2008. The signal portion completed punch list items, and is currently in the final phases of closeout. The entire auto routing work for the South Hills Village yard was completed and the track to wayside communication equipment was installed on the remaining rehabbed light rail vehicles.
- *Edgewood Railroad Station*
Renovations to the station and baggage house were completed in November 2007.
- *Pitt Tower Renovation*
The Pitt Tower Renovation Project to relocate the Police Dispatcher function to the third floor was completed in April 2008.

Technical Support

- Completion of the tank manway replacement project at the West Mifflin Garage.
- Continue to oversee the Authority's bridge inspection program, with 42 bridge inspections completed and the structural inspection of the Duquesne Incline.
- Completed the replacement of 100% of the exterior lighting at Collier Garage and 50% of the exterior lighting at East Liberty Garage. This was completed using funds from the FY 2005 Homeland Security Grant.
- Executed a change order to purchase 100 low floor buses.
- Issued a request for proposal in June 2008 for a Smart Card Fare Collection System.
- Completed the 2007 Rail Wear Studies.
- Completion of derailment investigations and reports covering all derailments during 2008.
- Completed 662 PA One Call tickets in fiscal year 2008.
- Ongoing technical assistance to the Authority's bus, railcar, and facility maintenance activities on a daily basis.

Program Management

- High Speed Maglev Project
The Draft Environmental Impact statement was updated including addressing public hearing comments. The Draft of the Final Environmental Impact statement was submitted to the Federal Railroad Administration, Federal Highway Administration and PennDOT for comment prior to final issue.

Environmental Compliance

- Wastewater Management
Worked with Monro, Inc. to control stormwater runoff from their Mr. Tire Facility that is adjacent and uphill from the Collier Garage that was causing erosion and adding sediment to the garage discharge. This was at no cost to Port Authority.
- Storage Tank Management
Completed the tri-annual operations inspections by a DEP certified inspector of the 30 underground storage tanks at the East Liberty, Harmar, Manchester, South Hills Junction and West Mifflin facilities as required by the DEP Storage Tank Program regulations. All tanks were in compliance with the storage tank program requirements.
- Waste Management
Completed the 2007 Hazardous Waste Generation Biennial reports for the Collier, East Liberty, Harmar, Manchester, Ross, South Hills Village, and West Mifflin facilities. The reports were completed in-house and submitted online to the DEP. Hazardous waste generation dropped by seven percent since the 2005 report year. This is a result of Port Authority's Source Reduction Strategy for hazardous waste.

Rail Maintenance Training

- Rail Maintenance Training hired two Maintenance Training Specialists. One trainer is developing and presenting four different Electronic and Microprocessor courses for the MAP program. These courses were originally contracted through CCAC but are cost and time prohibitive. The savings over two years is approximately \$160,000. The other Training Specialist brings electrical and substation equipment experience and is performing MAP training for these classifications.
- Rail Maintenance Training filled an open Heavy Equipment Instructor position. The new instructor brings strong organizational, development, and presentation skills that have improved the delivery of existing equipment training programs.
- The Heavy Equipment Instructors have added Speed Swing and Ballast Regulator safety and operation training to the department's list of equipment training programs.
- Rail Maintenance Training has updated the MAP training program for the Tech "B" mechanics to instruct them on the new Light Rail Vehicles. The

Tech “A” classroom update is nearly finished and will be completed by September 2008. MAP Apprenticeship on-the-job training check sheets for Tech “A”, Tech “B”, and Shop Mechanics have been updated to reflect the new light rail vehicle.

- The MAP committee was re-established in September of 2007. Since that time, it has worked through numerous MAP contract issues with job descriptions, aptitude testing, and on the job training requirements. The committee meets once a month to discuss and resolve issues associated with the MAP program.

FY 2009 Goals and Objectives

- Establish a dash board report which will be used to monitor division performance indicators.

Capital Projects

- Stage II Light Rail System Reconstruction
Complete the close-out of the systems contract in the 3rd quarter of fiscal year 2009. Automatic Train Protection (ATP) will be implemented during FY 2009.
- Harmar Stormwater & Paving
This project will upgrade the existing perimeter storm water collection system, including repair of underground piping, upgrade of existing inlets/manholes. Remove and replace pavement in the bus storage and garage exit area, mill and replace pavement in the bus entrance area and complete pavement patching around the garage perimeter. The design work will be completed and construction will begin in fiscal year 2009.
- Collier Perimeter Paving
Remove and replace existing pavement in the bus parking and egress areas at the Collier garage. Design will be completed and construction will begin in 2009.
- East Liberty Wash Racks
This project will replace wash racks “A” and “B” at the East Liberty garage. Design and construction will be completed by June 2009.
- Axle Press
Complete design and begin installation of a new LRV axle press at the South Hills Village Rail Maintenance facility.

- Manchester Paint Booth
Manage the installation or rehabilitation of a paint spray booth at the Manchester Main Shop.
- Guaranteed Energy Savings Program
Address energy savings initiatives and facility needs by utilizing the Pennsylvania Guaranteed Energy Savings program based upon the Act 77 Legislation. This program uses savings from reduced energy and utility costs to pay for the cost of facility upgrades.
- LRV Procurement
Identify and implement all LRV modifications. Work toward the completion and close out of the CAF Rail Car Procurement and LRV Rehabilitation contract.

Technical Support

- Complete lighting improvements and replace man doors, high speed doors, and roll gates at various locations. This will be completed using funds from the FY 2006 Homeland Security Grant.
- Management of the ongoing Authority's bridge inspection program.
- Accept delivery of 100 low floor buses.
- Award Fare Collection Contract in November 2008 and begin installation and testing in April 2009.
- Complete the rehabilitation of the ventilation fans in the Mt. Washington Tunnel.
- Completion of a rail system wide track geometry study.

Environmental Compliance

- Stormwater Management
Complete the design and begin construction on the Harmar Division Garage Stormwater Separation & Improvements project to meet permit conditions and improve the stormwater discharge quality at the garage as required within the DEP draft Consent Order. Prepare and implement a Stormwater Management Plan and Schedule for the proper inspection and maintenance of the stormwater systems at the Collier, Harmar, Ross and West Mifflin garages to ensure compliant discharge.
- Air Quality Management
Prepare and submit updated air operating permit applications for the eight

major Port Authority operating facilities as required by the Allegheny County Health Department (ACHD) Air Quality Program.

Rail Maintenance Training

- Complete coursework development including lesson plans, syllabus, and testing requirements for Radio Repair and Electronic Maintainer positions.
- Update current MAP courseware for the Tech “A” jobs to reflect the new light rail vehicles. Also, update the Signals courseware to include updates from the Stage II project.
- Continue to participate in the Keystone Training program in an effort to maximize the program’s potential.
- Continue to cross train department personnel in an effort to minimize the impact of any change to staffing or departmental priorities and schedules.

North Shore Connector

Overview

The North Shore Connector Team is responsible for the design, construction and overall project management of the light rail extension project to the North Side of the city. The contract for the boring of the twin tunnels has been awarded and is currently in progress. The Gateway and aerial station contracts were bid and have been awarded. The train system, station finishes, and escalator/elevator contracts are progressing for bid.

FY 2008 Highlights

This 1.2 mile extension of the Downtown to South Hills Light Rail system, locally known as the “T”, made significant advancements. The first contract which comprised two construction sections, the boring of twin tunnels beneath the Allegheny River and an additional cut and cover subway that comprises over ½ of the length of the project are over 60 % complete. Bids were received on two (2) additional civil contracts, the Gateway Station Shell contract and the aerial structure. An advance procurement contract for a track crossover needed to allow the completion of the Gateway Station Shell contract was bid and awarded. The systems contract was also advertised for bids. The design for the remaining contracts for elevators and escalators and station finishes were completed and are under review. The final right of way parcel is also now under agreement.

FY 2009 Goals and Objectives

- Contract NSC -003/006 - Complete the construction of the twin bored tunnels below the Allegheny River and the cut and cover work for the North Side Station area.
- Contract NSC – 004R - Award the contract and begin construction for cut and cover work for the new Gateway Station shell.

Port Authority of Allegheny County

FINANCE DIVISION

Overview

The Finance Division is responsible for all financial, accounting, treasury and procurement related functions within the Port Authority. In addition, claims, along with workers' compensation and grants accounting, are part of this division. Beginning in FY 2008, the information technologies function as well as the grants and capital project administration functions were transferred into the division.

Specific responsibilities of the Finance Division include the following: to prepare and monitor the annual operating and capital budgets; prepare financial documents and reports as required by federal, state, and county governments; collect and deposit revenues, cash management, financial projections and analysis; purchase, receive, store and distribute materials, supplies, and services consistent with Port Authority's needs; perform payroll and accounting functions; review and process all liability, property, and workers' compensation claims made against the Authority; manage all hardware and software projects within the organization; apply for State, Federal and local grants; as well as the grants accounting functions.

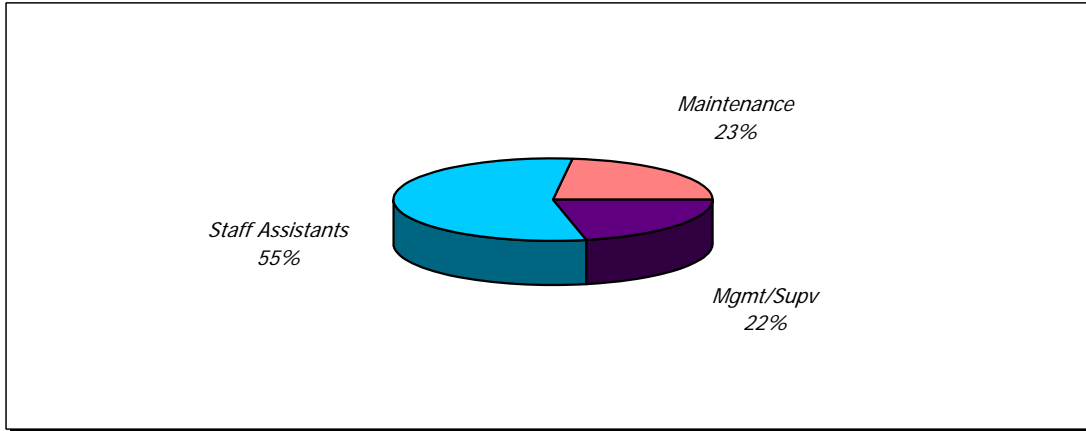
The Finance Division also provides oversight of the General Administrative Expenses of the Port Authority which includes corporate and general insurance and interest expense. General Administrative Expense also includes all federal and state capital programs used to offset operating expenses. These budgeted dollars are shown as a contra-expense account. For presentation purposes, the General

Administrative departmental costs are shown separately. Finance Division officials also serve as trustees for the Authority's defined benefit retirement and disability plans.

TABLE 3.4a

Port Authority of Allegheny County
FINANCE DIVISION
Personnel by Function & Department

Fiscal Year 2009 Budget



Personnel Summary (No. of Employees)

	<u>FY 2007 Actual</u>	<u>FY 2008 Actual</u>	<u>FY 2009 Budget</u>
Exec & General - Finance	2	2	2
Materials	48	37	42
Claims & Workers' Compensation	14	12	14
Accounting	20	12	14
Treasury Operations	24	21	24
Financial Planning & Budgets	5	4	4
Grants Accounting	0	3	3
Procurement	19	18	19
IT System Development	20	20	15
IT Infrastructure & Support	0	0	10
Grants and Capital Programs	0	3	3
Administrative Services	7	7	7
Total Personnel	<u>159</u>	<u>139</u>	<u>157</u>

TABLE 3.4b

Port Authority of Allegheny County
FINANCE DIVISION

Expense by Department

Expense Summary (Total Expense)

	FY 2007 Actual	FY2008 Forecast	FY2009 Budget	% Change from 2008
	\$	\$	\$	%
Exec. & General - Finance	170,472	195,828	164,938	-15.8%
Claims & Workers' Compensation	2,063,048	6,319,681	5,810,786	-8.1%
Accounting	938,010	746,189	707,187	-5.2%
Treasury Operations	1,016,873	981,832	1,028,194	4.7%
Financial Planning & Budgets	222,753	209,495	233,754	11.6%
Grants Accounting	10,290	20,266	(55,832)	-375.5%
Materials	2,926,299	2,598,523	2,617,747	0.7%
<u>Executive & General IT</u>	194,145	-	-	
<u>Support Services & Service Development</u>	2,944,034	-	-	
<u>Support Services & System Development</u>	-	1,931,359	1,388,388	-28.1%
<u>Infrastructure</u>	-	14,945	1,514,538	
<u>Administration Services & Technical Specs.</u>	-	563,242	826,797	46.8%
<u>Grants and Capital Programs</u>	-	16,449	(109,744)	100.0%
Procurement	1,067,794	1,032,805	1,034,732	0.2%
General & Administration	(68,166,602)	7,108,717	(205,167)	-102.9%
Total Net Expense	<u>(56,612,884)</u>	<u>21,739,332</u>	<u>14,956,318</u>	<u>-31.2%</u>

Bold and underlined items represent departments involved in company re-organization.

Expense by Category

Expense Summary (Total Expense) *

	FY 2007 Actual	FY2008 Forecast	FY2009 Budget	% Change from 2008
	\$	\$	\$	%
Salaries & Wages	9,223,586	7,847,056	8,854,122	12.8%
Employee Benefits	11,742,989	11,543,838	12,279,087	6.4%
Purchased Services	1,236,305	1,494,929	2,007,841	34.3%
Prov for Inj & Damages	538,366	4,620,957	3,588,630	-22.3%
Materials & Supplies	100,161	147,568	216,309	46.6%
Utilities	222,983	235,975	651,000	175.9%
Interest Expense	1,675,697	886,756	2,383,158	168.8%
ACCESS	24,573,849	25,348,151	25,634,700	1.1%
Other Expenses	2,314,235	2,039,767	2,566,967	25.8%
Transfers & Capitalizations	(108,241,055)	(32,425,663)	(43,225,496)	33.3%
Total Net Expense**	<u>(56,612,884)</u>	<u>21,739,332</u>	<u>14,956,318</u>	<u>-31.2%</u>

**Both the Expense by Department Analysis at top of page and Expense by Category at bottom of page include General Administration Expense that is not included in Table 3.4c.*

Executive & General IT was combined into other IT Departments; Grant & Capital Programs transferred from another division; Support Services and Service Development was divided into two departments.

***Change in Total Net Expense due to re-categorization of Transfers & Capitalizations into State Operating Assistance*

TABLE 3.4c*Port Authority of Allegheny County***FINANCE DIVISION***Expense by Department***Expense Summary (Functional Group)**

	FY 2007 Actual	FY2008 Forecast	FY2009 Budget	% Change from 2008
	\$	\$	\$	%
Exec. & General - Finance	170,472	195,828	164,938	-15.8%
Claims & Workers' Compensation	2,063,048	6,319,681	5,810,786	-8.1%
Accounting	938,010	746,189	707,187	-5.2%
Treasury Operations	1,016,873	981,832	1,028,194	4.7%
Financial Planning & Budgets	222,753	209,495	233,754	11.6%
Grants Accounting	10,290	20,266	(55,832)	-375.5%
Materials	2,926,299	2,598,523	2,617,747	0.7%
<u>Executive & General IT</u>	194,145	-	-	
<u>Support Services & Service Development</u>	2,944,034	-	-	
<u>Support Services & System Development</u>	-	1,931,359	1,388,388	-28.1%
<u>Infrastructure</u>	-	14,945	1,514,538	
<u>Administration Services</u>	-	563,242	826,797	46.8%
<u>Grants and Capital Programs</u>	-	16,449	(109,744)	-767.2%
Procurement	1,067,794	1,032,805	1,034,732	0.2%
	<u>11,553,718</u>	<u>14,630,615</u>	<u>15,161,485</u>	<u>3.6%</u>

*Expense by Category***Expense Summary (Functional Group)**

	FY 2007 Actual	FY2008 Forecast	FY2009 Budget	% Change from 2008
	\$	\$	\$	%
Salaries & Wages	9,223,586	7,847,056	8,384,122	6.8%
Employee Benefits	333,814	499,778	589,093	17.9%
Purchased Services	1,162,466	1,369,161	1,832,841	33.9%
Prov for Inj & Damages	538,366	4,620,957	3,588,630	-22.3%
Materials & Supplies	97,912	133,436	215,109	61.2%
Utilities	222,983	235,983	651,000	175.9%
Other Expenses	331,056	270,837	526,186	94.3%
Transfers & Capitalizations	(356,464)	(346,592)	(625,496)	80.5%
	<u>11,553,718</u>	<u>14,630,615</u>	<u>15,161,485</u>	<u>3.6%</u>

Bold and underlined items represent departments involved in company re-organization.

TABLE 3.4d

Port Authority of Allegheny County
FINANCE DIVISION

Expense by Department

Expense Summary (General & Admin. Group)

	FY 2007 Actual	FY 2008 Forecast	FY 2009 Budget	% Change from 2008
	\$	\$	\$	%
General Admin. Expense	(68,166,602)	7,108,717	(205,167)	-102.9%
	<u>(68,166,602)</u>	<u>7,108,717</u>	<u>(205,167)</u>	<u>-102.9%</u>

Expense by Category

Expense Summary (General & Admin. Group)

	FY 2007 Actual	FY2008 Forecast	FY2009 Budget	% Change from 2008
	\$	\$	\$	%
Salaries & Wages	-	-	470,000	
Employee Benefits	11,409,176	11,044,060	11,689,994	5.8%
Purchased Services	73,839	125,768	175,000	39.1%
Materials & Supplies	2,249	14,125	1,200	-91.5%
Interest Expense	1,675,697	886,756	2,383,158	168.8%
ACCESS	24,573,849	25,348,151	25,634,700	1.1%
Other Expenses	1,983,179	1,768,930	2,040,781	15.4%
Transfers & Capitalizations**	(107,884,590)	(32,079,072)	(42,600,000)	32.8%
	<u>(68,166,602)</u>	<u>7,108,717</u>	<u>(205,167)</u>	<u>-102.9%</u>

****Change in Total Net Expense due to greater Preventive Maintenance program for FY 2009**

Port Authority of Allegheny County

FINANCE DIVISION

Purchasing and Materials

FY 2008 Highlights

- Locked up the diesel fuel requirements for FY 2007 at a rate of \$2.28 per gallon. This rate compared very favorably to the average daily rate the Authority would have paid if either we locked up at a later date or acquired our fuel based on the daily spot market. The average daily spot market rate for this time period was approximately \$3.04 per gallon. We purchased approximately 9.2 million gallons a year. This equates to a savings of approximately \$7 million for the year.
- Implemented a new electric supplier contract, which resulted in a \$2,000,000 savings from market price on company's GL accounts.
- The 2008 Physical Inventory was conducted at all storerooms on March 28th and completed on March 30th. This was the first inventory conducted using the People Soft upgrade 8.9 and had very high inventory accuracy levels at all storerooms as compared to years past.
- Analyzed and improved the reduction of "Bus Downs" (The requisition of parts for busses out of service) at the Divisions. The current average bus downs for FY 2008 is 379 per month for all 5 Divisions as compared to 526 per month for all 5 Divisions for FY 2007. This is an average reduction of 147 bus downs per month.
- Purchasing and inventory have developed a business process to enable the Authority to track cores from the time of purchase to the point of return at central stores. Cores are parts that can be rebuilt and have charges that are passed onto Port Authority. These charges can only be recouped through a return to the vendor. From the introduction of this program, PAAC has recouped a total of \$107,000.00. We are continuing to follow the same procedure and monitoring core levels on a weekly basis.
- Created an internal process in collaboration with Penn Detroit Diesel to track the return of cores and warranty items to ensure that the Port Authority is taking advantage of the cost savings associated with the timely return of all core and warranty items, which resulted in a savings of over \$90,000.00 for FY 2008.

- Assisted IT in the implementation of the Strategic Sourcing Procurement Module, as well as associated Port Authority purchasing and vendor/user manuals for utilizing e-business.
- Updated existing vendor database, as well as implementation of new vendor database through e-business and mass mailing.
- Maintained and/or advertised approximately 90 professional services contracts

FY 2009 Goals and Objectives

- Send out RFB's and RFQ's electronically via the new Strategic Sourcing Procurement Module within e-business.
- Analyze and improve the reduction of "Bus Downs" (The requisition of parts for busses out of service) at the Divisions. The current average bus downs for FY 2008 is 379 per month for all 5 Divisions. The FY 2009 goal is to reduce the monthly bus down numbers by 10 to 20 percent.
- Streamline the acquisition of professional services and construction contracts by 10% utilizing the e-business system.
- Create PAAC stock numbers for all the Authority's non-stock items to ensure that all contracts and the negotiated pricing are being utilized. This will eliminate 40% of supplemental purchase orders.
- Improve outreach to Disadvantaged Business Enterprise vendors and encourage participation in Port Authority contracts and e-business by conducting internal education classes as well attending different sponsored functions. The goal of the Outreach program is to increase our DBE vendor data base by 20%.

Financial Planning and Budgets

FY 2008 Highlights

- Worked on costing various proposals associated with Port Authority's negotiations with the Amalgamated Transit Union Local #85.
- Successfully completed the FY 2007 National Transit Database filing with the Federal Transit Administration.
- Completed four quarterly Urban Grant Reports (UGR) to the Commonwealth of Pennsylvania in addition to an UGR based on the FY 2007 audited financial results.
- Participated in training on the Commonwealth of Pennsylvania's web based DOT Grant system.
- Submitted Port Authority's FY 2009 Operating Budget Request as well as legacy financial results for FY 2008 and FY 2007 using the Commonwealth of Pennsylvania's DOT Grant system.
- Completed both the Allegheny County Budget Office and County Council applications for FY 2009 Operating Assistance.
- Worked on a preliminary analysis, along with assistance from Vantage Point Consulting, regarding policy options regarding the Manchester Building.
- Successfully integrated a new Director of Financial Planning and Budgets and Manager of Financial Planning and Budgets into the Department.
- Prepared documentation to validate the methods used in the preparation of Port Authority's Annual Cost Allocation plan.
- Continued to verify personnel requests in relation to the FY 2008 Budget.
- Developed various short and long-term cashflow scenarios to determine possible amounts for either a Grant Anticipation Note (GAN) or Letter of Credit financing arrangement in FY 2009.
- Held multiple training sessions for new managers regarding Port Authority's budgeting procedures.

FY 2009 Goals and Objectives

- Develop key performance indicators for each department to be incorporated into FY 2010 Budget Book.
- Review the PeopleSoft Budgets module to see if it might be beneficial in developing future budgets.
- Successfully train new departmental personnel on preparing various Federal and State grants.
- Put into production additional financial reports which will reflect encumbered funds in addition to expenses.
- Complete the FY 2008 NTD Report in a timely fashion with minimal issues.
- Review and enhance financial models for fare increases to be used in FY 2010.

Office of the Controller

FY 2008 Highlights

- Developed key performance indicators for Revenue Collection and Cash Room operations that are utilized to gauge and measure activities. The information is recorded on a shared drive for managers and supervisors to review and update.
- Participated as a team in developing a RFP document for Automated Fare Collection System which will include new fareboxes and SmartCard technology. The RFP documents will be advertised in FY 2008 and will be evaluated for vendor selection in FY 2009.
- Developed and implemented processes and procedures to monitor and improve the collection of Accounts Receivable balances. The process included reconciling and clearing outstanding balances for 120 accounts which will continue throughout FY 2009.
- Implemented the banking services agreements which included the initiation of new banking processes and services. The following services were implemented to improve internal processes:
 - Deposit on Site – Scanning process that allows checks received from customer payments to be scanned on site for current day deposit

- Positive pay – Security process that ensures that checks drawn on Port Authority accounts are validated against an authenticated file.
 - Zero balance service – Provides for the automatic transfers of funds for payroll account as checks clear for the day
- Reorganized the Treasury Cash room operation to provide improved flow of processing coin and currency. The reorganization included revising job titles and specific tasks. Reviewed the logistics of Treasury vehicle operations and increased the productivity of staff by preparing a revised pickup and routing schedule.
- The PeopleSoft billing module was reviewed and updated to reflect a revised fare structure effective for January 2008. The new fare instruments were billed and delivered prior to the fare increase. Returns of unused pre-paid zone tickets were processed for sales outlets which included a procedure to ensure prompt and accurate processing of returns and issuance of new stock billed at the increased values.
- Revenue Collection reviewed and reconciled reporting of buses that are listed as not probed at the five bus operating locations. The results were reviewed and forwarded to operations. This process prompted the removal and transfer of bus equipment per current revenue fleet assignment.
- A security audit of Treasury Operations was conducted by Transit Police who made a number of recommendations. These recommendations will be reviewed and those that can be implemented will be in place by Fiscal Year end.
- Reorganized jobs within the Controller's group to facilitate cross-training, provide back-up, and increase productivity through greater utilization of each employee.
- Worked with IT consultant to automate the capital funding requests and the revenue recognition process.
- Revised accounting practices to facilitate consolidation of operating and capital ledgers.
- Established a strategic plan with goals and objectives for the group.
- Developed the ground work to implement a system of Key Performance Indicators.

- Created an overtime report through PeopleSoft that is distributed to managers in the Operations division that will assist the departments in evaluating and controlling overtime.

FY 2009 Goals and Objectives

- Implement the remaining new banking services agreements with PNC including ATM and Merchant Services.
- Participate in the selection of a vendor for the implementation of the Automatic Fare Collection System. This project will include replacing the existing fareboxes and fare collection equipment along with introducing ticket vendor machines and a SmartCard based fare collection system.
- Develop an RFP for Merchant Clearing Houses services and select a vendor to handle transactions related to the Automatic Fare Collection System.
- Document existing departmental processes and procedures in preparation for the new fare collection system.
- To implement closing procedures that will facilitate the preparation of consolidated financial statements on a monthly basis.
- Reengineer our business and accounting processes to improve productivity, the quality of information, and strengthen internal controls while utilizing more of the functionality that is available within the PeopleSoft software that is currently installed.
- Implement more preventive controls over our daily processes that reduce the amount of errors and increases the reliability of the data in our systems.
- Implement a system of Key Performance Indicators that will assist the managers of each department in controlling the quality of their work, determine the amount of resources needed, evaluate their personnel, and assess the external factors that influence their productivity.

Grants and Capital Programs

FY 2008 Highlights

- Resurrected the Capital Planning Committee.
- Completed the following financial management upgrades: PeopleSoft upgrade to 8.9, chart field re-implementation, and new modules for program management.
- Implemented a new budgeting process with a complete funding plan.
- Established procedures and guidelines for initiating capital projects.
- Conceptualized the Port Authority's 4 and 12 year Capital Improvement Plan.
- Redeveloped the Capital Budget Request form.
- Ranked each capital project based upon criteria and categorized each project as either "non-discretionary" or "discretionary".

FY 2009 Goals and Objectives

- Continue Capital Planning Committee meetings.
- Implement monthly reviews of all capital programs in conjunction with newly designed Capital Budget Progress report.
- Development of 4 and 12 year capital program
- Continue working through the following capital funding challenges: County funding request vs. proposal, State ACT 44 without I-80 tolls, Federal SAFETEA-LU Reauthorization and Section 5309 New Rail Modernization Proposals.
- Finalize funding sources for the North Shore Connector Project.
- Commencing the Regional Automated Fare Collection Project.

Information Technology System Development

FY 2008 Highlights

- Completed the rollout of the internet e-business suite including Request for Proposals, Request for Bids, and Bidder Registration.
- Installed 12 bundles of PeopleSoft patches and Fixes to the version 8.9 software.
- Re-Implemented the entire Project Costing data and module to conform to current PeopleSoft technologies and to enable Port Authority to utilize the new Program Management module.
- Reconfigured portions of the PeopleSoft Inventory module to reduce customizations and to position this module to work well with the e-Procurement module (Requisitions module).
- Configured the Program Management module to enable Port Authority management the ability to easily review project information and to summarize many projects into programs for review. Additionally this module introduces new business processes including project budget approvals and change management. Additionally, issue tracking and dashboard technologies are introduced for use by Management.
- Configured e-Procurement (Requisitions) module. This module will reduce the number of employees that can create PO's, allow those employees to requisition material and services, enforce budget approvals, introduce chart-field approvals and can generate PO's dynamically.
- Rollout several new PeopleSoft Financials modules (e-business) including, e-Settlement, e-Supplier Connection, e-Supplier Contracts, and Strategic Sourcing. Most of these modules will rollout in June 2008 (FY 2008) with some final work being accomplished in July 2008 (FY 2009).
- Implement many new accounting procedures and reports including balance sheets and an easier process for recognizing revenue.
- Re-implement the TransportMax bidding interface to better utilize the new financials software and to utilize the PeopleSoft Request-for-Quote module.
- Developed a new Connect 09 "Transit Development Plan" web-site.
- Designed, developed and implemented the new Police Incident system.

- Upgraded the hardware and software for the ATIS trip planning system.
- New Security Panel for the Operator Incident System.
- Rail Incident (Daily Operations Report) generation and distribution hourly.
- Rewrite of Quality Assurance Observances System.
- Implemented new Time Table Software.
- New Marketing System Database.
- New PortAuthority.org Alerts module.
- Upgraded the Customer Information System to the latest release.
- New Website Content Areas including:
 - Community Connections
 - The Scoop
 - Rider Reports
 - North Shore Connector
- Developed and implemented payroll direct deposit information to go to PNC Bank.

FY 2009 Goals and Objectives

- Complete the rollout of several new PeopleSoft Financials modules including Program Management, e-Procurement, internet auctions and reverse-auctions. These efforts were started in FY 2008.
- Develop an electronic interface with Highmark for employee benefits
- Enhancements to the Pension Analysis module to reflect non-rep changes that occurred.
- Port Authority Directory module to coordinate all basic employee information to all necessary Port Authority systems, modules and network security.
- A new Bidders portal on the internet site to show the results of bids and proposals.

- Start the upgrade process for the Human Resource and Payroll system to version 9.x. This effort is planned to start in FY 2009 and be completed in FY 2010.
- Upgrade the current map technology to add street addresses enabling customers to plan trips based on street addresses.
- Potential changes to Payroll, Human Resource, Benefits, Scheduling, Dispatching, Pensions...etc based on potential Collective Bargaining changes.
- Upgrade the Giro Scheduling system to version 2008.
- Analysis, Development and implementation of technologies in support of a new Fare Collection System.

Information Technology Infrastructure

FY 2008 Highlights

Completed the following initiatives:

- Email Filtering Optimization
- PC Security Rollout Phase 2 (Securing sensitive desktops)
- DC UPS stabilization
- Treasury- PNC Integration
- Treasury Parking Garage Expansion
- POS System Upgrade
- PC and Laptop Inventory (Enterprise)

FY 2009 Goals and Objectives

- Organizational Restructure to Helpdesk, Datacenter and Field Operations concentration
- PC Replacement
- Windows XP and Office Upgrade
- SAN Implementation
- Datacenter Relocation (Begins 2009 and goes into 2010)
- Firewall Upgrade completion
- Virtualization
- Antivirus Implementation
- LAN Network Replacement
- WAN Replacement
- Heinz CMS System Replacement
- DC Citrix High Availability
- Remote Site Backup Hardening
- Internet Access Overhaul (Surfcontrol)
- LAN Server Replacement
- Help Desk Application Upgrade
- Bus Garage Video Surveillance (2009 – 2010)
- Service and Planning Development Projects:
 - Google Vs Atis
 - CMU Ecommerce (Smart Phone Next Bus)
 - Deep Local (Events SMS Next Bus)
 - CMU IVR (Lets Go Project)
 - 511 Integration Analysis

- Computer User Policy Revamp
- Backup WAN
- Record Retention Project

Port Authority of Allegheny County

HUMAN RESOURCES DIVISION

Overview

The Human Resources Division is the next largest expense component of Port Authority's FY 2009 operating budget behind the Operations Division due to the inclusion of all company health care expense within the department. The Human Resources Division is comprised of the following departments: Employment and Development, Benefits & Compensation Services, Employee Relations, and Office of Equal Opportunity. This division provides a full range of human resource services to Port Authority including the administration of healthcare, life insurance, unemployment compensation and other employee benefits programs, as well as training and organizational development.

During FY 2009, Port Authority will commence bargaining with the International Brotherhood of Electrical Workers (IBEW) Local 29, continue bargaining with Amalgamated Transit Union (ATU) Local 85 for Rank & File and First Level Supervisors, and with Port Authority Transit Police Association (PATPA) for Officers and for Sergeants & Lieutenants in an effort to reach responsible settlements on five separate collective bargaining agreements. The first year, CY 2006, of the reconciliation of the Medicare Part D Reimbursement Program was completed. The Reimbursement Program generated over \$480,000 in cost savings for the Authority in FY 2008. The division will initiate the reconciliation process for CY 2007 and will again process the application to re-enroll in the Medicare Part D Reimbursement Program for CY 2009. In FY

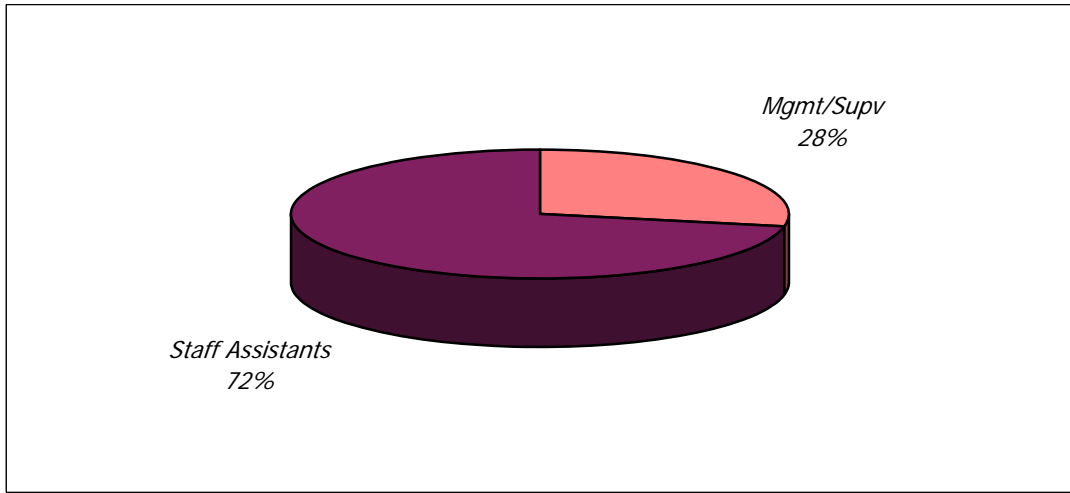
2008, Port Authority, along with its' three unions, jointly launched a comprehensive Health and Wellness Program to further cost-containment efforts related to our healthcare program. During FY 2009, the division will work with the Information Technology staff and consultants to initiate an upgrade of the Oracle Human Resources Management System (HRMS) to improve functionality and improve business processes while providing employees with web-enabled access to certain benefit and personal data.

TABLE 3.5a

Port Authority of Allegheny County
HUMAN RESOURCES DIVISION

Personnel by Function & Department

Fiscal Year 2009 Budget



Personnel Summary (No. of Employees)

	<u>FY 2007 Actual</u>	<u>FY 2008 Actual</u>	<u>FY 2009 Budget</u>
Exec & General - HR	3	2	3
Training	3	3	3
Employee Relations/OEO	9	9	9
Employment	6	6	6
Benefits & Compensation	8	11	11
Total Personnel	<u>29</u>	<u>31</u>	<u>32</u>

TABLE 3.5b

Port Authority of Allegheny County
HUMAN RESOURCES DIVISION

Expense by Department

Expense Summary (Total Expense)

	FY 2007 Actual	FY2008 Forecast	FY2009 Budget	% Change from 2008
	\$	\$	\$	%
Exec. & General - HR	256,770	244,142	265,423	8.7%
Training & Org Development	347,239	326,152	365,524	12.1%
Claims	230,303	-	-	
Employment	711,545	664,417	852,876	28.4%
Benefits & Compensation	115,295,089	117,976,241	78,297,680	-33.6%
Employee Relations/EEO	1,299,628	2,198,963	1,090,608	-50.4%
Total Expenses	<u>118,140,573</u>	<u>121,409,915</u>	<u>80,872,111</u>	<u>-33.4%</u>

Expense by Category

Expense Summary (Total Expense)

	FY 2007 Actual	FY2008 Forecast	FY2009 Budget	% Change from 2008
	\$	\$	\$	%
Salaries & Wages	1,884,083	1,721,369	1,832,832	6.5%
Employee Benefits	115,468,298	118,852,195	77,901,389	-34.5%
Purchased Services	585,822	602,576	858,057	42.4%
Materials & Supplies	9,832	15,719	20,048	27.5%
Utilities	21,475	21,555	-	-100.0%
Other Expenses	175,700	197,188	259,785	31.7%
Transfers & Capitalizations	(4,636)	(687)	-	-100.0%
Total Expenses	<u>118,140,573</u>	<u>121,409,915</u>	<u>80,872,111</u>	<u>-33.4%</u>

Port Authority of Allegheny County

HUMAN RESOURCES DIVISION

FY 2008 Division Expense Highlights

- Enrolled for the second calendar year of the Retiree Drug Subsidy (RDS) Program from which the Authority received over \$480,000 in Medicare Part D reimbursements in FY 2008.
- Through an RFP process, conducted interviews and selected a new provider for Life insurance, as well as Short and Long Term insurance coverage. In addition to improved processing and reporting capabilities for these plans, the Authority will save approximately \$250,000 annually; generating over \$762,000 through FY 2011 with a three-year rate guarantee.
- Overall medical insurance expenses decreased by \$163,000 (0.3%) from FY 2007 to FY 2008, largely due to the investment income credit received as a result of premium pre-payments to the provider, as well as negotiations resulting in only a 4.9% premium increase.
- Dental expenses decreased by an additional \$380,000 (13%) from FY 2007 to FY 2008; savings continued due to the January 1, 2007 change in dental providers without a reduction in benefits.
- Vision expenses decreased by an additional \$5,000 (1.4%) from FY 2007 to FY 2008; savings continued due to the January 1, 2007 change in vision providers.

FY 2008 Highlights

- Commenced bargaining in an effort to reach responsible settlements on four of five separate collective bargaining agreements; Amalgamated Transit Union (ATU) Local 85 Rank & File, ATU First Level Supervisors, Port Authority Transit Police Association (PATPA) Officers, and PATPA Sergeants & Lieutenants.
- Printed and distributed two (2) collective bargaining agreements in effect for ATU Local 85 Rank & File and First Level Supervisors.

- Reconciled the CY 2006 Retiree Drug Subsidy (RDS) Program and re-enrolled for CY 2008.
- Launched a comprehensive Health and Wellness Program in conjunction with all three labor unions.
- Participated in successful litigation of an employment case which had a \$2.5 million exposure to the Authority.
- Updated and re-launched a course on organizational procedures; included information on various Authority processes such as procurement, budgeting, drafting job descriptions, and conducting performance evaluations, among others.
- Launched a “Planning for Success” program geared toward newly hired or promoted supervisory and management personnel. It is comprised of mandatory training, a 360 degree assessment and an individual training plan for each participant.
- Implemented internet training known as “Key Train” for represented employees to enhance promotional opportunities.
- Updated the Drug & Alcohol database enabling a more timely transmission of information from the Lab and Medical Review Officer.
- Lead efforts of the Pittsburgh Chapter of the Conference of Minority Transportation Officials (COMTO) Pittsburgh Chapter, which provides a forum for transportation industry professionals, governmental officials and vendors who support the transportation field to share information, opportunities and personal expertise, raised and awarded \$6000 in scholarships to deserving young high school seniors and college students.
- Port Authority’s Disadvantaged Business Enterprise (DBE) efforts resulted in 18.8% DBE participation in contracts awarded.
- Processed 202 retirements in FY 2008, of which 119 were processed in the final 3 months of the fiscal year.
- Due to lay-offs at the beginning of the fiscal year, the number of unemployment claims processed during the fiscal year increased by 140% to 288 claims; requiring increased staff participation in numerous hearings and appeals.

- Over six hundred (600) interviews were conducted resulting in one hundred and fifty (150) positions being filled; many through promotional opportunities. Coordinated efforts to recall one hundred twenty-nine (129) employees from lay-off.

FY 2009 Goals and Objectives

- Successfully negotiate five (5) responsible collective bargaining agreements with Amalgamated Transit Union (ATU) Local 85 for Rank & File and for First Level Supervisors, Port Authority Transit Police Association (PATPA) for Officers and for Sergeants & Lieutenants, and with the International Brotherhood of Electrical Workers (IBEW) Local 29.
- Re-enroll for the fourth consecutive year of the Medicare Part D Reimbursement Program commencing CY 2009.
- Participate in successful upgrade of the Oracle Human Resources Management System (HRMS).
- Conduct a comprehensive benchmark study of non-represented positions and implement a total rewards approach to communicating employee compensation, benefits and other rewards by annually providing all employees with personal total compensation statements.
- Finalize and conduct training on a new Performance Management Program for non-represented employees in preparation for a FY 2010 program launch.

Port Authority of Allegheny County

LEGAL AND CORPORATE SERVICES DIVISION

Overview

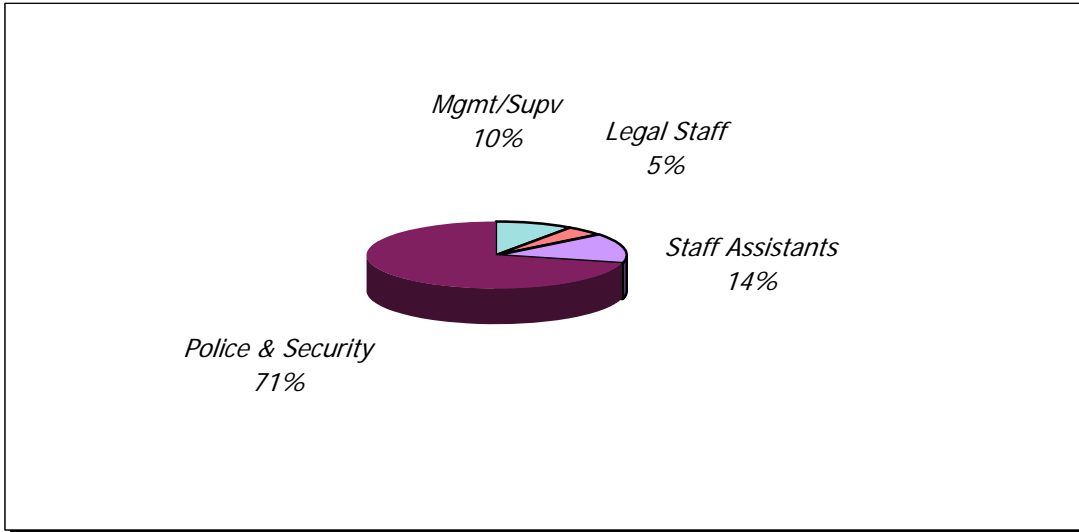
The Legal and Corporate Services Division is comprised of the following six departments: Legal and Consulting Services, Executive and General, Internal Audit, System Safety, Transit Police and Security Services, and Media Relations. Each of these departments has a direct reporting relationship to the Office of the Chief Executive, allowing for immediate input and dialogue on issues affecting, among others, financial oversight and controls, and the safety and security of Port Authority passengers, employees and facilities.

Major functions of the Legal and Corporate Services Division include: providing legal and risk-management advice and representation; examining and evaluating the Authority's system of internal controls; ensuring a safe and secure working and riding environment for customers and employees; serving as a liaison with the federal, state and local funding agencies; supervising the maintenance and development of Port Authority's real estate assets; providing support to the Port Authority Chief Executive Officer and Board of Directors, and representing the Chief Executive Officer in his absence.

TABLE 3.6a

Port Authority of Allegheny County
Legal and Corporate Service
Personnel by Function & Department

Fiscal Year 2009 Budget



Personnel Summary (No. of Employees)

	<u>FY 2007</u> <u>Actual</u>	<u>FY 2008</u> <u>Actual</u>	<u>FY 2009</u> <u>Budget</u>
Executive & General Legal Services	2	2	2
Legal & Consulting Services	6	5	6
Internal Audit	5	5	5
System Safety	6	6	6
Transit Police and Security	61	60	60
Real Estate	2	0	0
Media Relations*	0	1	4
Total Personnel	<u>82</u>	<u>79</u>	<u>83</u>

* Department transferred from Planning and Development

TABLE 3.6b

Port Authority of Allegheny County
Legal and Corporate Service

Expense by Department

Expense Summary (Total Expense)

	FY 2007 Actual	FY 2008 Forecast	FY2009 Budget	% Change from 2008
	\$	\$	\$	%
<u>Legal & Corporate Services</u>	1,281,145	2,229,167	2,122,375	-4.8%
Executive & General Legal Services	166,937	155,321	154,088	-0.8%
- Internal Audit	316,273	273,196	314,345	15.1%
- System Safety	341,137	357,440	384,482	7.6%
- Transit Police	3,064,015	2,980,677	3,001,541	0.7%
<u>Grants & Government Affairs</u>	(16,415)	-	-	
<u>Media Relations</u>	145,804	-	222,248	
<u>Real Estate</u>	357,585	-	-	
Total Expense	<u>5,656,481</u>	<u>5,995,801</u>	<u>6,199,079</u>	<u>3%</u>

Bold and underlined items represent departments involved in company re-organization.

Expense by Category

Expense Summary (Total Expense)

	FY 2007 Actual	FY 2008 Forecast	FY2009 Budget	% Change from 2008
	\$	\$	\$	%
Salaries & Wages	4,542,009	4,105,215	4,362,044	6.3%
Employee Benefits	36,896	41,797	27,900	-33.2%
Purchased Services	1,102,297	1,921,596	1,628,928	-15.2%
Materials & Supplies	22,403	28,399	27,730	-2.4%
Utilities	42,969	36,667	-	
Prov for Inj & Damages	10,147	8,093	4,000	-50.6%
Other Expenses	189,275	81,343	236,353	190.6%
Transfers & Capitalizations	(289,514)	(227,309)	(87,876)	-21.5%
Total Expense	<u>5,656,481</u>	<u>5,995,801</u>	<u>6,199,079</u>	<u>3%</u>

Port Authority of Allegheny County

LEGAL AND CORPORATE SERVICES DIVISION

FY 2008 Highlights

- The Internal Audit Department engaged in an 18-month work plan that included a comprehensive audit of all major construction and materials contracts and efficiency audits of various operating units with a target of increasing efficiency and reducing operating costs.
- Installed new security systems at Port Authority properties, including closed-circuit video equipment and increasing perimeter control, among other actions. Training and operational procedures for onboard monitoring of closed circuit equipment was implemented as part of this effort.
- Continued to provide in-house emergency response and anti-terrorism operational training for Port Authority personnel.
- Maintained outstanding working relationships that exist among local, state, federal and private agencies that have been established through Port Authority's participation with Region 3 of the Federal Transit Administration.
- Continued to meet safety and security regulatory requirements through interaction with State Safety Oversight, Allegheny County Emergency Management, and other federal, state and local agencies.
- Continued Safety and Security Certification Program through the completion of the North Shore Connector as it develops.
- Continued to aggressively defend Port Authority in legal actions at all levels of the state and federal courts while reducing the utilization of outside counsel.
- Continued to maintain and develop Port Authority's productive relationships with local, state and federal officers, legislators and agencies.
- Continued to pursue real estate development opportunities in conjunction with the Allegheny County Department of Economic Development such as Eastside Development, Alpine Village Park and Ride, and Robinson Township Intermodal facility.

FY 2009 Goals and Objectives

Legal

- Continue to aggressively defend Port Authority in legal actions at all levels of the state and federal courts while reducing the utilization of outside legal counsel through the continued development of a well-rounded internal legal department.
- As part of the effort to reduce fees for outside legal counsel, the internal legal department will take on additional responsibilities relating to employment and other human resources matters.
- Continue to identify and aggressively prosecute actions for the recovery of damages Port Authority sustains as the result of property damage caused by the negligence of third parties, breaches of contracts entered into with Port Authority, and related causes of action that Port Authority may have.
- Continue to identify and pursue real estate development opportunities in conjunction with the Allegheny County Department of Economic Development, such as Eastside Development, joint development of South Hills Village and joint development at Port Authority's Castle Shannon Park and Ride Lot. The Legal and Consulting Services department will present final proposals to the Federal Transit Administration during the second half of FY 2009 for approval of the South Hills Village and Castle Shannon joint development projects.
- Continue to maintain and develop Port Authority's productive relationships with local, state and federal officers, legislators and agencies.

Internal Audit

- Highlights of Goals for the Internal Audit Department for FY 2009 are to develop the Internal Audit Work Plan for FY 2010 to focus on operational audits, and make significant progress on completing the audits and projects in the FY 2008-2009 Internal Audit Work Plan including:
 - ACCESS ticket audits
 - Zipcar program
 - Nonrevenue vehicle mileage reporting system
 - Internal controls for fuel receipt and disbursement

- Buy America Regulations - post award verification For Gillig 40 foot, low floor buses
- Treasury function
- Audit of potential high-theft inventory items
- Analysis of nonrevenue vehicle use
- Maintenance employee staffing levels and workforce utilization
- Review of return to work practices after drug and alcohol testing
- Payroll audits for salaried employees, non-operators and operators
- Attendance, FMLA use and overtime

Port Authority of Allegheny County
PLANNING & DEVELOPMENT DIVISION

OVERVIEW

The Port Authority's Planning and Development Division includes a number of functions. The Marketing and Sales Department undertakes all of the marketing activities for the Authority. In addition, it sells space for advertising on Port Authority assets such as buses and LRT stations and also sells fare media and related items through its retail sales outlets.

The Creative Services Department supports the Marketing and Sales Department as well as all of the other Divisions and Departments in the Port Authority with graphic and creative production items such as signs, advertisements both for our advertising clients and for our purchased ad campaigns, and other writing and designed items.

The Customer Service Department staffs the Transit Information Call Center as well as many of the public outreach activities such as speaking engagements and information workshops. The staff is comprised of Customer Information and Relations Representatives and contains two Supervisors and nineteen represented employees.

The planning area includes the Service Planning & Scheduling departments which focus on developing the company's service pattern. As such it is committed to the importance of serving the Authority's customers while remaining mindful of fiscal constraints. The department is responsible for monitoring bus and rail service

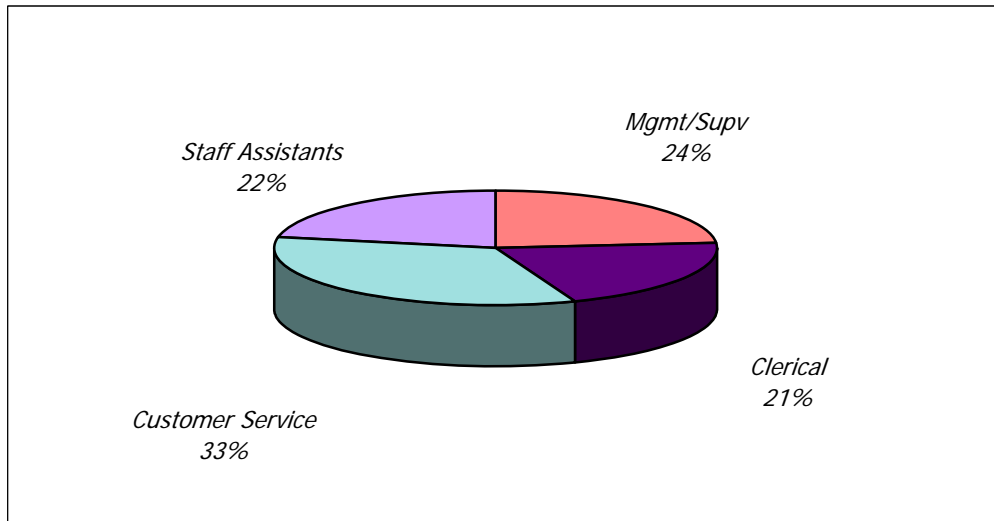
efficiency, implementing service changes, developing and distributing schedules and timetables, development of fare policies and procedures, collection of data for both state and federal reporting requirements, and maintaining databases for bus and rail stops and stations.

Finally, the Strategic and Extended Range Planning Department handles the Authority's long range planning projects. Currently, they are managing the Transit Development Program for the Connect 09 program. This includes both short and mid-range planning projects that will redesign the way the agency provides service to its customers in the future.

TABLE 3.7a

Port Authority of Allegheny County
Planning and Development
Personnel by Function & Department

Fiscal Year 2009 Budget



Personnel Summary (No. of Employees)

	<u>FY 2007 Actual</u>	<u>FY 2008 Actual</u>	<u>FY 2009 Budget</u>
Exec & General	4	3	2
Service Planning & Schedules	21	20	23
Planning	2	5	2
Creative Services	4	5	5
Customer Services	23	23	23
Advertising Sales	3	3	0
Marketing & Retail Sales	7	4	10
Media Relations*	3	0	0
Total Personnel	<u>67</u>	<u>63</u>	<u>65</u>

* Department moved to Legal and Corporate Services

TABLE 3.7b

Port Authority of Allegheny County
Planning and Development

Expense by Department

Expense Summary (Total Expense)

	FY 2007 Actual	FY 2008 Forecast	FY2009 Budget	% Change from 2007
	\$	\$	\$	%
Exec. & General	148,116	210,426	163,520	-22.3%
Creative Services	708,149	718,019	670,356	-6.6%
Customer Services	1,024,937	882,329	993,360	12.6%
Advertising Sales	497,548	941,114	500,560	-46.8%
<u>Marketing</u>	415,494	-	301,872	
<u>Media Relations</u>	145,804	96,991	-	
<u>Retail Sales</u>	-	-	322,711	
<u>Planning</u>	88,865	314,169	125,178	-60.2%
<u>Service Planning & Schedules</u>	1,397,535	1,437,068	1,637,252	13.9%
Total Expense	<u>4,426,448</u>	<u>4,600,116</u>	<u>4,714,809</u>	<u>2.5%</u>

Bold and underlined items represent departments involved in company re-organization.

Expense by Category

Expense Summary (Total Expense)

	FY 2007 Actual	FY 2008 Forecast	FY2009 Budget	% Change from 2008
	\$	\$	\$	%
Salaries & Wages	3,008,449	2,982,355	3,128,836	4.9%
Employee Benefits	62,869	66,224	5,172	-92.2%
Purchased Services	268,939	558,033	382,615	-31.4%
Materials & Supplies	443,925	487,978	713,441	46.2%
Utilities	47,971	48,077	9,646	-79.9%
Other Expenses	520,408	529,957	532,099	0.4%
Transfers & Capitalizations	(71,916)	(72,508)	(57,000)	-21.4%
Total Expense	<u>4,280,644</u>	<u>4,600,116</u>	<u>4,714,809</u>	<u>2.5%</u>

FY 2008 HIGHLIGHTS

Marketing and Sales Department

Marketing Activities

- Re-launched Port Authority's tax-savings program under a new name, "*Job Perks*," in an effort to attract new business organizations. Developed a successful marketing campaign in conjunction with the re-launch that included testimonials from key business leaders already enrolled in the program.
- Worked with the Legal Department to aggressively pursue outstanding payments due to Port Authority from delinquent business partners.
- Enrolled numerous new retailers into Port Authority's *Rider Rewards* program, a customer-incentive program whereby weekly and monthly pass holders received discounted offers at participating retail establishments throughout Allegheny County. Produced an updated quarterly brochure listing all participating retailers and the discounts offered by each.
- Attended numerous senior citizen expos held throughout the county to provide seniors with valuable information on Port Authority services and to register them for their free senior citizen transit card.
- Distributed the *Rider Report*, an electronic newsletter exclusively for Port Authority riders. Increased monthly readership to more than 1,900 subscribers.
- Partnered with a variety of community organizations including the Pittsburgh Steelers, Pittsburgh Penguins, Visit Pittsburgh, Steel City Media and others to strengthen our advertising opportunities.
- Coordinated a variety of press conferences and special events with organizations such as: the Kingsley Association; Lite Rock 92.9 FM, the United States Marine Corps, PennDOT, Zipcar, the US Department of Homeland Security and others to generate a positive image for Port Authority.
- Participated in the 2008 APTA Campus Challenge, a 10-week integrated marketing program with students from the University of Pittsburgh. Sponsored by the American Public Transportation Association, the program provided students with valuable job-related experience in the classroom. "Green Means Go: The APTA Campus Challenge" was the theme for this year's program. Students worked with Port Authority's

Marketing staff to develop and produce a comprehensive marketing campaign that promoted the environmental benefits of transit.

- Hosted a number of internal promotions to increase awareness for transit-related causes such as the national *Dump the Pump* campaign and *Buckle Up! It's the Law* initiatives.
- Conducted a bi-annual, state-mandated Customer Satisfaction Survey market research to collect customer feedback on topics such as operator timeliness, vehicle cleanliness, safety and more.

Retail Sales-Downtown Service Center

- Recorded record-breaking sales totals with a reduced staff. Generated sales totaling more than \$1,000,000 in July 2008.
- Upgraded the Service Center's Point of Sale system to better encrypt personal credit card information.
- Sold passes for the Westmoreland County Transit Authority and Beaver County Transit Authority as part of a new regional transit initiative.
- Proposed and implemented the use of proximity cards at Port Authority's South Hills Village parking garage as a new fare instrument for individuals who purchase a monthly transit/parking pass.
- Sold a variety of promotional merchandise to increase revenues.
- Issued a record number of new senior citizen transit and reduced fare transit cards to applicants who qualified.

Advertising Sales

- Recorded total advertising sales of \$1,731,211.00 for FY 2008. The fiscal year budget was \$1.5 million.
- Developed new relationships with printing companies for the production of advertising signs. We previously had a profit of 25% on all printing activities in the department. Currently, we are achieving a 35% - 40% profit.
- The Junior Account Representative was given additional responsibilities by being permitted to sell advertising on a part time basis for the department. This change did not increase PAAC's budget, but is bringing in additional revenue to the company.

- The Advertising Department led the development of an RFP for the future Naming Rights Program of the Port Authority.
- The Advertising Department successfully integrated with the Marketing and Retail Sales department to streamline operations.
- Expanded the inventory for Port Authority advertising. New advertising venues include: the floor and escalator railings of all downtown Subway Stations, the Gateway Center Station stairway, Memorial Hall station on the “T” and advertisements on hand schedules.

Creative Services Department

- Launched Connect 09 - the umbrella initiative for the transit development plan. Developed logo and website for the launch.
- Promoted the North Shore Connector project with tour T-shirts and hard hats and banners with the “Bore to the Shore” phrase.
- Developed and designed community outreach bus. Designed exterior graphics and interior layout for “Tell us where to go” bus used for events to gather public input on transit issues.
- Continued to promote ridership and a positive image through City Paper ads highlighting Green initiatives, high gas prices, the Transit Development Plan, and special events.
- Created a Benefits of Transit program to educate the public in all of the ways in which everyone can benefit from public transportation.
- Continued to sponsor Three Rivers Arts Festival and promote the use of public transit to get to the event as well as getting around while at the event.
- Promoted our special service for Pittsburgh Steelers home games with stadium signage, Game day magazine ads and TV spots.
- Designed and produced three newsletters per month. An internal “Transport” for Port Authority employees, an electronic email blast for enrolled riders, and a North Shore Connector news update called the “Scoop.”
- Working closely with the Procurement and Information Technologies departments, Creative Services developed a program to help outside vendor’s access the information they need to make bids electronically through our Port Authority website. Developed a logo and letterhead

design and rewrote the text of the outgoing letter to vendors. The logo/banner appear on the website home page to direct vendors to the right area on the website.

- Made changes to all of the T fare booth signs, all of the SHV garage signs, the Service center signs, all of the fare /system maps, fare information signs and fare box decals. Printed materials for the fare increase included interior bus cards, interior LRV cards, Fare Adjustment Increase brochure, and all of the additional information guides that contain fare information.
- Involved in special events throughout our service area, promoting causes of importance to Port Authority and our riders: The Alternative Transportation Festival; 2009 Earth Day Event; Dump the Pump Day; and Thursdays in the Square.

Customer Service Department

- Customer Service began upgrading the Call Management System which tracks incoming calls and agent performance.
- Customer Relations processed 17,695 customer complaints, 887 commendations and answered 2,341 Web site e-mails.
- Customer Relations developed key indicator reports which consist of complaints regarding discourtesy, early, late and no show buses.
- Hired and trained 11 new customer service representatives (CSR) within 4 months.
- Scheduled regular call monitoring of all CSR's to identify key areas of accomplishment and areas for additional training.
- Trained new back-up CSR trainer in anticipation of staff turnover.
- Formed agreement with IBEW Union to increase time limit from 30 days to 90 days in order to employ and train for temporary customer service staff during heavy turnover time.
- Reduced training calendar of new customer service representatives from 4 ½ weeks to 2 ½ weeks. New customer service staff was on the phones answering calls after first week of training.
- Formed partnership with other transit agencies throughout the country in order to formulate best practices and more continuity in customer service departments. Monthly conference calls are the vehicle used to accomplish this task.

Service Planning & Scheduling Department

- Monitored and adjusted June 2007 service reductions throughout the year.
- Finished favorable to budget for the fiscal year 2008.
- Updated all timetable folders on January 1st to reflect new fares.
- Participated in development of the Automatic Fare Collection System RFP document.
- Removed all bus service from Market Square in cooperation with City of Pittsburgh and Pittsburgh Downtown Partnership.

Strategic and Extended Range Planning Department

- Selected a consultant, completed a Market Analysis and Peer Review and began extensive public outreach activities including six public open houses for the Transit Development Plan (TDP) of the Connect 09 program.
- Provided technical assistance and reviewed and commented on technical documents to Allegheny County Department of Economic Development's Transit Revitalization Investment District (TRID) Planning Studies for Dormont & Mt. Lebanon.
- Provided assistance for proposed City of Pittsburgh TRID Study for the South Hills Junction - Beechview areas.
- Reviewed and provided extensive comments on archaeological summary and monitoring reports for the North Shore Connector LRT project.
- Participated in APTA Bus Rapid Transit (BRT) Standards Working Group meetings and reviewed and provided text, illustrations, and comments for technical documents.
- Represented the Port Authority on the Southwestern Pennsylvania Commission's Congestion Mitigation and Air Quality (CMAQ) Evaluation Committee.
- Provided technical assistance to the Westmoreland County Transit Authority study of commuter rail in Allegheny Valley and Norfolk Southern corridors and participated in consultant selection process.
- Represented the Port Authority for the Washington County Transit Study.

- Prepared comments on the Federal Transit Administration's (FTA) Notice of Proposed Rule-Making for New Starts and assisted FTA in making arrangements to have a New Starts Roundtable in Pittsburgh including transit tours.
- Represented Port Authority on the Baum-Centre Initiative, a group formed to consider development along Baum Boulevard and Centre Avenue in Pittsburgh's East End and resumed consideration of a new East Busway Station serving the Baum-Centre Corridor.
- Provided Port Authority input on transportation aspects of strategies to reduce greenhouse gas emissions for the Pittsburgh Climate Action Plan.
- Developed a PowerPoint presentation on Port Authority's history for the Pennsylvania Trolley Museum's Heritage Weekend.
- Developed the Port Authority FY 2009-2012 portion of the regional Transportation Improvement Program (TIP) for the Southwest Pennsylvania Commission (SPC).
- Developed the Port Authority projects for the FY 2008-2009 Unified Planning Work Program (UPWP) for the Southwest Pennsylvania Commission.
- Represented Port Authority and actively participated as a voting member of the SPC Transit Operators and Transportation Technical Committees.

FY 2009 Goals and Objectives

Marketing and Sales Department

- Design and build a new Port Authority Service Center.
- Develop and maintain new and existing community partnerships.
- Survey customers on a variety of marketing programs to better satisfy their needs and determine ways to help increase ridership.
- Develop a procedures manual for our sales outlets that better explains the process for ordering and selling passes, as well as for paying invoices.
- Establish a Naming Right Program for Port Authority assets.
- Exceed the Fiscal 2009 advertising department goal.

Creative Services Department

- Continue to support all Divisions and Departments in the Port Authority with creative designs, materials, and expertise at the highest level.
- Communicate a positive image of the Port Authority as cost conscience, cost effective, and efficient public agency through community partnerships and special promotions.
- Continue to promote Connect 09 and the initiatives executed from the Transit Development Plan.
- Communicate the benefits of transit to help increase ridership, as well as a better understanding for the need for public transportation.

Customer Service Department

- Provide timely and accurate information to the public regarding Port Authority services and disruptions, such as detours, that may affect their commute by answering calls faster and reducing abandoned calls.
- Provide superior working conditions for Customer Service employees that will, in turn, provide better service to our customers by reducing overtime hours, hiring part-time customer service representatives with flexible work times, utilization of voice response and other automated information

systems and the creation of remote work sites such as work-at-home and other regional transit property locations.

- Record comments/commendations/complaints regarding our services for quality improvements.
- Assist customers with lost and found articles on buses/rail cars.
- Respond to TTY calls for the hearing impaired customers.
- Represent Port Authority at public and partnership events.
- Assist in the development of a regional traveler information call center.
- Upgrade monitoring equipment to enhance training.
- Work with Training Department to computerize CSR new training.

Service Planning & Scheduling Department

- Finish favorable to budget for the new fiscal year.
- Monitor ridership and adjust service each quarter to improve consistency and efficiency of bus service.
- Work toward successful completion of a Transit Development Plan (TDP).
- Expand and improve park and ride program.

Strategic and Extended Range Planning Department

- Complete and help implement the Transit Development Plan and Fare Collection and Fare Structure projects of the Connect 09 program including the realizations of recommendations to increase system effectiveness and productivity.

- Assist in planning and implementing the regional transit cooperation and connectivity recommendations of the TDP and other planning efforts.
- Continue to plan for physical improvements in and around transit facilities including cooperative projects with other public and private entities for general and transit oriented developments.
- Continue to work with appropriate agencies to improve job access.
- Continue to plan for improved mobility for seniors and people with disabilities.