

PORT AUTHORITY OF ALLEGHENY COUNTY
MINUTES OF THE REGULAR BOARD MEETING
FRIDAY, MAY 27, 2016

The Regular Meeting of the Board of Port Authority of Allegheny County was held on Friday, May 27, 2016 at 9:30 a.m. at the Authority's Administration Offices, 345 Sixth Avenue, Pittsburgh, Pennsylvania, 15222-2527, pursuant to due public notice given as required by law.

Board Members:

Robert Hurley, Chair
Tom Donatelli
Jeff Letwin
John Tague
Rob Vescio
Robert Kania
Michelle Zmijanac
D. Raja
Representative Dom Costa
Senator Jim Brewster (via phone)
Joel Lennen, General Counsel

Media:

Mike Walton, Tribune Review
Ed Blazina, Post-Gazette

Port Authority Staff:

Ellen McLean, chief executive officer, Bill Miller, Chief Operations Officer, Jim Ritchie, Communications Officer, Mike Cetra, assistant general manager Legal and Corporate Services, Pete Schenk, chief financial officer, Keith Wargo, assistant general manager Engineering and Technical Support, Barry Adams, assistant general manager Human Resources, Tony Trona, director Purchasing and Materials Management, Amy Silberman, data analyst, Deborah Skillings, Community Outreach coordinator, Breen Masciotra, Communications coordinator, Dan DeBone, Communications and Government Relations officer, Andrea Elcock, community planning coordinator, Darcy Cleaver, supervisor Passenger Amenities, Fred Mergner, assistant manager Scheduling and Service Planning, Carletta Reed, administrative assistant, Diane Williamson, executive assistant.

Other

Molly Nichols, PPT, Carolyn Lenigan, James Love, ACTC, Jonah McAllister Erickson, PPT, Jonathan Robison, ACTC, Jim Robinson, ACTC, Stu Strickland, ACTC, Joe Catanese, County Council, Dean Mougianis, PPT, Joe Catanese, County Council, Dean Mougianis, PPT, Linda Warman, Save our Transit, Wesley Davis, Bloomfield/Garfield, Joan Natko, ACTC, Fran Lange, PPT, Annie McGowan, PPT, Charlotte Foster, PPT, Rose Davis, Penn Hills NAACP, Regina White Bob Bowyer, Aggie Brose, Debra Scott, PPT, Kevin Martin, PPT, Amy Steele, Northern Public Library, Carly Cottone, Crisis Center North, Helen Gerhardt, PPT, Joyce Davis, Mary Johnson, PPT, Donna Terry, PPT, Myval Johnson, Reggie Tolliver, PPT, Verna Johnson, Theresa Johnson, PPT, Kathryn Schlesinger, PCRG, Dennis Donahoe, PPT.

The Chairman called the meeting to order. Following recital of the pledge of allegiance, recommendation was made for approval of the minutes of the April 29, 2016 Regular Meeting. A motion was moved, seconded and passed.

The Chairman called on Ms. McLean for a report from the chief executive officer. Ms. McLean had a few items to report. She reported that together with CMU's Remaking Cities Institute, Port Authority held a very successful forum on transit-oriented development on Wednesday, May 25. It provided a wonderful opportunity to meet face-to-face with developers and to discuss our recently approved TOD Guidelines.

Ms. McLean reported that we were able to explain our direction and why TODs are important for our future, and we walked through the role of our guidelines will play in future projects, took suggestions and comments from developers, and had an open discussion on how best to keep the dialogue going.

She noted that working with developers is not new for us, but with guidelines in hand, we are entering a new role for Port Authority as we promote quality development that maximizes not only the social, environmental, health, and infrastructure benefits that TODs bring, but also the potential revenue to this agency. She thanked those who attended and contributed to the successful event.

Next Ms. McLean reported that staff presented our preliminary 2017 Operating and Capital Budget during the Planning and Stakeholder Relations meeting last week, which Mr. Tague plans to discuss in more detail in his report. Ms. McLean did want to note that the budget is balanced and does not call for a fare increase, and in fact, accounts for a Zone 2 fare decrease as we move to a single-zone system. She also noted that there are no proposed service cuts, and the budget accounts for \$1.3 million in service enhancements. She said that she is thrilled that we can include some money to address service needs because, as we all know, the list of real transit needs in Allegheny County is long, noting that our Annual Service Report issued last week accounts the requests received by the Authority and brought to the Board throughout the years.

Ms. McLean concluded her remarks by saying that Port Authority's final Operating and Capital Budget will be on the agenda for consideration next month.

The Chairman announced for the record that Senator Jim Brewster was participating by phone.

Before calling on the first speaker for the public comment period of the agenda, Mr. Hurley noted that with the number of speakers this morning, he asked that everyone adhere to the three-minute limit, and we're interested in hearing what everybody has to say, but if you could not repeat the same thing over and over, it would be helpful.

The Chairman called on the first speaker, Ms. Amy Steele, director Northland Public Library. She stated that she has been participating in the Buses for Perry Highway Campaign. She remarked that while we appreciate the process of the requests being made and the Board's input, we at Northland Library are disappointed by the outcome of the efforts for the campaign.

She said that we do understand that Port Authority does have budget limitations and cannot accommodate all of the service requests, but there is still a need for buses north of Westview on Route 19 as the Annual Service Report does show .

Ms. Steele urged the Board to keep the service need in mind during long-range planning and stated that we at Northland Public Library are going to continue to work towards finding a way to meet the needs of our residents with or without buses as best we can.

The next speaker, Ms. Carly Cottone, is the economic empowerment advocate for Crisis Center North. She explained that Crisis Center North is a nonprofit domestic violence counseling and educational resource center. Ms. Cottone noted that while our location is confidential, she can assure the Board that not extending the bus service to Perry Highway jeopardizes the health, safety and well-being of victims of domestic violence in the northern and western neighborhoods.

Ms. Cottone addressed the inequity of the recent decision to deny this population critical and lifesaving services. Its basic inequity lies in the mechanism utilized to score neighborhoods. The large majority of the Center's clients are coming from other neighborhoods in order to receive services. Given the recent efforts undertaken by Allegheny County to address suburban poverty, our organization and our Board of Directors found the current construction of the equity scale to be deficient.

Ms. Cottone concluded her remarks by saying that being unable to access domestic violence intervention services like those offered by the Crisis Center North can be life-threatening and she urged Port Authority to make intelligent decisions for all members of the community including those at a higher risk of victimization and homicide.

The next speaker was Mr. Stuart Strickland, president of Allegheny County Transit Council. He remarked that the issue of extending Perry Highway is personal because that is where he lives. His commute involves walking a mile on a road that has no shoulder, sidewalk, lighting and blind hills and curves.

He noted that as Ms. McLean mentioned, the list of needs is long and there are budget limitations. Mr. Strickland requested Port Authority provide the costs to put on a new route or extend existing service.

The next speaker, Mr. James Love, provided ideas regarding the six outlining transit systems and 270 monthly trips. He suggested adopting changes to end the overlapping of service with outlining transit systems.

The next speaker, Ms. Fran Lange, from Ross Township, also representing Buses for Perry Highway, thanked Port Authority for any help that they have given. Ms. Lange, also commended Port Authority drivers. Ms. Lange urged Port Authority to reconsider putting buses back on Perry Highway for the students of CCAC, senior citizens, businesses, restaurants, the library and the Crisis Center North.

The next speaker was Ms. Joyce Davis, president of the Penn Hills NAACP. Ms. Davis stated that she is thankful that there is proposed expansion for Penn Hills. What this expansion will mean to their community is that more residents can get to the food pantry, grocery store, doctor visits, job interviews and training.

Ms. Davis thanked the Board for the process, but she encouraged Port Authority to continue to look for opportunities to expand in areas that were not included.

The next speaker, Ms. Charlotte Foster, also from Penn Hills, thanked Port Authority staff for recommending that we have extended service in the Penn Hills. She noted that their elderly can now be able to get out and enjoy some of those extracurricular activities that maybe hindered them before. She thanked the Board and urged them to vote for those extensions in June, but to reconsider extending service to Hulton Arbor.

The next speaker, Mr. Bob Bowyer, also from Penn Hills thanked the Board for adding service to Penn Hills, but stated that there is still a need for more service. He requested that additional service be reinstated from how it was before the cuts.

The next speaker Mr. Reginald Tolliver also extended kudos to Port Authority Board for passing some very crucial recommendations for the area in the Penn Hills, Wilksburg and Garfield areas. As we merge services in numerous areas across the city, you have taken a major step towards stopping the violence, towards helping kids make their requirements towards the Pittsburgh Promise scholarships and other things. Mr. Tolliver's remarks included the issue of national athletes coming from the Pittsburgh area. He said that we have to focus and continue to come up with more creative ideas so that we can have Pittsburgh continue to be considered one of the places where everyone wants to come. He urged the Board and politicians while merging services and getting things improved to continue to come up with creative ideas because he is sure that we will have more of those national athletes that will bring claim to the Pittsburgh area.

The next speaker Ms. Myval Johnson, a senior citizen living in Garfield thanked Port Authority for the proposal to return the weekend bus. This really changes everything for the senior citizens in this area. We can really have some fun and do things we could not do before.

The next speaker was Ms. Verna Johnson thanked the Port Authority Board members for hearing our voices and hearing our need for the 89 Garfield bus and for the Penn Hills community, but we realize there are still more miles and communities in need. We understand that it is a funding issue and want to do what we can to help.

The next speaker was Mr. Kevin Martin who thanked the Board for listening to our concerns. He also thanked Pittsburghers for Public Transit and Garfield Corporation who helped them get their concerns heard.

The next speaker, Ms. Annie McGowan, thanked Port Authority Board members, State Senator Wayne Fontana, Representative Ed Gainey, Councilwoman Denise Russell and Reverend Ricky Burgess for being so considerate of our problem of the 89 bus not running on weekends.

The next speaker, Ms. Mary Johnson, also thanked the Board for proposing that weekend service be reinstated in the Garfield community. In regard to other people who still need service, she asked, wouldn't it be nice if we could all work together so that everyone will be able to have transportation; the young, the old and in-between. Buses are our lifeline.

The next speaker, Ms. Donna Lee Terry, also thanked the Board for the proposal of bringing weekend service back on the 89 Garfield. She also asked that they reconsider and help other areas that still need service. She said, please vote "yes" in June.

The next speaker, Ms. Theresa Johnson, also thanked the Board for the providing service on weekends for the 89 Garfield but there is still a need for transportation in other parts of Garfield. She urged the Board to extend that service so that those people could be accommodated as well.

The next speaker, Ms. Debra Short, thanked the Board for giving us another opportunity to talk about restoring, and voting to restore, the weekend service on the 89 Garfield. We're also excited for Penn Hills and the service adjustments for them. As speakers earlier testified, she is also concerned about those in the North Hills and the Hulton Arbor areas who definitely need some type of assistance with their service.

The next speaker, Mr. Jonathan Robison, remarked that PAT now has an objective analysis to the consider the needs of communities for more public transportation, and you have applied that analysis. Mr. Robison understood that Port Authority could not provide all of the needed restoration, route expansion and added service. He noted that we need more buses and more garage space as well as more money.

Mr. Robison suggested that to have the first-rate public transit system we want and deserve, we should buy the buses that we need and start planning the garage space we will need and this includes evaluation of natural gas and electric possibilities. He also suggested that we use the drink tax funds, especially since some of the expenses are on-time capital costs. This may also open up additional federal and state possibilities.

As Pittsburghers for Public Transportation recommends, we should also work on additional funds from the corporations and commercial landholders that benefit financially from existing public transit as well as the proposed improvements. This will take time and teamwork.

Mr. Robison concluded his remarks by saying that he must add a word of warning on a specific transit improvement under discussion. There is much that can be said about an Oakland to Hazelwood transit link, but whatever we do, it must be part of the PAT system.

The next speaker, Ms. Linda Warman, urged the board to restore the 59 back onto Commonwealth. She currently lives in the Hilltop/Parkview Manor Apartments and expressed the heartaches she endures without adequate bus service in her area. Ms. Warman also provided a petition with 600 residents requesting that this service be restored.

The next two speakers were Jonah McAllister Erickson and Ms. Molly Nichols from Pittsburghers for Public Transportation. First, Mr. Erickson said that they were here today to thank Port Authority for creating a more transparent and inclusive process for service decisions and to thank the Board for responding to requests from the community for transit service.

Many people are thrilled to know that the Annual Service Report includes adding weekend service on the 89 and extending the 79 Penn Hills. PPT is echoing calls you've heard today to vote for the budget in June that includes this service. We also want to highlight the proposal to put the G3 in service for its reverse commute to Moon in the morning and then into town in the evening. Moon is a large job center and now commuters along with students at Robert Morris have the option of taking the bus there.

He also noted the disappointment and frustration we heard today from residents and representatives of institutions who have been advocating for service in their communities. While every step you are taking to add service is laudable, we need to figure out how the agency can add even more. He reiterated the need for service in the North Hills area to CCAC, the public library, Perrytown Place and Crisis Center North.

Ms. Molly Nichols then remarked that PPT understands that to solve this issue throughout the region we need to secure more funding. The campaigns that PPT has supported over the past two years have proven that people are ready to come together, take time out of their already busy days to form committees, hold meetings, march and demonstrate in the street and attend these Board meetings. These campaigns are building a movement of concerned residents who are demonstrating how great this need for improved transit service is. They are helping to build the public support, which will get us the world-class transit system this region deserves.

Ms. Nichols stated that we all appreciate the support that elected officials have provided so far at both the local and state level, but a crucial step to take now is to convince the County Executive's office and County Council to allocate a portion of the drink tax fund balance to Port Authority's operating budget, noting that \$16 million is there now; \$14 million was there last year and \$11 million the year before. Although PPT believes there needs to be some buffer, but just saving that for capital improvements is not the wise choice. PPT knows that this won't solve the entire problem, but it is a first step toward using local revenue for operations independent of a state and federal match. She added that the need is here so let's not leave residents stranded while that money sits in the pot.

Ms. Nichols remarked that Port Authority had over 1,500 requests for service and we should also be looking at how major employers in the region, both corporations and institutions, can adequately contribute to the transit system that gets their employees, customers and patients to their doors.

She stated that in addition to securing more funding, PPT also expects the Board and the agency overall to play a role in making sure that transportation and land use is more complementary in our region, suggesting that the development of job centers, social services, housing and schools all need to happen with transportation in mind.

Ms. Nichols noted that the new TOD Guidelines are a very important step in the right direction, noting that it was good to hear that Port Authority is meeting with developers on that. She added that we also need to increase awareness of this issue throughout municipalities. Ms. Nichols brought up the issue that they're building tiny houses for homeless veterans in Penn Hills and it seems like a great thing, but there is no service along Jefferson Road.

Ms. Nichols concluded her remarks by commending the Annual Service Report. This serves as a model of transparency for other agencies around the country, and we hope that Port Authority will share it. The report carefully indicates how each request for service was evaluated. It helps the public understand just how many communities need more transit and how much it costs. That's a really crucial thing for us to all see, and we appreciate seeing that. She said we now see this as an important opportunity to reflect on that need, come together, and build the transit system that Allegheny County needs and deserves.

The final speaker was Ms. Aggie Brose. She thanked staff, the Board's committee structure and the new process for the service requests, noting that it made a big difference. Ms. Brose also thanked elected officials, Wayne Fontana, Ed Gainey, Ricky Burgess and Denise Russell, who met with the residents. Ms. Brose urged the Board to vote in June in favor of bringing back the 89 Garfield bus on weekends.

The Chairman thanked everyone for adhering to the three-minute time limit. It is very helpful for the Board to continue the business at hand.

The Chairman called on Mr. Letwin for a report of the Performance Oversight Committee.

Mr. Letwin reported that a meeting of the Performance Oversight Committee was held on Thursday, May 19, 2016, and minutes from the previous meeting were approved by the Committee.

The financial results for the month of April 2016 were reported at the meeting. It was reported that total operating income was \$906,000 under budget due to passenger revenues being \$755,000 under budget. Half of this shortfall is due to an April Board of Education payment being received and booked on the March statement. Total Operating Expenses were reported at \$983,000 under budget primarily due to fuel savings and total subsidies for the month were \$302,000 ahead of budget which is a timing issue.

From a year-to-date perspective, it was reported that total operating income is \$413,000 over budget due to higher advertising revenue. It was also reported that total operating expenses are \$16.1 million under budget due to savings in employee benefits, materials and supplies and purchased services. Total subsidies for the fiscal year are \$276,000 below budget.

Mr. Letwin continued reporting that there were four resolutions reviewed at the meeting and are being recommended by the Performance Oversight Committee for consideration by the Board.

The Committee first reviewed the proposed award of an agreement for Connect Tix over a three-year period, including a one-year optional extension period, to Electronic Data Magnetics in the total amount of \$582,650.

While reviewing this procurement action, Committee Members expressed concerns about the need to reject the apparent low bidder due to the bidder's inability to meet Port Authority's statutory performance bond requirement for publicly advertised bids.

Based upon this review and discussion, with four yay votes and one nay vote, the Performance Oversight Committee recommends the award of this item subject to staff monitoring performance under the contract for potential opportunities for future procurement alternatives; and staff and Members actively lobbying the Pennsylvania Legislature for changes in the statutory performance bond requirement for equipment and materials purchases.

The Committee then reviewed the other five procurement actions more fully described in the resolution and found the bids to be in accordance with the Authority's procurement policies and procedures, prices to be fair and reasonable, and the bidders to be responsive and responsible. The Performance Oversight Committee unanimously recommends for award these five other items in the total amount of \$1,755,281.95.

On behalf of the Performance Oversight Committee, Mr. Letwin respectfully requested approval of the resolution.

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

Mr. Letwin reported that the next resolution authorizes the Authority to extend and amend an Agreement with Chester Engineers by exercising an option year in the Agreement for Environmental Services. These services include such things as permit renewals for air operating and storm water outfalls, environmental plans and training, upgrades to oil water separator systems, and various studies, sampling and testing.

In June 2012, the Board authorized entering into an Agreement with Chester Engineers to provide environmental consulting services for an initial three-year term at a total not-to-exceed amount of \$1,200,000 to be allocated on an as-needed basis through task specific work orders. The Agreement also contains two option years which can be exercised by the Authority at its sole discretion.

In May of last year, the Board approved exercising the first option year, extending the term of the Agreement to June 30 of this year. To date, the services performed by Chester Engineers have been satisfactory and in compliance with the Agreement. The Authority has determined that it is in its best interest to exercise the final option year at this time and extend the term of the Agreement to June 30, 2017 with no increase in the previously authorized total not-to-exceed amount of the Agreement.

On behalf of the Performance Oversight Committee, Mr. Letwin respectfully requested approval of the resolution.

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

Mr. Letwin stated that the next resolution authorizes the Authority to enter into an Agreement with Scheidt & Bachmann USA, Inc., for Extended Farebox Warranty Services. On November 26, 2008, the Board authorized the Authority to enter into an Agreement with S&B. The Agreement provided for the replacement of the Authority's then existing rolling stock farebox and related cash-handling systems with a seamless, electronic smart card-based, automated system, along with Farebox Warranty Services.

The Farebox Warranty Services included preventive and remedial maintenance of fareboxes, farebox module exchanges, spare parts availability and the provision of certain replacement farebox stock. It was noted at the meeting that the design and manufacture of the fareboxes and the AFC System software are proprietary to S&B, so therefore the Farebox Warranty Services can only be provided by S&B.

It has been determined that it is in the Authority's best interest to enter into a new agreement with S&B to continue to provide the Farebox Warranty Services for a period of two years with a one-year option that may be exercised at the sole discretion of the Authority.

This resolution will authorize the Authority to enter into an agreement with S&B, in an amount not-to-exceed \$2,229,140, for the performance of the Farebox Warranty Services.

On behalf of the Performance Oversight Committee, Mr. Letwin respectfully requested approval of the resolution.

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

Mr. Letwin stated that the final resolution authorizes the Authority to establish a fifth year budget with Transdev Services, Inc., formerly known as Veolia Transportation Services, Inc.

In May 2012, the Authority's Board authorized the award of a five-year Agreement with Transdev Services to provide professional services to coordinate and administer paratransit services for individuals with disabilities and elderly persons in Allegheny County, also known as ACCESS.

The Agreement specifies that a not-to-exceed budget for the Agreement will be established annually by the Board for each fiscal year.

Based on negotiations with Transdev Services, a proposed not-to-exceed amount for the Agreement's fifth year in the total amount of \$2,482,900 is recommended. It was noted at the meeting that this represents a 1.8 percent increase when compared to the costs negotiated for the previous year of the Agreement.

On behalf of the Performance Oversight Committee, Mr. Letwin respectfully requested approval of the resolution.

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

That concluded the report of the Performance Oversight Committee.

The Chairman called on Mr. Tague for a report of the Planning and Stakeholder Relations Committee.

Mr. Tague reported that the Planning and Stakeholder Relations Committee met last Thursday and wanted to share the information of the two reports reported at the meeting.

First, the Service Planning Department presented the Committee with the Annual Service Report. This is the first such annual report developed by the Authority and makes our decision-making process concerning routes more transparent. With this being the first year, we received about 1,600 requests for service which the Authority staff evaluated. Of those, 85 unique ideas were identified and then ranked in this report. The report provides a detailed explanation of current service conditions and evaluation of requests of service, which we will then use to make decisions in conjunction with our budget.

Mr. Tague commended the Service Planning staff and said that he was very pleased that we are able to provide the public with a level of quality of information.

The Financial Division then presented us with a proposed Operating and Capital Budget for FY 2017. The proposed operating budget is nearly \$200 million. This would be about a \$14.5 million increase from last year. Mr. Tague noted that he is also pleased that we are able to include money to enhance service in the coming fiscal year. The proposed service enhancement will cost a total of \$1.3 million with about \$182,000 going to major changes on routes 17, 18, 21, 41, G2, G3 and the P13, about \$509,000 being used to make changes that will address on-time performance and crowding issues and about \$609 million being used to expand route 79, 89 and the P17.

Mr. Tague commended staff of the Finance Division for their efforts in putting together this report. The final budgets are scheduled to be considered in June, first at the Planning and Stakeholder Relations Committee and then for the Board meeting on June 24.

That concluded the report of the Planning and Stakeholder Relations Committee.

There was no further business to conduct.

The next Regular Meeting of the Board will be Friday, June 24, 2016.

The meeting was adjourned.