

PORT AUTHORITY OF ALLEGHENY COUNTY
MINUTES OF THE REGULAR BOARD MEETING
FRIDAY, OCTOBER 27, 2017

The Regular Meeting of the Board of Port Authority of Allegheny County was held on Friday, October, 2017, 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:

Jeff Letwin, Chair
Jennifer Liptak
Ann Ogoreuc
John Tague
Rob Vescio
D. Raja
Senator Brewster
Rob Kania
Michelle Zmijanac
Stephanie Turman
Joel Lennen, General Counsel

Media:

Ed Blazina, Post-Gazette
Margaret Krauss, WESA

Port Authority Staff:

David Donahoe, interim chief executive officer, Bill Miller, chief operations officer, Keith Wargo, assistant general manager Engineering and Technical Support, Jim Ritchie, Communications officer, Barry Adams, assistant general manager Human Resources, Mike Cetra, assistant general manager Legal and Corporate Services, Ed Typanski, director Grants and Capital Programs, Dan DeBone, Government Affairs, Adam Brandolph, Public Relations representative, Deborah Skillings, Community Outreach coordinator, Catherine Terrill, Professional Services Contract Specialist, Robert Sechler, Professional Services Contract Specialist, Tony Trona, director Purchasing and Materials Management, Diane Williamson, executive assistant.

Other

Carolyn Lenigan, Jim Robinson, ACTC, James Keener, Laura Wiens, PPT, Nickole Nesby, Speaker, Glenn Walsh, Jonah McAllister-Erickson, James Love, Speaker, Andrew Hussein, Speaker, Mel Parker, PPT, Vicky Giddens, PPT, Helen Gerhardt, Just Harvest, Dawn Marie Smith, Just Harvest, Nick Cotter, Julie Shelton, Pearl Hughey, Emily Cleath, Just Harvest, Jimmy Rogers, Will Anderson, PPT, Steve Palonis, Joel Williams, Becky Boll, Just Harvest, Dean Mougianis, Rick Robyak, Jason Dorsey.

The Chairman called the meeting to order. Following the recital of the pledge of allegiance, a recommendation was made for approval of the minutes of the September 29, 2017 Regular Meeting. A motion was made, seconded and unanimously passed.

The Chairman called on Mr. Donahoe for a report of the interim chief executive officer.

Mr. Donahoe reported that although the committee chair will outline the actual details of our latest financial results, he would provide some other financial information about going forward. In addition

to the positive revenue and expenditure results for September, we have three other developments that are of note.

First, the Allegheny County Executive, Mr. Fitzgerald, recommended funding both our \$31.5 million operating request and \$10.2 million capital request for 2018. We will be appearing before County Council in November in support of this recommendation.

Also, the Allegheny Regional Asset District included our \$3 million operating support request in its preliminary 2018 budget that was issued in late September. Under RAD's process, the proposed budget is now open for public comment with final adoption scheduled for November 28, 2017.

The final development is on the Act 89 front. In September, we received final approval and commitment from the state to fund the Authority's fiscal year 2018 capital request. The amount to be received will support \$98.5 million of capital projects and debt service and another \$16 million in capital projects will be carried out by the Authority's forces.

Mr. Donahoe noted that the 2018 projects, which the Board approved including in the budget, at its June meeting, include fixed guideway rehab, facility improvements and vehicle overhaul and replacement, noting that today's agenda includes an important step in the Authority's Fleet Replacement Program.

Mr. Donahoe reported that, last year, the Board authorized an agreement for the purchase of 70 40-foot low-floor coaches. We have begun receiving the initial order and they are expected to be on the property by the end of this year. If the Board approves the requested action today, the Authority will continue the process of replacing vehicles that are at the end of their service life. We are also embarking on our first all-electric bus test project and will have more details on it going forward.

On the customer service side, Mr. Donahoe reported that we are in the final test stage of adding the Light Rail System to TrueTime, the Authority's online arrival tracker. This will mean that rail riders will now have the same ability as bus riders to use their mobile device to see real time information about their ride. Next month, staff plans to bring to the Board an award of a contract for continuation of our Automatic Telephone Customer Response System. The availability of Auto Call and TrueTime allows customers to get faster basic service information, allowing callers with more complex issues to get to a representative faster. He noted that 40 percent of callers in the last fiscal year elected to use Auto Call, significantly reducing the speed that in-person calls are answered.

Mr. Donahoe stated that this week he directed staff to move forward on another customer service enhancement, launching text service that can provide registered customers current information on detours and service issues. This will be particularly valuable for customers who do not maintain constant WiFi attachment. We plan to have this implemented by the beginning of next fiscal year.

Mr. Donahoe then updated the Board and the public on the implementation of the proof of payment fare collection system on the light rail. Staff has worked with our fare collection system provider and the Board's Fare Technology Committee to address issues that delayed implementation earlier this year and we have made progress. Mr. Donahoe expects by the end of this calendar year to have the software stabilized, new machines tested and scheduled for delivery and station validators ready to go. The remaining outstanding technology issues will be the hand-held enforcement devices and the operating system upgrade, which has always been scheduled for the First Quarter of 2018. In

addition to the technology issues, we have taken a fresh look at the fare enforcement policy and procedure. Examination has included written documents, interviews with agencies that have experience as well as onsite reports and meetings with individuals that have an interest or opinion on this matter.

Mr. Donahoe stated that our examination on this front is not yet complete. We have found that other systems work under a variety of state and local laws. We are taking the time to determine both how to educate customers so as to minimize enforcement actions and also how to enforce collection, when necessary, in a fair and equitable manner. Given these issues, we are now targeting a Second Quarter 2018 launch of the 60-day education program of proof of payment followed by implementation.

That concluded the report of the interim chief executive officer.

The Chairman called on Ms. Zmijanac for a report of the Performance Oversight Committee.

Ms. Zmijanac reported that a meeting of the Performance Oversight Committee was held on Thursday, October 19, 2017, and minutes from the previous meeting were approved by the Committee.

Financial results for September were presented at the meeting. It was reported that Total Revenue continues to remain strong versus budget during the month of September. Revenue exceeded budget by approximately \$196,000, including Passenger Revenues exceeding the monthly budget by \$163,887.89. Expenses for the month were also favorable by \$1.87 million and total subsidies exceeded the September budget by \$1.5 million, which is primarily a timing issue.

There were four resolutions reviewed at the meeting and are being recommended by the Performance Oversight Committee for consideration:

The Committee first reviewed five procurement actions 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.

Ms. Zmijanac stated that the Performance Oversight Committee therefore recommends for award the five items outlined in the resolution in the total approximate amount of \$34 million dollars, noting that this includes \$32.2 million for the purchase of new buses.

On behalf of the Performance Oversight Committee, Ms. Zmijanac respectfully requested approval of the resolution.

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

The next resolution presented by Ms. Zmijanac requested authorization to award general, plumbing and electrical construction contracts for the 2017 Garage Bus Lift Improvements project at the East Liberty and Ross Garages. To perform the work for the contracts, bid documents were prepared and publicly advertised. Four bids were received for the general construction contract; three bids were received for the plumbing construction contract; and two bids were received for the electrical construction contract.

After review of the bids, it has been determined that the bid of Don Parker Sales, Inc., in the amount of \$2,191,485.97 for the general construction contract; the bid of Wheels Mechanical Contracting & Supplier, Inc., in the amount of \$320,200.00, for the plumbing construction contract; and the bid of Merit Electrical Group, Inc., in the amount of \$154,000, for the electrical construction contract, are the lowest responsive bids from responsible bidders meeting the Authority's requirements.

The Performance Oversight Committee recommends that these contracts be awarded, subject to completing the pre-award requirements.

On behalf of the Performance Oversight Committee, Ms. Zmijanac respectfully requested approval of the resolution.

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

Ms. Zmijanac presented the next resolution for consideration which would authorize the Authority to extend and amend an agreement with TransAmerica Training Management, Inc., to provide Oracle/PeopleSoft Training Services.

Previously, Port Authority entered into an Agreement with TransAmerica to provide Oracle/PeopleSoft Training Services in the total not-to-exceed amount of \$250,000, to be allocated on an as-needed basis through task-specific work orders for an initial term of three years with the option to extend the term of the agreement up to two additional years.

In September 2016, the Board approved exercise of the first option year, extending the agreement through October 31, 2017, at no increase in the contract sum.

The Performance Oversight Committee recommends exercising the second option year through October 31, 2018, with no increase in the total not-to-exceed amount.

On behalf of the Performance Oversight Committee, Ms. Zmijanac respectfully requested approval of the resolution.

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

The final resolution being recommended by the Performance Oversight Committee is the authorization to extend and amend agreements with firms to provide temporary technical and clerical support services.

Ms. Zmijanac reported that in November 2014, the Board approved entering into three-year agreements with Marsetta Lane Temp. Services, Inc., Industrial Employees, Inc., doing business as Gregg Staffing Solutions, Staffmark Holdings, Inc., and Diversity Search Group, LLC to provide these services on an as-needed basis through task-specific work orders. The agreements also contain two option years to be exercised by the Authority in its sole discretion.

As the initial three-year term of the agreements expires on November 30, 2017, the Performance Oversight Committee recommends extending the term of the agreements with all four firms for an

additional year to November 30, 2018, with no increase in the previously authorized total not-to-exceed amount of the agreements.

On behalf of the Performance Oversight Committee, Ms. Zmijanac 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 week.

Mr. Tague then presented a resolution authorizing the Authority to enter into an amended and restated easement agreement for the Fifth and Atwood Station. Mr. Tague explained that our initial agreement was only with UPMC, and the Authority recently determined that a small portion of property where the station is located is owned by the University of Pittsburgh. This amendment would grant the Authority temporary property rights and access from both UPMC and the University. Also, the new shelters must be connected to the sewer to manage storm water and it was initially believed that the sewer was owned by the Pittsburgh Water and Sewer Authority, but it has since been determined that it is owned by UPMC. The amendment would make this change in the agreement as well.

On behalf of the Planning and Stakeholder Relations Committee, Mr. Tague respectfully requested approval of the resolution.

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

Mr. Tague continued reporting that the Committee also received updates on two important transit efforts underway in the County. First, it was reported that work on the first phase of the McKeesport Transportation Center project is nearing completion. This project brings significant improvement to the transit facility, including additional parking for customers and an improved layover area for operators. Mr. Tague noted that more improvements are planned in the next phase.

Mr. Donahoe also provided an update to the Committee on recent Bus Rapid Transit meetings that were held in the Mon Valley, including efforts to collect input from riders that would help Port Authority make various decisions related to the project. Both presentations were informative and the Committee appreciates staff keeping them up-to-date on these efforts.

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

The Chairman stated that as the office of the Treasurer of the Board has been vacant since the unfortunate passing of Ms. Connie Parker, he called on the Nominating Committee Chair, Mr. Robert Kania, for a report.

Mr. Kania reported that after consulting with the rest of the Nominating Committee and other members of the Board, the Nominating Committee is recommending Robert Kania to fill the Treasurer vacancy.

A motion was made, seconded and unanimously agreed that Mr. Robert Kania fill the Treasurer vacancy for the remainder of the year.

At this time, Mr. Letwin recognized some of the Board members, specifically, Ms. Liptak, Ms. Zmijanac, Mr. Tague, Ms. Turman and Ms. Ogoreuc, who took time out from their schedules to attend the BRT meetings held in the various regions, noting that it is very important that we had presence at these meetings.

Before moving on to the public comment portion, Mr. Letwin stated that in order to give everyone an opportunity to speak, he reminded everyone that the time is limited to three minutes and you will hear the bell to conclude your remarks.

A total of 12 speakers shared comments with the Board regarding using police officers to check fares and the potential service changes in the Monongahela Valley as part of a Bus Rapid Transit system.

There being no further business to conduct. The meeting was adjourned.

The next Regular Meeting of the Board will be Friday, December 8, 2017.