

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

The Regular Meeting of the Board of Port Authority of Allegheny County was held on Friday, January 27, 2017, immediately following the 2017 Annual Meeting, 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
Representative Dom Costa
Senator Jim Brewster
John Tague
Rob Vescio
D. Raja
Rob Kania
Michelle Zmijanac (via phone)
Jeff Letwin (via phone)
Joel Lennen, General Counsel

Media:

Ed Blazina, Post-Gazette

Port Authority Staff:

Ellen McLean, chief executive officer, Bill Miller, chief operations officer, Jim Ritchie, Communications officer, Pete Schenk, chief financial officer, Keith Wargo, assistant general manager Engineering and Technical Support, Barry Adams, assistant general manager Human Resources, Mike Cetra, assistant general manager Legal and Corporate Services, Ed Typanski, director Grants and Capital Programs, Catherine Terrill, Professional Services contract specialist, Tony Trona, director Purchasing and Materials Management, Deborah Skillings, Community Outreach coordinator, Darcy Cleaver, assistant manager Passenger Amenities, Fred Mergner, program manager Scheduling, Adam Brandolph, Public Relations representative, Bryan Campbell, assistant general counsel Litigation, Breen Masciotra, project manager TOD, Diane Williamson, executive assistant.

Other

Molly Nichols, PPT, Kevin Mott, PPT, Carolyn Lenigan, Eric Seiverling, Innovators Point, Joan Natko, ACTC, Matt Sicyles, CDM/Smith, Chandana Cherukupalli, PPT, Kim Morewood, ACCESS Russell Loudermilk, Bob Grove, Comcast, Denise Strawoet, ACCESS, Frank Polito, Comcast, Aaron Pittman, County Council.

The Chairman called the meeting to order. A recommendation was made for approval of the minutes of the November 18, 2016 Regular Meeting. A motion was moved, seconded and passed.

A motion was then made for approval of the minutes from the December 20, 2016 Special Meeting. A motion was moved, seconded and passed.

The Chairman called on Ms. McLean for a report from the chief executive officer. Ms. McLean said that although Mr. Tague will provide a few specifics in his report, she wanted to discuss the fare policy changes that started on January 1. She reported that this is one of the most sweeping changes in Port Authority's Fare Policy in years, and it literally impacts every rider in our system.

Changes include the creation of a single fare zone, implementation of pay-on-enter and the shift to a greater use of the ConnectCard throughout the system, with more specific changes coming in the summer for the light rail system.

Ms. McLean continued reporting that we have been monitoring these changes closely now. With a month behind us, we will review our operational data, our ConnectCard sales information and customer complaints to identify any issues and determine if any modifications should be made. She did report that for now, we are thrilled with the response of our riders and generally how smooth the transition has been, adding that the preliminary information we have seen is very promising.

Ms. McLean stated that she wanted to remind everyone that we made these changes with a very important goal in mind. We believe that more people will ride our system if it's simple, easy and obvious. These changes will help our system be more inviting and were made in an effort to hopefully attract more customers. We will continue down the path of rail changes later this year and will continue to seek opportunities to grow ridership in the future.

Ms. McLean congratulated those that helped plan the Spirit of King Ceremony, which was held on January 18. Although she was away at the time and unable to attend, it is her understanding that the ceremony once again was successful. She stated that the Authority is pleased to participate in this event each year, and thanked our co-sponsors, the Kingsley Association, the "New Pittsburgh Courier" and the Pittsburgh Pirates.

That concluded the report of the chief executive officer.

The Chairman commented on the Spirit of King event as well, which he and member John Tague attended. He said that it was very well attended and thought staff did a wonderful job pulling it all together. The honorees were Mr. Walt Harper and Commander Gwen Elliott.

The Chairman called on the first speaker for public comment, Mr. Rusty Loudermilk. Mr. Loudermilk stated that he was here today to discuss ACCESS service and he would like to invite Board members to attend a meeting with himself and Dr. Charles Martoni, to discuss paratransit services.

Mr. Loudermilk did comment that although his personal service has improved, he is trying to advocate for others who have concerns with the service. He wanted to note, for the record, that the Federal Transit Administration says any fixed route system, like Port Authority, is responsible for paratransit services in that market. He said that even though Port Authority does not employ the employees of the contractors, he believes that Port Authority is still responsible for overseeing and making sure that ACCESS Transportation Systems or any people they contract with, are doing the right thing by those employees.

Mr. Loudermilk concluded his remarks by stating that he will continue to try to set up the meeting with Board members, himself and Dr. Martoni.

The Chairman called on the next speaker, Mr. Kevin Martin. Mr. Martin remarked that he is here today regarding the new Fare Policy. As a disabled rider, it is very hard for him at times to get off the back of the bus. He feels that in some cases drivers should allow passengers who are elderly or disabled to discharge from the front of the bus.

Mr. Martin also remarked that another issue he is having with the new Fare Policy is the need for paper transfers. In the past, you were able to purchase a transfer for \$.50 and it would be good for three hours. Mr. Martin suggested that if the paper transfers do not come back, at least put it on the ConnectCard where you can use it for a three-hour period.

That concluded the public comment period.

The Chairman called on Mr. Vescio for a report of the Performance Oversight Committee. Mr. Vescio reported that a meeting of the Performance Oversight Committee was held on Wednesday, January 18, 2017, and the minutes from the previous meeting were approved by the Committee.

The financial results for the month of December 2016 were reported at the meeting. It was reported that total operating income was approximately \$485,000 under budget primarily due to lower passenger revenues. Total expenses for the month of December were approximately \$1.38 million under budget and total operating subsidies for the month exceeded budget by \$27,439. The Authority's cash balance is approximately \$106 million.

Mr. Vescio reported that there were five resolutions reviewed at the meeting by the Performance Oversight Committee for consideration by the Board.

The Committee first reviewed 11 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. The Performance Oversight Committee therefore recommends for award the 11 items outlined in the resolution in the total amount of \$18,045,200.18

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

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

Mr. Vescio stated that the Committee then discussed a resolution awarding a construction contract for ancillary electrical construction services. The contract provides for ancillary electrical construction services for upgrades and improvements to property and facilities owned and/or operated by Port Authority. Services will be identified and issued on an individual work order basis, up to a total not-to-exceed amount of \$2,500,000, over a three-year period.

Mr. Vescio explained that included in the services is Work Order #1 which provides for electrical installation for a new paint booth at the Collier Bus Garage Body Shop.

To perform the services, bid documents were prepared and publicly advertised and five bids were received. Bids were requested based on labor and equipment rates for an estimated quantity of services to be provided over the three-year period, including a not-to-exceed amount for Work Order #1.

After review of the bids, it was determined that the bid of Pitt Electric Inc., for the estimated quantity of services and Work Order #1, is the lowest responsive bid from a responsible bidder meeting the Authority's specifications for the contract.

The Performance Oversight Committee recommends that the ancillary electrical construction contract be awarded to Pitt Electric Inc., for an amount not-to-exceed \$2,500,000, subject to the completion of all pre-award requirements.

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

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

Mr. Vescio reported that the Committee then discussed entering into an agreement for wireless data services with Comcast Cable Communications Management, LLC. Comcast Cable has proposed to install and provide, at no cost to the Authority or the users, Wi-Fi services that can be utilized by the Authority, its employees and patrons when present in various light rail transit stations in Downtown and on the North Shore and South Side.

Representatives from the Authority and Comcast have negotiated the proposed terms of an agreement to allow for the installation, maintenance and use of the Wi-Fi services as set forth on Exhibit 1 to the resolution.

The Performance Oversight Committee recommends entering into the Wi-Fi services agreement with Comcast as described in more detail in the resolution.

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

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

Mr. Vescio stated that the Committee then discussed extending and amending agreements to provide executive search, outplacement and coaching services.

In January 2013, the Board authorized the award of agreements to Krauthamer & Associates, Inc. and New Economy Dynamics, LLC to provide executive search services, and Calfe & Associates to provide outplacement and coaching services, for an initial term of three years with the option of extending the term of the agreements up to an additional two years. The original total not-to-exceed amount for the agreements was \$160,000 for the executive search services, \$50,000 for the outplacement services and \$25,000 for coaching services.

In January 2016, the Board approved the exercise of the first option year and agreed to increase the previously authorized total not-to-exceed amount from \$160,000 to \$300,000 for the executive search services and from \$50,000 to \$90,000 for the outplacement services, with no increase for the coaching services.

The Performance Oversight Committee now recommends extending the second option year for each of the agreements with no increase in the previously authorized total not-to-exceed amounts.

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

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

The Performance Oversight Committee discussed the final resolution authorizing the Authority to enter into an agreement to provide armored car and cash management services.

A request for proposals was prepared and publicly advertised and three proposals were received. It was determined that the proposal submitted by Brink's Incorporated was the highest-rated proposal to perform the services.

The Performance Oversight Committee recommends entering into an agreement with Brink's Incorporated to provide the services for a total not-to-exceed amount of \$3,500,000, for an initial term of three years with the option to extend the term an additional two years.

On behalf of the Performance Oversight Committee, Mr. Vescio 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 from the Planning and Stakeholder Relations Committee. Mr. Tague reported that the Committee met last week and discussed a resolution he would like to present for the Board's consideration.

Mr. Tague reported that this resolution would authorize the Authority to enter into a lease agreement with the Pennsylvania Department of Transportation for the Ross Park and Ride lower lot. Mr. Tague explained that PENNDOT owns the property on Perrysville Avenue near the entrance of the I-279 HOV lane in Ross Township. Port Authority has been using the lot under a verbal agreement with PENNDOT since the early 1990s. The lot is divided into two parcels. The upper lot has 200 paved parking spaces and the lower lot has 65 paved spaces and 116 unpaved. The park and ride is at 100 percent capacity on weekdays. The lower lot also has a salt storage building that PENNDOT has used but no longer needs.

Mr. Tague explained that PENNDOT has agreed to a written agreement with the Authority for the lower lot that would allow the Authority to increase its park and ride capacity. Under the lease, PENNDOT will allow the Authority to demolish the salt storage structure and create additional paved parking spaces. This would increase the parking capacity by 84 spaces. The agreement will be for a 50-year term at a nominal cost of \$1 per month.

Mr. Tague noted that the cost was erroneously printed as \$1 per year in the Committee's material last week. The rental amount is \$1 per month and has been corrected for the resolution being considered today.

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 as Ms. McLean mentioned, the Committee received some very early information about the fare policy changes. Mr. Tague noted that he anticipates discussing this in more detail at our next Committee meeting.

The Committee was provided with a summary of Customer Services complaints related to the Fare Policy from the first two weeks of January. Mr. Tague stated that while this is not a lot of time, it is enough to give us a sense of the initial response.

Among the key statistics that were discussed, the Authority's Call Center received only 236 calls in the first two weeks specific to the Fare Policy out of the 37,331 total calls received by the Call Center during the same time, noting that it is less than one percent. Of the 236 policy calls, the vast majority was specific to the new pay-on-enter policy change. The number of calls about the Fare Policy has declined as everyone becomes more familiar with the system.

Mr. Tague concluded his remarks by reporting that the installations of ConnecCard sales terminals at the Goodwill locations, along with a few other retail locations in the County, are now underway.

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, February 24, 2017.

The meeting was adjourned.