

PORT AUTHORITY OF ALLEGHENY COUNTY
MINUTES OF THE REGULAR BOARD MEETING
FRIDAY, JULY 27, 2018

The Regular Meeting of the Board of Port Authority of Allegheny County was held on Friday, July 27, 2018, 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
Michelle Zmijanac
Ann Ogoreuc
John Tague
Stephanie Turman
D. Raja
Senator Jim Brewster
Representative Dom Costa (via phone)
Rob Vescio (via phone)
Joel Lennen, General Counsel

Media

Caroline Engelmayer, Post-Gazette

Port Authority Staff:

Katharine Kelleman, chief executive officer, Bill Miller, chief operations officer, Keith Wargo, chief engineer, Engineering and Technical Support, Mike Cetra, assistant general manager Legal and Corporate Services, Barry Adams, assistant general manager Human Resources, Catherine Terrill, Professional Services contract specialist, Adam Brandolph, Public Relations representative, Inez Colon, director Employment, Dan DeBone, Community and Government Affairs Officer, Josh Banyas, manager Capital Programs, Breen Masciotra, TOD project manager, Fred Mergner, assistant manager Scheduling and Service Planning, Qazi Zahra, data analyst, Chris Walker, Associate Service Planner, Vasti Amaro, chief of staff, John DeAngelis, manager Contract Administration, Dante Calderone, manager Marketing, Tim Frank, director Marketing and Creative Services, Melissa Dunbar, Professional Services contract administrator, Eric McKibben, assistant director Information Technology Department, Diane Williamson, executive assistant.

Other

Steve Palonis, ATU, Carolyn Lenigan, Glenn Walsh, Laura Wiens, PPT, Dan Frederick, Monaloh, Basin Engineering, Brian Schull, SAI, Doug Mackie, Matt Sickles, CDM Smith, Holly Hudson, Cosmos Technologies, Tom Conroy, speaker, Nora Kelly, speaker, Sharen Duff, speaker, Nancy Kreuzer, speaker, Tish Newman, rider, C. Jennings, PPT, Dave Haines, AECOM, Ed Reese, AECOM, Jackie Coho, PPT, Bob Coho, PPT.

Other

Carolyn Lenigan, Glenn Walsh, Laura Wiens, PPT, March Wiezorak, AG, Steve DeGenaro, Dave Haines, AECOM, Grego Cerminara, Michael Baker, Inc., Michelle Hinds, SAI, Bill Trimbath, Collective Efforts LLC, Dan Frederick, Monazoh Basin, David Haffaker, Sound Transit.

The Chair called the July 27, 2018 Regular Meeting of the Board to order.

After the recital of the pledge of allegiance, a recommendation was made for approval of the minutes of the June 29, 2018 Regular Meeting. A motion was made, seconded and unanimously passed.

The Chair called on Ms. Kelleman for a report of the Chief Executive Officer. Ms. Kelleman first acknowledged the passing of some of our retirees in June who were operators, George Zeiler and Arthur Truzzi; mechanic, James Cafeo; dispatcher, Paul Beckett and route foreman, James Kerr.

Next Ms. Kelleman announced the retirement of Barry Adams, assistant general manager Human Resources and thanked him for his service to the Authority.

Ms. Kelleman reported that June bus ridership was up three percent from last year, so we are trending to have strong ridership overall, coming in pretty much equivalent to where we were last year. She noted that we continue to buck the national trend of ridership losses.

After Ms. Kelleman's first 100 days in Pittsburgh, she discussed that a list of key goals to prioritize early in her tenure and to lay the groundwork for future success was prepared. One of these goals, and in her opinion, the most critical is an excellent customer experience.

Ms. Kelleman noted that she could tell the Board what would improve her ride into town, but she is not representative of the average passenger, and our success starts in talking to our active passengers and the folks riding with us every day. Ms. Kelleman continued reporting that we have engaged a firm to do a "Voice of the Customer" survey. Mr. Tague will be discussing the findings of the survey in more detail in his report.

We will be coming back out with a second wave of the survey to start averaging out the findings and making sure that we are hearing a consistent message. It is only the beginning of a conversation. In addition to the surveys, we will be conducting focus groups, online surveys, and talk to our patrons and our folks here. We will use these results to make riding public transit in Allegheny county not just a good option but the absolute best option to get from point A to point B.

As discussed at the committee meetings last week, we have already started on some of these improvements. A new website is coming out that will allow us to support texting folks when their route is on detour and greater accessibility reloading ConnectCards.

Ms. Kelleman concluded her report by stating that these improvements put us not just on the right track to improve public transit, but to build a foundation of a system that our region deserves and clearly wants. She said she is very excited to be a part of this process.

That concluded the report of the Chief Executive Officer.

The Chair 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 July 19, 2018, and the minutes from the previous meeting were approved by the Committee.

It was reported at the meeting, that Total Operating Income for the month of June was slightly under budget by approximately \$106,000. However, it was noted that Total Operating Income for the fiscal year was \$5.02 million over budget primarily due to higher Passenger Revenue.

It was also reported at the meeting that Total Expenses for the month of June were over budget by approximately \$161,000. Total Expenses for the fiscal year were \$16.27 million under budget. Total Subsidies for the month were \$6.04 million under budget; approximately \$4.5 million of this was due to not having to use budgeted deferred State Operating Assistance.

There were seven resolutions reviewed by the Performance Oversight Committee for consideration.

The Committee first reviewed four procurement items and found the bids to be in accordance with the Authority's procurement policies and procedures, the prices to be fair and reasonable and the bidders to be responsive and responsible. The Performance Oversight Committee recommended for award the four items highlighted in the resolution for the total amount of approximately \$1.7 million.

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 sought Authorization to Award a General Construction Contract for the Bridge Restoration Group project. Ms. Zmijanac reported that this project will include the replacement and restoration of bridges along, but not limited to, Port Authority's LRT System.

Ms. Zmijanac reported that bid documents were prepared and publicly advertised and one bid was received. After review of the bid by the Authority's staff and counsel, it was determined that the bid of Michael Facchiano Contracting, Inc., in the amount of \$2,456,702.10, was responsive, the bidder responsible and the price fair and reasonable.

The Performance Oversight Committee recommended awarding the contract to Michael Facchiano Contracting, Inc., in that amount, subject to completing all 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.

The next resolution requested authorization to enter into an Agreement to provide Bus Rapid Transit Phase III Engineering Services. It was reported that the Authority requires a contractor to provide engineering services to complete the final design to 60 percent completion, to support the final design of the "Locally Preferred Alternative," and for a construction grant application(s) as needed. It was further explained that additional services which may be completed at the Authority's option include completion of the final design to 100 percent and construction phase services required to put the BRT into revenue service.

A Request for Proposals was prepared and publicly advertised and two proposals were received. The proposal submitted by AECOM Technical Services, Inc. was determined to be the highest rated proposal for the performance of services.

The Performance Oversight Committee recommended entering into an Agreement with AECOM, in an amount not-to-exceed \$10,500,000, for an initial three-year period, with the option to extend the term of Agreement up to two additional years in one-year increments. 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 sought Authorization to Extend and Amend Agreements with a Pool of Firms to provide General Marketing Services. Ms. Zmijanac reported that the Board previously authorized entering into agreements with four firms for an initial term of four years for a total not-to-exceed \$1.8 million to be allocated on an as-needed basis through work orders. The initial four-year term of the agreements expires on August 14, 2018, and the agreements contain two option years. The contractors, including Red House Communications, Inc., Elisco Advertising, Inc., Campos, Inc., and Nakturnal, have performed the services satisfactorily.

The Performance Oversight Committee recommended extending the agreements with the four firms for one year and increasing the total not-to-exceed amount of agreements by \$1,440,255. On behalf of the Performance Oversight Committee, Ms. Zmijanac respectfully requested approval of the resolution. It was moved, seconded and agreed, with one abstention by Mr. Letwin, that the resolution be approved as presented.

The next resolution requested Authorization to acquire real property. Ms. Zmijanac reported that the Authority has been leasing an approximately 3.5-acre parcel of real property along Repp Road in Plum Borough for the purposes of operating and maintaining a tower utilized for the operation of the Authority's radio communications system. The owner of the property, the Filomena and Nicols Veltri Revocable Trust, advised the Authority of its intent to dispose of the property.

Due to its critical utilization as a communications tower for the operation of the Authority's radio communications system, the Performance Oversight Committee recommended purchasing the property for \$250,000. 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 requested Authorization to Amend Port Authority's Nepotism, Patronage and Conflicts of Interest in Hiring and Employment Policy. Ms. Zmijanac reported that the Policy was originally adopted in 1996, and based upon a review of the Policy by management of the Authority, it is recommended that the Policy be amended to include fraternization standards and prohibitions for managers of the Authority and to further clarify prohibited conflicts of interest for employment with the Authority.

The Performance Oversight Committee recommended adopting the Amended Policy attached to the resolution as Exhibit A. 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 sought approval to enter into a second amendment to the existing agreement with Carnegie Mellon University. Ms. Zmijanac reported that similar to other agreements with higher education universities, the agreement with CMU provides eligible students, faculty and staff with access to, and use of, the Authority's public transit system in exchange for fees paid by CMU as part of the Authority's U-Pass Program. Among other terms and conditions, the agreement provides that CMU pay the Authority a fee of 50 percent of the Authority's base fare per card tap, which is currently \$1.25 per card tap. The current agreement expires July 31, 2018.

The Performance Oversight Committee recommended entering into a Second Amendment extending the agreement for one additional year to July 31, 2019. The Second Amendment also provides that effective January 1, 2019, CMU will convert to a compensation method and usage of the Authority's public transit system by CMU-issued card holders solely based upon card taps.

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 Chair called on Mr. Tague for a report of the Stakeholder Relations Committee. Mr. Tague reported that the Planning and Stakeholder Relations Committee met last week and the minutes were approved from the June 21 meeting.

Mr. Tague advised that Mr. Mark Aesch from our consultant, TransPro, gave a presentation to the Committee on the Customer Satisfaction Survey. Surveys were conducted on June 11 through June 17 on buses, light rail and incline. Mr. Tague reported that about 1,000 surveys were completed, 50 percent from buses and 50 percent on light rail, which included the incline. Surveys were administered seven days a week and customers were offered one free one-day pass as an incentive for their participation.

Mr. Tague reported on some of the highlights from the report. Port Authority's net promoter score for fixed-route bus is 36 percent above the industry average. This net promotion score measures the willingness of customers to recommend a company's product or services to others. The number is important because it is used to gauge the customer's overall satisfaction.

Mr. Tague continued reporting that on-time performance and fares are the most important elements of service to fixed route bus customers. Customers are least satisfied with bus cleanliness (49 percent) and seating availability/space on the bus (59 percent).

Mr. Tague stated that the agency would use this feedback to help develop long-range plans, noting that Ms. Kelleman would like to see surveys completed twice a year if the budget allows.

Mr. Tague had two announcements, first that we opened our new Downtown Service Center downstairs, and second, by the end of August, the Fifth and Atwood Station in Oakland should be operational.

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

The Chairman next called on Ms. Liptak for a report of the Technology Committee.

Ms. Liptak reported that the Technology Committee met on Thursday, July 19 and she had a few items to report to the Board.

There were two resolutions reviewed by the Committee. First, CIO, Mr. Devlin, presented a resolution authorizing to extend and amend agreements with a pool of firms to provide information technology consulting services. The agreements are with various firms to provide consulting services

for technology project-based initiatives on an as-needed basis, through task specific work orders. The initial three-year term of the agreements expires on September 30 of this year. The agreements include up to two one-year options to extend the agreements.

The Technology Committee recommended extending the agreements one additional year to September 30, 2019, and increasing the previously authorized total not-to-exceed amount for the agreements to \$2,573,000. On behalf of the Technology Committee, Ms. Liptak respectfully requested approval of the resolution. It was moved, seconded and unanimously agreed that the resolution be approved as presented.

The next resolution reviewed by the Technology Committee was a resolution for authorization to enter into a limited access tunnel license agreement with Pittsburgh SMSA Limited Partnership d/b/a Verizon Wireless for a multi-carrier distributed antenna system. It was explained that this resolution would allow for cell phone and wireless data services in the underground tunnels of the Downtown Business District and the North Shore for our patrons. Verizon Wireless will be the lead carrier for a multi-carrier system.

Ms. Liptak continued reporting that when completed, Verizon, and any other carrier who joins the system, will pay a licensing fee to the Authority of \$25,000 per year, with annual increases. Ms. Liptak noted that the resolution is also subject to approval by the FTA due to the federal interest in the stations and tunnels.

On behalf of the Technology Committee, Ms. Liptak respectfully requested approval of the resolution. It was moved, seconded and unanimously agreed that the resolution be approved as presented.

Ms. Liptak then advised that Mr. Devlin provided an update on the fare collection software upgrade, new ticket vending machines that will be installed later this year, and the progress towards releasing the RFP for a mobile ticketing app, with plans for a pilot program in late spring of 2019. Thereafter, Mr. Brandolph, from Port Authority's Public Relations Department, discussed the new website that is in development and nearing a soft launch in August and September of this year.

That concluded the report of the Technology Committee.

The Chair then moved onto the public comment section of the agenda. Five speakers addressed the Board and requested weekend service restoration of the 39 Brookline bus, specifically improvement of the Saturday service and restoration of the Sunday service.

There being no further business to conduct, the meeting was adjourned.

The next Regular Meeting of the Board will be Friday, September 28, 2018.