

PORT AUTHORITY OF ALLEGHENY COUNTY
MINUTES OF THE REGULAR BOARD MEETING
FRIDAY, SEPTEMBER 27, 2019

The Regular Meeting of the Board of Port Authority of Allegheny County was held on Friday, September 27, 2019 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
John Tague
Stephanie Turman
Ann Ogoreuc
Senator Jim Brewster
Joel Lennen, General Counsel

Media

Ed Blazina, Post-Gazette

Port Authority Staff

Katharine Kelleman, chief executive officer, Vasti Amaro, chief of staff, Mike Cetra, chief legal officer, David Huffaker, chief development officer, Jim Ritchie, chief communications officer, Maurice Bell, chief operations officer, Adam Brandolph, Public Relations manager, Jeffrey Devlin, chief information officer, Don Rivetti, deputy chief operations officer Maintenance, Inez Colon, chief Human Resources officer, Phillip St Pierre, director Service Development, Tony Trona, director Purchasing and Materials Management, Ed Typanski, director Grants and Capital Projects, Sarah Kastelic, digital communication specialist, Fred Buckner, associate contract specialist, Darcy Cleaver, assistant manager Passenger Amenities, Jerimaine Ward, manager Contract Administration, Michael Heidkamp, deputy chief operations officer Transportation, Maria Nickerson, director Internal Audit, Kathy Lucas, administrative assistant, Amy Silbermann, director Planning Department, Melissa Girty, government and community liaison, Diane Williamson, executive assistant.

Other

Carolyn Lenigan, April Gray, Cosmos Technologies, Glenn Walsh, Jim Hans, HDR, Dave Haines AECOM, James Love, Speaker, Garret Smith, Fred Mergner, Speaker, Teaira Collins, Claire Kealey, PCRG, Laura Wiens, PPT, Aspen Weitzel, Collective Efforts, Matt Sickles, GAI Consultants, Jim Keener, ACTC, Danielle List, WSP, Bryan Martucci, Lanae Wallace, Girish Pavekar, Lorenzo Rulli, Speaker, Ramesh Bhambwani, Speaker.

The Chair called the September, 2019 Regular Meeting of the Board to order.

Following the pledge of allegiance, a recommendation was made for approval of the minutes of the July 26, 2019 Regular Meeting. A motion was made, seconded and unanimously passed.

The Chair called on Ms. Kelleman for the report of the Chief Executive Officer.

Ms. Kelleman started her report by asking for a moment of silence as she read the names of the employees and former employees that passed in July or August: Mechanic William Jones; Service Person Carl Burger; Operators Diane Thompson-Newman, Donald Riggs, William Neill, James Disso, Robert Fulmer, James Dorisio, Francis Kruluts, Stanley Kaczmarek; Garage Attendant Clarence

Shepherd; Technician Edward Baumgart, Jr.; Maintainer Leo Germita; and, on a personal note, Dennis Egan, whose birthday would have been today.

Ms. Kelleman then stated that a lot has happened in the past two months. First, the ConnectBand Pilot Program ended September 1, and our initial results and feedback are very promising. She noted that she did not think any of us expected this to be as popular as it was, so our next stage is evaluating what options there are to go farther. Ms. Kelleman noted that we distributed 150 bands at our Service Center at the end of June and we asked our participants to fill out a survey, and a whopping 95 percent of respondents said their experience was “Excellent” or “Good,” which is clearly great feedback.

Ms. Kelleman added that we heard loud and clear to make these bands adjustable to fit different wrist sizes and to consider different color options including, of course, black and gold. We are going back to the drawing board and testing out a few different band options, and we look forward to being back with those early next year.

Next, Ms. Kelleman reported on bringing 24-hour service back to Pittsburgh. When folks are trying to get home at 3:00 a.m. or trying to get to work at 4:00 in the morning, and we are not there, the system is not accessible to them. An economic impact study released earlier this year showed that we support more than 6,000 full-time service related jobs many with unusual hours. We are still identifying which communities would see the most benefit, where we have the strongest ridership and where our major employers are connected. We will have a proposed service plan in place and an estimated budget by next summer so we can roll this into next year’s budget process. Noting that if there is funding available, we would like to be on the road no later than next November with this expanded schedule.

Ms. Kelleman continued reporting that in addition to expanding the hours of service, one of the other ways we hope to improve the customer experience is to get a little faster from Point A to Point B. Our Planning team has identified 72 stops on routes 16 and 51 that we would propose for elimination. These are stops that have low ridership or are at unsafe locations and propose certain challenges for us. At this point, every stop has a sign hung on it identifying it. We have a website where folks can go to give us feedback. Our Customer Service team is versed in this information, so people without internet access can speak directly to a Customer Service representative with input.

Ms. Kelleman added that there is also an air quality impact. So, for faster schedules and for cleaner air, we are looking at which stops we can bring together and looking forward to getting feedback. We will make our final decisions next month before changes go into effect by November 24.

Ms. Kelleman concluded her report by announcing that we have about 35 employees participating in the Great Race this weekend. It is our first year to participate as an entity, noting that this was a suggestion from an East Liberty operator that she spoke to in May.

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 the Performance Oversight Committee met on September 19, and she had a few items to report.

At the meeting, Chief Financial Officer, Peter Schenk, reported that for the month of August 2019, Total Operating Income was \$525,758 below budget, however, year-to-date Total Operating Income is above budget due to higher interest income. Total Expenses for the month of August were \$1.9 million under budget, and year-to-date expenses are under budget by \$7.9 million.

Total Subsidies are \$11.6 million ahead of budget from a year-to-date perspective as the Authority received certain state operating assistance earlier than anticipated. This will normalize by fiscal year-end.

There were three resolutions reviewed by the Performance Oversight Committee.

Ms. Zmijanac stated that the Committee first reviewed four procurement items and determined the bids to be in accordance with the Authority's procurement policies and procedures, the prices to be fair and reasonable, the bidders to be responsible and the bids responsive. The Performance Oversight Committee recommended for award the four items listed in the resolution for the total amount of approximately \$2.2 million dollars.

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 which seeks authorization to Extend and Amend Agreements for Financial Advisory Services. In October 2015, this Board authorized the award of agreements to PFM Financial Advisors LLC and Public Resources Advisory Group to provide financial advisory services for an initial term of three years for a total not-to-exceed amount of \$500,000. The agreements also contain two option years that can be exercised at the sole discretion of the Authority and in September 2018, the Board authorized the exercise of the first option year, extending the term of the agreements until October 31, 2019.

As the services performed by both firms continue to be in compliance with the agreements, the recommendation is to exercise the second option year to extend the term of the agreements to October 31, 2020, 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.

Ms. Zmijanac stated that the final resolution seeks Authorization to Extend and Amend Agreements for Medical and Vocational Case Management Services. In December 2016, the Board authorized the award of agreements to Genex Services, Disability Care Management Professionals, Allegiant Managed Care and Wellco Rehab to provide management and vocational case management services for an initial term of three years for a total not-to-exceed amount of \$300,000. The agreements also contain two option years that can be exercised by the Authority in its sole discretion.

As the initial three-year term of agreements expires on November 30, 2019, the recommendation is to extend the term of the agreements with Genex Services, Disability Care Management Professionals and Allegiant Managed Care through November 30, 2020, with no increase to the previously

authorized total-not-to-exceed amount. Wellco Rehab has advised that it no longer can provide the needed services.

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 concluded her report by stating that also at the meeting, Ms. Maria Nickerson, Director of Internal Audit, presented the Audit of the FY 2019 Physical Inventory. The opinion of the audit was that the internal controls associated with Port Authority's FY 2019 Annual Inventory are effective and the processes are generally adequate.

That concluded the report of the Performance Oversight Committee.

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

Mr. Tague reported that the Planning and Stakeholder Relations Committee met last week and he had four items and a resolution to report.

The Planning and Development group provided the Committee with updates on four major projects. First was the Long-Range Plan that went out for bid and staff anticipates starting in early 2020. Next was the Stop Consolidation Plan and Port Authority will mainly be looking at stops along the 16 Brighton and 51 Carrick routes. Mr. Tague added that he feels this is an important project and a necessary step toward improving the overall transit system. Also the magnitude of the stops in our system does not help the Authority's efforts to improve the on-time performance of our vehicles, which is one of the goals we have at the Authority. He added that this will not fix everything, but it will move us closer to the excellent and reliable service our customers deserve. Mr. Tague encouraged feedback on either the website or by calling Customer Service.

Next, staff updated the Committee on its recent grant application to the Federal Transit Administration's Small Starts Program. The project has been modified to reflect changes in its scope, timeline and cost. The Authority is planning to host public meetings in the spring.

The Planning group next reviewed its newly-developed First and Last Mile Guidelines. The goal of this program is to increase ridership, increase access and reduce the amount of single-occupancy vehicles on the road. The document will be publicly available and posted online.

Mr. Tague then presented a resolution to Adopt and Amend FY 2020 Operating and Capital Budgets. The Board approved a resolution in June to adopt the original Operating and Capital budgets, which reflected a decrease in state funding due to litigation challenging Act 44. State funding has since been restored, and we are legally required to revise the budgets so that they are balanced. Mr. Tague reported that the amended Operating Budget totals \$461,863,000 and the amended Capital Budget totals \$230,931,991.

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.

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

The Chair called on Ms. Jennifer Liptak, Chair of the Technology Committee for a report. Ms. Liptak reported that the Technology Committee met on Thursday, September 19 and she had two items for the Board's consideration.

The first item is for the procurement of contactless smart fare media ConnectCards. The bid of ABNote North America has been determined to be the lowest responsive bidder from a responsible bidder and the pricing to be fair and reasonable. The Technology Committee therefore recommends awarding the contract for the procurement of ConnectCards to ABNote North America, in the amount of \$350,292.50.

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 stated that the next item is a bid for maintenance of the CCTV security cameras and Card Access Systems. The bid of Johnson Controls Fire Protection LP has been determined to be the lowest responsive bid from a responsible bidder, and the pricing to be fair and reasonable. The Technology Committee therefore recommends awarding the contract to provide maintenance services for CCTV and Card Access Systems to Johnson Controls Fire Protection LP, in the amount of \$943,500.

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.

That concluded the report of the Technology Committee.

Under New Business, Mr. Letwin presented a resolution for the Board's consideration. Mr. Letwin reported that the need for the creation of a Finance Committee has been discussed. He explained that right now we have a Technology Committee, Performance Oversight Committee, Audit Committee and a Planning and Stakeholder Relations Committee. In consideration of our finances, we find it appropriate to create the Finance Committee to deal primarily with bringing budget information to the Board.

Mr. Letwin respectfully requested approval of the resolution to create a Finance Committee. It was moved, seconded and unanimously agreed that the resolution be approved as presented.

After approval, the Chair appointed Ms. Ann Ogoreuc to chair the new Finance Committee, noting that the other Committee appointments will be made at another meeting.

As there was no more business to conduct, the Chair called on the first speaker to address the Board, Mr. James Love. Mr. Love addressed the Board with his concerns on a few items. They included stop eliminations on the 51 Carrick route and service on the P10 route.

The next speaker, Mr. Ramesh Bhamwani, addressed the Board regarding his concerns with the lack of bus service on weekends on the 36 bus. He also addressed his concerns with the area where his bus stop is located.

The next speaker, Mr. Lorenzo Rulli, addressed the Board with his concerns with plans to begin 24-hour service on some routes next year if funds are available.

The next speaker, Mr. Fred Mergner, addressed the Board on the topic of bus stop consolidation.

The final speaker, executive director of Pittsburghers for Public Transit, Ms. Laura Wiens, stated that in the last several weeks, Port Authority has proposed two major changes to the system, adding 24-hour service to address gaps in access for late-night workers, and bus stop consolidation intended to increase efficiency and on-time performance. As a rider advocacy group, PPT wants to support these efforts however the group feels that there is a lack of a public process at the agency.

There being no further business, the meeting was adjourned.

The next Regular Meeting of the Board will be Friday, October 25, 2019.

Approved