

PORT AUTHORITY OF ALLEGHENY COUNTY  
MINUTES OF THE REGULAR BOARD MEETING  
FRIDAY, NOVEMBER 21, 2014

The Regular Meeting of the Board of Port Authority of Allegheny County was held on Friday, November 21, 2014, 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, Chairman  
Tom Donatelli  
John Tague Jr.  
Constance Parker  
Senator Jim Brewster  
Rob Kania  
D. Raja  
David White  
Amanda Green Hawkins  
Joel Lennen, General Counsel

**Media:**

Bob Kerlik, Tribune Review  
Jon Schmitz, 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, John DeAngelis, manager Contract Administration, Tom Noll, director Technical Support, Ed Typanski, senior analyst Capital, Fred Mergner, assistant manager scheduling and service planning, Darcy Cleaver, supervisor Passenger Amenities, Breen Masciotra, Communications coordinator, Deborah Skillings, Community Outreach coordinator, Diane Williamson, executive assistant.

**Other**

Jim Robinson, ACTC President, Joan Natko, ACTC, Carolyn Lenigan, Molly Nichols, PPT, Glen Walsh, Paul LeBlanc, PPT, Gabe McMorland, Speaker, Joe Catanese, County Council, Dave Duessel, Maher Duessel, Jeff Kent, Maher Duessel, Darryl Phillips, Parsons Brinckerhoff, Daisha Bernal, Speaker, Samey Jay, Fight Back Pittsburgh, Karen Smith, Speaker, Jonah McAllister Erickson, PPT, Kathy Csonka, Groveton Resident Council.

Following the recital of the pledge of allegiance, recommendation was made for approval of the minutes of the October 24, 2014 Regular meeting. A motion was moved, seconded and passed.

Under the public comment portion of the agenda, the Chairman called on Jonah McAllister-Erickson, representing Pittsburghers for Public Transit, for comments regarding Port Authority services. First, Mr. McAllister-Erickson thanked Port Authority for its recent efforts to improve service, noting that the 2.7 percent increase in service this year has already made a real difference in people's lives by decreasing overcrowding. The extensions of the 75 and 93 have

provided much needed service to medical, shopping and employment areas and are appreciated by those communities.

Mr. McAllister-Erickson added that the group also appreciates the openness Port Authority staff has shown not only meeting with Pittsburghers for Public Transit but more importantly, meeting with community members advocating for improved service in their neighborhoods and communities.

Mr. McAllister-Erickson also thanked Councilwoman Green Hawkins, along with Councilwoman Heidelbaugh and Councilwoman Barbara Daly Danko, for their efforts to allocate additional drink tax revenue for Port Authority's operating costs, although the proposal didn't make it out of committee last night. This represents what could potentially be a crucial step towards getting much needed additional support for public transit service in Allegheny County. It's also important to note that for the first time in recent memory, Port Authority is developing a criteria and process for adding service, and the Pittsburghers for Public Transit looks forward to working with Port Authority's Board and staff to ensure that the public has a voice in that process.

The Chairman called on Ms. Karen Smith for comments on behalf of senior riders in the Baldwin Borough. Ms. Smith was happy to report that since she last spoke to the Board in June; Pittsburghers for Public Transit had an opportunity to meet with Representative Kortz, Representative Readshaw, Councilman Palmiere and Board member, Senator Brewster.

Ms. Smith stated that over the past months, Baldwin residences have been busy with efforts to show their support to bring transit back to their community. These efforts included a community "Walk for Transit" and meetings with Port Authority staff.

Ms. Smith concluded her remarks by saying that we understand that operating funds from Act 89 can only go so far and we do not expect routes to be restored exactly as they were in the past, but her main concern is that the criteria for adding routes include the need for senior service.

The Chairman called on Ms. Daisha Bernal for comments. Ms. Bernal gave a personal testimony of her daily commute from Moon Township to Point Park College and the lack of transit in the area. Ms. Bernal explained that she walks two-and-a-half miles to the nearest bus stop to and from work each day because of the lack of service in the Moon area.

She asked that the Board and staff responsible for extending service to take a hard look at this area and to keep in mind that there are opportunities for college students traveling to Robert Morris University along with job opportunities in this area if there was more transit service.

The Chairman called on Ms. Kathy Csonka representing Groveton Village. She stated that before the 25A route was cut in 2011, it traveled through Groveton Village. There was a detour last month that went through Groveton, but would not pick anyone up. Losing this service is a hardship for residents of Groveton. Ms. Csonka is here today requesting that the 25A route be restored or suggested that the 21 route be extended through Groveton Village.

The Chairman called on Ms. Samey Jay for her remarks. Ms. Jay stated that as chair of Fight Back Pittsburgh and a member of the Pittsburgh community who rides the bus on a daily basis, she believes it is crucial for our voices to not only be heard by the Board but for the Board to truly listen to our concerns so we can work together to solve the transit issues facing our city. She explained that Fight Back Pittsburgh focuses not only on the rights of workers in the workplace but also in our communities. She stated that crucial to the needs of working people are safe neighborhoods, safe and affordable housing and reliable and accessible transportation to and from work, school and community events. She thanked Port Authority staff and noted that they have been working very hard in the efforts to increase frequency on overcrowded buses. She also appreciates the efforts made to create mobile tracking apps on various routes. However, we have a long way to go in improving the frequency of other routes by workers, community members and riders.

Ms. Jay concluded her remarks by saying that to many of those folks just outside of Pittsburgh, Pittsburgh is still home. The city has so much to offer and the community members of Baldwin, Moon and Groveton do too. But without adequate transportation, how can we give these members of our community the best of our city.

The Chairman called on the final speaker, Mr. Gabe McMorland, an organizer of the Pittsburgh Accessible Meet-up which is a group of researchers, disability advocates and community members that advocate for making everything accessible to everyone. He noted that he is also personally interested in Pittsburgh having a healthy public transit system if we're really going to compete with other cities.

Mr. McMorland is aware that Port Authority is developing criteria for how and where to add service, working with a limited budget and cannot restore service to everywhere in the county that needs it, but he hopes that part of that criteria can be built around recognizing the real human needs. So when developing the criteria, it's really important to look at the relative benefits to real people and go about it in a strategic way across the county, but those criteria need to go beyond just the efficiency of ridership as a raw number.

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

Ms. Parker reported that a meeting of the Performance Oversight Committee was held on Wednesday, November 19, 2014, and the minutes from the previous meeting were approved by the Committee.

The financial results, which are detailed in the Board packet, for the period ending October 2014, were presented at the meeting. It was reported that Total Operating Income for October 2014 was just over \$90,000 higher than October 2013 and Total Expenses were also higher by \$2.2 million due to higher wages, pension expense and healthcare costs.

It was also reported that total subsidies for October 2014 were higher than October 2013 by \$2.6 million due to increased State Operating Assistance.

From a year-to-date perspective, it was reported that the Authority is \$9.7 million under budget through October, 2014. Total Operating Income is \$809,000 ahead of budget through October 2014.

Total Operating Expenses are \$9.6 million under budget through October 2014, largely due to the categories of Employee Benefits and Materials and Supplies being under budget. Total subsidies are approximately \$700,000 under budget through October. Cash on-hand through October 2014 is \$83.3 million.

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

The Committee first reviewed six procurement actions and found these 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 six items outlined in the Board packet in the total amount of approximately \$1.5 million.

On behalf of the Performance Oversight Committee, Ms. Parker respectfully requested approval of the resolution as presented.

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

The next resolution authorizes the Authority to enter into agreements for Temporary Technical and Clerical Support Services.

The Authority requires the services of a pool of firms to provide qualified technical and clerical support services on an as-needed basis.

A request for proposals was prepared and publicly advertised, and five proposals were received.

After review and evaluation of the proposals, it was determined that the proposals submitted by Marsetta Lane Temp Services, Inc., Industrial Employees, Inc., doing business as Gregg Staffing Solutions, and Staffmark Holdings, Inc., submitted the highest rated proposals for the temporary technical support services.

It was also determined that the proposals submitted by Marsetta Lane Temp Services, Industrial Employees, Inc., doing business as Gregg Staffing Solutions, Staffmark and Diversity Search Group LLC, submitted the highest rated proposals for the temporary clerical support services.

This resolution authorizes the Authority to enter into an agreement with each of these firms in the designated category to provide the services up to a total not-to-exceed amount of \$1 million to be allocated on an as-needed basis for an initial three-year term with the option to extend the term of the agreements up to an additional two years at the sole discretion of the Authority.

On behalf of the Performance Oversight Committee, Ms. Parker respectfully requested approval of the resolution as presented.

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

Before Ms. Parker concluded her report, Mr. D. Raja asked if it was possible to go back to having the monthly budget. It is less relevant to him to compare last year to this year's budget.

Mr. Hurley responded that it was actually a change requested at one of the Performance Oversight Committee meetings, but is confident we can accommodate that. Ms. McLean also noted that both reports will be provided in the future.

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 on November 19, 2014 and the Committee reviewed a resolution for the Board's approval this morning. Mr. Tague reported that before the Committee considered the resolution, the Committee heard from Ms. Kathy Stefani of SPC's ATWIC Program. Ms. Stefani is the program manager for ATWIC which is the Alliance for Transportation Working in Communities, a program within the Southwestern Pennsylvania Commission or SPC. ATWIC's mission is to support regional collaboration to improve transportation access across Southwestern Pennsylvania.

Ms. Stefani discussed how ATWIC is leading an effort now aimed at developing a Southwestern Pennsylvania public transit human services coordination transportation plan. This group will involve a wide range of individuals and organizations including human service agencies, educational institutions, community advocates, employers and transportation providers. Port Authority is participating in this process. Ms. Stefani reported to the Committee that the first meeting of the Alliance is scheduled at SPC for November 25, 2014.

Mr. Tague then presented the resolution for the Board's consideration. He reported that Port Authority is the owner of a parcel adjacent to its South Hills Village parking facility and Light Rail Transportation System in Bethel Park, commonly referred to as the South Hills Village upper lot. Previously, Port Authority issued a public solicitation for development at this site. On September 19, 2012, the Board passed a resolution authorizing Port Authority to engage in a period of exclusive negotiations with Massaro Properties, LLC, a joint venture consisting of Massaro Properties, LLC and Dawson Company, LLC, the highest rated proposer, to attempt to finalize the materials terms and conditions of a long-term ground lease for the site

Mr. Tague continued reporting that the exclusive negotiation period was subsequently extended to December 31, 2014. Port Authority management and Massaro Dawson representatives have been involved in good faith productive negotiations toward finalizing a proposed long-term ground lease for the site which will ultimately be subject to Board and FTA approval.

Mr. Tague added that Massaro Dawson representatives have been involved in other activities to progress the project including a preliminary site assessment, environment reviews, and submission of the conceptual site plan to Bethel Park Planning Commission. As progress has been made, and to allow for the completion of the negotiations and the various preliminary activities to advance the project, the exclusive negotiation period with Massaro Dawson is recommended to be extended. This resolution would allow the Authority to continue exclusive negotiations with Massaro Dawson for the purpose of finalizing proposed terms and conditions for the long-term ground lease for transit oriented development for this site until June 30, 2015.

Mr. Tague noted that the original resolution that was presented to the Committee proposed an extension until December 31, 2015, but after discussion at the Committee meeting, it was recommended to shorten the period until June 30, 2015.

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

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 Chairman called on Mr. David White for a report of the Financial Audit Committee.

Mr. White reported that the Authority Board held a public Audit and Finance Committee meeting on Wednesday, November 19. Prior to the presentation by the audit firm, Maher Duessel, Port Authority management recognized the diligent efforts of personnel within the Accounting, Grants and Capital Programs, Financial Planning and Payroll Departments within the Finance Division who were instrumental in the Authority once again receiving a clean audit opinion.

Mr. Jeffry Kent of Maher Duessel, Certified Public Accountants, reported to the Committee that the audit of financial statements were performed in accordance with Government Auditing Standards and found to have “no significant deficiencies or material weaknesses noted.” Mr. Kent noted that the Authority ended FY 2014 with approximately \$22 million surplus before non-cash item adjustments for other post-employment, benefits, pensions and depreciation. It was reported at the meeting that the combined operating surpluses over the past three fiscal years totaled \$51.4 million. Mr. Kent also reported that after non-cash entries for other post-employment benefits, pensions and depreciation, the Authority’s total net position was down \$77.8 million.

Mr. White then proposed that the Board formally accept the FY 2014 Audit Report and authorize the Chair of the Authority’s Board and the Chair of the Audit and Finance Committee to sign the FY 2014 report indicating the Authority’s acceptance of same and to take all such other actions necessary and proper to carry out the purpose and intent of this resolution.

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

This concluded the report of the Audit and Finance Committee.

The Chairman announced that the Board has one item of new business. As this is the last scheduled meeting for 2014, and our next meeting will occur in January 2015, along with the Board's Annual meeting, the Chairman stated that it is essential to appoint a Nominating Committee.

Mr. Hurley explained that the purpose of the Annual Meeting will be to elect a new set of officers for 2015. To assist in the election process, he has formed a Nominating Committee to propose a slate of officers for the Board's consideration at the Annual Meeting.

Mr. Hurley announced that the Nominating Committee shall consist of Mr. Rob Kania, Mr. John Tague and Mr. Jeff Letwin. The Chairman has requested that Mr. Kania serve as the Chair of the Nominating Committee. Pursuant to the Bylaws, the Chairman stated that each one of these members will serve in providing us with a slate of officers, noting that other slates are obviously allowed to be presented as well.

The next regular meeting of the Board is tentatively set for Friday, January 23, 2015

As there was no more business to be conducted by the Board, the meeting was adjourned.