

PORT AUTHORITY OF ALLEGHENY COUNTY
MINUTES OF THE REGULAR BOARD MEETING
FRIDAY, FEBRUARY 27, 2015

The Regular Meeting of the Board of Port Authority of Allegheny County was held on Friday, February 27, 2015, 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
Jeff Letwin
Senator Jim Brewster
Rob Kania
D. Raja
Amanda Green Hawkins
Joel Lennen, General Counsel

Media:

Melissa Daniels, 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, Tony Trona, director Purchasing and Materials Management, Tom Noll, director Technical Support, Nancy Vandling, manager Contract Administration, James Happ, associate Contract Administration, John Beeler, manager Customer Service, Deborah Skillings, Community Outreach coordinator, Ed Typanski, director Grants and Capital Program, Dan DeBone, Community and Government Relations officer, Breen Masciotra, Communications coordinator, William Wagner, PAPD, Chief McCauley, PAPD, Diane Williamson, executive assistant

Other

Jim Robinson, ACTC President, Molly Nichols, PPT, Glen Walsh, Austin Davis, County Executive's Office, Joe Catanese, County Council, Dennis Simon, Chester Engineering, Pete Tsudis, Speaker, Jonathan Robinson, ACTC, Sarah Stroney, RIDC, David Huston, Scott Phillip, Parkway Parking, Rhonda Cloud, Annette Kroll, Lorna Robinson, Speaker, Bobbi Spencer, Speaker, Carolyn Lenigan, Darnell Jones, Speaker, Rebecca Kierman, Speaker, Charles Vosel, O'Hara Township

Following the recital of the pledge of allegiance, recommendation was made for approval of the minutes of the January 30, 2015 Annual meeting. A motion was moved, seconded and passed. A motion was then made for approval of the minutes of the January 30, 2015 Regular meeting. The motion was seconded and passed.

The Chairman called on Ms. Ellen McLean for a report from the Chief Executive Officer. Ms. McLean first acknowledged the efforts of our employees during the stretch of extremely cold weather. Noting that not only do some of our employees work outside, but cold weather often presents significant challenges for transit systems. Our bus and light rail system has been

remarkable during this period, and that's in large part the result of a lot of hard work that goes on behind the scenes during overnight hours and in many ways not obvious to all of us. Ms. McLean noted that this doesn't mean we escape the weather-related problems completely, but we're very proud of how well our employees responded to those situations. She thanked many of the employees who make the system run so that we can provide the service so many people in our region depend on.

Ms. McLean gave a quick update on the bus rapid transit efforts that continue to move forward. She reported that we're very pleased with the cooperative planning effort now underway with the city and county. The city is now embarking on a comprehensive planning study of the corridor where the BRT would be implemented. This is a vital piece of the puzzle and we're very pleased to see that this component is progressing in a very positive manner. This multi-agency cooperation truly is working and Port Authority is happy to deliver the transit portion of the project. Ms. McLean noted that the group will meet with the BRT stakeholders in early March to provide an update and answer questions and staff will continue to update the Board as the project advances.

Ms. McLean concluded her report by stating that Port Authority's system is no stranger to major firms as our vehicles and facilities have been on the big screen many times. This past Saturday, a film crew used our light rail vehicle to shoot video on a new movie and soon they'll shoot another scene in the Gateway Station. Although we are happy to support our local film industry, which has been booming in recent years, many of our employees are assisting in this effort to ensure first and foremost that the filming is safely done and does not disrupt service.

Under the public comment period, the Board first heard testimony from three individuals, Mr. Darnell Jones, Ms. Lorna Robinson and Ms. Bobbi Spencer, urging the Board to restore service that was eliminated during the 2011 service reductions in the Groveton Village. All three speakers gave examples of the hardships the community is facing without service in their community.

The Chairman called on Mr. Charles Vogel, Vice President of Council for the Township of O'Hara and Mr. Pete Tsudis, President and CEO of True Food Manufacturing, representing the RIDC Alliance of Businesses. They were here on behalf of the 180 businesses with over 5,000 employees located in the RIDC business park in O'Hara Township to request restoration of bus service through the park. Mr. Vogel proposed a solution for consideration to tweak the existing service rather than a major change. Mr. Tsudis urged the Board to consider helping us create and maintain the 900 jobs in the park. We need to connect people to the jobs we have; that's what adds to the vibrancy of our community and our city.

The Chairman called on Ms. Rebecca Kiernan, sustainability coordinator for the Township of Moon. Ms. Kiernan reported that in the Mooncrest community of Moon, the loss of transit service had a devastating effect for the geographically isolated and predominantly low income in that area and urged the Board to restore the service lost in the Moon area. She mentioned the benefits of more service along the University Boulevard corridor for those attending Robert Morris University, and offered suggestions to tweak the G3 Moon Flyer instead of adding all new service. She concluded her report by stating that, "as Moon strives to improve its livability, we know that Port Authority is a crucial player in enhancing mobility."

The final speaker was Mr. David Huston. Mr. Huston's remarks pertained to the Grove Road crossing gates. He noted that this intersection is already dangerous with parking on both sides, no pedestrian crossing and it is on a blind curve. But what makes this really bad is that there are repeated incidents of the crossing gates being stuck down. He noted that Port Authority police are well aware of the situation and in fact, when the gates are down, Port Authority police direct traffic to go around the crossing gates. Mr. Huston concluded his remarks by stating that these gates need to be fixed so there aren't any dangerous situations in the future or inconveniences to commuters who regularly use this road.

The Chairman called on Mr. Jeff Letwin for a report of the Performance Oversight Committee. Mr. Letwin reported that a meeting of the Performance Oversight Committee was held on Thursday, February 19 and the minutes from the previous meeting were approved by the Committee.

The financial results for the period ending January 2014 were presented at the meeting.

It was reported that total operating income for the month of January 2015 was \$460,000 below budget due to lower passenger revenue. Total expenses for the month were \$2.8 million below budget and total operating subsidy was below budget due to timing issues.

From a year-to-date perspective, it was reported that total operating income is above budget due to passenger revenues exceeding budget. Total operating expenses through January are almost \$14 million below budget and total operating subsidies through January are \$150,000 under budget.

It was reported at the Performance Oversight Committee that the Authority's cash position remains healthy with approximately \$70.2 million in cash reserves as of the end of January.

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

The Performance Oversight Committee first reviewed five 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 award of the five items listed in the Board packet in the total amount of approximately \$3.3 million.

On behalf of the Performance Oversight Committee, Mr. Letwin 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 extend an agreement with Trapeze Software Group, Inc., for a Maintenance Work Order System. Port Authority previously solicited

proposals to obtain the services of a contractor to provide for the implementation of a Maintenance Work Order System.

Among other things, this system allows Port Authority to effectively schedule, manage and track maintenance of its fleet.

In January 2013, the Authority's Board authorized the award of an agreement with Trapeze Software Group, Inc. which provided for an initial term of two years, for a total not-to-exceed amount of up to \$4 million with the option to extend the term of the agreement an additional one year at the sole discretion of the Authority.

As explained at the Performance Oversight Committee meeting, Trapeze will require additional time to complete the software integration work of the project. So therefore, The Performance Oversight Committee recommends authorization to exercise the option to extend the term of the agreement one additional year to March 31, 2016 with no increase to the previously authorized total not-to-exceed amount of the agreement.

On behalf of the Performance Oversight Committee, Mr. Letwin 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 award a construction contract for the Stage I Substation Roof Replacement project. This project will include the engineering, labor, material, equipment, tools, supervision and incidental items necessary to replace the roofs at the seven locations listed in your Board packet.

Mr. Letwin reported that bid documents were prepared and publicly advertised and four bids were received. After review of the bids, staff determined that the bid of G&W Roofing and Construction, Inc. was determined to be the lowest responsive bid from a responsible bidder.

The Performance Oversight Committee therefore recommends that the contract be awarded to G&W Roofing & Construction, Inc., in the amount of \$602,265, subject to completion of the pre-award requirements.

On behalf of the Performance Oversight Committee, Mr. Letwin 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 an agreement with Parkway Corporation for facility management services at the South Hills Village Parking Garage. Port Authority requires a contractor to provide facility management services for general management and operation, customer assistance and support, monitoring of parking and fare collection, general cleaning, inspection and preventive and routine maintenance in and around the South Hills Village Parking Garage.

A request for proposals was prepared and publicly advertised and five proposals were received. The proposal submitted by Parkway Parking Corporation has been determined to be the highest rated proposal for the performance of these services.

The Performance Oversight Committee recommends that Port Authority enter into an agreement with Parkway Parking Corporation for an initial three years with the option to extend the term of the agreement up to an additional two years at the sole discretion of the Authority in the total not-to-exceed amount of \$500,000 to provide these services.

On behalf of the Performance Oversight Committee, Mr. Letwin 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 extend and amend an agreement with Cowden Associates, Inc. to provide pension plan actuarial services. Port Authority previously awarded an agreement to Cowden to provide pension plan actuarial service on an as-needed basis through task-specific work orders.

The agreement was for three years, which is set to expire on March 25, 2015, with the option to extend the term of the agreement up to an additional two years at the sole discretion of the Authority.

It was noted at the Performance Oversight Committee meeting that Cowden provided services in a satisfactory manner, and as part of the services, the firm has provided support for special projects, such as the ATU negotiations. Mr. Letwin noted that such support will be beneficial to the Authority in the upcoming 2016 ATU negotiations.

Therefore, the Performance Oversight Committee recommends authorization to exercise the option to extend the term of the agreement an additional two years, through March 25, 2017, and to increase the previously authorized total not-to-exceed amount an additional \$125,000.

On behalf of the Performance Oversight Committee, Mr. Letwin 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 extend and amend an agreement with Brink's Incorporated, to provide armored car and cash management services.

In January 2012, Port Authority entered into an agreement with Brink's to provide armored car and cash management services such as collecting, counting and depositing currency and coins from our fareboxes, as well as replenishing 60 ticket vending machines throughout the system.

The initial agreement was for three years for a total not-to-exceed amount of approximately \$3.5 million and contained two additional option years to be exercised by the Authority at its sole discretion.

The initial three-year term expires on March 4, 2015, and the Performance Oversight Committee has determined that it is in Port Authority's best interest to exercise the first option year and extend the agreement to March 4, 2016, with no increase to the cost.

On behalf of the Performance Oversight Committee, Mr. Letwin respectfully requested approval of the resolution as presented.

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

The final resolution authorizes the Authority to file grant applications and enter into agreements for federal FY 2015. During FY 2015, Port Authority expects to receive an allocation from the FTA for certain funds which are outlined in the board packet from Exhibit A through D. These funds will be used for bus replacement, capital cost of contracting ACCESS, grants management, admin facility lease, park and ride expansion, and bus and rail preventive maintenance activities.

The federal funds require a non-federal share of 20 percent of project costs. This resolution will also authorize Port Authority to enter into agreements with PENNDOT and Allegheny County for a portion of the non-federal share.

On behalf of the Performance Oversight Committee, Mr. Letwin 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 Performance Oversight Committee.

The Chairman had one new item to report under new business. Mr. Hurley reported that the Board has put together a committee to start investigating the use of CNG buses, both looking at the employment of buses into our system as well as the possibility of over the next few years building a garage that will support these buses. The Chairman appointed Rob Kania to chair that committee and he has agreed. Mr. Kania will be pulling together a committee to start that discussion and hopefully have some reports back to the Board in the next few months.

There was no more business to conduct.

The next Regular Meeting of the Board will be Friday, March 27, 2015.

The meeting was adjourned.