

PORT AUTHORITY OF ALLEGHENY COUNTY
MINUTES OF THE REGULAR BOARD MEETING
FRIDAY, JULY 29, 2016

The Regular Meeting of the Board of Port Authority of Allegheny County was held on Friday, July 29, 2016 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, Chair
Tom Donatelli
Jeff Letwin
John Tague
Rob Vescio
Michelle Zmijanac
D. Raja
Senator Jim Brewster
Representative Dom Costa
Robert Kania
Joel Lennen, General Counsel

Media:

Mike Walton, Tribune Review

Port Authority Staff:

Ellen McLean, chief executive officer, Bill Miller, chief Operations officer, Mike Cetra, assistant general manager Legal and Corporate Services, Pete Schenk, chief financial officer, Barry Adams, assistant general manager Human Resources, Tony Trona, director Purchasing and Materials Management, Deborah Skillings, Community Outreach coordinator, Breen Masciotra, Communications coordinator, Dan DeBone, Communications and Government Relations officer, Ed Typanski, director Grants and Capital Programs, Tom Noll, director Technical Support & Capital Projects, Robert Sechler, Professional Services contract specialist, Sheila Dillard, director Internal Audit, Melissa Rubin, Public Relations coordinator, Adam Brandolph, Public Relations representative, Amy Silbermann, data analyst, Diane Williamson, executive assistant.

Other

Molly Nichols, PPT, Carolyn Lenigan, Jim Robinson, ACTC, Regina White, Matt Sickles, CDM Smith, Henry Nutbrown, Jacobs Engineering, Steven Ackerman, CDM Smith, Renee DeMichiei Farrow, Architectural Innovations.

The Chairman called the meeting to order. Following recital of the pledge of allegiance, a recommendation was made for approval of the minutes of the June 24, 2016 Regular Meeting. A motion was moved, seconded and passed.

The Chairman called on Ms. McLean for a report from the chief executive officer. Ms. McLean had a few items to report. First, she reported that we are in the process of installing 86 new bus stop signs in downtown that provide riders with more information than ever before, including route information panels, bus frequency and a route map. Of the 86 new signs, 10

are digital bus stops that provide stop-specific real-time bus information. Eight of the 10 digital bus stops are solar powered.

Ms. McLean also reported that in our downtown rail stations, you will soon see five touchscreen information kiosks. Each kiosk knows its current location, so all the customer will have to do is input the destination and it will give the best directions for that time of day. She explained that you can even have the directions sent by text or email to your phone or computer.

She stated that future plans call for the new signs to be placed throughout the entire transit system over the next several years. This marks a significant improvement in the quality of on-street information for riders and makes travel for infrequent riders much easier.

Next, Ms. McLean reported on the progress of Beechview, where we are replacing the light rail tracks that run on Broadway Avenue. She noted that this is one of our biggest capital projects this year and certainly has customer and community impact.

She reported that we're now beyond the mid-point of the project as we've completed the first phase of work. The contractor has shifted to Phase II, which is focused in the residential center of Beechview. Ms. McLean reported that overall, the project has gone very well and we are on target for completing the work by the contractual deadline in September.

Ms. McLean concluded her report by expressing her thanks to our rail riders and the Beechview community for their patience and support.

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 Thursday, July 21, 2016, and the minutes from the previous meeting were approved by the Committee.

The financial results for the month of June 2016 were reported at the meeting. It was reported that total operating income was approximately \$55,000 below budget due to lower ACCESS Shared Ride revenue. Total expenses for the month of June were \$2.2 million under budget with every expense category ending the month under budget. Total subsidies for the month were \$1.8 million under budget due to lower Cost of Contracting drawdowns.

Mr. Vescio continued with the unaudited results for FY 2016 which was also reported at the meeting. It was reported that total operating income was \$294,000 above budget due to higher advertising revenue. Total expenses for FY 2016 were \$20.4 million under budget and total subsidies for the year were \$5.4 million under budget. The unaudited surplus for FY 2016 was \$15.3 million. Mr. Vescio noted that Pete Schenk, Port Authority's Chief Financial Officer, cautioned that there are still post-closing accounting entries that will impact this unaudited surplus total.

Mr. Vescio continued reporting that there were six resolutions reviewed at the meeting and are being recommended by the Performance Oversight Committee for consideration by the Board.

The Committee first reviewed six 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 six items outlined in the resolution in the total amount of \$7,100,505.53.

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 next resolution authorizes the Authority to extend and amend agreements to provide legislative consulting services. In April 2013, the Authority issued a request for proposals to obtain a pool of firms to provide legislative consulting services to assist in representing the Authority before political bodies and similar organizations. In July 2013, the Board authorized the award of agreements to Greenlee Partners LLC and Buchanan Ingersoll & Rooney PC, to provide the services for an initial term of two years with an option to extend the agreements two additional years. The agreements were for a total not-to-exceed amount of \$496,000. In July 2015, the Board approved the exercise of the first option year with both firms and increased the total not-to-exceed amount to \$612,000.

The Authority has now determined that it is in its best interest to exercise the second option year with both firms and increase the total not-to-exceed amount by \$204,000. This resolution will extend the term of the agreements with Greenlee Partners and Buchanan Ingersoll to September 30, 2017 and increase the previously authorized combined total not-to-exceed amount to \$816,000.

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 next resolution authorizes the Authority to enter into agreements for Architectural Design Services.

Mr. Vescio explained that the Authority proposes to engage contractors to perform Architectural Design services in two categories, Transit Passenger Facilities Design and General Building Design. For each category, the Authority intends to create a pool of firms that can be used on an as-needed basis through the issuance of work orders. The agreements will be for four years with an option to extend the terms up to an additional year at the sole discretion of the Authority.

It was reported at the meeting that a request for proposals was publicly advertised and seven proposals were received for the Transit Passenger Facilities Design category and six proposals were received for the General Building Design category. After review and evaluation, it was

determined that the highest ranked proposers for the Transit Passenger Facilities Design category were CDM Smith, Inc. and Whitman, Requardt & Associates, Inc. respectively, and the highest ranked proposers for the General Building Design category were Whitman, Requardt & Associates, Inc. and CDM Smith, Inc., respectively.

This resolution will authorize the Authority to enter into agreements with the two firms for the contract services at a total combined not-to-exceed amount of up to \$6,000,000 for an initial term of four years.

Mr. Donatelli asked if the amount would be split between the two firms and Mr. Joel Lennen, General Council, explained that it was a total pool of money in the amount of up to \$6,000,000.

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 next resolution authorizes the Authority to amend its Travel and Expense Reimbursement Policy for its employees. The Authority maintains a Travel and Expense Reimbursement Policy that sets forth guidelines and procedures for the reimbursement of staff for necessary and reasonable expenses incurred in performing job-related activities, including expenses incurred for lodging, meals and transportation expenses for business related travel.

As a result of an audit of employee and CEO expense statements and advances performed by the Port Authority's Internal Audit Department, recommendations were made for updates and clarifications to improve the policy. This resolution will approve and adopt the amended policy attached to the resolution, subject to future amendments deemed necessary by the Authority's Board.

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 next resolution authorizes the Authority to amend the agreement to provide armored car and cash management services. Mr. Vescio explained that In January 2012, the Authority's Board authorized the award of an Agreement to Brink's, Incorporated, to provide these services for a total not-to-exceed amount of \$3,450,000.00 for the initial three-year term with two additional options years.

In February 2015, the Board approved the first option year to extend the term of the Agreement until March 4, 2016 with no increase in the previously authorized total not-to-exceed amount. In February of this year, the Board approved the second option year to extend the term of the Agreement until March 4, 2017, with no increase in the amount of the Agreement.

In order to provide adequate funding for the continued necessary provision of the services, the Authority has now determined that it is in its best interest to increase the current not-to-exceed dollar amount of the agreement by \$650,000 for a total not-to-exceed amount of \$4,100,000.

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 final resolution presented by Mr. Vescio was for authorization to amend Authority's Title VI Program. In accordance with Title VI of the Civil Rights Act of 1964, and related regulations adopted by the FTA, the Authority maintains a Title VI Program to ensure that individuals are protected from discrimination based upon race, color and national origin in regard to public transit services.

Pursuant to applicable FTA regulations, the Authority reviews and updates the program on a triennial basis to ensure that it remains in compliance with all Title VI requirements and to detail the analyses conducted for any major service or fare changes occurring in the preceding three calendar years. Over the past several months, staff has made various proposed updates and revisions to the Program and it has been reviewed with FTA Region III's Office of Civil Rights personnel. Before FTA will consider the amended Program final, it must be reviewed and adopted by the Authority's Board.

This resolution will approve and adopt the amended Title VI Program for 2016 to 2018, subject to any further revisions or amendments deemed necessary by FTA or the Board.

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 of the Planning and Stakeholder Relations Committee. Mr. Tague reported that the Committee did not meet this month. The next meeting of the Planning and Stakeholder Relations Committee has been scheduled for September 15, 2016.

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

The Chairman then presented a resolution authorizing an increase to the annual salary of Ellen M. McLean, Chief Executive Officer of Port Authority of Allegheny County, effective February 1, 2016.

Mr. Hurley explained that based upon Ms. McLean meeting certain performance goals and objectives set by the Board, the Board wishes to increase Ms. McLean's annual salary by 1.8 percent, effective February 1, 2016, to a total amount of \$224,771.

Mr. Hurley respectfully requested approval of the resolution and it was moved, seconded and unanimously agreed that the resolution be approved as presented.

There was no further business to conduct.

The next Regular Meeting of the Board will be Friday, September 23, 2016.

The meeting was adjourned.

Approved