

Planning and Stakeholder Relations Committee

Minutes

November 15, 2018

The meeting was called to order at 8:30 am in Port Authority's Neal H. Holmes Board Room at 345 Sixth Avenue, Fifth Floor, Pittsburgh, with the following in attendance:

Board Committee Members

John Tague, Jr., Chairman

Ann M. Ogoreuc

Board Members and Solicitor

Michelle Zmijanac

Joel Lennen

Opening Remarks

Mr. Tague, Committee Chair, opened the meeting and welcomed those in attendance.

Approval of Minutes from the October 18, 2018 Planning and Stakeholder Relations Committee Meeting

Mr. Tague asked Committee members if there were any corrections to the minutes. There were none and members approved the minutes.

Authorization to Adopt Amended FY2019 Operating, FY2019 Capital and FY2018 Capital Budgets (Pete Schenk)

- Mr. Schenk explained there is a litigation against the Turnpike by the Truckers Association, which has impacted the borrowing at the turnpike. Which typically they transfer \$450MM annually to Pennsylvania Department of Transportation (PennDOT). There has been two quarterly payments that have not been bought issuances by the Turnpike. Have been instructed by PennDOT that we will not get the full Capital funding for FY2019. From a dollar standpoint that equates to about \$75MM reduction for FY2019 Capital Budget. About \$8MM of that 75MM will trickle over to the Operating Budget. The Operating and Capital budgets that were approved by the board June 29 of this year are now technically out of balance, so we are presenting revised Capital total budget for FY2019 and FY2018 as well as a revised Operating Budget for FY2019. In order to do some of the projects that has been identified by the FY2019 Capital Budget, what we need to do is take some of the FY2018 dollars that were not spent and reprogramming those to critical FY2019 Capital projects and that total will be about \$37MM. The Admin staff were able to identify about another \$10MM in savings from FY2018 projects that came in less than initially estimated. So we are basically using equivalent of \$46MM of FY2018 Capital funds and preprogramming them into FY2019 revised Capital Budget. On the Operating budget standpoint we would fill the \$8MM whole, we are lucky enough to negotiate and hold an increase on the health care benefits for two year period and annual savings on this would be \$3.6MM. The true trajectory on revenues has been positive throughout October so we would adjust revenues by \$1MM

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and using about an additional \$4MM affected maintenance Capital funds; it is 80% Federal and 80% County, \$4MM extra maintenance dollars that are going to be used on the 8MM gap on the Operating Budget for FY2019.

Authorization to Enter into Agreement with Bike Share Pittsburgh, Inc. d/b/a/ Healthy Ride for ConnectCard Bike Rental Program (D. Huffaker)

- Mr. Huffaker explained that Ms. Elcock and Ms. Masciotra has been instrumental on this project. The agreement would authorize Healthy Ride to allow patrons to use their ConnectCard to register for a Healthy Ride bike rental. As you will remember the Authority entered into a pilot program with Healthy ride in August 2017 with the expiration date of December 2018. Based on the results of this pilot test program the representatives of the Authority and Healthy Ride believe it would be in the party's best interest to enter into an agreement to fully establish a program to continue to allow ConnectCard holders that opt to do so to utilize their ConnectCard to register for Healthy Bike rides. The agreement would be effective January 1, 2019, subject to termination for convenience upon 30 days written notice by either party. During 2018 we seen nearly 2,000 ConnectCards linked for bike share rides facilitated a total nearly 14,000 bike share trips and that date is through the end of August. The highest usage of the program was in the summer months. Acceptance and use of the program has been strong throughout the area and throughout all months. The partnership generated a good amount of positive feedback and Media attention both locally and nationally. At the same time did not generate any customer complaints or maintenance issues and or any security or data security issues during our period to date.

Questions from committee, board members and others

1. Mr. Tague asked are we using any of the reserves. Is there any impact to service?
 - Mr. Schenk answered yes we are using about \$5MM of reserves. There is no impact on service or fares.
2. Mr. Tague asked Ms. Kellerman if she had anything to say.
 - Ms. Kellerman answered we are optimistic that we will be fine this year and meet all of our Operating budget needs. Even though we are talking about drawing from our reserves but as previous years we came in with surpluses and we came in under budget and we are optimistic that we still close this gap. We will continue to work with our partners at PennDOT on what our budgetary forecast are for the next year and we are going for the future. Just to clean up items so our budget continues to track accurately and we are continually transparent to our patrons and stake holders.