

PORT AUTHORITY OF ALLEGHENY COUNTY
MINUTES OF THE REGULAR BOARD MEETING
FRIDAY, FEBRUARY 22, 2019

The Regular Meeting of the Board of Port Authority of Allegheny County was held on Friday, February 22, 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, Vice Chair
Michelle Zmijanac
John Tague
Stephanie Turman
D. Raja
Senator Jim Brewster
Rob Vescio
Rob Kania
Joel Lennen, General Counsel

Media:

Ed Blazina, Post-Gazette

Port Authority Staff:

Katharine Kelleman, chief executive officer, Keith Wargo, chief engineer Planning and Engineering, Mike Cetra, chief legal officer, Pete Schenk, chief financial officer, Jim Ritchie, chief communications officer, Jeffrey Devlin, chief information officer, David Huffaker, chief development officer, Marsha McCall, associate internal auditor, Melissa Rubin, Public Relations manager, Maria Nickerson, manager Internal Audit, Jerimaine Ward, manager Contract Administration, Ed Typanski, director Grants and Capital Projects, Adam Brandolph, Public Relations representative, Inez Colon, chief human resources officer, Fred Mergner, assistant manager Scheduling and Service Planning, Melissa Dunbar, Professional Services contract specialist, Sarah Kastelic, Digital Communication Specialist, John DeAngelis, manager Contract Administration, Don Rivetti, deputy chief operations officer Maintenance, Mike Heidkamp, Deputy Chief Operations Officer Operations, Melissa Girty, government and community liaison, Tony Trona, director Purchasing and Materials Management, Fred Buckner, associate contract specialist, Danielle Hillgartner, assistant director Rail, Cindy McMonagle, assistant to the director East Liberty, Heather Wilhelm, director service delivery West Mifflin, James MacNeil, assistant to director Ross, Mike Snienocki, director service delivery Ross, Diane Williamson, executive assistant.

Operators Recognized:

Chauncey Hairston, James Penton, George Edmunds, Edward Washington, Amy Duffy, James Bonner, Amanda Dalton, Mark Prunty, Tiffani Wilson, Cryvonne Poindexter, William Dienert, Patrick Roth.

Others:

Carolyn Lenigan, Glenn Walsh, James Love, Dan Yablonsky, PPT, Giovanni Montagnino, Gerald Chessma, Brian Schull, SAI, Steve Palonis, Local 85, Ted Kielur, Local 85.

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

Following the pledge of allegiance, a recommendation was made for approval of the minutes of the January 25, 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 first asked for a moment of silence for the following retired Port Authority employees who have passed since our last meeting: James Zabelsky, supervisor operations; mechanic Paul Gallack Jr.; laborer Gloria McCray; and operators James Armes, James Snyder, John Mrazik and Ernest Pawlak.

Ms. Kelleman reported that as one of the initiatives of the Tactical Plan, the operations team is moving into a broader Employee Appreciation Program. As next week is Employee Appreciation Day and the following week is Transit Driver Appreciation Day, we wanted to kick off our process today with acknowledging outstanding operators who had the most commendations from each division in 2018. She noted that our operators are absolutely the front line of what we do every day. We have 12,000 operators who are out serving over 200,000 people a day. It is extremely challenging. There's a lot going on such as traffic, detours and maneuvering hills and narrow streets that has to be addressed to be safe while collecting fares, giving directions, announcing stops and providing excellent customer service.

Ms. Kelleman called the following operators up to be recognized for the following garages:

Amy Duffy, Collier
Tiffani Wilson and Cryvonne Poindexter, East Liberty
Chauncey Hairston, James Penton, George Edmunds and Edward Washington, Ross
James Bonner, Amanda Dalton and Mark Prunty, West Mifflin
William Dienert and Patrick Roth, South Hills Rail Center

On behalf of the Board, Mr. Letwin thanked the operators for their service, stating that they are the backbone of this organization. Without them, we really do not have a transit system.

Ms. Kelleman continued reporting that last week we had eConsult Solutions here to present some economic impact data. It's the first economic impact study that Port Authority has done, so we can begin to quantify not just how many people we transport or how many people we employ, but our actual impact in our community. Port Authority is a significant net gain for our economy, and noted that Mr. Tague will be talking about this in his comments today.

Next, Ms. Kelleman reported on January ridership noting that we continue our trend. We are 1.7 percent ahead of January last year and 2.3 percent of the year to date.

Beginning in the next few weeks, Ms. Kelleman reported that you will start seeing more space dedicated to operations and service as we phase out messages on the digital signage on the front of our buses. In the near future, these destination signs on the front of the bus will solely be for bus designations, potentially special events or letting someone know if there is a detour. This will make it easier for the folks who are trying to figure out where that bus is going.

Ms. Kelleman continued reporting that over the next few months, riders will have more opportunities to tell us about their experiences with Port Authority services. We have a big survey coming out. It runs the gamut of a whole bunch of different areas, asking folks who are using our service to tell us what they think of how the service is running and how we can make it better. You will see the efforts in more of our future branding efforts.

Finally, the Mon Incline will be out of service for another six to eight weeks. Ms. Kelleman stated that it is 150 years old and needs a little TLC. We had had three floods this year, and this last one really knocked us down, so we are making some well-needed improvements, and as always, focusing on the safety experience for our customers. We will continue to run shuttles until the incline is back in time for the warmer weather.

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 Thursday, February 14, and the minutes from the previous meeting were approved by the Committee.

Chief Financial Officer, Peter Schenk, reported at the meeting that for the month of January 2019, Total Operating Income was below budget by \$425,250, primarily due to lower Passenger Revenues, and total Expenses for the month of January were under budget by approximately \$2.1 million. Operating Subsidies were under budget by \$609,493, but he explained that this is a timing issue that will normalize by fiscal year-end.

Ms. Zmijanac stated that there was one resolution reviewed by the Performance Oversight Committee. The Committee reviewed six procurement items and determined that the bids were 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 recommends for award the six items listed in the resolution for the total amount of approximately \$3.8 million.

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.

That concluded the report of the Performance Oversight Committee.

The Chair 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 Thursday, February 14. There were no resolutions considered, but as Ms. Kelleman conveyed, the Committee received a presentation from eConsult Solutions regarding the economic impact study it prepared for the Authority. As Ms. Kelleman mentioned, this is the first such study conducted at the Authority in recent history and it provided valuable information about the benefits of public transportation locally and to the State as well.

Mr. Tague continued by reporting that the study focused on three key areas, expenditure impact, economic competitiveness and economic growth impact and investment and property value impacts. Information in the study showed a significant benefit such as the relationship between transit service and development activity, property values and tax revenues.

Mr. Tague reported that the presentation itself is going to be made available on Port Authority's website.

Mr. Tague concluded his report by stating that he thinks it is important to note that when Act 89 was passed, there was a lot of effort given by then Secretary Barry Schoch to go around and talk about the economic impact of transit on our communities and on the State.

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

The Chair called on Mr. Vescio for a report of the Technology Committee. Mr. Vescio reported that the Technology Committee also met on Thursday, February 14 and he had one resolution for the Board's consideration.

Mr. Vescio reported that a procurement bid was presented to the Committee for the purchase of a 4G cellular modem for the bus fleet. The Committee found the bid to be in accordance with the Authority's procurement policies and procedures, the price to be fair and reasonable and the bidder to be responsive and responsible.

Mr. Vescio stated that the Technology Committee recommends for award the one item highlighted in the resolution for the total amount of \$1,329,551.19.

On behalf of the Technology 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 continued reporting that Mr. Mike Compel, project manager of Transportation Scheduling Software, provided an overview of the HASTUS scheduling software that is used by operations and dispatchers to manage the day-to-day operations of scheduling routes and drivers. Mr. Compel showed not only the usefulness of coordination, but also the efficiencies that have been gained over the prior paper-driven processes.

That concluded the report of the Technology Committee.

On behalf of the Governance Committee, Mr. Letwin presented a resolution regarding the contract of CEO Katharine Kelleman. Mr. Letwin stated that a little over a year ago, Port Authority entered into a contract with Ms. Kelleman that among other things included a provision pertaining to a retention bonus and a performance bonus. The Governance Committee recommends approval to provide Ms. Kelleman with a retention bonus of \$11,500 and a performance bonus of \$10,051.

On behalf of the Governance Committee, Mr. Letwin respectfully requested approval of the resolution. It was moved, seconded and unanimously agreed that the resolution be approved as presented.

There was one speaker during the public comment period. Mr. James Love stated his concerns with the regional railroad lines and overlapping service.

There being no further business to conduct, the meeting was adjourned.

The next Regular Meeting of the Board will be Friday, March 29, 2019.