

PORT AUTHORITY OF ALLEGHENY COUNTY
MINUTES OF THE REGULAR BOARD MEETING
FRIDAY, JANUARY 25, 2019

The Regular Meeting of the Board of Port Authority of Allegheny County was held on Friday, January 25, 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:

Jennifer Liptak, Vice Chair
Michelle Zmijanac
Ann Ogoreuc
John Tague
Stephanie Turman
D. Raja
Senator Jim Brewster (via phone)
Rob Vescio
Rob Kania
Joel Lennen, General Counsel

Media:

Bob Mayo, WTAE,
Meghan Schiller and
Jeff Roupe, KDKA, and
Joe Destio, KDKA Radio

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 coordinator, Maria Nickerson, manager Internal Audit, Jerimaine Ward, manager Contract Administration, Ed Typanski, director Grants and Capital Projects, Catherine Terrill, Professional Services contract specialist, Adam Brandolph, Public Relations representative, Inez Colon, director Employment, Fred Mergner, assistant manager Scheduling and Service Planning, Melissa Dunbar, Professional Services contract specialist, Glenn Meister, senior internal auditor, Sarah Kastelic, Digital Communication Specialist, Josh Banyas, Manager of Capital Programs, Amy Silbermann, director Planning, John DeAngelis, manager Contract Administration, Don Rivetti, deputy chief operations officer Maintenance, Darcy Cleaver, assistant manager, Passenger Amenities & Contract Services, Mike Heidkamp, Deputy Chief Operations Officer Operations, Brad Straight, director Road Operations, Diane Williamson, executive assistant.

Other

Carolyn Lenigan, Glenn Walsh, James Keener, President ACTC, Josh Malloy, PPT, Damon Rhodes, Dan Yablonsky, PPT, Mel Packer, PPT, Carol Bolton, Giovanni Montagnino, Shayna Gleason, ACCESS, Karen Hoesch, ACCESS, April DeLaCruz, ACCESS, Denise Strawoet, ACCESS, Charles Farkas, Ty Williams, PPT.

The Vice Chair called the January 25, 2019 Regular Meeting of the Board to order. A recommendation was made for approval of the minutes of the December 7, 2018 Regular Meeting. A motion was made, seconded and unanimously passed.

The Vice Chair called on Ms. Kelleman for the Chief Executive Officer report. Ms. Kelleman recognized the following retired Port Authority employees who have passed since our last meeting: Quality Assurance Specialist, Orest Horhut, Sign Painter, John Dubich, Body Repairman, Edward

Geiger, Senior Adjuster, Robert Eggerton, Manager Safety/Worker's Compensation, John Reilly, and Operators Charles Humphries, Ronald Dunkle, George Garner Jr., Harry Bentley, James P. Stack Jr., LaVonne Hill and Naomi Broome.

After a moment of silence, Ms. Kelleman stated that continuing with our employee recognition this month, a customer who recently visited our new Downtown Service Center said that a Customer Service representative, Joyce Imhoff, really helped her by providing great service and our patron was very appreciative. Ms. Imhoff has worked at Port Authority since the summer of 2017, and she is among a handful of our Customer Service representatives we now have stationed in the lobby of the Service Center during peak hours to greet customers and perform a quick assessment of what kind of help they need so we can get them on their way faster.

Ms. Kelleman noted that this has been a wonderful addition for our riders and helps alleviate congestion at the windows. Our employees also like this because it gets them off the phones and doing a lot of good face-to-face interaction, which is the heart of our business.

Ms. Kelleman recognized Mr. Jim Ritchie, Mr. John Beeler and Ms. Shelley Wolf for beginning this practice and having the vision to see it through.

As promised, staff took a deeper dive into ridership and we have heard that nationally ridership is turning downward. However, Ms. Kelleman is happy to report that Port Authority continues not being in that boat. She reported that for December 2018, we were two percent up month over month and two percent up for the year compared to 2017. This is an overall increase in productivity with a net 64.2 million rides, our highest ridership in the past four years.

Ms. Kelleman continued reporting on the busy holiday weekend. Saturday morning we had a water main break that flooded the incline and took us out of service for several days. On Sunday, we did not freeze too badly, but we had a flash freeze that had our rail crews busy with sleet cutters doing a lot of work in very cold temperatures to get service back on the road. On Monday morning, barges were loose on the Monongahela River and ran into our Panhandle Bridge, so service was shut down, along with a number of other bridges, to make sure that it was still safe to operate.

Ms. Kelleman announced that today our Board is considering a purchase of two fully electric buses. These will be tested in the main portion of the proposed BRT corridor. Every city says they are special, but Pittsburgh really is special with our grade changes and neighborhood streets. One of our operators who is now a Union Boardman says we are a "horse and buggy town with 21st Century technology." As much as our staff is very excited about the air quality and maintenance from electric, we are going to start test-driving the electric buses, with Board approval today, and looking forward to an electric future, with a goal of helping to save our planet and cleaner air for everybody.

The Board also will consider a resolution to hire Four Nine Technologies as a comprehensive fare review consultant. Ms. Kelleman discussed fare capping and moving toward fares that are easier and fairer to use. We are very happy, upon Board approval, to have onboard a consultant who has done this kind of work in Chicago, St. Louis, Seattle, Denver and Portland. It will be good to have the numbers behind the evaluation of any changes to our fare policy, so we are fair and good stewards of public funds.

That concluded the report of the Chief Executive Officer.

Ms. Liptak called on Ms. Zmijanac for a report of the Performance Oversight Committee. Ms. Zmijanac reported that the Performance Oversight Committee met on January 17, 2019 and the minutes from the previous meeting were approved by the Committee.

It was reported at the meeting that Total Operating Income exceeded budget by \$460,410 in the month of December 2018 and Total Expenses were under budget by approximately \$2.63 million. Operating Subsidies were approximately \$1.07 million under budget, but this is a timing issue that will normalize by fiscal year-end.

Ms. Zmijanac continued reporting that there were 10 resolutions reviewed by the Performance Oversight Committee.

The Committee first reviewed five 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 five items listed in the resolution for the total amount of approximately \$33.8 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.

The next resolution sought authorization to award construction contracts for the Wash Rack Replacement at the Ross and Collier Garages and Cyclone Installation at the Ross and East Liberty Garages Project. Ms. Zmijanac added that the contracts include work for general, plumbing and electrical construction.

Bid documents were prepared and publicly advertised for the Project. Three bids were received for the general construction contract, one bid for the plumbing contract and one bid for the electrical contract. It was determined by Port Authority that the bid of Waller Corporation, in the amount of \$3,623,400, for the General Construction Contract; the bid of Wheels Mechanical Contracting & Supplier, Inc., in the amount of \$191,100, for the Plumbing Construction Contract; and Merit Electrical Group, Inc., in the amount of \$362,979, for the Electrical Construction Contract, are the lowest responsive bids from responsible bidders meeting the Authority's specifications for the contracts.

The Performance Oversight Committee recommends awarding the respective contracts to the Waller Corporation, Wheels Mechanical, and Merit Electrical, all subject to completing the pre-award requirements.

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.

Ms. Zmijanac continued reporting that the Authority wishes to begin incorporating electric-powered buses into its fleet to provide daily transit service. The Authority, in partnership with New Flyer of America, Inc., applied for and received funding through the Federal Low or No Emissions Program to procure electric-powered buses. The Authority wishes to utilize the Low or No Program funds, along

with other permitted federal formula funds and the required 15 percent local match, to procure two 40-foot low floor electric-powered buses and training, special tools and equipment.

The proposal submitted by New Flyer has been determined to be fair and reasonable and includes a unit price of \$1,081,805.42 for each bus.

The Performance Oversight Committee recommends entering into an agreement with New Flyer for the purchase of two 40-foot low floor electric-powered buses, along with training, specials tools and equipment, for a total not to exceed amount of \$2,278,587.92.

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.

The next resolution sought authorization to enter into agreements to provide Governmental Relations and Legislative Consulting Services. Ms. Zmijanac reported that Port Authority requires a pool of firms to assist in representing the Authority before various political bodies and similar organizations, in two categories: the executive and legislative branches of the federal government and the executive and legislative branches of the state and local governments. The agreements will be for a three-year period, with the option to extend the term up to two additional years at the sole discretion of the Authority.

The proposal submitted by Buchanan Ingersoll & Rooney PC has been determined to be the highest-rated proposal for the performance of the services in the federal government category. The proposals submitted by Greenlee Partners, LLC and Buchanan Ingersoll & Rooney PC have been determined to be the highest-rated proposals for the performance of the services in the state and local governments category.

The Performance Oversight Committee recommends entering into agreements with these firms for the identified categories of services for a total not-to-exceed amount of \$888,000 for the initial three-year period.

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.

Ms. Zmijanac stated that the next resolution seeks authorization to extend and amend an agreement with Parkway Parking of Pennsylvania, Inc., for the South Hills Village Parking Garage facility management services. Ms. Zmijanac reported that in May 2015, Port Authority entered into an agreement with Parkway Parking to provide these services. In December 2017, the Authority's Board authorized Port Authority to exercise the first option year to extend the agreement until April 30, 2019 and to increase the total not-to-exceed amount of the agreement to \$675,000.

As the agreement with Parkway currently expires on April 30, and Parkway has performed the contract services in a satisfactory and efficient manner, Authority wishes to exercise the second option year of the agreement, extending the term until April 30, 2020, and increasing the total not-to-exceed amount by \$180,000 to \$855,000.

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.

The next resolution sought authorization to enter into Deeds of Easement with the Municipal Authority of the City of McKeesport. Ms. Zmijanac reported that Port Authority owns and operates a bus transit facility and park and ride located in McKeesport, PA, commonly known as the McKeesport Transportation Center.

The Municipal Authority of the City of McKeesport owns and operates sanitary lines and system, and one of its lines extends through two parcels that are part of the Transportation Center. The Municipal Authority has requested that the Authority enter into Deeds of Easement and Rights of Way Agreements to clarify its ownership and maintenance responsibility. The resolution sought authorization to enter into Easement Agreements with the Municipal Authority of the City of McKeesport.

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.

The next resolution sought authorization to amend the Collective Bargaining Agreement with Local 85, Amalgamated Transit Union covering rank-and-file employees. Ms. Zmijanac reported that Port Authority's Collective Bargaining Agreement with Local 85 was ratified by the Authority and Local 85 in December 2016 for the period July 1, 2016 through June 30, 2020. Among other terms and conditions, the Agreement provides that the parties would continue discussions concerning potential revisions relating to work rules for transit vehicle operators.

Since the 2016 ratification, staff and Local 85 representatives have been engaged in discussions and good faith negotiations concerning revisions and clarifications to be made to the Agreement. Recently, the Authority and Local 85 agreed upon the proposed terms and conditions of the Operator Work Rules Amendment attached to the resolution as Exhibit A. Ms. Zmijanac noted that the amendment has already been ratified by Local 85.

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.

The next resolution sought authorization to enter into an agreement to provide fare model development and related Title VI Fare Equity Analysis Services. Ms. Zmijanac reported that Port Authority requires the services of a contractor to provide these services and noted that the services will be performed on a work order basis and will include work such as a review of the Authority's current fare structure, ridership and passenger revenue and review of the current fare policy. Two proposals were received to perform the work, and the proposal submitted by Four Nines Technologies was determined to be the highest rated proposal for the performance of the services.

Through the resolution, Port Authority seeks authority to enter into an agreement with Four Nines Technologies for an initial three-year period, with the option to extend the term of the agreement up to two additional years, for an amount not-to-exceed \$210,000.

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.

The next resolution sought authorization to extend and amend an agreement with Maher Duessel to provide Financial Audit and Pension Plan Audit services. Ms. Zmijanac reported that in December 2015, Port Authority entered into an agreement with Maher Duessel to provide financial audit and pension plan audit services for an initial three-year term. The agreement also contains two option years.

The resolution sought to exercise the first option year, extending the Agreement to March 25, 2020, and increasing the total not-to-exceed amount by \$104,500 to \$448,000.

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.

The final resolution sought authorization for Authority to apply for and enter into grant agreements that the Authority is eligible for, or may become eligible for, in Calendar Year 2019 to support the Authority's operating and capital budgets.

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.

Additionally, at the meeting, Ms. Zmijanac reported that Port Authority's senior team presented an update of the tactical plan. This included subjects such as the Customer Service Experience, the Safety Program, Financial Sustainability, Employee Engagement and Improving Customer and Public Communications.

That concluded the report of the Performance Oversight Committee.

The Vice Chair then 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 January 17. No resolutions were considered, but the Authority's Planning Department provided an update on the Bus Rapid Transit Project. The overall project is nearing its 60 percent design, and the Authority intends to evaluate designs once completed.

In the spring, the Authority will host public meetings where riders and residents may review the design and provide input. The project is still scheduled for completion of design this fall and then a two-year construction period will commence, contingent upon FTA funding availability.

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

Ms. Liptak called on Mr. Vescio for a report of the Technology Committee.

Mr. Vescio reported that the Technology Committee did not meet this month and does not have contract or bid resolutions for presentation to the Board this month. The Committee will meet next month.

That concluded the report of the Technology Committee.

Before calling on the first speaker for public comment, Ms. Liptak reminded speakers to speak clearly into the microphone and stay within the three minutes allotted.

The first speaker, Mr. Gerald Chessman, addressed the Board with concerns with Port Authority's ACCESS Program. Mr. Chessman's concerns involved audio in small transit vehicles.

The next three speakers from Pittsburghers for Public Transit communicated their appreciation for the recent movement towards a more equitable fare system for the riders of Allegheny County, and extend an invitation to join riders on a transit ride-along in honor of Transit Equity Day.

PPT also invited staff and Board members to attend a press conference at 9 a.m. on February 4, 2019 at the Gateway Center T Station.

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

The next Regular Meeting of the Board will be Friday, February 22, 2019.