

PORT AUTHORITY OF ALLEGHENY COUNTY
MINUTES OF THE REGULAR BOARD MEETING
FRIDAY JULY 23, 2021

The Regular Meeting of the Board of Port Authority of Allegheny County was held on Friday, July 23, 2021, 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.

The following members were in attendance: Jeff Letwin, Chair, Jennifer Liptak and Michelle Zmijanac. The following members participated virtually: Senator Jim Brewster, Ann M. Ogoreuc, John L. Tague Jr., Stephanie Turman, Jessica Walls-Lavelle and Gerald Delon. Acting General Counsel, Sandy Garfinkel was in attendance.

The Chair called the July 23, 2021 Regular Meeting to order and requested everyone stand for the pledge of allegiance.

A recommendation was made for approval of the minutes of the June 25, 2021 Regular Meeting. A motion was made, seconded, and unanimously passed.

The Chair called on Ms. Katharine Kelleman for a report of the Chief Executive Officer.

Ms. Kelleman first asked for a moment of silence for the following employees who passed away in June: Operators Sylvester Hait, John Krzeminski, Richard Demus, Marvin Godrey and Jerome Burns; Instructor Joseph Honick; Off board fare collector Janice Price; and mechanic Leroy Smith Jr.

Ms. Kelleman reported that back in June, the Authority launched NEXTransit, its long-range plan that will help the agency determine which transit projects, programs and policies should be pursued over the next 25 years and the priority in which they should be pursued.

The Planning team and consultants have put in a lot of time and effort these last 13 months. Even through a pandemic, the public input has been incredible. Ms. Kelleman thanked everyone who was engaged and involved throughout this process.

Last week the final draft plan was provided to the Board, and as part of that draft, we're soliciting final feedback. The first online input session was held this Wednesday and the first two in-person meetings will be next week. "On Tuesday, we'll be at Schenley Plaza in Oakland from 3 to 7pm, and on Thursday, we'll be in Market Square from 10am to 2pm. Ms. Kelleman added that the final input meeting will be online on August 10 at 4:30pm."

Ms. Kelleman reiterated that the NEXTransit plan is the first of many steps in this process. The Authority may be toward the end of the NEXTransit plan, but this is really just the start of the conversation. For each of these projects, the Authority will go back out to make sure that each of these investments are approached and completed in a way that meets the needs of the people they serve.

Next, Ms. Kelleman wanted to touch base on our mobile ticketing system. "Today, the Board will consider the Title VI analysis, which showed minorities and individuals of low income will not be disproportionately impacted by the introduction of a mobile fare payment system. In fact, we're excited that this system will present new opportunities for riders and greater access to transit fares

across the county, both for those who have bank accounts and smartphones and for those who do not.”

“As we've heard time and time again, technology in public transit should just work. It should be seamless and easy and do what you need it to do. That's the goal with our mobile ticketing system and we're excited to be able to offer it very, very soon.”

Ms. Kelleman concluded her report by commending the Transportation Revenue Options Commission, which was established in March 2021 by Governor Wolf, to develop funding recommendations for Pennsylvania's transportation network including how to fund public transit across the Commonwealth once Act 89 expires in 2023.

“A final report is due on the governor's desk by next week, and I wanted to state publicly the need for greater investment in public transportation, since it is not only an essential part of Pennsylvania's transportation network but a tremendous community and economic benefit. The challenges facing public transit systems like Port Authority are great. We need to invest in the assets we currently have even as we explore ways to attract new riders and better serve existing customers.”

Ms. Kelleman stated, “We know what happens when public transit is not funded properly, and we can't afford to allow that to happen again. Public transit and our riders are simply too important.”

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 last week, and she had three resolutions for the Board's consideration.

The Committee first reviewed four procurement items and determined the bids to be in accordance with the Authority's procurement policies and procedures, the prices fair and reasonable, the bidders to be responsible and the bids responsive.

The Performance Oversight Committee recommended the award of bids listed in the resolution for the total amount of approximately \$2.9 million dollars.

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 presented was seeking authorization to enter into easements and related right-of-way agreements with the Pennsylvania Turnpike Commission.

Ms. Zmijanac explained that the Authority owns and operates a 440-space park and ride lot in the Borough of Jefferson Hills called the Large Park and Ride. The lot was conveyed to the Authority by the Turnpike Commission in 2001. As part of the conveyance, the Turnpike Commission retained ownership and maintenance responsibility for a stormwater detention pond located adjacent to the property.

The Turnpike Commission is in the process of finishing the final of four Mon Fayette projects and will require various easements and rights-of-way from the Authority over and on portions of the Large Park and Ride Lot.

The Performance Oversight Committee recommended authorizing the Authority to enter into right-of-way agreements with the Pennsylvania Turnpike Commission, in a form approved by the Authority's legal counsel.

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 presented the final resolution seeking authorization to amend agreement with AECOM Technical Services, Inc., for Bus Rapid Transit Phase III Engineering Services.

Ms. Zmijanac reported that the Authority entered into an agreement with AECOM to provide these services for a not-to-exceed amount of \$18,000,000. The agreement provides for an initial term of three years, which terminates on September 28, 2021, with the option to extend the term of the agreement up to an additional two years at the sole discretion of the Authority.

The Performance Oversight Committee recommended exercising both option years, extending the term of the agreement through September 28, 2023, and to increase the previously authorized total not-to-exceed amount of the agreement by \$14,000,000.

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.

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 last week, and he had several updates for the Board.

As stated in Ms. Kelleman's report, Mr. Tague continued updating the Board on the NEXTransit Plan. He reiterated that Port Authority's long-range plan is now in draft form for public to review and comment. As Ms. Kelleman mentioned, "We are very proud of the public outreach and the level of public engagement that we've done especially during a pandemic." A summary of public engagement to date includes 45 public meetings with 1,300 participants and 37 pop-up tent events

The plan includes priority projects, such as a new bus garage, in to enable the Authority to expand service as it builds out some of these future corridors. The top 10 corridor projects were shared, including planning for an East/Central River to River Connection, a Downtown Transit Center, a study of the best use for the Library Line and upgraded transit from Homestead to McKeesport. Additionally, key programs such as a Sidewalk Program and Wayfinding were among the top five according to public input.

Funding for these projects and programs was summarized, including an existing gap in our capital budget to support the system we have today before we start to build out our future. In order to build

out these future projects and support service to them, the Authority would need to grow as much as 50 percent beyond its current capacity, which could cost between \$235-\$290 million annually to support.

The team started public meetings for the project this week and will continue over the coming weeks with three more meetings, two of which will be in-person. For anyone who wants to attend a meeting either in-person or online, please visit <https://nextransit.network/events> for more details.

The project team hopes to hear meaningful public input, update the plan draft, and present a final draft to this Board in September for adoption.

Mr. David Huffaker then provided a brief update on BRT project activities. The team is continuing to review project risks, scope and cost with the Federal Transit Administration for federal funding project readiness purposes; meeting with city staff to review project sequencing and risk mitigations to line up with FTA project readiness considerations; coordinating with the Smart Signals project team that is being led by the City of Pittsburgh's Department of Mobility and Infrastructure and PennDOT; testing and preparing for expansion of Port Authority's battery electric bus fleet; and preparing for advancement of the downtown BRT loop to meet a delivery date of late 2023.

Next Mr. Tague presented a resolution authorizing the Authority to enter into agreements for General Planning Service Services Contract.

The resolution would authorize the Authority to enter into an agreement with HDR, Incorporated and Michael Baker International, Incorporated for various General Planning Services. These firms would provide planning services for place-based planning, network planning and organizational planning via task-specific work orders. The agreements would be for a three-year term with an optional two-year extension with an initial total not-to-exceed amount of \$4,805,514.

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

Finally, Mr. Tague reported that the Allegheny County Transit Council held their regular council meeting on July 21. The Council was provided an overview of Port Authority's Government Relations Department, presentations including the DRAFT long-range plan and the Title VI Fare Policy analysis along with a liaison report.

The Council also held its executive board elections. Mr. Tague announced the newly elected board members; Ralph Williams President, Andrew Hussein Vice President, Preston Shimmer Secretary and Brandin Adams Treasurer.

Mr. Tague concluded his report by congratulating the new officers and welcoming new members to the Council.

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

The Chair called on Ms. Ogoreuc for a report of the Finance Committee.

Ms. Ogoreuc stated that the Finance Committee met on Thursday, July 15, 2021 and she had the June 2021 Financial Statements to report. Before beginning her report, Ms. Ogoreuc reiterated that the June financial results were unaudited and that a large payroll accrual and accrual of June invoices received in July are absent from these results.

At the meeting, Mr. Schenk reported that Total Operating Income for the month of June was \$3.6 million under budget due to lower Passenger Revenues. Total Operating Income on an unaudited basis was \$63.4 million below budget. Every Operating Income category was below budget for the fiscal year due to the impact of the pandemic. Lower Passenger Revenues and ACCESS Program Service Revenues constitute most of this shortfall.

It was reported that Total Expenses for the month of June were \$12.4 million under budget. The Authority's Total Expenses were \$53.5 million under budget for the fiscal year with every expense category below budget on an unaudited basis.

Total Subsidy for the month of June was \$4.1 million below budget despite the Authority invoicing \$18.1 million in CARES Funding. Total Subsidy for the fiscal year is \$781,076 million below budget. The Authority currently has a \$10.7 million operating deficit that will be eliminated with additional CARES invoicing.

It was reported at the meeting that the Authority has invoiced \$105.3 million of the \$141.7 million available to the Authority in CARES ACT funding.

Ms. Ogoreuc concluded her report by stating that the Authority ended June with approximately \$113.4 million in Operating Reserves.

That concluded the report of the Finance Committee.

The Chair called on Ms. Liptak for a report of the Technology Committee.

Ms. Liptak reported that the Technology Committee met on Thursday, July 15, and she had two resolutions for the Board's consideration.

The first resolution consisted of three procurement actions. The bid of Dilax Systems Inc., has been determined to be the lowest responsive bid from a responsible bidder and the price to be fair and reasonable for the procurement of the rail automatic passenger counters from Dilax Systems for the total amount of \$995,687.70.

The second item is for the procurement of CISCO Wifi Aps, DNA & ISE Licenses via the Commonwealth of PA's General Services Co-Stars agreement. The AEC Group LLC has been awarded a contract for IT Hardware and Software under the terms of the Co-Stars agreement.

The Authority wishes to make purchases under the terms and conditions of this state contract.

The Technology Committee recommended for award the procurement of the CISCO equipment under the terms of the DSG's Networking Equipment & Related Services contract with AEC Group for the total amount of \$106,747.77.

The final item was for the procurement of rail support software. The rail transit software within the Operations Control Center (OCC) is copyrighted by Union Switch & Signal, and is now proprietary to, Hitachi Rail USA Inc.

The Authority desires to enter into a five-year agreement with Hitachi Rail USA Inc., to provide software maintenance and support services for the OCC Systems. The services would be acquired as a sole source procurement, as Hitachi Rail USA Inc., is the only entity able to provide the necessary maintenance and support services.

The Technology Committee recommended that a Sole Source contract be awarded to Hitachi Rail USA Inc., in the amount of \$410,760.00.

On behalf of the Technology Committee, Ms. Liptak respectfully requested approval of the resolution. It was moved, seconded, and unanimously agreed that the resolution be approved as presented.

The final resolution is for the acceptance of the Title VI analysis related to the Mobile Ticketing Services project. Required by FTA regulations, and based on data gathered in the spring of 2021, the Authority's analysis has determined that the implementation of the mobile ticketing services will not have a disparate impact on minority populations and will not put a disproportionate burden on low-income populations.

While there are no mitigation actions needed for this project, the Authority has included multiple aspects to improve access to fare products, including an internal working group focused on expanding ticket vending options and retailer services.

The Technology Committee recommended that this Title VI analysis be accepted so that the mobile ticketing services can move forward toward implementation.

On behalf of the Technology Committee, Ms. Liptak respectfully requested approval of the resolution. It was moved, seconded, and unanimously agreed that the resolution be approved as presented.

Ms. Liptak continued reporting that in addition to the resolutions presented at the Technology Committee's July meeting, Port Authority's Chief Operating Officer - Maintenance, Mr. Don Rivetti, provided a presentation to the Committee regarding the use of data in managing Port Authority's bus and rail vehicle fleets. The presentation covered improvements in data collection and reporting regarding miles between vehicle failures; key maintenance performance indicators; and how data is being utilized by our Maintenance team to help enhance the customer's on-vehicle riding experience.

That concluded the report of the Technology Committee.

There were no speakers under the public comment section.

The Chair announced the next Regular meeting of the Board will be Friday, September 24, 2021.

With no further business the meeting was adjourned.