

PORT AUTHORITY OF ALLEGHENY COUNTY
MINUTES OF THE REGULAR BOARD MEETING
FRIDAY, OCTOBER 29, 2021

The Regular Meeting of the Board of Port Authority of Allegheny County was held on Friday, October 29, 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 in person: Jeff Letwin, Chair, Representative Austin Davis, Stephanie Turman, Michelle Zmijanac and Ann Ogoreuc. The following members were in attendance virtually: Senator Jim Brewster, Jennifer Liptak, John L. Tague Jr., Jessica Walls-Lavelle, Representative Lori Mizgorski and Gerald Delon. Acting General Counsel Sandy Garfinkel was in attendance.

The Chair called the October 29, 2021, Regular Meeting to order and requested everyone stand for the pledge of allegiance and a moment of silence for the 680,000 lives lost due to the pandemic.

A recommendation was made for approval of the minutes of the September 24, 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 since the last time we were together: Operators Ronald Krause, Christopher Golofski, Wayne Smith, Phillip Gazzo, George Lutz, James Merriman, and James Johnston; Seat and Sign Repairperson Dale Wittenmeyer; Courier David Herrle; and Associate Contract Administrator Patricia Reese. Additionally recent passing of active employees, Operator Sherman Smith, Heavy Maintenance Mark Mosqueda.

Next Ms. Kelleman wanted to acknowledge the slow but steady increase in ridership since March 2020. "We are now averaging more than 100,000 weekday rides. Bus ridership remains 50 percent below pre-pandemic levels and light rail system remains 73 percent below pre-pandemic levels."

Ms. Kelleman reported that today, bus service has been shifted from commuter routes that few people were riding to local routes that saw increases in riders. Two-car train use has been pulled back, which doubles our maintenance needs and increases our operational costs.

"We will continue to provide extra rail service for special events and are monitoring the situation very closely. When rail ridership increases, and we have the staff to operate and maintain two-car trains, we will add capacity as needed."

Ms. Kelleman next reported that "We are in a constant cycle of hiring new operators to replace those who have retired. Hiring has slowed during the pandemic, which has left us a few dozen operators and maintenance employees short, resulting in not having backups when one calls off sick or takes a vacation."

"But, despite these challenges, our in-service percentage is down just one percent to 98 percent."

Ms. Kelleman concluded her report by her stating that “We continue to do our best to proudly serve our neighbors and community, and we truly appreciate your time, your ridership, and your patience while we recover from this pandemic together.”

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 six resolutions for the Board’s consideration.

The Committee first reviewed three 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.

She reported that the Performance Oversight Committee recommends the awarding of bids listed in the resolution for the total amount of approximately \$3 million. It was moved, seconded, and unanimously agreed that the resolution be approved as presented.

Ms. Zmijanac presented the next resolution seeking authorization to extend and amend an agreement with Interstate Acquisition Services, a division of Century Engineering, to provide real estate consulting services on an as needed basis through task-specific work orders.

The agreement provided for an initial term of three years in the total not-to-exceed amount of \$1,062,200, with the option to extend an additional two years at the sole discretion of the Authority.

The Board authorized the Authority to exercise the first option year through December 31, 2021 and increased the total not-to-exceed amount to \$1,512,000.

Ms. Zmijanac stated that the Performance Oversight Committee recommends exercising the second option year through December 31, 2022, and to increase the not-to-exceed amount by \$350,000 to ensure that there are sufficient funds to continue to pay for these services.

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 a construction contract for the West Mifflin Garage Perimeter Paving and Site Improvement Project.

After review of the bids, it was determined that the bid of Swank Construction Company, LLC is the lowest responsible bid from a responsible bidder meeting the Authority’s requirement for the contract.

Ms. Zmijanac reported that the Performance Oversight Committee recommends entering into a contract with Swank Construction Company, LLC, in the amount of \$7,998,101.85.

She further stated that the Performance Oversight Committee also recommends entering into a lease with DSH Associates for a term up to three years and a total rental amount not-to-exceed \$194,000 for the use of its property for employee parking during the construction.

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 award a construction agreement with Norfolk Southern Railway Company and CSX Transportation, Inc., for the Martin Luther King Jr. East Busway Bridge rehabilitation.

Ms. Zmijanac reported that the Authority is planning a “state of good repair project” to rehabilitate bridges along the East busways.

In order to complete the project, and because the bridges are directly adjacent to and/or in the aerial space above active railroad tracks and railroad infrastructure owned by Norfolk Southern Railway Company and CSX Transportation, Inc., the Authority requires construction agreements from both parties.

Ms. Zmijanac stated that the Performance Oversight Committee recommends entering into a construction agreement with Norfolk in the amount of \$239,505 and a construction agreement with CSX in the amount of \$183,308.

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 next resolution seeking authorization to enter into agreements with a pool of firms to provide General Architecture and Engineering Contract Services under the categories of Roadway and Sitework Design and Building and Structural Design.

The proposals submitted in the category of Roadway and Sitework Design by AECOM Technical Services, Inc. and Michael Baker International, Inc., and in the category of Building and Structure Design by AECOM Technical Services, Inc. and Gannett Fleming, Inc., have been determined to be the highest-rated proposals for the performance of services.

Ms. Zmijanac advised that the Performance Oversight Committee recommends entering into agreements with the above firms for the identified services for a total not-to-exceed amount of \$20,000,000 to be allocated on an as-needed basis through task specific work orders, for an initial four-year period with the option to extend the term up to one additional year, at the sole discretion of the Authority.

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 from her committee seeking authorization to enter into agreements with a pool of firms for Light Rail Transit Systems Contract Services under the categories of LRV and LRT Systems Design and Way and Facilities Systems Design.

The proposals submitted in the LRV and LRT Systems Design category by WSP USA Inc. and HNTB Corporation, and the Way and Facilities Systems Design category by HNTB Corporation and Mott MacDonald, LLC, have been determined to be the highest-rated proposals for the performance of services.

Ms. Zmijanac reported that the Performance Oversight Committee recommends entering into agreements with these firms for the identified categories for a total not-to-exceed amount of \$25,000,000, to be allocated on an as-needed basis through task specific work orders, for an initial five-year term with the option to extend the term an additional two years at the sole discretion of the Authority.

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 he had a few updates for the Board.

First, Moira Egler, Transit-Oriented Communities Project Manager, provided the Committee with an evaluation of the Transit-Oriented Development (TOD) in Allegheny County after five years of a formal Port Authority program.

Mr. Tague reported that TOD brings changes in housing and demographics. However, in areas where little TOD activity occurred, there was little change. He noted that where development has occurred, there is significant evidence of displacement and decreased affordable housing. Positive changes occurred as well, like an increase in the number of jobs and general population.

Mr. Tague stated that “In order to live up to the principles, goals and values we have set for ourselves as an agency, we must find a way to encourage more equitable transit-oriented development.”

Recommendations to encourage equitable TOD include policies related to: TOD Zoning, affordable housing policy, finance mechanisms; infrastructure investments; parking; encourage employment-based TOD; and sustainability.

Next, Emily Gwash, Compliance Director of ACCESS gave a presentation on Customer Service and Safety in the ACCESS system.

Mr. Tague reported that ACCESS’ Customer Call Center takes 8,500 calls per month and employ four full-time staff and one part-time employee. ACCESS has a robust driver screening and training, along with a driver monitoring program which has been successful in decreasing reportable events.

Mr. Tague concluded his report by reporting on the Allegheny County Transit Council. (ACTC). On October 27, ACTC met and received updates on: PPS students using the bus to commute to and from school; head sign issues on buses; bus stop improvements and shelter replacements; and operator recruitment efforts.

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 reported that the Finance Committee met last week, and she had two resolutions for the Board's consideration.

The first resolution sought authorization to amend and extend an agreement with Marquette Associates, Inc., to provide Chief Investment Officer Consulting Services for the Consolidated Pension Plan.

The Consolidated Pension Plan is a closed plan representing eligible Non-Union, Police and IBEW employees.

In September 2018, the Authority's Board approved a three-year contract with Marquette Associates for a not-to-exceed amount of \$643,930, and two additional option years at the Authority's sole discretion.

It has been determined that work has been satisfactory, and it is in the Authority's best interest to extend the agreement to November 30, 2022. The amendment would increase the previously approved, not-to-exceed amount to \$867,780.

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

The second resolution seeks authorization to adopt a Customer Service Telework Policy.

It was reported that as part of the June 2021 Collective Bargaining Agreement with the International Brotherhood of Electrical Workers, Local 20, it was agreed that a joint union/management work committee would develop and recommend to the Board a Customer Service Department Telework Policy.

The proposed Customer Service Telework Policy contains eligibility requirements, a provision mandating a minimum of three days in the office and two days remote, and performance monitoring and evaluation standards.

Ms. Ogoreuc noted that, if adopted, this policy can be amended, suspended, or terminated at the discretion of Port Authority's management with notification of IBEW leadership and impacted employees.

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

Ms. Ogoreuc next reported on the September 2021 Financial Statement. It was reported at the meeting that Total Operating Income for the month of September and the first quarter was under budget by \$4.2 million and \$12.1 million respectively due to lower Passenger Revenues from lower pandemic ridership levels.

It was reported that ARPA funding will be utilized to make up for this shortfall once a “spot” audit for federal stimulus invoicing is completed by the Federal Transit Administration.

Total Expenses for the month of September were \$4.1 million under budget and \$16.1 million under budget for the fiscal year. This variance was due to lower Employee Benefit Expense from vacant positions, lower Materials & Supply Expense, lower Professional Service Expense due to reduced levels of Work-Done-by Outside Contractors Expense and reduced Other Expense due to a timing issue with Software Licensing.

Total Subsidy for the month of September was \$9.04 million below budget due to a reduced Federal stimulus invoicing and a timing issue with State Operating Assistance.

Ms. Ogoreuc concluded her report by stating that as of September 30, the Authority had \$127.6 million in Operating Reserves.

That concluded the report of the Finance Committee.

One speaker addressed the Board this month. Mr. Ramesh Bhambwani, he thanked Port Authority on behalf of the Mt. Lebanon and Upper St. Clair residents for everything that has been done, up until now, to improve their community. Then he addressed his concerns with the bus stop sign at the intersection of Cedar Boulevard/Gilkeson Road/Painters Run Road. He would like to see the bus stop sign moved to a place that is more accessible and safe.

The Chair announced the next Regular meeting of the Board will be Friday, November 19, 2021.

With no further business the meeting was adjourned.