

PITTSBURGH REGIONAL TRANSIT
MINUTES OF THE REGULAR BOARD MEETING
FRIDAY, JANUARY 27, 2023

The Regular Meeting of the Board of Pittsburgh Regional Transit (PRT) was held on Friday, January 27, 2023, immediately after the 2023 Annual Meeting, at PRT'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: Jeffrey Letwin, Chair, Jennifer Liptak, Ann Ogoreuc, Representative Nick Pisciotano, Senator Jim Brewster, and Stephanie Turman. The following members were in attendance virtually: Gerry Delon, Lori Mizgorski, Ali Doyle, Michelle Zmijanac and John L. Tague Jr*. Board Solicitor Sandy Garfinkel attended in-person.

Mr. Tague joined the Board meeting after it commenced and participated from approximately 9:50 a.m. until the meeting adjourned.

The Chair called the Regular Meeting to order.

A recommendation was made for approval of the minutes of the November 17, 2022 Regular Meeting. A motion was made, seconded, and unanimously passed.

Mr. Letwin called on Pittsburgh Regional Transit CEO Katharine Kelleman for a report.

Ms. Kelleman first asked for a moment of silence for the following retired employees who passed away since we last met: Assistant Payroll Specialist Constance DeFrances; Automotive mechanics Philip Cardone and Wendell Poindexter; Automotive Repairperson Donald Uhme; Garage Foreman Herbert Bland Jr.; Information Coordinator Charles Martier; Maintenance persons Joseph Azzara Sr. and Logan Ridgley; Offboard Fare Collector Katherine Lee-Bush; Operators Philip Narcisi and Charles Watt; Serviceperson Thomas McGee; Structures Supervisor Howard Matthews Jr.; Traffic Surveyor Patricia Murray; and Truck Repairperson Willie Rigney Jr.

Ms. Kelleman stated, "As we reflect at the end of each year, we are looking back on what we accomplished and what could use a little more attention and care here at PRT. We will be focusing on improving our user experience, service reliability, on-time performance, and out of service. We need earn the public's trust not just by being fiscally responsible and honest but by making sure we're doing what we say we're going to do day in and day out."

Ms. Kelleman continued reporting that like almost every other transit agency in the country, PRT continues to experience workforce shortages caused by the Covid-19 pandemic. As a result, PRT has been forced to reduce scheduled service so it can more reliably fill trips each day. To bring in more candidates, fill open positions, and increase service, PRT has enacted some less restrictive hiring practices and has begun to offer incentives and bonuses to new employees.

Ms. Kelleman announced that one of PRT's largest student operator classes in recent years began on Monday, "so we're hopeful the measures we're taking are working, and we'll continue to refine those practices throughout the year."

“While our Operations team will be getting back to their foundations, our planning team will be looking at some major changes for our future. Staff will be presenting a variety of proposals on how buses navigate downtown next month, and we'll be reviewing where all 96 of our bus routes go, what roads they take to get there, what communities they serve, and the best way to connect them all with the first full-scale bus network redesign in more than a decade, noting that we will even begin discussing new transit modes that will connect communities like never before.”

Next Ms. Kelleman reported that construction on the downtown phase of BRT will move forward. “We will be advancing a study to add a station on the East Busway; adopt mobile ticketing across our entire system; and explore other ways to modernize our fares, including fare capping and contactless payments. We will also be looking to simplify detours during major events, and after years of planning we'll roll out our disruption management system to improve and expedite the way we handle planned and emergency detours and provide more information in less time.”

Next Ms. Kelleman reported that in the fall, PRT will start replacing 60-foot diesel buses with 60-foot battery-electric buses, and PRT will kick off the process to replace its aging rail cars.

Ms. Kelleman noted that staff plans on being in Harrisburg throughout the year to talk about the importance of what PRT does and why public transit needs to be funded appropriately across the Commonwealth.

Finally, Ms. Kelleman reported that PRT will start rolling out its strategic plan throughout the agency “to ensure we're all on the same page not just this year but for many years to come. The last few years have been unquestionably difficult, but we remain hopeful for a better future.”

That concluded the report of the Chief Executive Officer.

The Chair called on Michelle Zmijanac, Chair of the Performance Oversight Committee for a report.

Ms. Zmijanac reported that the Performance Oversight Committee met last week and she had five resolutions for the Board's consideration.

The Committee first reviewed four procurement items, noting that one of which was a revenue contract, and determined the bids to be in accordance with PRT's procurement policies and procedures, the prices fair and reasonable, the bidders to be responsible and the bids responsive.

The Performance Oversight Committee agreed recommended the award of bids listed in the resolution for the total amount of \$1,051,571.80.

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 second resolution presented was to authorize PRT to enter into Easement Agreements with the Borough of Edgewood for the Bus Stop Improvements project. Ms. Zmijanac reported that PRT intends to make certain improvements at two bus stops (inbound and outbound) in Edgewood Borough. In order to complete and maintain the project, PRT requires from the Borough certain temporary construction and permanent maintenance as well as permanent access easements at the bus stop locations.

This resolution authorizes PRT to enter into Easement Agreements with the Borough of Edgewood to proceed with the project.

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 to authorize settlement of a public liability claim. Ms. Zmijanac reported that an accident occurred involving a PRT Way Department pick-up truck and a private automobile on May 27, 2020. The operator of the automobile submitted a personal injury claim and filed a lawsuit against PRT seeking monetary recovery for the alleged injuries from the accident.

The parties have reached an amicable agreement. The Performance Oversight Committee recommends authorizing a settlement payment in the total not-to-exceed amount of \$145,000, with no admission of guilt or liability by PRT, to fully and finally settle the claim.

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 to award a general construction contract and an electrical construction contract for the East Liberty and Wilkinsburg Electrical Upgrades project.

Ms. Zmijanac reported that PRT is seeking to upgrade the East Liberty Bus Garage and Wilkinsburg Park and Ride Lot with Battery Electric Bus Charging Infrastructure. Bid documents were prepared and advertised and one bid was received for the general construction contract and four bids were received for the electrical contract.

It has been determined that Mosites Construction Company for the general construction, and Wellington Power Corporation for the electrical construction contract are the lowest bids from responsible bidders meeting PRT's requirements for the contracts.

The Performance Oversight Committee recommended awarding the general construction contract to Mosites Construction Company in the amount of \$3,388,000 and awarding the electrical construction contract to Wellington Power Corporation in the amount of \$14,423,597, subject to contractors completing all 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.

The final resolution presented was to authorize PRT to enter into agreements with a pool of firms for construction management and program management services in the categories of Bridges, Heavy & Highway; Garage and Facility; Rail & Systems; and Program Management.

The highest rated proposers for each category in ranking order were CDR Maguire, Inc., Hill International, Inc., SAI Consulting Engineers, Inc. and TRC Engineers, Inc. for the Bridges, Heavy & Highway Category; Hill International, SAI Consulting, WSP USA Inc. and Parsons Transportation

Group, Inc. for the Garage & Facility Category; SAI Consulting, Hill International, Parsons and WSP for Rail & Systems Category; and Urban Engineers, Inc., CDR Maguire, Inc., and Parsons for the Program Management Category.

The total not-to-exceed amount for services is \$50,000,000 and is to be allocated on an as-needed basis through task-specific work orders. Agreements will be for a three-year period with the option to extend the term of Agreements up to two additional years at the sole discretion of PRT.

The Performance Oversight Committee recommends PRT enter into agreements with the aforementioned firms in their respective categories.

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 Ms. Ann Ogoreuc, Chair of the Finance Committee, for a report.

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

The first resolution presented was seeking authorization to apply for and enter into Grant Agreements for Calendar Year 2023 Operating and Capital Funds.

Ms. Ogoreuc reported that PRT applies for and enters into grants at a Federal, State and Local level. In many instances, the grants have tight deadlines for submission.

This resolution would preauthorize PRT to submit grant applications that become available in Calendar Year 2023 including an upcoming \$150 million Federal Smart Starts grant for the Bus Rapid Transit project.

This resolution further requires staff to regularly report to the Finance Committee on grants that have been applied for and entered.

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 was seeking authorization to amend an Agreement with Bank of America, NA, to provide Merchant Card Services related to Automated Fare Collection Services.

Ms. Ogoreuc reported in January 2015, PRT issued a Request for Proposals to obtain services of a firm to provide Merchant Card services. Those services include debit and credit card processing related to the Automated Fare Collection System and Service Center.

Ms. Ogoreuc noted that in June 2015, PRT's Board authorized a five-year agreement with Bank of America for a not-to-exceed amount of \$2,500,000. The agreement also included five additional option years at PRT's sole discretion. The Agreement became effective in February 2017.

In January 2022, PRT's Board approved a resolution exercising the first option year with Bank of America and increasing the not-to-exceed amount to \$3,162,439.

It was reported that to date, services provided by Bank of America have been satisfactory.

The Finance Committee recommends exercising the second option year which will extend the agreement to January 30, 2024 and, further recommends increasing the not-to-exceed amount to \$3,777,439.

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.

Also at the meeting, the November and December financial results were also presented at last week's meeting.

It was reported that Total Operating Income for the month of November was under budget by \$88,521 and \$1.8 million under budget for the fiscal year due to lower Passenger Revenue and ACCESS Shared Ride Revenue.

November Operating Expenses were below budget for the month and year-to-date by \$3.9 million and \$21.5 million respectively, principally due to lower Salary & Wages and Benefits due to vacant positions and lower Purchased Services.

For the month of December, Total Income was \$775,769 below budget and \$2.56 million below budget at mid-year. However, Total Operating Income is \$2.5 million higher than last fiscal year principally due to higher Passenger Revenues and Interest Income.

Total Expenses for the month of December were \$5.3 million below budget and \$26.7 million below budget at mid-year due to lower Wages, Benefits, Purchases Services and Other Expenses.

Total Subsidy at mid-year is \$3.0 million below budget due to lower ARPA invoicing which will normalize by year-end.

Finally, Ms. Ogoreuc reported that PRT ended the month of December with approximately \$141.5 million in cash reserves.

That concluded the report of the Finance Committee.

The Chair called on John Tague, Chair of the Planning and Stakeholder Relations Committee for a report.

Mr. Tague reported that the Planning and Stakeholder Relations Committee met last week and he had a few items for the Board.

First at the meeting, staff presented the FY 2022 Annual Service Report presentation. The report evaluated PRT's performance against previously set service standards, looking at ridership, overcrowding and on-time performance for the fiscal year between July 2021 and June 2022.

It was reported that ridership increased by double digits over FY 2021, with more than 32 million riders. Bus ridership increased 42 percent, light rail ridership increased 51 percent, incline ridership increased 67 percent and Access paratransit ridership increased 27 percent.

Ms. Tague also noted that bus on-time performance showed small dips due to construction-related delays and increased ridership and traffic. Rail on-time performance dropped slightly, mainly due to the Red Line detour that lasted for several months due to a bridge infrastructure issue.

PRT has increased coverage on service over the last five years, and all-day service now covers 59 percent of jobs and 48 percent of the population of Allegheny County. Based on the service standards, 10 routes were out of compliance for frequency, 79 routes were out of compliance for on time performance and 97 routes were out of compliance for passengers per hour.

During the Title VI evaluation, it was found that minority routes and low-income routes are more likely to be crowded, which will be addressed with larger vehicles and added trips where feasible.

For FY23, on-time performance continues to be a focus. New transit service standards will be developed this spring, reflecting post-pandemic realities to set a realistic minimum performance level for all routes.

PRT also received a grant to study its transit routes post-pandemic and make adjustments to allow service to continue to be efficient, effective and equitable. That study should kick off in the summer of 2023.

Also at the meeting, the Committee received a presentation of the February 19, 2023 Service Changes.

Due to an updated Collective Bargaining Agreement with the union, PRT is changing from quarterly service changes to three service changes per year, which will be in February, June, and October, leaving more time between the service changes for analysis.

Mr. Tague noted that service changes generally include running time adjustments, frequency changes, routing changes and trip adjustments to help performance.

For the February 19 service changes, 14 routes will see running time adjustments to improve on time performance and reliability, while five routes will see weekday adjustments. Weekday frequency changes are being made for two routes.

Due to the discontinuation of the lease agreement by the Century III Mall property owners, that park and ride location will no longer be operational. On February 6, 2023, three routes will be adjusted to bypass the former park and ride at that location. Two routes will also return to original routing after being on an extended detour due to the closure of the Fern Hollow Bridge, which reopened to traffic in late-December.

Trip times will be adjusted for 16 routes, including the reduction of published timepoints for some paper and online schedules. While those stops may not appear on the schedules, this does not affect service and those stops continue to be in use.

The Committee also received a brief update on the public comment period for BRT service changes.

In November, the board authorized opening a public comment period for the proposed BRT major service changes. It was reported that the comment period runs from December 1 to February 1. An information session was held in January to update the public on those changes and three public hearings were held on January 18, with speakers addressing comments to PRT. Once the public comment period is closed, a report will be drafted in February. To the date of the Board meeting, well over 100 comments had been submitted through various means.

Mr. Tague concluded his remarks by reporting on Allegheny County Transit Council and The Committee for Accessible Transportation.

ACTC met on January 25. The group received an update on the Annual Service Report. Staff also briefed the Council on the February Service Changes. The next monthly meeting is scheduled for February 22.

The CAT Committee did not meet in January. The next quarterly meeting is scheduled for February 2.

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

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

Ms. Liptak reported that the Technology Committee met on Thursday, January 19, and she had one resolution for the Board's consideration.

The Committee reviewed two procurement items to be purchased from the CoStars State Schedule under two separate contracts to AEC Group, LLC in the amount of \$366,774.10 and to Ideal Integrations, LLC in the amount of \$639,155.88. The Committee determined both items to be in accordance with PRT's procurement policies and procedures, the prices fair and reasonable, and consistent with the funds budgeted.

The Technology Committee recommended the award of these bids as described in the resolution for the total amount of \$1,005,929.98.

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.

That concluded the report of the Technology Committee.

The Chair called on Senator Jim Brewster for a report of the Financial Audit Committee.

The Financial Audit Committee met on Thursday, January 19, 2023.

Senator Brewster reported that representatives from Maher Duessel, Certified Public Accountants, reported to the Committee that the audit of financial statements for PRT's 2022 fiscal year was performed in accordance with Government Auditing Standards and found "no significant deficiencies or material weaknesses noted." It was reported that PRT ended FY 2022 with revenues exceeding expenses by \$3.7 million before non-cash item adjustments for other post-employment benefits, pensions, leases and depreciation and with the use of ARPA funding. It was also reported at the meeting that the combined deferred revenue over the past 11 fiscal years totaled \$160 million after

accounting for non-cash entries related to post-employment benefits, pensions, leases and depreciation. PRT's total net position increased \$39.9 million mainly due to a decrease in Net Pension liability.

A resolution was presented for the Board to approve the FY 2022 Audit Report and authorize the Chair of PRT's Board and the Chair of the Financial Audit Committee sign the final Report confirming PRT's acceptance.

On behalf of the Financial Audit Committee, Senator Brewster respectfully requested approval of the resolution. It was moved, seconded and unanimously agreed that the resolution be approved as presented.

Before concluding his remarks, Senator Brewster thanked Maher Duessel for the thorough report along with Controller Pete Schenk and PRT's Finance Department for their diligence throughout the auditing process.

That concluded the report of the Financial Audit Committee.

Under New Business, the Chair appointed the following 2023 Standing Committee and Chair assignments.

Governance Committee

Jeffrey W. Letwin, Esq., Chair
Jennifer M. Liptak
Ann M. Ogoreuc
John L. Tague, Jr.
Michelle Zmijanac

Performance Oversight and Monitoring Committee

Michelle Zmijanac, Chair
Representative Nick Pisciotano
Lori Mizgorski

Planning and Stakeholder Relations Committee

John L. Tague, Jr., Chair
Ali Doyle
Ann M. Ogoreuc
Stephanie Turman

Financial Audit Committee

Senator Jim Brewster, Chair
John L. Tague, Jr.

Technology Committee

Jennifer M. Liptak, Chair
Lori Mizgorski

Nominating Committee for CY 2023 Officer Slate

Stephanie Turman, Chair

Ann M. Ogoreuc

Michelle Zmijanac

Finance Committee

Ann M. Ogoreuc, Chair

Jennifer M. Liptak

Gerald Delon

Representative Nick Pisciotano

Next, there was only one speaker, Mr. Ralph Williams, President of Allegheny County Transit Council, who addressed the Board under public comment. Mr. Williams first welcomed Representative Nick Pisciotano to the Board.

Mr. Williams urged PRT Board to bring back the operators who lost their jobs due to the vaccine mandate. He stated that although PRT is making strides in hiring new operators, experience counts. Riders are going to lose confidence in PRT and stop riding.

The Chair announced the next Regular meeting of the Board will be Friday, February 24, 2023.

With no further business the meeting was adjourned.