

PITTSBURGH REGIONAL TRANSIT
MINUTES OF THE REGULAR BOARD MEETING
FRIDAY, FEBRUARY 28, 2025

The Regular Meeting of the Board of Pittsburgh Regional Transit (PRT) was held on Friday, February 28, 2025, at PRT's Administrative Offices, 345 Sixth Avenue, Pittsburgh, Pennsylvania, 15222-2527, pursuant to due public notice given as required by law.

The following Board members were in attendance in person: Jennifer Liptak, Chair, Tia McClenney, Bobbie Fan, Joseph Totten, Emma Shoucair, and Tom Burgunder. The following members participated via TEAMS: Lori Mizgorski, Senator Brewster and Senator Nick Pisciotano. The Board Solicitor was represented in person by Amanda Kraft and via TEAMS by Sandy Garfinkel.

The Chair called the Regular Meeting to order.

A recommendation was made for approval of the minutes of the January 31, 2025 Annual Meeting and January 31, 2025 Regular Meeting. A motion was made, seconded, and both sets of minutes unanimously passed.

The Chair called on Pittsburgh Regional Transit CEO Katharine Kelleman for a report.

CEO Kelleman asked for a moment of silence for the following retired employees who passed away since the Board last met: Transit Police Officer John King, Overhead Lines Foreperson James Pace, Dispatcher William Bluemle, Route Foreman Donald Guenther, Maintenance Training Specialist Kenneth Porter, Maintenance Vehicle & Service Employee Joseph Kolc and Operators Ronald Chambers, John Wetzel and John Griffin.

CEO Kelleman also offered PRT's deepest condolences to the family and friends of Jeff Parker, who was a former PRT employee, and a CAT committee member. Jeff was a great advocate for public transportation especially for people with disabilities.

Next CEO Kelleman stated that she wanted to have an important conversation on state funding and the situation is not good. PRT is facing a \$100 million budget deficit for the fiscal year that starts July 1. CEO Kelleman noted that PRT has not been irresponsible. Since her tenure here, PRT has functioned by taking money out of the bank and that is how PRT is structured. Under Act 89, PRT would have put money in the bank for four years, treaded water for three years, and then gone into the bank for four years. With prudent budgeting, PRT was able to extend that four years out and then the pandemic hit, and so instead of going back for state aid, PRT was using COVID aid.

"We are in the situation that transit agencies always find themselves in having to say, expenses continue to go past the growth of our revenues and what is our long-term horizon. Without a new transit funding stream to support bus and rail in Pittsburgh, Philadelphia, and the entire Commonwealth, we will need to cut expenses and that translates into cutting service."

CEO Kelleman continued that "We have received nothing but support and encouragement from our state and elected legislators. But we need support from many more of our leaders and will also need your support in this as our discussions continue in Harrisburg."

Next CEO Kelleman reported that she was happy to share that PRT has successfully replaced the concrete beams that support the LRT rail tracks throughout the downtown subway. We are now moving on to the Mt. Washington Tunnel. "So, if you are on a route or on a rail line that normally goes through the Mount Washington Tunnel, we are taking you over through Allentown and we are going through the Wabash Tunnel. It's longer, but it is safer and we're down to one project as opposed to two that we're doing at the same time. This is all part of our multiyear \$150 million investment to improve light rail infrastructure." CEO Kelleman thanked PRT's planning staff, engineers, rail folks and operations folks and most of all, patrons who are putting up with a longer trip for safety purposes.

CEO Kelleman closed by talking about National Transit Driver Appreciation Day. "The other heroes out there are the route foreman, the dispatchers, and also our 800 maintenance personnel, and our customer service folks. On March 18, PRT along with transit supporters across the country, will celebrate the employees who drive, operate, maintain all the services we have out there."

That concluded the report of the Chief Executive Officer.

The next item of business was the report of the Performance and Oversight Committee.

Member Pisciotano, Chair of the Performance Oversight Committee, reported that the Committee met last week, and then presented three resolutions for the Board's consideration.

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

The Performance Oversight Committee recommended authorizing the award of bids listed in the resolution for the total amount of \$3,754,054.40.

On behalf of the Performance Oversight Committee, Chair Pisciotano respectfully requested approval of the resolution. It was moved, seconded, and unanimously agreed that the resolution be approved as presented.

The next resolution for consideration was seeking authorization to enter into an inter-agency Cooperative Agreement with the City of Pittsburgh. It was reported at the meeting that the city owns, operates, and maintains a pedestrian stairway which ends at Herron Avenue. The city proposes replacing the stairway allowing for a more direct pedestrian connection to PRT's Herron Avenue Station on its East Busway.

To complete the project, the city requires access to, and use of, a small portion of PRT's busway. The Performance Oversight Committee recommended entering into the agreement with the city throughout the project.

On behalf of the Performance Oversight Committee, Chair Pisciotano respectfully requested approval of the resolution. It was moved, seconded, and unanimously agreed that the resolution be approved as presented.

The final resolution presented for consideration was to award a contract for the Castle Shannon Park and Ride Rehabilitation project. The work for the project includes things such as lighting, asphalt and concrete parking lot paving and sidewalk work.

To perform the work for the contract, bid documents were prepared and publicly advertised and six bids were received.

The Performance Oversight Committee recommended awarding the contract to A. Merante Contracting, Inc., in the amount of \$2,932,354.00, subject to completing all pre-award requirements.

On behalf of the Performance Oversight Committee, Chair Pisciotano 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 next order of business was a report of the Planning and Stakeholder Relations Committee.

Member Fan reported that the Planning and Stakeholder Relations Committee met last week and was asked to report on a few items.

First at the meeting, staff presented the Fiscal Year 2024 Annual Service Report. The report, which covers July 1, 2023, to June 30, 2024, evaluates performance against board-established service standards - including ridership, crowding, on-time performance, and out-of-service information as well as equity and Title VI analyses.

Some major highlights discussed included steady ridership and a slight increase in service hours. Operating costs saw a slight increase, and service was impacted by bus operator shortages, which has since been addressed with a significant effort to hire bus operators.

Total ridership topped 33 million, with a slight decline in bus ridership, while all other modes increased - including light rail, incline, and paratransit. Bus ridership reporting was impacted by a change in passenger counting software. The new software seems to be more accurate, but accounts for an approximate seven percent drop in reported ridership from the older software.

Bus on-time performance decreased slightly due to construction-related delays and detours while rail on-time performance declined slightly due to planned capital construction projects.

The out-of-service level exceeded PRT's threshold of 1.5 percent by 0.2 percent, impacted by the bus operator shortage.

According to the Title VI evaluation, minority routes and low-income routes were more likely to be crowded, which PRT will continue to monitor.

In October 2023, in response to operator shortages and as part of the early implementation of the upcoming PRTX service changes, PRT modified the 61D, 71A, 71C, 71D routes to turn around in Oakland. This was a neutral change in service levels for the 61 series routes but about a 25 percent decrease in service on the 71 series routes. This resulted in a decrease in ridership on those routes as well as slight increases in crowding.

PRT is targeting service improvements in areas where PRT has not met its service standards, including out of service -- which has already been largely addressed with the robust hiring efforts.

PRT is also looking closely at on-time performance, and crowding, specifically on minority and low-income routes, and especially those impacted by the FY24 major service reductions.

PRT continues to advance other projects which directly support these service goals, including NEXTransit Downtown, the PRTX University Line Bus Rapid Transit Project, and most notably the Bus Line Redesign project.

Also at the meeting, staff presented the quarterly update on the University Line BRT project. It was reported that Phase II of the project began in January in the Uptown and Oakland neighborhoods, while Phase I in downtown is estimated to be completed by the end of June.

BRT stations will be installed at five locations downtown, with dedicated bus lanes and traffic signals.

Bus Routes 61A, 61B, 61C, and 71B will have their routings officially updated with June schedule changes.

Between March and June, work will occur throughout Fifth and Forbes Avenue corridors in Uptown and Oakland at small temporary work zones which will last from one to two days, doing underground utility work and traffic signal foundations. Larger work zones are expected when pavement restoration starts in the summer.

Finally, staff reported on the Allegheny County Transit Council and the Committee for Accessible Transportation. ACTC met on February 26. Staff provided the Council with an overview of the Light Rail Accessibility Program and the 2024 Annual Service Report. Their next scheduled meeting is March 26. The CAT Committee did not meet in February. Their next regularly scheduled meeting is March 6.

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

The next order of business was a report of the Finance Committee.

Member Shoucair reported that the Finance Committee met last week, and one resolution and the January 2025 financial results were presented.

The resolution was seeking authorization to extend and amend an agreement for financial audit and pension plan audit services.

In February 2021, the Board awarded an agreement to Maher Duessel to provide these services for an initial three-year term for a total authorized not-to-exceed amount of \$313,500.00, and later extended the agreement by exercising a one-year option, increasing the total not-to-exceed amount to \$426,000.00.

The Finance Committee recommended extending the term of the agreement with Maher Duessel to March 25, 2026, and further seeks authorization to increase the total authorized not-to-exceed amount by \$86,450.00.

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

Next, the January 2025 financial results were presented at the meeting.

It was reported that Total Operating Income for January was below budget by just over \$100,000 due to lower than budgeted fares and Access revenue. Total Expenses for the month of January were below budget by \$3.7 million due to lower expenses in every category compared to budget.

Total Operating Income is about \$519,000 higher than last fiscal year through January due to higher Passenger revenue and Interest Income. Total Expenses through January are \$500,000 less than last fiscal year due to lower employee benefits because of a one-year reduction in Pension Expense. Total Subsidy through January is \$68.6 million lower than last fiscal year due to the completion of Federal Stimulus invoicing and lower Preventative Maintenance invoicing.

Finally, it was reported that PRT ended January with \$412.4 million in operating reserves.

That concluded the report of the Finance Committee.

Under New Business, Chair Liptak presented two resolutions for the Board's consideration.

The first item was for the Executive Chief Executive Officer annual performance bonus.

The Chair reported that as part of the terms of the employment agreement with PRT, Chief Executive Officer, Katharine Kelleman, is eligible for a performance bonus of up to 20 percent of her base salary each year. The PRT Board determines her performance during the year prior to determine the amount.

This Board has determined Ms. Kelleman attained a high level of performance by achieving goals and meeting key metrics. Therefore, the Board has concluded that CEO Kelleman is entitled to receive a 93.46 percent of the eligible amount of her bonus.

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

The next order of business was a resolution pertaining to PRT's Chief Executive Officer, Katharine Kelleman's employment agreement with PRT that contains among other things her compensation structure and the length and term of her role here as Chief Executive Officer.

The current agreement between PRT and CEO Kelleman is set to expire at the end of 2025.

The Chair reported that during the term of her agreement, CEO Kelleman has consistently performed at a high level. She has met and exceeded expectations concerning the operation and financial performance of PRT and has guided the organization through difficult times. And her vision for PRT's future has been remarkable.

PRT's Board has determined that it is in the best interest of the organization to extend the term of CEO Kelleman's employment to December 31, 2029, so that PRT can continue to benefit from her dedication and her leadership.

The Board has therefore offered to CEO Kelleman a new employment agreement called the Second Amendment and Reinstatement Employment Agreement, and CEO Kelleman has agreed to the terms of the proposed agreement.

The Chair presented the resolution authorizing the Board to execute the Second Amendment and Reinstatement Agreement with Chief Executive Officer, CEO Kelleman Kelleman.

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

Before moving on to public comment, Ms. Liptak said that personally, she would like to thank CEO Kelleman for her leadership, and she is glad that she is here to continue to guide us into the future.

The next order of business was public comment. To see the below summarized testimony in full, please visit PRT's website at www.rideprt.org.

The first speaker, Amy Zaiss, first wanted to echo CEO Kelleman's comments about the need for sustained funding for transit, saying that it is for her livelihood, perhaps even more important than highway funding.

Next, Amy shared a few comments of how her experience has been as a rider these past couple of months. Some good things lately.

As a Beechview resident, Amy is a rail person and stated that she is also downtown all over the place so riding over Allentown is awesome. She said that she thinks it's been handled very well. There is real time tracking and she can anticipate when trains are coming. And there is not much of a delay. Also, she does not get up there often enough, so she is likely to hang out there more, and hopes the businesses are also benefiting from this detour.

Amy noted that the temporary use of Penn Station is always in her favor because it's one of the most beautiful transfer points in the city to go from rail to busway.

The addition of the Ready Fair service on the payment platform has been valuable to her personally. She found the process too cumbersome before because she doesn't buy monthly passes and now she uses it all the time.

She came here last month to ask about the annual service report and wanted to share a few comments as well.

She said, first, big kudos to the data and analytics team at PRT. She thinks the report clearly acknowledges and explains some big variances we saw last year that were concerning to many, even regular riders like herself. Regarding the ridership loss due to the short-term buses, Amy would encourage and urge PRT leadership to prioritize finding a way to restore service, pertaining to crowded buses in the system. Also, the ridership loss is significant and the longer it persists, the harder it is to win back riders. The report shows that there's still a long way to go before meeting service standards on crowding and on-time performance.

Lastly, regarding communication, it continues to be a pain as a rider. For example, about two weeks ago, the Red Line had an emergency detour. The system was working well when the detour happened because she received an SMS alert to my phone. IT service wasn't restored though until the next day and that didn't come through as an SMS message.

The next speaker, Chaz Williams, continued his statement from the January 2025 meeting regarding an alleged confrontation with a PRT employee that happened during non-working hours and offsite from PRT's property.

The next speaker, Matyce Collins, a former PRT employee, whose main concern was why do new employees have to pay into the Union when the Union only fights for certain employees. She felt there were other employees who did more to get fired than she did that are still on the job. She stressed how hard it was for her during the 90-day probation period with things that were happening in her personal life, but she will have the opportunity to be rehired after a year.

The final speaker, Jacodi Kirk, addressed the Board regarding an incident that occurred near the Duquesne Incline while he was aboard a 28X Airport Flyer bus. He stated that he suffered a muscle strain injury in connection with the incident and sought compensation after reporting the collision.

That concluded the Public Comment period.

The Chair announced the next Regular meeting of the Board will be March 28, 2025.

With no further business the meeting was adjourned.