Finance Committee
April 16,2020

Port Authority

RESOLUTION: Authorization to Appoint New Recordkeeper for Port Authority of Allegheny County's 457(b) and 401(a) Defined Contribution Program

- Port Authority issued a Request for Proposal, with assistance from its Chief Investment Officers (Marquette Associates and Financial Integrity Resources Management), for a new Recordkeeper for its 457(b) and Money Purchase Plan 401(a) (collectively, the Defined Contribution Program).

- This Recordkeeper will provide services related to eligible Non-Represented, Police and International Brotherhood of Electrical Workers (IBEW) employees participating in the Defined Contribution Program.

- Six responsive and timely proposals were received by the stated submission deadline of November 15, 2019. The Authority convened an evaluation committee made up of five members from the Human Resources and Finance Divisions (Committee), with consulting support from its CIOs and outside benefits counsel, to review and evaluate the proposals.

- The Committee determined that the proposals submitted by One America and ICMA-RC Retirement Services (ICMA) were the initially top-rated proposals and eligible to be short-listed for interviews. On February 3, 2020, the Committee held interviews with One America and ICMA, and the Committee then conducted a final evaluation and identified ICMA as the highest rated company to serve as the Recordkeeper for the Defined Contribution Program.

- ICMA is also the current recordkeeper for the defined contribution program for Amalgamated Transit Union, Local 85 represented employees.

February and March, 2020 Financial Statements Review

Port Authority

Finance Committee Meeting – April 2020

FY 2020 February Financial Review

- *Total Operating Income*- Total Operating Income was $206,778 over budget for the month of February due to higher Advertising Revenues. Fiscal year-to-date, Total Operating Income is $630,780 over budget due to higher Advertising and Interest Income.

- *Total Operating Expenses*- Total Expense for the month was $2.1M under budget principally due to lower Employee Benefits, Purchased Services and ACCESS Expense. Fiscal Year-to-date expenses are $21.1 million under budget due to lower expenses across all categories.

- *Total Subsidies*- Total Subsidies for the month were $304,405 over budget due to an ACCESS 5310 payment that was budgeted earlier in the fiscal year. Fiscal year subsidies are $10 million over budget due to higher State Operating Assistance that will normalize by year-end.

Port Authority

FY 2020 Fiscal Year over Fiscal Year Comparison

- *Total Operating Income*- Total Operating Income is $367,453 above last fiscal-year. This variance is due to higher Advertising Revenue, Interest Income and Other Income.

- *Total Expense*- Total Expense is $1.47 million higher than last fiscal year. Employee benefits are higher than last fiscal year. A portion of this is due to Vacation, Sick and Holiday for salaried employees being reported as Employee Benefits versus Salary & Wages in FY2019 as per FTA directive.

- Total Subsidy is $3.1 lower than last fiscal year due to lower Preventive Maintenance. The FY2020 Budget was balanced with less Preventive Maintenance, so this is to be expected.

Port Authority

Operating Reserves- February

- The Authority began the month of February with $141.3 million in Operating Reserves.
- The Authority received approximately $45.3 million in Passenger Revenues and Grant Subsidies during the month.
- The Authority utilized approximately $32.9 million in Operating Reserves during the month.
- The Authority ended the month of February with $153.7 million in Operating Reserves.

Port Authority

FY 2020 March Financial Review

- *Total Operating Income*- Total Operating Income for the month was $1.49 million below budget due to lower Passenger Revenue. Revenues for April will be much weaker as March numbers can reflect purchases made in February or early March. $2.3 million of the Revenues reported in March were for February activity. Revenues for the last week in March were down in excess of 90%.

- *Total Operating Expenses*- Total Expense for the month was $1.9 million below budget primarily due to lower Employee Benefits and Other Expense. Total Expense for the fiscal year is $23 million below budget.

- *Total Subsidies*- Total Subsidy for the month was $457,282 over budget due to higher Vehicle Overhaul reimbursement. Total Subsidy for the fiscal year is $10.4 million over budget, but this is expected to normalize by fiscal year-end.

Port Authority

FY2020 Fiscal Year over Fiscal Year Comparison for March

- *Total Operating Income*- Total Operating Income is $1.07 million below last fiscal-year. This variance is due to lower Passenger Revenues.

- *Total Expense*- Total Expense is $4.8 million higher than last fiscal year. Salary and Wages and Employee benefits are higher than last fiscal year. A portion of the variance in Employee Benefits is due to Vacation, Sick and Holiday for salaried employees being reported as Employee Benefits versus Salary & Wages in FY2019 as per FTA directive.

- Total Subsidy is $8.6 million lower than last fiscal year due to lower Preventive Maintenance. The FY2020 Budget was balanced with less Preventive Maintenance, so this is to be expected.

Port Authority

Operating Reserves (March)

- The Authority began the month of March with $153.7 million in Operating Reserves.
- The Authority received approximately $35.2 million in Passenger Revenues and Grant Subsidies during the month.
- The Authority utilized approximately $38.5 million in Operating Reserves during the month.
- The Authority ended the month of February with $150.4 million in Operating Reserves.

Port Authority

Performance Oversight Committee
April 16, 2020

Port Authority

Resolution: Awarding of Bids

1. EQUIPMENT CLEANER

Five firms accepted the invitation and three bids were received for Equipment Cleaner used in the maintenance of the Authority's Coach Fleet over a two-year period.



RECOMMENDATION: That a contract be awarded to the low responsible bidder which submitted a responsive bid, Kimco Distributing Corporation, in the estimated amount of $980,400.00.

Port Authority

Resolution: Awarding of Bids

2. CLEANING SOLVENT SERVICE

Two firms accepted the invitation and two bids were received for Cleaning Solvent Service over a three-year period.

RECOMMENDATION: That a contract be awarded to the low responsible bidder which submitted a responsive bid, Safety Kleen Corporation in the estimated amount of $449,400.53.

Port Authority

Resolution: Awarding of Bids

3. 115 LB. STEEL RAIL

Six firms accepted the invitation and six bids were received for 115 Lb. Steel Rail used in maintaining the Authority's Light Rail Transit System.

RECOMMENDATION: That a contract be awarded to the low responsible bidder which submitted a responsive bid, L.B. Foster Company, in the estimated amount of $105,249.00.

Port Authority

Resolution: Awarding of Bids

4. JANITORIAL SUPPLIES – PAPER

Six firms accepted the invitation and four bids were received for the purchase of Janitorial Supplies - Paper over a three-year period.

RECOMMENDATION: That a contract be awarded to the low responsible bidder which submitted a responsive bid, W. B. Mason, in the estimated amount of $494,672.06.

Port Authority

Resolution: Awarding of Bids

5. BRAKE DRUMS – COACH

At its February 2019 meeting, the Board authorized a contract award for one item to Southern Coach Parts Co. in the estimated amount of $119,160.00. This firm has since indicated that it is unable to provide the Performance Bond required by the bid documents, and is therefore unable to proceed with contract execution. The second lowest bidder for this item was Midwest Bus Corporation, and their bid was found to meet the bid requirements for the purchase of Brake Drums – Coach, used to maintain the Authority's coach fleet over a two-year period.

RECOMMENDATION: That a contract be awarded with Southern Coach Parts Co. be rescinded, and a contract be awarded to the next lowest responsible bidder which submitted a responsive bid for this item, Midwest Bus Corp., in the estimated amount of $119,310.00

Port Authority

Resolution: Awarding of Bids

6. ASBESTOS FREE BRAKE BLOCKS ASSEMBLED ON SHOES

Two firms accepted the invitation and two bids were received for the purchase of Asbestos Free Brake Blocks Assembled on Shoes over a two-year period

RECOMMENDATION: That a contract be awarded to the low responsible bidder which submitted a responsive bid, Keystone Spring Service Inc., in the estimated amount of $421,422.50.

Port Authority

Resolution: Awarding of Bids

7. BIO DIESEL FUEL

This bid was publicly advertised and bid documents were distributed. Two bids were received for the purchase of Bio Diesel Fuel over a one-year period with an optional one-year period.

ECOMMENDATION: That a contract be awarded to the low responsible bidder which submitted a responsive bid, Guttman Energy, in the estimated amount of $12,729,600.00.

Port Authority

Resolution: Awarding of Bids

8. COACH RADIATOR ASSEMBLIES

This bid was publicly advertised and ebusiness documents were distributed. Five firms accepted the invitation and three bids were received for Coach Radiator Assemblies over a two-year period.

RECOMMENDATION: That a contract be awarded to the low responsible bidders which submitted responsive bids as follows:

Gillig LLC: 2 items in the estimated amount of $504,849.00

Kirk's Automotive: 1 item in the estimated amount of $137,940.00

The Aftermarket Parts Co.: 1 item in the estimated amount of $201,350.00

Port Authority

Resolution: Awarding of Bids

9. TESTING AND VALIDATION SERVICES

This bid was publicly advertised and ebusiness documents were distributed. Five firms accepted the invitation and two bids were received for Testing and Validation Services used for employee position assessments over a five-year period.

RECOMMENDATION: That a contract be awarded to the low responsible bidder which submitted a responsive bid, Catalyst Connection, in the estimated amount of $298,000.00.

Port Authority

Resolution: Awarding of Bids

10. LRV AIR SUPPLY UNIT INVERTERS

This bid was publicly advertised and ebusiness documents were distributed. Four firms accepted the invitation and four bids were received for LRV Air Supply Unit Inverters over a nineteen-month period.



RECOMMENDATION: That a contract be awarded to the low responsible bidder which submitted a responsive bid, Woojin IS America Inc. in the estimated amount of $1,030,820.00.

Port Authority

RESOLUTION: Authorization to Extend and Amend Agreements to General Engineering and Architectural Consulting(GAEC) and Architectural Design Services

Goal

- Increase funding authorization to provide continued GAEC and Architectural Design services to support the Authority's capital improvement program ensuring quality projects completed on time and within budget.

- Increase term to complete designs and provide construction phase design service to address Request for Information and shop drawing review by designer of record.

Port Authority

RESOLUTION: Authorization to Extend and Amend Agreements R17-02 A/B: General Engineering and Architectural Consulting(GAEC) Services

- **Projects Summary**
  - 28 Completed or Underway at an authorized amount of $5.6M
- **Anticipated Project List:**

- SHJ M-Loop & Site Improvements
- CBD Plinths Replacement for Special Work Areas
- Restraining Rail Design
- SHV Pit Concrete Repairs & Rail Replacement - Construction Services
- Wood & Steel Plaza - Construction Services
- West Mifflin Garage Perimeter & Employee Lot Paving - Construction Services
- CBD LED Lighting - Construction Services
- Ross PNR - Construction Services
- Mt. Washington South Portal Slope Remediation - Construction Services
- New Scope which may be required prior to new RFP/Agreements

Port Authority

RESOLUTION: Authorization to Extend and Amend Agreements R17-02 A/B: General Engineering and Architectural Consulting(GAEC) Services

- **Scope Includes:**

SERVICE CATEGORY	FIRM	
	Highest Rated	Second Highest Rated
Roadwork and Sitework Design	Gannett-Fleming, Inc.	AECOM Technical Services, Inc.
Building and Structure Design	Gannett-Fleming, Inc.	AECOM Technical Services, Inc.

- **Agreement Term and Amounts:**

	Term and Amount	
	Expiration Date	Not-to-Exceed Amount
Current 4-Year Term	June 30, 2021	$6,000,000
Proposed Option Year plus Additional $1.75M	June 30, 2022	$7,750,000

Port Authority

RESOLUTION: Authorization to Extend and Amend Agreements R16-08 A/B: Architectural Design Services

Projects Summary

- 35 Completed or Underway at an authorized amount of $5.8M

Anticipated Project List:

- Belasco Mini-high LRT Station
- Station Square and Dormont Station Improvements - 30% Design
- System Safety Improvements - CCTV at Various Facilities
- Heinz Conceptual Space Layout
- Rail Heavy Equipment Maintenance Building - 30% Design
- New Scope which may be required prior to new RFP/Agreements

Port Authority

RESOLUTION: Authorization to Extend and Amend Agreements R16-08 A/B: Architectural Design Services

- **Scope Includes:**

SERVICE CATEGORY	FIRM	
	Highest	Second Highest
Transit Passenger Facilities Design	CDM Smith, Inc.	Whitman, Requardt and Associates, LLP.
General Building Design	Whitman, Requardt and Associates, LLP.	CDM Smith, Inc.

- **Agreement Term and Amounts:**

	Term and Amount	
	Expiration Date	Not-to-Exceed Amount
Current 4-Year Term	September 30, 2020	$6,000,000
Proposed Option Year plus Additional $1.5M	September 30, 2021	$7,500,000

Port Authority

RESOLUTION: Authorization to Extend Agreement R17-04 for Environmental Contract Services Hatch Associates Consultants, Inc.

- **Goal**

  Continue to provide Environmental Contract services as needed in supporting the Authority's storm water, wastewater, air quality and pollution control permits and procedures.



Port Authority

RESOLUTION: Authorization to Extend Agreement R17-04 for Environmental Contract Services

- **Agreement Term and Amounts:**

	Term and Amount	
	Expiration Date	Not-to-Exceed Amount
Current 3-Year Term	June 30, 2020	$600,000
1st of Two (2) Option Years	June 30, 2021	$600,000 (No Increase)

- **Current Projects Summary**
  - 10 Completed or Underway at an authorized amount of approximately $390,000
- **Anticipated Project List:**
  - 5-Year Update to Preparedness, Prevention and Contingency (PPC) Plans
  - Alcosan Industrial Wastewater Permit Renewals
  - West Mifflin Wastewater Treatment Plant Pump Replacement Design
  - Storm Water studies at Ross and West Mifflin Garages
  - Miscellaneous Permit and Environmental Policies/ Procedures Support
  - New Scope which may be required

Port Authority

RESOLUTION: Authorization to Extend and Amend Agreement No. R15-07 with Willis Towers Watson US LLC to Provide Employee Benefits Services

The purpose of the resolution is to extend the term of Agreement No. R15-07 (Agreement) with Towers Watson Delaware, Inc., now known as Willis Towers Watson US LLC (Towers) for an additional five (5) months and to increase the total not-to-exceed amount of the Agreement by $240,000 in order to provide the continuance of the Services while Towers is seeking proposals for health insurance providers in preparation for the upcoming collective bargaining negotiations with two of Authority's labor unions.

The attached resolution authorizes an amendment to extend the term of the existing Agreement for an additional five months to December 30, 2020 and to increase the previously authorized total not-to-exceed amount from $1,700,000 to $1,940,000.

Port Authority

RESOLUTION: Authorization to Enter into an Agreement for South Hills Parking Garage Facility Management Services

- February 2020: RFP No. 20-02 issued seeking contractor to provide facility management services for the South Hills Village Parking Garage. Includes day-to-day operation, customer assistance and support, general cleaning and routine maintenance, with option to provide new parking access revenue control equipment.

- Four proposals received and evaluated by Evaluation Committee. Parkway Corporation and Pro Park, Inc. Identified as short-listed firms and interviewed. Committee identified Parkway Corporation as highest rated proposer. See summations in Summary of Resolution.

- Recommended agreement award to Parkway Corporation. 3-year initial term with option to extend agreement up to 2 additional years at Port Authority's sole discretion. Initial total not-to-exceed amount $672,000, which includes budget for new parking access revenue control equipment.



Port Authority

RESOLUTION: Authorization to Extend and Amend Agreement with Brink's Incorporated to Provide Armored Car and Cash Management Services

- In October 2016, Port Authority, in accordance with its Board adopted Procurement Policy, issued a request for proposals to obtain the services of a firm to provide Armored Car and Cash Management Services.
- The services included under this agreement are items such as collecting, counting and depositing currency and coin from fareboxes located at four bus garages and the rail center. Collecting, counting and depositing currency and coin at the Service Center as well as replenishing consumables in the Ticket Vending Machine is also included.
- In January 2017, the Authority's Board authorized an award to Brink's USA Division of Brink's Incorporated to provide the services for an initial three year term and a not-to-exceed amount of $3,500,000. The agreement also contained two additional option years to be exercised at the Authority's sole discretion.
- To date, the services performed by Brink's have been satisfactory and in compliance with the agreement.
- The Authority has determined it is in its best interest to exercise the first option year.
- The option would extend the Agreement to May 4, 2021 and increase the not-to-exceed amount of the Agreement by $768,000 from $3,500,000 to $4,268,600.

Port Authority

Port Authority

Mission

To Connect People to Life

Vision

To Become America's Premier Public Transportation Company