

Southwestern Pennsylvania Commission
Minutes of the Meeting
December 10, 2018 – 4:30 p.m.
Two Chatham Center • Suite 400 • 112 Washington Place • Pittsburgh, PA 15219

The one hundred thirty-second meeting of the Southwestern Pennsylvania Commission was called to order by Chairman Larry Maggi.

Members present: Darin Alviano, Tony Amadio, Chuck Anderson, Alan Blahovec, Kevin Boozel, Tom Ceraso, Gina Cerilli, Dave Coder, Steve Craig, Sandie Egly, Pat Fabian, Rich Fitzgerald, Kimberly Geyer, Joe Grata, Kelly Gray, Dick Hadley, Charles Jones, Fred Junko, Katherine Kelleman, Larry Maggi, Jeff Marshall, Robbie Matesic, Kevin McCullough, Amy McKinney, Leslie Osche, Mavis Rainey, Jim Ritzman, Cheryl Moon-Sirianni, Aurora Sharrard, Archie Trader, Vince Vicites, and Angela Zimmerlink.

Others present: Ann Ogoreuc, Allegheny County, and Jason Rigone, Westmoreland County

Staff: Jim Hassinger, Dan Alwine, Kirk Brethauer, Dom D'Andrea, Linda Duffy, Ryan Gordon, Anthony Hickton, Chuck Imbrogno, Tom Klevan, Vince Massaro, Shannon O'Connell, Abby Stark, Kay Tomko, Lew Villotti, Sara Walfoort and Andy Waple.

1. Chairman Maggi called to order the December 10, 2018 meeting of the Southwestern Pennsylvania Commission
 - a. Quorum – There being a quorum present the meeting proceeded
 - b. Any Conflict of Interest Declarations on Action Items – None.
2. Action on Minutes of the September 24, 2018 Meeting

A motion was made to approve the minutes of the September 24, 2018 meeting by Commissioner Gina Cerilli which was seconded by Commissioner Dave Coder. The affirmative vote was unanimous.

3. Public Comment – None
4. Staff Profile – Tom Klevan/Anthony Hickton

Mr. Tom Klevan introduced Mr. Anthony Hickton as the Ridesharing Program Manager at SPC.

Mr. Hickton previously worked at Port Authority in a variety of positions, culminating in Director of Advertising Sales and Marketing. His career spanned 25 years.

Anthony also worked as a consultant for local Minority and Women Business Enterprises in the tri-state area mostly, but also worked on projects with Metropolitan Atlanta Rapid Transit Authority (MARTA) and Michigan State University, among others. He also worked for First Transit as location General Manager at four different properties in the region. He worked with both fixed-route services as well as shared-ride services.

Anthony explained that he found out about the Program Manager position when running into Tom Klevan while walking the Montour Trail. Tom and he had worked together previously while he was at AMTRAN (Altoona) and Anthony was on a consulting project for the agency. They met for coffee after this encounter and Tom described the job and said that they'd been having a tough time filling the position. The more Anthony learned about the job, the more excited he became about the opportunity. It encompassed all aspects of responsibilities that he'd been familiar with in his previously held positions such as:

- Port Authority – Director of Sales – Department Head; Contract Administration; Sales; Policies and Procedure Development and Implementation.
- Clear View Strategies – Sr. VP – Relationships with CEO’s/GM’s of PA properties; Diagnosing and strategizing to improve performance of transit awareness and/or functionality.
- First Transit – Local GM – All aspects of day-to-day operations for transportation entity, both fixed route and shared ride.

Anthony reported that the Commute Info website had been completely redone and 2 commercials were created (1 for ridesharing and 1 for transit). These videos were presented to the Commission members. He said since the new CommuteInfo marketing campaign kicked off after November 6, 2018, there has been a 25% increase in enrollment of commuters.

He also stated that they purposefully waited until after Election Day 2018 so that the CommuteInfo commercials did not get lost amongst the election campaign commercials.

Anthony mentioned that he had essentially retired a year prior to this past September. This opportunity has been very positive for him. Also, what he’s found at SPC is a lot of very smart people working very hard to benefit our region.

Rich Fitzgerald asked Anthony if he could provide the number of people that are ridesharing in the region. Anthony stated that they can only provide statistics from the programs that CommuteInfo manages – registered commuters, carpooling participants, # of vanpools and vanpool participants.

5. Presentation of 2017-2018 Annual Audit Report – Maher Duessel, CPAs

Tim Morgus of Maher Duessel informed the members of the following:

Reports Issued

- SAS 114 – Communication to Those Charged with Governance
- Single Audit Financial Statements
- Form 990 (Corporation)

Required Audit Communications

- Our Responsibilities under GAAS and Uniform Guidance (UG)
- Significant Accounting Policies

GASB Statements No. 85 and 86 were effective for 6/30/18 – no impact for SPC

Upcoming GASB Pronouncements

GSAB 87

Leases

Statement No. 87

Effective for reporting periods beginning after December 15, 2019

The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This statement increases the usefulness of governments’ financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting

based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lease is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

Required Audit Communications (cont.)

- Accounting Estimates
- Disclosures
- Corrected and Uncorrected Misstatements
- Management Representations
- Other Matters

Financial Statements

- Opinions:
 - Unmodified audit opinions issued on both government-wide and fund presentations
- Single Audit
 - Required when expenditures of federal awards are \$750,000 or greater
 - Testing of compliance with certain rules and regulations as well as internal control processes over financial reporting and compliance

Balance Sheet (page 3)

- Total Assets - \$12.5 Million
 - Majority of cash is restricted (grants; RLFs)
 - Minimal overall change in loans receivable
- Total Liabilities - \$12 Million
 - Notes payable – SBF loan program
 - RLF unearned revenue
 - Grant advances
- Net Position - \$457 Thousand

Financial Trends

Statement of Revenues, Expenditures, and Changes in Fund Balance (Page 4)

- Total Revenues: \$11.1 Million
 - Overall increase of 19% (\$1.8 Million) from prior year
 - Federal and state grants
- Total Expenses: \$11.1 Million
 - Corresponding increase in expenditures
 - *Increase in Salaries and benefits*
 - *Increase in Contractual expenditures*
- Footnotes
 - No new footnotes or disclosures from prior audits

Revenue by Source

Expenditures

Financial Trend – Governmental Fund Revenue

Single Audit Results (Page 41)

- Single Audit

- Total Federal expenditures of \$9.2 Million
- Major Programs:
 - *CFDA #11.307 Economic Development Cluster*
 - *CFDA #23.011 Appalachian State Research, Technical Assistance, and Demonstration Projects*
- Unmodified opinion on compliance for major programs
- No findings or questioned costs reported

Form 990

- No significant changes to core Form 990
- No new schedules
 - Applicable schedules: A, B, C, D, J, O, and R
- Public disclosure
 - Schedule B contributor information redacted

Contact Information

Partner: Tim Morgus
 Email: tmorgus@md-cpas.com
 Phone: 412-535-5502

Senior Manager: Janet Feick
 Email: jfeick@md-cpas.com
 Phone: 412-535-5538

Mr. Tom Ceraso moved to accept the Audit Report and Commissioner Kevin Boozel seconded. The affirmative vote was unanimous.

6. Financial Report – Vince Massaro

Mr. Massaro reported on the financials for the period July 1, 2018 to September 30, 2018. Actual and encumbered revenues to date are \$4,877,670 or 36.21% of the \$13,469,117 budget recognized to date. This being a balanced budget, revenues equal expenditures and expenditures equal revenues. Cash flow remains positive from our funding grants and agreements that are in place with the Federal government and the state and local municipalities. Local billings to grantors are current and all agency planning projects remain on schedule through the reporting period. There were no questions. Commissioner Tony Amadio moved to accept the financial report and Commissioner Pat Fabian seconded. The financial report was accepted as presented.

7. Public Participation Panel (PPP) Appointments

Ms. Abby Stark spoke on the following:

Partners in Regional Transportation Planning

- Public
- Member Planning Departments
- Transit Partners
- SPC
- Penn DOT
- FHWA/FTA

Member PPPs:

Role and Functions

- Currently, there are approximately 300 Panel members, serving 10 counties
- Appointed by SPC member governments
- Reflective of:
 - The Community
 - The Demographics of your jurisdiction
- Keep apprised of transportation issues in the community
- Use network to communicate regional plans and opportunities for input
- Help encourage participation during formal public comment periods
- Host public meetings in the county on behalf of SPC
- Help to provide and enhance public input in the regional planning process

PPPs: SPC's Role

- Make information for the regional transportation planning process readily available
- Provide multiple opportunities for the public to provide input
- Deliver meaningful inclusion of input into the regional planning process
- Connect elected officials, planners, State/Federal agencies, and the public

PPP Appointments

- The current two-year term for your PPP members is about to expire
- Appoint new PPP members for the years 2019 and 2020
- PPP members to reflect member jurisdiction demographics

Ms. Cheryl Moon-Sirianni from PennDOT asked the Commissioners to make certain that people they nominate to be on the PPPs will participate and attend the meetings. Ms. Moon-Sirianni also asked the Commissioners to continue to encourage the PPP chairs and members to attend.

8. Long-Range Plan Update

Mr. Andy Waple spoke about SmartMoves for a Changing Region. He began with the Long-Range Plan Timeline. We are now in the plan development and adoption range. Important dates to remember coming up are May 2019 the Draft Plan Public Comment will begin; May through June 2019 for Public Comment Meetings in 10 counties; and June 24, 2019 for Plan Adoption.

Transportation Planning Process

Feedback is needed on critical factors and inputs regarding Regional Vision, Strategy Development, Prioritization of Strategies, Development of Transportation Plan, Development of Transportation Improvement Programs, Project Development and Systems Operations. The process of setting the Vision, Goals and Strategies, which we are currently engaged in, is critical in setting the policies and direction for how we invest in transportation in this region.

Connected Mobility

A world-class, well maintained, integrated transportation system will provide mobility for all, enable resilient communities, and support a globally competitive economy.

Mobility for All - Equity Keeps Us Whole

- Integrate multiple forms of public/private transportation to provide increased mobility equitably for all users including those in underserved rural areas and disadvantaged populations.

High Tech Mobility – Connected Systems & Autonomous Vehicles

- Modernize Supporting Infrastructure: Develop and deploy appropriate infrastructure to facilitate safe and efficient use of Connected Infrastructure Systems as well as Connected and Autonomous Vehicles.
- Offset impacts associated with Connected and Autonomous Vehicles on safety, public sector revenue, congestion and local quality of life.

Funding and Financing

- Fund additional transportation infrastructure through private sector partnerships, with user fees, value capture, and other appropriate mechanisms; broaden revenue tools available to local governments to fund infrastructure projects.
- Conduct education on the need for revenue increases as a continuing process, not a “one and done” endeavor; and garner overall understanding of public infrastructure benefits, needs and subsequent support for needed infrastructure revenues.
- Develop a comprehensive regional plan for public transit connections, including the identification of a possible regional source for dedicated public transit funding to facilitate seamless linkages and cooperation across the region.

Prioritize and Streamline - Faster Project Development & Delivery

- Employ holistic planning for mobility and accessibility when developing and prioritizing projects. Make transportation improvements fit community context and enhance local quality of life.
- Streamline federal, state and local project development and delivery across all phases.

Globally Competitive Economy

Strategic infrastructure investments and workforce training will make the region recognized as a global leader in technology and innovation.

Grow, Train and Retrain – Workforce for Change

- Grow job candidate market through initiatives such as promoting the benefits of skilled labor positions, workforce reintegration of individuals with minor criminal records or previous drug use, recruitment and retention, and immigration.
- Train and/or retrain employees and new college graduates for the jobs in the region, as well as training for emerging technology opportunities, like Additive Manufacturing and Artificial Intelligence.
- Prioritize soft skills in training curriculums and provide flexible and easy to use funding for an “on the job training” approach geared to emerging and new technologies.

Prioritize, Improve, Support - Infrastructure Supports Us

- Prioritize infrastructure projects based upon their regional economic benefits, with emphasis on projects that promote the local utilization of energy and industry output.
- Improve infrastructure efficiency through technology implementation in the development, design, construction, operation and maintenance.
- Support the identification and development of an “Appalachian Storage Hub” to promote the local use of locally derived ethane feedstock.

Partner and Deploy - Technology Advances Us

- Utilize public-private partnerships to leverage private sector participation to identify, track, develop and deploy new technology advancements across the region. This includes communications, manufacturing and mobility.
- Provide high speed internet connectivity and availability everywhere through public policy, either funding or incentives. Use existing transportation corridors to facilitate delivery of broadband through the region.

Resilient Communities

The revitalization of our communities will make us a magnet for new investment. Intensive investments in connectivity, walkable neighborhoods, and green infrastructure will attract business and residents to newer and older communities alike.

Resilient Communities - Elevate Community

- Promote institutional investment in older communities, repurposing versus demolition, and ensure that affordable housing is retained utilizing best practice models in the region for land use, vacant properties, and environmental strategies.
- Provide municipal education on land use best practices, “Smart Growth” principles, community development, transportation planning, and on existing mechanisms to leverage private sector development.
- Promote strategic infrastructure investment in communities that reduces physical exposure and vulnerability from natural hazards, including flooding and landslides.
- Embrace emerging infrastructure innovations & technologies including planning, design, materials and construction processes for an adaptable and resilient built environment.

Tackle Climate Change, Air & Water - The Earth Sustains Us

- Invest in strategies that adapt to and decelerate the impacts of climate change. This includes investment in disaster preparedness, response, and recovery, as well as, creating awareness about climate change, its projected impacts, and regional strategies.
- Conservation of the region’s natural resource assets and key tracts of land that enhance environmental quality, natural land connectivity, habitat corridors, agricultural lands preservation & provides recreational opportunities for residents and tourists.
- Promote and support sustainable regional water resource management and planning for water topics, such as, stormwater, flooding, water quantity, water quality, and infrastructure systems.
- Support and encourage transportation projects or programs that will contribute to attainment or maintenance of the national ambient air quality standards (NAAQS) for ozone, carbon monoxide (CO), and particulate matter (PM).

Strategy Prioritization Survey

The survey is intended to gather input as to your priorities for the refined strategies as presented. The survey is currently open to SPC Commissioners only (a link has just been emailed to you) through 12/16. Next, on 12/17 the survey will be opened up to SPC committees, PPP members, the Expert Resource Panels. It will remain open to them until 1/2/2019. It will then be opened up to the general public through the end of January. This information will be used as input during the project screening process.

Project Development Process

Public and Stakeholder Outreach; Transportation System Needs (Investment Categories); Project Development Workgroups; Consistency Criteria (Strategies and Metrics); Projects and Programs; Long-Range Plan

Public & Stakeholder Outreach – 11,985 points of engagement!

- Expert Resource Panels
- Forces of Change Survey & Comments
- SmartMoves Webpage and Videos
- Public Meetings:
 - Regional Plan Workshop
 - PPP & Public Input Meetings
- SPC Committees
- Emails & Media
 - Email Contacts
 - Social Media
 - TV/Radio
 - Newspaper

Public Outreach

Investment Category Input:

- Bicycle and Pedestrian
- Roadway Maintenance
- Public Transportation
 - New Capacity
- Safety and Operations
- Bridge Maintenance

Strategy Interests:

- Public Transit Coordination
- Broadband Expansion
- Natural Resource Conservation
- Workforce
- Infrastructure Funding
- Economic Growth

Investment Categories

- Bicycle, Pedestrian Enhancements
- Highway & Bridge Capital Maintenance
- Safety & Operations
- Public Transportation Capital and Operations
- Transit – New Capacity
- Freight/Intermodal
- Highway/Bridge – New Capacity

Project Development Workgroups

- Series of three meetings per PennDOT District

- Member Counties, City of Pittsburgh, Transit Providers, TMAs, PennDOT and SPC
 - Meeting #1
 - Plan Schedule
 - Begin Public Input and Comment Review
 - Existing LRP Project Review (Mapping the Future)
 - New Projects/System Needs (all modes)
 - Preliminary Revenue Projections
 - Meeting #2
 - Continue Public Input Review
 - Adjust Projects and Programs based on Public Input
 - Refine New Candidate Project List
 - Finalize Revenue Projections
 - Align Projects in Appropriate Plan Phases
 - Meeting #3
 - Finalize Draft Project List for Air Quality and Environmental Justice Analysis
 - Initial Discussions on 2021-2024 TIP – development to begin in Spring 2019

Workgroup and Public Commonalities

- Maintain Existing System (Capital Maintenance)
- Regional Transit Coordination and Expansion (Public Transit Operations & New Capacity)
- Local Bicycle and Pedestrian Network Connectivity (Bicycle and Pedestrian)
- Regional Trail System Connections (Bicycle and Pedestrian)
- Improve Interstate System and other Major Corridors (Capital Maintenance, Safety & Operations, New Capacity)
- Safety and Operational Improvements (Safety & Operations)
- Expanded Transportation Demand Management (Safety & Operations)

Project Advancement

- How well do projects and investment categories advance the vision, goals, strategies and performance metrics?

What's Next?

- Continue LRP Project Development Workgroups
- Initiate Strategy Priority Survey
- Commission Input on Vision, Goals and Strategies
- Finalize Vision, Goals and Strategies for LRP (January 28th Commission Meeting)
- Advance projects based on strategies and metrics
- Air Quality Conformity and Environmental Justice Analysis
- Formal public comment period for the draft plan with public meetings
- Commission Adoption: June 24, 2019

9. Commission Action on Resolution 9-18 to Approve and Authorize Signature of the Memorandum of Understanding by and between SPC, PennDOT and the Operators of Public Transportation – Tom Klevan

WHEREAS, SPC was established as a regional planning commission with the Counties of Allegheny, Armstrong, Beaver, Butler, Fayette, Greene, Indiana, Lawrence, Washington, and Westmoreland and the City of Pittsburgh as Participating Political Subdivisions pursuant to the regional Planning Law, May 29, 1956, P.L. 1845, as amended;

WHEREAS, SPC was established pursuant to Section 3 of the Intergovernmental Cooperation Act, Number 180, July 12, 1972, as the designated Metropolitan Planning Organization (MPO) for the Pittsburgh Metropolitan Planning Area;

WHEREAS, the Statewide and Metropolitan Planning Regulations (23 CFR 450) were promulgated jointly by the Federal Highway Administration (FHWA) and the Federal Transit Administration (FTA) and became effective on November 29, 1993;

WHEREAS, 23 CFR Part 450.314 Subpart (a) of said Federal Regulations requires that the MPO, the State(s), and the providers of public transportation shall cooperatively determine their mutual responsibilities in carrying out the metropolitan transportation planning process. These responsibilities to be clearly identified in written agreements among the MPO, the State(s), and the providers of public transportation serving the MPA and that written agreement between all responsible parties should be developed to include specific provisions for the development of financial plans that support the metropolitan transportation plan (LRP) (§450.324), the metropolitan Transportation Improvement Plan (TIP) (§450.326), and development of the annual listing of obligated projects (§450.334);

WHEREAS, on May 27, 2016 49 CFR Part 613 (Metropolitan Transportation Planning; Final Rule) was jointly issued by the Federal Transit Administration (FTA) and the Federal Highway Administration (FHWA) to update regulations governing the development of metropolitan transportation plans and programs for urbanized areas as well as long-range statewide transportation plans and programs to reflect changes resulting from the passage of the Moving Ahead for Progress in the 21st Century Act (MAP-21) and the Fixing America's Surface Transportation (FAST) Act implementing 23 CFR 450.306 Subpart (d):

Performance-based approach - The metropolitan transportation planning process shall provide for the establishment and use of a performance-based approach to transportation decision making to support the national goals described in 23 U.S.C. 150(b) and the general purposes described in 49 U.S.C. 5301(c);

And Subpart (i):

Each metropolitan planning organization shall establish performance targets that address the performance measures or standards established under 23 CFR part 490 (where applicable), 49 U.S.C. 5326(c), and 49 U.S.C. 5329(d) to use in tracking progress toward attainment of critical outcomes for the region of the metropolitan planning organization: and,

WHEREAS, on July 26, 2016, FTA issued a final rule to update regulations contained in 49 CFR Parts 625 and 630 to define the term *state of good repair* and to establish minimum requirements for transit asset maintenance that will apply to all recipients and sub-recipients of federal transit funds requiring public transportation providers to develop and implement transit asset maintenance (TAM) plans;

WHEREAS, on November 24, 1993, the Environmental Protection Agency (EPA) promulgated a final rule (40 CFR 51 and 93) which required MPOs and the United States Department of Transportation (DOT) to make conformity determinations for metropolitan transportation plans and transportation improvement programs (TIPs) before they are adopted, approved, or accepted;

WHEREAS, on November 24, 1993, the Environmental Protection Agency (EPA) promulgated a final rule (40 CFR 51 and 93) which required MPOs and the United States Department of Transportation

(DOT) to make conformity determinations for metropolitan transportation plans and TIPs before they are adopted, approved, or accepted;

WHEREAS, SPC has entered into an agreement with PennDOT, the Pennsylvania Department of Environmental Resources and the Allegheny County Health Department for the Conformity State Implementation Plan;

WHEREAS, nothing in the agreement hereto will alter the provisions of the Conformity State Implementation Plan; and,

WHEREAS, the parties named in the Agreement desire to organize and conduct a continuing, comprehensive, coordinated transportation planning process for the Southwestern Pennsylvania Metropolitan Planning Area, consistent with said Federal Regulations, and with the policies of the Federal Government, the Commonwealth of Pennsylvania and SPC established pursuant thereto.

NOW THEREFORE BE IT RESOLVED that the Southwestern Pennsylvania Commission authorizes its Executive Director to sign the individual Memorandums of Understanding by and between Southwestern Pennsylvania Commission, Pennsylvania Department of Transportation and Operators of Public Transportation in the Southwestern Pennsylvania Metropolitan Planning Area Specifying Cooperative Procedures for Carrying Out Transportation Planning and Programming.

Commissioner Steve Craig moved to approve Resolution 9-18 and Commissioner Chuck Anderson seconded. The affirmative vote was unanimous.

10. Other Business/Announcements – Jim Hassinger

Next Meeting Date – January 28, 2019

11. Adjourn

Commissioner Steve Craig moved to adjourn the meeting of the Southwestern Pennsylvania Commission and Commissioner Pat Fabian seconded. The affirmative vote was unanimous.

Respectfully Submitted

Tony Amadio
Secretary-Treasurer