

Southwestern Pennsylvania Commission
Minutes of the Meeting of
January 25, 2016 – 4:30 p.m.
Two Chatham Center • Suite 400 • 112 Washington Place • Pittsburgh, PA 15219

The one hundred eighteenth meeting of the Southwestern Pennsylvania Commission was called to order by Chairman Chuck Anderson.

Members present were: Tony Amadio, Charles Anderson, Michael Baker, Kevin Boozel, Robert Brooks, Daniel Camp, Tom Ceraso, Gina Cerilli, Daniel Cessna, Dave Coder, Jack Cohen, Joseph Dubovi, III, Sandi Egly, Rich Fitzgerald, Jim Gagliano, Jr., Kim Geyer, Joe Grata, Kelly Gray, Richard Hadley, Lynn Heckman, Diana Irey Vaughn, Fred Junko, Robert Macey, Larry Maggi, Jeff Marshall, Robbie Matesic, David Miller, Erin Molchany, Leslie Osche, John Paul, William Peduto, Johnna Pro, Mavis Rainey, Michael Silvestri, Byron Stauffer, Jr., Joe Szczur, Archie Trader, Christopher Wheat (via phone), and Blair Zimmerman.

Members absent were: Vonne Andring, Scott Bricker, Ricky Burgess, Steve Craig, Robert Del Signore, Pat Fabian, Theresa Garcia-Crews, Sherene Hess, Ted Kopas, Clifford Levine, Kevin McCullough, Amy McKinney, Ellen McLean, Laura Mohollen, Richard Palilla, Jason Renshaw, James Ritzman, Rodney Ruddock, Aurora Sharrard, Daniel Shimshock, Harlan Shober, Renee Sigel George Skamai, James Struzzi, Edward Typanski, Vincent Vicites, Daniel Vogler, Dwan Walker, and Angela Zimmerlink.

Others: Grant Ervin, City of Pittsburgh; James Hill, Pittsburgh; Joel MacKay, Butler County Planning Commission; and Jason Rigone, Westmoreland County Industrial Development Corporation.

Staff: Jim Hassinger, Kirk Brethauer, Dominic D’Andrea, Linda Duffy, Chuck Imbrogno, Tom Klevan, Vince Massaro, Shannon O’Connell, Matt Pavlosky, Doug Smith, Kay Tomko, Lew Villotti and Andy Waple.

Vice Chairman Anderson reported that Chairman Steve Craig was not able to attend the meeting due to a death in his family. He was asked to preside over the meeting in his absence.

1. Vice Chairman Anderson called to order the January 25, 2016 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 December 14, 2015 Meeting

A motion was made to approve the minutes of the December 14, 2015 meeting by Commissioner Zimmerman which was seconded by Chief Executive Rich Fitzgerald. The affirmative vote was unanimous.

3. Public Comment – None.

4. Report of Nominating Committee and Action on Resolutions 1-16 to Elect an Executive Committee and 2-16 to Elect Officers of the Commission for Years 2016 and 2017 – Bob Brooks

Mayor Brooks explained that the Executive Committee is comprised of one person from each county and the City of Pittsburgh and three at-large members. The three at-large members are Ricky Burgess, Gina

Cerilli and Lynn Heckman. Also, James Ritzman will represent PennDOT, Erin Molchany will represent the Governor's Office, and Johnna Pro will represent the Department of Community and Economic Development.

A motion was made to approve Resolution 1-16 by David Miller which was seconded by Jim Gagliano, Jr. The affirmative vote was unanimous.

Vice Chairman Anderson explained that the officers are elected to serve two year terms and move up in succession.

A motion was made to approve Resolution 2-16 by Fred Junko which was seconded by Bob Macey. The affirmative vote was unanimous.

Jim Hassinger said that at this time Vice Chairman Chuck Anderson will take over the presiding of the meeting as newly elected Chairman.

5. Action on Resolution 3-16 to Honor the Services of Outgoing Chairman Steve Craig – Jim Hassinger/Chuck Anderson

A motion was made to approve Resolution 3-16 by Jim Gagliano, Jr. which was seconded by Joe Grata. The affirmative vote was unanimous.

6. Financial Report – Vincent Massaro

Mr. Massaro reported on the financials for the fiscal period ending December 31, 2015, which includes the approved budget and reflects the operations of the Commission and the Corporation. The detailed financial report is included in today's meeting packet.

Total project related revenues year to date are \$6.6M of a total budget of \$12.5M which reflects 53% of the budget recognized and encumbered to date. All of our federal, state and local funding agreements have been fully executed except for two, the PREP grant and the DCED-Export 2000 grant. Both are waiting for passage of the state budget. The first installment billings for the member governments have been mailed. The second installment request will go out at the end of March 2016.

Total carry-over project related revenues of \$160,550 is a PennDOT project for the Regional Freight Plan that was carried over from fiscal year 2014-2015 and is scheduled to be completed by June 30, 2016.

The total expenditures encumbered to date are \$6.8M of the budget of \$12.5M which reflects 53% of the budget recognized.

Bob Macey moved to accept the financial report and Erin Molchany seconded. The Commission accepted the financial report as presented.

7. Transportation Improvement Program (TIP) Status Report – Doug Smith

Doug Smith explained that this is the time every other year that we submit a draft TIP to PennDOT. He highlighted some of the provisions of the FAST Act which is the federal government's new transportation legislation that passed on December 4, 2015. It replaces the MAP-21 federal legislation. It's a five-year bill (FY 2016-2020), which is the first long-term bill we've had in a number of years, so it helps provide some stability for transportation planning and programming. On the down side, it didn't do anything to fix the structural deficit related to the Highway Trust Fund. There are a lot of short term solutions to generate

money to pay for this bill, but it doesn't do anything to fix the underlying problems of keeping up with the federal expenditures related to the Highway Trust Fund. At the end of this federal legislation we'll be back at the same place we were before trying to figure out how to find long-term sustainable funding for transportation.

Doug reported that federal funding is up about 5% in the first year of the FAST Act and then increases about 2% per year after that, so the federal dollars do go up. This exacerbates the underlying issue with the Highway Trust Fund though and will actually put us in a worse position five years down the road, because we're spending more money now than we were before, thus increasing the structural deficit.

In terms of what it means overall for Pennsylvania, it is an increase of about \$650M statewide in additional funding for years 2017-2020. Of this \$650M, the SPC region is expected to get about \$100M additionally for highway and bridge funding over the course of the next TIP. Our 4-year program is about \$1.6B for highways and bridges. On the transit side, there is about \$50M additional monies set aside for our region. In terms of the overall 4-year TIP, funding is split about 50-50 between highway and bridges and transit for the SPC region, with the 4-year transit program at about \$1.8B.

Doug explained that since the last Commission meeting additional work sessions were held with the Counties and PennDOT Districts. Included in the packet is a detailed schedule of the overall process. It also includes an overview of some of the key projects around the region that are on the current Draft TIP and a summary of the overall investment patterns. The current Draft TIP comes pretty close to meeting the structurally deficient bridge investment target of 57% that was laid out in PennDOT's investment plan.

Doug then reviewed the recommended program of projects for the regional Congestion Mitigation Air Quality Program and the regional Transportation Alternatives Program.

Doug provided information on PennDOT's recently released discretionary funding decisions. He explained that discretionary set-asides have grown significantly in recent years. Based on the draft lists provided by PennDOT, SPC is currently set to receive \$76.5M in discretionary funding for the 2017-2020 TIP. This is \$424M less than SPC would receive if those discretionary funds were distributed using needs-based formulas. Much of the discretionary funding is being focused on one or two corridors, including a long-term commitment of over \$1B for the I-83 corridor in Central Pennsylvania. This has a really large impact on funding statewide and will affect the next three or four TIP update cycles. Right now there aren't any commitments in our region beyond 2020 in terms of discretionary funding.

Doug pointed out that we have been doing the right thing for a long time now. For the past 10 years or more, we've been investing a lot of money into structurally deficient bridges, which is the right thing to do. But in order to do that, we've lost some ground on roadway maintenance and we've had to set aside some other important projects for the region. Doug presented a list of projects on the Draft TIP that are not fully funded. The region is doing its part to move these projects, but will have difficulty fitting the construction phases on the next TIP in order to get them delivered. So we have our own list of projects that could really use some discretionary funding to help get them delivered. Some effort is needed on our part to make sure those concerns are heard and to make sure we get some of that discretionary funding targeted to our region.

The Draft TIP has been submitted and will be under review by PennDOT Central Office over the next couple months. In March we will begin the air quality conformity testing, and we'll begin the public comment period in May. The TIP will be ready for Commission adoption at the end of June. The TIP goes into effect October 1.

Chairman Anderson commented that we need to develop a strategy going forward to address these concerns with the PennDOT Secretary. SPC staff will work to set that up.

Chairman Anderson asked Doug to talk about a competition that the City of Pittsburgh is pursuing. Doug said that included in the FAST Act was something called the Smart Cities Challenge. It's a nationwide competition where USDOT will be awarding \$40M in federal funding to one mid-sized city. Then there's additional funding that's being kicked in from a couple of different private sector firms. The focus is on spurring innovation and new technology and advancing ideas for what the future of cities might be in terms of transportation and technology. The City of Pittsburgh has put together an application to pursue this opportunity. SPC just recently updated the regional ITS Architecture, which puts us in a good position in terms of being able to support the City's effort and help them move forward if they're successful in getting this funding.

Mayor Peduto explained that this is not a typical road construction or light rail extension or other thing you usually think about with a federal transportation grant. It's about what the city of tomorrow will look like. It goes beyond transportation into energy, technology, and other sectors. We're partnering with energy groups, Peoples Gas and Duquesne Light and the University of Pittsburgh to create district energy zones around the redevelopment of the old Civic Arena site and Lower Hill, the redevelopment of Hazelwood, the foundation community, downtown and North Side. We're overlapping that with the county and our T system that would connect the downtown to Oakland in that same geographic footprint. We've had initial outreach about creating autonomous vehicle transportation between Hazelwood and Carnegie Mellon's campus and partnering with CMU on technology to create run time data, traffic signalization and sensor detection throughout the area between the rivers. In talking with other cities, I think we have an opportunity. The opportunity is only given to cities between certain populations. They are looking at a smaller population in order to actually get this thing done. The actual advantage in this is we will be able to combine energy with transportation and technology. We have about a dozen corporate, foundation, county, and non-profit institution partners to be able to be part of the application process.

Grant Ervin thanked SPC staff for the assistance that they have been able to deliver. Doug and Dom were able to join us for a brainstorming session that convened a couple of weeks ago. Thanks also to District 11, Dan, for your support. It is really appreciated.

Grant also said another part of the offering is an emergency detection device for transit vehicles that will be made available to the winning city. One of the things we're interested in building into our application is connection with all of the regional transit providers to make that an offering available beyond just the Port Authority, but also for those in the region that travel on our City of Pittsburgh streets. It's also an opportunity to integrate systems so this idea that we can connect energy, transportation and information communication technology architecture together is making our heads explode because of the complexity that is a part of it. One of the things we have discovered through this process is that we started out in a transportation project, which first was going to be about street lights and traffic signals, but it's also about broadband, it's also about energy, and it's about electric vehicle charging. So we've started to weave together a host of partnerships with different organizations throughout the region to pull together the application. The key thing we have to keep in mind is that it's about people.

Johnna Pro asked about the communities that were selected under the Transportation Alternatives Program. Doug said we get a lot of calls for projects through TAP. We have an open call for projects that we put out through our distribution list including the county planning departments to encourage municipalities to apply. However, this time around we also provided a few workshops around the region to educate potential applicants about project delivery. One of the issues with these types of programs is that sometimes it's easier to get the money than it is to spend the money. Municipalities may put in a project application for \$50,000 or \$100,000 to build sidewalks for example, but when they get into the project and realize what is entailed when you're dealing with federal money, they find out that it's going to take longer and will cost you more than you thought it was. So we had some workshops around the region to try to help sponsors understand that and help put their applications together. SPC has established criteria that is used to

evaluate the consistency of these projects with the Long Range Plan and some other factors. We also share all the project lists with our Transportation Technical Committee (TTC) and they do a review for project deliverability. How likely will this project sponsor be to get this project built? We take all of these factors into consideration and do a project ranking that the TTC then makes a recommendation on.

Ms. Pro then asked how often does this opportunity come up for communities. Doug said every two years when we do a TIP update.

Mr. Ceraso spoke to SPIKE funding. When you compare this to everything else that we're doing here, everything else is peanuts. It would have been nice to know before the decision was made, but he thinks there is a lot that we can do to try to get other funding straight and do things we have to do as a region. For a PennDOT District to get a zero for SPIKE funding is criminal. There are three PennDOT districts here who work for Central Office and for the Secretary. They can advocate as much as they can try for their Districts to a point because they're advocating to their bosses. We don't work for PennDOT. If you don't advocate for transportation dollars for this region, do you realize how far behind that puts us for the next 20 or 30 years? You're never going to make that up. Today is the day to start formulating a plan doing what we need to do. Harrisburg needs to know. If we don't vote for the TIP, there is no TIP. We need to advocate because to have a billion dollars given to two parts of the state for the next 10 or 15 years, it's not coming here. There's only so much money and it's pitiful that this region got the small amount of money that they got. When you look at infrastructure, there is such a need that is not going to be met because of this. We need to start today. We need to do what we can. We need to be aggressive. We need not worry about hurting other people's feelings. We need to get our share of the money. If we don't get our share of the money, every year we're going backwards. We were put here to advocate for the region. We want as much funding as we can get. We all have to stick together to try to fight for it.

Chairman Anderson said we have to develop a strategy and prioritize and see where we need to go, and then we need to pursue that. Then get on the horse and ride to Harrisburg and do whatever we need to do to make that happen.

Commissioner Zimmerman reminded people that there was a county below Washington County and that was Greene County. Contrary to what some may believe Greene County is not part of West Virginia. Greene County expects to have its share in this too.

8. SPC Annual Report – Jim Hassinger

The Annual Report for the most recent year was distributed at the meeting. Jim Hassinger said the annual report is for the fiscal year ending last July and is audit approved. He said that inside were more details about specifics of the transportation planning program. TIP projects that have been advanced during this period of time. It includes a discussion about how we put together the recent new Long Range Plan project and the Plan itself. The work that was done includes prioritizing \$14 billion dollars of bridge and highway projects and another \$14 billion dollars in transit. The report also includes the work with our members, partners and PennDOT operations and safety where we've been involved in providing millions of dollars of help for upgrading and coordinating municipal traffic signals. It includes special projects where we've been involved with partners, such as the city and Carnegie Mellon with the Suretrac intelligent traffic control system, the smart system for transit transportation signals.

The report is not just about transportation, but also all the information that goes into the planning is part of our data system that we maintain along with the Census Bureau and analytical tools that we use to make it easier to understand for people that are involved in local project development. There are things in here that we don't talk about all the time that are really important to understanding the condition of the system like

the Highway Performance Monitoring System. And the research we do that results in things like knowing specifically for the first time where exactly and what kind of condition the thousands of local bridges are in.

The Planning and Development portion includes loan programs, working with our partners in Regional Economic Performance like Catalyst Connection and our members along with special projects that we've done for economic opportunity analysis. For example, in the corridor that could be hosting a cracker plant with detailed work identifying industrial facilities opportunities.

Jim also mentioned that there is another summary report for Mapping the Future: The Southwestern PA Plan. It's a quick review what the region has in assets in the Long Range Plan. The region includes one of the most significant cities of a major metro in the country which is getting more and more recognition because of its innovation. It's also a very diverse region that the Plan deals with. It includes thousands of farms and businesses over 7,000 square miles.

We talk a little bit about the kind of investment that is accounted for in the Long Range Plan through 2040 including the near \$30 billion we are prioritizing in our transportation facilities. There are a lot of details in the Plan and the short range TIP and the Unified Planning Work Program. Jim said we'd be happy to meet with members and new members to go into detail about the operation of the Commission and the priority projects established in the Plan.

9. Action on Resolution 4-16 to Authorize Submission of the Draft 2016-2018 Unified Planning Work Program (UPWP) to the Appropriate Funding Agencies

Doug said every two years we submit a Unified Planning Work Program which is our 2-year contract with PennDOT outlining all of the planning activities that SPC plans to undertake over the next two years. Now is the time to submit that as well.

Most of the planning requirements for the FAST Act stayed the same as what was in MAP-21. There is no decrease in emphasis on performance-based planning. New areas that have been emerging as important focus areas such as resiliency and reliability show up more prominently in FAST. Travel and tourism is a new planning factor in the FAST Act. It's something that we've always taken a look at as a part of our Long Range Plan, because of the integration we have here at SPC between economic development and transportation. The big emphasis for the FAST Act is freight. That's good for us, because we're in the middle of working on our regional freight program now, which will set us up for the coming years to really build on the local freight program that we have. Another new planning factor is intercity transportation, such as intercity bus and intercity rail with Amtrak. We assume the planning funds available to us over the two-year period will remain flat. We have not heard from PennDOT in terms of how they plan to use the additional PL money in the FAST Act. There is a chance SPC could get an additional \$500,000 in PL funds, which is pretty significant. It does require a 20% match which is a challenge for the MPOs. The source of planning funds mainly comes from the Federal Highway Administration, but there are also Federal Transit Administration funds.

A couple of key initiatives we have built into the draft UPWP for the next two years are:

Plans & Programs – *Mapping the Future* Implementation, Planning & Environmental Linkages, Local Project Delivery and 2019 TIP Update.

Multimodal Planning – Regional Active Transportation Plan, ATWIC CTP Implementation, Transit Development Plans, Corridor Planning, Regional Freight Plan Implementation

Operations & Safety – Regional Traffic Signal Program, ITS Architecture Website, Road Safety Audits, Traffic Incident Management Program

Data & Modeling – Next Gen Travel – Demand & Economic Modeling, HPMS, Regional Aerial Photography

Outreach & Coordination – Public Participation Panels, Website Enhancements

Ms. Heckman moved to approve Resolution 8-15 and Commissioner Maggi seconded. The affirmative vote was unanimous.

10. Appoint 2017 Nominating Committee – Chuck Anderson

Chairman Anderson said the slate of nominees for the 2017 Nominating Committee includes Mayor Brooks of Westmoreland County, Chairman; Lynn Heckman, Allegheny County, Rich Palilla, Armstrong County, Kelly Gray, Beaver County, Rich Hadley, Butler County, Joe Grata, Fayette County, Robbie Matesic, County, Byron Stauffer, Jr., Indiana County, James Gagliano, Jr., Lawrence County, Michael Silvestri, Washington County and Mavis Rainey, City of Pittsburgh.

Commissioner Amadio moved to approve the 2017 Nominating Committee and Commissioner Baker seconded. The affirmative vote was unanimous.

11. Other Business/Announcements

Jim Hassinger announced that immediately following adjournment of this meeting we will go into the Annual Meeting of the Corporation Members. Members of the Corporation are all voting members of the Commission. They will meet to elect the Board of the Corporation.

Dave Miller inquired about any plans for a Commissioner’s Retreat. Jim said we’re currently looking into a full Commission workshop. We’re also going to reach out individually to the Commission members for an orientation.

Chairman Anderson thanked Keith Staso who has served on this board since 2014 and is stepping down. He’s attended a lot of meetings and he came up with a lot of great ideas and we’re sorry to see him depart. His Certificate of Appreciation will be mailed to him in his absence.

Next Meeting Date – March 28, 2016

12. New Business - None

13. Adjourn to Corporation Members Annual Membership Meeting

Commissioner Macey moved to adjourn the meeting of the Southwestern Pennsylvania Commission and Mayor Peduto seconded. The affirmative vote was unanimous.

Respectfully Submitted

Rich Fitzgerald
Secretary-Treasurer